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Counsel to Bay 9 Holdings LLC

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re: Northwest Senior Housing Corporation, <i>et al.</i> , ¹ Debtors.	Chapter 11 Case No. 22-30659 (MVL) (Jointly Administered)
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**BAY 9 HOLDINGS LLC'S WITNESS AND EXHIBIT LIST FOR
HEARING ON FEBRUARY 21, 2023 AT 9:30 A.M. (CT)**

Bay 9 Holdings LLC ("Bay 9"), as the purchaser of substantially all of the Debtor's assets in the above-captioned cases, hereby files its designation of witnesses and exhibits (the "Witness and Exhibit List") for the hearing scheduled to commence on February 21, 2023, at 9:30 a.m. (CT) (the "Confirmation and Sale Hearing") before the Honorable Michelle V. Larson at the United States Bankruptcy Court for the Northern District of Texas:

A. WITNESSES

1. Kjerstin Hatch, President, Bay 9 Holdings LLC;

¹ The Debtors in the Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number, are Northwest Senior Housing Corporation (1278) and Senior Quality Lifestyles Corporation (2669). The Debtors' mailing address is 8523 Thackery Street, Dallas, Texas 75225.



2. Kjerstin Hatch, Managing Member of Lapis-GP LLC, as general partner of Municipal Opportunities Fund IV LP;
3. David Lawlor, President/CEO, The Long Hill at Edgemere LLC; and
4. Timothy Winnecke, Senior Project Manager, ARCH Consultants, Ltd.

Bay 9 reserves the right to call any witness designated by any other party.

B. EXHIBITS

Bay 9 Exhibits	Description of Exhibit	Offered	Objection	Admitted
1.	Bay 9 Holdings LLC Organization Chart			
2.	Truro Holdings LLC Certificate of Formation			
3.	Truro Holdings LLC Certificate of Amendment			
4.	Bay 9 Holdings LLC Operating Agreement			
5.	Bay 9 Holdings LLC Certificate of Incumbency			
6.	Bay 9 Holdings LLC Consent of Sole Member			
7.	Adequate Assurance Letter (Dated December 16, 2022)			
8.	Capital Commitment Letter to Bay 9 (dated February 13, 2023)			
9.	First Republic Bank Statement, dated February 16, 2023			
10	Edgemere Business Planning Analysis			
11	The Long Hill Company Statement of Qualifications			
12	Long Hill at Edgemere Consulting Agreement			
13	Long Hill Business Planning Analysis			
14	Property Conditions Assessment by ARCH Consultants, Ltd. (dated January 4, 2023)			
15	ASTM E2018 – 15: Standard Guide for Property Condition Assessments: Baseline Property Condition Assessment Process			

Bay 9 reserves the right to rely upon and use as evidence (i) any additional documents produced by the debtor, creditors and/or parties in interest, (ii) exhibits included on the exhibit lists of any other parties in interest or any documents that may be produced by such parties in interest,

and (iii) any pleading, hearing transcript, or other document filed with the Court in the above-captioned cases. Bay 9 reserves the right to use exhibits not listed herein for impeachment purposes at the Confirmation and Sale Hearing.

Dated: February 16, 2023

Respectfully submitted,

LOCKE LORD LLP

/s/ Matthew H. Davis

Matthew H. Davis
2200 Ross Avenue, Suite 2800
Dallas, Texas 75201
T: 214-740-8000
F: 214-740-8800

Adrienne K. Walker (admitted *pro hac vice*)
Chelsey Rosenbloom List (admitted *pro hac vice*)
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awalker@lockelord.com
chelsey.list@lockelord.com

Counsel to Bay 9 Holdings LLC

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on February 16, 2023, a true and correct copy of the foregoing Witness and Exhibit List was served via electronic notification upon all parties that are registered or otherwise entitled to receive electronic notices in these cases pursuant to the ECF procedures in this District.

/s/ Matthew H. Davis

Matthew H. Davis

Exhibit 1

Bay 9 Holdings LLC Organization Chart

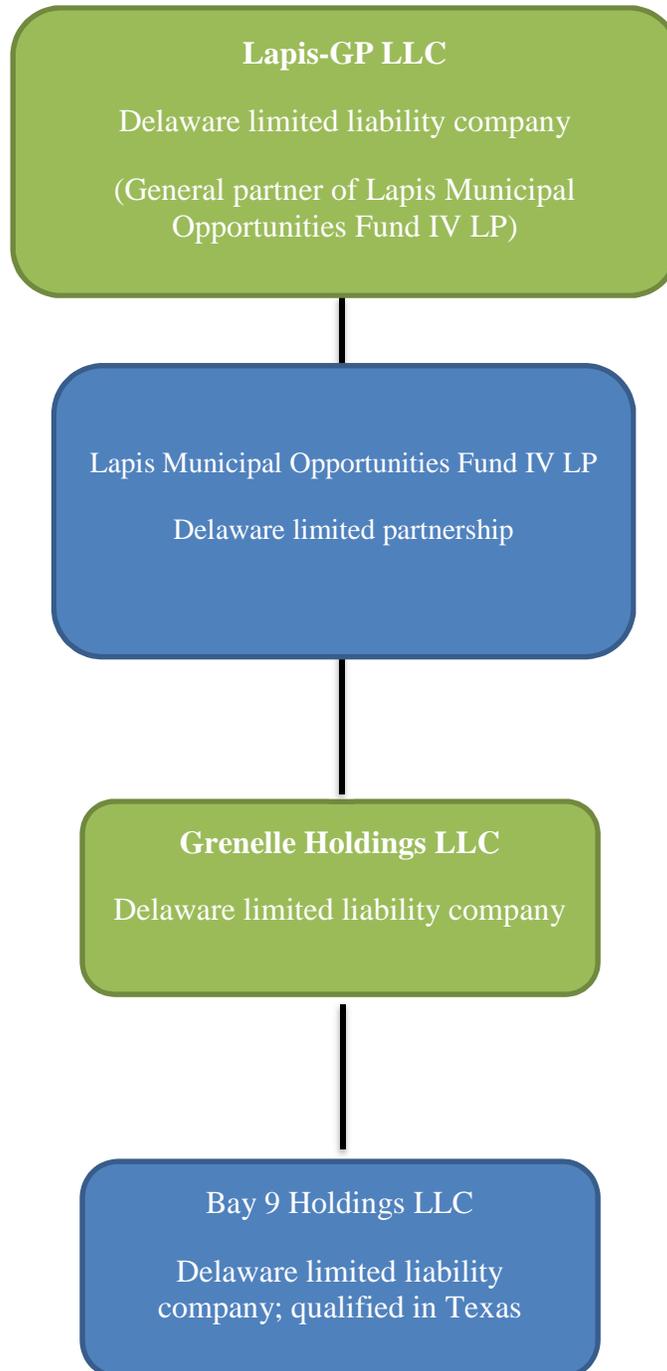


Exhibit 2

State of Delaware
Secretary of State
Division of Corporations
Delivered 09:47 AM 10/26/2022
FILED 09:47 AM 10/26/2022
SR 20223862457 - File Number 7103428

CERTIFICATE OF FORMATION
OF
TRURO HOLDINGS LLC

- 1 The name of the limited liability company is "Truro Holdings LLC" (the "Company").
- 2 The address of the registered office of the Company is c/o Delaware Corporations LLC, 1000 N West Street, Suite 1501, City of Wilmington, County of New Castle, Delaware 19801.
- 3 The name and address of the registered agent for service of process of the Company required to be maintained by Section 18-104 of the Delaware Limited Liability Company Act is Delaware Corporations LLC, 1000 N West Street, Suite 1501, City of Wilmington, County of New Castle, Delaware 19801.

Executed this 26th day of October, 2022

By:

/s/ Jonathan Baum
Jonathan Baum
(Authorized Person)

BAY000003

Exhibit 3

Delaware

Page 1

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "TRURO HOLDINGS LLC", CHANGING ITS NAME FROM "TRURO HOLDINGS LLC" TO "BAY 9 HOLDINGS LLC", FILED IN THIS OFFICE ON THE TWENTY-SEVENTH DAY OF OCTOBER, A.D. 2022, AT 10:56 O`CLOCK A.M.




Jeffrey W. Bullock, Secretary of State

7103428 8100
SR# 20223874526

Authentication: 204717408
Date: 10-27-22

You may verify this certificate online at corp.delaware.gov/authver.shtml

BAY000012

State of Delaware
Secretary of State
Division of Corporations
Delivered 10:56 AM 10/27/2022
FILED 10:56 AM 10/27/2022
SR 20223874526 - File Number 7103428

STATE OF DELAWARE
CERTIFICATE OF AMENDMENT

1 The name of the limited liability company is "Truro Holdings LLC" (the "Company").

2 The Certificate of Formation of the Company is hereby amended as follows:

Paragraph 1 of the Certificate of Formation is hereby deleted in its entirety and replaced by the following:

"1 The name of the limited liability company is "Bay 9 Holdings LLC" (the "Company").

Executed this 27th day of October, 2022

By:

/s/ Jonathan Baum
Jonathan Baum
(Authorized Person)

Exhibit 4

OPERATING AGREEMENT

OF

GRENELLE HOLDINGS LLC

THIS OPERATING AGREEMENT is made and entered into effective for all purposes as of the 27th day of October, 2022, by Lapis Municipal Opportunities Fund IV LP, a Delaware limited partnership (the "Member").

WHEREAS, the Member caused Grenelle Holdings LLC, to be formed as a single member limited liability company pursuant to a Certificate of Formation filed on October 27, 2022 with the Office of the Secretary of State of the State of Delaware.

NOW, THEREFORE, the Member, intending to be legally bound, hereby agrees as follows.

SECTION 1 DEFINITIONS

Capitalized words and phrases used in this Operating Agreement have the following meanings:

"Act" means the Delaware Limited Liability Company Act, 6 Del. C. §18-101, *et seq.*, as amended from time to time (or any corresponding provisions of succeeding law).

"Affiliate" means, with respect to any Person (i) any individual, corporation, limited liability company, partnership, trust, or other legal entity directly or indirectly controlling, controlled by or under common control with such Person, (ii) any officer, director, general partner, member, or trustee of such Person or (iii) any individual who is an officer, director, general partner, member, or trustee of any Person described in clauses (i) or (ii) of this sentence. For purposes of this definition, the terms "controlling," "controlled by" or "under common control with" shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise, or the power to elect at least fifty percent (50%) of the directors, general partners, members, or persons exercising similar authority with respect to such Person.

"Agreement" or **"Operating Agreement"** means this Operating Agreement of Grenelle Holdings LLC, as amended, supplemented, or restated from time to time, which shall constitute the limited liability company agreement of the Company for all purposes of the Act. Words

such as "herein," "hereinafter," "hereof," "hereto" and "hereunder" refer to this Agreement as a whole, unless the context otherwise requires.

"Bankruptcy" means, with respect to any Person, a **"Voluntary Bankruptcy"** or an **"Involuntary Bankruptcy."** A **"Voluntary Bankruptcy"** means, with respect to any Person (i) the inability of such Person generally to pay its debts as such debts become due, or an admission in writing by such Person of its inability to pay its debts generally or a general assignment by such Person for the benefit of creditors, (ii) the filing of any petition or answer by such Person seeking to adjudicate itself as bankrupt or insolvent, or seeking for itself any liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of such Person or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking, consenting to, or acquiescing in the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for such Person or for any substantial part of its property or (iii) corporate or other action taken by such Person to authorize any of the actions set forth above. An **"Involuntary Bankruptcy"** means, with respect to any Person, without the consent or acquiescence of such Person, (i) the entering of an order for relief or approving a petition for relief or reorganization or any other petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or other similar relief under any present or future bankruptcy, insolvency or similar statute, law or regulation, (ii) the filing of any such petition against such Person which petition shall not be dismissed within ninety (90) days, or (iii) without the consent or acquiescence of such Person, the entering of an order appointing a trustee, custodian, receiver or liquidator of such Person or of all or any substantial part of the property of such Person which order shall not be dismissed within ninety (90) days. The foregoing is intended to supersede and replace the events listed in Sections 18-304(a) and (b) of the Act.

"Certificate" means the Certificate of Formation filed with the Secretary of State of the State of Delaware pursuant to the Act to form the Company, as originally executed and as amended, modified, supplemented, or restated from time to time, as the context requires.

"Company" means the limited liability company, known as Grenelle Holdings LLC, formed pursuant to this Agreement and the Certificate.

"Effective Date" means October 27, 2022.

"Indemnified Person" means the Member, any Managing Director or officer of the Company, and any Affiliate which performs services for the benefit of the Company, each of their respective partners, officers, directors, shareholders, members or employees and such other Persons as the Member may designate from time to time, in its sole and absolute discretion.

"Liquidator" means the Member or such other Person appointed by the Member acting in the capacity of liquidating trustee of the Company.

"Member" means Lapis Municipal Opportunities Fund IV LP, or any Person who is admitted as a Member pursuant to the terms of this Agreement. **"Members"** means all such Persons.

"Person" means any individual, partnership (whether general or limited), limited liability company, corporation, trust, estate, association, nominee, or other entity.

"Property" means all real and personal property acquired by the Company, including cash, and any improvements thereto, and shall include both tangible and intangible property.

SECTION 2 THE COMPANY

2.1 Name.

The name of the Company is Grenelle Holdings LLC, and all business of the Company shall be conducted in such name or in such other name as the Member may designate.

2.2 Purpose; Powers.

(a) The primary purpose and nature of the business to be conducted by the Company is to engage in any and all activities and exercise any power permitted to limited liability companies under the laws of the State of Delaware.

(b) The Company shall have the power to do any and all acts necessary, appropriate, proper, advisable, incidental, or convenient to or in furtherance of the purposes of the Company set forth in this Section 2.2 and has, without limitation, any and all powers that may be exercised on behalf of the Company by the Member pursuant to Section 6 hereof.

2.3 Principal Place of Business; Agent for Service of Process.

(a) The principal place of business of the Company shall be located at such place as is determined by the Member.

(b) The registered agent for service of process on the Company in the State of Delaware shall be Corporation Service Company or any successor as appointed by the Member in accordance with the Act. The address for the registered agent shall be:

1000 N West Street, Suite 1501
City of Wilmington
County of New Castle
Delaware 19801

(c) The initial registered office of the Company in the State of Delaware is:

1000 N West Street, Suite 1501
City of Wilmington
County of New Castle
Delaware 19801

The Company may maintain other offices, as determined by the Member.

2.4 Term.

The term of the Company commenced on the date the Certificate was filed in the Office of the Secretary of State of the State of Delaware in accordance with the Act. The Member intends that the existence of the Company shall continue until the earlier to occur of (i) the winding up and liquidation of the Company and the completion of its business following a Dissolution Event, as provided in Section 7.1 hereof or (ii) fifty (50) years from the date on which the term of the Company commenced.

2.5 Title to Property.

All Property owned by the Company shall be owned by the Company as an entity, and no Member shall have any ownership interest in such Property in its individual name, and each Member's interest in the Company shall be personal property for all purposes. At all times after the Effective Date, the Company shall hold title to all of its Property in the name of the Company or a wholly owned subsidiary and not in the name of any Member.

2.6 Payments of Individual Obligations.

The Company's credit and assets shall be used solely for the benefit of the Company, and no asset of the Company shall be transferred or encumbered for, or in payment of, any individual obligation of any Member.

**SECTION 3
CAPITAL CONTRIBUTIONS AND OTHER MATTERS**

3.1 Capital Contributions.

As of the Effective Date, the Member has agreed to make an initial capital contribution in cash to the Company, in the amount of One Hundred Dollars (\$100). In consideration of its initial capital contribution, the Member has received one hundred percent (100%) of the membership interests in the Company. The Member may, but shall not be required to, make subsequent capital contributions to the Company.

3.2 Other Matters.

(a) The Member shall not receive any interest, salary or drawing with respect to its capital contribution or for services rendered on behalf of the Company or otherwise, in its capacity as a Member, except as otherwise provided in this Agreement.

(b) The Member shall not be liable for the debts or any other obligations of the Company, nor shall the Member be required to guarantee any debts, liabilities, contracts, or obligations of the Company.

(c) The Member shall not be required to lend any funds to the Company, except as otherwise provided herein.

(d) The Member shall not receive any salary or other compensation for services rendered on behalf of the Company.

**SECTION 4
PROFIT, LOSS, INCOME AND DEDUCTIONS**

4.1 Determination of Profit and Loss.

The profit and loss of the Company shall be determined in accordance with the accounting methods followed for federal income tax purposes and otherwise in accordance with sound accounting principles and procedures applied in a consistent manner. An accounting shall be made for each taxable year by the accountants employed by the Company as soon as possible after the close of each such taxable year to determine the profit or loss of the Company, which shall be credited or debited, as the case may be, to the Member.

4.2 Allocation of Profits, Losses, Income and Deductions; Distributions.

One hundred percent (100%) of the profits, losses, income, and deductions of the Company shall be allocated to the Member. The Member may make distributions of cash or other assets to the Member from time to time in its discretion, and shall make a distribution to the Member upon any written request therefor from the Member.

**SECTION 5
ADMISSION OF ADDITIONAL MEMBERS**

5.1 Admission of Additional Members.

The Member may admit additional members to the Company as it deems appropriate in its sole discretion. In the event the Member determines to admit additional members to the Company, such additional members shall be bound by this agreement, any of the provisions of which may be amended or modified to take into account such additional members as agreed by the Member and the additional members.

**SECTION 6
MANAGEMENT AND INDEMNIFICATION**

6.1 Member Management.

The business and affairs of the Company shall be managed by the Member. The Member in its capacity as the manager of the Company shall have full, exclusive, and complete discretion, power, and authority, subject in all cases to the provisions of this Agreement and the requirements of applicable law, to manage, control, administer and operate the business and affairs of the Company for the purposes herein stated, to make all decisions affecting such business and affairs, to adopt such accounting rules and procedures as it deems appropriate in the conduct of the business and affairs of the Company and to do all things it deems necessary or desirable in the conduct of the business and affairs of the Company. The Member may appoint and delegate responsibilities to such officers and other agents as it deems appropriate in its sole discretion.

6.2 Officers.

That the following named individuals be and they hereby are elected officers of the Company, each to hold the office set forth opposite his/her name until a successor is duly chosen and qualified or until such officer sooner dies, resigns, is removed or becomes disqualified:

President: Kjerstin Hatch

Treasurer: Basia Terrell

Secretary: Frank Chavez

6.3 Indemnification of the Indemnified Persons.

The Company shall defend, indemnify, and save harmless each Indemnified Person for all loss, liability, damage, cost, or expense (including reasonable attorneys' fees) incurred by reason of any demands, claims, suits, actions, or proceedings arising out of (a) the Indemnified Person's relationship to the Company or (b) such Indemnified Person's capacity as the Member or an officer, except for such loss, liability, damage, cost, or expense as arises out of the theft, fraud, willful misconduct, or gross negligence by such Indemnified Person. Expenses incurred in defending a civil or criminal action suit or proceeding shall be paid by the Company in advance of the final disposition of such action, suit or proceeding, and not less often than monthly upon receipt of an undertaking by and on behalf of the Indemnified Person to repay such amount if it shall be ultimately determined that he or she is not entitled to be indemnified by the Company.

**SECTION 7
DISSOLUTION AND WINDING UP**

7.1 Dissolution Events.

The Company shall be dissolved and its affairs wound up upon the expiration of the term of the Company as provided in Section 2.4 or upon the happening of any of the following:

- (a) the sale or disposition of all or substantially all of the Company assets, and the distribution of the proceeds thereof to the Member;
- (b) the decision by the Member to dissolve;
- (c) the occurrence of an event that makes it unlawful for the Company's business to be continued;
- (d) the entry by a court of competent jurisdiction of a decree of judicial dissolution; or
- (e) the liquidation, dissolution, or Bankruptcy of the Member.

7.2 Winding Up.

Upon dissolution under Section 7.1, no further business shall be conducted by the Company except for the taking of such action as shall be necessary for the winding-up of the affairs of the Company and the distribution of its assets to the Member pursuant to the provisions hereof, and thereupon the Member shall act as the Liquidator of the Company within the meaning of the Act and immediately proceed to wind up and terminate the business and affairs of the Company.

7.3 Sale of Company Assets.

Upon dissolution, the Liquidator shall sell such of the Company assets as it deems necessary or appropriate. In lieu of the sale of any or all of the Company Property, the Liquidator may convey, distribute, and assign all or any part of Company Property to the Member in such form of ownership as shall be determined by the Liquidator to be applicable to the jurisdiction where the Property is located. A full accounting shall be made of the accounts of the Company and of the Company's assets, liabilities, and income, from the date of the last accounting to the date of such dissolution.

7.4 Distribution of Assets.

The Liquidator shall apply the remaining Company assets, in the following order of priority:

(a) first, to the payment and discharge of, or the making of reasonable provisions for, all of the Company's debts and liabilities to Persons other than the Member, including contingent, conditional and unmatured liabilities of the Company, and the expenses of dissolution and winding-up, in the order of priority as provided by law, including the establishment of a reserve fund for contingent, conditional and unmatured claims as deemed necessary and reasonable by the Liquidator;

(b) second, to the payment and discharge of, or the making of reasonable provisions for, all of the Company's debts and liabilities to the Member; and

(c) third, all remaining assets to the Member.

SECTION 8 MISCELLANEOUS

8.1 Variation of Terms.

All terms and any variations thereof shall be deemed to refer to masculine, feminine, or neuter, singular or plural, as the identity of the Person or Persons may require.

8.2 Governing Law.

The laws of the State of Delaware (other than the choice of law provisions thereof) shall govern the validity of this Agreement, the construction of its terms, and the interpretation of the rights and duties arising hereunder.

8.3 Waiver.

Any of the terms and conditions of this Agreement may be waived in whole or in part, but only by an agreement in writing making specific reference to this Agreement and executed by the party entitled to the benefit thereof.

8.4 Binding Agreement and Successors.

This Agreement shall be binding upon and shall inure to the benefit of the Member and its successors and assigns.

8.5 No Third-Party Beneficiaries.

Except as otherwise expressly provided in this Agreement, nothing in this Agreement is intended to confer upon any Person other than the parties hereto any rights or remedies.

8.6 Section Headings.

Section headings contained in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning or interpretation of this Agreement or any of its terms and conditions.

8.7 Interest Held for Investment.

The Member does hereby represent and warrant by the execution of this Agreement that its interest in the Company was obtained for investment purposes only and not for resale or distribution.

8.8 Securities Laws Restrictions.

The offer and sale of interests described in this Agreement have not been registered under the Securities Act of 1933, as amended, or under the securities laws of the State of Delaware or any other jurisdiction. Consequently, these interests may not be sold, transferred, assigned, pledged, hypothecated, or otherwise disposed of, except in accordance with the provisions of such laws and this Agreement. By executing this Agreement, the Member represents and acknowledges that it is acquiring its interest for investment purposes only and without a view to distribution.

IN WITNESS WHEREOF, the undersigned party has executed and entered into this Operating Agreement of the Company effective as of the day first above set forth.

LAPIS MUNICIPAL OPPORTUNITIES FUND IV LP

BY: LAPIS-GP LLC

By:



Kjerstin Hatch
Manager

Exhibit 5

BAY 9 HOLDINGS LLC
CERTIFICATE OF INCUMBENCY

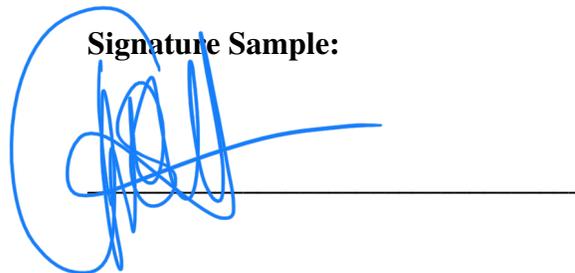
I, Kjerstin Hatch, the undersigned, in my capacity as President of Bay 9 Holdings LLC, a Delaware limited liability company (the "Company") hereby certify the following:

1. That I am the duly elected President of the Company.

2. That the persons named below do presently hold the titles specified below, each of whom is authorized to act on own behalf of the Company, and the signature opposite their respective names is their true signature:

Name: **Title:**
Kjerstin Hatch President

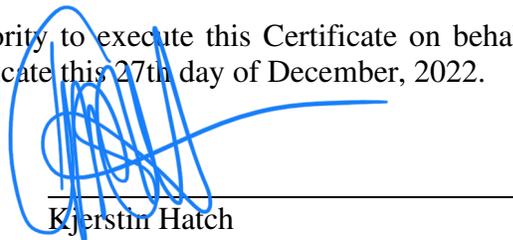
Signature Sample:



Basia Terrell Vice President



3. That I have the power and authority to execute this Certificate on behalf of the Company and that I have so executed this Certificate this 27th day of December, 2022.



Kjerstin Hatch

Exhibit 6

BAY 9 HOLDINGS LLC

CONSENT OF SOLE MEMBER

Grenelle Holdings, LLC, a Delaware limited liability company (the "Member"), the sole member of Bay 9 Holdings LLC (the "Company"), hereby adopts the following resolutions:

RECITALS

Whereas, Northwest Senior Housing Corporation, a Texas not for profit corporation (the "Seller") is a debtor and debtor in possession in that certain chapter 11 case pending in the Northern District of Texas Bankruptcy Court (the "Bankruptcy Court") and is the owner and operator of a continuing care retirement community (the "Edgemere Community") on land owned by Intercity Investment Properties (the "Landlord"), located at 8523 Thackery St., Dallas, Texas 75225, and leased to the Seller pursuant to that certain Ground Lease dated November 5, 1999 with the Landlord (the "Ground Lease").

Whereas, the Company intends to purchase substantially all of the assets of the Edgemere Community and assume the Ground Lease, pursuant to the terms and conditions of that certain Asset Purchase Agreement, dated December 16, 2022 (the "Purchase Agreement"). The conditions to close on the Purchase Agreement include, but are not limited to (i) entry of an order authorizing the sale transaction and confirming the Third Amended Plan of Reorganization of the Plan Sponsors under Chapter 11 of the Bankruptcy Code, dated December 19, 2022, and (ii) obtaining the necessary regulatory licenses and permits to operate the Edgemere Community.

Whereas, as set forth in the Purchase Agreement, the Buyer's stalking horse offer of \$48.5 million (subject to adjustments therein) is subject to higher and better offers through a competitive auction process pursuant to bidding procedures approved by the Northern District of Texas Bankruptcy Court on December 20, 2022. If any qualified overbids are received for the Seller's assets by January 13, 2023, the Seller will conduct an auction on January 17, 2023. If no qualified overbids are received by January 13, 2023, the Seller must cancel the auction and proceed to seek approval of the Sale Transaction in order to implement the Plan.

Whereas, the Company and its authorized agents and officers ("Authorized Agents") have negotiated an asset sale transaction with Northwest Senior Housing Corporation, a Texas not for profit corporation (the "Seller"), for the acquisition of substantially all of the assets of Seller (the "Transaction") upon the terms and conditions set forth in the Asset Purchase Agreement, dated as of December 16, 2022 (as amended, supplemented or modified from time to time, the "Purchase Agreement"), by and between the Company and Seller, together with certain ancillary documents contemplated thereby (collectively, the "Ancillary Agreements" and together with the Purchase Agreement, the "Transaction Documents");

Whereas, the Member, the Company and the Authorized Agents deem it desirable and in the best interest of the Company to proceed with the consummation of the Transaction.

RESOLUTIONS

NOW, THEREFORE, BE IT RESOLVED, that the actions of the Company and its Authorized Agents, in negotiating the Transaction be, and they hereby are, in all respects, ratified, confirmed, and approved.

BE IT FURTHER RESOLVED that the Company be and it is hereby authorized to enter into the Transaction.

BE IT FURTHER RESOLVED that Kjerstin Hatch, as President of the Company, be, and hereby is, authorized and directed in the name and on behalf of the Company to execute and deliver the Transaction Documents, affidavits, certificates, consents, and any other documentation she deems necessary or appropriate with regard to the Transaction.

BE IT FURTHER RESOLVED that Kjerstin Hatch, as President of the Company, be, and hereby is, authorized and directed in the name and on behalf of the Company to take such actions as she deems necessary or appropriate to consummate the transactions contemplated herein or which are necessary or appropriate to carry out the intent and accomplish the purposes of the foregoing preamble and resolutions.

In witness hereof, the Member has executed this Consent as of December 27, 2022.

GRENELLE HOLDINGS, LLC

By: 
Kjerstin Hatch
President

Exhibit 7

BAY 9 HOLDINGS LLC

December 16, 2022

Via Email

Irina Palchuk, Senior Vice President
UMB Bank, N.A., as Trustee
100 William Street, Suite 1850
New York, NY 10038
Irina.Palchuk@umb.com

Edgemere
John Falldine, Executive Director
8523 Thackery Street
Dallas, Texas 75225

Re: Adequate Assurance of Future Performance

Gentlepersons,

This letter is provided to you by Bay 9 Holdings LLC, the stalking horse bidder (the “**Stalking Horse Bidder**”) approved by that certain *Order (I) Authorizing and Approving the Bidding Procedures; (II) Authorizing Entry into the Stalking Horse Asset Purchase Agreement; (III) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases; (IV) Scheduling Combined Confirmation and Sale Hearing and (V) Granting Related Relief* [Docket No. ____] (the “**Bidding Procedures Order**”), in connection with the sale of substantially all of the assets of Northwest Senior Housing Corporation (the “**Debtor**”), pursuant to that certain Asset Purchase Agreement (the “**APA**”), by and between the Stalking Horse Bidder and the Debtor. The APA is subject to court approval in that certain chapter 11 case commenced by the Debtor in the United States Bankruptcy Court for the Northern District of Texas, Case No. 22-30659 (MVL) (the “**Bankruptcy Court**”).

As set forth in the APA, if the Stalking Horse Bidder becomes the successful purchaser under sections 105, 363, 365 and 1129 of the United States Bankruptcy Code (the “**Bankruptcy Code**”) pursuant to the confirmed Plan of Reorganization of the Plan Sponsors Dated December 6, 2022 (the “**Plan**”), the Debtor intends to assume and assign certain executory contracts and unexpired leases to the Stalking Horse Bidder. Pursuant to the APA and the Bidding Procedures Order, the Stalking Horse Bidder is required to deliver adequate assurances of future performance with respect to the Assumed Contracts (as defined in the APA¹), including the Ground Lease. The

¹ Pursuant to Section 5.5 of the APA, at any time prior to the Closing, the Stalking Horse Bidder will have the right to provide written notice to the Plan Sponsors of the Stalking Horse Bidder’s election to designate an executory contract or an unexpired lease as an Assumed Contract, or as a contract that will not be assumed by the Stalking Horse Bidder. Delivery of this letter to any contract counterparty shall not waive any right by the Stalking Horse Bidder to exclude such contract from the list of Assumed Contracts at any time prior to Closing.

December 16, 2022
Page 2

Stalking Horse Bidder is pleased to submit this letter to UMB Bank, N.A., as trustee and the Debtor (together, the “**Plan Sponsors**”), providing adequate assurance of its future performance in accordance with section 365(b)(1)(C) of the Bankruptcy Code. Upon receipt of a written request for the Stalking Horse Bidder’s adequate assurance information from any contract counterparties to executory contracts or unexpired leases with the Debtor (other than residents that are party to a Residency Agreement (as defined in the Plan), the Plan Sponsors are authorized by the Stalking Horse Bidder to deliver this letter to such requesting contract counterparties. To the extent any contract counterparty requests any additional relevant information that the Stalking Horse Bidder determines in its sole discretion to be confidential, the Stalking Horse Bidder will require the counterparty to execute a confidentiality and nondisclosure agreement in form and substance acceptable to the Stalking Horse Bidder.

By way of background, the Stalking Horse Bidder is a newly formed Delaware limited liability company that is ultimately owned, directly or indirectly, by one or more funds managed or advised by Lapis Advisers, LP (“**Lapis**”). Lapis is a registered investment adviser, headquartered in the San Francisco area and enjoys over a decade-long record in successful healthcare turnarounds in the municipal bond space, having raised over \$1.2 billion in aggregate investor commitments. Since its inception in 2009, Lapis has invested in over forty life plan and rental senior living communities, including several communities located in Texas. As a registered investment adviser with the Securities and Exchange Commission (SEC#:801-71696; FINRA CRD# 153710), Lapis submits periodic reports regarding, among other things, its management services to securities portfolios. A copy of Lapis’ most recent annual summary statement may be found at <https://adviserinfo.sec.gov/firm/summary/153710> (the “**Annual Statement**”). Additional information concerning Lapis is available at <https://lapisadvisers.com/>.

The Stalking Horse Bidder intends to acquire the Community through an all-cash purchase with funds made available to it from funds or other capital made available through Lapis. As set forth in the Annual Statement, Lapis has significant assets under management and has the financial wherewithal to honor its capital commitment to the Stalking Horse Bidder. A true and accurate copy of Lapis’ letter agreement with the Stalking Horse Bidder to make a sufficient capital commitment (the “**Capital Commitment Letter**”) is attached hereto as Exhibit A. As set forth in the Capital Commitment Letter, the Stalking Horse Bidder, through Lapis, has access to committed funds in excess of the \$48,500,000.00 purchase price for acquisition of the Community upon the closing of the APA.

Lapis has significant experience in investing, operating, and turning around senior living special situations and, through the Stalking Horse Bidder, is uniquely situated to ensure the senior living community (the “**Community**”) owned and operated by the Debtor d/b/a Edgemere maintains its quality of care to residents and meets its obligations under the APA. In addition to having sufficient capital to fund the purchase price under the APA, the Stalking Horse Bidder is committed to maintaining and improving the Community. The Stalking Horse Bidder is in the process of developing a detailed capital improvement plan to advance those goals, which plan has been informed by an extensive assessment of the Community undertaken by Arch Consultants, Ltd. While details of its capital improvement plan continue to be developed, if the Stalking Horse

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Bidder is the purchaser of the Debtors' assets, it anticipates dedicating several million dollars to capital expenditure improvements such as HVAC improvements, roofing, exterior and interior updates, and system updates. These capital improvements are in addition to typical apartment refurbishments and upgrades made when a unit is leased to a new resident. As set forth in the Capital Commitment Letter, Lapis is prepared to meet the operating and capital needs of the Community.

As part of its commitment to ensuring that the Community would thrive if purchased by the Stalking Horse Bidder, the Stalking Horse Bidder has identified The Long Hill Company ("**Long Hill**") to serve as the independent third-party manager of the Community. Long Hill specializes in turnaround management, and, for over 20 years has served as a traditional full-service manager, court-appointed receiver, and advisory consultant. Long Hill's management team has a long track record of stabilizing troubled situations in skilled nursing, assisted living, hospice, and continuing care communities. For the avoidance of doubt, Lapis and Long Hill are not affiliates and do not share common directors or management. Prior to being authorized as the stalking horse, the Stalking Horse Bidder and Long Hill have dedicated significant resources to jointly develop appropriately conservative financial projections to ensure a successful transition to new ownership and management for the Community. Attached hereto as Exhibit B is a statement from Long Hill in support of the Stalking Horse Bidder's abilities to perform the Assumed Contracts due, in part, to Long Hill's plans to successfully manage the Community through this important transition to new ownership and management.

Should you have further questions, we request that you contact our attorneys, Adrienne Walker and Chelsey List of Locke Lord LLP. Adrienne may be reached at awalker@lockelord.com or 617.239.0211, and Chelsey may be reached at Chelsey.List@lockelord.com or 212.912.2824.

Yours truly,

Kjerstin Hatch
President

Cc: Daniel Bleck, Esq. (counsel to UMB Bank, N.A.)
Jeremy Johnson, Esq. (counsel to Edgemere)

Exhibit A

(Capital Commitment Letter)

LAPIS ADVISERS, LP
265 Magnolia Avenue, Suite 100
Larkspur, CA 94939

November 2, 2022

Bay 9 Holdings LLC
265 Magnolia Avenue, Suite 100
Larkspur, CA 94939

Re: Capital Commitment Letter

Gentlepersons:

Lapis Advisers, LP, for and on behalf of certain managed funds (together with its affiliates, the “Fund”), is pleased to offer this commitment to make a capital contribution to Bay 9 Holdings LLC, a newly-formed Delaware limited liability company (“Purchaser”) subject to the terms and conditions contained herein and pursuant to that certain Asset Purchase Agreement, dated as of November __, 2022, by and between Northwest Senior Housing Corporation, a Texas not-for-profit corporation (the “Debtor”), and Purchaser (as amended, restated, supplemented or otherwise modified from time to time, the “Purchase Agreement” and such transactions contemplated thereby, the “Transaction”). Capitalized terms used but not otherwise defined herein have the meanings ascribed to such terms in the Purchase Agreement.

1. Commitments. The Fund hereby agrees to contribute, or cause to be contributed, as an equity capital contribution to Purchaser, cash in an aggregate amount equal to the Purchase Price plus the expenses for which Purchaser is responsible in connection with the Transaction, subject to the terms and conditions in the Purchase Agreement for any upwards or downwards adjustments thereto (the “Purchase Contribution”). The proceeds from the Purchase Contribution shall be used by Purchaser to pay (a) the Deposit to be held by the Escrow Agent, (b) the balance of the Purchase Price at Closing, and (c) the Transaction expenses, and for no other purpose. The Fund currently has cash on hand, access to existing credit facilities and/or existing capital commitments from its investors sufficient to fund the Purchase Contribution in full in cash at the Closing.

The Fund further agrees to contribute, or cause to be contributed, as an additional equity capital contribution to Purchaser, cash in an amount necessary to meet the reasonably anticipated unfunded operating expenses and capital expenses of Purchaser (the “Additional Contributions”; and together with the Purchase Price Contribution, the “Contributions”). The undersigned has sufficient funds to make the Additional Contributions in full in cash.

2. Closing Conditions. The Fund’s obligation to make the Contributions pursuant to this letter agreement is subject to the following conditions (the “Closing Conditions”): (a) the satisfaction or waiver at the Closing of all conditions precedent to the obligations of Purchaser to consummate the Transactions contemplated by Article 6 to the Purchase Agreement, (b) the substantially contemporaneous consummation of the Closing in accordance with the terms of the

Purchase Agreement, and (c) the entry of an order of the United States Bankruptcy Court for the Northern District of Texas (the "Bankruptcy Court") in the Debtor's chapter 11 case at Case No. 22-30659 (MVL) authorizing the Debtor to consummate the Purchase Agreement (pursuant to a plan of reorganization or otherwise).

3. Expiration. All obligations under this letter agreement shall expire and terminate automatically and immediately upon the termination of the Purchase Agreement in accordance with its terms.

4. No Assignment. The commitment evidenced by this letter agreement shall not be assignable by Purchaser without the Fund's prior written consent, and the granting of such consent in any given instance shall be in the sole discretion of the Fund and, if granted, shall not constitute a waiver of this requirement as to any subsequent assignment. Any purported assignment of this commitment in contravention of this Section 4 shall be void.

5. Representations and Warranties. The Fund hereby represents and warrants to Purchaser that (a) it has all requisite power and authority to execute, deliver and perform this letter agreement; (b) the execution, delivery and performance of this letter agreement by the Fund has been duly and validly authorized and approved by all necessary action, and no other proceedings or actions on the part of the Fund are necessary therefor; (c) this letter agreement has been duly and validly executed and delivered by it and constitutes a valid and legally binding obligation of it, enforceable against the Fund in accordance with its terms (subject to (i) the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or other similar laws affecting creditors' rights generally and (ii) general equitable principles (whether considered in a proceeding in equity or at law)); and (d) the execution, delivery and performance by the Fund of this letter agreement do not and will not violate the organizational documents of the Fund or any applicable law.

6. Jurisdiction. Each party to this letter agreement, by its execution hereof, (a) hereby irrevocably submits to the exclusive jurisdiction of the Delaware Court of Chancery (or, only if the Delaware Court of Chancery declines to accept jurisdiction over a particular matter, any Federal Court of the United States of America sitting in the State of Delaware), and any appellate court from any thereof, for the purpose of any action between the parties arising in whole or in part under or in connection with this letter agreement, (b) hereby waives to the extent not prohibited by applicable Law, and agrees not to assert, by way of motion, as a defense or otherwise, in any such action, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that any such action brought in one of the above-named courts should be dismissed on grounds of *forum non conveniens*, should be transferred or removed to any court other than one of the above-named courts, or should be stayed by reason of the pendency of some other proceeding in any other court other than one of the above-named courts, or that this letter agreement or the subject matter hereof may not be enforced in or by such court, and (c) hereby agrees not to commence any such action other than before one of the above-named courts.

7. Waiver of Jury Trial. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW THAT CANNOT BE WAIVED, THE PARTIES HEREBY WAIVE, AND COVENANT THAT THEY WILL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR

OTHERWISE), ANY RIGHT TO TRIAL BY JURY IN ANY ACTION ARISING IN WHOLE OR IN PART UNDER OR IN CONNECTION WITH THIS LETTER AGREEMENT, WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE. THE PARTIES AGREE THAT ANY OF THEM MAY FILE A COPY OF THIS PARAGRAPH WITH ANY COURT AS WRITTEN EVIDENCE OF THE KNOWING, VOLUNTARY AND BARGAINED-FOR AGREEMENT AMONG THE PARTIES IRREVOCABLY TO WAIVE ITS RIGHT TO TRIAL BY JURY IN ANY PROCEEDING WHATSOEVER BETWEEN THEM RELATING TO THIS LETTER AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY AND THAT ANY SUCH PROCEEDING WILL INSTEAD BE TRIED IN A COURT OF COMPETENT JURISDICTION BY A JUDGE SITTING WITHOUT A JURY.

8. No Third Party Beneficiaries. This letter agreement shall inure to the benefit of and be binding upon Purchaser and the Fund and their respective permitted successors and assigns. Nothing in this letter agreement, express or implied, is intended to nor does it confer upon any person other than Purchaser and the Fund any rights or remedies under, or by reason of, or any rights to enforce or cause Purchaser to enforce, the Contributions or any provisions of this letter agreement or to confer upon any person any rights or remedies against any person other than the Fund under or by reason of this letter agreement.

9. Headings. The headings contained in this letter agreement are for convenience purposes only and will not in any way affect the meaning or interpretation hereof.

10. Governing Law. This letter agreement and the obligations hereunder shall be governed by and construed in accordance with the laws of the State of Delaware.

11. Entire Agreement. This letter agreement and the Purchase Agreement constitute the entire agreement with respect to the subject matter hereof, and supersede all prior agreements, understandings and statements, both written and oral, between or among Purchaser or any of its affiliates and the Fund or any of its affiliates.

12. Amendments. This letter agreement may not be amended, and no provision hereof waived or modified, except by an instrument in writing signed by the Fund and Purchaser.

13. Counterparts. This letter agreement may be executed in counterparts (including by means of facsimile or electronically transmitted signature pages), each of which, when so executed, shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

Very truly yours,

Lapis Advisers, LP



By: _____

Name: Kjerstin Hatch

Title: Managing Principal

Exhibit B

(Long Hill Letter)



December 16, 2022

Kjerstin Hatch
Bay 9 Holdings LLC
265 Magnolia Avenue
Suite 100
Larkspur, CA 94939

Re: Long Hill Experience and Credentials

Dear Ms. Hatch:

This letter is provided to you by Long Hill at Edgemere, LLC a wholly owned subsidiary of The Long Hill Company (“**Long Hill**”), the proposed independent third party manager for the senior living community known as The Edgemere in Dallas, Texas (the “**Community**”), subject to, among other things, approval of that certain Asset Purchase Agreement (the “**APA**”), by and between the Bay 9 Holdings LLC (the “**Stalking Horse Bidder**”) and Northwest Senior Housing Corporation (the “**Debtor**”) by the United States Bankruptcy Court for the Northern District of Texas, Case No. 22-30659 (MVL) (the “**Bankruptcy Court**”). Additional information concerning Long Hill is available at www.longhillcompany.com.

Long Hill understands that if the Stalking Horse Bidder becomes the successful purchaser under sections 105, 363, 365 and 1129 of the United States Bankruptcy Code (the “**Bankruptcy Code**”) pursuant to the confirmed Plan of Reorganization of the Plan Sponsors Dated December 6, 2022, the Debtor intends to assume and assign certain executory contracts and unexpired leases to the Stalking Horse Bidder. Pursuant to the APA and that certain *Order (I) Authorizing and Approving the Bidding Procedures; (II) Authorizing Entry into the Stalking Horse Asset Purchase Agreement; (III) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases; (IV) Scheduling Combined Confirmation and Sale Hearing and (V) Granting Related Relief* [Docket No. ___], the Stalking Horse Bidder is required to deliver adequate assurances of future performance with respect to the Assumed Contracts (as defined in the APA), including the Ground Lease. Long Hill is pleased to submit this letter to the Stalking Horse Bidder in support of its statement of adequate assurances of future performance in accordance with section 365(b)(1)(C) of the Bankruptcy Code.

As you know from our prior disclosures, Long Hill has an extensive history of serving as a traditional full-service manager, court-appointed receiver, and advisory consultant, and its management team has a long track record of stabilizing troubled situations in skilled nursing, assisted living, hospice, and continuing care communities. The Long Hill Company was established in 1999 as a for-profit subsidiary of United Methodist Homes, Inc. (“**UMH**”) to provide third-party management and consulting support to post-acute providers. The Long Hill

December [16], 2022

Page 2

Company is wholly owned by UMH, and UMH appoints its independent board of directors. UMH is a 501c(3) non-profit organization that was chartered in 1874 and has been serving older adults for over 140 years. Both organizations are headquartered in Shelton, CT. David M. Lawlor serves as the President and CEO of both UMH and Long Hill and Gregory S. Thome serves as the Compliance Officer for UMH and as COO of Long Hill. Detailed biographies of Long Hill's executive team may be found at www.longhillcompany.com/team.

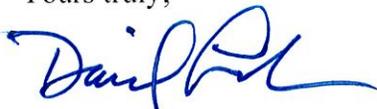
Long Hill's transactions have ranged from single-site projects to large portfolios across multiple states. Long Hill deploys a tailored approach for each project and find great satisfaction working with facility teams to implement the best practices necessary for success.

The Long Hill Company through its subsidiaries currently provide full-service management services to 17 senior living communities, 11 of which are located in Texas and are comprised 1,262 units of independent living, assisted living and memory care. A member of Long Hill's key management team has served as a board member for a chain of 22 skilled nursing facilities in Texas. Another key management team member has served as the CEO of a hospice organization with multiple Texas sites of care.

In light of our extensive representative experience, commitment to quality resident care and depth of knowledge of the Long Hill team, we believe we are extremely well situated to serve as the third party manager of the Community. While review of the future needs of the Community is ongoing, Long Hill anticipates retaining many of the on-site leadership team members and employees at the Community to provide continuity in care and programming to current and future residents.

Should you have any questions or require any additional information, please call us to discuss.

Yours truly,

A handwritten signature in blue ink, appearing to read "David Lawlor", with a stylized flourish at the end.

David Lawlor,
President and CEO

cc: Victor Milione, Esq. (counsel to Long Hill)
Adrienne K. Walker, Esq. (counsel to Bay 9 Holdings)
Chelsey Rosenbloom List, Esq. (counsel to Bay 9 Holdings)

Exhibit 8

LAPIS MUNICIPAL OPPORTUNITIES FUND IV LP
811 East 17th Avenue
Denver, Colorado 80218

February 13, 2023

Bay 9 Holdings LLC
811 E. 17th Avenue
Denver, Colorado 80218

Re: Capital Commitment Letter

Gentlepersons:

Lapis Municipal Opportunities Fund IV LP (the "Sponsor") as the sole member of Grenelle Holding LLC, which is the sole member of Bay 9 Holdings LLC, a Delaware limited liability company ("Bay 9"), is pleased to offer this commitment to make capital contributions to Bay 9, subject to the terms and conditions contained herein.

The Sponsor understands from Bay 9 that Bay 9 will acquire that certain senior living community offering residents living accommodations and related health care and support services (the "Edgemere Community") on land owned by Intercity Investment Properties, Inc. ("Landlord") and located at 8523 Thackery St., Dallas, Texas 75225 (the "Property"), subject to authorization of that certain Asset Purchase Agreement, between Bay 9 and Northwest Senior Housing Corporation (the "Debtor") dated as of December 16, 2022 (as amended from time to time, including that certain First Amendment to Asset Purchase Agreement, dated January 13, 2023, the "Purchase Agreement"), by the United States Bankruptcy Court for the Northern District of Texas, and subject to certain regulatory approvals, and closing the sale in accordance with the Purchase Agreement (the "Transaction").

1. Commitments. Subject only to closing the Transaction, the Sponsor hereby agrees to contribute cash as an equity capital contribution to Bay 9, as follows (together, the "Contributions"):

(a) **Rent Commitment**. For a period of three (3) years from the closing date of the Transaction, if Bay 9 determines that it does not have sufficient cash on hand to timely fund its obligations under that certain Lease between the Debtor and Landlord (as assigned to Bay 9 under the Purchase Agreement), then Bay 9 shall make written demand to the Sponsor to fund one or more capital contributions in an aggregate amount of up to \$1,000,000 (the "Rent Commitment"). Upon written demand from Bay 9 to the Sponsor to make a Rent Commitment in accordance with the foregoing sentence, the Sponsor shall within five (5) business days fund the capital contribution demand; and

(b) **Capital Expense Commitment**. Bay 9 has and in the future may identify capital expense projects or unfunded working capital needs for the Edgemere Community, including any repairs that may impact life safety. Upon written demand from Bay 9 to the Sponsor to make a capital contribution in accordance with the

foregoing sentence, the Sponsor shall within five (5) business days fund the capital contribution demand up to an aggregate amount of \$15,000,000 (the "Capital Expense Commitment").

The Sponsor currently has cash on hand, marketable securities, access to existing credit facilities and/or existing capital commitments from its investors sufficient to fund the Contributions in full in cash upon Bay 9's demand therefor in accordance with the terms herein. After closing of the Transaction, the obligation to fund the Contributions is not subject to any conditions; except that the Rent Commitment is subject to the durational limitation set forth in clause (a) above.

2. No Assignment. The commitment evidenced by this letter agreement shall not be assignable by Bay 9 without the Sponsor's prior written consent, and the granting of such consent in any given instance shall be in the sole discretion of the Sponsor and, if granted, shall not constitute a waiver of this requirement as to any subsequent assignment. Any purported assignment of this commitment in contravention of this Section 2 shall be void.

3. Representations and Warranties. The Sponsor hereby represents and warrants to Bay 9 that (a) it has all requisite power and authority to execute, deliver and perform this letter agreement; (b) the execution, delivery and performance of this letter agreement by the Sponsor has been duly and validly authorized and approved by all necessary action, and no other proceedings or actions on the part of the Sponsor are necessary therefor; (c) this letter agreement has been duly and validly executed and delivered by it and constitutes a valid and legally binding obligation of it, enforceable against the Sponsor in accordance with its terms (subject to (i) the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or other similar laws affecting creditors' rights generally and (ii) general equitable principles (whether considered in a proceeding in equity or at law)); and (d) the execution, delivery and performance by the Sponsor of this letter agreement do not and will not violate the organizational documents of the Sponsor or any applicable law.

4. Jurisdiction. Each party to this letter agreement, by its execution hereof, (a) hereby irrevocably submits to the exclusive jurisdiction of the Delaware Court of Chancery (or, only if the Delaware Court of Chancery declines to accept jurisdiction over a particular matter, any Federal Court of the United States of America sitting in the State of Delaware), and any appellate court from any thereof, for the purpose of any action between the parties arising in whole or in part under or in connection with this letter agreement, (b) hereby waives to the extent not prohibited by applicable Law, and agrees not to assert, by way of motion, as a defense or otherwise, in any such action, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that any such action brought in one of the above-named courts should be dismissed on grounds of *forum non conveniens*, should be transferred or removed to any court other than one of the above-named courts, or should be stayed by reason of the pendency of some other proceeding in any other court other than one of the above-named courts, or that this letter agreement or the subject matter hereof may not be enforced in or by such court, and (c) hereby agrees not to commence any such action other than before one of the above-named courts.

5. Waiver of Jury Trial. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW THAT CANNOT BE WAIVED, THE PARTIES HEREBY WAIVE, AND COVENANT THAT THEY WILL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE), ANY RIGHT TO TRIAL BY JURY IN ANY ACTION ARISING IN WHOLE OR IN PART UNDER OR IN CONNECTION WITH THIS LETTER AGREEMENT, WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE. THE PARTIES AGREE THAT ANY OF THEM MAY FILE A COPY OF THIS PARAGRAPH WITH ANY COURT AS WRITTEN EVIDENCE OF THE KNOWING, VOLUNTARY AND BARGAINED-FOR AGREEMENT AMONG THE PARTIES IRREVOCABLY TO WAIVE ITS RIGHT TO TRIAL BY JURY IN ANY PROCEEDING WHATSOEVER BETWEEN THEM RELATING TO THIS LETTER AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY AND THAT ANY SUCH PROCEEDING WILL INSTEAD BE TRIED IN A COURT OF COMPETENT JURISDICTION BY A JUDGE SITTING WITHOUT A JURY.

6. No Third Party Beneficiaries. This letter agreement shall inure to the benefit of and be binding upon Bay 9 and the Sponsor and their respective permitted successors and assigns. Nothing in this letter agreement, express or implied, is intended to nor does it confer upon any person other than Bay 9 and the Sponsor any rights or remedies under, or by reason of, or any rights to enforce or cause Bay 9 to enforce, the Contributions or any provisions of this letter agreement or to confer upon any person any rights or remedies against any person other than the Sponsor under or by reason of this letter agreement.

7. Headings. The headings contained in this letter agreement are for convenience purposes only and will not in any way affect the meaning or interpretation hereof.

8. Governing Law. This letter agreement and the obligations hereunder shall be governed by and construed in accordance with the laws of the State of Delaware.

9. Entire Agreement. This letter agreement and the Purchase Agreement constitute the entire agreement with respect to the subject matter hereof, and supersede all prior agreements, understandings and statements, both written and oral, between or among Bay 9 or any of its affiliates and the Sponsor or any of its affiliates.

10. Amendments. This letter agreement may not be amended, and no provision hereof waived or modified, except by an instrument in writing signed by the Sponsor and Bay 9.

LAPIS MUNICIPAL OPPORTUNITIES FUND IV LP
BY: LAPIS-GP, LLC (its general partner)

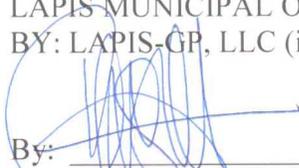
By: 
Name: Kjerstin Hatch
Title: Managing Principal

Exhibit 9



FIRST REPUBLIC BANK
It's a privilege to serve you®

Recent Account Transactions

Business Analyzed Checking

Transaction Dates:

January 17, 2023 -
February 16, 2023

Account Number:

XXX-XXX8-4550

Bay 9 Holdings Llc
811 E 17th Ave
Denver, CO 80218-1417

Post Date	Effective Date	Check Number	Description	Amount	Ending Balance
02/14/2023	02/14/2023		Deposit Transfer - Tlr 07 Br 09 From: *****0536	\$55,000,000.00	\$55,000,000.00

Exhibit 10

Edgemere Project
Business Planning Analysis
(In Thousands)

	Year 1 (P)	Year 2 (P)	Year 3 (P)	Year 4 (P)	Year 5 (P)
AVERAGE CENSUS BY LEVEL OF CARE					
Independent Living	207	211	238	271	280
Healthcare Services					
Assisted Living	49	62	63	63	63
Memory Support	32	41	41	41	41
Skilled Nursing	57	76	78	79	79
Total	344	390	421	454	463
Percentage	68.2%	77.3%	83.5%	90.1%	91.8%
REVENUES					
Independent Living Fees	17,793	19,278	22,718	26,651	28,069
Healthcare Services					
Assisted Living Fees	5,323	6,847	7,193	7,458	7,674
Memory Support Fees	3,504	4,531	4,686	4,894	5,029
Skilled Nursing Fees	10,080	13,452	14,381	15,022	15,384
Total Healthcare Services	18,907	24,830	26,260	27,374	28,088
Other Revenue	224	231	238	245	252
Total Revenues	36,924	44,339	49,216	54,270	56,410
EXPENSES					
Operating Expenses					
Salaries and Benefits	17,433	20,042	20,956	21,737	22,364
General and Administrative	7,727	8,295	8,212	8,660	8,969
Plant Operations	2,357	2,428	2,501	2,576	2,653
Housekeeping	338	348	359	369	381
Dietary	2,984	3,074	3,166	3,261	3,359
Medical and Other Care	3,426	3,528	3,634	3,743	3,856
Total Operating Expenses	34,264	37,715	38,828	40,346	41,581
Net Operating Margin	2,659	6,624	10,389	13,924	14,829
Net Operating Margin %	7.20%	14.94%	21.11%	25.66%	26.29%
Other Expenses					
Ground Lease	4,324	4,453	4,587	4,725	4,866
Total Other Expenses	4,324	4,453	4,587	4,725	4,866
Total Expenses	38,588	42,168	43,415	45,071	46,447
Cash Flow After Ground Lease	(1,664)	2,171	5,802	9,199	9,962
CAPITAL EXPENDITURES					
Unit Turnover	689	1,483	1,910	1,705	883
Project Capex	5,587	5,228	3,815	1,864	2,378
Total Capital Expenditures ¹	6,275	6,710	5,725	3,569	3,261
Capex % of Revenue	17.0%	15.1%	11.6%	6.6%	5.8%
UNLEVERED FREE CASH FLOW	(7,939)	(4,540)	77	5,631	6,701
Unlevered Free Cash Flow Margin %	-21.5%	-10.2%	0.2%	10.4%	11.9%
Expected Sponsor Contribution ¹	10,054	4,736	-	-	-
NET CASH TO BUSINESS	2,114	196	77	5,631	6,701

¹ The Landlord has asserted \$52,535,217 in capital needs in connection with the Ground Lease between the Landlord and Northwest Senior Housing Corporation ("Edgemere") and constitutes both amounts (i) in default which must be cured by Edgemere (pursuant to the Asset Purchase Agreement) in connection with the assumption and assignment of the Lease, and (ii) for which adequate assurance of future performance under the Lease is to be demonstrated by Bay 9. The ultimate determination of what amounts, if any, are attributable to "cure" and paid by Edgemere will be determined by the Bankruptcy Court. Out of an abundance of caution, this model demonstrates that Bay 9 has the capacity to meet the full capital needs of the Edgemere Community as and when they come due.

Exhibit 11



Statement of Qualifications

January, 2023

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Executive Summary

The Long Hill Company (“Long Hill”) was established in 1999 as a for-profit subsidiary of United Methodist Homes, Inc. (“UMH”) to provide third-party management and consulting support to post-acute providers. Long Hill is wholly owned by UMH, and UMH appoints its independent board of directors. UMH is a 501c(3) non-profit organization that was chartered in 1874 and has been serving older adults for over 140 years. Both organizations are headquartered in Shelton, CT. Long Hill has representatives stationed in Connecticut, Illinois, Indiana, Nebraska, New York, and Pennsylvania. David M. Lawlor serves as the President and CEO of both UMH and Long Hill and Gregory S. Thome serves as the Compliance Officer for UMH and as COO of Long Hill. Mr. Thome oversees Long Hill field operations.

Long Hill specializes in turnaround management and for over 20 years has served as a traditional full-service manager, court-appointed receiver, and advisory consultant. Long Hill’s management team has a long track record of stabilizing troubled situations in skilled nursing, assisted living, hospice, and continuing care communities. Our transactions have ranged from single-site projects to large portfolios across multiple states. Our team has experience in resolving compliance issues with Departments of Health and Attorneys General Offices in various states, Federal Office of Inspector General, and US Department of Justice, and various respective monitoring agencies.

Stabilizing troubled post-acute operations requires in-depth knowledge, skillful execution, and a multidisciplinary approach. We employ a tailored approach for each project and find great satisfaction working with facility teams to implement the best practices necessary for success. Effective communication is the starting point to improve operations, and to gain the trust of stakeholders (investors, on-site staff, regulatory agencies and referral sources). Based upon our track record, our commitment to quality patient care and the depth and knowledge of our team, we are a reliable and successful partner for your post-acute care organization.

Background Information: Recent Projects

- **Lender:** Receiver/Full Manager of Single Site AL (IL), receivership, ongoing.
- **Non-Profit:** 8 properties (IL, AL, MC) Texas portfolios. Full Management, ongoing.
- **Non-Profit:** 3 properties (IL, AL, MC) Texas portfolios. Full Management, ongoing.
- **Non-Profit:** CCRC. Financial Advisory, ongoing.
- **Lender:** 17 SNFs (OH), Post COVID census development consulting after trending declines preceding a sale-process.
- **State Agency:** Single Site AL/SNF (PA), Post COVID Management Agreement with government agency, 350-bed SNF.
- **Federal Agency:** Receiver of 13 AL/SNF (IL,MO) assets transferred on 2/2020, closed May 2021.
- **Other:** Various short-term SNF operational advisory (PA, OH, MI). Ongoing.

Background Information: Supported Sites

Properties	Beds	State
Various Single Sites (11 AL/SNF)	1,212	CT
Haven Healthcare	523 Chain	CT
Forest Hills	200	DC
Various Single Sites (2 SNF)	398	FL
Various Single Sites (1 AL/ 1 SNF)	291	IL
Rosewood	1,842 Chain	IL/MO
Summerfield Health Care	46	IN
The Wesley	226	MD
Various Single Sites (2 AL)	170	NY
Highgate	512 Chain	NY
Senior Care Group	1,200 Chain	NY
Various Single Sites (2 AL, 1 SNF)	510	PA
Undisclosed REIT Portfolio	2,742 Chain	PA, WV, DE
The Meadows of Conway	96	SC
Fox bridge Assisted Living	120	TN
Undisclosed Portfolio (oversight support)	2,853 Chain	TX
TEC	1,410 Chain	TX
Braeburn Court	96	WI
Hospice Services	ADC 1,000+	15 States



■ Hospice Locations ■ Managed Locations



Background Information: Experience

The Long Hill Company has advised stakeholders of distressed assets for over 20 years. Beginning with a chain of assisted living properties (6 communities, 1,200 units) in Long Island, NY (Senior Care Group), our management team has covered 24 states and over 95 different senior living communities. We specialize in the full post-acute continuum and are accustomed to a variety of different reporting obligations. We have worked for numerous large investors (including GE Capital, ██████████, Columbia Pacific Advisors, LLP, and Walker and Dunlop, Inc.) and non-profit boards of directors, as well as in federal and state court receivership situations, directly with federal agencies (HUD/OIG) and state agencies (including PA and CT Departments of Health, PA Department of Veterans Affairs).

Our work plans are tailored to the unique objectives of our clients and the needs of each project.. We develop a progressive plan with clearly defined objectives to guide project success. We strive to improve asset value by ensuring the delivery of high-quality patient care. The focus of our work can span from regulatory compliance to census development to facility leadership stabilization and the accompanying financial analysis required. We provide investors with the visibility into operating performance that is critical for sound strategic decision making.

Through our work in improving performance, we have graduated facilities from CMS Special Focus, we have eliminated the need for State DOH Monitors, we have resolved provisional licenses, all on a parallel course with increasing census and improving asset value. In each case, valuing honesty and open communication in our approach.

Experience: Sample Projects

We measure results by the satisfaction of our clients in meeting objectives. Our experience is best conveyed by relaying the following sample of successful transactions:

- Single Site SNF: Special Manager to Trustee (US Bank). Chicago, IL large nursing home. Three-year hold, successful sale to third party. Project required stabilization of regulatory compliance and census growth to attract buyers.
- Single Site AL Campus: Special Manager to Trustee (US Bank). Madison, WI assisted living community. Two-year hold, successful sale to third party. Project required severing ancillary businesses and improving census to attract buyers.
- 6 AL Properties, Long Island, NY: Hired as operator by CareMatrix which has was not approved by NY regulators to operate. Managed properties for several years. ING held mortgages on five properties, and GE Capital held mortgage on one property. Five-year engagement, successful transfer to third party buyers.
- 4 SNF, Upstate, NY: Hired as receiver by GE Capital, managed intense regulator review of properties and the pediatric care unit in one of the properties (Highgate). Withstood subsequent bankruptcy filing, and ultimately achieved sale to third-party buyer with licenses in good standing. Compliance stabilization and third-party sale in two-year period. Project required severing vendor relationships maintained by former owner and managing parallel investigations of NYDOH and NYDOJ offices.

Experience: Sample Projects (continued)

- 4 SNF, CT: Hired as advisor to sole-practitioner State receiver for the ultimate closure of four skilled nursing facilities over a two-year period. Supported state-appointed receiver with advisory guidance and fiscal management to meet closure objectives of the CT-DOH.
- Single AL Community, Southbury, CT: Hired as manager/receiver by Southwest Guaranty (TIC Investors) to stabilize, improve census and liquidate property. Objective achieved, under 1-year. Project was a high-quality AL community that required new vision for sales and marketing in order to improve and stabilize census levels and effectuate a sale.
- Single AL Community, Orange, CT: Hired as manager/receiver by Southwest Guaranty (TIC Investors) to stabilize, improve census and liquidate property. Objective achieved, under 1-year. Project was a high-quality AL community that required new vision for sales and marketing in order to improve and stabilize census levels and effectuate a sale.
- Single AL Community, Newtown, CT: Hired as manager/receiver by Southwest Guaranty (TIC Investors) to stabilize, improve census and liquidate property. Objective achieved. Buyer defaulted on its loan with GE Capital, retained again as receiver on property to stabilize and sell to third party. In each instance, this AL community required close daily management to improve and stabilize census levels and effectuate the sale. The project included the eviction of an owner who resided in the facility.
- CCRC, Baltimore, MD: Hired by non-profit organization to stabilize daily operations and position for sale. Achieved sale to local non-profit organization. This project consisted of an antiquated physical structure that was costly to reposition. The non-profit board lost control of daily operations due to high

Experience: Sample Projects (continued)

staff turnover. Over the course of two years, we stabilized daily operations and enabled the organization to remain a going concern and merge with another local non-profit.

- CCRC, Washington DC: Hired by non-profit organization to evaluate leadership. Long Hill advised the termination and replacement of the entire leadership team and assisted the organization in its board recruitment efforts. We achieved leadership repositioning for this client within a 6-month timeframe.
- Single Site AL, Memphis TN: Hired by GE Capital as manager/receiver. Long Hill acquired property out of receivership and managed for another 10 years before liquidating. Acquisition value was \$2 million, sale price was \$10 million. The 120-bed property had a census of 56 in receivership with rents averaging below \$2,000 per month. Aesthetic investments of \$4 million improved census to 112 (and average rents of \$3,200 per month) and facility was sold after a 10-year hold.
- Single Site SNF, Cloverdale, IN: Hired by GE Capital as manager/receiver. Long Hill acquired property out of receivership and managed for another 5 years before liquidating. Acquisition value was \$400,000, sale value was \$800,000. This 40-bed SNF located in a small town 30 miles from Indianapolis was converted to a specialty care facility for Huntington's Disease, with increased census to over 95% and attracted specialty rates for area health systems. The project involved severing owner who converted payroll tax withholdings from the operation.
- 22-SNFs, ██████████: Hired by ██████████ as receiver to stabilize portfolio of leaseholds to allow landlord to negotiate with prospective tenants. Portfolio consisted of numerous properties with provisional licenses, a Medicare special focus facility and a CMS corporate integrity agreement.

Management Experience: Sample Projects (continued)

Achieved successful transfer of all properties with licenses in good standing (graduated SFF, no provisional licenses). This project involved an adversarial relationship with back-office partner as well as managing relationships with various regulators (DOH/CMS/OIG/CIA monitors). All licenses were restored to good standing, and all properties were successfully transferred to successor operators.

- 13-SNFs, IL, MO: Hired by HUD as the receiver in largest HUD foreclosure of SNFs in HUD's history. Widely publicized transaction, and the assets were successfully transferred to a third-party buyer. Activities involved replacing line of credit provider and successful negotiations regarding operating transfer agreements to our client's benefit. Receivership completed.
- CCRC, PA: Hired by Columbia Pacific Advisors, LLP to improve census and stabilize operations. Achieved successful sale to third party. Third-party sale closed in 12 months. Improved SNF census from 12 to 70 residents. Facility closure by regulators had been imminent prior to receivership filing. Effectuated receivership in a two-week period and allowed significant investment recovery for investors. Receivership completed.
- Single Site SNF: Hired by the governmental agency to manage large AL/SNF campus with COVID outbreak and replace entire leadership team. Long Hill assigned 8 clinical leaders to the site to manage daily operations amidst intense negative media attention. Due to stringent infection control protocols and monitoring, the facility did not contract a single case of COVID under Long Hill management. Project was completed and successfully transitioned back to governmental management.

Management Experience: Sample Projects (continued)

- 22 SNF, TX: Long Hill representative retained to provide governance of portfolio upon re-emergence from bankruptcy. Long Hill also provided post-COVID census development planning for the portfolio's new ownership. Portfolio was successfully sold to investor group.
- 17 SNF, OH: A SNF lender challenged with an underperforming portfolio in OH experiencing declining census during a sale process. Long Hill reviewed all hospital discharges, educated field clinicians on care and discharge protocols and reversed census decline. Turnaround performance attracted buyer's attention, which was followed by agreement on acquisition terms.
- SNF Infection Control: Midwestern operator of 80+ SNFs had difficulty clearing regulatory compliance for infection control, federal citation F-880. Long Hill team reviewed protocols with team and cleared citation in all cases, 26 properties. Project Ongoing.
- Single Site AL: Institutional lender challenged by an underperforming management company and retained Long Hill as receiver. Long Hill terminated management company and repositioned sales and digital media strategies. Census has grown from a low of 43% to currently at 90%, significantly increasing market value. Project Ongoing.
- Single Site AL: NY State Non-profit owner of assisted living facility experiencing difficulty rebounding from COVID. Census remained stagnant and declining. Long Hill reviewed situation, including its digital media strategy, sales process and lead cultivation resulting in successful early outcomes. Project ongoing.

Management Experience: Sample Projects (continued)

- 20 AL, TX: Financial advisory to investors regarding repositioning with troublesome management company. Worked to position stakeholders to evaluate going concern returns. Properties liquidated through Chapter 7 proceeding.
- 8 IL/AL, TX: Financial advisory to full management engagement through bond trustee. Extracted portfolio from management company with 25-year history and integrated systems. Successfully transitioned PEO, fiscal and CRM platforms without data loss and or disruption to daily operations. Immediate improvement of census levels by 5% with first 4-months of transfer.
- 3 IL/AL, TX: Financial advisory to full management engagement through bond trustee. Extracted portfolio from management company with long history of integrated systems. Recent success in transitioning PEO, fiscal and CRM platforms without data loss and or disrupting stability of daily operations.

Management Experience: Competitive Advantages

Long Hill enjoys several competitive advantages, regardless of market, as follows:

- **Non-Profit Sponsorship and Culture:** The non-profit sponsorship of UMH, Inc. provides many advantages over our competition. For the customer, residents, and families in need of support, a non-profit organization presents as disarming and reassuring. Our organization was chartered in 1874 and has been delivering high quality care for over 140 years. Over this time, we have developed a culture that prioritizes resident and family needs. We believe this culture instills the consumer with trust, which translates to better occupancy results and ultimately higher asset values for our clients.
- **Property Ownership:** Our local portfolio of non-profit owned properties has been under our long-term management for decades. We have consistently achieved occupancies over 95%, despite operating in highly competitive markets. Our nursing home has been a 5-star rated in each year that the CMS rating model existed. Creative best practices for resident care, prospect engagement and team building are developed in these settings and are then rolled out to our managed sites.
- **Clinical Competencies:** In senior living, a high degree of clinical competency is fundamental to high quality care and consumer trust. Our clinical leadership team has decades of experience and has a proven track record of resolving poor quality operations under intense situations and with multiple regulatory agencies. As acuity levels continue to rise in post-acute care settings, the importance of clinical competencies will be even greater in the future as we continue to defend against the COVID.
- **Commitment to Creativity:** We pride ourselves on creative problem solving. One size doesn't fit all in developing solutions for community teams and defining market position. Our team is accustomed to out-of-the-box thinking to improve performance throughout each engagement.

Our Executive Team



David M. Lawlor, CPA
President and Chief Executive Officer
BS, Ithaca College
30+ years' experience

Background/Affiliations:

- KPMG, LLP
- Chair of LeadingAge, CT
- Vice Chair of CALTC
- United Methodist Homes

Services:

- Management
- Finance/Operations
- Transactions
- Governance



Gregory S. Thome, RN, BSN
Chief Operating Officer
BS, Valparaiso University
30+ years' experience

Background/Affiliations:

- KPMG, LLP
- Genesis Elder Care Inc.
- HCR ManorCare
- Harbor Light Hospice
- United Methodist Homes

Services:

- Management
- Operations
- Clinical Policy Setting
- Regulatory Management



Jay S. Nickse, CPA
Board Chair
BS, University of Connecticut
35+ years' experience

Background/Affiliations:

- Union Carbide Corporation
- Price Waterhouse
- VENAD Group
- United Methodist Homes

Services:

- Transactions
- Governance

detailed biographies found at www.longhillcompany.com

Our Team: Leadership



Elizabeth Bemis, MA
Senior Vice President
Sales, Marketing, Community Culture
MA, University of St. Joseph
BA, University of Connecticut
30+ years' experience



Pamela Griffin, MBA, CPA
Senior Vice President
Finance and Accounting
BS, Bucknell University
MBA, University of Connecticut
30+ years' experience



Kristy Barton
Vice President
Sales and Marketing
North Central College
10+ years' experience



Zvonimir Jukic
Vice President
Finance
BS, University of Connecticut
20+ years' experience



Justin Graves
Vice President
Field Operations
BS, Lincoln Memorial University
20+ years' experience

Our Team: Leadership



Erich Marriott, CMA
Senior Director
Finance and Accounting Financial
Operations
BS, University of Vermont
MBA, Fordham University
25+ years' experience



Hallie DeCapp, RN
Senior Director
Operations and Clinical
Consulting
BS, Chamberlain College of Nursing
25+ years' experience



Tracey Haughton
Senior Director
Marketing
BS, Clarkston University
MBA, University of Bridgeport
20+ years' experience



Bridget Mancini
Director
Finance
BS, MBA, Iona Collage
8+ years' experience



Ginny Brown
Director
Marketing and Sales
BA, university of Rhode Island
15+ years' experience

Lines of Service: Advisory

In our advisory engagements, we assist providers, investors, and lenders with management challenges. We deliver value by stabilizing operating performance, easing regulatory pressure, and improving asset value. We specialize in the full continuum of post-acute care.

We provide advisory support based on your direct needs with objectives designed to achieve measurable outcomes. Such projects include clinical compliance and education, directed plans of correction, system/process improvement, census development, financial analyses and leadership coaching. Samples of our consultancy projects are as follows:

COVID Preparedness

Infection Prevention Control Review

Plan of Correction Drafting/Review

Mock Survey, Annual Inspection

QAPI Coaching

Marketing/Outreach Review

Hospital Readmission Evaluation

Service Program Review

CRM/Systems and Processes Review

Sales Coaching

Marketing/Sales Budget Reviews

Capital Repositioning

Budgeting and Variance Analysis

Financial Planning/Pro-Formas

Benchmarking Analysis

Financial Dashboard Configuration

Interim Financial Monitoring

Internal Accounting Support

Interim COO, DON, CFO Support

Debt Covenant Reporting

Independent Consultant's Reporting

Financing Analyses

Lines of Service: Management

The quality of facility leadership is perhaps the most critical element for success in today's fluid COVID environment. Management teams must possess a high level of expertise, organization, and the people skills necessary to create a culture of fiscal and operational growth. We tailor our approach to achieve the desired outcomes and set a timeline of expectations to measure progress. Our projects have ranged in scope from full and comprehensive management of all operational functions to the oversight and monitoring of a manager or operator on behalf of investors. In each engagement, we focus on addressing areas of weakness to improve performance. We often assign Long Hill representatives to fill critical leadership roles, as we build teams around common goals, and we have a 20+ year track record of success. Samples of our management engagements include the following:

CareMatrix –Management

Forest Hills of DC – Oversight

████████████████████

Foxbridge – Management/Ownership

Rosewood – Oversight

Cardinal Bay –Management

Cloverdale Senior Living – Management/Ownership

Kensington Green - Management

RFDF, Inc. – Management

Tappan Zee Manor –Management

The Wesley – Oversight Management

Wyndmoor –Management

Stoney Brook –Management

Lines of Service: Specialty Management/Receiverships

Our specialty management engagements are court-appointed receiverships, or specialty management assignments, with the added responsibility of reporting to a state or federal court, or special interests. Specialty management and/or receivership situations are often the result of a breakdown in talks between a borrower and a lender. In these situations, resident quality of care can be at stake, and or the value of the asset is in jeopardy. We are experienced at moving quickly to stabilize troubled situations. We work closely with all stakeholders through the process. We can anticipate the anxiety felt by the field teams and the residents and families they serve. We have the experience in stabilizing operations, even in the most distressed environments. Samples of our investor, trustee and municipal clients are as follows:

Columbia Pacific Advisors, LLP
Department of Housing and Urban Development (HUD)
██████████
GE Capital
State of Connecticut
State of Pennsylvania (Pre-Approved “Temporary” Manager)
Sunwest Guaranty
UMB Bank
US Trust
Walker Dunlop, Inc.
Wilmington Trust

Exhibit 12

Long Hill at Edgemere, LLC

December 22, 2022

Bay 9 Holdings LLC,
265 Magnolia Avenue, Suite 100
Larkspur, CA 94939

Dear Kjerstin:

We are writing at your request to provide consulting services to Bay 9 Holdings LLC, (“**you**”) in regard to the proposed sale diligence and management transition of the best-in-class continuing care retirement community (the “**Edgemere Community**”) on land owned by Intercity Investments Properties, Inc. (the “**Landlord**”) located at 8523 Thackery St, Dallas, Texas 75225 and leased pursuant to that certain Ground Lease dated November 5, 1999 (the “**Ground Lease**”).¹ As a CCRC, we understand the Edgemere Community offers residents a continuum of care in a campus-style setting, providing living accommodations and related health care and support services to persons aged 62 or older.

Northwest Senior Housing Corporation d/b/a Edgemere (“**Edgemere**”), the current owner of the Edgemere Community, and its affiliate, Senior Quality Lifestyles Corporation (and together with Edgemere, the “**Debtors**”), initiated a voluntary comprehensive restructuring under the Chapter 11 process (the “**Bankruptcy Proceeding**”) in the U.S. Bankruptcy Court for the Northern District of Texas (the “**Bankruptcy Court**”). The Edgemere Community is currently managed by Lifespace Communities, Inc. (“**Lifespace**”). In June of 2022, Edgemere secured approval through Bankruptcy Court for \$10.1 million of funding that is expected to provide liquidity through December 31, 2022. Additionally, the Debtors filed a lawsuit against the Landlord, and its agent, Kong Capital alleging tortious interference with its business, unlawful use of confidential information, and equitable subordination in bankruptcy in addition to various other claims.

In early December of 2022, the major constituencies in the Bankruptcy Proceeding reached a global resolution which is set forth in the Third Amended Plan of Reorganization of the Plan Sponsors Dated December 19, 2022 (as may be further amended, supplemented, or otherwise modified from time to time, the “**Plan**”). The Plan is supported by the following parties (collectively, the “**Plan Supporters**”): (i) UMB Bank, N.A., in its capacity as successor bond trustee and master trustee for the Original Bonds (together, the “**Trustee**”), (ii) UMB Bank, N.A., in its capacity as lender under the DIP Credit Agreement (together with the Trustee, the “**Initial Plan Sponsors**”), (iii) the Debtors and together with the Initial Plan Sponsors, the “**Plan Sponsors**”), (iv) Lifespace, and (v) the Official Committee of Unsecured Creditors. The Plan provides for the implementation of the Sale Transaction, pursuant to which substantially all of the Debtors’ assets will be sold to a purchaser through a bankruptcy sale process (the “**Sale Process**”). The Plan Sponsors have also obtained approval by the Bankruptcy Court to conduct the Sale Process pursuant to that certain Order (I) Authorizing and Approving the Bidding Procedures; (II) Authorizing and Approving the Stalking Horse Asset Purchase Agreement; (III) Approving Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases; (IV) Scheduling Combined Confirmation and Sale Hearing; And (V) Granting Related Relief filed as Document No. 946 on the docket of the Chapter 11 Cases (the “**Docket**”).

¹ Initially capitalized terms not otherwise defined herein shall have the meaning assigned to such term in the Plan or the Procedures Motion.

You have been selected by the Initial Plan Sponsors as the initial Purchaser under the Plan and pursuant to the Bidding Procedures filed with the Procedures Motion. Should you become the Successful Bidder pursuant to the Sale Transaction Procedures we understand you will acquire the Purchased Assets as defined in the Asset Purchase Agreement appearing as Document No. 937 on the Docket (or any later amendment thereto).

As part of the diligence process associated with the Sale Transaction, you have asked Long Hill at Edgemere, LLC, (“us”/ the “Consultant””/“we”) to act as a consultant to review the due diligence and other information provided by the Debtors and their consultants and to help to with the transition of the management of the Edgemere Community should you be selected as the Successful Bidder including, without limitation, the specific services identified below (this “Engagement”). This consultancy agreement (the “Consultancy Agreement”) outlines the terms and conditions related to our agreement to provide consulting services to you.

A. Initial Approach.

We will initially be retained on a consultancy basis effective as of November 1, 2022 (the “Effective Date”), pursuant to the terms of this Consultancy Agreement and subject to your direction and control. Should you become the Successful Bidder of the Purchased Assets in the Bankruptcy Proceeding, we expect to enter a mutually agreeable management services agreement by which we anticipate taking over full management responsibility for the Edgemere Community. We also understand that in such a case Lifespace would work to cooperatively to transition management to us and then terminate its management services. All parties will work diligently toward a management transition. You understand and agree that the Consultant will not forbear from taking any of the fees or payments described in this Consultancy Agreement, nor will fees and payments due and owing to the Consultant hereunder be subordinate to any of your or the Plan Sponsors debt obligations .

B. Billing Terms of Consultancy Agreement.

Notwithstanding anything to the contrary in this Consultancy Agreement, you shall not be responsible for payment of any fees or expenses to us for any fees or expenses that are charged to the Initial Plan Sponsors pursuant to any agreement between us and either of the Initial Plan Sponsors, and your responsibility for payment of fees and expenses hereunder shall only relate to Services that are not duplicative of Services provided to the Initial Plan Sponsors. We represent to you that we are not seeking payment from you of any amounts related to services performed by us on behalf of the Initial Plan Sponsors.

Upon execution of this Consultancy Agreement, we require an immediate payment [REDACTED] Dollars (\$ [REDACTED]) from you to us by wire transfer in accordance with the wire instructions set forth below (the “Fee Prepayment”). We will apply the Fee Prepayment to fees as they are incurred on your behalf in our sole discretion. During the consultancy period, fees will accrue on an hourly basis. Our hourly professional fees range from \$ [REDACTED] to \$ [REDACTED] per hour, and typically average \$ [REDACTED] per hour. We expect our fees will not exceed \$ [REDACTED] per month, without your prior consent. Travel and out of pocket expenses will be billed at cost in addition to an administrative support charge of 10 percent. Payment for each week’s services will be required to be made within seven (7) business days after delivery of our invoice to you.

We understand that your selection as the Stalking Horse Bidder under the Bidding Procedures established as part of the Sales Transaction will entitle you to a Break Up Fee and Expense Reimbursement in the event of a closing of a Sale with an alternative purchaser and not with you (the “Fee and Expenses Payment”).

You agree that you will pay from any such Fee and Expense Payment you receive, any outstanding fees owed to us under this Consultancy Agreement within seven (7) business days of your receipt of such a payment. Additionally, in the event that any order issued by the Bankruptcy Court approving you as the successful purchaser authorizes the Debtors to pay to us any outstanding obligations owed to us under this Consultancy Agreement, you agree to request that the Debtor make any such payments within seven (7) business days of our invoice to you for any such fees and expenses. Finally, in the event there are any remaining unpaid fees and expenses owed to us upon a return of any deposit or holdback you receive from the Sale Transaction, you agree to use such funds to first pay any such fees due and owing to us under this Consultancy Agreement.

In the normal course of business, we revise our hourly rates for various reasons including to reflect various changes in responsibilities, increased experience, geographical differentials and increased costs of doing business. Changes in applicable hourly rates for this retention will be noted on the statements or invoices, as the case may be, for the first time period in which the revised rates became effective. In addition, we will be compensated for any time and expenses (including, without limitation, reasonable legal fees and expenses) that we may incur in considering or responding to discovery requests or other requests for documents or information, or in participating as a witness or otherwise in any legal, regulatory, arbitration, or other proceedings as a result of or in connection with the Services or this Consultancy Agreement.

David Lawlor will serve as the engagement director and maintain overall responsibility for this retention. Support may also be provided by our other professionals who will be identified during the course of this Engagement. However, circumstances may occur that could result in changes to our anticipated staffing for this Engagement.

You will reimburse us for the following fees and expenses:

Legal Fees. You shall reimburse us for all reasonable, documented legal fees not to exceed \$ [REDACTED] per month without your prior consent, plus costs and expenses incurred by the Consultant in connection with the negotiation of this Consultancy Agreement, any future management services agreement related to the Edgemere Community, the rendering of all services described in this Consultancy Agreement, including, without limitation, any reasonable attorneys' fees and expenses incurred by the Consultant relating to or arising from the Bankruptcy Proceeding or other insolvency proceeding of the Debtors or their affiliates, including, without limitation, such fees and expenses arising from or related to: (i) our participation in the Sale, the Sale Transaction Procedures, or the Plan confirmation process, (ii) our participation in any discovery processes in the Bankruptcy Proceeding including any 2004 examinations, (iii) our work to facilitate a Closing of the Sale Transaction, including, any work to negotiate transition services agreements, (iv) appeals, (v) our work on your behalf in any other proceeding or effort to restructure or reorganize or liquidate the Debtors or the Assets or the obligations of the Debtors, (vi) any action taken by the Consultant to recover amounts owed to it under this Consultancy Agreement or for any other goods or services we develop on your behalf or provide to you.

Out-of-pocket Expenses. You shall reimburse us for all reasonable, documented out-of-pocket expenses incurred in connection with the rendering of all services described in this Consultancy Agreement, including but not limited to travel, telephone, postage and supplies.

Expenses of Accounting, Marketing, Payroll Processing and Reporting Systems. You shall be responsible for and pay all documented costs associated with the accounting system, marketing software programs, and payroll processing and reporting systems used for the work under this Consultancy Agreement.

Services Outside the Scope of this Consultancy Agreement. Any and all services not specifically provided for herein as an obligation of the Consultant to perform hereunder are considered to be outside of and beyond

the scope of this Consultancy Agreement. The rendering of the same shall be in consideration of additional fees and costs not contemplated hereby. To the extent feasible, prior to undertaking any such activities we shall negotiate with you in good faith and attempt to arrive at a mutually agreed upon schedule of fees and provision for the reimbursement of appropriate expenses.

C. Scope of Work

The following approach outlines our approach to review current conditions, market positioning, service delivery and management transition planning, solely as and to the extent requested by you (as may be amended from time to time hereafter, collectively the "Services").

1. Review Data Room Diligence and Current Conditions and consult with you from time to time regarding various matters relating to operations of the Edgemere Community and preparing for your potential purchase of the Purchased Assets assistance with regulatory approvals.
2. Service Delivery Programs
 - > Our operating team will assess the needs of those served, staffing levels maintained and competencies of service delivery teams. Such review will include, but not be limited to the following:
 - Dining Programs
 - Wellness Programs
 - Life Enrichment Programs
 - Health Care Offerings
 - > Make recommendations regarding the foregoing.
3. Business Planning
 - > Based upon our review of the current conditions of the Edgemere Community, its market position and service delivery programs, we would assess various business models to implement upon Closing.
 - > Consulting with respect to assumption of the Ground Lease pursuant to the purchase agreement governing your potential purchase of the Purchased Assets or any other sale related diligence or matters related to confirmation of the Plan.
4. Miscellaneous. Such other services as the parties may agree are appropriate from time to time.

D. Other Terms

Indemnity. You agree to jointly and severally hold harmless and indemnify us and all of our officers, directors, employees, successors, assigns, parents and affiliates from any and all claims, losses, judgments, damages, expenses, and liability whatsoever (including reasonable attorneys' fees) in connection with, by reason of, or arising out of any claims related to this Engagement or concerning the Edgemere Community, its businesses or facilities, the Ground Lease, the Bankruptcy Proceeding and the Chapter 11 Cases, or our work as consultant, which are alleged or brought against any one or more of us, including, but not limited to,

claims of any Governmental Authority, which relate to or arise from any facts, circumstances, action or omissions which occurred prior to: (i) the date of execution of a long term management agreement between us and (ii) our termination of services to you (whichever is earlier) (this “**Indemnity Obligation**”); provided, however, that you shall not have any liability for any Indemnity Obligations (i) in excess of the amount paid to us in accordance with this Consultancy Agreement or (ii) to the extent such Indemnity Obligations arise from or are related to any claim or expenses arising from our willful misconduct, gross negligence, bad faith or fraud. This Indemnity Obligation shall encompass all claims arising from such actions, omissions, events, facts or circumstances, whether such claims are asserted before or after the date of this Consultancy Agreement. This Indemnity Obligation shall survive the termination of this Consultancy Agreement.

No Conflicts. We and our affiliates are engaged by new clients every day. Therefore, we cannot assure that, following the completion of our internal conflict search, an engagement for or involving, among others, your creditors, vendors, customers, owners, competitors, adverse parties, potential acquirers or investors, or other parties-in-interest or their respective attorneys, accountants or advisors will not be accepted by us or our affiliates. Should any potential conflict come to our attention, we will endeavor to resolve such potential conflict and will determine what action needs to be taken. You represent that you have informed us of the parties-in-interest to this matter and agree that you will inform us of additions to, or name changes for, those parties-in-interest. Further you acknowledge that we and our affiliates, may have provided professional services to, may currently provide professional services to, or may in the future provide such services to, your creditors, vendors, customers, owners, joint venture partners, competitors, adverse parties in disputes, potential acquirers, or other parties-in-interest or their respective attorneys, accountants or advisors. You agree that we, our affiliates, subsidiaries, subcontractors and their respective personnel will have no responsibility to you relating to such professional services, nor any responsibility to use or disclose information we possess by reason of such services, whether or not such information might be considered material to you.

Intellectual Property. We have rights in, and may, in connection with the performance of the Services as part of this retention, use, create, modify, or acquire rights in, works of authorship, materials, information, and other intellectual property (collectively, the “**Our Technology**”). Upon full payment to us hereunder, and subject to the terms and conditions contained herein, (i) the tangible items specified as deliverables or work product in this Consultancy Agreement shall become your property, and (ii) we hereby grant to you a royalty-free, fully paid-up, worldwide, nonexclusive license to use Our Technology contained in the deliverables or work product in connection with the use of such deliverables or work product. Except for the foregoing license grant, we or the licensors of technology to us that is used in connection with our services or deliverables under this Consultancy Agreement retain all rights in and to all of Our Technology. To the extent Our Technology provided to you hereunder constitutes inventory within the meaning of section 471 of the Internal Revenue Code, such technology is licensed to you by us on the terms and conditions contained herein.

Confidential Information. As used herein, the term “**Bay 9 Confidential Information**” refers to the following: (i) all information and other materials of a non-public nature we receive from you or from others at your direction or request during the course of this Engagement, including but not limited to information that we receive from the other consultants that may assist you in the Sale Transaction (the “**Other Consultants**”); (ii) all information and materials from you, your counsel, or the Other Consultants that we accesses during the course of this Engagement; (iii) all communications, information and materials exchanged between us during the course of this Engagement; and (iv) all work product, including notes, records, work papers, analyses, other documents, including communications or any type or kind, reports and draft reports.

Limitations on Use of Confidential Information. It is understood and agreed that all Bay 9 Confidential Information is being accessed or received by us solely for the purpose of assisting and consulting with you

regarding the Sales Transaction. Accordingly, we shall, subject to the provisions of the next paragraph: (i) hold Bay 9 Confidential Information in confidence; (ii) use Bay 9 Confidential Information only in connection with this Engagement and for no other purposes without your consent; and (iii) not disclose Bay 9 Confidential Information to any third party without your consent. It is agreed that all Bay 9 Confidential Information is protected by applicable legal privileges including, without limitation, the common interest privilege.

Exceptions. No obligation shall be imposed upon us under this Consultancy Agreement with respect to any such information constituting the Consultant's Confidential Information (as that term is defined below) and any information: (a) that at the time of disclosure is in, or thereafter becomes part of, the public domain through no act or omission in breach of this Consultancy Agreement; and (b) is subsequently disclosed to us by a third party having no obligation of confidentiality with respect to the information. It is further agreed that we may use and disclose internally any knowledge and ideas acquired in connection with creating any deliverables under this Consultancy Agreement to the extent such knowledge and ideas are retained in the unaided memory of our personnel.

Rights in Confidential Information. All Bay 9 Confidential Information in our possession, custody or control, regardless of nature and the source, shall be held by us solely for your convenience and subject to your unconditional right to instruct us with respect to possession and control. All Bay 9 Confidential Information in our possession, custody or control, belongs to you. We may also have rights in Our Technology as well as (i) all information and other materials of a non-public nature you receive from us or from others at our direction or request during the course of this Engagement, including but not limited to information that you receive from the Other Consultants and share with us that we may use in providing the Services under this Consultancy Agreement; (ii) all communications, information and materials from us or our counsel that are shared with you during the course of this Engagement; and (iii) all our work product, including notes, records, work papers, analyses, other documents, including communications or any type or kind, reports and draft reports (collectively the "**Consultant Confidential Information**"). All of the Consultant Confidential Information in your possession, custody or control belongs to us. All the Consultant Confidential Information in your possession, custody or control of, regardless of nature and the source, shall be held by you solely for our convenience and subject to our unconditional right to instruct you with respect to possession, custody and control. It is agreed that all Consultant Confidential Information is protected by applicable legal privileges including, without limitation, the common interest privilege. No obligation shall be imposed upon you under this Consultancy Agreement with respect to any such information constituting the Bay 9 Confidential Information (as that term is defined below) and any information: (a) that at the time of disclosure is in, or thereafter becomes part of, the public domain through no act or omission in breach of this Consultancy Agreement; and (b) is subsequently disclosed to you by a third party having no obligation of confidentiality with respect to the information.

Subpoenas and Process. Notwithstanding the terms of this Consultancy Agreement, in the event that either party is requested or required by document subpoena, civil investigative demand, interrogatories, request for information or documents or other similar process to disclose any Bay 9 Confidential Information or Consultant Confidential Information ("**Request(s) for Information**"), each party will provide the other party prompt notice of such requirement(s) so that such party, at its cost and expense, may seek an appropriate protective order and/or waiver of compliance with the provisions of this Consultancy Agreement. Each party will reasonably cooperate with the other party in responding to such legal process relating to one or more Requests for Information so long as this Consultancy Agreement has not been terminated. Should the affected party not seek such an order, or, should such an order not be obtained by the affected party, then the other party may address any such Request for Information as such party determines appropriate without further obligation under this paragraph.

Limitation on Warranties. This is a services engagement. We warrant that we shall perform the Services in good faith and with due professional care. WE DISCLAIM ALL OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

Limitation on Damages. We, our affiliates, subsidiaries and subcontractors, and their respective personnel shall not be liable to you for any claims, liabilities, or expenses (including, without limitation, court costs and reasonable attorney's fees) relating to this retention ("Claims") for an aggregate amount in excess of the fees paid by you to us pursuant to this Consultancy Agreement, except to the extent resulting from our willful misconduct, gross negligence, or bad faith. In no event shall we, our affiliates, subsidiaries or subcontractors, or their respective personnel be liable to you for any loss of use, data, goodwill, revenues or profits (whether or not deemed to constitute a direct Claim), or any consequential, special, indirect, incidental, punitive, or exemplary loss, damage, or expense relating to this retention or this Consultancy Agreement. In circumstances where any limitation on damages or indemnification provision hereunder is unavailable, the aggregate liability of us and our affiliates, subsidiaries and subcontractors, and their respective personnel for any Claim shall not exceed an amount that is proportional to the relative fault that our conduct bears to all other conduct giving rise to such Claim.

Limitation on Actions. No action, regardless of form, relating to this Consultancy Agreement, may be brought by either party more than one year after the cause of action has accrued, except that an action for nonpayment may be brought by a party not later than one year following the due date of the last payment owing to the party bringing such action.

Your Responsibilities. You agree to cooperate with us in the performance of our services as part of this Engagement, including providing us with access to your data and information. With respect to the data and information provided by you to us or our subcontractors for the performance of the services in connection with this retention, we shall have all rights required to provide such data and information, and shall do so only in accordance with applicable law and with any procedures agreed upon in writing. You shall be solely responsible for, among other things (a) the performance of your personnel and agents, (b) the accuracy and completeness of all data and information provided to us for purposes of the performance of the Services as part of this retention, (c) evaluating the adequacy and results of the Services performed as part of this retention, (d) accepting responsibility for the results of our Services, and (e) establishing and maintaining internal controls, including monitoring ongoing activities. Our performance is dependent upon the timely and effective satisfaction of your responsibilities hereunder and your timely decisions and approvals in connection with the services we are rendering as part of this Engagement.

No Audit Reliance. In connection with our services, we shall be entitled to assume, without independent verification, the accuracy and completeness of any and all information and assumptions you provide to us for purposes of the performance of the Services as part of this retention. We will not verify such information or assumptions. You should not rely on our work to disclose errors or fraud should they exist. Accordingly, our Services will not result in the issuance of any written or oral communications by us to you or any other person or entity expressing any opinion, conclusion, or any other form of assurance with respect to, among other things, accounting policies, financial data, financial statements or related footnotes, appropriate application of generally accepted accounting principles, disclosure, operating or internal controls, compliance with the rules and regulations of the Securities and Exchange Commission or the PCAOB, compliance with the Sarbanes-Oxley Act of 2002 or related rules and regulations or any other matters. Our Services will not include, and should not be interpreted as providing, any predictions or any opinions or other assurances concerning the outcome of future events, including, without limitation, those that pertain to the operating results of any entity, the achievability of any business plan, the success of any investment, the recovery of any asset or the ability to pay any debt. You expressly acknowledge that we do not guarantee, warrant, represent or otherwise provide any assurance regarding successful restructuring. You recognize and

acknowledge that by performing the Services hereunder, we are not acting in any management capacity for you and that you have not asked us to make, nor have we agreed to make, any business decisions on your behalf or on behalf of any of your obligors. All decisions about your business, including, but not limited to, decisions concerning the execution of restructuring or transactions with other entities and the establishment of terms for such restructurings or transactions, remain your sole responsibility.

No Modelling Reliance. While we may assist in the development of certain quantitative financial models, you acknowledge and agree that you will take sole responsibility for all aspects of, and for making all judgments and decisions in connection with, any such models developed in connection with our Services hereunder, including the underlying assumptions, inputs, formulas, and calculations, and model outputs, including any financial projections or related computations or calculations. Without limiting the foregoing, financial forecasts remain your responsibility and not ours. In this regard, we do not assume any responsibility for representations about your plans and expectations or for disclosure of significant information that might affect the ultimate realization of its forecasted results, and we have no responsibility therefor or for the achievability of the results forecasted. You agree that although our Services hereunder may include access to the work of your other professional advisors, or to financial statements or financial information or data reported on by such other professional advisors, such access is not for the purpose of affirming or evaluating the procedures or professional standards used by such other professional advisors.

Force Majeure. Neither party shall be liable for any delays or nonperformance directly or indirectly resulting from circumstances or causes beyond its reasonable control, including fire, epidemic, pandemic or other casualty, act of God, strike or labor dispute, war or other violence, or any law, order, or requirement of any governmental agency or authority.

Non-Exclusivity. We may (i) provide any services to any person or entity, and (ii) develop for ourselves, or for others, any materials or processes, including those that may be similar to those produced as a result of the Services or deliverables to be provided under this retention, provided that, we comply with any of our obligations of confidentiality set forth herein.

Further Assurances. The parties agree to enter any ancillary agreements as mutually agreed including, for example, any confidentiality or business associate agreements.

Term. Finally, we may terminate our work for you pursuant to this Consultancy Agreement with or without cause as we determine in our sole discretion, upon fourteen (14) days' notice to you provided, however, in the event we have not received timely payment of any of our invoices we may terminate our work for you pursuant to this Consultancy Agreement upon five (5) days' notice to you.

E. Future Possible Management.

Over the next few weeks we will negotiate with you a mutually agreeable management services agreement to be effective upon later of (i) the closing of the Sale Transaction pursuant to the court order approving you as the Successful Bidder, and, (ii) sixty days after the effective date of a transition services agreement with Lifespace.

Our management agreement will likely include terms and conditions similar to those set out in the sample management agreement, though we may require additional terms and conditions as a result of our diligence review. Based upon our present understanding and knowledge of operations we would propose our management fee to be 4.5% of monthly net revenue (after any promotions), with the potential to receive an additional 1/2% of monthly net revenue (after any promotions) as a bonus management fee in the event that Edgemere Community achieves business metrics to be mutually agreed upon by the parties. We expect the parties will also agree to mutually acceptable incentive compensation to us under such an agreement.

Additionally, we will require all appropriate stakeholders, including the Trustee, to agree that we, as successor manager, will be paid all management fees due and owing under such a management agreement. We expect the term of the management agreement, if any, will be 12-months with 12-month auto renewals.

For all purposes hereof, we shall, at all times, solely act as an independent contractor and we and our representatives and affiliates, on the one hand, and you and your respective representatives and affiliates, on the other hand, shall not be deemed an agent, lawyer, employee, representative, or joint venturer of one another, nor shall this Consultancy Agreement or the consultancy services or any activity or any transaction contemplated hereby, or any commission or omission by any party hereto, be deemed to create any partnership, joint venture, agency or employment between the parties or among their affiliates. As an independent contractor, neither we nor our representatives or affiliates shall have any liability for obligations of you or your representatives or affiliates.

This Consultancy Agreement shall be governed by and construed in accordance with the domestic laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the state of Delaware. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS CONSULTANCY AGREEMENT.

This Consultancy Agreement contains the entire agreement regarding our retention to render consulting services, and cannot be amended or terminated without a writing signed by both parties hereto. The confidentiality undertakings and duties concerning Confidential Information shall remain in effect for period of one (1) year after termination of this Consultancy Agreement and/or the conclusion of this Engagement.

Unless terminated sooner as set forth below, this Engagement shall terminate upon the completion of the Services and provision of deliverables, if any (the "Term"). We may terminate this Consultancy Agreement upon written notice to you if we determine that the performance of any part of the Services would be in conflict with law or independence or professional rules.

You warrant and represent that you have full power and authority to enter into this Consultancy Agreement, that you have received due authorization to enter this Consultancy Agreement and that this Consultancy Agreement is valid and binding upon you and enforceable in accordance with its terms.

You acknowledge you have delivered a copy of this fully executed Consultancy Agreement to UMB Bank, N.A., as successor Bond Trustee under the Indentures.

This Consultancy Agreement may be executed in counterparts and by different parties hereto in separate counterparts and transmitted electronically with a .pdf scanned attachment or by facsimile to the other parties, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts, taken together, shall constitute but one and the same instrument.

We look forward to working with you.

Kindly sign on the next page to reflect your acceptance of and agreement with the terms of this Consultancy Agreement, and return a signed copy to me (via email). Thank you.

Sincerely,
Long Hill at Edgemere, LLC

By:



Its duly authorized agent

cc: Victor G. Milione, Esq. Nixon Peabody, LLP

Authorized Acceptance:

Bay 9 Holdings LLC

By:

Its duly authorized agent

[Signature Page to Consultancy Agreement]

BAY000059

Sincerely,
Long Hill at Edgemere, LLC

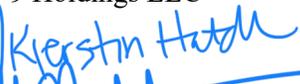
By:

Its duly authorized agent

cc: Victor G. Milione, Esq. Nixon Peabody, LLP

Authorized Acceptance:

Bay 9 Holdings LLC

By: 

Its duly authorized agent

Wire transfer instructions:

Company Name: Long Hill at Edgemere, LLC

c/o The Long Hill Co. Inc.

Company/Account Holder Address: 580 Long Hill Avenue, Shelton, CT 06484

Domestic Wire transfer routing 022000046

Account 9861392976

Bank Address: M & T Bank

327 Great Oaks Blvd. Albany, NY 12203-5971

Exhibit 13



Edgemere Project

Business Planning Analysis

As of January 6, 2023

NON-RELIANCE DISCLAIMER:

While we may assist in the development of certain quantitative financial models, you acknowledge and agree that you will take sole responsibility for all aspects of, for all aspects of, and for making all judgments and decisions in connection with, any such models developed in connection with our services hereunder, including the underlying assumptions, inputs, formulas, and calculations, and model outputs, including any financial projections or related computations or calculations. Without limiting the foregoing, financial forecasts remain your responsibility and not ours. In this regard, we do not assume any responsibility for representations about your plans and expectations or for disclosure of significant information that might affect the ultimate realization of its forecasted results, and we have no responsibility therefor or for the achievability of the results forecasted. You agree that although our services hereunder may include access to the work of your other professional advisors, or to financial statements or financial information or data reported on by such other professional advisors, such access is not for the purpose of affirming or evaluating the procedures or professional standards used by such other professional advisors.

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As of 01-06-2023

BAY000152

Edgemere Project
Business Planning Analysis

	Historical	TLHC	Notes
Revenue			
IL Occupancy	239		
IL Occupancy (%)	78.6%		
IL SPF Occupancy (%)	17.4%		
IL MSF for EF Contracts	\$ 6,658		
IL SPF for EF Contracts	\$ 1,732		
IL MSF for Rental Contracts	\$ 6,658		
IL SPF for Rental Contracts	\$ 1,732		
IL Annual Rate Increase (%)			
Year 2	5.00%		
Year 3	5.00%		
Year 4	3.00%		
Year 5	3.00%		
IL Rental Community Fee			
Annual increase (%)	n/a		
Year 1	\$ 5,000		
Year 2	\$ 10,000		
Year 3	\$ 15,000		
Year 4	\$ 20,000		
Year 5	\$ 20,000		
IL Discounting/Incentive			
EF Contract	\$ -		
Rental	2 months		
IL Ancillary			
Annual Increase (%)	3.00%		
Garage Fees	\$ 2,657		
Guest Room	\$ 5,773		
Additional Meals	\$ 8,240		
Guest Meals	\$ 10,300		
Catering	\$ 2,999		
Other	\$ 2,970		
AL Occupancy			
Lifecare	13		
Private Pay	26		
AL MSF for EF Contracts	\$ 7,293		
AL MSF for Rental Contracts	\$ 9,685		
AL Ancillary	\$ 1,690		
AL Annual Rate Increase (%)			
Year 2	3.00%		
Year 3	3.00%		
Year 4	3.00%		
Year 5	3.00%		

	Historical	TLHC	Notes
MC Occupancy			
Lifecare	13		
Private Pay	8		
MC MSF for EF Contracts	\$ 6,966		
MC MSF for Rental Contracts	\$ 9,259		
MC Ancillary	\$ 750		
MC Annual Rate Increase (%)			
Year 2	3.00%		
Year 3	3.00%		
Year 4	3.00%		
Year 5	3.00%		
SNF Occupancy			
Lifecare	13		
Private Pay	17		
Medicare Part A	18		
Managed Care A	1		
SNF Rates			
Lifecare	\$ 198.07		
Private Pay	\$ 406.07		
Medicare Part A	\$ 571.23		
Managed Care A	\$ 425.00		
SNF EF/Private Annual Rate Increase (%)			
Year 2	3.00%		
Year 3	3.00%		
Year 4	3.00%		
Year 5	3.00%		
SNF Medicare/HMO Annual Rate Increase (%)			
Year 2	1.50%		
Year 3	1.50%		
Year 4	1.50%		
Year 5	1.50%		
SNF Med B Revenue	\$ 62,000		
SNF Med B Inflation	1.50%		
SNF Discount (Monthly Average)	\$(11,500)		
SNF Hardship (Monthly Average)	\$(6,200)		
SNF Other Ancillary	\$ 3,625		
Other Income			
JV Revenue	\$ 10,350		
Space Rental	\$ 8,318		
Annual Inflation	3.00%		

**Edgemere Project
Business Planning Analysis
Baseline Projections**

	<u>Year 1 (P)</u>	<u>Year 2 (P)</u>	<u>Year 3 (P)</u>	<u>Year 4 (P)</u>	<u>Year 5 (P)</u>	
Average Census by Level of Care						
Independent Living	207	211	238	271	280	
Healthcare Services						
Assisted Living	49	62	63	63	63	
Memory Support	32	41	41	41	41	
Skilled Nursing	57	76	78	79	79	
Total	344	390	421	454	463	
Percentage	68.2%	77.3%	83.5%	90.1%	91.8%	
REVENUES						
Independent Living Fees	17,793	19,278	22,718	26,651	28,069	
Healthcare Services						
Assisted Living Fees	5,323	6,847	7,193	7,458	7,674	
Memory Support Fees	3,504	4,531	4,686	4,894	5,029	
Skilled Nursing Fees	10,080	13,452	14,381	15,022	15,384	
Total Healthcare Services	18,907	24,830	26,260	27,374	28,088	
Other Revenue	224	231	238	245	252	
Total Revenues	36,924	44,339	49,216	54,270	56,410	
EXPENSES						
Operating Expenses						
Salaries and Benefits	17,433	20,042	20,956	21,737	22,364	
General and Administrative	7,727	8,274	8,169	8,593	8,876	
Plant Operations	2,357	2,428	2,501	2,576	2,653	
Housekeeping	338	348	359	369	381	
Dietary	2,984	3,074	3,166	3,261	3,359	
Medical and Other Care	3,426	3,528	3,634	3,743	3,856	
Total Operating Expenses	34,264	37,694	38,784	40,279	41,488	
Net Operating Margin	2,659	6,645	10,432	13,991	14,922	
Net Operating Margin %	7.20%	14.99%	21.20%	25.78%	26.45%	
Other Expenses						
Ground Lease	4,324	4,453	4,587	4,725	4,866	
Total Other Expenses	4,324	4,453	4,587	4,725	4,866	
Total Expenses	38,588	42,147	43,371	45,003	46,354	
Net Income	(1,664)	2,192	5,845	9,267	10,056	
Funds Available for Debt Service	(1,664)	2,192	5,845	9,267	10,056	TOTAL
						25,695

**Edgemere Project
Business Planning Analysis
Baseline Projection**

	Year 1 (P)	Year 2 (P)	Year 3 (P)	Year 4 (P)	Year 5 (P)
REVENUES					
Independent Living Fees	17,793,066	19,278,246	22,718,416	26,651,258	28,069,386
Entrance Fee Amortization					
Healthcare Services					
Assisted Living Fees	5,323,200	6,847,156	7,192,950	7,458,048	7,674,381
Memory Support Fees	3,504,050	4,530,740	4,686,072	4,894,439	5,029,426
Skilled Nursing Fees	10,079,521	13,451,963	14,381,139	15,021,649	15,384,408
Total Healthcare Services	18,906,771	24,829,859	26,260,161	27,374,136	28,088,216
Other Revenue	224,016	230,748	237,672	244,800	252,144
Total Revenues	36,923,853	44,338,853	49,216,249	54,270,194	56,409,746
EXPENSES					
Operating Expenses					
Salaries and Benefits	17,432,907	20,042,002	20,955,874	21,736,721	22,364,004
General and Administrative	7,726,649	8,273,811	8,168,936	8,592,862	8,876,191
Plant Operations	2,357,160	2,427,888	2,500,740	2,575,764	2,653,044
Housekeeping	338,112	348,264	358,704	369,468	380,556
Dietary	2,983,968	3,073,500	3,165,708	3,260,676	3,358,500
Medical and Other Care	3,425,616	3,528,384	3,634,248	3,743,292	3,855,612
Total Operating Expenses	34,264,411	37,693,849	38,784,210	40,278,783	41,487,907
Net Operating Margin	2,659,441	6,645,004	10,432,039	13,991,411	14,921,839
Net Operating Margin %	7.20%	14.99%	21.20%	25.78%	26.45%

**Edgemere Project
Business Planning Analysis
Baseline Projection**

	Projected						
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7
REVENUES							
Independent Living Fees	1,524,033	1,524,033	1,502,327	1,504,059	1,489,011	1,482,353	1,475,695
Entrance Fee Amortization							
Healthcare Services							
Assisted Living Fees	370,500	387,700	413,500	430,700	430,700	422,100	447,900
Memory Support Fees	225,650	234,400	251,900	260,650	295,650	295,650	304,400
Skilled Nursing Fees	739,139	751,491	764,130	776,769	782,945	828,686	868,252
Total Healthcare Services	1,335,289	1,373,591	1,429,530	1,468,119	1,509,295	1,546,436	1,620,552
Other Revenue	18,668	18,668	18,668	18,668	18,668	18,668	18,668
Total Revenues	2,877,990	2,916,292	2,950,525	2,990,846	3,016,974	3,047,457	3,114,915
EXPENSES							
Operating Expenses							
Salaries and Benefits	1,367,959	1,381,273	1,398,873	1,412,186	1,424,632	1,442,510	1,469,828
General and Administrative	633,938	635,853	637,564	639,580	640,887	642,411	645,784
Plant Operations	196,430	196,430	196,430	196,430	196,430	196,430	196,430
Housekeeping	28,176	28,176	28,176	28,176	28,176	28,176	28,176
Dietary	248,664	248,664	248,664	248,664	248,664	248,664	248,664
Medical and Other Care	285,468	285,468	285,468	285,468	285,468	285,468	285,468
Total Operating Expenses	2,760,635	2,775,863	2,795,175	2,810,505	2,824,257	2,843,658	2,874,350
Net Operating Margin	117,356	140,428	155,350	180,341	192,717	203,799	240,565
Net Operating Margin %	4.08%	4.82%	5.27%	6.03%	6.39%	6.69%	7.72%

**Edgemere Project
Business Planning Analysis
Baseline Projection**

	Month 8	Month 9	Month 10	Month 11	Month 12	Month 13	Month 14	Month 15
REVENUES								
Independent Living Fees	1,467,305	1,447,331	1,455,599	1,463,989	1,457,331	1,529,017	1,544,666	1,551,590
Entrance Fee Amortization								
Healthcare Services								
Assisted Living Fees	465,100	465,100	482,300	508,100	499,500	546,347	564,235	555,291
Memory Support Fees	304,400	321,900	330,650	339,400	339,400	362,070	371,170	389,370
Skilled Nursing Fees	874,427	899,418	918,233	918,233	957,798	1,038,679	1,051,515	1,070,906
Total Healthcare Services	1,643,927	1,686,418	1,731,183	1,765,733	1,796,698	1,947,096	1,986,920	2,015,567
Other Revenue	18,668	18,668	18,668	18,668	18,668	19,229	19,229	19,229
Total Revenues	3,129,900	3,152,417	3,205,450	3,248,390	3,272,697	3,495,342	3,550,815	3,586,386
EXPENSES								
Operating Expenses								
Salaries and Benefits	1,477,488	1,493,549	1,509,802	1,519,935	1,534,873	1,615,468	1,629,647	1,641,543
General and Administrative	646,533	647,659	650,310	652,457	653,673	679,506	682,280	684,058
Plant Operations	196,430	196,430	196,430	196,430	196,430	202,324	202,324	202,324
Housekeeping	28,176	28,176	28,176	28,176	28,176	29,022	29,022	29,022
Dietary	248,664	248,664	248,664	248,664	248,664	256,125	256,125	256,125
Medical and Other Care	285,468	285,468	285,468	285,468	285,468	294,032	294,032	294,032
Total Operating Expenses	2,882,759	2,899,945	2,918,850	2,931,130	2,947,284	3,076,477	3,093,429	3,107,105
Net Operating Margin	247,141	252,471	286,600	317,260	325,414	418,865	457,386	479,281
Net Operating Margin %	7.90%	8.01%	8.94%	9.77%	9.94%	11.98%	12.88%	13.36%

**Edgemere Project
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	Month 16	Month 17	Month 18	Month 19	Month 20	Month 21	Month 22	Month 23
REVENUES								
Independent Living Fees	1,570,715	1,584,563	1,605,335	1,614,060	1,634,832	1,643,557	1,650,481	1,671,253
Entrance Fee Amortization								
Healthcare Services								
Assisted Living Fees	573,179	573,179	582,123	570,267	570,267	591,067	570,267	559,867
Memory Support Fees	368,570	386,770	368,570	378,970	389,370	368,570	378,970	378,970
Skilled Nursing Fees	1,090,296	1,096,714	1,137,625	1,168,102	1,157,669	1,164,224	1,164,361	1,145,107
Total Healthcare Services	2,032,045	2,056,663	2,088,318	2,117,339	2,117,306	2,123,861	2,113,598	2,083,944
Other Revenue	19,229	19,229	19,229	19,229	19,229	19,229	19,229	19,229
Total Revenues	3,621,989	3,660,455	3,712,882	3,750,628	3,771,367	3,786,647	3,783,308	3,774,426
EXPENSES								
Operating Expenses								
Salaries and Benefits	1,655,954	1,664,574	1,680,856	1,695,747	1,690,387	1,693,647	1,693,879	1,685,492
General and Administrative	685,838	687,762	690,383	692,270	693,307	694,071	693,904	693,460
Plant Operations	202,324	202,324	202,324	202,324	202,324	202,324	202,324	202,324
Housekeeping	29,022	29,022	29,022	29,022	29,022	29,022	29,022	29,022
Dietary	256,125	256,125	256,125	256,125	256,125	256,125	256,125	256,125
Medical and Other Care	294,032	294,032	294,032	294,032	294,032	294,032	294,032	294,032
Total Operating Expenses	3,123,295	3,133,839	3,152,742	3,169,520	3,165,198	3,169,222	3,169,287	3,160,455
Net Operating Margin	498,694	526,616	560,139	581,108	606,169	617,425	614,021	613,971
Net Operating Margin %	13.77%	14.39%	15.09%	15.49%	16.07%	16.31%	16.23%	16.27%

**Edgemere Project
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Baseline Projection**

	Month 24	Month 25	Month 26	Month 27	Month 28	Month 29	Month 30	Month 31
REVENUES								
Independent Living Fees	1,678,177	1,782,495	1,805,971	1,813,172	1,838,521	1,852,923	1,883,600	1,907,076
Entrance Fee Amortization								
Healthcare Services								
Assisted Living Fees	591,067	593,113	593,113	614,713	593,113	614,713	603,913	614,713
Memory Support Fees	389,370	383,306	394,106	383,306	373,842	402,234	383,306	373,842
Skilled Nursing Fees	1,166,764	1,229,754	1,216,401	1,209,694	1,202,987	1,182,958	1,191,915	1,200,873
Total Healthcare Services	2,147,201	2,206,172	2,203,619	2,207,712	2,169,941	2,199,904	2,179,134	2,189,427
Other Revenue	19,229	19,806	19,806	19,806	19,806	19,806	19,806	19,806
Total Revenues	3,844,607	4,008,473	4,029,396	4,040,690	4,028,268	4,072,633	4,082,540	4,116,309
EXPENSES								
Operating Expenses								
Salaries and Benefits	1,694,807	1,758,749	1,753,229	1,750,350	1,745,308	1,744,352	1,743,145	1,744,340
General and Administrative	696,969	676,101	677,147	677,712	677,090	679,309	679,804	681,492
Plant Operations	202,324	208,395	208,395	208,395	208,395	208,395	208,395	208,395
Housekeeping	29,022	29,892	29,892	29,892	29,892	29,892	29,892	29,892
Dietary	256,125	263,809	263,809	263,809	263,809	263,809	263,809	263,809
Medical and Other Care	294,032	302,854	302,854	302,854	302,854	302,854	302,854	302,854
Total Operating Expenses	3,173,280	3,239,800	3,235,326	3,233,011	3,227,348	3,228,611	3,227,899	3,230,783
Net Operating Margin	671,327	768,673	794,070	807,679	800,920	844,022	854,640	885,527
Net Operating Margin %	17.46%	19.18%	19.71%	19.99%	19.88%	20.72%	20.93%	21.51%

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	Month 32	Month 33	Month 34	Month 35	Month 36	Month 37	Month 38	Month 39
REVENUES								
Independent Living Fees	1,928,679	1,944,954	1,966,557	1,990,033	2,004,435	2,113,681	2,136,148	2,153,074
Entrance Fee Amortization								
Healthcare Services								
Assisted Living Fees	593,113	582,313	593,113	582,313	614,713	616,837	616,837	616,837
Memory Support Fees	415,706	383,306	394,106	394,106	404,906	398,650	409,850	398,650
Skilled Nursing Fees	1,194,197	1,187,520	1,187,520	1,180,844	1,196,478	1,260,707	1,253,757	1,246,807
Total Healthcare Services	2,203,015	2,153,139	2,174,739	2,157,262	2,216,096	2,276,194	2,280,444	2,262,294
Other Revenue	19,806	19,806	19,806	19,806	19,806	20,400	20,400	20,400
Total Revenues	4,151,500	4,117,899	4,161,102	4,167,101	4,240,337	4,410,275	4,436,992	4,435,768
EXPENSES								
Operating Expenses								
Salaries and Benefits	1,744,580	1,741,939	1,742,656	1,740,255	1,746,970	1,812,890	1,810,416	1,807,696
General and Administrative	683,252	681,572	683,732	684,032	687,694	710,460	711,796	711,734
Plant Operations	208,395	208,395	208,395	208,395	208,395	214,647	214,647	214,647
Housekeeping	29,892	29,892	29,892	29,892	29,892	30,789	30,789	30,789
Dietary	263,809	263,809	263,809	263,809	263,809	271,723	271,723	271,723
Medical and Other Care	302,854	302,854	302,854	302,854	302,854	311,941	311,941	311,941
Total Operating Expenses	3,232,782	3,228,461	3,231,338	3,229,237	3,239,614	3,352,449	3,351,312	3,348,531
Net Operating Margin	918,718	889,437	929,763	937,864	1,000,724	1,057,826	1,085,680	1,087,237
Net Operating Margin %	22.13%	21.60%	22.34%	22.51%	23.60%	23.99%	24.47%	24.51%

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	Month 40	Month 41	Month 42	Month 43	Month 44	Month 45	Month 46	Month 47
REVENUES								
Independent Living Fees	2,175,541	2,207,445	2,222,423	2,254,327	2,278,742	2,301,209	2,258,357	2,269,557
Entrance Fee Amortization								
Healthcare Services								
Assisted Living Fees	605,637	650,437	650,437	616,837	605,637	605,637	628,037	605,637
Memory Support Fees	388,807	418,336	398,650	409,850	421,050	398,650	409,850	409,850
Skilled Nursing Fees	1,239,857	1,242,001	1,271,946	1,278,896	1,258,046	1,251,096	1,244,145	1,230,245
Total Healthcare Services	2,234,301	2,310,774	2,321,033	2,305,583	2,284,733	2,255,383	2,282,032	2,245,732
Other Revenue	20,400	20,400	20,400	20,400	20,400	20,400	20,400	20,400
Total Revenues	4,430,241	4,538,619	4,563,856	4,580,310	4,583,875	4,576,991	4,560,789	4,535,689
EXPENSES								
Operating Expenses								
Salaries and Benefits	1,802,503	1,811,647	1,819,547	1,823,744	1,814,846	1,812,373	1,809,161	1,802,737
General and Administrative	711,458	716,877	718,139	718,962	719,140	718,796	717,985	716,730
Plant Operations	214,647	214,647	214,647	214,647	214,647	214,647	214,647	214,647
Housekeeping	30,789	30,789	30,789	30,789	30,789	30,789	30,789	30,789
Dietary	271,723	271,723	271,723	271,723	271,723	271,723	271,723	271,723
Medical and Other Care	311,941	311,941	311,941	311,941	311,941	311,941	311,941	311,941
Total Operating Expenses	3,343,061	3,357,623	3,366,786	3,371,805	3,363,086	3,360,268	3,356,246	3,348,568
Net Operating Margin	1,087,180	1,180,995	1,197,070	1,208,505	1,220,788	1,216,723	1,204,543	1,187,121
Net Operating Margin %	24.54%	26.02%	26.23%	26.38%	26.63%	26.58%	26.41%	26.17%

**Edgemere Project
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	Month 48	Month 49	Month 50	Month 51	Month 52	Month 53	Month 54	Month 55
REVENUES								
Independent Living Fees	2,280,757	2,331,382	2,342,982	2,354,582	2,342,982	2,331,382	2,342,982	2,331,382
Entrance Fee Amortization								
Healthcare Services								
Assisted Living Fees	639,237	635,392	623,792	660,228	623,792	681,792	623,792	625,428
Memory Support Fees	432,250	410,541	422,141	410,541	400,403	430,817	422,141	422,141
Skilled Nursing Fees	1,244,145	1,295,166	1,280,840	1,280,840	1,280,840	1,273,677	1,280,840	1,273,677
Total Healthcare Services	2,315,632	2,341,100	2,326,773	2,351,609	2,305,035	2,386,286	2,326,773	2,321,246
Other Revenue	20,400	21,012	21,012	21,012	21,012	21,012	21,012	21,012
Total Revenues	4,616,789	4,693,494	4,690,767	4,727,203	4,669,029	4,738,680	4,690,767	4,673,640
EXPENSES								
Operating Expenses								
Salaries and Benefits	1,809,161	1,869,962	1,863,346	1,860,563	1,860,545	1,865,640	1,863,346	1,857,255
General and Administrative	720,785	739,317	739,180	741,002	738,093	741,576	739,180	738,324
Plant Operations	214,647	221,087	221,087	221,087	221,087	221,087	221,087	221,087
Housekeeping	30,789	31,713	31,713	31,713	31,713	31,713	31,713	31,713
Dietary	271,723	279,875	279,875	279,875	279,875	279,875	279,875	279,875
Medical and Other Care	311,941	321,301	321,301	321,301	321,301	321,301	321,301	321,301
Total Operating Expenses	3,359,046	3,463,255	3,456,502	3,455,541	3,452,615	3,461,192	3,456,502	3,449,555
Net Operating Margin	1,257,743	1,230,239	1,234,265	1,271,662	1,216,415	1,277,489	1,234,265	1,224,085
Net Operating Margin %	27.24%	26.21%	26.31%	26.90%	26.05%	26.96%	26.31%	26.19%

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	Month 56	Month 57	Month 58	Month 59	Month 60
REVENUES					
Independent Living Fees	2,354,582	2,319,782	2,342,982	2,319,782	2,354,582
Entrance Fee Amortization					
Healthcare Services					
Assisted Living Fees	623,792	646,992	623,792	646,992	658,592
Memory Support Fees	433,741	410,541	422,141	422,141	422,141
Skilled Nursing Fees	1,266,514	1,280,840	1,288,003	1,288,003	1,295,166
Total Healthcare Services	<u>2,324,047</u>	<u>2,338,373</u>	<u>2,333,936</u>	<u>2,357,136</u>	<u>2,375,900</u>
Other Revenue	<u>21,012</u>	<u>21,012</u>	<u>21,012</u>	<u>21,012</u>	<u>21,012</u>
Total Revenues	<u>4,699,641</u>	<u>4,679,167</u>	<u>4,697,931</u>	<u>4,697,931</u>	<u>4,751,494</u>
EXPENSES					
Operating Expenses					
Salaries and Benefits	1,856,730	1,863,346	1,866,654	1,866,654	1,869,962
General and Administrative	739,624	738,600	739,539	739,539	742,217
Plant Operations	221,087	221,087	221,087	221,087	221,087
Housekeeping	31,713	31,713	31,713	31,713	31,713
Dietary	279,875	279,875	279,875	279,875	279,875
Medical and Other Care	321,301	321,301	321,301	321,301	321,301
Total Operating Expenses	<u>3,450,330</u>	<u>3,455,922</u>	<u>3,460,169</u>	<u>3,460,169</u>	<u>3,466,155</u>
Net Operating Margin	<u>1,249,311</u>	<u>1,223,245</u>	<u>1,237,762</u>	<u>1,237,762</u>	<u>1,285,339</u>
Net Operating Margin %	<u>26.58%</u>	<u>26.14%</u>	<u>26.35%</u>	<u>26.35%</u>	<u>27.05%</u>

**Edgemere Project
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	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Indendent Living												
Legacy	210	208	203	201	197	194	191	188	183	180	178	174
New Admits	3	5	7	9	11	13	15	17	19	22	25	28
Total	213	213	210	210	208	207	206	205	202	202	203	202
Occupancy%	70%	70%	69%	69%	68%	68%	68%	67%	66%	66%	67%	66%
Assisted Living												
Legacy	13	13	14	14	14	13	14	14	14	14	15	14
New Admits	27	29	31	33	33	33	35	37	37	39	41	41
Total	40	42	45	47	47	46	49	51	51	53	56	55
Occupancy%	59%	62%	66%	69%	69%	68%	72%	75%	75%	78%	82%	81%
Memory Care												
Legacy	14	14	15	15	16	15	15	14	15	15	15	14
New Admits	10	11	12	13	16	17	18	19	20	21	22	23
Total	24	25	27	28	32	32	33	33	35	36	37	37
Occupancy%	53%	56%	60%	62%	71%	71%	73%	73%	78%	80%	82%	82%
Skilled Nursing												
Legacy	14	14	13	13	12	13	14	13	14	14	13	13
Private	17	18	19	20	21	23	25	26	27	28	29	31
Medicare	18	18	18	18	18	19	19	19	19	19	19	20
Managed Care	1	1	2	2	2	2	2	2	3	3	3	3
Total	49	50	51	52	53	56	59	60	62	63	63	66
Occupancy%	56%	57%	59%	60%	60%	64%	68%	68%	71%	72%	72%	76%
Community Occupancy												
Independent	213	213	210	210	208	207	206	205	202	202	203	202
Assisted	40	42	45	47	47	46	49	51	51	53	56	55
Memory Care	24	25	27	28	32	32	33	33	35	36	37	37
Skilled Nursing	49	50	51	52	53	56	59	60	62	63	63	66
Total	326	330	333	337	340	341	347	349	350	354	359	360
Occupancy	65%	65%	66%	67%	67%	68%	69%	69%	69%	70%	71%	71%
<i>check</i>	-	-	-	-	-	-	-	-	-	-	-	-
Legacy												
Independent	210	208	203	201	197	194	191	188	183	180	178	174
Assisted	13	13	14	14	14	13	14	14	14	14	15	14
Memory Care	14	14	15	15	16	15	15	14	15	15	15	14
Skilled Nursing	14	14	13	13	12	13	14	13	14	14	13	13
Total	251	249	245	243	239	235	234	229	226	223	221	215

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	Month 13	Month 14	Month 15	Month 16	Month 17	Month 18	Month 19	Month 20	Month 21	Month 22	Month 23	Month 24
Indendent Living												
Legacy	171	169	166	163	160	158	155	153	149	146	144	141
New Admits	31	35	39	43	48	53	57	62	67	71	76	80
Total	202	204	205	206	208	211	212	215	216	217	220	221
Occupancy%	66%	67%	67%	68%	68%	69%	70%	71%	71%	71%	72%	73%
Assisted Living												
Legacy	14	14	13	13	13	12	13	13	13	13	14	13
New Admits	44	46	46	48	48	50	50	50	50	50	49	50
Total	58	60	59	61	61	62	63	63	63	63	63	63
Occupancy%	85%	88%	87%	90%	90%	91%	93%	93%	93%	93%	93%	93%
Memory Care												
Legacy	14	14	15	15	16	15	15	14	15	15	15	14
New Admits	24	25	26	26	27	26	26	27	26	26	26	27
Total	38	39	41	41	43	41						
Occupancy%	84%	87%	91%	91%	96%	91%	91%	91%	91%	91%	91%	91%
Skilled Nursing												
Legacy	15	15	15	15	14	15	15	14	14	14	13	13
Private	33	34	35	36	37	39	40	39	39	39	38	39
Medicare	20	20	20	20	20	21	22	22	22	22	22	23
Managed Care	3	3	4	4	4	4	4	4	5	5	5	5
Total	70	71	73	74	75	78	80	79	79	79	78	79
Occupancy%	80%	82%	83%	85%	86%	89%	91%	90%	91%	91%	89%	91%
Community Occupancy												
Independent	202	204	205	206	208	211	212	215	216	217	220	221
Assisted	58	60	59	61	61	62	63	63	63	63	63	63
Memory Care	38	39	41	41	43	41						
Skilled Nursing	70	71	73	74	75	78	80	79	79	79	78	79
Total	368	374	378	382	387	392	396	398	399	400	402	404
Occupancy	73%	74%	75%	76%	77%	78%	78%	79%	79%	79%	80%	80%
<i>check</i>	-	-	-	-	-	-	-	-	-	-	-	-
Legacy												
Independent	171	169	166	163	160	158	155	153	149	146	144	141
Assisted	14	14	13	13	13	12	13	13	13	13	14	13
Memory Care	14	14	15	15	16	15	15	14	15	15	15	14
Skilled Nursing	15	15	15	15	14	15	15	14	14	14	13	13
Total	214	212	209	206	203	200	198	194	191	188	186	181

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	Month 25	Month 26	Month 27	Month 28	Month 29	Month 30	Month 31	Month 32	Month 33	Month 34	Month 35	Month 36
Indendent Living												
Legacy	139	137	133	131	128	127	125	123	120	118	116	113
New Admits	85	90	95	100	105	110	115	120	125	130	135	140
Total	224	227	228	231	233	237	240	243	245	248	251	253
Occupancy%	74%	75%	75%	76%	77%	78%	79%	80%	81%	82%	83%	83%
Assisted Living												
Legacy	13	13	13	12	12	11	11	10	11	11	12	11
New Admits	50	50	50	51	51	52	52	53	52	52	51	52
Total	63											
Occupancy%	93%	93%	93%	93%	93%	93%	93%	93%	93%	93%	93%	93%
Memory Care												
Legacy	14	14	15	15	16	15	15	14	14	14	14	13
New Admits	27	27	26	25	27	26	25	27	27	27	27	28
Total	41	41	41	40	43	41	40	41	41	41	41	41
Occupancy%	91%	91%	91%	89%	96%	91%	89%	91%	91%	91%	91%	91%
Skilled Nursing												
Legacy	15	15	15	15	14	14	14	14	14	13	12	12
Private	39	38	37	36	35	35	35	34	34	35	36	36
Medicare	23	23	23	23	23	24	24	24	24	24	24	25
Managed Care	5	5	6	6	6	6	6	6	6	6	6	6
Total	81	80	80	79	78	78	79	78	78	78	77	78
Occupancy%	93%	92%	91%	91%	89%	90%	90%	90%	89%	89%	89%	90%
Community Occupancy												
Independent	224	227	228	231	233	237	240	243	245	248	251	253
Assisted	63											
Memory Care	41	41	41	40	43	41	40	41	41	41	41	41
Skilled Nursing	81	80	80	79	78	78	79	78	78	78	77	78
Total	409	411	412	413	417	419	422	425	427	430	432	435
Occupancy	81%	82%	82%	82%	83%	83%	84%	84%	85%	85%	86%	86%
<i>check</i>	-	-	-	-	-	-	-	-	-	-	-	-
Legacy												
Independent	139	137	133	131	128	127	125	123	120	118	116	113
Assisted	13	13	13	12	12	11	11	10	11	11	12	11
Memory Care	14	14	15	15	16	15	15	14	14	14	14	13
Skilled Nursing	15	15	15	15	14	14	14	14	14	13	12	12
Total	181	179	176	173	170	167	165	161	159	156	154	149

**Edgemere Project
Business Planning Analysis
Baseline Projection**

	Month 37	Month 38	Month 39	Month 40	Month 41	Month 42	Month 43	Month 44	Month 45	Month 46	Month 47	Month 48
Indendent Living												
Legacy	111	109	106	104	103	100	99	97	95	94	92	89
New Admits	145	150	155	160	165	170	175	180	185	186	188	191
Total	256	259	261	264	268	270	274	277	280	280	280	280
Occupancy%	84%	85%	86%	87%	88%	89%	90%	91%	92%	92%	92%	92%
Assisted Living												
Legacy	11	11	11	11	10	9	9	9	10	9	10	9
New Admits	52	52	52	52	53	54	54	54	53	54	53	54
Total	63											
Occupancy%	93%	93%	93%	93%	93%	93%	93%	93%	93%	93%	93%	93%
Memory Care												
Legacy	13	13	14	14	15	14	14	13	13	13	13	12
New Admits	28	28	27	26	28	27	27	28	28	28	28	29
Total	41	41	41	40	43	41						
Occupancy%	91%	91%	91%	89%	96%	91%	91%	91%	91%	91%	91%	91%
Skilled Nursing												
Legacy	14	14	13	13	12	13	14	13	12	12	11	11
Private	36	35	35	35	35	36	36	35	35	35	35	36
Medicare	25	25	25	25	26	26	26	26	26	26	26	26
Managed Care	6	6	6	6	6	6	6	6	6	6	6	6
Total	80	80	79	79	79	81	81	80	79	79	78	79
Occupancy%	92%	91%	91%	90%	90%	93%	93%	91%	91%	90%	89%	90%
Community Occupancy												
Independent	256	259	261	264	268	270	274	277	280	280	280	280
Assisted	63											
Memory Care	41	41	41	40	43	41						
Skilled Nursing	80	80	79	79	79	81	81	80	79	79	78	79
Total	440	443	444	446	453	455	459	461	463	463	462	463
Occupancy	87%	88%	88%	88%	90%	90%	91%	91%	92%	92%	92%	92%
<i>check</i>	-	-	-	-	-	-	-	-	-	-	-	-
Legacy												
Independent	111	109	106	104	103	100	99	97	95	94	92	89
Assisted	11	11	11	11	10	9	9	9	10	9	10	9
Memory Care	13	13	14	14	15	14	14	13	13	13	13	12
Skilled Nursing	14	14	13	13	12	13	14	13	12	12	11	11
Total	149	147	144	142	140	136	136	132	130	128	126	121

**Edgemere Project
Business Planning Analysis
Baseline Projection**

	Month 49	Month 50	Month 51	Month 52	Month 53	Month 54	Month 55	Month 56	Month 57	Month 58	Month 59	Month 60
Indendent Living												
Legacy	88	86	83	81	80	78	77	74	74	72	72	69
New Admits	192	194	197	199	200	202	203	206	206	208	208	211
Total	280											
Occupancy%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%
Assisted Living												
Legacy	9	10	8	9	7	8	7	8	7	8	7	7
New Admits	54	53	54	54	56	55	55	55	56	55	56	56
Total	63	63	62	63	63	63	62	63	63	63	63	63
Occupancy%	93%	93%	91%	93%	93%	93%	91%	93%	93%	93%	93%	93%
Memory Care												
Legacy	12	12	13	13	14	13	13	12	12	12	12	12
New Admits	29	29	28	27	29	28	28	29	29	29	29	29
Total	41	41	41	40	43	41						
Occupancy%	91%	91%	91%	89%	96%	91%	91%	91%	91%	91%	91%	91%
Skilled Nursing												
Legacy	12	12	12	12	11	11	11	10	10	10	9	9
Private	36	35	35	35	35	36	36	36	37	38	39	39
Medicare	26	26	26	26	26	26	26	26	26	26	26	26
Managed Care	6	6	6	6	6	6	6	6	6	6	6	6
Total	80	79	79	79	78	79	78	78	79	79	79	80
Occupancy%	91%	90%	90%	90%	90%	90%	90%	89%	90%	91%	91%	91%
Community Occupancy												
Independent	280											
Assisted	63	63	62	63	63	63	62	63	63	63	63	63
Memory Care	41	41	41	40	43	41						
Skilled Nursing	80	79	79	79	78	79	78	78	79	79	79	80
Total	464	463	462	462	464	463	461	462	463	463	463	464
Occupancy	92%	92%	92%	92%	92%	92%	91%	92%	92%	92%	92%	92%
<i>check</i>	-	-	-	-	-	-	-	-	-	-	-	-
Legacy												
Independent	88	86	83	81	80	78	77	74	74	72	72	69
Assisted	9	10	8	9	7	8	7	8	7	8	7	7
Memory Care	12	12	13	13	14	13	13	12	12	12	12	12
Skilled Nursing	12	12	12	12	11	11	11	10	10	10	9	9
Total	121	120	116	115	112	110	108	104	103	102	100	97

Edgemere Project
Business Planning Analysis
IL Revnue

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Month 13	Month 14	Month 15	Month 16	Month 17	Month 18	Month 19	Month 20	Month 21
Available Units	304	304	304	304	304	304	304	304	304	304	304	304	304	304	304	304	304	304	304	304	304
EF Contract Occupancy (population flows based on Actuarial Info)																					
Beginning	213	210	208	203	201	197	194	191	188	183	180	178	174	171	169	166	163	160	158	155	153
Move-Ins	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers to AL	0	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	0	-1	0	-1	-1	0	-1	-1	-1
Transfers to MSAL	0	0	-1	0	0	0	0	0	-1	0	0	0	0	-1	0	0	0	0	0	0	-1
Transfers to SNF	-1	0	-1	0	-1	-1	0	-1	-1	0	0	-1	-1	0	-1	0	-1	0	0	0	-1
Move-Outs/Death	-2	-1	-2	-1	-2	-1	-2	-1	-2	-2	-1	-2	-1	-1	-1	-2	-1	-1	-2	-1	-1
Ending	210	208	203	201	197	194	191	188	183	180	178	174	171	169	166	163	160	158	155	153	149
	69.1%	68.4%	66.8%	66.1%	64.8%	63.8%	62.8%	61.8%	60.2%	59.2%	58.6%	57.2%	56.3%	55.6%	54.6%	53.6%	52.6%	52.0%	51.0%	50.3%	49.0%
Rental Contract Occupancy																					
Beginning	1	3	5	7	9	11	13	15	17	19	22	25	28	31	35	39	43	48	53	57	62
Move-Ins	2	2	2	2	2	2	2	2	2	3	3	3	4	4	4	5	5	5	5	5	5
Transfers to AL	0	0	0	0	0	0	0	0	0	0	0	0	-1	0	0	0	0	0	0	0	0
Transfers to MSAL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-1	0	0	0	0	0
Transfers to SNF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-1	0	0
Move-Outs/Death	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending	3	5	7	9	11	13	15	17	19	22	25	28	31	35	39	43	48	53	57	62	67
	1.0%	1.6%	2.3%	3.0%	3.6%	4.3%	4.9%	5.6%	6.3%	7.2%	8.2%	9.2%	10.2%	11.5%	12.8%	14.1%	15.8%	17.4%	18.8%	20.4%	22.0%
Combined Occupancy																					
Beginning	214	213	213	210	210	208	207	206	205	202	202	203	202	202	204	205	206	208	211	212	215
Move-Ins	2	2	2	2	2	2	2	2	2	3	3	3	4	4	4	5	5	5	5	5	5
Transfers to AL	0	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	0	-1	-1	0	-1	-1	-1
Transfers to MSAL	0	0	-1	0	0	0	0	0	0	-1	0	0	0	0	-1	-1	0	0	0	0	-1
Transfers to SNF	-1	0	-1	0	-1	-1	0	-1	-1	0	0	-1	-1	0	-1	0	-1	-1	-1	0	-1
Move-Outs/Death	-2	-1	-2	-1	-2	-1	-2	-1	-2	-2	-1	-2	-2	-1	-1	-2	-1	-1	-2	-1	-1
Ending	213	213	210	210	208	207	206	205	202	202	203	202	202	204	205	206	208	211	212	215	216
Occupancy %	70.1%	70.1%	69.1%	69.1%	68.4%	68.1%	67.8%	67.4%	66.4%	66.4%	66.8%	66.4%	66.4%	67.1%	67.4%	67.8%	68.4%	69.4%	69.7%	70.7%	71.1%
Second Persons (SPF)																					
EF Contract %	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%
Rental Contract %	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%
EF Count	45	44	43	43	42	41	41	40	39	38	38	37	36	36	35	35	34	33	33	32	32
Rental Count	0	1	1	2	2	3	3	3	4	4	5	6	6	7	8	9	10	11	12	13	14
Rates Annual Increase %>>																					
MSF EF Contract	\$ 6,658	\$ 6,658	\$ 6,658	\$ 6,658	\$ 6,658	\$ 6,658	\$ 6,658	\$ 6,658	\$ 6,658	\$ 6,658	\$ 6,658	\$ 6,658	\$ 6,924	\$ 6,924	\$ 6,924	\$ 6,924	\$ 6,924	\$ 6,924	\$ 6,924	\$ 6,924	\$ 6,924
SPF EF Contract	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,801	\$ 1,801	\$ 1,801	\$ 1,801	\$ 1,801	\$ 1,801	\$ 1,801	\$ 1,801	\$ 1,801
MSF Rental Contract	\$ 6,658	\$ 6,658	\$ 6,658	\$ 6,658	\$ 6,658	\$ 6,658	\$ 6,658	\$ 6,658	\$ 6,658	\$ 6,658	\$ 6,658	\$ 6,658	\$ 6,924	\$ 6,924	\$ 6,924	\$ 6,924	\$ 6,924	\$ 6,924	\$ 6,924	\$ 6,924	\$ 6,924
SPF Rental Contract	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,732	\$ 1,801	\$ 1,801	\$ 1,801	\$ 1,801	\$ 1,801	\$ 1,801	\$ 1,801	\$ 1,801	\$ 1,801
Community Fee Annual Increase %>>																					
Rental Comm. Fee	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,400	\$ 10,400	\$ 10,400	\$ 10,400	\$ 10,400	\$ 10,400	\$ 10,400	\$ 10,400	\$ 10,400
Room Revenue																					
MSF EF Contract	\$ 1,398,180	\$ 1,384,864	\$ 1,351,574	\$ 1,338,258	\$ 1,311,626	\$ 1,291,652	\$ 1,271,678	\$ 1,251,704	\$ 1,218,414	\$ 1,198,440	\$ 1,185,124	\$ 1,158,492	\$ 1,184,004	\$ 1,170,156	\$ 1,149,384	\$ 1,128,612	\$ 1,107,840	\$ 1,093,992	\$ 1,073,220	\$ 1,059,372	\$ 1,031,676
SPF EF Contract	\$ 77,940	\$ 76,208	\$ 74,476	\$ 74,476	\$ 72,744	\$ 71,012	\$ 71,012	\$ 69,280	\$ 67,548	\$ 65,816	\$ 65,816	\$ 64,084	\$ 64,836	\$ 64,836	\$ 63,035	\$ 63,035	\$ 61,234	\$ 59,433	\$ 59,433	\$ 57,632	\$ 57,632
MSF Rental Contract	\$ 19,974	\$ 33,290	\$ 46,606	\$ 59,922	\$ 73,238	\$ 86,554	\$ 99,870	\$ 113,186	\$ 126,502	\$ 146,476	\$ 166,450	\$ 186,424	\$ 214,644	\$ 242,340	\$ 270,036	\$ 297,732	\$ 332,352	\$ 366,972	\$ 394,668	\$ 429,288	\$ 463,908
SPF Rental Contract	\$ -	\$ 1,732	\$ 1,732	\$ 3,464	\$ 3,464	\$ 5,196	\$ 5,196	\$ 6,928	\$ 6,928	\$ 8,660	\$ 10,392	\$ 10,806	\$ 12,607	\$ 14,408	\$ 16,209	\$ 18,010	\$ 19,811	\$ 21,612	\$ 23,413	\$ 25,214	\$ 25,214
Rental Comm. Fee	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Total Gross Rev.	\$ 1,516,094	\$ 1,516,094	\$ 1,494,388	\$ 1,496,120	\$ 1,481,072	\$ 1,474,414	\$ 1,467,756	\$ 1,459,366	\$ 1,439,392	\$ 1,447,660	\$ 1,456,050	\$ 1,449,392	\$ 1,515,890	\$ 1,531,539	\$ 1,538,463	\$ 1,557,588	\$ 1,571,436	\$ 1,592,208	\$ 1,600,933	\$ 1,621,705	\$ 1,630,430
Discounting/Incentive (NUMBERS NEED TO BE NEGATIVE)																					
Comm. Fee Waived	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)
Misc. Discounts	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)
Total Discounts	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)	\$ (25,000)
IL Ancillaries Annual Increase %>>																					
Garage Fees	\$ 2,657	\$ 2,657	\$ 2,657	\$ 2,657	\$ 2,657	\$ 2,657	\$ 2,657	\$ 2,657	\$ 2,657	\$ 2,657	\$ 2,657	\$ 2,657	\$ 2,737	\$ 2,737	\$ 2,737	\$ 2,737	\$ 2,737	\$ 2,737	\$ 2,737	\$ 2,737	\$ 2,737
Guest Room	\$ 5,773	\$ 5,773	\$ 5,773	\$ 5,773	\$ 5,773	\$ 5,773	\$ 5,773	\$ 5,773	\$ 5,773	\$ 5,773	\$ 5,773	\$ 5,773	\$ 5,946	\$ 5,946	\$ 5,946	\$ 5,946	\$ 5,946	\$ 5,946	\$ 5,946	\$ 5,946	\$ 5,946
Additional Meals	\$ 8,240	\$ 8,240	\$ 8,240	\$ 8,240	\$ 8,240	\$ 8,240	\$ 8,240	\$ 8,240	\$ 8,240	\$ 8,240	\$ 8,240	\$ 8,240	\$ 8,487	\$ 8,487	\$ 8,487	\$ 8,487	\$ 8,487	\$ 8,487	\$ 8,487	\$ 8,487	\$ 8,487
Guest Meals	\$ 10,300	\$ 10,300	\$ 10,300	\$ 10,300	\$ 10,300	\$ 10,300	\$ 10,300	\$ 10,300	\$ 10,300	\$ 10,300	\$ 10,300	\$ 10,300	\$ 10,609	\$ 10,609	\$ 10,609	\$ 10,609	\$ 10,609	\$ 10,609	\$ 10,609	\$ 10,609	\$ 10,609
Catering	\$ 2,999	\$ 2,999	\$ 2,999	\$ 2,999	\$ 2,999	\$ 2,999	\$ 2,999	\$ 2,999	\$ 2,999	\$ 2,999	\$ 2,999	\$ 2,999	\$ 3,089	\$ 3,089	\$ 3,089	\$ 3,089	\$ 3,089	\$ 3,089	\$ 3,089	\$ 3,089	\$ 3,089
Other	\$ 2,970	\$ 2,970	\$ 2,970	\$ 2,970	\$ 2,970	\$ 2,970	\$ 2,970	\$ 2,970	\$ 2,970	\$ 2,970	\$ 2,970	\$ 2,970	\$ 3,059	\$ 3,059	\$ 3,059	\$ 3,059	\$ 3,059	\$ 3,059	\$ 3,059	\$ 3,059	\$ 3,059
Total Ancillary	\$ 32,939	\$ 32,939	\$ 32,939	\$ 32,939	\$ 32,939	\$ 32,939	\$ 32,939	\$ 32,939	\$ 32,939	\$ 32,939	\$ 32,939	\$ 32,939	\$ 33,927	\$ 33,927	\$ 33,927	\$ 33,927	\$ 33,927	\$ 33,927	\$ 33,927	\$ 33,927	\$ 33,927
TOTAL IL REVENUE	\$ 1,524,033	\$ 1,524,033	\$ 1,502,327	\$ 1,504,059	\$ 1,489,011	\$ 1,482,353	\$ 1,475,695	\$ 1,467,305	\$ 1,447,331	\$ 1,455,599	\$ 1,463,989	\$ 1,457,331	\$ 1,529,017	\$ 1,544,666	\$ 1,551,590	\$ 1,570,715	\$ 1,584,563	\$ 1,605,335	\$ 1,614,060	\$ 1,634,832	\$ 1,643,557

Edgemere Project
Business Planning Analysis
IL Revue

	Month 22	Month 23	Month 24	Month 25	Month 26	Month 27	Month 28	Month 29	Month 30	Month 31	Month 32	Month 33	Month 34	Month 35	Month 36	Month 37	Month 38	Month 39	Month 40	Month 41	Month 42
Available Units	304	304	304	304	304	304	304	304	304	304	304	304	304	304	304	304	304	304	304	304	304
EF Contract Occupancy (pop)																					
Beginning	149	146	144	141	139	137	133	131	128	127	125	123	120	118	116	113	111	109	106	104	103
Move-Ins	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers to AL	-1	-1	-1	0	-1	-1	0	-1	0	-1	0	-1	-1	-1	-1	0	-1	0	-1	0	-1
Transfers to MSAL	0	0	0	0	0	-1	0	0	0	0	0	0	0	0	0	0	0	-1	0	0	0
Transfers to SNF	0	0	-1	-1	0	-1	0	-1	0	0	-1	0	0	0	-1	-1	0	-1	0	0	-1
Move-Outs/Death	-2	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-2	-1	-1	-1	-1	-1	-1	-1	-1	-1
Ending	146	144	141	139	137	133	131	128	127	125	123	120	118	116	113	111	109	106	104	103	100
	48.0%	47.4%	46.4%	45.7%	45.1%	43.8%	43.1%	42.1%	41.8%	41.1%	40.5%	39.5%	38.8%	38.2%	37.2%	36.5%	35.9%	34.9%	34.2%	33.9%	32.9%
Rental Contract Occupancy																					
Beginning	67	71	76	80	85	90	95	100	105	110	115	120	125	130	135	140	145	150	155	160	165
Move-Ins	5	5	5	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6
Transfers to AL	0	0	-1	0	0	0	-1	0	0	0	-1	0	0	0	-1	0	0	0	-1	0	0
Transfers to MSAL	0	0	0	-1	0	0	0	-1	0	0	0	-1	0	0	0	-1	0	0	0	0	-1
Transfers to SNF	0	0	0	0	-1	0	0	0	-1	0	0	0	-1	0	0	0	-1	0	0	0	-1
Move-Outs/Death	-1	0	0	0	0	-1	0	0	0	-1	0	0	0	-1	0	0	0	-1	0	0	0
Ending	71	76	80	85	90	95	100	105	110	115	120	125	130	135	140	145	150	155	160	165	170
	23.4%	25.0%	26.3%	28.0%	29.6%	31.3%	32.9%	34.5%	36.2%	37.8%	39.5%	41.1%	42.8%	44.4%	46.1%	47.7%	49.3%	51.0%	52.6%	54.3%	55.9%
Combined Occupancy																					
Beginning	216	217	220	221	224	227	228	231	233	237	240	243	245	248	251	253	256	259	261	264	268
Move-Ins	5	5	5	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6
Transfers to AL	-1	-1	-2	0	-1	-1	-1	-1	0	-1	-1	-1	-1	-1	-2	0	-1	0	-2	0	-1
Transfers to MSAL	0	0	0	-1	0	0	-1	0	0	0	0	-1	0	0	0	-1	0	-1	0	-1	0
Transfers to SNF	0	0	-1	-1	-1	-1	0	-1	-1	0	-1	0	-1	0	-1	-1	-1	-1	0	0	-2
Move-Outs/Death	-3	-1	-1	-1	-1	-2	-2	-1	-1	-2	-1	-2	-1	-2	-1	-1	-1	-2	-1	-1	-1
Ending	217	220	221	224	227	228	231	233	237	240	243	245	248	251	253	256	259	261	264	268	270
Occupancy %	71.4%	72.4%	72.7%	73.7%	74.7%	75.0%	76.0%	76.6%	78.0%	78.9%	79.9%	80.6%	81.6%	82.6%	83.2%	84.2%	85.2%	85.9%	86.8%	88.2%	88.8%
Second Persons (SPF)																					
EF Contract %	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%
Rental Contract %	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%
EF Count	31	31	30	29	29	28	28	27	27	26	26	25	25	24	24	23	23	22	22	21	21
Rental Count	15	15	16	17	18	19	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35
Rates																					
Annual Increases				4.0%																	
MSF EF Contract	\$ 6,924	\$ 6,924	\$ 6,924	\$ 7,201	\$ 7,201	\$ 7,201	\$ 7,201	\$ 7,201	\$ 7,201	\$ 7,201	\$ 7,201	\$ 7,201	\$ 7,201	\$ 7,201	\$ 7,201	\$ 7,489	\$ 7,489	\$ 7,489	\$ 7,489	\$ 7,489	\$ 7,489
SPF EF Contract	\$ 1,801	\$ 1,801	\$ 1,801	\$ 1,873	\$ 1,873	\$ 1,873	\$ 1,873	\$ 1,873	\$ 1,873	\$ 1,873	\$ 1,873	\$ 1,873	\$ 1,873	\$ 1,873	\$ 1,873	\$ 1,948	\$ 1,948	\$ 1,948	\$ 1,948	\$ 1,948	\$ 1,948
MSF Rental Contract	\$ 6,924	\$ 6,924	\$ 6,924	\$ 7,201	\$ 7,201	\$ 7,201	\$ 7,201	\$ 7,201	\$ 7,201	\$ 7,201	\$ 7,201	\$ 7,201	\$ 7,201	\$ 7,201	\$ 7,201	\$ 7,489	\$ 7,489	\$ 7,489	\$ 7,489	\$ 7,489	\$ 7,489
SPF Rental Contract	\$ 1,801	\$ 1,801	\$ 1,801	\$ 1,873	\$ 1,873	\$ 1,873	\$ 1,873	\$ 1,873	\$ 1,873	\$ 1,873	\$ 1,873	\$ 1,873	\$ 1,873	\$ 1,873	\$ 1,873	\$ 1,948	\$ 1,948	\$ 1,948	\$ 1,948	\$ 1,948	\$ 1,948
Community Fee																					
Annual Increases				4.0%																	
Rental Comm. Fee	\$ 10,400	\$ 10,400	\$ 10,400	\$ 10,800	\$ 10,800	\$ 10,800	\$ 10,800	\$ 10,800	\$ 10,800	\$ 10,800	\$ 10,800	\$ 10,800	\$ 10,800	\$ 10,800	\$ 10,800	\$ 11,200	\$ 11,200	\$ 11,200	\$ 11,200	\$ 11,200	\$ 11,200
Room Revenue																					
MSF EF Contract	\$ 1,010,904	\$ 997,056	\$ 976,284	\$ 1,000,939	\$ 986,537	\$ 957,733	\$ 943,331	\$ 921,728	\$ 914,527	\$ 900,125	\$ 885,723	\$ 864,120	\$ 849,718	\$ 835,316	\$ 813,713	\$ 831,279	\$ 816,301	\$ 793,834	\$ 778,856	\$ 771,367	\$ 748,900
SPF EF Contract	\$ 55,831	\$ 55,831	\$ 54,030	\$ 54,317	\$ 54,317	\$ 52,444	\$ 52,444	\$ 50,571	\$ 50,571	\$ 50,571	\$ 48,698	\$ 48,698	\$ 46,825	\$ 46,825	\$ 44,952	\$ 46,752	\$ 44,804	\$ 42,856	\$ 42,856	\$ 42,856	\$ 40,908
MSF Rental Contract	\$ 491,604	\$ 526,224	\$ 553,920	\$ 612,085	\$ 648,090	\$ 684,095	\$ 720,100	\$ 756,105	\$ 792,110	\$ 828,115	\$ 864,120	\$ 900,125	\$ 936,130	\$ 972,135	\$ 1,008,140	\$ 1,085,905	\$ 1,123,350	\$ 1,160,795	\$ 1,198,240	\$ 1,235,685	\$ 1,273,130
SPF Rental Contract	\$ 27,015	\$ 27,015	\$ 28,816	\$ 31,841	\$ 33,714	\$ 35,587	\$ 39,333	\$ 41,206	\$ 43,079	\$ 44,952	\$ 46,825	\$ 48,698	\$ 50,571	\$ 52,444	\$ 54,317	\$ 58,440	\$ 60,388	\$ 62,336	\$ 64,284	\$ 66,232	\$ 68,180
Rental Comm. Fee	\$ 52,000	\$ 52,000	\$ 52,000	\$ 64,800	\$ 64,800	\$ 64,800	\$ 64,800	\$ 64,800	\$ 64,800	\$ 64,800	\$ 64,800	\$ 64,800	\$ 64,800	\$ 64,800	\$ 64,800	\$ 67,200	\$ 67,200	\$ 67,200	\$ 67,200	\$ 67,200	\$ 67,200
Total Gross Rev.	\$ 1,637,354	\$ 1,658,126	\$ 1,665,050	\$ 1,763,982	\$ 1,787,458	\$ 1,794,659	\$ 1,820,008	\$ 1,834,410	\$ 1,865,087	\$ 1,888,563	\$ 1,910,166	\$ 1,926,441	\$ 1,948,044	\$ 1,971,520	\$ 1,985,922	\$ 2,089,576	\$ 2,112,043	\$ 2,128,969	\$ 2,151,436	\$ 2,183,340	\$ 2,198,318
Discounting/Incentive																					
Comm. Fee Waived																					
Misc. Discounts	\$ (20,800)	\$ (20,800)	\$ (20,800)	\$ (16,432)	\$ (16,432)	\$ (16,432)	\$ (16,432)	\$ (16,432)	\$ (16,432)	\$ (16,432)	\$ (16,432)	\$ (16,432)	\$ (16,432)	\$ (16,432)	\$ (16,432)	\$ (11,889)	\$ (11,889)	\$ (11,889)	\$ (11,889)	\$ (11,889)	\$ (11,889)
Total Discounts	\$ (20,800)	\$ (20,800)	\$ (20,800)	\$ (16,432)	\$ (16,432)	\$ (16,432)	\$ (16,432)	\$ (16,432)	\$ (16,432)	\$ (16,432)	\$ (16,432)	\$ (16,432)	\$ (16,432)	\$ (16,432)	\$ (16,432)	\$ (11,889)	\$ (11,889)	\$ (11,889)	\$ (11,889)	\$ (11,889)	\$ (11,889)
IL Ancillaries																					
Annual Increases				3.0%																	
Garage Fees	\$ 2,737	\$ 2,737	\$ 2,737	\$ 2,819	\$ 2,819	\$ 2,819	\$ 2,819	\$ 2,819	\$ 2,819	\$ 2,819	\$ 2,819	\$ 2,819	\$ 2,819	\$ 2,819	\$ 2,819	\$ 2,904	\$ 2,904	\$ 2,904	\$ 2,904	\$ 2,904	\$ 2,904
Guest Room	\$ 5,946	\$ 5,946	\$ 5,946	\$ 6,124	\$ 6,124	\$ 6,124	\$ 6,124	\$ 6,124	\$ 6,124	\$ 6,124	\$ 6,124	\$ 6,124	\$ 6,124	\$ 6,124	\$ 6,124	\$ 6,308	\$ 6,308	\$ 6,308	\$ 6,308	\$ 6,308	\$ 6,308
Additional Meals	\$ 8,487	\$ 8,487	\$ 8,487	\$ 8,742	\$ 8,742	\$ 8,742	\$ 8,742	\$ 8,742	\$ 8,742	\$ 8,742	\$ 8,742	\$ 8,742	\$ 8,742	\$ 8,742	\$ 8,742	\$ 9,004	\$ 9,004	\$ 9,004	\$ 9,004	\$ 9,004	\$ 9,004
Guest Meals	\$ 10,609	\$ 10,609	\$ 10,609	\$ 10,927	\$ 10,927	\$ 10,927	\$ 10,927	\$ 10,927	\$ 10,927	\$ 10,927	\$ 10,927	\$ 10,927	\$ 10,927	\$ 10,927	\$ 10,927	\$ 11,255	\$ 11,255	\$ 11,255	\$ 11,255	\$ 11,255	\$ 11,255
Catering	\$ 3,089	\$ 3,089	\$ 3,089	\$ 3,182	\$ 3,182	\$ 3,182	\$ 3,182	\$ 3,182	\$ 3,182	\$ 3,182	\$ 3,182	\$ 3,182	\$ 3,182	\$ 3,182	\$ 3,182	\$ 3,277	\$ 3,277	\$ 3,277	\$ 3,277	\$ 3,277	\$ 3,277
Other	\$ 3,059	\$ 3,059	\$ 3,059	\$ 3,151	\$ 3,151	\$ 3,151	\$ 3,151	\$ 3,151	\$ 3,151	\$ 3,151	\$ 3,151	\$ 3,151	\$ 3,151	\$ 3,151	\$ 3,151	\$ 3,246	\$ 3,246	\$ 3,246	\$ 3,246	\$ 3,246	\$ 3,246
Total Ancillary	\$ 33,927	\$ 33,927	\$ 33,927	\$ 34,945	\$ 34,945	\$ 34,945	\$ 34,945	\$ 34,945	\$ 34,945	\$ 34,945	\$ 34,945	\$ 34,945	\$ 34,945	\$ 34,945	\$ 34,945	\$ 35,994	\$ 35,994	\$ 35,994	\$ 35,994	\$ 35,994	\$ 35,994
TOTAL IL REVENUE	\$ 1,650,481	\$ 1,671,253	\$ 1,678,177	\$ 1,782,495	\$ 1,805,971	\$ 1,813,172	\$ 1,838,521	\$ 1,852,923	\$ 1,883,600	\$ 1,907,076	\$ 1,928,679	\$ 1,944,954	\$ 1,966,557	\$ 1,990,033	\$ 2,004,435	\$ 2,113,681	\$ 2,136,148	\$ 2,153,074	\$ 2,175,541	\$ 2,207,445	\$ 2,222,423

Edgemere Project
Business Planning Analysis
IL Revue

	Month 43	Month 44	Month 45	Month 46	Month 47	Month 48	Month 49	Month 50	Month 51	Month 52	Month 53	Month 54	Month 55	Month 56	Month 57	Month 58	Month 59	Month 60
Available Units	304	304	304	304	304	304	304	304	304	304	304	304	304	304	304	304	304	304
EF Contract Occupancy (pop)																		
Beginning	100	99	97	95	94	92	89	88	86	83	81	80	78	77	74	74	72	72
Move-Ins	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers to AL	0	-1	-1	0	-1	-1	0	-1	0	-1	0	-1	0	-1	0	-1	0	-1
Transfers to MSAL	0	0	0	0	0	0	0	0	-1	0	0	0	0	0	0	0	0	0
Transfers to SNF	0	0	-1	0	0	-1	0	0	-1	0	-1	0	0	-1	0	0	0	-1
Move-Outs/Death	-1	-1	0	-1	-1	-1	-1	-1	-1	-1	0	-1	-1	-1	0	-1	0	-1
Ending	99	97	95	94	92	89	88	86	83	81	80	78	77	74	74	72	72	69
	32.6%	31.9%	31.3%	30.9%	30.3%	29.3%	28.9%	28.3%	27.3%	26.6%	26.3%	25.7%	25.3%	24.3%	24.3%	23.7%	23.7%	22.7%
Rental Contract Occupancy																		
Beginning	170	175	180	185	186	188	191	192	194	197	199	200	202	203	206	206	208	208
Move-Ins	6	6	6	2	3	4	2	3	4	3	2	3	2	4	1	3	1	4
Transfers to AL	0	-1	0	0	0	-1	0	0	0	-1	0	0	0	-1	0	0	0	0
Transfers to MSAL	0	0	-1	0	0	0	-1	0	0	-1	0	0	0	-1	0	0	0	0
Transfers to SNF	0	0	0	-1	0	0	0	-1	0	0	0	-1	0	0	0	-1	0	0
Move-Outs/Death	-1	0	0	0	-1	0	0	0	-1	0	0	-1	0	0	0	0	-1	-1
Ending	175	180	185	186	188	191	192	194	197	199	200	202	203	206	206	208	208	211
	57.6%	59.2%	60.9%	61.2%	61.8%	62.8%	63.2%	63.8%	64.8%	65.5%	65.8%	66.4%	66.8%	67.8%	67.8%	68.4%	68.4%	69.4%
Combined Occupancy																		
Beginning	270	274	277	280	280	280	280	280	280	280	280	280	280	280	280	280	280	280
Move-Ins	6	6	6	2	3	4	2	3	4	3	2	3	2	4	1	3	1	4
Transfers to AL	0	-2	-1	0	-1	-2	0	-1	0	-2	0	-1	0	-2	0	-1	0	-1
Transfers to MSAL	0	0	-1	0	0	0	-1	0	-1	0	-1	0	0	-1	0	0	0	0
Transfers to SNF	0	0	-1	-1	0	-1	0	-1	-1	0	-1	-1	0	-1	0	-1	0	-1
Move-Outs/Death	-2	-1	0	-1	-2	-1	-1	-1	-2	-1	0	-1	-2	-1	0	-1	-1	-2
Ending	274	277	280	280	280	280	280	280	280	280	280	280	280	280	280	280	280	280
Occupancy %	90.1%	91.1%	92.1%	92.1%	92.1%	92.1%	92.1%	92.1%	92.1%	92.1%	92.1%	92.1%	92.1%	92.1%	92.1%	92.1%	92.1%	92.1%
Second Persons (SPF)																		
EF Contract %	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%
Rental Contract %	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%	17.4%
EF Count	21	21	20	20	20	19	19	18	18	17	17	17	16	16	16	15	15	15
Rental Count	36	37	38	39	39	40	40	41	41	42	42	42	43	43	43	44	44	44
Rates																		
Annual Increases																		
MSF EF Contract	\$ 7,489	\$ 7,489	\$ 7,489	\$ 7,489	\$ 7,489	\$ 7,489	\$ 7,714	\$ 7,714	\$ 7,714	\$ 7,714	\$ 7,714	\$ 7,714	\$ 7,714	\$ 7,714	\$ 7,714	\$ 7,714	\$ 7,714	\$ 7,714
SPF EF Contract	\$ 1,948	\$ 1,948	\$ 1,948	\$ 1,948	\$ 1,948	\$ 1,948	\$ 2,006	\$ 2,006	\$ 2,006	\$ 2,006	\$ 2,006	\$ 2,006	\$ 2,006	\$ 2,006	\$ 2,006	\$ 2,006	\$ 2,006	\$ 2,006
MSF Rental Contract	\$ 7,489	\$ 7,489	\$ 7,489	\$ 7,489	\$ 7,489	\$ 7,489	\$ 7,714	\$ 7,714	\$ 7,714	\$ 7,714	\$ 7,714	\$ 7,714	\$ 7,714	\$ 7,714	\$ 7,714	\$ 7,714	\$ 7,714	\$ 7,714
SPF Rental Contract	\$ 1,948	\$ 1,948	\$ 1,948	\$ 1,948	\$ 1,948	\$ 1,948	\$ 2,006	\$ 2,006	\$ 2,006	\$ 2,006	\$ 2,006	\$ 2,006	\$ 2,006	\$ 2,006	\$ 2,006	\$ 2,006	\$ 2,006	\$ 2,006
Community Fee																		
Annual Increases																		
Rental Comm. Fee	\$ 11,200	\$ 11,200	\$ 11,200	\$ 11,200	\$ 11,200	\$ 11,200	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600
Room Revenue																		
MSF EF Contract	\$ 741,411	\$ 726,433	\$ 711,455	\$ 703,966	\$ 688,988	\$ 666,521	\$ 678,832	\$ 663,404	\$ 640,262	\$ 624,834	\$ 617,120	\$ 601,692	\$ 593,978	\$ 570,836	\$ 570,836	\$ 555,408	\$ 555,408	\$ 532,266
SPF EF Contract	\$ 40,908	\$ 40,908	\$ 38,960	\$ 38,960	\$ 38,960	\$ 37,012	\$ 38,114	\$ 36,108	\$ 36,108	\$ 34,102	\$ 34,102	\$ 34,102	\$ 32,096	\$ 32,096	\$ 32,096	\$ 30,090	\$ 30,090	\$ 30,090
MSF Rental Contract	\$ 1,310,575	\$ 1,348,020	\$ 1,385,465	\$ 1,392,954	\$ 1,407,932	\$ 1,430,399	\$ 1,481,088	\$ 1,496,516	\$ 1,519,658	\$ 1,535,086	\$ 1,542,800	\$ 1,558,228	\$ 1,565,942	\$ 1,589,084	\$ 1,589,084	\$ 1,604,512	\$ 1,604,512	\$ 1,627,654
SPF Rental Contract	\$ 70,128	\$ 72,076	\$ 74,024	\$ 75,972	\$ 75,972	\$ 77,920	\$ 80,240	\$ 82,246	\$ 82,246	\$ 84,252	\$ 84,252	\$ 84,252	\$ 86,258	\$ 86,258	\$ 86,258	\$ 88,264	\$ 88,264	\$ 88,264
Rental Comm. Fee	\$ 67,200	\$ 67,200	\$ 67,200	\$ 67,200	\$ 67,200	\$ 67,200	\$ 67,200	\$ 67,200	\$ 67,200	\$ 67,200	\$ 67,200	\$ 67,200	\$ 67,200	\$ 67,200	\$ 67,200	\$ 67,200	\$ 67,200	\$ 67,200
Total Gross Rev.	\$ 2,230,222	\$ 2,254,637	\$ 2,277,104	\$ 2,234,252	\$ 2,245,452	\$ 2,256,652	\$ 2,301,474	\$ 2,313,074	\$ 2,324,674	\$ 2,313,074	\$ 2,301,474	\$ 2,313,074	\$ 2,301,474	\$ 2,289,874	\$ 2,313,074	\$ 2,289,874	\$ 2,313,074	\$ 2,324,674
Discounting/Incentive																		
Comm. Fee Waived																		
Misc. Discounts	\$ (11,889)	\$ (11,889)	\$ (11,889)	\$ (11,889)	\$ (11,889)	\$ (11,889)	\$ (11,889)	\$ (7,165)	\$ (7,165)	\$ (7,165)	\$ (7,165)	\$ (7,165)	\$ (7,165)	\$ (7,165)	\$ (7,165)	\$ (7,165)	\$ (7,165)	\$ (7,165)
Total Discounts	\$ (11,889)	\$ (11,889)	\$ (11,889)	\$ (11,889)	\$ (11,889)	\$ (11,889)	\$ (11,889)	\$ (7,165)	\$ (7,165)	\$ (7,165)	\$ (7,165)	\$ (7,165)	\$ (7,165)	\$ (7,165)	\$ (7,165)	\$ (7,165)	\$ (7,165)	\$ (7,165)
IL Ancillaries																		
Annual Increases																		
Garage Fees	\$ 2,904	\$ 2,904	\$ 2,904	\$ 2,904	\$ 2,904	\$ 2,904	\$ 2,991	\$ 2,991	\$ 2,991	\$ 2,991	\$ 2,991	\$ 2,991	\$ 2,991	\$ 2,991	\$ 2,991	\$ 2,991	\$ 2,991	\$ 2,991
Guest Room	\$ 6,308	\$ 6,308	\$ 6,308	\$ 6,308	\$ 6,308	\$ 6,308	\$ 6,308	\$ 6,497	\$ 6,497	\$ 6,497	\$ 6,497	\$ 6,497	\$ 6,497	\$ 6,497	\$ 6,497	\$ 6,497	\$ 6,497	\$ 6,497
Additional Meals	\$ 9,004	\$ 9,004	\$ 9,004	\$ 9,004	\$ 9,004	\$ 9,004	\$ 9,004	\$ 9,274	\$ 9,274	\$ 9,274	\$ 9,274	\$ 9,274	\$ 9,274	\$ 9,274	\$ 9,274	\$ 9,274	\$ 9,274	\$ 9,274
Guest Meals	\$ 11,255	\$ 11,255	\$ 11,255	\$ 11,255	\$ 11,255	\$ 11,255	\$ 11,593	\$ 11,593	\$ 11,593	\$ 11,593	\$ 11,593	\$ 11,593	\$ 11,593	\$ 11,593	\$ 11,593	\$ 11,593	\$ 11,593	\$ 11,593
Catering	\$ 3,277	\$ 3,277	\$ 3,277	\$ 3,277	\$ 3,277	\$ 3,277	\$ 3,375	\$ 3,375	\$ 3,375	\$ 3,375	\$ 3,375	\$ 3,375	\$ 3,375	\$ 3,375	\$ 3,375	\$ 3,375	\$ 3,375	\$ 3,375
Other	\$ 3,246	\$ 3,246	\$ 3,246	\$ 3,246	\$ 3,246	\$ 3,246	\$ 3,343	\$ 3,343	\$ 3,343	\$ 3,343	\$ 3,343	\$ 3,343	\$ 3,343	\$ 3,343	\$ 3,343	\$ 3,343	\$ 3,343	\$ 3,343
Total Ancillary	\$ 35,994	\$ 35,994	\$ 35,994	\$ 35,994	\$ 35,994	\$ 35,994	\$ 37,073	\$ 37,073	\$ 37,073	\$ 37,073	\$ 37,073	\$ 37,073	\$ 37,073	\$ 37,073	\$ 37,073	\$ 37,073	\$ 37,073	\$ 37,073
TOTAL IL REVENUE	\$ 2,254,327	\$ 2,278,742	\$ 2,301,209	\$ 2,258,357	\$ 2,269,557	\$ 2,280,757	\$ 2,331,382	\$ 2,342,982	\$ 2,354,582	\$ 2,342,982	\$ 2,331,382	\$ 2,342,982	\$ 2,331,382	\$ 2,354,582	\$ 2,319,782	\$ 2,342,982	\$ 2,319,782	\$ 2,354,582

Edgemere Project
Business Planning Analysis
AL Revenue

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Month 13	Month 14	Month 15	Month 16	Month 17	Month 18	Month 19	Month 20	Month 21
Available Units	68	68	68	68	68	68	68	68	68	68	68	68	68	68	68	68	68	68	68	68	68
EF Contract Occupancy	13	13	13	14	14	14	13	14	14	14	14	15	14	14	14	13	13	13	12	13	13
Beginning	0	1	1	1	1	1	1	1	1	1	1	1	0	1	0	1	1	0	1	1	1
Transfers from IL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers to AL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers to MSAL	0	0	0	0	-1	0	0	0	0	0	0	0	0	0	0	-1	0	0	0	0	0
Transfers to SNF	0	0	0	0	0	-1	0	0	-1	0	0	-1	0	0	-1	0	0	0	0	0	-1
Move-Outs/Death	0	-1	0	-1	0	-1	0	-1	0	-1	0	-1	0	-1	0	-1	0	-1	0	-1	0
Ending	13	13	14	14	14	13	14	14	14	15	14	14	14	14	13	13	13	12	13	13	13
	19.1%	19.1%	20.6%	20.6%	20.6%	19.1%	20.6%	20.6%	20.6%	20.6%	22.1%	20.6%	20.6%	20.6%	19.1%	19.1%	19.1%	17.6%	19.1%	19.1%	19.1%
Private Pay Occupancy	25	27	29	31	33	33	33	35	37	37	39	41	41	44	46	46	48	48	50	50	50
Beginning	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	1	1	3
Move-Ins	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0
Transfers from IL	0	0	0	0	-2	0	0	0	0	0	0	0	0	0	0	0	-2	0	0	0	0
Transfers to MSAL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers to SNF	0	0	0	0	-2	0	0	-2	0	0	-2	0	0	-2	0	0	0	0	0	0	-2
Move-Outs/Death	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1
Ending	27	29	31	33	33	33	35	37	37	39	41	41	44	46	46	48	48	50	50	50	50
	39.7%	42.6%	45.6%	48.5%	48.5%	48.5%	51.5%	54.4%	54.4%	57.4%	60.3%	60.3%	64.7%	67.6%	67.6%	70.6%	70.6%	73.5%	73.5%	73.5%	73.5%
Combined Occupancy	38	40	42	45	47	47	46	49	51	51	53	56	55	58	60	59	61	61	62	63	63
Beginning	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	1	1	3
Move-Ins	0	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	0	1	1	1
Transfers from IL	0	0	0	0	-3	0	0	0	0	0	0	0	0	0	0	0	-3	0	0	0	0
Transfers to MSAL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers to SNF	0	0	0	0	0	-3	0	0	-3	0	0	-3	0	0	-3	0	0	0	0	0	-3
Move-Outs/Death	-1	-2	-1	-2	-1	-2	-1	-2	-1	-2	-1	-2	-1	-2	-1	-2	-1	-2	-1	-2	-1
Ending	40	42	45	47	47	46	49	51	51	53	56	55	58	60	59	61	61	62	63	63	63
Occupancy %	58.8%	61.8%	66.2%	69.1%	69.1%	67.6%	72.1%	75.0%	75.0%	77.9%	82.4%	80.9%	85.3%	88.2%	86.8%	89.7%	89.7%	91.2%	92.6%	92.6%	92.6%
Second Persons (SPF)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EF Contract %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Rental Contract %	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EF Count	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rental Count	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rates Annual Increase %>>													4.0%								
MSF EF Contract	\$ 8,600	\$ 8,600	\$ 8,600	\$ 8,600	\$ 8,600	\$ 8,600	\$ 8,600	\$ 8,600	\$ 8,600	\$ 8,600	\$ 8,600	\$ 8,600	\$ 8,944	\$ 8,944	\$ 8,944	\$ 8,944	\$ 8,944	\$ 8,944	\$ 8,944	\$ 8,944	\$ 8,944
SPF EF Contract	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MSF Rental Contract	\$ 8,600	\$ 8,600	\$ 8,600	\$ 8,600	\$ 8,600	\$ 8,600	\$ 8,600	\$ 8,600	\$ 8,600	\$ 8,600	\$ 8,600	\$ 8,600	\$ 8,944	\$ 8,944	\$ 8,944	\$ 8,944	\$ 8,944	\$ 8,944	\$ 8,944	\$ 8,944	\$ 8,944
SPF Rental Contract	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Community Fee Annual Increase %>>													4.0%								
Rental Comm. Fee	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,400	\$ 10,400	\$ 10,400	\$ 10,400	\$ 10,400	\$ 10,400	\$ 10,400	\$ 10,400	\$ 10,400
Room Revenue																					
MSF EF Contract	\$ 111,800	\$ 111,800	\$ 120,400	\$ 120,400	\$ 120,400	\$ 111,800	\$ 120,400	\$ 120,400	\$ 120,400	\$ 120,400	\$ 129,000	\$ 120,400	\$ 125,216	\$ 125,216	\$ 116,272	\$ 116,272	\$ 116,272	\$ 107,328	\$ 116,272	\$ 116,272	\$ 116,272
MSF Rental Contract	\$ 232,200	\$ 249,400	\$ 266,600	\$ 283,800	\$ 283,800	\$ 283,800	\$ 301,000	\$ 318,200	\$ 318,200	\$ 335,400	\$ 352,600	\$ 352,600	\$ 393,536	\$ 411,424	\$ 411,424	\$ 429,312	\$ 429,312	\$ 447,200	\$ 447,200	\$ 447,200	\$ 447,200
Rental Comm. Fee	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 31,200	\$ 31,200	\$ 31,200	\$ 31,200	\$ 31,200	\$ 31,200	\$ 10,400	\$ 10,400	\$ 31,200
Total Gross Rev.	\$ 374,000	\$ 391,200	\$ 417,000	\$ 434,200	\$ 434,200	\$ 425,600	\$ 451,400	\$ 468,600	\$ 468,600	\$ 485,800	\$ 511,600	\$ 503,000	\$ 549,952	\$ 567,840	\$ 558,896	\$ 576,784	\$ 576,784	\$ 585,728	\$ 573,872	\$ 573,872	\$ 594,672
Discounting/Incentive (NUMBERS NEED TO BE NEGATIVE)																					
Comm. Fee Waived																					
Free Rent	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,150)	\$ (5,150)	\$ (5,150)	\$ (5,150)	\$ (5,150)	\$ (5,150)	\$ (5,150)	\$ (5,150)	\$ (5,150)
Total Discounts	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,150)	\$ (5,150)	\$ (5,150)	\$ (5,150)	\$ (5,150)	\$ (5,150)	\$ (5,150)	\$ (5,150)	\$ (5,150)
AL Ancillaries Annual Increase %>>													3.0%								
Other	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,545	\$ 1,545	\$ 1,545	\$ 1,545	\$ 1,545	\$ 1,545	\$ 1,545	\$ 1,545	\$ 1,545
Total Ancillary	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,545	\$ 1,545	\$ 1,545	\$ 1,545	\$ 1,545	\$ 1,545	\$ 1,545	\$ 1,545	\$ 1,545
TOTAL AL REVENUE	\$ 370,500	\$ 387,700	\$ 413,500	\$ 430,700	\$ 430,700	\$ 422,100	\$ 447,900	\$ 465,100	\$ 465,100	\$ 482,300	\$ 508,100	\$ 499,500	\$ 546,347	\$ 564,235	\$ 555,291	\$ 573,179	\$ 573,179	\$ 582,123	\$ 570,267	\$ 570,267	\$ 591,067

Edgemere Project
Business Planning Analy:
AL Revenue

	Month 22	Month 23	Month 24	Month 25	Month 26	Month 27	Month 28	Month 29	Month 30	Month 31	Month 32	Month 33	Month 34	Month 35	Month 36	Month 37	Month 38	Month 39	Month 40	Month 41	Month 42
Available Units	68	68	68	68	68	68	68	68	68	68	68	68	68	68	68	68	68	68	68	68	68
EF Contract Occupancy																					
Beginning	13	13	14	13	13	13	13	12	12	11	11	10	11	11	12	11	11	11	11	11	10
Transfers from IL	1	1	1	0	1	1	0	1	0	1	0	1	1	1	1	0	1	0	1	0	1
Transfers to AL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers to MSAL	0	0	0	0	0	0	0	-1	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers to SNF	0	0	-1	0	0	-1	0	0	0	-1	0	0	0	0	-1	0	0	0	0	0	-1
Move-Outs/Death	-1	0	-1	0	-1	0	-1	0	-1	0	-1	0	-1	0	-1	0	-1	0	-1	0	-1
Ending	13	14	13	13	13	13	12	12	11	11	10	11	11	12	11	11	11	11	11	10	9
	19.1%	20.6%	19.1%	19.1%	19.1%	19.1%	17.6%	17.6%	16.2%	16.2%	14.7%	16.2%	16.2%	17.6%	16.2%	16.2%	16.2%	16.2%	16.2%	14.7%	13.2%
Private Pay Occupancy																					
Beginning	50	50	49	50	50	50	50	51	51	52	52	53	52	52	51	52	52	52	52	52	53
Move-Ins	1	0	3	1	1	3	1	3	2	3	1	0	1	0	3	1	1	1	0	4	4
Transfers from IL	0	0	1	0	0	0	1	0	0	0	1	0	0	0	1	0	0	0	1	0	0
Transfers to MSAL	0	0	0	0	0	0	0	-2	0	0	0	0	0	0	0	0	0	0	0	-2	0
Transfers to SNF	0	0	-2	0	0	-2	0	0	0	-2	0	0	0	0	-2	0	0	0	0	0	-2
Move-Outs/Death	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1
Ending	50	49	50	50	50	50	51	51	52	52	53	52	52	51	52	52	52	52	52	53	54
	73.5%	72.1%	73.5%	73.5%	73.5%	73.5%	75.0%	75.0%	76.5%	76.5%	77.9%	76.5%	76.5%	75.0%	76.5%	76.5%	76.5%	76.5%	76.5%	77.9%	79.4%
Combined Occupancy																					
Beginning	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63
Move-Ins	1	0	3	1	1	3	1	3	2	3	1	0	1	0	3	1	1	1	0	4	4
Transfers from IL	1	1	2	0	1	1	1	1	0	1	1	1	1	1	2	0	1	0	2	0	1
Transfers to MSAL	0	0	0	0	0	0	0	-3	0	0	0	0	0	0	0	0	0	0	0	-3	0
Transfers to SNF	0	0	-3	0	0	-3	0	0	0	-3	0	0	0	0	-3	0	0	0	0	0	-3
Move-Outs/Death	-2	-1	-2	-1	-2	-1	-2	-1	-2	-1	-2	-1	-2	-1	-2	-1	-2	-1	-2	-1	-2
Ending	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63
Occupancy %	92.6%	92.6%	92.6%	92.6%	92.6%	92.6%	92.6%	92.6%	92.6%	92.6%	92.6%	92.6%	92.6%	92.6%	92.6%	92.6%	92.6%	92.6%	92.6%	92.6%	92.6%
Second Persons (SPF)																					
EF Contract %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Rental Contract %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EF Count	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rental Count	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rates																					
Annual Inc				4.0%																4.0%	
MSF EF Contract	\$ 8,944	\$ 8,944	\$ 8,944	\$ 9,302	\$ 9,302	\$ 9,302	\$ 9,302	\$ 9,302	\$ 9,302	\$ 9,302	\$ 9,302	\$ 9,302	\$ 9,302	\$ 9,302	\$ 9,302	\$ 9,674	\$ 9,674	\$ 9,674	\$ 9,674	\$ 9,674	\$ 9,674
SPF EF Contract	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MSF Rental Contract	\$ 8,944	\$ 8,944	\$ 8,944	\$ 9,302	\$ 9,302	\$ 9,302	\$ 9,302	\$ 9,302	\$ 9,302	\$ 9,302	\$ 9,302	\$ 9,302	\$ 9,302	\$ 9,302	\$ 9,302	\$ 9,674	\$ 9,674	\$ 9,674	\$ 9,674	\$ 9,674	\$ 9,674
SPF Rental Contract	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Community Fee																					
Annual Inc				4.0%																4.0%	
Rental Comm. Fee	\$ 10,400	\$ 10,400	\$ 10,400	\$ 10,800	\$ 10,800	\$ 10,800	\$ 10,800	\$ 10,800	\$ 10,800	\$ 10,800	\$ 10,800	\$ 10,800	\$ 10,800	\$ 10,800	\$ 10,800	\$ 11,200	\$ 11,200	\$ 11,200	\$ 11,200	\$ 11,200	\$ 11,200
Room Revenue																					
MSF EF Contract	\$ 116,272	\$ 125,216	\$ 116,272	\$ 120,926	\$ 120,926	\$ 120,926	\$ 111,624	\$ 111,624	\$ 102,322	\$ 102,322	\$ 93,020	\$ 102,322	\$ 102,322	\$ 111,624	\$ 102,322	\$ 106,414	\$ 106,414	\$ 106,414	\$ 106,414	\$ 96,740	\$ 87,066
MSF Rental Contract	\$ 447,200	\$ 438,256	\$ 447,200	\$ 465,100	\$ 465,100	\$ 465,100	\$ 474,402	\$ 474,402	\$ 483,704	\$ 483,704	\$ 493,006	\$ 483,704	\$ 483,704	\$ 474,402	\$ 483,704	\$ 503,048	\$ 503,048	\$ 503,048	\$ 503,048	\$ 512,722	\$ 522,396
Rental Comm. Fee	\$ 10,400	\$ -	\$ 31,200	\$ 10,800	\$ 10,800	\$ 32,400	\$ 10,800	\$ 32,400	\$ 21,600	\$ 32,400	\$ 10,800	\$ -	\$ 10,800	\$ -	\$ 32,400	\$ 11,200	\$ 11,200	\$ 11,200	\$ -	\$ 44,800	\$ 44,800
Total Gross Rev.	\$ 573,872	\$ 563,472	\$ 594,672	\$ 596,826	\$ 596,826	\$ 618,426	\$ 596,826	\$ 618,426	\$ 607,626	\$ 618,426	\$ 596,826	\$ 586,026	\$ 596,826	\$ 586,026	\$ 618,426	\$ 620,662	\$ 620,662	\$ 620,662	\$ 609,462	\$ 654,262	\$ 654,262
Discounting/Incentive																					
Comm. Fee Waived																					
Free Rent	\$ (5,150)	\$ (5,150)	\$ (5,150)	\$ (5,305)	\$ (5,305)	\$ (5,305)	\$ (5,305)	\$ (5,305)	\$ (5,305)	\$ (5,305)	\$ (5,305)	\$ (5,305)	\$ (5,305)	\$ (5,305)	\$ (5,305)	\$ (5,464)	\$ (5,464)	\$ (5,464)	\$ (5,464)	\$ (5,464)	\$ (5,464)
Total Discounts	\$ (5,150)	\$ (5,150)	\$ (5,150)	\$ (5,305)	\$ (5,305)	\$ (5,305)	\$ (5,305)	\$ (5,305)	\$ (5,305)	\$ (5,305)	\$ (5,305)	\$ (5,305)	\$ (5,305)	\$ (5,305)	\$ (5,305)	\$ (5,464)	\$ (5,464)	\$ (5,464)	\$ (5,464)	\$ (5,464)	\$ (5,464)
AL Ancillaries Annual Inc																					
Other	\$ 1,545	\$ 1,545	\$ 1,545	\$ 1,591	\$ 1,591	\$ 1,591	\$ 1,591	\$ 1,591	\$ 1,591	\$ 1,591	\$ 1,591	\$ 1,591	\$ 1,591	\$ 1,591	\$ 1,591	\$ 1,639	\$ 1,639	\$ 1,639	\$ 1,639	\$ 1,639	\$ 1,639
Total Ancillary	\$ 1,545	\$ 1,545	\$ 1,545	\$ 1,591	\$ 1,591	\$ 1,591	\$ 1,591	\$ 1,591	\$ 1,591	\$ 1,591	\$ 1,591	\$ 1,591	\$ 1,591	\$ 1,591	\$ 1,591	\$ 1,639	\$ 1,639	\$ 1,639	\$ 1,639	\$ 1,639	\$ 1,639
TOTAL AL REVENUE	\$ 570,267	\$ 559,867	\$ 591,067	\$ 593,113	\$ 593,113	\$ 614,713	\$ 593,113	\$ 614,713	\$ 603,913	\$ 614,713	\$ 593,113	\$ 582,313	\$ 593,113	\$ 582,313	\$ 614,713	\$ 616,837	\$ 616,837	\$ 616,837	\$ 605,637	\$ 650,437	\$ 650,437

Edgemere Project
Business Planning Analy:
AL Revenue

	Month 43	Month 44	Month 45	Month 46	Month 47	Month 48	Month 49	Month 50	Month 51	Month 52	Month 53	Month 54	Month 55	Month 56	Month 57	Month 58	Month 59	Month 60
Available Units	68	68	68	68	68	68	68	68	68	68	68	68	68	68	68	68	68	68
EF Contract Occupancy																		
Beginning	9	9	9	10	9	10	9	9	10	8	9	7	8	7	8	7	8	7
Transfers from IL	0	1	1	0	1	1	0	1	0	1	0	1	0	1	0	1	0	1
Transfers to AL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers to MSAL	0	0	0	0	0	0	0	0	0	0	-1	0	0	0	0	0	0	0
Transfers to SNF	0	0	0	0	0	-1	0	0	-1	0	0	0	0	0	0	0	0	-1
Move-Outs/Death	0	-1	0	-1	0	-1	0	0	-1	0	-1	0	-1	0	-1	0	-1	0
Ending	9	9	10	9	10	9	9	10	8	9	7	8	7	8	7	8	7	7
	13.2%	13.2%	14.7%	13.2%	14.7%	13.2%	13.2%	14.7%	11.8%	13.2%	10.3%	11.8%	10.3%	11.8%	10.3%	11.8%	10.3%	10.3%
Private Pay Occupancy																		
Beginning	54	54	54	53	54	53	54	54	53	54	54	56	55	55	55	56	55	56
Move-Ins	1	0	0	2	0	3	1	0	4	0	5	0	1	0	2	0	2	3
Transfers from IL	0	1	0	0	0	1	0	0	0	1	0	0	1	0	0	0	0	0
Transfers to MSAL	0	0	0	0	0	0	0	0	0	0	-2	0	0	0	0	0	0	0
Transfers to SNF	0	0	0	0	0	-2	0	0	-2	0	0	0	0	0	0	0	0	-2
Move-Outs/Death	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1
Ending	54	54	53	54	53	54	54	53	54	54	56	55	55	55	56	55	56	56
	79.4%	79.4%	77.9%	79.4%	77.9%	79.4%	79.4%	77.9%	79.4%	79.4%	82.4%	80.9%	80.9%	80.9%	82.4%	80.9%	82.4%	82.4%
Combined Occupancy																		
Beginning	63	63	63	63	63	63	63	63	63	62	63	63	63	62	63	63	63	63
Move-Ins	1	0	0	2	0	3	1	0	4	0	5	0	1	0	2	0	2	3
Transfers from IL	0	2	1	0	1	2	0	1	0	2	0	1	0	2	0	1	0	1
Transfers to MSAL	0	0	0	0	0	0	0	0	0	0	-3	0	0	0	0	0	0	0
Transfers to SNF	0	0	0	0	0	-3	0	0	-3	0	0	0	0	0	0	0	0	-3
Move-Outs/Death	-1	-2	-1	-2	-1	-2	-1	-1	-2	-1	-2	-1	-2	-1	-2	-1	-2	-1
Ending	63	63	63	63	63	63	63	63	62	63	63	63	62	63	63	63	63	63
Occupancy %	92.6%	92.6%	92.6%	92.6%	92.6%	92.6%	92.6%	92.6%	91.2%	92.6%	92.6%	92.6%	91.2%	92.6%	92.6%	92.6%	92.6%	92.6%
Second Persons (SPF)																		
EF Contract %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Rental Contract %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EF Count	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rental Count	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rates																		
Annual Inc																		
MSF EF Contract	\$ 9,674	\$ 9,674	\$ 9,674	\$ 9,674	\$ 9,674	\$ 9,674	\$ 9,964	\$ 9,964	\$ 9,964	\$ 9,964	\$ 9,964	\$ 9,964	\$ 9,964	\$ 9,964	\$ 9,964	\$ 9,964	\$ 9,964	\$ 9,964
SPF EF Contract	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MSF Rental Contract	\$ 9,674	\$ 9,674	\$ 9,674	\$ 9,674	\$ 9,674	\$ 9,674	\$ 9,964	\$ 9,964	\$ 9,964	\$ 9,964	\$ 9,964	\$ 9,964	\$ 9,964	\$ 9,964	\$ 9,964	\$ 9,964	\$ 9,964	\$ 9,964
SPF Rental Contract	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Community Fee																		
Annual Inc																		
Rental Comm. Fee	\$ 11,200	\$ 11,200	\$ 11,200	\$ 11,200	\$ 11,200	\$ 11,200	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600
Room Revenue																		
MSF EF Contract	\$ 87,066	\$ 87,066	\$ 96,740	\$ 87,066	\$ 96,740	\$ 87,066	\$ 89,676	\$ 99,640	\$ 79,712	\$ 89,676	\$ 69,748	\$ 79,712	\$ 69,748	\$ 79,712	\$ 69,748	\$ 79,712	\$ 69,748	\$ 69,748
MSF Rental Contract	\$ 522,396	\$ 522,396	\$ 512,722	\$ 522,396	\$ 512,722	\$ 522,396	\$ 538,056	\$ 528,092	\$ 538,056	\$ 538,056	\$ 557,984	\$ 548,020	\$ 548,020	\$ 548,020	\$ 557,984	\$ 548,020	\$ 557,984	\$ 557,984
Rental Comm. Fee	\$ 11,200	\$ -	\$ -	\$ 22,400	\$ -	\$ 33,600	\$ 11,600	\$ -	\$ 46,400	\$ -	\$ 58,000	\$ -	\$ 11,600	\$ -	\$ 23,200	\$ -	\$ 23,200	\$ 34,800
Total Gross Rev.	\$ 620,662	\$ 609,462	\$ 609,462	\$ 631,862	\$ 609,462	\$ 643,062	\$ 639,332	\$ 627,732	\$ 664,168	\$ 627,732	\$ 685,732	\$ 627,732	\$ 629,368	\$ 627,732	\$ 650,932	\$ 627,732	\$ 650,932	\$ 662,532
Discounting/Incentive																		
Comm. Fee Waived																		
Free Rent	(5,464)	(5,464)	(5,464)	(5,464)	(5,464)	(5,464)	(5,628)	(5,628)	(5,628)	(5,628)	(5,628)	(5,628)	(5,628)	(5,628)	(5,628)	(5,628)	(5,628)	(5,628)
Total Discounts	\$ (5,464)	\$ (5,464)	\$ (5,464)	\$ (5,464)	\$ (5,464)	\$ (5,464)	\$ (5,628)	\$ (5,628)	\$ (5,628)	\$ (5,628)	\$ (5,628)	\$ (5,628)	\$ (5,628)	\$ (5,628)	\$ (5,628)	\$ (5,628)	\$ (5,628)	\$ (5,628)
AL Ancillaries																		
Annual Inc																		
Other	\$ 1,639	\$ 1,639	\$ 1,639	\$ 1,639	\$ 1,639	\$ 1,639	\$ 1,688	\$ 1,688	\$ 1,688	\$ 1,688	\$ 1,688	\$ 1,688	\$ 1,688	\$ 1,688	\$ 1,688	\$ 1,688	\$ 1,688	\$ 1,688
Total Ancillary	\$ 1,639	\$ 1,639	\$ 1,639	\$ 1,639	\$ 1,639	\$ 1,639	\$ 1,688	\$ 1,688	\$ 1,688	\$ 1,688	\$ 1,688	\$ 1,688	\$ 1,688	\$ 1,688	\$ 1,688	\$ 1,688	\$ 1,688	\$ 1,688
TOTAL AL REVENUE	\$ 616,837	\$ 605,637	\$ 605,637	\$ 628,037	\$ 605,637	\$ 639,237	\$ 635,392	\$ 623,792	\$ 660,228	\$ 623,792	\$ 681,792	\$ 623,792	\$ 625,428	\$ 623,792	\$ 646,992	\$ 623,792	\$ 646,992	\$ 658,592

Edgemere Project
Business Planning Analysis
MC Revenue

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Month 13	Month 14	Month 15	Month 16	Month 17	Month 18	Month 19	Month 20	Month 21
Available Units	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45
EF Contract Occupancy																					
Beginning	14	14	14	15	15	16	15	15	14	15	15	15	14	14	14	15	15	16	15	15	14
Transfers from IL	0	0	1	0	0	0	0	0	1	0	0	0	0	0	1	0	0	0	0	0	1
Transfers from AL	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0
Transfers to MSAL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers to SNF	0	0	0	0	0	-1	0	0	0	0	0	-1	0	0	0	0	0	-1	0	0	0
Move-Outs/Death	0	0	0	0	0	0	0	-1	0	0	0	0	0	0	0	0	0	0	0	-1	0
Ending	14	14	15	15	16	15	15	14	15	15	15	14	14	14	15	15	16	15	15	14	15
	31.1%	31.1%	33.3%	33.3%	35.6%	33.3%	33.3%	31.1%	33.3%	33.3%	33.3%	31.1%	31.1%	31.1%	33.3%	33.3%	35.6%	33.3%	33.3%	31.1%	33.3%
Private Pay Occupancy																					
Beginning	9	10	11	12	13	16	17	18	19	20	21	22	23	24	25	26	26	27	26	26	27
Move-Ins	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	0	0	0	1	2	0
Transfers from IL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0
Transfers from AL	0	0	0	0	2	0	0	0	0	0	0	0	0	0	0	0	2	0	0	0	0
Transfers to SNF	0	0	0	0	0	-1	0	0	0	0	0	-1	0	0	0	0	0	-1	0	0	0
Move-Outs/Death	-1	-1	-1	-1	-1	0	-1	-1	-1	-1	-1	0	-1	-1	-1	-1	-1	0	-1	-1	-1
Ending	10	11	12	13	16	17	18	19	20	21	22	23	24	25	26	26	27	26	26	27	26
	22.2%	24.4%	26.7%	28.9%	35.6%	37.8%	40.0%	42.2%	44.4%	46.7%	48.9%	51.1%	53.3%	55.6%	57.8%	57.8%	60.0%	57.8%	57.8%	60.0%	57.8%
Combined Occupancy																					
Beginning	23	24	25	27	28	32	32	33	33	35	36	37	37	38	39	41	41	43	41	41	41
Move-Ins	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	0	0	0	1	2	0
Transfers from IL	0	0	1	0	0	0	0	0	1	0	0	0	0	0	1	1	0	0	0	0	1
Transfers from AL	0	0	0	0	3	0	0	0	0	0	0	0	0	0	0	0	3	0	0	0	0
Transfers to SNF	0	0	0	0	0	-2	0	0	0	0	0	-2	0	0	0	0	0	-2	0	0	0
Move-Outs/Death	-1	-1	-1	-1	-1	0	-1	-2	-1	-1	-1	0	-1	-1	-1	-1	-1	0	-1	-2	-1
Ending	24	25	27	28	32	32	33	33	35	36	37	37	38	39	41	41	43	41	41	41	41
Occupancy %	53.3%	55.6%	60.0%	62.2%	71.1%	71.1%	73.3%	73.3%	77.8%	80.0%	82.2%	82.2%	84.4%	86.7%	91.1%	91.1%	95.6%	91.1%	91.1%	91.1%	91.1%
Second Persons (SPF)																					
EF Contract %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Rental Contract %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EF Count	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rental Count	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rates																					
Annual Increase %>>																					4.0%
MSF EF Contract	\$ 8,750	\$ 8,750	\$ 8,750	\$ 8,750	\$ 8,750	\$ 8,750	\$ 8,750	\$ 8,750	\$ 8,750	\$ 8,750	\$ 8,750	\$ 8,750	\$ 8,750	\$ 9,100	\$ 9,100	\$ 9,100	\$ 9,100	\$ 9,100	\$ 9,100	\$ 9,100	\$ 9,100
SPF EF Contract	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MSF Rental Contract	\$ 8,750	\$ 8,750	\$ 8,750	\$ 8,750	\$ 8,750	\$ 8,750	\$ 8,750	\$ 8,750	\$ 8,750	\$ 8,750	\$ 8,750	\$ 8,750	\$ 8,750	\$ 9,100	\$ 9,100	\$ 9,100	\$ 9,100	\$ 9,100	\$ 9,100	\$ 9,100	\$ 9,100
SPF Rental Contract	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Community Fee																					
Annual Increase %>>																					4.0%
Rental Comm. Fee	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,400	\$ 10,400	\$ 10,400	\$ 10,400	\$ 10,400	\$ 10,400	\$ 10,400	\$ 10,400
Room Revenue																					
MSF EF Contract	\$ 122,500	\$ 122,500	\$ 131,250	\$ 131,250	\$ 140,000	\$ 131,250	\$ 131,250	\$ 122,500	\$ 131,250	\$ 131,250	\$ 131,250	\$ 122,500	\$ 127,400	\$ 127,400	\$ 136,500	\$ 136,500	\$ 145,600	\$ 136,500	\$ 136,500	\$ 127,400	\$ 136,500
MSF Rental Contract	\$ 87,500	\$ 96,250	\$ 105,000	\$ 113,750	\$ 140,000	\$ 148,750	\$ 157,500	\$ 166,250	\$ 175,000	\$ 183,750	\$ 192,500	\$ 201,250	\$ 218,400	\$ 227,500	\$ 236,600	\$ 236,600	\$ 245,700	\$ 236,600	\$ 236,600	\$ 245,700	\$ 236,600
Rental Comm. Fee	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,800	\$ 20,800	\$ 20,800	\$ -	\$ -	\$ -	\$ -	\$ 10,400	\$ 20,800
Total Gross Rev.	\$ 230,000	\$ 238,750	\$ 256,250	\$ 265,000	\$ 300,000	\$ 300,000	\$ 308,750	\$ 308,750	\$ 326,250	\$ 335,000	\$ 343,750	\$ 343,750	\$ 366,600	\$ 375,700	\$ 393,900	\$ 373,100	\$ 391,300	\$ 373,100	\$ 383,500	\$ 393,900	\$ 373,100
Discounting/Incentive																					
(NUMBERS NEED TO BE NEGATIVE)																					
Comm. Fee Waived																					
Free Rent	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,200)	(5,200)	(5,200)	(5,200)	(5,200)	(5,200)	(5,200)	(5,200)	(5,200)
Total Discounts	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,200)	\$ (5,200)	\$ (5,200)	\$ (5,200)	\$ (5,200)	\$ (5,200)	\$ (5,200)	\$ (5,200)	\$ (5,200)
MSAL Ancilla: Annual Increase %>>																					
Other	\$ 650	\$ 650	\$ 650	\$ 650	\$ 650	\$ 650	\$ 650	\$ 650	\$ 650	\$ 650	\$ 650	\$ 650	\$ 670	\$ 670	\$ 670	\$ 670	\$ 670	\$ 670	\$ 670	\$ 670	\$ 670
Total Ancillary	\$ 650	\$ 650	\$ 650	\$ 650	\$ 650	\$ 650	\$ 650	\$ 650	\$ 650	\$ 650	\$ 650	\$ 650	\$ 670	\$ 670	\$ 670	\$ 670	\$ 670	\$ 670	\$ 670	\$ 670	\$ 670
TOTAL MSAL REVENUE	\$ 225,650	\$ 234,400	\$ 251,900	\$ 260,650	\$ 295,650	\$ 295,650	\$ 304,400	\$ 304,400	\$ 321,900	\$ 330,650	\$ 339,400	\$ 339,400	\$ 362,070	\$ 371,170	\$ 389,370	\$ 368,570	\$ 386,770	\$ 368,570	\$ 378,970	\$ 389,370	\$ 368,570

Edgemere Project
Business Planning Analy:
MC Revenue

	Month 22	Month 23	Month 24	Month 25	Month 26	Month 27	Month 28	Month 29	Month 30	Month 31	Month 32	Month 33	Month 34	Month 35	Month 36	Month 37	Month 38	Month 39	Month 40	Month 41	Month 42
Available Units	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45
EF Contract Occupancy																					
Beginning	15	15	15	14	14	14	15	15	16	15	15	14	14	14	14	13	13	13	14	14	15
Transfers from IL	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0
Transfers from AL	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1	0
Transfers to MSAL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers to SNF	0	0	-1	0	0	0	0	0	-1	0	0	0	0	0	-1	0	0	0	0	0	-1
Move-Outs/Death	0	0	0	0	0	0	0	0	0	-1	0	0	0	0	0	0	0	0	0	0	0
Ending	15	15	14	14	14	15	15	16	15	15	14	14	14	14	13	13	13	14	14	15	14
	33.3%	33.3%	31.1%	31.1%	31.1%	33.3%	33.3%	35.6%	33.3%	33.3%	31.1%	31.1%	31.1%	31.1%	28.9%	28.9%	28.9%	31.1%	31.1%	33.3%	31.1%
Private Pay Occupancy																					
Beginning	26	26	26	27	27	27	26	25	27	26	25	27	27	27	27	28	28	28	27	26	28
Move-Ins	1	1	2	0	1	0	0	0	0	3	0	1	1	1	2	0	1	0	0	0	0
Transfers from IL	0	0	0	1	0	0	0	1	0	0	1	0	0	0	0	1	0	0	0	1	0
Transfers from AL	0	0	0	0	0	0	0	2	0	0	0	0	0	0	0	0	0	0	0	2	0
Transfers to SNF	0	0	-1	0	0	0	0	0	-1	0	0	0	0	0	-1	0	0	0	0	0	-1
Move-Outs/Death	-1	-1	0	-1	-1	-1	-1	-1	0	-1	-1	-1	-1	-1	0	-1	-1	-1	-1	-1	0
Ending	26	26	27	27	27	26	25	27	26	25	27	27	27	27	28	28	28	27	26	28	27
	57.8%	57.8%	60.0%	60.0%	60.0%	57.8%	55.6%	60.0%	57.8%	55.6%	60.0%	60.0%	60.0%	60.0%	62.2%	62.2%	62.2%	60.0%	57.8%	62.2%	60.0%
Combined Occupancy																					
Beginning	41	41	41	41	41	41	41	40	43	41	40	41	41	41	41	41	41	41	41	40	43
Move-Ins	1	1	2	0	1	0	0	0	0	3	0	1	1	1	2	0	1	0	0	0	0
Transfers from IL	0	0	0	1	0	1	0	1	0	0	1	0	0	0	1	0	1	0	1	0	0
Transfers from AL	0	0	0	0	0	0	0	3	0	0	0	0	0	0	0	0	0	0	0	3	0
Transfers to SNF	0	0	-2	0	0	0	0	0	-2	0	0	0	0	0	-2	0	0	0	0	0	-2
Move-Outs/Death	-1	-1	0	-1	-1	-1	-1	-1	0	-1	-2	-1	-1	-1	0	-1	-1	-1	-1	-1	0
Ending	41	41	41	41	41	41	40	43	41	40	41	41	41	41	41	41	41	41	40	43	41
Occupancy %	91.1%	91.1%	91.1%	91.1%	91.1%	91.1%	88.9%	95.6%	91.1%	88.9%	91.1%	91.1%	91.1%	91.1%	91.1%	91.1%	91.1%	91.1%	88.9%	95.6%	91.1%
Second Persons (SPF)																					
EF Contract %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Rental Contract %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EF Count	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rental Count	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rates																					
Annual Inc				4.0%																	4.0%
MSF EF Contract	\$ 9,100	\$ 9,100	\$ 9,100	\$ 9,464	\$ 9,464	\$ 9,464	\$ 9,464	\$ 9,464	\$ 9,464	\$ 9,464	\$ 9,464	\$ 9,464	\$ 9,464	\$ 9,464	\$ 9,464	\$ 9,843	\$ 9,843	\$ 9,843	\$ 9,843	\$ 9,843	\$ 9,843
SPF EF Contract	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MSF Rental Contract	\$ 9,100	\$ 9,100	\$ 9,100	\$ 9,464	\$ 9,464	\$ 9,464	\$ 9,464	\$ 9,464	\$ 9,464	\$ 9,464	\$ 9,464	\$ 9,464	\$ 9,464	\$ 9,464	\$ 9,464	\$ 9,843	\$ 9,843	\$ 9,843	\$ 9,843	\$ 9,843	\$ 9,843
SPF Rental Contract	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Community Fee																					
Annual Inc				4.0%																	4.0%
Rental Comm. Fee	\$ 10,400	\$ 10,400	\$ 10,400	\$ 10,800	\$ 10,800	\$ 10,800	\$ 10,800	\$ 10,800	\$ 10,800	\$ 10,800	\$ 10,800	\$ 10,800	\$ 10,800	\$ 10,800	\$ 10,800	\$ 11,200	\$ 11,200	\$ 11,200	\$ 11,200	\$ 11,200	\$ 11,200
Room Revenue																					
MSF EF Contract	\$ 136,500	\$ 136,500	\$ 127,400	\$ 132,496	\$ 132,496	\$ 141,960	\$ 141,960	\$ 151,424	\$ 141,960	\$ 141,960	\$ 132,496	\$ 132,496	\$ 132,496	\$ 132,496	\$ 123,032	\$ 127,959	\$ 127,959	\$ 137,802	\$ 137,802	\$ 147,645	\$ 137,802
MSF Rental Contract	\$ 236,600	\$ 236,600	\$ 245,700	\$ 255,528	\$ 255,528	\$ 246,064	\$ 236,600	\$ 255,528	\$ 246,064	\$ 236,600	\$ 255,528	\$ 255,528	\$ 255,528	\$ 255,528	\$ 264,992	\$ 275,604	\$ 275,604	\$ 265,761	\$ 255,918	\$ 275,604	\$ 265,761
Rental Comm. Fee	\$ 10,400	\$ 10,400	\$ 20,800	\$ -	\$ 10,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 32,400	\$ -	\$ 10,800	\$ 10,800	\$ 21,600	\$ -	\$ 11,200	\$ -	\$ -	\$ -	\$ -
Total Gross Rev.	\$ 383,500	\$ 383,500	\$ 393,900	\$ 388,024	\$ 398,824	\$ 388,024	\$ 378,560	\$ 406,952	\$ 388,024	\$ 378,560	\$ 420,424	\$ 388,024	\$ 398,824	\$ 398,824	\$ 409,624	\$ 403,563	\$ 414,763	\$ 403,563	\$ 393,720	\$ 423,249	\$ 403,563
Discounting/Incentive																					
Comm. Fee Waived																					
Free Rent	(5,200)	(5,200)	(5,200)	(5,408)	(5,408)	(5,408)	(5,408)	(5,408)	(5,408)	(5,408)	(5,408)	(5,408)	(5,408)	(5,408)	(5,408)	(5,624)	(5,624)	(5,624)	(5,624)	(5,624)	(5,624)
Total Discounts	\$ (5,200)	\$ (5,200)	\$ (5,200)	\$ (5,408)	\$ (5,408)	\$ (5,408)	\$ (5,408)	\$ (5,408)	\$ (5,408)	\$ (5,408)	\$ (5,408)	\$ (5,408)	\$ (5,408)	\$ (5,408)	\$ (5,408)	\$ (5,624)	\$ (5,624)	\$ (5,624)	\$ (5,624)	\$ (5,624)	\$ (5,624)
MSAL Ancilla Annual Inc																					
Other	\$ 670	\$ 670	\$ 670	\$ 690	\$ 690	\$ 690	\$ 690	\$ 690	\$ 690	\$ 690	\$ 690	\$ 690	\$ 690	\$ 690	\$ 690	\$ 711	\$ 711	\$ 711	\$ 711	\$ 711	\$ 711
Total Ancillary	\$ 670	\$ 670	\$ 670	\$ 690	\$ 690	\$ 690	\$ 690	\$ 690	\$ 690	\$ 690	\$ 690	\$ 690	\$ 690	\$ 690	\$ 690	\$ 711	\$ 711	\$ 711	\$ 711	\$ 711	\$ 711
TOTAL MSAL REVENUE	\$ 378,970	\$ 378,970	\$ 389,370	\$ 383,306	\$ 394,106	\$ 383,306	\$ 373,842	\$ 402,234	\$ 383,306	\$ 373,842	\$ 415,706	\$ 383,306	\$ 394,106	\$ 394,106	\$ 404,906	\$ 398,650	\$ 409,850	\$ 398,650	\$ 388,807	\$ 418,336	\$ 398,650

Edgemere Project
Business Planning Analy:
MC Revenue

	Month 43	Month 44	Month 45	Month 46	Month 47	Month 48	Month 49	Month 50	Month 51	Month 52	Month 53	Month 54	Month 55	Month 56	Month 57	Month 58	Month 59	Month 60
Available Units	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45	45
EF Contract Occupancy																		
Beginning	14	14	13	13	13	13	12	12	12	13	13	14	13	13	12	12	12	12
Transfers from IL	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0
Transfers from AL	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0
Transfers to MSAL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers to SNF	0	0	0	0	0	-1	0	0	0	0	-1	0	0	0	0	0	0	0
Move-Outs/Death	0	-1	0	0	0	0	0	0	0	0	0	0	0	-1	0	0	0	0
Ending	14	13	13	13	13	12	12	12	13	13	14	13	13	12	12	12	12	12
	31.1%	28.9%	28.9%	28.9%	28.9%	26.7%	26.7%	26.7%	28.9%	28.9%	31.1%	28.9%	28.9%	26.7%	26.7%	26.7%	26.7%	26.7%
Private Pay Occupancy																		
Beginning	27	27	28	28	28	28	29	29	29	28	27	29	28	28	29	29	29	29
Move-Ins	1	2	0	1	1	3	0	1	0	0	1	1	2	0	1	1	1	1
Transfers from IL	0	0	1	0	0	0	1	0	0	0	1	0	0	0	1	0	0	0
Transfers from AL	0	0	0	0	0	0	0	0	0	2	0	0	0	0	0	0	0	0
Transfers to SNF	0	0	0	0	0	-1	0	0	0	0	-1	0	0	0	0	0	0	0
Move-Outs/Death	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1
Ending	27	28	28	28	28	29	29	29	28	27	29	28	28	29	29	29	29	29
	60.0%	62.2%	62.2%	62.2%	62.2%	64.4%	64.4%	64.4%	62.2%	60.0%	64.4%	62.2%	62.2%	64.4%	64.4%	64.4%	64.4%	64.4%
Combined Occupancy																		
Beginning	41	41	41	41	41	41	41	41	41	40	43	41	41	41	41	41	41	41
Move-Ins	1	2	0	1	1	3	0	1	0	0	1	1	2	0	1	1	1	1
Transfers from IL	0	0	1	0	0	0	1	0	1	0	0	0	0	1	0	0	0	0
Transfers from AL	0	0	0	0	0	0	0	0	0	3	0	0	0	0	0	0	0	0
Transfers to SNF	0	0	0	0	0	-2	0	0	0	0	-2	0	0	0	0	0	0	0
Move-Outs/Death	-1	-2	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-2	-1	-1	-1	-1
Ending	41	41	41	41	41	41	41	41	41	40	43	41	41	41	41	41	41	41
Occupancy %	91.1%	91.1%	91.1%	91.1%	91.1%	91.1%	91.1%	91.1%	91.1%	88.9%	95.6%	91.1%	91.1%	91.1%	91.1%	91.1%	91.1%	91.1%
Second Persons (SPF)																		
EF Contract %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Rental Contract %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EF Count	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rental Count	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rates																		
Annual Inc																		
MSF EF Contract	\$ 9,843	\$ 9,843	\$ 9,843	\$ 9,843	\$ 9,843	\$ 9,843	\$ 10,138	\$ 10,138	\$ 10,138	\$ 10,138	\$ 10,138	\$ 10,138	\$ 10,138	\$ 10,138	\$ 10,138	\$ 10,138	\$ 10,138	\$ 10,138
SPF EF Contract	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MSF Rental Contract	\$ 9,843	\$ 9,843	\$ 9,843	\$ 9,843	\$ 9,843	\$ 9,843	\$ 10,138	\$ 10,138	\$ 10,138	\$ 10,138	\$ 10,138	\$ 10,138	\$ 10,138	\$ 10,138	\$ 10,138	\$ 10,138	\$ 10,138	\$ 10,138
SPF Rental Contract	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Community Fee																		
Annual Inc																		
Rental Comm. Fee	\$ 11,200	\$ 11,200	\$ 11,200	\$ 11,200	\$ 11,200	\$ 11,200	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600	\$ 11,600
Room Revenue																		
MSF EF Contract	\$ 137,802	\$ 127,959	\$ 127,959	\$ 127,959	\$ 127,959	\$ 118,116	\$ 121,656	\$ 121,656	\$ 131,794	\$ 131,794	\$ 141,932	\$ 131,794	\$ 131,794	\$ 121,656	\$ 121,656	\$ 121,656	\$ 121,656	\$ 121,656
MSF Rental Contract	\$ 265,761	\$ 275,604	\$ 275,604	\$ 275,604	\$ 275,604	\$ 285,447	\$ 294,002	\$ 294,002	\$ 283,864	\$ 273,726	\$ 294,002	\$ 283,864	\$ 283,864	\$ 294,002	\$ 294,002	\$ 294,002	\$ 294,002	\$ 294,002
Rental Comm. Fee	\$ 11,200	\$ 22,400	\$ -	\$ 11,200	\$ 11,200	\$ 33,600	\$ -	\$ 11,600	\$ -	\$ -	\$ -	\$ 11,600	\$ 11,600	\$ 23,200	\$ -	\$ 11,600	\$ 11,600	\$ 11,600
Total Gross Rev.	\$ 414,763	\$ 425,963	\$ 403,563	\$ 414,763	\$ 414,763	\$ 437,163	\$ 415,658	\$ 427,258	\$ 415,658	\$ 405,520	\$ 435,934	\$ 427,258	\$ 427,258	\$ 438,858	\$ 415,658	\$ 427,258	\$ 427,258	\$ 427,258
Discounting/Incentive																		
Comm. Fee Waived																		
Free Rent	(5,624)	(5,624)	(5,624)	(5,624)	(5,624)	(5,624)	(5,849)	(5,849)	(5,849)	(5,849)	(5,849)	(5,849)	(5,849)	(5,849)	(5,849)	(5,849)	(5,849)	(5,849)
Total Discounts	\$ (5,624)	\$ (5,624)	\$ (5,624)	\$ (5,624)	\$ (5,624)	\$ (5,624)	\$ (5,849)	\$ (5,849)	\$ (5,849)	\$ (5,849)	\$ (5,849)	\$ (5,849)	\$ (5,849)	\$ (5,849)	\$ (5,849)	\$ (5,849)	\$ (5,849)	\$ (5,849)
MSAL Ancilla Annual Inc																		
Other	\$ 711	\$ 711	\$ 711	\$ 711	\$ 711	\$ 711	\$ 732	\$ 732	\$ 732	\$ 732	\$ 732	\$ 732	\$ 732	\$ 732	\$ 732	\$ 732	\$ 732	\$ 732
Total Ancillary	\$ 711	\$ 711	\$ 711	\$ 711	\$ 711	\$ 711	\$ 732	\$ 732	\$ 732	\$ 732	\$ 732	\$ 732	\$ 732	\$ 732	\$ 732	\$ 732	\$ 732	\$ 732
TOTAL MSAL REVENUE	\$ 409,850	\$ 421,050	\$ 398,650	\$ 409,850	\$ 409,850	\$ 432,250	\$ 410,541	\$ 422,141	\$ 410,541	\$ 400,403	\$ 430,817	\$ 422,141	\$ 422,141	\$ 433,741	\$ 410,541	\$ 422,141	\$ 422,141	\$ 422,141

Edgemere Project
Business Planning Analysis
SNF Revenue

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Month 13	Month 14	Month 15	Month 16	Month 17	Month 18	Month 19	Month 20	Month 21
Available Units	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87
EF Contract Occupancy																					
Beginning	13	14	13	13	12	12	14	13	13	14	13	12	14	15	14	15	14	14	15	14	13
Transfers from IL	1	0	1	0	1	1	0	1	1	0	0	1	1	0	1	0	1	1	0	0	1
Transfers from AL	0	0	0	0	0	1	0	0	1	0	0	1	0	0	1	0	0	0	0	0	1
Transfers from MSAL	0	0	0	0	0	1	0	0	0	0	0	1	0	0	0	0	1	0	0	0	0
Transfers to SNF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Move-Outs/Death	0	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1
Ending	14	13	13	12	12	14	13	14	13	12	14	15	14	15	14	14	15	14	15	14	14
	16.1%	14.9%	14.9%	13.8%	13.8%	16.1%	14.9%	14.9%	16.1%	14.9%	13.8%	16.1%	17.2%	16.1%	17.2%	16.1%	16.1%	17.2%	16.1%	14.9%	16.1%
Private Pay Occupancy																					
Beginning	16	17	18	19	20	21	24	25	26	27	28	29	32	33	34	35	36	37	40	39	39
Move-Ins	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	0	1	1
Transfers to AL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers to MSAL	0	0	0	0	0	2	0	0	0	0	0	2	0	0	0	0	0	2	0	0	0
Transfers to SNF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Move-Outs/Death	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1
Ending	17	18	19	20	21	24	25	26	27	28	29	32	33	34	35	36	37	40	39	39	39
	19.5%	20.7%	21.8%	23.0%	24.1%	27.6%	28.7%	29.9%	31.0%	32.2%	33.3%	36.8%	37.9%	39.1%	40.2%	41.4%	42.5%	46.0%	44.8%	44.8%	44.8%
Combined Average Occupancy																					
EF Contract Occupancy	13.5	13.5	13	12.5	12	13	13.5	13	13.5	13.5	12.5	13	14.5	14.5	14.5	14.5	14	14.5	14.5	13.5	13.5
Private Pay Occupancy	16.5	17.5	18.5	19.5	20.5	22.5	24.5	25.5	26.5	27.5	28.5	30.5	32.5	33.5	34.5	35.5	36.5	38.5	39.5	39	39
Medicare Part A Occ	18	18	18	18	18	18.5	19	19	19	19	19.5	20	20	20	20	20	20.5	21.5	22	22	22
Managed (HMO) Par	1	1	1.5	2	2	2	2	2	2.5	3	3	3	3	3	3.5	4	4	4	4	4	4.5
TOTAL	49	50	51	52	52.5	56	59	59.5	61.5	63	63	66	70	71	72.5	74	74.5	77.5	79.5	78.5	79
Occupancy %	56.3%	57.5%	58.6%	59.8%	60.3%	64.4%	67.8%	68.4%	70.7%	72.4%	72.4%	75.9%	80.5%	81.6%	83.3%	85.1%	85.6%	89.1%	91.4%	90.2%	90.8%
Rates																					
Annual Increase %>>																					4.0%
EF Contract Occupancy	\$ 406.07	\$ 406.07	\$ 406.07	\$ 406.07	\$ 406.07	\$ 406.07	\$ 406.07	\$ 406.07	\$ 406.07	\$ 406.07	\$ 406.07	\$ 406.07	\$ 422.00	\$ 422.00	\$ 422.00	\$ 422.00	\$ 422.00	\$ 422.00	\$ 422.00	\$ 422.00	\$ 422.00
Private Pay Occupancy	\$ 406.07	\$ 406.07	\$ 406.07	\$ 406.07	\$ 406.07	\$ 406.07	\$ 406.07	\$ 406.07	\$ 406.07	\$ 406.07	\$ 406.07	\$ 406.07	\$ 422.00	\$ 422.00	\$ 422.00	\$ 422.00	\$ 422.00	\$ 422.00	\$ 422.00	\$ 422.00	\$ 422.00
Annual Increase % (Medicare A/HMO)>>																					1.5%
Medicare Part A Occ	\$ 571.23	\$ 571.23	\$ 571.23	\$ 571.23	\$ 571.23	\$ 571.23	\$ 571.23	\$ 571.23	\$ 571.23	\$ 571.23	\$ 571.23	\$ 571.23	\$ 580.00	\$ 580.00	\$ 580.00	\$ 580.00	\$ 580.00	\$ 580.00	\$ 580.00	\$ 580.00	\$ 580.00
Managed (HMO) Par	\$ 425.00	\$ 425.00	\$ 425.00	\$ 425.00	\$ 425.00	\$ 425.00	\$ 425.00	\$ 425.00	\$ 425.00	\$ 425.00	\$ 425.00	\$ 425.00	\$ 431.00	\$ 431.00	\$ 431.00	\$ 431.00	\$ 431.00	\$ 431.00	\$ 431.00	\$ 431.00	\$ 431.00
Community Fee																					
Annual Increase %>>																					4.0%
Rental Comm. Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Room Revenue																					
EF Contract Occupancy	\$ 166,742	\$ 166,742	\$ 160,567	\$ 154,391	\$ 148,216	\$ 160,567	\$ 166,742	\$ 160,567	\$ 166,742	\$ 166,742	\$ 154,391	\$ 160,567	\$ 186,120	\$ 186,120	\$ 186,120	\$ 186,120	\$ 179,702	\$ 186,120	\$ 186,120	\$ 173,284	\$ 173,284
Private Pay Occupancy	\$ 203,796	\$ 216,148	\$ 228,499	\$ 240,850	\$ 253,202	\$ 277,904	\$ 302,607	\$ 314,958	\$ 327,309	\$ 339,661	\$ 352,012	\$ 376,715	\$ 417,165	\$ 430,000	\$ 442,836	\$ 455,672	\$ 468,508	\$ 494,180	\$ 507,015	\$ 500,598	\$ 500,598
Medicare Part A Occ	\$ 312,748	\$ 312,748	\$ 312,748	\$ 312,748	\$ 312,748	\$ 321,436	\$ 330,123	\$ 330,123	\$ 330,123	\$ 330,123	\$ 330,123	\$ 338,811	\$ 352,833	\$ 352,833	\$ 352,833	\$ 352,833	\$ 361,654	\$ 379,296	\$ 388,117	\$ 388,117	\$ 388,117
Managed (HMO) Par	\$ 12,927	\$ 12,927	\$ 19,391	\$ 25,854	\$ 25,854	\$ 25,854	\$ 25,854	\$ 25,854	\$ 32,318	\$ 38,781	\$ 38,781	\$ 38,781	\$ 39,329	\$ 39,329	\$ 45,884	\$ 52,438	\$ 52,438	\$ 52,438	\$ 52,438	\$ 52,438	\$ 58,993
Rental Comm. Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Gross Rev.	\$ 696,214	\$ 708,566	\$ 721,205	\$ 733,844	\$ 740,020	\$ 785,761	\$ 825,327	\$ 831,502	\$ 856,493	\$ 875,308	\$ 875,308	\$ 914,873	\$ 995,446	\$ 1,008,282	\$ 1,027,673	\$ 1,047,063	\$ 1,053,481	\$ 1,094,392	\$ 1,124,869	\$ 1,114,436	\$ 1,120,991
Discounting/Incentive																					
(NUMBERS NEED TO BE NEGATIVE)																					
Comm. Fee Waived																					
Free Rent	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,200)	\$ (5,200)	\$ (5,200)	\$ (5,200)	\$ (5,200)	\$ (5,200)	\$ (5,200)	\$ (5,200)	\$ (5,200)
Total Discounts	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,000)	\$ (5,200)	\$ (5,200)	\$ (5,200)	\$ (5,200)	\$ (5,200)	\$ (5,200)	\$ (5,200)	\$ (5,200)	\$ (5,200)
Med B Reven																					
Annual Increase %>>																					1.5%
Other	\$ 62,000	\$ 62,000	\$ 62,000	\$ 62,000	\$ 62,000	\$ 62,000	\$ 62,000	\$ 62,000	\$ 62,000	\$ 62,000	\$ 62,000	\$ 62,000	\$ 62,930	\$ 62,930	\$ 62,930	\$ 62,930	\$ 62,930	\$ 62,930	\$ 62,930	\$ 62,930	\$ 62,930
Total Ancillary	\$ 62,000	\$ 62,000	\$ 62,000	\$ 62,000	\$ 62,000	\$ 62,000	\$ 62,000	\$ 62,000	\$ 62,000	\$ 62,000	\$ 62,000	\$ 62,000	\$ 62,930	\$ 62,930	\$ 62,930	\$ 62,930	\$ 62,930	\$ 62,930	\$ 62,930	\$ 62,930	\$ 62,930
SNF Ancillary																					
Annual Increase %>>																					3.0%
Promotion	\$ (11,500)	\$ (11,500)	\$ (11,500)	\$ (11,500)	\$ (11,500)	\$ (11,500)	\$ (11,500)	\$ (11,500)	\$ (11,500)	\$ (11,500)	\$ (11,500)	\$ (11,500)	\$ (11,845)	\$ (11,845)	\$ (11,845)	\$ (11,845)	\$ (11,845)	\$ (11,845)	\$ (11,845)	\$ (11,845)	\$ (11,845)
Hardship	\$ (6,200)	\$ (6,200)	\$ (6,200)	\$ (6,200)	\$ (6,200)	\$ (6,200)	\$ (6,200)	\$ (6,200)	\$ (6,200)	\$ (6,200)	\$ (6,200)	\$ (6,200)	\$ (6,386)	\$ (6,386)	\$ (6,386)	\$ (6,386)	\$ (6,386)	\$ (6,386)	\$ (6,386)	\$ (6,386)	\$ (6,386)
Other	\$ 3,625	\$ 3,625	\$ 3,625	\$ 3,625	\$ 3,625	\$ 3,625	\$ 3,625	\$ 3,625	\$ 3,625	\$ 3,625	\$ 3,625	\$ 3,625	\$ 3,734	\$ 3,734	\$ 3,734	\$ 3,734	\$ 3,734	\$ 3,734	\$ 3,734	\$ 3,734	\$ 3,734
Total Ancillary	\$ (14,075)	\$ (14,075)	\$ (14,075)	\$ (14,075)	\$ (14,075)	\$ (14,075)	\$ (14,075)	\$ (14,075)	\$ (14,075)	\$ (14,075)	\$ (14,075)	\$ (14,075)	\$ (14,497)	\$ (14,497)	\$ (14,497)	\$ (14,497)	\$ (14,497)	\$ (14,497)	\$ (14,497)	\$ (14,497)	\$ (14,497)
TOTAL SNF REVENUE	\$ 739,139	\$ 751,491	\$ 764,130	\$ 776,769	\$ 782,945	\$ 828,686	\$ 868,252	\$ 874,427	\$ 899,418	\$ 918,233	\$ 918,233	\$ 957,798	\$ 1,038,679	\$ 1,051,515	\$ 1,070,906	\$ 1,090,296	\$ 1,096,714	\$ 1,137,625	\$ 1,168,102	\$ 1,157,669	\$ 1,164,224

Edgemere Project
Business Planning Analy:
SNF Revenue

	Month 22	Month 23	Month 24	Month 25	Month 26	Month 27	Month 28	Month 29	Month 30	Month 31	Month 32	Month 33	Month 34	Month 35	Month 36	Month 37	Month 38	Month 39	Month 40	Month 41	Month 42
Available Units	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87
EF Contract Occupancy																					
Beginning	14	13	12	14	15	14	15	14	14	14	14	14	13	12	11	13	14	13	13	12	12
Transfers from IL	0	0	1	1	0	1	0	1	0	0	1	0	0	0	1	1	0	1	0	0	1
Transfers from AL	0	0	1	0	0	1	0	0	0	1	0	0	0	0	1	0	0	0	0	0	1
Transfers from MSAL	0	0	1	0	0	0	0	0	1	0	0	0	0	0	1	0	0	0	0	0	1
Transfers to SNF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Move-Outs/Death	-1	-1	-1	0	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	0	-1	-1	-1	0	-1
Ending	13	12	14	15	14	15	14	14	14	14	14	13	12	11	13	14	13	13	12	14	14
	14.9%	13.8%	16.1%	17.2%	16.1%	17.2%	16.1%	16.1%	16.1%	16.1%	16.1%	14.9%	13.8%	12.6%	14.9%	16.1%	14.9%	14.9%	13.8%	13.8%	16.1%
Private Pay Occupancy																					
Beginning	39	38	38	39	38	37	36	35	34	35	34	34	34	34	36	35	36	35	35	35	35
Move-Ins	0	1	0	0	0	0	0	0	0	0	1	1	3	0	0	0	1	1	1	1	0
Transfers to AL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers to MSAL	0	0	2	0	0	0	0	0	2	0	0	0	0	0	2	0	0	0	0	0	2
Transfers to SNF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Move-Outs/Death	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1
Ending	38	38	39	38	37	36	35	34	35	34	34	34	36	35	36	35	35	35	35	35	36
	43.7%	43.7%	44.8%	43.7%	42.5%	41.4%	40.2%	39.1%	40.2%	39.1%	39.1%	39.1%	41.4%	40.2%	41.4%	40.2%	40.2%	40.2%	40.2%	40.2%	41.4%
Combined Average Occu																					
EF Contract Occupan	13.5	12.5	13	14.5	14.5	14.5	14.5	14	14	14	14	13.5	12.5	11.5	12	13.5	13.5	13	12.5	12	13
Private Pay Occupan	38.5	38	38.5	38.5	37.5	36.5	35.5	34.5	34.5	34.5	34	34	35	35.5	35.5	35.5	35	35	35	35	35.5
Medicare Part A Occu	22	22	22.5	23	23	23	23	23	23.5	24	24	24	24	24	24.5	25	25	25	25	25.5	26
Managed (HMO) Par	5	5	5	5	5	5.5	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6
TOTAL	79	77.5	79	81	80	79.5	79	77.5	78	78.5	78	77.5	77.5	77	78	80	79.5	79	78.5	78.5	80.5
Occupancy %	90.8%	89.1%	90.8%	93.1%	92.0%	91.4%	90.8%	89.1%	89.7%	90.2%	89.7%	89.1%	89.1%	88.5%	89.7%	92.0%	91.4%	90.8%	90.2%	90.2%	92.5%
Rates																					
Annual Inc				4.0%																	4.0%
EF Contract Occupan	\$ 422.00	\$ 422.00	\$ 422.00	\$ 439.00	\$ 439.00	\$ 439.00	\$ 439.00	\$ 439.00	\$ 439.00	\$ 439.00	\$ 439.00	\$ 439.00	\$ 439.00	\$ 439.00	\$ 439.00	\$ 457.00	\$ 457.00	\$ 457.00	\$ 457.00	\$ 457.00	\$ 457.00
Private Pay Occupan	\$ 422.00	\$ 422.00	\$ 422.00	\$ 439.00	\$ 439.00	\$ 439.00	\$ 439.00	\$ 439.00	\$ 439.00	\$ 439.00	\$ 439.00	\$ 439.00	\$ 439.00	\$ 439.00	\$ 439.00	\$ 457.00	\$ 457.00	\$ 457.00	\$ 457.00	\$ 457.00	\$ 457.00
Annual Inc				1.5%																	1.5%
Medicare Part A Occu	\$ 580.00	\$ 580.00	\$ 580.00	\$ 589.00	\$ 589.00	\$ 589.00	\$ 589.00	\$ 589.00	\$ 589.00	\$ 589.00	\$ 589.00	\$ 589.00	\$ 589.00	\$ 589.00	\$ 589.00	\$ 598.00	\$ 598.00	\$ 598.00	\$ 598.00	\$ 598.00	\$ 598.00
Managed (HMO) Par	\$ 431.00	\$ 431.00	\$ 431.00	\$ 437.00	\$ 437.00	\$ 437.00	\$ 437.00	\$ 437.00	\$ 437.00	\$ 437.00	\$ 437.00	\$ 437.00	\$ 437.00	\$ 437.00	\$ 437.00	\$ 444.00	\$ 444.00	\$ 444.00	\$ 444.00	\$ 444.00	\$ 444.00
Community Fee																					
Annual Inc				4.0%																	4.0%
Rental Comm. Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Room Revenue																					
EF Contract Occupan	\$ 173,284	\$ 160,448	\$ 166,866	\$ 193,617	\$ 193,617	\$ 193,617	\$ 193,617	\$ 186,941	\$ 186,941	\$ 186,941	\$ 186,941	\$ 180,264	\$ 166,911	\$ 153,559	\$ 160,235	\$ 187,656	\$ 187,656	\$ 180,705	\$ 173,755	\$ 166,805	\$ 180,705
Private Pay Occupan	\$ 494,180	\$ 487,762	\$ 494,180	\$ 514,087	\$ 500,734	\$ 487,381	\$ 474,029	\$ 460,676	\$ 460,676	\$ 460,676	\$ 453,999	\$ 453,999	\$ 467,352	\$ 474,029	\$ 474,029	\$ 493,465	\$ 486,515	\$ 486,515	\$ 486,515	\$ 486,515	\$ 493,465
Medicare Part A Occu	\$ 388,117	\$ 388,117	\$ 396,938	\$ 412,055	\$ 412,055	\$ 412,055	\$ 412,055	\$ 412,055	\$ 421,012	\$ 429,970	\$ 429,970	\$ 429,970	\$ 429,970	\$ 429,970	\$ 438,928	\$ 454,729	\$ 454,729	\$ 454,729	\$ 463,824	\$ 472,918	\$ 472,918
Managed (HMO) Par	\$ 65,548	\$ 65,548	\$ 65,548	\$ 66,460	\$ 66,460	\$ 73,106	\$ 79,753	\$ 79,753	\$ 79,753	\$ 79,753	\$ 79,753	\$ 79,753	\$ 79,753	\$ 79,753	\$ 79,753	\$ 81,030	\$ 81,030	\$ 81,030	\$ 81,030	\$ 81,030	\$ 81,030
Rental Comm. Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Gross Rev.	\$1,121,128	\$1,101,874	\$1,123,531	\$1,186,220	\$1,172,867	\$1,166,160	\$1,159,453	\$1,139,424	\$1,148,381	\$1,157,339	\$1,150,663	\$1,143,986	\$1,143,986	\$1,137,310	\$1,152,944	\$1,216,880	\$1,209,929	\$1,202,979	\$1,196,029	\$1,198,173	\$1,228,119
Discounting/Incentive																					
Comm. Fee Waived																					
Free Rent	(5,200)	(5,200)	(5,200)	(5,408)	(5,408)	(5,408)	(5,408)	(5,408)	(5,408)	(5,408)	(5,408)	(5,408)	(5,408)	(5,408)	(5,408)	(5,624)	(5,624)	(5,624)	(5,624)	(5,624)	(5,624)
Total Discounts	\$ (5,200)	\$ (5,200)	\$ (5,200)	\$ (5,408)	\$ (5,408)	\$ (5,408)	\$ (5,408)	\$ (5,408)	\$ (5,408)	\$ (5,408)	\$ (5,408)	\$ (5,408)	\$ (5,408)	\$ (5,408)	\$ (5,408)	\$ (5,624)	\$ (5,624)	\$ (5,624)	\$ (5,624)	\$ (5,624)	\$ (5,624)
Med B Reven Annual Inc																					
Other	\$ 62,930	\$ 62,930	\$ 62,930	\$ 63,874	\$ 63,874	\$ 63,874	\$ 63,874	\$ 63,874	\$ 63,874	\$ 63,874	\$ 63,874	\$ 63,874	\$ 63,874	\$ 63,874	\$ 63,874	\$ 64,832	\$ 64,832	\$ 64,832	\$ 64,832	\$ 64,832	\$ 64,832
Total Ancillary	\$ 62,930	\$ 62,930	\$ 62,930	\$ 63,874	\$ 63,874	\$ 63,874	\$ 63,874	\$ 63,874	\$ 63,874	\$ 63,874	\$ 63,874	\$ 63,874	\$ 63,874	\$ 63,874	\$ 63,874	\$ 64,832	\$ 64,832	\$ 64,832	\$ 64,832	\$ 64,832	\$ 64,832
SNF Ancillary Annual Inc																					
Promotion	\$ (11,845)	\$ (11,845)	\$ (11,845)	\$ (12,200)	\$ (12,200)	\$ (12,200)	\$ (12,200)	\$ (12,200)	\$ (12,200)	\$ (12,200)	\$ (12,200)	\$ (12,200)	\$ (12,200)	\$ (12,200)	\$ (12,200)	\$ (12,566)	\$ (12,566)	\$ (12,566)	\$ (12,566)	\$ (12,566)	\$ (12,566)
Hardship	\$ (6,386)	\$ (6,386)	\$ (6,386)	\$ (6,578)	\$ (6,578)	\$ (6,578)	\$ (6,578)	\$ (6,578)	\$ (6,578)	\$ (6,578)	\$ (6,578)	\$ (6,578)	\$ (6,578)	\$ (6,578)	\$ (6,578)	\$ (6,775)	\$ (6,775)	\$ (6,775)	\$ (6,775)	\$ (6,775)	\$ (6,775)
Other	\$ 3,734	\$ 3,734	\$ 3,734	\$ 3,846	\$ 3,846	\$ 3,846	\$ 3,846	\$ 3,846	\$ 3,846	\$ 3,846	\$ 3,846	\$ 3,846	\$ 3,846	\$ 3,846	\$ 3,846	\$ 3,961	\$ 3,961	\$ 3,961	\$ 3,961	\$ 3,961	\$ 3,961
Total Ancillary	\$ (14,497)	\$ (14,497)	\$ (14,497)	\$ (14,932)	\$ (14,932)	\$ (14,932)	\$ (14,932)	\$ (14,932)	\$ (14,932)	\$ (14,932)	\$ (14,932)	\$ (14,932)	\$ (14,932)	\$ (14,932)	\$ (14,932)	\$ (15,380)	\$ (15,380)	\$ (15,380)	\$ (15,380)	\$ (15,380)	\$ (15,380)
TOTAL SNF REVENUE	\$1,164,361	\$1,145,107	\$1,166,764	\$1,229,754	\$1,216,401	\$1,209,694	\$1,202,987	\$1,182,958	\$1,191,915	\$1,200,873	\$1,194,197	\$1,187,520	\$1,187,520	\$1,180,844	\$1,196,478	\$1,260,707	\$1,253,757	\$1,246,807	\$1,239,857	\$1,242,001	\$1,271,946

Edgemere Project
Business Planning Analy:
SNF Revenue

	Month 43	Month 44	Month 45	Month 46	Month 47	Month 48	Month 49	Month 50	Month 51	Month 52	Month 53	Month 54	Month 55	Month 56	Month 57	Month 58	Month 59	Month 60
Available Units	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87
EF Contract Occupancy																		
Beginning	14	13	12	12	11	10	12	12	11	12	11	11	11	10	10	10	9	8
Transfers from IL	0	0	1	0	0	1	0	0	1	0	1	0	0	1	0	0	0	1
Transfers from AL	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	0	1
Transfers from MSAL	0	0	0	0	0	1	0	0	0	0	0	1	0	0	0	0	0	0
Transfers to SNF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Move-Outs/Death	-1	-1	-1	-1	-1	-1	0	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	0
Ending	13	12	12	11	10	12	12	11	12	11	11	11	10	10	10	9	8	10
	14.9%	13.8%	13.8%	12.6%	11.5%	13.8%	13.8%	12.6%	13.8%	12.6%	12.6%	12.6%	11.5%	11.5%	11.5%	10.3%	9.2%	11.5%
Private Pay Occupancy																		
Beginning	36	35	35	35	35	35	36	35	35	35	35	35	36	35	36	37	38	39
Move-Ins	0	1	1	1	1	0	0	1	1	1	1	0	0	2	2	2	2	0
Transfers to AL	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0
Transfers to MSAL	0	0	0	0	0	2	0	0	0	0	2	0	0	0	0	0	0	0
Transfers to SNF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Move-Outs/Death	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1
Ending	35	35	35	35	35	36	35	35	35	35	35	36	35	36	37	38	39	38
	40.2%	40.2%	40.2%	40.2%	40.2%	41.4%	40.2%	40.2%	40.2%	40.2%	40.2%	41.4%	40.2%	41.4%	42.5%	43.7%	44.8%	43.7%
Combined Average Occu																		
EF Contract Occupan	13.5	12.5	12	11.5	10.5	11	12	11.5	11.5	11.5	11	11	10.5	10	10	9.5	8.5	9
Private Pay Occupan	35.5	35	35	35	35	35.5	35.5	35	35	35	35	35.5	35.5	35.5	36.5	37.5	38.5	38.5
Medicare Part A Occu	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26
Managed (HMO) Par	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6
TOTAL	81	79.5	79	78.5	77.5	78.5	79.5	78.5	78.5	78.5	78	78.5	78	77.5	78.5	79	79	79.5
Occupancy %	93.1%	91.4%	90.8%	90.2%	89.1%	90.2%	91.4%	90.2%	90.2%	90.2%	89.7%	90.2%	89.7%	89.1%	90.2%	90.8%	90.8%	91.4%
Rates																		
Annual Inc																		
EF Contract Occupan	\$ 457.00	\$ 457.00	\$ 457.00	\$ 457.00	\$ 457.00	\$ 457.00	\$ 471.00	\$ 471.00	\$ 471.00	\$ 471.00	\$ 471.00	\$ 471.00	\$ 471.00	\$ 471.00	\$ 471.00	\$ 471.00	\$ 471.00	\$ 471.00
Private Pay Occupan	\$ 457.00	\$ 457.00	\$ 457.00	\$ 457.00	\$ 457.00	\$ 457.00	\$ 471.00	\$ 471.00	\$ 471.00	\$ 471.00	\$ 471.00	\$ 471.00	\$ 471.00	\$ 471.00	\$ 471.00	\$ 471.00	\$ 471.00	\$ 471.00
Annual Inc																		
Medicare Part A Occu	\$ 598.00	\$ 598.00	\$ 598.00	\$ 598.00	\$ 598.00	\$ 598.00	\$ 616.00	\$ 616.00	\$ 616.00	\$ 616.00	\$ 616.00	\$ 616.00	\$ 616.00	\$ 616.00	\$ 616.00	\$ 616.00	\$ 616.00	\$ 616.00
Managed (HMO) Par	\$ 444.00	\$ 444.00	\$ 444.00	\$ 444.00	\$ 444.00	\$ 444.00	\$ 457.00	\$ 457.00	\$ 457.00	\$ 457.00	\$ 457.00	\$ 457.00	\$ 457.00	\$ 457.00	\$ 457.00	\$ 457.00	\$ 457.00	\$ 457.00
Community Fee																		
Annual Inc																		
Rental Comm. Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Room Revenue																		
EF Contract Occupan	\$ 187,656	\$ 173,755	\$ 166,805	\$ 159,855	\$ 145,954	\$ 152,905	\$ 171,915	\$ 164,752	\$ 164,752	\$ 164,752	\$ 157,589	\$ 157,589	\$ 150,426	\$ 143,263	\$ 143,263	\$ 136,099	\$ 121,773	\$ 128,936
Private Pay Occupan	\$ 493,465	\$ 486,515	\$ 486,515	\$ 486,515	\$ 486,515	\$ 493,465	\$ 508,582	\$ 501,419	\$ 501,419	\$ 501,419	\$ 501,419	\$ 508,582	\$ 508,582	\$ 508,582	\$ 522,908	\$ 537,234	\$ 551,561	\$ 551,561
Medicare Part A Occu	\$ 472,918	\$ 472,918	\$ 472,918	\$ 472,918	\$ 472,918	\$ 472,918	\$ 487,153	\$ 487,153	\$ 487,153	\$ 487,153	\$ 487,153	\$ 487,153	\$ 487,153	\$ 487,153	\$ 487,153	\$ 487,153	\$ 487,153	\$ 487,153
Managed (HMO) Par	\$ 81,030	\$ 81,030	\$ 81,030	\$ 81,030	\$ 81,030	\$ 81,030	\$ 83,403	\$ 83,403	\$ 83,403	\$ 83,403	\$ 83,403	\$ 83,403	\$ 83,403	\$ 83,403	\$ 83,403	\$ 83,403	\$ 83,403	\$ 83,403
Rental Comm. Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Gross Rev.	\$1,235,069	\$1,214,218	\$1,207,268	\$1,200,318	\$1,186,417	\$1,200,318	\$1,251,053	\$1,236,726	\$1,236,726	\$1,236,726	\$1,229,563	\$1,236,726	\$1,229,563	\$1,222,400	\$1,236,726	\$1,243,890	\$1,243,890	\$1,251,053
Discounting/Incentive																		
Comm. Fee Waived																		
Free Rent	(5,624)	(5,624)	(5,624)	(5,624)	(5,624)	(5,624)	(5,849)	(5,849)	(5,849)	(5,849)	(5,849)	(5,849)	(5,849)	(5,849)	(5,849)	(5,849)	(5,849)	(5,849)
Total Discounts	\$ (5,624)	\$ (5,849)																
Med B Reven Annual Inc																		
Other	\$ 64,832	\$ 64,832	\$ 64,832	\$ 64,832	\$ 64,832	\$ 64,832	\$ 65,804	\$ 65,804	\$ 65,804	\$ 65,804	\$ 65,804	\$ 65,804	\$ 65,804	\$ 65,804	\$ 65,804	\$ 65,804	\$ 65,804	\$ 65,804
Total Ancillary	\$ 64,832	\$ 65,804																
SNF Ancillary Annual Inc																		
Promotion	(12,566)	(12,566)	(12,566)	(12,566)	(12,566)	(12,566)	(12,943)	(12,943)	(12,943)	(12,943)	(12,943)	(12,943)	(12,943)	(12,943)	(12,943)	(12,943)	(12,943)	(12,943)
Hardship	(6,775)	(6,775)	(6,775)	(6,775)	(6,775)	(6,775)	(6,978)	(6,978)	(6,978)	(6,978)	(6,978)	(6,978)	(6,978)	(6,978)	(6,978)	(6,978)	(6,978)	(6,978)
Other	3,961	3,961	3,961	3,961	3,961	3,961	4,080	4,080	4,080	4,080	4,080	4,080	4,080	4,080	4,080	4,080	4,080	4,080
Total Ancillary	\$ (15,380)	\$ (15,841)																
TOTAL SNF REVENUE	\$1,278,896	\$1,258,046	\$1,251,096	\$1,244,145	\$1,230,245	\$1,244,145	\$1,295,166	\$1,280,840	\$1,280,840	\$1,280,840	\$1,273,677	\$1,280,840	\$1,273,677	\$1,266,514	\$1,280,840	\$1,288,003	\$1,288,003	\$1,295,166

Edgemere Project
Business Planning Analysis
Other Income Assumptions

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9
Other Income Annual Increase %>>									
JV Revenue	\$ 10,350	\$ 10,350	\$ 10,350	\$ 10,350	\$ 10,350	\$ 10,350	\$ 10,350	\$ 10,350	\$ 10,350
Space Rental	\$ 8,318	\$ 8,318	\$ 8,318	\$ 8,318	\$ 8,318	\$ 8,318	\$ 8,318	\$ 8,318	\$ 8,318
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Ancillary	\$ 18,668	\$ 18,668	\$ 18,668	\$ 18,668	\$ 18,668	\$ 18,668	\$ 18,668	\$ 18,668	\$ 18,668

Edgemere Project
Business Planning Analy:
Other Income Assumptio

	Month 10	Month 11	Month 12	Month 13	Month 14	Month 15	Month 16	Month 17	Month 18
Other Income Annual Inc				3.0%					
JV Revenue	\$ 10,350	\$ 10,350	\$ 10,350	\$ 10,661	\$ 10,661	\$ 10,661	\$ 10,661	\$ 10,661	\$ 10,661
Space Rental	\$ 8,318	\$ 8,318	\$ 8,318	\$ 8,568	\$ 8,568	\$ 8,568	\$ 8,568	\$ 8,568	\$ 8,568
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Ancillary	\$ 18,668	\$ 18,668	\$ 18,668	\$ 19,229	\$ 19,229	\$ 19,229	\$ 19,229	\$ 19,229	\$ 19,229

Edgemere Project
Business Planning Analy:
Other Income Assumptio

	Month 19	Month 20	Month 21	Month 22	Month 23	Month 24	Month 25	Month 26	Month 27
Other Income Annual Inc							3.0%		
JV Revenue	\$ 10,661	\$ 10,661	\$ 10,661	\$ 10,661	\$ 10,661	\$ 10,661	\$ 10,981	\$ 10,981	\$ 10,981
Space Rental	\$ 8,568	\$ 8,568	\$ 8,568	\$ 8,568	\$ 8,568	\$ 8,568	\$ 8,825	\$ 8,825	\$ 8,825
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Ancillary	\$ 19,229	\$ 19,229	\$ 19,229	\$ 19,229	\$ 19,229	\$ 19,229	\$ 19,806	\$ 19,806	\$ 19,806

Edgemere Project
Business Planning Analy:
Other Income Assumptio

	Month 28	Month 29	Month 30	Month 31	Month 32	Month 33	Month 34	Month 35	Month 36
Other Income Annual Inc									
JV Revenue	\$ 10,981	\$ 10,981	\$ 10,981	\$ 10,981	\$ 10,981	\$ 10,981	\$ 10,981	\$ 10,981	\$ 10,981
Space Rental	\$ 8,825	\$ 8,825	\$ 8,825	\$ 8,825	\$ 8,825	\$ 8,825	\$ 8,825	\$ 8,825	\$ 8,825
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Ancillary	\$ 19,806	\$ 19,806	\$ 19,806	\$ 19,806	\$ 19,806	\$ 19,806	\$ 19,806	\$ 19,806	\$ 19,806

Edgemere Project
Business Planning Analy
Other Income Assumptio

	Month 37	Month 38	Month 39	Month 40	Month 41	Month 42	Month 43	Month 44	Month 45
Other Income Annual Inc	3.0%								
JV Revenue	\$ 11,310	\$ 11,310	\$ 11,310	\$ 11,310	\$ 11,310	\$ 11,310	\$ 11,310	\$ 11,310	\$ 11,310
Space Rental	\$ 9,090	\$ 9,090	\$ 9,090	\$ 9,090	\$ 9,090	\$ 9,090	\$ 9,090	\$ 9,090	\$ 9,090
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Ancillary	\$ 20,400	\$ 20,400	\$ 20,400	\$ 20,400	\$ 20,400	\$ 20,400	\$ 20,400	\$ 20,400	\$ 20,400

Edgemere Project
Business Planning Analy:
Other Income Assumptio

	Month 46	Month 47	Month 48	Month 49	Month 50	Month 51	Month 52	Month 53	Month 54
Other Income Annual Inc				3.0%					
JV Revenue	\$ 11,310	\$ 11,310	\$ 11,310	\$ 11,649	\$ 11,649	\$ 11,649	\$ 11,649	\$ 11,649	\$ 11,649
Space Rental	\$ 9,090	\$ 9,090	\$ 9,090	\$ 9,363	\$ 9,363	\$ 9,363	\$ 9,363	\$ 9,363	\$ 9,363
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Ancillary	\$ 20,400	\$ 20,400	\$ 20,400	\$ 21,012	\$ 21,012	\$ 21,012	\$ 21,012	\$ 21,012	\$ 21,012

Edgemere Project
Business Planning Analy:
Other Income Assumptio

	Month 55	Month 56	Month 57	Month 58	Month 59	Month 60
Other Income Annual Inc						
JV Revenue	\$ 11,649	\$ 11,649	\$ 11,649	\$ 11,649	\$ 11,649	\$ 11,649
Space Rental	\$ 9,363	\$ 9,363	\$ 9,363	\$ 9,363	\$ 9,363	\$ 9,363
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Ancillary	\$ 21,012	\$ 21,012	\$ 21,012	\$ 21,012	\$ 21,012	\$ 21,012

Edgemere Project
Business Planning Analysis
Salaries and Benefits

	Month 22	Month 23	Month 24	Month 25	Month 26	Month 27	Month 28	Month 29	Month 30	Month 31	Month 32	Month 33	Month 34	Month 35	Month 36	Month 37	Month 38	Month 39	Month 40	Month 41	Month 42	Month 43	
Salaries from FTE Tab																							
SNF	395,721	389,210	395,721	416,504	412,034	409,798	407,563	400,857	403,092	405,327	403,092	400,857	400,857	398,621	403,092	424,386	422,084	419,782	417,479	417,479	426,689	428,991	
AL	118,648	118,648	118,648	122,189	122,189	122,189	122,189	122,189	122,189	122,189	122,189	122,189	122,189	122,189	122,189	125,843	125,843	125,843	125,843	125,843	125,843	125,843	125,843
MC	87,236	87,225	87,236	89,853	89,845	89,841	88,044	93,412	89,829	88,040	89,829	89,825	89,825	89,821	89,829	92,529	92,525	92,521	90,670	96,211	92,533	92,537	
Plant	56,402	56,402	56,402	58,097	58,097	58,097	58,097	58,097	58,097	58,097	58,097	58,097	58,097	58,097	58,097	58,097	58,097	58,097	58,097	58,097	58,097	58,097	
Environmental Svcs	122,288	122,560	123,014	127,652	128,026	128,119	128,400	129,054	129,521	129,989	130,643	130,924	131,485	131,952	132,513	137,438	137,920	138,209	138,497	139,845	140,230	141,097	
Cullinary	215,308	215,308	215,308	221,752	221,752	221,752	221,752	221,752	221,752	221,752	221,752	221,752	221,752	221,752	221,752	228,382	228,382	228,382	228,382	228,382	228,382	228,382	
Resident Services	6,630	6,630	6,630	6,829	6,829	6,829	6,829	6,829	6,829	6,829	6,829	6,829	6,829	6,829	6,829	7,034	7,034	7,034	7,034	7,034	7,034	7,034	
Leisure Services	39,078	39,078	39,078	40,253	40,253	40,253	40,253	40,253	40,253	40,253	40,253	40,253	40,253	40,253	40,253	41,461	41,461	41,461	41,461	41,461	41,461	41,461	
Finance	11,459	11,459	11,459	11,803	11,803	11,803	11,803	11,803	11,803	11,803	11,803	11,803	11,803	11,803	11,803	12,157	12,157	12,157	12,157	12,157	12,157	12,157	
General & Admin	182,111	182,111	182,111	187,566	187,566	187,566	187,566	187,566	187,566	187,566	187,566	187,566	187,566	187,566	187,566	193,199	193,199	193,199	193,199	193,199	193,199	193,199	
Human Resources	14,357	14,357	14,357	14,789	14,789	14,789	14,789	14,789	14,789	14,789	14,789	14,789	14,789	14,789	14,789	15,231	15,231	15,231	15,231	15,231	15,231	15,231	
Marketing	64,998	64,998	64,998	66,947	66,947	66,947	66,947	66,947	66,947	66,947	66,947	66,947	66,947	66,947	66,947	68,957	68,957	68,957	68,957	68,957	68,957	68,957	
Total	1,314,236	1,307,986	1,314,962	1,364,233	1,360,128	1,357,983	1,354,230	1,353,547	1,352,667	1,353,580	1,353,789	1,351,830	1,352,391	1,350,619	1,355,659	1,406,459	1,404,634	1,402,617	1,398,752	1,405,641	1,411,558	1,414,730	
Check>>																							
Replacement Time																							
SNF	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	
AL	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	
MC	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	
Plant	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Environmental Svcs	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	
Cullinary	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	
Resident Services	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Leisure Services	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Finance	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
General & Admin	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Human Resources	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Marketing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Replacement Time (\$)																							
SNF	39,572	38,921	39,572	41,650	41,203	40,980	40,756	40,086	40,309	40,533	40,309	40,086	40,086	39,862	40,309	42,439	42,208	41,978	41,748	41,748	42,669	42,899	
AL	11,865	11,865	11,865	12,219	12,219	12,219	12,219	12,219	12,219	12,219	12,219	12,219	12,219	12,219	12,219	12,584	12,584	12,584	12,584	12,584	12,584	12,584	
MC	8,724	8,723	8,724	8,985	8,984	8,984	8,804	9,341	8,983	8,804	8,983	8,983	8,983	8,982	8,983	9,253	9,253	9,252	9,067	9,621	9,253	9,254	
Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Environmental Svcs	6,114	6,128	6,151	6,383	6,401	6,406	6,420	6,453	6,476	6,499	6,532	6,546	6,574	6,598	6,626	6,872	6,896	6,910	6,925	6,992	7,012	7,055	
Cullinary	10,765	10,765	10,765	11,088	11,088	11,088	11,088	11,088	11,088	11,088	11,088	11,088	11,088	11,088	11,088	11,419	11,419	11,419	11,419	11,419	11,419	11,419	
Resident Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Leisure Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Finance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
General & Admin	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Human Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Marketing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Adjusted Salaries																							
SNF	435,293	428,130	435,293	458,155	453,237	450,778	448,319	440,942	443,401	445,860	443,401	440,942	440,942	438,483	443,401	466,825	464,292	461,760	459,227	459,227	469,358	471,890	
AL	130,512	130,512	130,512	134,408	134,408	134,408	134,408	134,408	134,408	134,408	134,408	134,408	134,408	134,408	134,408	138,427	138,427	138,427	138,427	138,427	138,427	138,427	
MC	95,960	95,948	95,960	98,838	98,829	98,825	96,848	102,753	98,812	96,844	98,812	98,808	98,808	98,803	98,812	101,782	101,778	101,773	99,737	105,832	101,787	101,791	
Plant	56,402	56,402	56,402	58,097	58,097	58,097	58,097	58,097	58,097	58,097	58,097	58,097	58,097	58,097	58,097	59,842	59,842	59,842	59,842	59,842	59,842	59,842	
Environmental Svcs	128,402	128,688	129,164	134,034	134,427	134,525	134,820	135,507	135,997	136,488	137,175	137,470	138,059	138,550	139,139	144,310	144,816	145,119	145,422	146,837	147,242	148,151	
Cullinary	226,074	226,074	226,074	232,840	232,840	232,840	232,840	232,840	232,840	232,840	232,840	232,840	232,840	232,840	232,840	239,802	239,802	239,802	239,802	239,802	239,802	239,802	
Resident Services	6,630	6,630	6,630	6,829	6,829	6,829	6,829	6,829	6,829	6,829	6,829	6,829	6,829	6,829	6,829	7,034	7,034	7,034	7,034	7,034	7,034	7,034	
Leisure Services	39,078	39,078	39,078	40,253	40,253	40,253	40,253	40,253	40,253	40,253	40,253	40,253	40,253	40,253	40,253	41,461	41,461	41,461	41,461	41,461	41,461	41,461	
Finance	11,459	11,459	11,459	11,803	11,803	11,803	11,803	11,803	11,803	11,803	11,803	11,803	11,803	11,803	11,803	12,157	12,157	12,157	12,157	12,157	12,157	12,157	
General & Admin	182,111	182,111	182,111	187,566	187,566	187,566	187,566	187,566	187,566	187,566	187,566	187,566	187,566	187,566	187,566	193,199	193,199	193,199	193,199	193,199	193,199	193,199	
Human Resources	14,357	14,357	14,357	14,789	14,789	14,789	14,789	14,789	14,789	14,789	14,789	14,789	14,789	14,789	14,789	15,231	15,231	15,231	15,231	15,231	15,231	15,231	
Marketing	64,998	64,998	64,998	66,947	66,947	66,947	66,947	66,															

Edgemere Project
Business Planning Analysis
Salaries and Benefits

	Month 44	Month 45	Month 46	Month 47	Month 48	Month 49	Month 50	Month 51	Month 52	Month 53	Month 54	Month 55	Month 56	Month 57	Month 58	Month 59	Month 60
Salaries from FTE Tab																	
SNF	422,084	419,782	417,479	412,874	417,479	434,715	429,973	429,973	429,973	427,601	429,973	427,601	425,230	429,973	432,344	432,344	434,715
AL	125,843	125,843	125,843	125,843	125,843	129,612	129,612	127,724	129,612	129,612	129,612	127,724	129,612	129,612	129,612	129,612	129,612
MC	92,525	92,521	92,517	92,509	92,517	95,293	95,285	95,285	93,383	99,085	95,285	95,281	95,277	95,285	95,289	95,289	95,293
Plant	59,842	59,842	59,842	59,842	59,842	61,635	61,635	61,635	61,635	61,635	61,635	61,635	61,635	61,635	61,635	61,635	61,635
Environmental Svcs	141,385	141,867	141,770	141,578	141,770	146,211	146,013	145,815	145,815	146,310	146,013	145,716	145,815	146,013	146,112	146,112	146,211
Cullinary	228,382	228,382	228,382	228,382	228,382	235,224	235,224	235,224	235,224	235,224	235,224	235,224	235,224	235,224	235,224	235,224	235,224
Resident Services	7,034	7,034	7,034	7,034	7,034	7,245	7,245	7,245	7,245	7,245	7,245	7,245	7,245	7,245	7,245	7,245	7,245
Leisure Services	41,461	41,461	41,461	41,461	41,461	42,704	42,704	42,704	42,704	42,704	42,704	42,704	42,704	42,704	42,704	42,704	42,704
Finance	12,157	12,157	12,157	12,157	12,157	12,523	12,523	12,523	12,523	12,523	12,523	12,523	12,523	12,523	12,523	12,523	12,523
General & Admin	193,199	193,199	193,199	193,199	193,199	198,992	198,992	198,992	198,992	198,992	198,992	198,992	198,992	198,992	198,992	198,992	198,992
Human Resources	15,231	15,231	15,231	15,231	15,231	15,687	15,687	15,687	15,687	15,687	15,687	15,687	15,687	15,687	15,687	15,687	15,687
Marketing	68,957	68,957	68,957	68,957	68,957	71,029	71,029	71,029	71,029	71,029	71,029	71,029	71,029	71,029	71,029	71,029	71,029
Total	1,408,100	1,406,275	1,403,872	1,399,067	1,403,872	1,450,869	1,445,920	1,443,833	1,443,820	1,447,646	1,445,920	1,441,359	1,440,971	1,445,920	1,448,395	1,448,395	1,450,869

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Replacement Time

SNF	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
AL	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
MC	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Plant	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Environmental Svcs	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Cullinary	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Resident Services	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Leisure Services	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Finance	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
General & Admin	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Human Resources	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Marketing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Replacement Time (\$)

SNF	42,208	41,978	41,748	41,287	41,748	43,472	42,997	42,997	42,997	42,760	42,997	42,760	42,523	42,997	43,234	43,234	43,472
AL	12,584	12,584	12,584	12,584	12,584	12,961	12,961	12,772	12,961	12,961	12,961	12,772	12,961	12,961	12,961	12,961	12,961
MC	9,253	9,252	9,252	9,251	9,252	9,529	9,529	9,338	9,909	9,529	9,528	9,528	9,529	9,529	9,529	9,529	9,529
Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Environmental Svcs	7,069	7,093	7,089	7,079	7,089	7,311	7,301	7,291	7,291	7,316	7,301	7,286	7,291	7,301	7,306	7,306	7,311
Cullinary	11,419	11,419	11,419	11,419	11,419	11,761	11,761	11,761	11,761	11,761	11,761	11,761	11,761	11,761	11,761	11,761	11,761
Resident Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Leisure Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General & Admin	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Human Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Marketing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Total Adjusted Salaries

SNF	464,292	461,760	459,227	454,162	459,227	478,187	472,970	472,970	472,970	470,361	472,970	470,361	467,753	472,970	475,578	475,578	478,187
AL	138,427	138,427	138,427	138,427	138,427	142,573	142,573	140,496	142,573	142,573	140,496	142,573	140,496	142,573	142,573	142,573	142,573
MC	101,778	101,773	101,769	101,760	101,769	104,823	104,814	104,814	102,721	108,994	104,814	104,809	104,805	104,814	104,818	104,818	104,823
Plant	59,842	59,842	59,842	59,842	59,842	61,635	61,635	61,635	61,635	61,635	61,635	61,635	61,635	61,635	61,635	61,635	61,635
Environmental Svcs	148,455	148,960	148,859	148,657	148,859	153,522	153,314	153,105	153,105	153,626	153,314	153,001	153,105	153,314	153,418	153,418	153,522
Cullinary	239,802	239,802	239,802	239,802	239,802	246,985	246,985	246,985	246,985	246,985	246,985	246,985	246,985	246,985	246,985	246,985	246,985
Resident Services	7,034	7,034	7,034	7,034	7,034	7,245	7,245	7,245	7,245	7,245	7,245	7,245	7,245	7,245	7,245	7,245	7,245
Leisure Services	41,461	41,461	41,461	41,461	41,461	42,704	42,704	42,704	42,704	42,704	42,704	42,704	42,704	42,704	42,704	42,704	42,704
Finance	12,157	12,157	12,157	12,157	12,157	12,523	12,523	12,523	12,523	12,523	12,523	12,523	12,523	12,523	12,523	12,523	12,523
General & Admin	193,199	193,199	193,199	193,199	193,199	198,992	198,992	198,992	198,992	198,992	198,992	198,992	198,992	198,992	198,992	198,992	198,992
Human Resources	15,231	15,231	15,231	15,231	15,231	15,687	15,687	15,687	15,687	15,687	15,687	15,687	15,687	15,687	15,687	15,687	15,687
Marketing	68,957	68,957	68,957	68,957	68,957	71,029	71,029	71,029	71,029	71,029	71,029	71,029	71,029	71,029	71,029	71,029	71,029
Total	1,490,634	1,488,602	1,485,964	1,480,688	1,485,964	1,535,903	1,530,469	1,528,183	1,528,168	1,532,353	1,530,469	1,525,466	1,525,035	1,530,469	1,533,186	1,533,186	1,535,903

Benefits and Taxes

Benefit %	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
FICA %	7.45%	7.45%	7.45%	7.45%	7.45%	7.45%	7.45%	7.45%	7.45%	7.45%	7.45%	7.45%	7.45%	7.45%	7.45%	7.45%	7.45%
SUI %	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%
Workers' Comp	1.10%	1.10%	1.10%	1.10%	1.10%	1.10%	1.10%	1.10%	1.10%	1.10%	1.10%	1.10%	1.10%	1.10%	1.10%	1.10%	1.10%

Benefits and Taxes (\$)

Benefit %	178,876	178,632	178,316	177,683	178,316	184,308	183,656	183,382	183,380	183,882	183,656	183,056	183,004	183,656	183,982	183,982	184,308
FICA %	111,052	110,901	110,704	110,311	110,704	114,425	114,020	113,850	113,849	114,160	114,020	113,647	113,615	114,020	114,222	114,222	114,425
SUI %	17,888	17,863	17,832	17,768	17,832	18,431	18,366	18,338	18,338	18,388	18,366	18,306	18,300	18,366	18,398	18,398	

Edgemere Project
Business Planning Analysis
Non-Labor Expenses

	2023 Budget	Adjustments	Year 1 Adjusted	Annual Inflation Assumption	Notes/Alternate Approach	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11
General & Administrative																
Business Development	-		-	3.00%		-	-	-	-	-	-	-	-	-	-	-
Finance	160,142		160,142	3.00%		13,345	13,345	13,345	13,345	13,345	13,345	13,345	13,345	13,345	13,345	13,345
General	511,695		511,695	3.00%		42,641	42,641	42,641	42,641	42,641	42,641	42,641	42,641	42,641	42,641	42,641
Insurance	551,063		551,063	3.00%		45,922	45,922	45,922	45,922	45,922	45,922	45,922	45,922	45,922	45,922	45,922
Taxes (RE and Other)	2,100,210		2,100,210	3.00%		175,018	175,018	175,018	175,018	175,018	175,018	175,018	175,018	175,018	175,018	175,018
Covid	66,518		66,518	3.00%		5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543	5,543
Management Fee	1,922,826				5% of Gross Revenue	143,900	145,815	147,526	149,542	150,849	152,373	155,746	156,495	157,621	160,272	162,419
Human Resources	397,555		397,555	3.00%		33,130	33,130	33,130	33,130	33,130	33,130	33,130	33,130	33,130	33,130	33,130
IT	85,079		85,079	3.00%		7,090	7,090	7,090	7,090	7,090	7,090	7,090	7,090	7,090	7,090	7,090
HO Support	-	200,000	200,000	3.00%	Discontinued Support	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667
Legal	87,961		87,961	3.00%		7,330	7,330	7,330	7,330	7,330	7,330	7,330	7,330	7,330	7,330	7,330
Marketing	1,786,176	(573,666)	1,212,510	3.00%		101,043	101,043	101,043	101,043	101,043	101,043	101,043	101,043	101,043	101,043	101,043
Marketing/Rebranding	-	500,000	500,000	3.00%	First two years	41,667	41,667	41,667	41,667	41,667	41,667	41,667	41,667	41,667	41,667	41,667
Resident Services	7,709		7,709	3.00%		642	642	642	642	642	642	642	642	642	642	642
Total G&A	7,676,933	126,334	5,880,441			633,938	635,853	637,564	639,580	640,887	642,411	645,784	646,533	647,659	650,310	652,457
Plant Operations																
Repairs and Maintenance	744,028		744,028	3.00%		62,002	62,002	62,002	62,002	62,002	62,002	62,002	62,002	62,002	62,002	62,002
Purchased Services	309,000		309,000	3.00%		25,750	25,750	25,750	25,750	25,750	25,750	25,750	25,750	25,750	25,750	25,750
Supplies	84,214		84,214	3.00%		7,018	7,018	7,018	7,018	7,018	7,018	7,018	7,018	7,018	7,018	7,018
Utilities	1,118,688		1,118,688	3.00%		93,224	93,224	93,224	93,224	93,224	93,224	93,224	93,224	93,224	93,224	93,224
Other	101,236		101,236	3.00%		8,436	8,436	8,436	8,436	8,436	8,436	8,436	8,436	8,436	8,436	8,436
Total Plant Operations	2,357,166	-	2,357,166			196,430										
Housekeeping (Environmental)																
Purchased Services	124,413		124,413	3.00%		10,368	10,368	10,368	10,368	10,368	10,368	10,368	10,368	10,368	10,368	10,368
Supplies	170,998		170,998	3.00%		14,250	14,250	14,250	14,250	14,250	14,250	14,250	14,250	14,250	14,250	14,250
Other	42,700		42,700	3.00%		3,558	3,558	3,558	3,558	3,558	3,558	3,558	3,558	3,558	3,558	3,558
Total Housekeeping	338,111	-	338,111			28,176										
Dietary																
Food	1,346,704		1,346,704	3.00%	Approx. \$8.80 PRD	112,225	112,225	112,225	112,225	112,225	112,225	112,225	112,225	112,225	112,225	112,225
Unidine Supplies	372,264		372,264	3.00%		31,022	31,022	31,022	31,022	31,022	31,022	31,022	31,022	31,022	31,022	31,022
Unidine Other	908,731		908,731	3.00%		75,728	75,728	75,728	75,728	75,728	75,728	75,728	75,728	75,728	75,728	75,728
Unidine Management Fee	229,653		229,653	3.00%		19,138	19,138	19,138	19,138	19,138	19,138	19,138	19,138	19,138	19,138	19,138
Alcohol	78,375		78,375	3.00%		6,531	6,531	6,531	6,531	6,531	6,531	6,531	6,531	6,531	6,531	6,531
Other	48,240		48,240	3.00%		4,020	4,020	4,020	4,020	4,020	4,020	4,020	4,020	4,020	4,020	4,020
Total Dietary	2,983,967	-	2,983,967			248,664										
Medical/Other																
Assisted Living	21,081		21,081	3.00%		1,757	1,757	1,757	1,757	1,757	1,757	1,757	1,757	1,757	1,757	1,757
Memory Support	5,605		5,605	3.00%		467	467	467	467	467	467	467	467	467	467	467
Skilled Nursing																
PT	1,001,779		1,001,779	3.00%		83,482	83,482	83,482	83,482	83,482	83,482	83,482	83,482	83,482	83,482	83,482
OT	312,440		312,440	3.00%		26,037	26,037	26,037	26,037	26,037	26,037	26,037	26,037	26,037	26,037	26,037
ST	785,179		785,179	3.00%		65,432	65,432	65,432	65,432	65,432	65,432	65,432	65,432	65,432	65,432	65,432
Drugs	405,867		405,867	3.00%		33,822	33,822	33,822	33,822	33,822	33,822	33,822	33,822	33,822	33,822	33,822
Medical Supplies	140,480		140,480	3.00%		11,707	11,707	11,707	11,707	11,707	11,707	11,707	11,707	11,707	11,707	11,707
X-Rays	23,373		23,373	3.00%		1,948	1,948	1,948	1,948	1,948	1,948	1,948	1,948	1,948	1,948	1,948
Labs	71,681		71,681	3.00%		5,973	5,973	5,973	5,973	5,973	5,973	5,973	5,973	5,973	5,973	5,973
Oxygen	6,266		6,266	3.00%		522	522	522	522	522	522	522	522	522	522	522
Other	15,075		15,075	3.00%		1,256	1,256	1,256	1,256	1,256	1,256	1,256	1,256	1,256	1,256	1,256
Activities	336,786	300,000	636,786	3.00%		53,065	53,065	53,065	53,065	53,065	53,065	53,065	53,065	53,065	53,065	53,065
Total Medical/Other	3,125,612	300,000	3,425,612			285,468										
Ground Lease																
Ground Lease	4,323,603		4,323,603		See Note>>>	358,906	358,906	358,906	358,906	358,906	358,906	358,906	358,906	358,906	358,906	364,865
						1,392,676										

Edgemere Project
Business Planning Analysis
Non-Labor Expenses

	Month 12	Month 13	Month 14	Month 15	Month 16	Month 17	Month 18	Month 19	Month 20	Month 21	Month 22	Month 23	Month 24	Month 25	Month 26	Month 27	Month 28	Month 29
General & Administrative																		
Business Development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance	13,345	13,745	13,745	13,745	13,745	13,745	13,745	13,745	13,745	13,745	13,745	13,745	13,745	14,157	14,157	14,157	14,157	14,157
General	42,641	43,920	43,920	43,920	43,920	43,920	43,920	43,920	43,920	43,920	43,920	43,920	43,920	45,238	45,238	45,238	45,238	45,238
Insurance	45,922	47,300	47,300	47,300	47,300	47,300	47,300	47,300	47,300	47,300	47,300	47,300	47,300	48,719	48,719	48,719	48,719	48,719
Taxes (RE and Other)	175,018	180,269	180,269	180,269	180,269	180,269	180,269	180,269	180,269	180,269	180,269	180,269	180,269	185,677	185,677	185,677	185,677	185,677
Covid	5,543	5,709	5,709	5,709	5,709	5,709	5,709	5,709	5,709	5,709	5,709	5,709	5,709	5,880	5,880	5,880	5,880	5,880
Management Fee	163,635	174,767	177,541	179,319	181,099	183,023	185,644	187,531	188,568	189,332	189,165	188,721	192,230	200,424	201,470	202,035	201,413	203,632
Human Resources	33,130	34,124	34,124	34,124	34,124	34,124	34,124	34,124	34,124	34,124	34,124	34,124	34,124	35,148	35,148	35,148	35,148	35,148
IT	7,090	7,303	7,303	7,303	7,303	7,303	7,303	7,303	7,303	7,303	7,303	7,303	7,303	7,522	7,522	7,522	7,522	7,522
HO Support	16,667	17,167	17,167	17,167	17,167	17,167	17,167	17,167	17,167	17,167	17,167	17,167	17,167	17,682	17,682	17,682	17,682	17,682
Legal	7,330	7,550	7,550	7,550	7,550	7,550	7,550	7,550	7,550	7,550	7,550	7,550	7,550	7,777	7,777	7,777	7,777	7,777
Marketing	101,043	104,074	104,074	104,074	104,074	104,074	104,074	104,074	104,074	104,074	104,074	104,074	104,074	107,196	107,196	107,196	107,196	107,196
Marketing/Rebranding	41,667	42,917	42,917	42,917	42,917	42,917	42,917	42,917	42,917	42,917	42,917	42,917	42,917	-	-	-	-	-
Resident Services	642	661	661	661	661	661	661	661	661	661	661	661	661	681	681	681	681	681
Total G&A	653,673	679,506	682,280	684,058	685,838	687,762	690,383	692,270	693,307	694,071	693,904	693,460	696,969	676,101	677,147	677,712	677,090	679,309
Plant Operations																		
Repairs and Maintenance	62,002	63,862	63,862	63,862	63,862	63,862	63,862	63,862	63,862	63,862	63,862	63,862	63,862	65,778	65,778	65,778	65,778	65,778
Purchased Services	25,750	26,523	26,523	26,523	26,523	26,523	26,523	26,523	26,523	26,523	26,523	26,523	26,523	27,319	27,319	27,319	27,319	27,319
Supplies	7,018	7,229	7,229	7,229	7,229	7,229	7,229	7,229	7,229	7,229	7,229	7,229	7,229	7,446	7,446	7,446	7,446	7,446
Utilities	93,224	96,021	96,021	96,021	96,021	96,021	96,021	96,021	96,021	96,021	96,021	96,021	96,021	98,902	98,902	98,902	98,902	98,902
Other	8,436	8,689	8,689	8,689	8,689	8,689	8,689	8,689	8,689	8,689	8,689	8,689	8,689	8,950	8,950	8,950	8,950	8,950
Total Plant Operations	196,430	202,324	202,324	202,324	202,324	202,324	202,324	202,324	202,324	202,324	202,324	202,324	202,324	208,395	208,395	208,395	208,395	208,395
Housekeeping (Environmental)																		
Purchased Services	10,368	10,679	10,679	10,679	10,679	10,679	10,679	10,679	10,679	10,679	10,679	10,679	10,679	10,999	10,999	10,999	10,999	10,999
Supplies	14,250	14,678	14,678	14,678	14,678	14,678	14,678	14,678	14,678	14,678	14,678	14,678	14,678	15,118	15,118	15,118	15,118	15,118
Other	3,558	3,665	3,665	3,665	3,665	3,665	3,665	3,665	3,665	3,665	3,665	3,665	3,665	3,775	3,775	3,775	3,775	3,775
Total Housekeeping	28,176	29,022	29,022	29,022	29,022	29,022	29,022	29,022	29,022	29,022	29,022	29,022	29,022	29,892	29,892	29,892	29,892	29,892
Dietary																		
Food	112,225	115,592	115,592	115,592	115,592	115,592	115,592	115,592	115,592	115,592	115,592	115,592	115,592	119,060	119,060	119,060	119,060	119,060
Unidine Supplies	31,022	31,953	31,953	31,953	31,953	31,953	31,953	31,953	31,953	31,953	31,953	31,953	31,953	32,912	32,912	32,912	32,912	32,912
Unidine Other	75,728	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	78,000	80,340	80,340	80,340	80,340	80,340
Unidine Management Fee	19,138	19,712	19,712	19,712	19,712	19,712	19,712	19,712	19,712	19,712	19,712	19,712	19,712	20,303	20,303	20,303	20,303	20,303
Alcohol	6,531	6,727	6,727	6,727	6,727	6,727	6,727	6,727	6,727	6,727	6,727	6,727	6,727	6,929	6,929	6,929	6,929	6,929
Other	4,020	4,141	4,141	4,141	4,141	4,141	4,141	4,141	4,141	4,141	4,141	4,141	4,141	4,265	4,265	4,265	4,265	4,265
Total Dietary	248,664	256,125	256,125	256,125	256,125	256,125	256,125	256,125	256,125	256,125	256,125	256,125	256,125	263,809	263,809	263,809	263,809	263,809
Medical/Other																		
Assisted Living	1,757	1,810	1,810	1,810	1,810	1,810	1,810	1,810	1,810	1,810	1,810	1,810	1,810	1,864	1,864	1,864	1,864	1,864
Memory Support	467	481	481	481	481	481	481	481	481	481	481	481	481	495	495	495	495	495
Skilled Nursing																		
PT	83,482	85,986	85,986	85,986	85,986	85,986	85,986	85,986	85,986	85,986	85,986	85,986	85,986	88,566	88,566	88,566	88,566	88,566
OT	26,037	26,818	26,818	26,818	26,818	26,818	26,818	26,818	26,818	26,818	26,818	26,818	26,818	27,623	27,623	27,623	27,623	27,623
ST	65,432	67,395	67,395	67,395	67,395	67,395	67,395	67,395	67,395	67,395	67,395	67,395	67,395	69,417	69,417	69,417	69,417	69,417
Drugs	33,822	34,837	34,837	34,837	34,837	34,837	34,837	34,837	34,837	34,837	34,837	34,837	34,837	35,882	35,882	35,882	35,882	35,882
Medical Supplies	11,707	12,058	12,058	12,058	12,058	12,058	12,058	12,058	12,058	12,058	12,058	12,058	12,058	12,420	12,420	12,420	12,420	12,420
X-Rays	1,948	2,006	2,006	2,006	2,006	2,006	2,006	2,006	2,006	2,006	2,006	2,006	2,006	2,066	2,066	2,066	2,066	2,066
Labs	5,973	6,152	6,152	6,152	6,152	6,152	6,152	6,152	6,152	6,152	6,152	6,152	6,152	6,337	6,337	6,337	6,337	6,337
Oxygen	522	538	538	538	538	538	538	538	538	538	538	538	538	554	554	554	554	554
Other	1,256	1,294	1,294	1,294	1,294	1,294	1,294	1,294	1,294	1,294	1,294	1,294	1,294	1,333	1,333	1,333	1,333	1,333
Activities	53,065	54,657	54,657	54,657	54,657	54,657	54,657	54,657	54,657	54,657	54,657	54,657	54,657	56,297	56,297	56,297	56,297	56,297
Total Medical/Other	285,468	294,032	294,032	294,032	294,032	294,032	294,032	294,032	294,032	294,032	294,032	294,032	294,032	302,854	302,854	302,854	302,854	302,854
Ground Lease																		
Ground Lease	369,674	369,674	369,674	369,674	369,674	369,674	369,674	369,674	369,674	369,674	369,674	369,674	375,811	380,764	380,764	380,764	380,764	380,764

Edgemere Project
Business Planning Analysis
Non-Labor Expenses

	Month 30	Month 31	Month 32	Month 33	Month 34	Month 35	Month 36	Month 37	Month 38	Month 39	Month 40	Month 41	Month 42	Month 43	Month 44	Month 45	Month 46	Month 47
General & Administrative																		
Business Development	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance	14,157	14,157	14,157	14,157	14,157	14,157	14,157	14,582	14,582	14,582	14,582	14,582	14,582	14,582	14,582	14,582	14,582	14,582
General	45,238	45,238	45,238	45,238	45,238	45,238	45,238	46,595	46,595	46,595	46,595	46,595	46,595	46,595	46,595	46,595	46,595	46,595
Insurance	48,719	48,719	48,719	48,719	48,719	48,719	48,719	50,181	50,181	50,181	50,181	50,181	50,181	50,181	50,181	50,181	50,181	50,181
Taxes (RE and Other)	185,677	185,677	185,677	185,677	185,677	185,677	185,677	191,247	191,247	191,247	191,247	191,247	191,247	191,247	191,247	191,247	191,247	191,247
Covid	5,880	5,880	5,880	5,880	5,880	5,880	5,880	6,056	6,056	6,056	6,056	6,056	6,056	6,056	6,056	6,056	6,056	6,056
Management Fee	204,127	205,815	207,575	205,895	208,055	208,355	212,017	220,514	221,850	221,788	221,512	226,931	228,193	229,016	229,194	228,850	228,039	226,784
Human Resources	35,148	35,148	35,148	35,148	35,148	35,148	35,148	36,202	36,202	36,202	36,202	36,202	36,202	36,202	36,202	36,202	36,202	36,202
IT	7,522	7,522	7,522	7,522	7,522	7,522	7,522	7,748	7,748	7,748	7,748	7,748	7,748	7,748	7,748	7,748	7,748	7,748
HO Support	17,682	17,682	17,682	17,682	17,682	17,682	17,682	18,212	18,212	18,212	18,212	18,212	18,212	18,212	18,212	18,212	18,212	18,212
Legal	7,777	7,777	7,777	7,777	7,777	7,777	7,777	8,010	8,010	8,010	8,010	8,010	8,010	8,010	8,010	8,010	8,010	8,010
Marketing	107,196	107,196	107,196	107,196	107,196	107,196	107,196	110,412	110,412	110,412	110,412	110,412	110,412	110,412	110,412	110,412	110,412	110,412
Marketing/Rebranding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Resident Services	681	681	681	681	681	681	681	701	701	701	701	701	701	701	701	701	701	701
Total G&A	679,804	681,492	683,252	681,572	683,732	684,032	687,694	710,460	711,796	711,734	711,458	716,877	718,139	718,962	719,140	718,796	717,985	716,730
Plant Operations																		
Repairs and Maintenance	65,778	65,778	65,778	65,778	65,778	65,778	65,778	67,751	67,751	67,751	67,751	67,751	67,751	67,751	67,751	67,751	67,751	67,751
Purchased Services	27,319	27,319	27,319	27,319	27,319	27,319	27,319	28,139	28,139	28,139	28,139	28,139	28,139	28,139	28,139	28,139	28,139	28,139
Supplies	7,446	7,446	7,446	7,446	7,446	7,446	7,446	7,669	7,669	7,669	7,669	7,669	7,669	7,669	7,669	7,669	7,669	7,669
Utilities	98,902	98,902	98,902	98,902	98,902	98,902	98,902	101,869	101,869	101,869	101,869	101,869	101,869	101,869	101,869	101,869	101,869	101,869
Other	8,950	8,950	8,950	8,950	8,950	8,950	8,950	9,219	9,219	9,219	9,219	9,219	9,219	9,219	9,219	9,219	9,219	9,219
Total Plant Operations	208,395	208,395	208,395	208,395	208,395	208,395	208,395	214,647	214,647	214,647	214,647	214,647	214,647	214,647	214,647	214,647	214,647	214,647
Housekeeping (Environmental)																		
Purchased Services	10,999	10,999	10,999	10,999	10,999	10,999	10,999	11,329	11,329	11,329	11,329	11,329	11,329	11,329	11,329	11,329	11,329	11,329
Supplies	15,118	15,118	15,118	15,118	15,118	15,118	15,118	15,572	15,572	15,572	15,572	15,572	15,572	15,572	15,572	15,572	15,572	15,572
Other	3,775	3,775	3,775	3,775	3,775	3,775	3,775	3,888	3,888	3,888	3,888	3,888	3,888	3,888	3,888	3,888	3,888	3,888
Total Housekeeping	29,892	29,892	29,892	29,892	29,892	29,892	29,892	30,789	30,789	30,789	30,789	30,789	30,789	30,789	30,789	30,789	30,789	30,789
Dietary																		
Food	119,060	119,060	119,060	119,060	119,060	119,060	119,060	122,632	122,632	122,632	122,632	122,632	122,632	122,632	122,632	122,632	122,632	122,632
Unidine Supplies	32,912	32,912	32,912	32,912	32,912	32,912	32,912	33,899	33,899	33,899	33,899	33,899	33,899	33,899	33,899	33,899	33,899	33,899
Unidine Other	80,340	80,340	80,340	80,340	80,340	80,340	80,340	82,750	82,750	82,750	82,750	82,750	82,750	82,750	82,750	82,750	82,750	82,750
Unidine Management Fee	20,303	20,303	20,303	20,303	20,303	20,303	20,303	20,912	20,912	20,912	20,912	20,912	20,912	20,912	20,912	20,912	20,912	20,912
Alcohol	6,929	6,929	6,929	6,929	6,929	6,929	6,929	7,137	7,137	7,137	7,137	7,137	7,137	7,137	7,137	7,137	7,137	7,137
Other	4,265	4,265	4,265	4,265	4,265	4,265	4,265	4,393	4,393	4,393	4,393	4,393	4,393	4,393	4,393	4,393	4,393	4,393
Total Dietary	263,809	263,809	263,809	263,809	263,809	263,809	263,809	271,723	271,723	271,723	271,723	271,723	271,723	271,723	271,723	271,723	271,723	271,723
Medical/Other																		
Assisted Living	1,864	1,864	1,864	1,864	1,864	1,864	1,864	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,920	1,920
Memory Support	495	495	495	495	495	495	495	510	510	510	510	510	510	510	510	510	510	510
Skilled Nursing																		
PT	88,566	88,566	88,566	88,566	88,566	88,566	88,566	91,223	91,223	91,223	91,223	91,223	91,223	91,223	91,223	91,223	91,223	91,223
OT	27,623	27,623	27,623	27,623	27,623	27,623	27,623	28,452	28,452	28,452	28,452	28,452	28,452	28,452	28,452	28,452	28,452	28,452
ST	69,417	69,417	69,417	69,417	69,417	69,417	69,417	71,500	71,500	71,500	71,500	71,500	71,500	71,500	71,500	71,500	71,500	71,500
Drugs	35,882	35,882	35,882	35,882	35,882	35,882	35,882	36,958	36,958	36,958	36,958	36,958	36,958	36,958	36,958	36,958	36,958	36,958
Medical Supplies	12,420	12,420	12,420	12,420	12,420	12,420	12,420	12,793	12,793	12,793	12,793	12,793	12,793	12,793	12,793	12,793	12,793	12,793
X-Rays	2,066	2,066	2,066	2,066	2,066	2,066	2,066	2,128	2,128	2,128	2,128	2,128	2,128	2,128	2,128	2,128	2,128	2,128
Labs	6,337	6,337	6,337	6,337	6,337	6,337	6,337	6,527	6,527	6,527	6,527	6,527	6,527	6,527	6,527	6,527	6,527	6,527
Oxygen	554	554	554	554	554	554	554	571	571	571	571	571	571	571	571	571	571	571
Other	1,333	1,333	1,333	1,333	1,333	1,333	1,333	1,373	1,373	1,373	1,373	1,373	1,373	1,373	1,373	1,373	1,373	1,373
Activities	56,297	56,297	56,297	56,297	56,297	56,297	56,297	57,986	57,986	57,986	57,986	57,986	57,986	57,986	57,986	57,986	57,986	57,986
Total Medical/Other	302,854	302,854	302,854	302,854	302,854	302,854	302,854	311,941	311,941	311,941	311,941	311,941	311,941	311,941	311,941	311,941	311,941	311,941
Ground Lease																		
Ground Lease	380,764	380,764	380,764	380,764	380,764	387,085	392,187	392,187	392,187	392,187	392,187	392,187	392,187	392,187	392,187	392,187	392,187	398,698

Edgemere Project
Business Planning Analysis
Non-Labor Expenses

	Month 48	Month 49	Month 50	Month 51	Month 52	Month 53	Month 54	Month 55	Month 56	Month 57	Month 58	Month 59	Month 60	
General & Administrative														
Business Development	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance	14,582	15,019	15,019	15,019	15,019	15,019	15,019	15,019	15,019	15,019	15,019	15,019	15,019	
General	46,595	47,993	47,993	47,993	47,993	47,993	47,993	47,993	47,993	47,993	47,993	47,993	47,993	
Insurance	50,181	51,686	51,686	51,686	51,686	51,686	51,686	51,686	51,686	51,686	51,686	51,686	51,686	
Taxes (RE and Other)	191,247	196,984	196,984	196,984	196,984	196,984	196,984	196,984	196,984	196,984	196,984	196,984	196,984	
Covid	6,056	6,238	6,238	6,238	6,238	6,238	6,238	6,238	6,238	6,238	6,238	6,238	6,238	
Management Fee	230,839	234,675	234,538	236,360	233,451	236,934	234,538	233,682	234,982	233,958	234,897	234,897	237,575	
Human Resources	36,202	37,288	37,288	37,288	37,288	37,288	37,288	37,288	37,288	37,288	37,288	37,288	37,288	
IT	7,748	7,980	7,980	7,980	7,980	7,980	7,980	7,980	7,980	7,980	7,980	7,980	7,980	
HO Support	18,212	18,758	18,758	18,758	18,758	18,758	18,758	18,758	18,758	18,758	18,758	18,758	18,758	
Legal	8,010	8,250	8,250	8,250	8,250	8,250	8,250	8,250	8,250	8,250	8,250	8,250	8,250	
Marketing	110,412	113,724	113,724	113,724	113,724	113,724	113,724	113,724	113,724	113,724	113,724	113,724	113,724	
Marketing/Rebranding	-	-	-	-	-	-	-	-	-	-	-	-	-	
Resident Services	701	722	722	722	722	722	722	722	722	722	722	722	722	
Total G&A	720,785	739,317	739,180	741,002	738,093	741,576	739,180	738,324	739,624	738,600	739,539	739,539	742,217	41,638,449
Plant Operations														
Repairs and Maintenance	67,751	69,784	69,784	69,784	69,784	69,784	69,784	69,784	69,784	69,784	69,784	69,784	69,784	
Purchased Services	28,139	28,983	28,983	28,983	28,983	28,983	28,983	28,983	28,983	28,983	28,983	28,983	28,983	
Supplies	7,669	7,899	7,899	7,899	7,899	7,899	7,899	7,899	7,899	7,899	7,899	7,899	7,899	
Utilities	101,869	104,925	104,925	104,925	104,925	104,925	104,925	104,925	104,925	104,925	104,925	104,925	104,925	
Other	9,219	9,496	9,496	9,496	9,496	9,496	9,496	9,496	9,496	9,496	9,496	9,496	9,496	
Total Plant Operations	214,647	221,087	12,514,596											
Housekeeping (Environmental)														
Purchased Services	11,329	11,669	11,669	11,669	11,669	11,669	11,669	11,669	11,669	11,669	11,669	11,669	11,669	
Supplies	15,572	16,039	16,039	16,039	16,039	16,039	16,039	16,039	16,039	16,039	16,039	16,039	16,039	
Other	3,888	4,005	4,005	4,005	4,005	4,005	4,005	4,005	4,005	4,005	4,005	4,005	4,005	
Total Housekeeping	30,789	31,713	1,795,104											
Dietary														
Food	122,632	126,311	126,311	126,311	126,311	126,311	126,311	126,311	126,311	126,311	126,311	126,311	126,311	
Unidine Supplies	33,899	34,916	34,916	34,916	34,916	34,916	34,916	34,916	34,916	34,916	34,916	34,916	34,916	
Unidine Other	82,750	85,233	85,233	85,233	85,233	85,233	85,233	85,233	85,233	85,233	85,233	85,233	85,233	
Unidine Management Fee	20,912	21,539	21,539	21,539	21,539	21,539	21,539	21,539	21,539	21,539	21,539	21,539	21,539	
Alcohol	7,137	7,351	7,351	7,351	7,351	7,351	7,351	7,351	7,351	7,351	7,351	7,351	7,351	
Other	4,393	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	
Total Dietary	271,723	279,875	15,842,352											
Medical/Other														
Assisted Living	1,920	1,978	1,978	1,978	1,978	1,978	1,978	1,978	1,978	1,978	1,978	1,978	1,978	
Memory Support	510	525	525	525	525	525	525	525	525	525	525	525	525	
Skilled Nursing														
PT	91,223	93,960	93,960	93,960	93,960	93,960	93,960	93,960	93,960	93,960	93,960	93,960	93,960	
OT	28,452	29,306	29,306	29,306	29,306	29,306	29,306	29,306	29,306	29,306	29,306	29,306	29,306	
ST	71,500	73,645	73,645	73,645	73,645	73,645	73,645	73,645	73,645	73,645	73,645	73,645	73,645	
Drugs	36,958	38,067	38,067	38,067	38,067	38,067	38,067	38,067	38,067	38,067	38,067	38,067	38,067	
Medical Supplies	12,793	13,177	13,177	13,177	13,177	13,177	13,177	13,177	13,177	13,177	13,177	13,177	13,177	
X-Rays	2,128	2,192	2,192	2,192	2,192	2,192	2,192	2,192	2,192	2,192	2,192	2,192	2,192	
Labs	6,527	6,723	6,723	6,723	6,723	6,723	6,723	6,723	6,723	6,723	6,723	6,723	6,723	
Oxygen	571	588	588	588	588	588	588	588	588	588	588	588	588	
Other	1,373	1,414	1,414	1,414	1,414	1,414	1,414	1,414	1,414	1,414	1,414	1,414	1,414	
Activities	57,986	59,726	59,726	59,726	59,726	59,726	59,726	59,726	59,726	59,726	59,726	59,726	59,726	
Total Medical/Other	311,941	321,301	18,187,152											
Ground Lease														
Ground Lease	403,952	403,952	403,952	403,952	403,952	403,952	403,952	403,952	403,952	403,952	403,952	410,659	416,071	

Edgemere Project	280	280	280
Business Planning Analysis	63	63	63
Utilities	41	41	41
	79	79	80
	463	463	464

	Month 58	Month 59	Month 60
Professional care of residents			
SNF Dept Heads and Sup	24,662	24,662	24,662
SNF Dept Leads/Coaches	9,352	9,352	9,352
SNF Nursing Assistants	163,927	163,927	164,964
SNF Nursing Assistants - Additional	-	-	-
SNF Restorative Aides	4,730	4,730	4,730
SNF CMT	4,730	4,730	4,730
SNF LPN	67,310	67,310	67,316
SNF LPN - Additional	-	-	-
SNF RN	143,425	143,425	144,333
SNF RN - Additional	-	-	-
SNF Medication Aides	-	-	-
SNF MDS/Assessment	14,209	14,209	14,209
SNF Other	-	-	-
SNF Administrators	-	-	-
SNF Admin/Assistants/Clerical	-	-	-
SNF SQLC	-	-	-
SNF Hurricane/Natural Disaster	-	-	-
AL Dept Heads and Sup	10,632	10,632	10,632
AL Nursing Assistants	76,257	76,257	76,257
AL Nursing Assistants - Additional	-	-	-
AL LPN	42,723	42,723	42,723
AL LPN - Additional	-	-	-
AL Medication Aides	-	-	-
AL Medication Aides - Additional	-	-	-
AL SQLC	-	-	-
AL Hurricane/Natural Disaster	-	-	-
MS Dept Leads/Coaches	-	-	-
MS Nursing Assistants	77,986	77,986	77,986
MS Nursing Assistants - Additional	-	-	-
MS LPN	16,647	16,647	16,647
MS Medication Aides	656	656	660
MS Medication Aides - Additional	-	-	-
MS SQLC	-	-	-
MS Hurricane/Natural Disaster	-	-	-
	\$ 607,245	\$ 607,245	\$ 609,621

	Month 58	Month 59	Month 60
Service departments			
Plant Dept Heads and Sup	10,189	10,189	10,189
Plant Dept Leads/Coaches	12,941	12,941	12,941
Plant General Maintenance	21,602	21,602	21,602
Plant Grounds	4,769	4,769	4,769
Plant Refurbishment	6,555	6,555	6,555
Plant Plumber	5,580	5,580	5,580
Plant Security	-	-	-
Plant SQLC	-	-	-
Plant Hurricane/Natural Disaster	-	-	-
Environmen Dept Heads and Sup	8,544	8,544	8,544
Environmen Dept Leads/Coaches	12,210	12,210	12,210
Environmen Housekeeping	91,807	91,807	91,906
Environmen Janitors	19,868	19,868	19,868
Environmen Laundry	13,684	13,684	13,684
Environmen SQLC	-	-	-
Environmen Hurricane/Natural Disaster	-	-	-
Culinary Dept Leads/Coaches	24,123	24,123	24,123
Culinary Bussers/Wait Staff	70,803	70,803	70,803
Culinary Cafe/Lounge	10,437	10,437	10,437
Culinary Dietary Aides	24,102	24,102	24,102
Culinary Food Production	71,315	71,315	71,315
Culinary Utility Workers	22,873	22,873	22,873
Culinary Nursing Assistants	-	-	-
Culinary Sous Chef	11,572	11,572	11,572
Culinary SQLC	-	-	-
Culinary Hurricane/Natural Disaster	-	-	-
Resident Ser LPN	7,245	7,245	7,245
Resident Ser Social Services	-	-	-
Resident Ser SQLC	-	-	-
Resident Ser Hurricane/Natural Disaster	-	-	-
Leisure Serv Dept Heads and Sup	8,608	8,608	8,608
Leisure Serv Dept Leads/Coaches	5,573	5,573	5,573
Leisure Serv Activities	2,761	2,761	2,761
Leisure Serv Drivers	-	-	-
Leisure Serv Wellness	25,762	25,762	25,762
Leisure Serv SQLC	-	-	-
Leisure Serv Hurricane/Natural Disaster	-	-	-
	\$ 492,919	\$ 492,919	\$ 493,019

	Month 58	Month 59	Month 60
Administrative			
Finance Dept Heads and Sup	4,509	4,509	4,509
Finance Accounting	8,013	8,013	8,013
Finance Other	-	-	-
G&A Executive Directors	27,678	27,678	27,678
G&A Assoc. Exec. Dirct.	22,379	22,379	22,379
G&A Administrators	36,686	36,686	36,686
G&A Dept Heads and Sup	-	-	-
G&A Dept Leads/Coaches	6,147	6,147	6,147
G&A Admin/Assistants/Clerical	16,591	16,591	16,591
G&A General Maintenance	-	-	-
G&A Sales/Move-in Cord.	8,460	8,460	8,460
G&A Security	27,133	27,133	27,133
G&A Housekeeping	-	-	-
G&A Valet/Concierge	20,941	20,941	20,941
G&A Drivers	23,634	23,634	23,634
G&A Wellness	-	-	-
G&A Nursing Assistants	-	-	-
G&A Other	9,343	9,343	9,343
HR Dept Heads and Sup	10,202	10,202	10,202
HR Admin/Assistants/Clerical	5,484	5,484	5,484
G&A Hurricane/Natural Disaster	-	-	-
G&A SQLC	-	-	-
HR Hurricane/Natural Disaster	-	-	-
Marketing Dept Heads and Sup	23,785	23,785	23,785
Marketing Admin/Assistants/Clerical	6,763	6,763	6,763
Marketing Sales/Move-in Cord.	5,133	5,133	5,133
Marketing Sr Sales Counselor/Specialist	11,324	11,324	11,324
Marketing Sales Counselor/Specialist	24,024	24,024	24,024
Marketing Hurricane/Natural Disaster	-	-	-
Marketing SQLC	-	-	-
	\$ 298,230	\$ 298,230	\$ 298,230
TOTAL	\$ 1,448,330	\$ 1,448,330	\$ 1,450,860

Edgemere Project
Field Survey Summary

	Rental Offerings				Entry Fee Model	
	Edgemere	The Legacy	Tradition-Lovers	CC Young	Ventana	Presbyterian
Distance (miles)	-	2	3	4	2	6
Age of Physical Plant	25	2	7	New (137)	3	42 (## New IL)
Zip Code	75225	75231	75206	75214	75225	75243
Median Home Value	\$1.7 million	\$290,646	\$584,132	\$760,559	\$1.7 million	\$313,105
Independent	304/76%	184/90%	202/100%	360/94%	189/88%	365/85%
Assisted	97/70%	51/90%	73/n/a	59/86%	76/44%	101/80%
Memory Care	50/50%	36/87%	36/n/a	32/82%	24/n/a	44/85%
Skilled Nursing	87/51%	54/82%	N/A	96/87%	72/n/a	74/80%
Key Notes:	* Affluent area * Deferred maintenance * Beautiful grounds * Negative publicity * No faith affiliation	* Kosher Kitchen * Well-curated amenities * On hospital power grid * New aesthetic * Jewish affiliation	* Worn aesthetic * Poor sales process * Poor lighting * No faith affiliation	* Best life enrichment * Faith-based * Long history in market * Methodist affiliation	* Affluent area * Highrise building * New aesthetic * Baptist affiliation	* Varied pricing options * Older/Well maintained * Beautiful grounds * Long history in market * Presbyterian affiliation
Facility Presentation Grades:						
Independent	B	A	B	B	A	A
Assisted Living	B	B	B	B	A	B
Memory Care	B	B	C	B	A	B
Skilled Nursing	B	A	n/a	B	A	did not tour
Program Grades:						
Independent Living	B	A	C	A	B	A
Assisted Living	C	B	C	B	B	B
Memory Care	B	B	C	C	B	C
Skilled Nursing	B	B	n/a	C	B	did not tour
Entrance Fee	\$580,070 - \$1,143,015	\$429,328 - \$840,692	\$447,645 - \$619,615	\$465,011 - \$899,444	TBD	\$670,633 - \$942,221
Studio	n/a	n/a		n/a	n/a	\$3,000 - \$3,015
IL 1BR	\$4,176 - \$6,028	\$3,615 - \$ 5,808	\$4,195 - \$5,195	\$3,660 - \$4,190	\$4,050 - \$4,560	\$3,005 - \$3,525
IL 2BR	\$6,284 - \$8,363	\$6,125 - \$10,552	\$5,696 - \$7,095	\$4,080 - \$4,080	\$6,640	\$3,740 - \$5,055
AL Studio	n/a	n/a	\$5,995 - \$5,995	\$4,080 - \$6,230	\$6,420	\$4,580 - \$7,310
AL 1BR	\$7,103 - \$9,778	\$3,615 - \$5,808	\$6,995 - \$6,995	\$5,535 - \$7,820	\$6,765	\$4,600 - \$8,900
AL 2BR	\$10,132 - \$10,486	\$6,125 - \$10,552	\$8,495 - \$8,495	\$6,750 - \$8,810	\$7,755	\$7,565 - \$9,260
MC - Shared	n/a	\$5,785	n/a	\$5,040	n/a	n/a
MC - Studio	\$7,033 - \$9,000	\$8,395	\$7,795	\$5,985 - \$6,400	\$7,755	\$7,600
MC - 1BR	n/a	n/a	n/a	n/a	n/a	\$8,175
MC - 2BR	n/a	n/a	n/a	n/a	n/a	\$10,460
Skilled Nursing, direct admits	\$389	\$425-\$480	n/a	\$385	\$360	\$355-\$390
Discounts Offered	TBD	TBD	TBD	TBD	Up to 20% off EF	TBD

(1) Information based upon mystery shop conducted by Long Hill staff, some pricing data based upon Market Assessment conducted by ProMatura.
 (2) Presentation and Program Grading represents subjective assessment of Long Hill staff member with 25+ years of senior living experience.
 (3) Occupancy information is based upon conversation with sales staff of subject property and may be inaccurate.
 (4) Pricing data is based upon inquiries during mystery shop, and from data presented in the ProMatura Market Assessment.
 (5) Discounts obtained through subsequent email communication with sales staff of subject property during mystery shop process.

Exhibit 14

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A LIFESPACE COMMUNITY®

Property Conditions Assessment



Confidential January 4, 2023



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Introduction

ARCH Consultants, Ltd. (ARCH) performed a property conditions assessment of the Edgemere Community buildings and systems and established a forecast of projected capital expenditures. The campus is located in Dallas, Texas on 16.25-acres, approximately 8 miles north of Downtown Dallas. The buildings date from 2002 with the addition of Building 9 in 2009 and Health Center and Performing Arts Center expansions between 2016 and 2018. There are a variety of independent living unit arrangements, assisted living, memory care and skilled care programs. The report included herein includes a five-year forecast and a listing of capital needs beyond the current annual funds to address any capital maintenance on a building and site basis. Building system conditions were categorized as good, fair, and poor with the associated repair/replacement costs identified. Due to a potential shift from a high end market tier to a mid-market rental tier for finish levels throughout the client requested that the analysis focus on building common areas, systems and exterior conditions, re-occupancy renovations are not included in the analysis but the property the assessment does take into account for other common area finish considerations.

ARCH performed the following services to complete the conditions assessment: gathered information about the campus components including all main buildings on campus and the site/grounds; investigated the type and condition of the existing facility's systems that make up the physical plant; collected data that assisted in the development of capital reserve projections; developed a five-year Capital Expense forecast; and provided recommended priority projects in this report *Key Considerations* section. The Capital Expense forecast included in the Appendix divides the campus into the following building areas as suggested by the campus: East Commons, West Commons, Buildings 1 through 9, Health Center, Parking Structure, and Site.

A site visit occurred August 16th through 18th guided by Miguel "Angel" Gallegos, Facilities Manager and a site overview provided by Jarred Richardson, Director of Plant Operations. The goal of the review was to help UMB Bank, N.A. (Client) understand the needed and projected physical plant improvements including any updates necessary to remain competitive in the market. The site visit evaluated the existing physical plant including the site, mechanical and electrical systems, roofs, building exterior elements and interior finishes. This report is based on the limited site observations of the physical characteristics of the campus; therefore, this report is an instrument of service for use solely with respect to this project and is based on information provided by the Client and gathered through sources believed to be reliable. Data provided to ARCH includes but is not limited to the following: a campus site plan; building floor plans; building square footage, age, management contract, retail food services establishment inspection reports for July 2022, program count and mix data. Health department reports for the Healthcare Center skilled nursing operation were not provided.

ARCH certifies that the Preparer of this report is qualified to assess the subject property for the purpose of preparing a property conditions assessment; did not attempt to operate any equipment or perform invasive or destructive testing; that the data contained in this Report is based solely on field observations, historical data and information provided by or through the Client and on site personnel; forecast schedules are based on recognized industry standard forecasting techniques; much of the data and the forecasting techniques are subjective in nature; and that the data was reviewed with the Client for concurrence of costing, schedules, and to best represent the Client's proposed business model. It is the intent of ARCH to provide a reasonable total average value for anticipated annual capital replacement

reserves based on a 5-year forecast of the data, but not to identify all potential costs, events, or the exact year in which they occur.

Executive Summary

The Edgemere property conditions review was developed on a per building area basis to assess the existing conditions of the campus. Refer to the attached Forecast in Appendix 1, which is summarized on a yearly basis for the costs associated for the exterior, interior and MEPFP/vertical transportation systems, respectively.

The Forecast is based on ARCH's site observation and information provided by the Client or their representatives. Site visit photographs are included in Appendix 2 and an analysis by building area is included in the *Assessment Findings*. The main buildings studied are included in the Site Plan with Building Labels in Appendix 3. Projections for costs in the Forecast were derived from site investigations, industry averages and information received from the data collection process. The 2022 capital budget which was reported at \$1.8 million, is included for reference.

Edgemere contains 504 total units: 304 Independent Living Apartments, 45 Memory Care, 68 Assisted Living and 87 Skilled Nursing units. The purpose of this study is to evaluate the current condition of the subject property to forecast a five-year strategic capital budget for proposed maintenance of the physical plant of buildings components and site-specific information. This report is not intended to be a complete annual capital replacement or operating expense budget. The intent is to identify major capital expenses and key considerations for priority needs and/or deferred maintenance items. After performing the assessment and other data accumulated during and after the site visit, the information contained in this report has the following considerations for the approximately 955,000 square foot facility, including the structured parking.

The findings indicate that the community is in overall fair condition. Renovations of the interior corridors and common areas was completed in 2017. The original buildings constructed in 2002 are generally in fair condition; a renovation of the common area interior finishes was completed in 2017 and is in generally fair condition. The Independent Living on the campus; it was reported that 95% of the units have been fully renovated once and about 40 units have been fully renovated in the past few years. The overall building façade along with the Health Center flat roof and mechanical systems have issues that have been forecast to be addressed in the near term; refer to Key Consideration of this report.

The total projected capital expenses equate to approximately \$16,138,751 from 2023 to 2027. For this analysis, an assumption for an escalation factor of 2.1% per year was applied which is in line with the 10 year Consumer Price Index (CPI) average as reported by the Federal Reserve Bank. The 'Other' expenditure sub-total is \$2,731,900 which includes the site, escalation, and Emergency Fund/Contingency. The above takes into consideration a shift from the current residence structure to a Senior Living rental structure. This would shift the property market segment from a high end market tier to a mid-market rental tier in finish levels for site and common area. Re-occupancy was not included.

Assumptions were provided by or adjusted as requested by the Client/Management based on shifting the occupancy to a mid-market rental retirement community. Assumptions for unit turnover were not

included as part of the analysis. Landscaping was projected to maintain the current level and not bring it back up to the previous award winning level the property was at. Corridor and Common Area were in fair or better condition with the latest remodel completed in 2017 and were forecast to have maintenance over the next five years with some refresh to the East and West Common Building areas.

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A summary of the findings is outlined in the chart below:

The five-year capital expenses result in a \$7,488 per unit cost including the escalation assumption and ‘other’ expenditures as identified in the report. Strategic capital budgets contained in the forecasted estimates are limited to those capital expenses for one time replacement costs consisting primarily of building systems that are needed to bring the property to par condition.

Edgemere

Dallas, TX

Data	
Total Living Units	504
Total Square Footage	955,551
Gross square footage per Unit*	1896

Total Capital Cost	
Total capital cost (5 years)	\$16,138,751
Total capital cost / Unit (5 years)	\$32,021

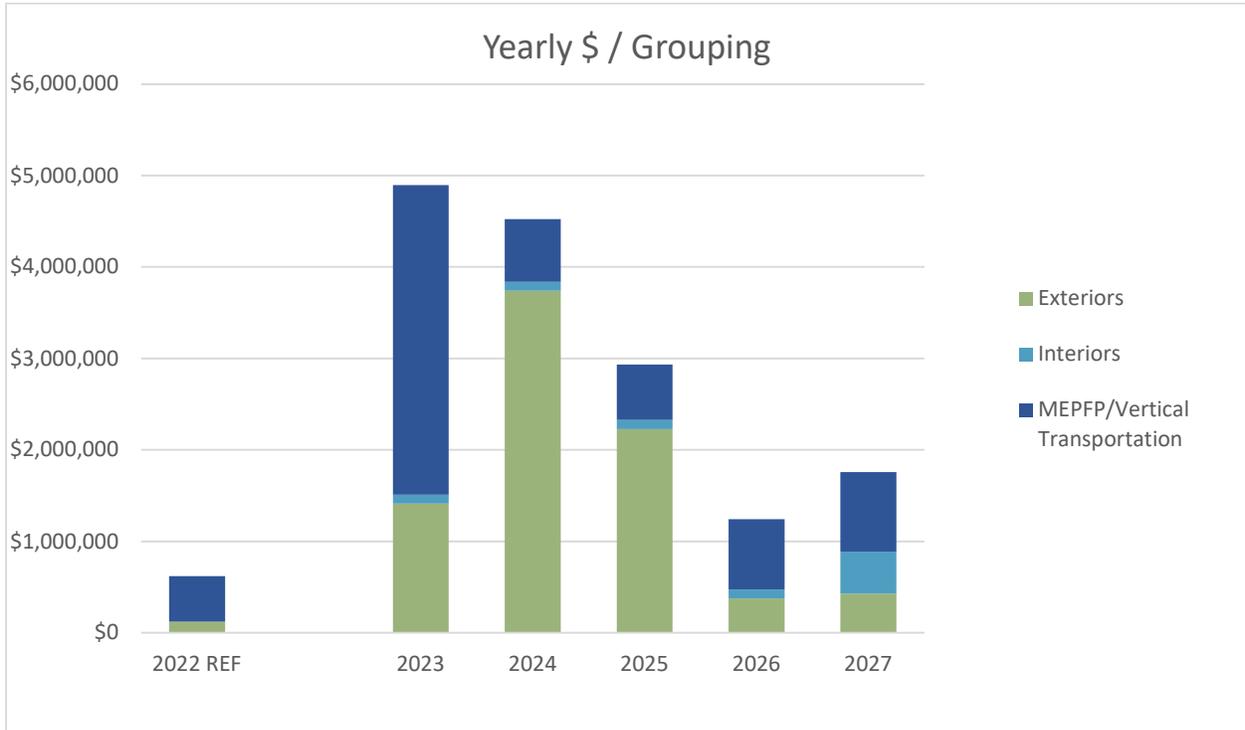
Total capital cost / Unit / year avg.		\$6,404
/ Unit / year	2022 REF	\$1,233
/ Unit / year	2023	\$9,918
/ Unit / year	2024	\$9,356
/ Unit / year	2025	\$6,193
/ Unit / year	2026	\$2,681
/ Unit / year	2027	\$3,874

Other**	\$2,731,900
Total capital cost (5 years) w/Other	\$18,870,651
Total capital cost / Unit (5 years) w/ Other	\$37,442
Total capital cost w/ Other / Unit / year (Avg.)	\$7,488

*Gross square footage per unit w/out Garage 1,507

**Re-occupancy excluded from analysis

The sub-total for building capital expenses is \$16.1M from 2023 to 2027. The allocation of capital in the forecast is approximately 49% for the exteriors, 5% for the interiors, 38% for the MEPFP/Vertical Transportation. Site and escalation accounts for the remaining. Please refer to the Forecast per area in the attached back-up material for further information. The sub-total for building capital expenses on an annual basis from 2023 to 2027 by category is as follows:

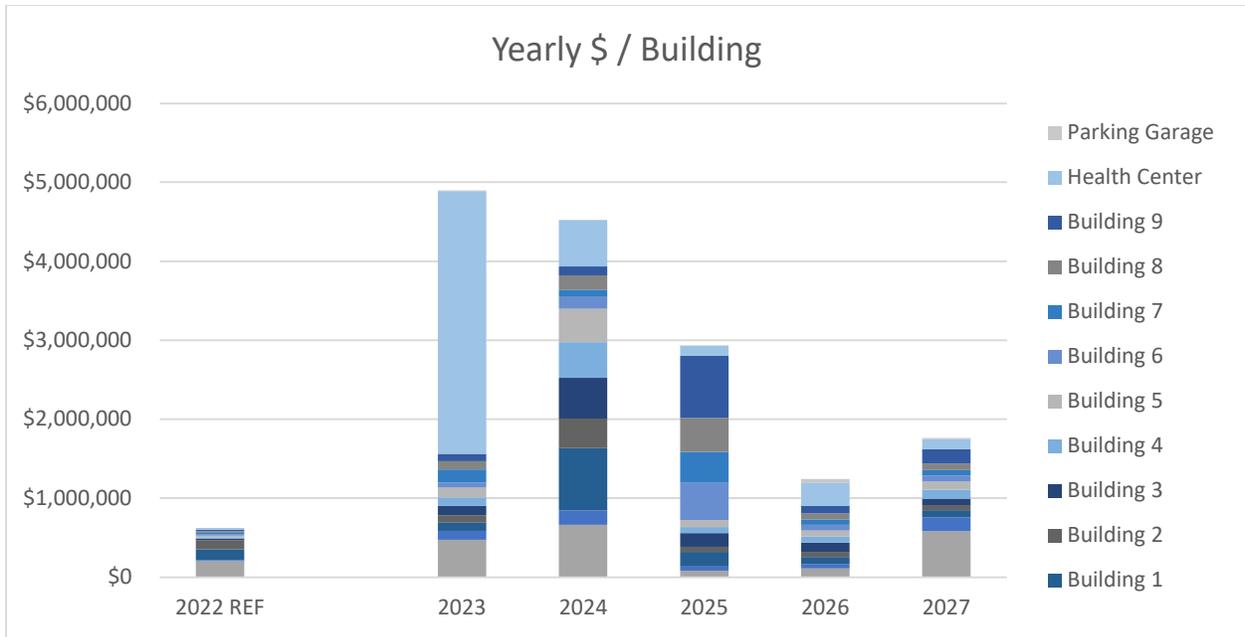


The original construction of the community is over 20 years old, leading to a peak in the Forecast over the next three years. The study also assessed 'Other' potential capital expenditures necessary such as contingency/emergency funds and site. The assumptions made are suggested figures and not direct estimates. Unit refurbishment were not taken into consideration as part of this analysis

Costs shown for 2022 show Edgemere's 2022 capital costs and are for reference only. We have not included any FF&E or Low Voltage items.

The average yearly cost of capital expenditures including 'Other' is \$3,774,130 which does not take into consideration any Occupancy Refurbishment, is consistent with the age of the community and Client's shift in market segment assumptions.

See chart below for an annual breakdown of costs by building area:



This study for the property includes a review of major building systems and a year-by-year projection of anticipated capital expenditures necessary to keep the facility in par condition and address routine maintenance. Throughout the facility Forecast of estimated costs, the physical condition of building systems and components, or overall evaluation rating is defined as being in Good, Fair, or Poor condition. The Health Center and West Commons have the highest totals at \$4,468,429 and \$1,904,534 in today's dollars respectively.

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Assessment Findings

The overall conditions of each building were found to be in generally fair condition with new tile roof reported being completed in 2021 and corridor and common area refresh reported to be completed in 2017. The Independent Living units are generally in good condition; the facilities management indicated approximately 95% of the units have been renovated once with 40 units have been renovated in the past few years. The exterior façade of the buildings are cementitious stucco and have hairline cracking with some cracks wider than a quarter of an inch in width, with staining and discoloration. The campus site and associated landscaping are in good condition with mature landscaping. The retaining walls and raised stone planting beds shows signs of deterioration and cracking and would need to be addressed. The perimeter wrought fence is also in need of repair with select sections of the fence having rusted through and needing to be mended. The Health Center flat roof and mechanical system will also need to be addressed in the near future as they are both nearing the end of their useful life.

The common area/corridor assumptions have been adjusted per the request of the Client/Management to be in line with a mid-tier rental property which is budgeted at \$30 per square foot for the IL occupancy and \$25 per square foot for the SN occupancy. The forecast scope includes paint, wall coverings and commercial carpet. The scope does not include replacement of lighting, rails, trim, replacement of all ceiling tile or maintaining the current carpet standard.

Refer to the attached back-up material for each building forecast, which is summarized on a yearly basis for the costs associated for the exterior, interior, MEPFP/vertical transportation and grounds, respectively. The following is a summary of the assessment findings by building area, which aligns with the findings in the attached Forecast.

East Commons

The East Commons serve as the main entrance to the facilities IL units and was built as part of the main campus in 2002 with the addition of the Performing Arts Center added in 2017. The building also houses the building operational staff such as administration and the sales office. Costs have been identified to address the exterior façade issues and repair/replace select windows and doors and to shift the building standard to a mid-market tier.

West Commons

The West Commons is original to the 2002 construction and serves as the main communal area of the IL facility, housing the dining areas, workout and activity facilities, the pool, mail room, salon, billiards room, the theater, among other functions. The West Commons also houses the main back of house areas including the locker room, kitchen, laundry, loading dock and other support service areas. Additionally, the main utility plant is located within the building housing the hydronic boilers, domestic boilers, chillers and pumps. Costs have been identified to address the exterior building issues, roof, equipment and to shift the building standard to a mid-market tier.

Buildings 1-8

Buildings 1-8 were part of the original construction in 2002 and have a concrete and metal framing structure. There are a total of 256 IL units between the 3 to 4 story buildings. The buildings are all interconnected and have similar unit configurations. The buildings have tile roofs, cementitious stucco façade, vinyl clad wood doors and windows in the units and metal clad doors and windows in the common areas. Heating and cooling are supplied via a two-pipe water system to heat pump in each unit, with most

located above the hall bath shower. The unit appliances are all electric based with natural gas only serving select unit fireplaces. The buildings were broken up into separate units to match how the facilities identify and operate the buildings along with helping to delineate scopes of work and phasing within a better-defined area. At the time when the data was provided, approximately 26% of the units were vacant with re-tenanting not included as part of this analysis. Costs have been identified to address the exterior building issues, roof, equipment and to shift the building standard to a mid-market tier.

Building 9

Building 9 was constructed in 2009 as a 48 unit, three story expansion having a similar concrete and metal framing structure. Building 9 has an L shaped configuration and connects to Building 3 and the West Commons. The building construction is consistent with the other buildings with tile roof, cementitious stucco façade, vinyl clad wood doors and windows in the units and metal clad doors and windows in the common areas. Heating and cooling are supplied via a two-pipe water system to heat pump in each unit, with most located above the hall bath shower. The unit appliances are all electric based with natural gas only serving select unit fireplaces. At the time when the data was provided, approximately 23% of the units were vacant with re-tenanting not included as part of this analysis. Costs have been identified to address the exterior building issues, roof, equipment and to shift the building standard to a mid-market tier.

Health Center

The Health Center is a three-story building with two internal courtyards which serves the Assisted Living, Skilled Nursing and Memory care community. The main building was constructed in 2002 and is connected to the West Commons. Two three story additions were added at the north and south sides of the building in 2016 and 2018. The building has common area dining facilities, and a memory care community area with warming kitchens and a two story rehabilitation center.

The three floor plates are of equal size with the first floor housing the memory care and skilled nursing programs, the second floor dedicated to assisted living and the third floor dedicated to skilled nursing. The corridors were updated in 2017 along with the additions to the building.

The AL units have had light refreshes over time with periodic updates to cabinets, counter tops, wood plank style vinyl flooring in the main living area, carpet in the bedrooms, fixtures, appliances and bathroom refreshes with new tile and fixtures. Most of the units have been turned at least once.

The SN and MC units consist of a bedroom and bathroom and have limited scope for refresh which includes new wood plank style vinyl flooring, bathroom floor tile, roll in showers and new fixtures. Some of the units have original floor and shower tile in the bathrooms. Refresh of the units was not included as part of this analysis.

The exterior cementitious stucco façade has been repaired on the Health Center and would need to be prepped and painted. The flat roof is nearing the end of its useful life and has previous repairs, cracking at the seams, bubbling and some soft spots. The mechanical system is an old R22 system and replacement would require bringing it up to the current standards. The pricing for the mechanical system is for replacement of a similar type system that meets today's standards but it would be recommended that an engineering study be completed to assess the mechanical system and the options for replacement. It is also recommended that the flat roof be replaced in conjunction with the replacement of the mechanical system. The existing roof has improper curbing for pipe and electrical penetrations along with some for

the mechanical equipment and performing both scopes of work simultaneously will create efficiencies and minimize patching and ease of work. New curbing costs for the roof are included with the mechanical system replacement.

Parking Garage

The parking garages total 196,219 square feet of space with garage under buildings 1-3 consisting of 101,336 square feet, under building 7-8 consisting of 29,262 square feet, under building 9 consisting of 36,760 square feet which is connected to the garage under buildings 1-3 and the garage under the Health Center consisting of 28,861 square feet. All the garages are single level and were constructed with a concrete structure. The garages have direct elevator access to the buildings with the garages in the AL having direct access to the first floor as well. The interior courtyards are drained into sump pump basins in the garages and are pumped into the city stormwater sewer system.

Site

The current campus site comprises 16.25 acres. The grounds and associated landscaping elements are mature and well maintained. The landscaping assumptions maintain the current level and departs from the current operators plan to bring the property landscaping back to previous award winning level. The water feature is in good condition and fountains are in fair condition and will require some work to get them fully functional and sealed properly which has been included in the estimate. The retaining walls and raised stone planter beds show signs of mortar wear and spalling, cracking and the walls shifting in some locations. There are many instances where the cracks are larger than a quarter inch in width. Continued repairs to address these issues have been included in the forecast. Sections of the wrought iron perimeter fence and stair rails are in poor condition with flaking paint, rust and areas of the fence/rails that have deterioration and detachment. It is recommended that an assessment be done to determine locations that may pose a safety risk and have those areas addressed in the near term. The forecast includes scope for repairing and painting the fence/rails. The site pathways are made up of brick/stone pavers, crushed rock and cement sidewalks and stairs. The brick/stone pavers are generally in fair condition with select areas of the installation that are loose or deteriorated that need to be addressed. The crushed stone paths are in good condition and would likely need some additional fill over time. The sidewalks and stairs are in fair condition with the sidewalk having cracks at about fifty percent of the expansion joints and heaving/settlement near tree roots. Ongoing maintenance for these areas have been included in the forecast. The main entrance by the East Commons is stamped colored concrete with brick accents. The brick is in good condition, but the stamped concrete is in fair condition. The concrete has signs of cracking and spalling. There have been some areas that have been previously repaired. The site post lights have been replaced within the last year and are in good condition but the remainder of the site lighting which includes low walkway lights and landscaping lights are original to the building and updating is included in the forecast. The large pergolas/trellises are mostly in good to fair condition with most recently being rebuilt or repaired. There are a few that will need to be addressed in the near term that have not recently been replaced or repaired. The forecast includes ongoing updates to the pergolas/trellises.

Key Considerations

Capital projects that were identified by ARCH Consultants and the campus as a priority over the next five include the following:

1. Medical Alert – Health Center Medical alert system is a near term issue and is projected to be addressed in the next two years in the forecast with an estimated cost of \$196,000 in today's dollars in 2023.
2. Flat Roofs – The flat roofs are nearing the end of their useful lives and will need replacement with an estimated cost of \$900K in today's dollars between 2023 and 2025. Replacement of equipment and penetration curbing has been included with the mechanical system replacement. It is recommended that a roof study be performed to determine the impact of the replacement of the roof in conjunction with the HVAC system at the Health Center.
3. Exterior Façade – The cementitious stucco façade has cracking that is projected to be addressed in the forecast with an estimated cost of \$4.7 million in today's dollars between 2023 and 2025. It is recommended that an exterior façade study be completed due to the nature and complexity of the exterior façade issue.
4. Health Center HVAC & IL Heat Pumps – The HVAC at the Health Center are R22 based which has been forecast in the next few years. About fifty percent of the IL in-unit heat pumps are original and have not been replaced. Replacements have been done as units fail/require significant repair. About two-thirds of the estimated replacements have been planned for the next five years. The total HVAC forecast estimate for these projects is \$3 million in today's dollars between 2023 and 2025.
5. Retaining Wall/Raised Planters – There are areas with large cracking and shifting that should be addressed on an ongoing basis, particularly outside of Building 9 which has a high wall.
6. Perimeter Fence – There are signs of deterioration at the fence that are projected to be addressed in the next year. It is recommended that an assessment be done to determine locations that may pose a safety risk and have those areas address in the near term.
7. Forecasted years 2023 through 2027 subtotal \$18,870,651 and does not include assumptions for unit re-occupancy/refurbishment.

See Appendix 1 Forecast for associated costs noted above.

Ongoing Maintenance Approach

An ongoing maintenance approach could be taken to continue to address more immediately identified scopes of work on an ongoing basis. This list is not exhaustive in nature or intended to identify all projects that could be approached in this manner, but merely addresses options for maintaining the identified scopes that impact building operations, safety or building envelope in fair condition until such time as the capital projects are undertaken. The outline below is only an estimate based on visual observations at the time of the survey and does not account for any potential changes since then, or underlying conditions that are not visibly observable. The estimate is based in today's dollars and does not factor in any escalation or contingency. If any projects are approached in a manner like this, there would be an impact on the scope of work cost due to escalation, remobilization, expanded scope, supply chain, required rework or other market factors that are not readily identifiable. This does not impact any other estimates contained within the report and is for analysis purposes only.

Ongoing Maintenance

Item	Description	3 Year Estimate
Flat Roof	Maintaining the roof as it approaches the end of its useful live would require additional patching as necessary. Cost would vary depending on the number of leaks and size each year.	unknown
Health Center HVAC	R22 units are no longer in production so replacement components can be difficult to source and could have long lead times. This approach would not reduce future capital project.	unknown
Health Center Medical Alert	Replacement components for the Medical Alert System are no longer being made and are difficult to source. The system is experiencing periodic failures and issues that are hard to address. This approach would not reduce future capital project.	unknown
IL Heat Pumps	IL heat pumps can be replaced on an as needed basis. Currently the site is replacing 6-8 per year. This could increase as more units age. This approach could reduce some scope from future capital project.	\$160,000
Exterior Façade	Stucco cracks larger than a quarter inch and repair the stucco exterior around the mechanical equipment at the west commons are recommended to be addressed due to potential water infiltration issues. This comprises an estimated 15% of the exterior which crack repairs could be completed without painting. This approach could reduce some scope from future capital project.	\$517,223
Perimeter Fence	There are some areas of the fence that have deteriorated and can be addressed by section. Estimating 20% of the fencing would need attention. This approach could reduce some scope from future capital project.	\$43,486
Sidewalks	Sidewalks have some areas with heaving and spalling that could be prioritized that would need to be addressed in the near term for safety and access. This approach could reduce some scope from future capital project.	\$15,000
Parking Lot	There are some areas in the parking lot that are cracked or spalled and should be addressed in the near term that comprises about 10% of the main drive area. This approach could reduce some scope from future capital project.	\$43,486
Retaining Wall	The retaining wall has areas with cracks larger than a quarter of an inch or show signs of heaving that could be addressed on an ongoing basis. This approach could reduce some scope from future capital project.	\$50,000

Total	\$829,194
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Report Assumptions

The following are this report's assumptions:

- 2022 capital projections are based on the capital projects for the physical plant as identified in the 2022 Capital Expenditure budget, less FF&E and Low Voltage and findings from ARCH's site observations.
- The buildings are assumed to be code compliant – that the facility met codes when it was built (grandfathered). Any deficiencies the facility may have in meeting current codes are not addressed. Any known, outstanding code deficiencies that implicate maintenance operations are addressed.
- Any renovation project would meet current standards and codes.
- An escalation factor was included based on the 10 year average CPI index of 2.1% as reported by the Federal Reserve Bank.
- For purposes of this report, no examinations of any buildings off campus were undertaken.
- Only physical attributes of the campus were addressed and no furniture, fixtures, low voltage upgrades, equipment, or motor vehicles.
- Independent Living Units re-occupancy was not included as part of this analysis.
- Soft costs such as professional consulting fees must be added if required for a specific project.
- No environmental study was undertaken.

The evaluation of existing structures requires certain assumptions to be made regarding the existing conditions since this evaluation was based on visual observations of portions of the existing structure and was limited in time and scope. Our evaluation and recommendations are not based on a comprehensive engineering study. As such, this report is not intended to represent a complete review of all systems or system components. Therefore, ARCH's evaluation and report do not constitute a warranty or guarantee of the existing structure or building systems or the future performance of any site improvement.

The buildings were not assessed for conformance to current area market trends for the level of care provided or capacity to provide care not within the campus' current continuum of care. This report is based on our site observations, information presented to ARCH, discussions with campus management and building maintenance staff and our experience with similar building systems. If any information becomes available that is not consistent with the observations or conclusions presented in this report, please present it to us for our evaluation.

This report by ARCH is an instrument of service for use solely with respect to this campus and is based on information provided by the Client and gathered through sources believed to be reliable; however, it must be considered relevant only as of the date of this report and preliminary in nature, warranting further investigation.

Appendix

1. Forecast
2. Site Visit Photographs
3. Site Plan with Building Labels

CONFIDENTIAL

1. Forecast

CONFIDENTIAL

Edgemere
Dallas, TX

Attorney Work Product

Confidential

Forecast Summary

4-Jan-2023

With an annual escalation of 2.1%

Grouping	2022 REF	2023	2024	2025	2026	2027	Totals
Exteriors	\$124,500	\$1,413,611	\$3,740,571	\$2,229,597	\$377,990	\$427,377	\$8,189,145
Interiors	\$0	\$97,500	\$97,500	\$97,500	\$97,500	\$458,800	\$848,800
MEPPF/Vertical Transportation	\$497,167	\$3,384,600	\$685,200	\$605,700	\$767,850	\$872,200	\$6,315,550
Grounds	\$0	\$0	\$0	\$0	\$0	\$1,330	\$1,330
Escalation	\$0	\$102,810	\$191,972	\$188,673	\$107,777	\$192,694	\$783,926
Grouping Total	\$621,667	\$4,998,521	\$4,715,243	\$3,121,470	\$1,351,116	\$1,952,401	\$16,138,751

Building/Area	2022 REF	2023	2024	2025	2026	2027	Total
West Commons	\$205,743	\$471,083	\$662,801	\$79,750	\$110,650	\$580,250	\$1,904,534
East Commons	\$8,993	\$114,975	\$179,473	\$53,150	\$56,150	\$173,150	\$576,898
Building 1	\$139,743	\$108,456	\$788,621	\$187,336	\$89,956	\$91,623	\$1,265,990
Building 2	\$115,243	\$86,756	\$374,877	\$64,456	\$64,456	\$66,898	\$657,441
Building 3	\$18,993	\$120,861	\$516,392	\$172,911	\$116,573	\$80,801	\$1,007,538
Building 4	\$18,993	\$107,550	\$451,467	\$76,150	\$76,150	\$112,753	\$824,070
Building 5	\$18,993	\$122,400	\$421,881	\$89,500	\$76,000	\$105,250	\$815,031
Building 6	\$18,993	\$66,539	\$150,739	\$471,248	\$70,739	\$73,189	\$832,454
Building 7	\$18,993	\$164,178	\$91,628	\$391,223	\$68,428	\$71,734	\$787,190
Building 8	\$18,993	\$105,233	\$181,783	\$429,042	\$75,833	\$78,387	\$870,279
Building 9	\$18,993	\$91,994	\$110,794	\$784,820	\$95,694	\$186,117	\$1,269,421
Health Center	\$18,993	\$3,326,686	\$587,815	\$128,211	\$297,711	\$128,256	\$4,468,679
Parking Garage	\$0	\$9,000	\$5,000	\$5,000	\$45,000	\$11,300	\$75,300
Escalation	\$0	\$102,810	\$191,972	\$188,673	\$107,777	\$192,694	\$783,926
Building/Area Total	\$621,667	\$4,998,521	\$4,715,243	\$3,121,470	\$1,351,116	\$1,952,401	\$16,138,751

Other	2022 REF	2023	2024	2025	2026	2027	Total
Site	\$171,967	\$239,000	\$161,700	\$327,929	\$155,200	\$73,500	\$957,329
ReOcc/Refurb's	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Emergency Fund/Contingency	\$245,957	\$344,018	\$344,018	\$344,018	\$344,018	\$344,018	\$1,720,091
Escalation*	\$0	\$5,019	\$6,863	\$21,096	\$13,453	\$8,049	\$54,480
Other Total	\$417,924	\$588,037	\$512,581	\$693,044	\$512,671	\$425,567	\$2,731,900

Totals (Build/Area & Other)	\$1,039,591	\$5,586,558	\$5,227,824	\$3,814,514	\$1,863,788	\$2,377,968	\$18,870,651
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Average per year total \$3,227,750

Average per year incl'dg Other \$3,774,130

BAY000098

Building Name	
East Commons	Confidential

Edgemere
Dallas, TX

Occupancy Classification	Construction Type	Year Constructed	Notes	ARCH Consultants, Ltd 4-Jan-2023
Support	CC/MF/CMU	2002		

Number of Units	Number of Beds	Square footage	Notes	Number of Stories
		13,801		1

Year 2022 REF

Exterior	Year	2022 REF
Exterior façade	2002	
Roofing	2002	
Windows	2002	
Doors	2002	
Parapet, Fascia, Eaves	2002	
Gutters/Downspouts	2002	
Sealants	2002	
Foundation/Structural	2002	
Lighting	2002	
Building Frame	2002	
Balconies and Patios	2002	
Exterior stairs	2002	
Misc	2002	
Misc	2002	
Subtotals		\$0

							Good	Fair	Poor	Comments
2023	2024	2025	2026	2027	Totals					
\$2,400	\$93,555	\$3,600	\$3,600	\$3,600	\$106,755			x	Repair Cementous Stucco Cracking, Prep and Paint, Repair Styrofoam Cast Window Sills, Prep and Paint, Repair Styrofoam Cast Architectural Detail, Prep and Paint	
\$51,975	\$1,600	\$1,600	\$1,600	\$1,600	\$58,375			x	Tile Roof replaced in 2020/2021, flat roof is nearing the end of its useful life. Regular patching/replacements are included.	
\$6,150	\$2,000	\$2,000	\$2,000	\$2,000	\$14,150		x		Large door style windows on first floor need replacement, operable windows and doors show normal signs of wear but no reported issues	
\$5,000	\$3,000	\$3,000	\$3,000	\$3,000	\$47,000		x		Exterior Metal Frame Doors and Windows need prep and paint. Some exterior metal extrusions/mullions need replacement/repair, Sliding entrance door replacement 2027	
\$1,500	\$11,138	\$1,500	\$1,500	\$1,500	\$17,138		x		Soffit/Fascia/Decorative wood supports showing signs of aging and wear. Added to 2024 to coincide with Stucco Refinishing for efficiency	
	\$26,730		\$3,000		\$29,730	x			Gutter and downspout sections are showing signs of wear and leaking. Select gutter sections have been complete with new custom 8 inch gutter due to roof water runoff rate which is the new site standard.	
\$2,450	\$2,450	\$2,450	\$2,450	\$2,450	\$12,250		x		Select sealants need to be redone around windows and doors. Sealants around doors and windows has been replaced in select locations.	
					\$0	x			No reported issues with foundation/building structure	
\$9,000	\$2,500	\$2,500	\$2,500	\$2,500	\$19,000			x	Exterior Lighting is showing signs of wear with rust and finish deterioration	
					\$0	x			Staff reported that there are no known issues with the building structure	
					\$0	x				
					\$0	x			N/A	
					\$0	x				
					\$0					
\$78,475	\$142,973	\$16,650	\$19,650	\$46,650	\$304,398					

Interior	Year	2022 REF
Common Area Finishes	2002	
Corridor Finishes	2002	
Resident Room Finishes	2002	
Back of House Finishes	2002	
Misc	2002	
Misc	2002	
Subtotals		\$0

							Good	Fair	Poor	Comments
2023	2024	2025	2026	2027	Totals					
					\$100,000	\$100,000		x		Common Areas in fair condition, with new custom carpet in 2017/2018, doors, walls, ceiling, rails and woodwork are in fair condition. Some refresh included for high traffic areas
					\$0		x			Included in Common Area Finishes
					\$0		x			N/A
					\$0		x			N/A
\$10,000	\$10,000	\$10,000	\$10,000		\$40,000			x		Ceiling, wall and floor repair
					\$0		x			N/A
\$10,000	\$10,000	\$10,000	\$10,000	\$100,000	\$140,000					

MEFP/Vertical Transportation	Year	2022 REF
Mechanical	2002	
Roof Top Equipment	2002	
HVAC	2002	
Piping Mechanical	2002	
Electrical System	2002	
Lighting	2002	
Plumbing	2002	\$4,083
Valves	2002	\$826
Low Voltage	2002	
Equipment (Built-in)	2002	
Generator/E/M Power	2002	
Elevators	2002	
Fire Protection	2002	
Fire Alarm	2002	
Sprinklers and Standpipes	2002	\$4,083
Misc	2002	
Misc	2002	
Subtotals		\$8,993

							Good	Fair	Poor	Comments
2023	2024	2025	2026	2027	Totals					
					\$0		x			Misc
					\$0	x				N/A
\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$30,000		x			About 50% of in unit heat pumps have been replaced. The remaining are original to the building.
\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$15,000		x			Misc, normal maintenance and repair for heat pump system copper piping
\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$12,500	x				Misc, normal maintenance and repair for electrical system
\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$12,500	x				N/A
\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$20,000	x				Misc, normal maintenance and repair for plumbing and fixtures
\$1,800	\$1,800	\$1,800	\$1,800	\$1,800	\$9,000	x				Normal Maintenance, Shut off valve replacement
					\$0	x				N/A
					\$0	x				N/A
					\$0	x				N/A
					\$0	x				N/A
\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$5,500	x				Normal Maintenance, no reported issues
\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$12,000	x				Normal Maintenance, no reported issues
\$3,200	\$3,200	\$3,200	\$3,200	\$3,200	\$16,000	x				Normal Maintenance, no reported issues
					\$0					
					\$0					
\$26,500	\$26,500	\$26,500	\$26,500	\$26,500	\$132,500					

Grounds	Year	2022 REF
Stoops/Pads	2002	
Sidewalks/Paths	2002	
Patios/Garden	2002	
Accessibility	2002	
Landscaping and Appurtenances	2002	
Lighting	2002	
Signage	2002	
Fencing/Screening	2002	
Drainage/Stormwater	2002	
Paving, Curbing, Parking	2002	
Utilities	2002	
Ingress and Egress	2002	
Misc	2002	
Misc	2002	
Subtotals		\$0

							Good	Fair	Poor	Comments
2023	2024	2025	2026	2027	Totals					
					\$0	x				Covered in Site Section
					\$0	x				Covered in Site Section
					\$0	x				Covered in Site Section
					\$0	x				Covered in Site Section
					\$0	x				Covered in Site Section
					\$0	x				Covered in Site Section
					\$0	x				Covered in Site Section
					\$0	x				Covered in Site Section
					\$0	x				Covered in Site Section
					\$0	x				Covered in Site Section
					\$0	x				Covered in Site Section
					\$0					Covered in Site Section
					\$0					Covered in Site Section
\$0	\$0	\$0	\$0	\$0	\$0					Covered in Site Section

Building Total All Groups \$8,993

\$114,975	\$179,473	\$53,150	\$56,150	\$173,150	\$576,898				
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Data per year	2022 REF
Exterior	25.8%
Interior	7.1%
MEFP/FPVT	20.0%
Grounds	0.0%
All Groups	19.9%

2023	2024	2025	2026	2027
25.8%	47.0%	5.5%	6.5%	15.3%
7.1%	7.1%	7.1%	7.1%	71.4%
20.0%	20.0%	20.0%	20.0%	20.0%
0.0%	0.0%	0.0%	0.0%	0.0%
19.9%	31.1%	9.2%	9.7%	30.0%

Building Name		Occupancy Classification	Construction Type	Year Constructed	Notes	ARCH Consultants, Ltd			
West Commons		Support	CC/MF/CMU	2002		4-Jan-2023			
Edgemere Dallas, TX		Number of Units	Number of Beds	Square Footage	Notes	Number of Stories			
				62,460		2 (1 level below ground)			
Year	2022 REF	2023	2024	2025	2026	2027	Totals		
Exterior		Good Fair Poor						Comments	
Exterior façade	2002	\$2,400	\$407,484	\$5,100	\$5,100	\$5,100	\$425,184	x	Repair Cementous Stucco Cracking, Prep and Paint, Repair Styrofoam Cast Window Sills, Prep and Paint, Repair Styrofoam Cast Architectural Detail, Prep and Paint
Roofing	2002	\$237,600	\$1,600	\$1,600	\$1,600	\$31,600	\$274,000	X	Tile Roof replaced in 2020/2021, flat roof is nearing the end of its useful life. Regular patching/replacements are included. Greenhouse roof in good condition with normal repair, maintenance and glass/seal replacements
Windows	2002	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$25,000	x	Large door style windows on first floor need replacement, operable windows and doors show normal signs of wear but no reported issues
Doors	2002	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$30,000	x	Exterior Metal Frame Doors and Windows need prep and paint. Some exterior metal extrusions/mullions need replacement/repair
Parapet, Fascia, Eaves	2002	\$1,800	\$24,255	\$1,800	\$1,800	\$1,800	\$31,455	x	Soffit/Fascia/Decorative wood supports showing signs of aging and wear. Added to 2024 to coincide with Stucco Refinishing for efficiency
Gutters/Downspouts	2002		\$58,212			\$3,000	\$61,212	x	Gutter and downspout sections are showing signs of wear and leaking. Select gutter sections have been complete with new custom 8 inch gutter due to roof water runoff rate which is the new site standard.
Sealants	2002	\$20,683	\$2,750	\$2,750	\$2,750	\$2,750	\$31,683	x	Select sealants need to be redone around windows and doors. Sealants around doors and windows has been replaced in select locations.
Foundation/Structural	2002						\$0	x	No reported issues with foundation/building structure
Lighting	2002	\$34,200	\$2,500	\$2,500	\$2,500	\$2,500	\$44,200	x	Exterior Lighting is at the end of useful life and needs replacement.
Building Frame	2002						\$0	x	Staff reported that there are no known issues with the building structure
Balconies and Patios	2002	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$5,500	x	Misc patio repairs
Exterior stairs	2002						\$0	x	N/A
Misc	2002						\$0	x	
Misc	2002						\$0		
Subtotals	\$10,000	\$308,783	\$508,901	\$25,850	\$25,850	\$58,850	\$928,234		
Interior		Good Fair Poor						Comments	
Common Area Finishes	2002					\$250,000	\$250,000	x	Common Areas in fair condition, with new custom carpet in 2017/2018, doors, walls, ceiling, rails and woodwork are in fair condition. Some refresh included for high traffic areas
Corridor Finishes	2002						\$0	x	Included in common area finishes
Resident Room Finishes	2002						\$0	x	N/A
Back of House Finishes	2002						\$0	x	Refresh tile, paint and ceiling tile replacement
Misc	2002						\$40,000	x	Ceiling, wall and floor repair
Loading Dock	2002						\$25,000	x	Overhead door
Subtotals	\$0	\$10,000	\$10,000	\$10,000	\$10,000	\$25,000	\$315,000		
MEPFP/Vertical Transportation		Good Fair Poor						Comments	
Mechanical	2002						\$0	x	Misc
Roof Top Equipment	2002	\$12,500	\$12,500	\$12,500	\$35,000	\$15,000	\$87,500	x	Major part replacement for rooftop chillers and AHUs anticipated as part of regular maintenance
HVAC	2002	\$12,000	\$3,600	\$3,600	\$12,000	\$3,600	\$34,800	x	About 50% of in unit heat pumps have been replaced. The remaining are original to the building.
Piping Mechanical	2002	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$15,000	x	Misc, normal maintenance and repair for heat pump system copper piping
Electrical System	2002	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$12,500	x	Misc, normal maintenance and repair for electrical system
Lighting	2002	\$2,750	\$2,750	\$2,750	\$2,750	\$2,750	\$13,750	x	N/A
Plumbing	2002	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$20,000	x	Kitchen area plumbing repairs and maintenance and normal system repair and maintenance
Valves	2002	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$12,000	x	Normal Maintenance, Shut off valve replacement
Low Voltage	2002						\$0	x	N/A
Equipment (Built-in)	2002	\$100,000	\$100,000			\$200,000	\$400,000	x	Replace Kitchen Equipment/Laundry. It was reported by site that some kitchen equipment was in need of replacement.
Generator/EM Power	2002	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$12,500	x	Rebuild of Kohler 350 Generator engine/controls and regular parts as part of regular maintenance
Elevators	2002						\$0	x	N/A
Fire Protection	2002	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$6,250	x	Normal Maintenance, no reported issues
Fire Alarm	2002	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$12,000	x	Normal Maintenance, no reported issues
Sprinklers and Standpipes	2002	\$3,200	\$3,200	\$3,200	\$3,200	\$3,200	\$16,000	x	Normal Maintenance, no reported issues
Misc	2002	\$3,800	\$3,800	\$3,800	\$3,800	\$3,800	\$19,000		Replace 3 Hydronic Boiler, maintenance and general pipe insulation as part of site planned 2022 budget. Regular maintenance and repair
Misc	2002						\$0		Portable Generator Docking Station
Subtotals	\$195,743	\$152,300	\$143,900	\$43,900	\$74,800	\$246,400	\$661,300		
Grounds		Good Fair Poor						Comments	
Stoops/Pads	2002						\$0	x	Covered in Site Section
Sidewalks/Paths	2002						\$0	x	Covered in Site Section
Patios/Garden	2002						\$0	x	Covered in Site Section
Accessibility	2002					\$0	\$0	x	Covered in Site Section
Landscaping and Appurtenances	2002						\$0	x	Covered in Site Section
Lighting	2002						\$0	x	Covered in Site Section
Signage	2002						\$0	x	Covered in Site Section
Fencing/Screening	2002						\$0	x	Covered in Site Section
Drainage/Stormwater	2002						\$0	x	Covered in Site Section
Paving, Curbing, Parking	2002						\$0	x	Covered in Site Section
Utilities	2002						\$0	x	Covered in Site Section
Ingress and Egress	2002						\$0	x	Covered in Site Section
Misc	2002						\$0		Covered in Site Section
Misc	2002						\$0		Covered in Site Section
Subtotals	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Building Total All Groups	\$205,743	\$471,083	\$662,801	\$79,750	\$110,650	\$580,250	\$1,904,534		
Data per year		2023	2024	2025	2026	2027			
Exterior	2022 REF	33.3%	54.8%	2.8%	2.8%	6.3%			
Interior		3.2%	3.2%	3.2%	3.2%	87.3%			
MEP/FP/VT		23.0%	21.8%	6.6%	11.3%	37.3%			
Grounds		0.0%	0.0%	0.0%	0.0%	0.0%			
All Groups		24.7%	34.8%	4.2%	5.8%	30.5%			

Building Name		Occupancy Classification	Construction Type	Year Constructed	Notes	ARCH Consultants, Ltd				
Building 2		IL	CC/MF/CMU	2002		4-Jan-2023				
Edgemere Dallas, TX		24	0	43,214		3				
Year 2022 REF		2023	2024	2025	2026	2027	Totals			
Exterior										
Exterior façade	2002	\$245,322	\$2,500	\$2,500	\$2,500	\$252,822	Good	Fair	Poor	Comments
Roofing	2002	\$1,200	\$1,200	\$1,200	\$1,200	\$6,000	x			Tile Roof replaced in 2020/2021
Windows	2002	\$5,000	\$5,000	\$5,000	\$5,000	\$25,000		x		Unit operable windows show normal signs of wear but no reported issues. Common Area Exterior Metal Frame Windows have faded/worn finishes. Some exterior metal extrusions/mullions need replacement/repair
Doors	2002	\$30,000	\$8,500	\$8,500	\$8,500	\$64,000		x		Common Area Exterior Metal Frame Doors and have faded/worn finishes. Unit large door style windows on first floor units have cracked seams and are leaking. Unit other exterior doors in fair condition showing normal wear but no reported issues
Parapet, Fascia, Eaves	2002	\$2,000	\$9,735	\$1,500	\$1,500	\$16,235		x		Soffit/Fascia/Decorative wood supports showing signs of aging and wear. Added to 2024 to coincide with Stucco Refinishing for efficiency
Gutters/Downspouts	2002		\$23,364			\$23,364	x			Gutter and downspout sections are showing signs of wear and leaking. Select gutter sections have been complete with new custom 8 inch gutter due to roof water runoff rate which is the new site standard.
Sealants	2002	\$5,356	\$5,356	\$5,356	\$5,356	\$24,100		x		Select sealants need to be redone around windows and doors. Sealants around doors and windows has been replaced in select locations.
Foundation/Structural	2002					\$0	x			No reported issues with foundation/building structure
Lighting	2002	\$3,800	\$1,000	\$1,000	\$1,000	\$7,800			x	Exterior Lighting is showing signs of wear with rust and finish deterioration
Building Frame	2002					\$0	x			Staff reported that there are no known issues with the building structure
Balconies and Patios	2002	\$2,200	\$2,200	\$2,200	\$2,200	\$11,000		x		First unit patios in fair condition and second/third floor balconies in fair condition.
Exterior stairs	2002					\$0	x			N/A
Pergola/Trellis	2002		\$36,000			\$36,000			x	Third floor units with trellises need to have wood components replaced. Wood is missing, electrical conduit is hanging unattached and wood is deteriorating
Misc	2002					\$0				
Subtotals		\$10,000								
		\$49,556	\$337,677	\$27,256	\$27,256	\$24,578	\$466,321			
Interior							Good	Fair	Poor	Comments
Common Area Finishes	2002					\$0	x			Elevator lobby refurbishment with corridors
Corridor Finishes	2002					\$0		x		Corridors in fair condition, with new custom carpet in 2017/2018, doors, walls, ceiling, rails and woodwork are in fair condition.
Resident Room Finishes	2002					\$0	x			N/A
Back of House Finishes	2002					\$0	x			N/A
Misc	2002	\$5,000	\$5,000	\$5,000	\$5,000	\$25,000	x			Floor, wall and ceiling
Misc	2002					\$0	x			N/A
Subtotals		\$0								
		\$5,000	\$5,000	\$5,000	\$5,000	\$25,000				
MEPP/Vertical Transportation							Good	Fair	Poor	Comments
Mechanical	2002					\$0		x		Misc
Roof Top Equipment	2002					\$0	x			N/A
HVAC	2002	\$12,000	\$12,000	\$12,000	\$12,000	\$60,000		x		About 50% of in unit heat pumps have been replaced. The remaining are original to the building. Additional replacements are included in the forecast
Piping Mechanical	2002	\$3,000	\$3,000	\$3,000	\$3,000	\$15,000		x		Misc, normal maintenance and repair for heat pump system copper piping
Electrical System	2002	\$2,500	\$2,500	\$2,500	\$2,500	\$12,500	x			Misc, normal maintenance and repair for electrical system
Lighting	2002	\$2,750	\$2,750	\$2,750	\$2,750	\$13,750	x			N/A
Plumbing	2002	\$4,000	\$4,000	\$4,000	\$4,000	\$20,000	x			In unit fixtures replaced with unit turnover
Piping Plumbing	2002	\$3,200	\$3,200	\$3,200	\$3,200	\$16,000	x			Normal Maintenance, Shut off valve replacement
Low Voltage Equipment (Built-in)	2002					\$0	x			N/A
Generator/EM Power	2002					\$5,000		x		Laundry Equipment
Elevators	2002	\$1,500	\$1,500	\$1,500	\$1,500	\$7,500	x		x	Elevator Finishes, Panel and Equipment are original and were included in the site 2022 budget to be upgraded and hydraulic pump replacement
Fire Protection	2002	\$250	\$250	\$250	\$250	\$1,250	x			Normal Maintenance, no reported issues
Fire Alarm	2002	\$800	\$800	\$800	\$800	\$4,000	x			Normal Maintenance, no reported issues
Sprinklers and Standpipes	2002	\$1,000	\$1,000	\$1,000	\$1,000	\$5,000	x			Normal Maintenance, no reported issues
Misc	2002					\$0				
Misc	2002	\$1,200	\$1,200	\$1,200	\$1,200	\$6,000				Pipe Insulation
Subtotals		\$105,243								
		\$32,200	\$32,200	\$32,200	\$32,200	\$37,200	\$166,000			
Grounds							Good	Fair	Poor	Comments
Stoops/Pads	2002					\$0	x			Covered in Site Section
Sidewalks/Paths	2002					\$0	x			Covered in Site Section
Patios/Garden	2002					\$0	x			Covered in Site Section
Accessibility	2002					\$120	x			Covered in Site Section
Landscaping and Appurtenances	2002					\$0	x			Covered in Site Section
Lighting	2002					\$0	x			Covered in Site Section
Signage	2002					\$0	x			Covered in Site Section
Fencing/Screening	2002					\$0	x			Covered in Site Section
Drainage/Stormwater	2002					\$0	x			Covered in Site Section
Paving, Curbing, Parking	2002					\$0	x			Covered in Site Section
Utilities	2002					\$0	x			Covered in Site Section
Ingress and Egress	2002					\$0	x			Covered in Site Section
Misc	2002					\$0				Covered in Site Section
Misc	2002					\$0				Covered in Site Section
Subtotals		\$0	\$0	\$0	\$0	\$120	\$120			
Building Total All Groups		\$115,243								
		\$86,756	\$374,877	\$64,456	\$64,456	\$66,898	\$657,441			
Data per year		2023	2024	2025	2026	2027				
Exterior		10.6%	72.4%	5.8%	5.8%	5.3%				
Interior		20.0%	20.0%	20.0%	20.0%	20.0%				
MEPP/FP/VT		19.4%	19.4%	19.4%	19.4%	22.4%				
Grounds		0.0%	0.0%	0.0%	0.0%	100.0%				
All Groups		13.2%	57.0%	9.8%	9.8%	10.2%				

Building Name		Occupancy Classification	Construction Type	Year Constructed	Notes	ARCH Consultants, Ltd						
Building 3		IL	CC/MF/CMU	2002		4-Jan-2023						
Edgemere Dallas, TX		36										
Year		2022 REF	2023 2024 2025 2026 2027		Totals	Good	Fair	Poor	Comments			
Number of Units												
Number of Beds												
Square footage												
Notes												
Number of Stories												
Subtotals		\$10,000	\$69,661	\$465,192	\$28,461	\$66,873	\$25,981	\$656,168				
Exterior												
Exterior façade	2002		\$403,326	\$4,800	\$4,800	\$4,800	\$4,800	\$417,726	x	Repair Cementous Stucco Cracking, Prep and Paint, Repair Styrofoam Cast Window Sills, Prep and Paint, Repair Styrofoam Cast Architectural Detail, Prep and Paint		
Roofing	2002		\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$6,000	x	Tile Roof replaced in 2020/2021		
Windows	2002	\$10,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$25,000	x	Unit operable windows show normal signs of wear but no reported issues. Common Area Exterior Metal Frame Windows have faded/worn finishes. Some exterior metal extrusions/mullions need replacement/repair		
Doors	2002		\$30,000	\$8,500	\$8,500	\$8,500	\$8,500	\$64,000	x	Common Area Exterior Metal Frame Doors and have faded/worn finishes. Unit large door style windows on first floor units have cracked seams and are leaking. Unit other exterior doors in fair condition showing normal wear but no reported issues		
Parapet, Fascia, Eaves	2002		\$500	\$16,005	\$1,800	\$1,800	\$1,800	\$21,905	x	Soffit/Fascia/Decorative wood supports should be refinished/painted in the next 5 years. Added to 2024 to coincide with Stucco Refinishing for efficiency		
Gutters/Downspouts	2002					\$38,412		\$38,412	x	Gutter and downspout sections are showing signs of wear and leaking. Select gutter sections have been complete with new custom 8 inch gutter due to roof water runoff rate which is the new site standard.		
Sealants	2002		\$4,961	\$4,961	\$4,961	\$4,961	\$2,481	\$22,325	x	Select sealants need to be redone around windows and doors. Sealants around doors and windows has been replaced in select locations.		
Foundation/Structural	2002							\$0	x	No reported issues with foundation/building structure		
Lighting	2002		\$1,800					\$1,800		x	Exterior Lighting is showing signs of wear with rust and finish deterioration	
Building Frame	2002							\$0	x	Staff reported that there are no known issues with the building structure		
Balconies, Patios, Porches	2002		\$2,200	\$2,200	\$2,200	\$2,200	\$2,200	\$11,000		x	First unit patios in fair condition and second/third floor balconies in fair condition.	
Exterior stairs	2002							\$0	x	N/A		
Pergola/Trellis	2002		\$24,000	\$24,000				\$48,000		x	Third floor units with trellises need to have wood components replaced. Wood is missing, electrical conduit is hanging unattached and wood is deteriorating	
Paint	2002							\$0		x	New	
Subtotals		\$10,000	\$69,661	\$465,192	\$28,461	\$66,873	\$25,981	\$656,168				
Interior									Good	Fair	Poor	Comments
Common Area Finishes	2002							\$0	x			Elevator lobby refurbishment with corridors
Corridor Finishes	2002							\$0		x		Corridors in fair condition, with new custom carpet in 2017/2018, doors, walls, ceiling, rails and woodwork are in fair condition.
Resident Room Finishes	2002							\$0	x			N/A
Back of House Finishes	2002							\$0	x			N/A
Misc	2002		\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$37,500	x			Floor, wall and ceiling
Misc	2002							\$0	x			N/A
Subtotals		\$0	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$37,500				
MEPPF/Vertical Transportation									Good	Fair	Poor	Comments
Mechanical	2002							\$0		x		Misc
Roof Top Equipment	2002							\$0	x			N/A
HVAC	2002		\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$90,000		x		About 50% of in unit heat pumps have been replaced. The remaining are original to the building. Additional replacements are included in the forecast
Piping Mechanical	2002		\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$15,000		x		Misc, normal maintenance and repair for heat pump system copper piping
Electrical System	2002		\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$12,500	x			Misc, normal maintenance and repair for electrical system
Lighting	2002		\$2,750	\$2,750	\$2,750	\$2,750	\$2,750	\$13,750	x			N/A
Plumbing	2002	\$4,083	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$20,000	x			In unit fixtures replaced with unit turnover
Piping Plumbing	2002	\$826	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$12,000	x			Normal Maintenance, Shut off valve replacement
Low Voltage	2002							\$0	x			N/A
Equipment (Built-in)	2002					\$5,000	\$5,000	\$5,000		x		Laundry Equipment
Generator/EM Power	2002							\$0	x			N/A
Elevators	2002		\$3,000	\$3,000	\$96,250	\$1,500	\$1,500	\$105,250	x			Elevator Finishes, Panel and Equipment are original and the site has begun a refresh cycle to upgrade finishes, panel and hydraulic pump replacement. No code issues were reported
Fire Protection	2002		\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$6,250	x			Normal Maintenance, no reported issues
Fire Alarm	2002		\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$12,000	x			Normal Maintenance, no reported issues
Sprinklers and Standpipes	2002	\$4,083	\$3,200	\$3,200	\$3,200	\$3,200	\$3,200	\$16,000	x			Normal Maintenance, no reported issues
Kitchen Equipment	2002							\$0				
Misc	2002		\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$6,000				Pipe Insulation
Subtotals		\$8,993	\$43,700	\$43,700	\$136,950	\$42,200	\$47,200	\$313,750				
Grounds									Good	Fair	Poor	Comments
Stoops/Pads	2002							\$0	x			Covered in Site Section
Sidewalks/Paths	2002							\$0	x			Covered in Site Section
Patios/Garden	2002							\$0	x			Covered in Site Section
Accessibility	2002					\$120	\$120	\$120	x			Covered in Site Section
Landscaping and Appurtenances	2002							\$0	x			Covered in Site Section
Lighting	2002							\$0	x			Covered in Site Section
Signage	2002							\$0	x			Covered in Site Section
Fencing/Screening	2002							\$0	x			Covered in Site Section
Drainage/Stormwater	2002							\$0	x			Covered in Site Section
Paving, Curbing, Parking	2002							\$0	x			Covered in Site Section
Utilities	2002							\$0	x			Covered in Site Section
Ingress and Egress	2002							\$0	x			Covered in Site Section
Misc	2002							\$0				Covered in Site Section
Misc	2002							\$0				Covered in Site Section
Subtotals		\$0	\$0	\$0	\$0	\$120	\$120	\$120				
Building Total All Groups		\$18,993	\$120,861	\$516,392	\$172,911	\$116,573	\$80,801	\$1,007,538				
Data per year		2022 REF	2023	2024	2025	2026	2027					
Exterior			10.6%	70.9%	4.3%	10.2%	4.0%					
Interior			20.0%	20.0%	20.0%	20.0%	20.0%					
MEP/FP/VT			13.9%	13.9%	43.6%	13.5%	15.0%					
Grounds			0.0%	0.0%	0.0%	0.0%	100.0%					
All Groups			12.0%	51.3%	17.2%	11.6%	8.0%					

Building Name	
Building 6	Confidential

Edgemere
Dallas, TX

Occupancy Classification	Construction Type	Year Constructed	Notes	ARCH Consultants, Ltd
IL	CC/MF/CMU	2002		4-Jan-2023

Number of Units	Number of Beds	Square footage	Notes	Number of Stories
24		45,279		3

Year 2022 REF

2023 2024 2025 2026 2027 Totals

Exterior	Year	2022 REF
Exterior façade	2002	
Roofing	2002	
Windows	2002	\$10,000
Doors	2002	
Parapet, Fascia, Eaves	2002	
Gutters/Downspouts	2002	
Sealants	2002	
Foundation/Structural	2002	
Lighting	2002	
Building Frame	2002	
Balconies and Patios	2002	
Exterior stairs	2002	
Pergola/Trellis	2002	
Misc	2002	
Subtotals		\$10,000

	2023	2024	2025	2026	2027	Totals	Good	Fair	Poor	Comments
Exterior façade	\$2,400	\$2,400	\$345,114	\$4,500	\$4,500	\$358,914			x	Repair Cementous Stucco Cracking, Prep and Paint, Repair Styrofoam Cast Window Sills, Prep and Paint, Repair Styrofoam Cast Architectural Detail, Prep and Paint
Roofing	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$6,000	x			Tile Roof replaced in 2020/2021
Windows	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$25,000		x		Unit operable windows show normal signs of wear but no reported issues. Common Area Exterior Metal Frame Windows have faded/worn
Doors	\$5,000	\$30,000	\$8,500	\$8,500	\$8,500	\$60,500		x		Common Area Exterior Metal Frame Doors and have faded/worn finishes. Unit large door style windows on first floor units have cracked seams and are leaking. Unit other exterior doors in fair condition showing normal wear but no reported issues
Parapet, Fascia, Eaves	\$2,400	\$2,400	\$13,695	\$1,800	\$1,800	\$22,095		x		Soffit/Facia/Decorative wood supports should be refinished/painted in the next 5 years. Added to 2025 to coincide with Stucco Refinishing for efficiency
Gutters/Downspouts						\$0	x			Gutter and downspout sections are showing signs of wear and leaking. Select gutter sections have been complete with new custom 8 inch gutter due to roof water runoff rate which is the new site standard.
Sealants	\$5,339	\$5,339	\$5,339	\$5,339	\$2,669	\$24,025			x	Select sealants need to be redone around windows and doors. Sealants around doors and windows has been replaced in select locations.
Foundation/Structural						\$0	x			No reported issues with foundation/building structure
Lighting	\$1,800	\$1,000	\$1,000	\$1,000	\$1,000	\$5,800			x	Exterior Lighting is showing signs of wear with rust and finish deterioration
Building Frame						\$0	x			Staff reported that there are no known issues with the building structure
Balconies and Patios	\$2,200	\$2,200	\$2,200	\$2,200	\$2,200	\$11,000		x		First unit patios in fair condition and second/third floor balconies in fair condition.
Exterior stairs						\$0	x			N/A
Pergola/Trellis		\$60,000	\$48,000			\$108,000			x	Third floor units with trellises need to have wood components replaced. Wood is missing, electrical conduit is hanging unattached and wood is deteriorating
Misc						\$0				
Subtotals	\$25,339	\$109,539	\$430,048	\$29,539	\$26,869	\$621,334				

Interior	Year	2022 REF
Common Area Finishes	2002	
Corridor Finishes	2002	
Resident Room Finishes	2002	
Back of House Finishes	2002	
Misc	2002	
Misc	2002	
Subtotals		\$0

	2023	2024	2025	2026	2027	Totals	Good	Fair	Poor	Comments
Common Area Finishes						\$0	x			Elevator lobby refurbishment with corridors
Corridor Finishes						\$0		x		Corridors in fair condition, with new custom carpet in 2017/2018, doors, walls, ceiling, rails and woodwork are in fair condition.
Resident Room Finishes						\$0	x			N/A
Back of House Finishes						\$0	x			N/A
Misc	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$25,000	x			Floor, wall and ceiling
Misc						\$0	x			N/A
Subtotals	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$25,000				

MEPP/Vertical Transportation	Year	2022 REF
Mechanical	2002	
Roof Top Equipment	2002	
HVAC	2002	
Piping Mechanical	2002	
Electrical System	2002	
Lighting	2002	
Plumbing	2002	\$4,083
Valves	2002	\$826
Low Voltage	2002	
Equipment (Built-in)	2002	
Generator/EM Power	2002	
Elevators	2002	
Fire Protection	2002	
Fire Alarm	2002	
Sprinklers and Standpipes	2002	\$4,083
Pool	2002	
Misc	2002	
Subtotals		\$8,993

	2023	2024	2025	2026	2027	Totals	Good	Fair	Poor	Comments
Mechanical						\$0		x		Misc
Roof Top Equipment						\$0	x			N/A
HVAC	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$60,000		x		About 50% of in unit heat pumps have been replaced. The remaining are original to the building. Additional replacements are included in the forecast
Piping Mechanical	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$15,000		x		Misc, normal maintenance and repair for heat pump system copper piping
Electrical System	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$12,500	x			Misc, normal maintenance and repair for electrical system
Lighting	\$2,750	\$2,750	\$2,750	\$2,750	\$2,750	\$13,750	x			N/A
Plumbing	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$20,000	x			In unit fixtures replaced with unit turnover
Valves	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$12,000	x			Normal Maintenance, Shut off valve replacement
Low Voltage						\$0	x			N/A
Equipment (Built-in)					\$5,000	\$5,000		x		Laundry Equipment
Generator/EM Power						\$0	x			N/A
Elevators	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$7,500		x		Elevator upgraded and hydraulic pump replaced
Fire Protection	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$6,250	x			Normal Maintenance, no reported issues
Fire Alarm	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$12,000	x			Normal Maintenance, no reported issues
Sprinklers and Standpipes	\$3,200	\$3,200	\$3,200	\$3,200	\$3,200	\$16,000	x			Normal Maintenance, no reported issues
Pool						\$0				
Misc	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$6,000				Pipe Insulation
Subtotals	\$36,200	\$36,200	\$36,200	\$36,200	\$41,200	\$186,000				

Grounds	Year	2022 REF
Stoops/Pads	2002	
Sidewalks/Paths	2002	
Patios/Garden	2002	
Accessibility	2002	
Landscaping and Appurtenances	2002	
Lighting	2002	
Signage	2002	
Fencing/Screening	2002	
Drainage/Stormwater	2002	
Paving, Curbing, Parking	2002	
Utilities	2002	
Ingress and Egress	2002	
Misc	2002	
Misc	2002	
Subtotals		\$0

	2023	2024	2025	2026	2027	Totals	Good	Fair	Poor	Comments
Stoops/Pads						\$0	x			Covered in Site Section
Sidewalks/Paths						\$0	x			Covered in Site Section
Patios/Garden						\$0	x			Covered in Site Section
Accessibility					\$120	\$120	x			Covered in Site Section
Landscaping and Appurtenances						\$0	x			Covered in Site Section
Lighting						\$0	x			Covered in Site Section
Signage						\$0	x			Covered in Site Section
Fencing/Screening						\$0	x			Covered in Site Section
Drainage/Stormwater						\$0	x			Covered in Site Section
Paving, Curbing, Parking						\$0	x			Covered in Site Section
Utilities						\$0	x			Covered in Site Section
Ingress and Egress						\$0	x			Covered in Site Section
Misc						\$0				Covered in Site Section
Misc						\$0				Covered in Site Section
Subtotals	\$0	\$0	\$0	\$0	\$120	\$120				

Building Total All Groups \$18,993

\$66,539 \$150,739 \$471,248 \$70,739 \$73,189 \$832,454

Data per year	2022 REF
Exterior	4.1%
Interior	20.0%
MEP/FP/VT	19.5%
Grounds	0.0%
All Groups	8.0%

	2023	2024	2025	2026	2027
Exterior	4.1%	17.6%	69.2%	4.8%	4.3%
Interior	20.0%	20.0%	20.0%	20.0%	20.0%
MEP/FP/VT	19.5%	19.5%	19.5%	19.5%	22.2%
Grounds	0.0%	0.0%	0.0%	0.0%	100.0%
All Groups	8.0%	18.1%	56.6%	8.5%	8.8%

Building Name		Occupancy Classification	Construction Type	Year Constructed	Notes	ARCH Consultants, Ltd						
Building 8		IL	CC/MF/CMU	2002		4-Jan-2023						
Edgemere Dallas, TX		Number of Units	Number of Beds	Square footage	Notes	Number of Stories						
		33		58,435		3						
Year		2022 REF	2023	2024	2025	2026	2027	Totals	Good	Fair	Poor	Comments
Exterior												
Exterior façade	2002		\$2,400	\$2,400	\$345,114	\$4,400	\$4,400	\$358,714			x	Repair Cementous Stucco Cracking, Prep and Paint, Repair Styrofoam Cast Window Sills, Prep and Paint, Repair Styrofoam Cast Architectural Detail, Prep and Paint
Roofing	2002		\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$6,000	x			Tile Roof replaced in 2020/2021
Windows	2002	\$10,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$25,000		x		Unit operable windows show normal signs of wear but no reported issues. Common Area Exterior Metal Frame Windows have faded/worn finishes. Some exterior metal extrusions/mullions need replacement/repair
Doors	2002		\$30,000	\$8,500	\$8,500	\$8,500	\$8,500	\$64,000		x		Common Area Exterior Metal Frame Doors and have faded/worn finishes. Unit large door style windows on first floor units have cracked seams and are leaking. Unit other exterior doors in fair condition showing normal wear but no reported issues
Parapet, Fascia, Eaves	2002		\$2,400	\$2,400	\$13,695	\$1,200	\$1,200	\$20,895		x		Soffit/Fascia/Decorative wood supports should be refinished/painted in the next 5 years. Added to 2025 to coincide with Stucco Refinishing for efficiency
Gutters/Downspouts	2002							\$0	x			Gutter and downspout sections are showing signs of wear and leaking. Select gutter sections have been complete with new custom 8 inch gutter due to roof water runoff rate which is the new site standard.
Sealants	2002		\$5,133	\$5,133	\$5,133	\$5,133	\$2,567	\$23,100			x	Select sealants need to be redone around windows and doors. Sealants around doors and windows has been replaced in select locations.
Foundation/Structural	2002							\$0	x			No reported issues with foundation/building structure
Lighting	2002		\$7,200					\$7,200			x	Exterior Lighting is showing signs of wear with rust and finish deterioration
Building Frame	2002							\$0	x			Staff reported that there are no known issues with the building structure
Balconies and Patios	2002		\$2,200	\$2,200	\$2,200	\$2,200	\$2,200	\$11,000			x	First unit patios in fair condition and second/third floor balconies in fair condition.
Exterior stairs	2002							\$0	x			N/A
Pergola/Trellis	2002			\$12,000				\$12,000			x	Third floor units with trellises need to have wood structure replaced. Wood is missing, electrical conduit is hanging unattached and wood is deteriorating
Misc	2002							\$0				
Subtotals		\$10,000	\$55,533	\$38,833	\$380,842	\$27,633	\$25,067	\$527,909				
Interior									Good	Fair	Poor	Comments
Common Area Finishes	2002							\$0	x			Elevator lobby refurbishment with corridors
Corridor Finishes	2002							\$0		x		Corridors in fair condition, with new custom carpet in 2017/2018, doors, walls, ceiling, rails and woodwork are in fair condition.
Resident Room Finishes	2002							\$0	x			N/A
Back of House Finishes	2002							\$0	x			N/A
Misc	2002		\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$37,500			x	Floor, wall and ceiling
Misc	2002							\$0	x			N/A
Subtotals		\$0	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$37,500				
MEPP/Vertical Transportation									Good	Fair	Poor	Comments
Mechanical	2002							\$0		x		Misc
Roof Top Equipment	2002							\$0	x			N/A
HVAC	2002		\$16,500	\$16,500	\$16,500	\$16,500	\$16,500	\$82,500			x	About 50% of in unit heat pumps have been replaced. The remaining are original to the building. Additional replacements are included in the forecast
Piping Mechanical	2002		\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$15,000			x	Misc, normal maintenance and repair for heat pump system copper piping
Electrical System	2002		\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$12,500	x			Misc, normal maintenance and repair for electrical system
Lighting	2002		\$2,750	\$2,750	\$2,750	\$2,750	\$2,750	\$13,750	x			N/A
Plumbing	2002	\$4,083	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$20,000	x			In unit fixtures replaced with unit turnover
Valves	2002	\$826	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$12,000	x			Normal Maintenance, Shut off valve replacement
Low Voltage Equipment (Built-in)	2002							\$0	x			N/A
Generator/EM Power	2002						\$5,000	\$5,000			x	Laundry Equipment
Elevators	2002		\$3,000	\$96,250	\$1,500	\$1,500	\$1,500	\$103,750			x	Elevator Finishes, Panel and Equipment are original and the site has begun a refresh cycle to upgrade finishes, panel and hydraulic pump replacement. No code issues were reported
Fire Protection	2002		\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$6,250	x			Normal Maintenance, no reported issues
Fire Alarm	2002		\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$12,000	x			Normal Maintenance, no reported issues
Sprinklers and Standpipes	2002	\$4,083	\$3,200	\$3,200	\$3,200	\$3,200	\$3,200	\$16,000	x			Normal Maintenance, no reported issues
Misc	2002							\$0				
Misc	2002		\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$6,000				Pipe Insulation
Subtotals		\$8,993	\$42,200	\$135,450	\$40,700	\$40,700	\$45,700	\$304,750				
Grounds									Good	Fair	Poor	Comments
Stoops/Pads	2002							\$0	x			Covered in Site Section
Sidewalks/Paths	2002							\$0	x			Covered in Site Section
Patios/Garden	2002							\$0	x			Covered in Site Section
Accessibility	2002						\$120	\$120	x			Covered in Site Section
Landscaping and Appurtenances	2002							\$0	x			Covered in Site Section
Lighting	2002							\$0	x			Covered in Site Section
Signage	2002							\$0	x			Covered in Site Section
Fencing/Screening	2002							\$0	x			Covered in Site Section
Drainage/Stormwater	2002							\$0	x			Covered in Site Section
Paving, Curbing, Parking	2002							\$0	x			Covered in Site Section
Utilities	2002							\$0	x			Covered in Site Section
Ingress and Egress	2002							\$0	x			Covered in Site Section
Misc	2002							\$0				Covered in Site Section
Misc	2002							\$0				Covered in Site Section
Subtotals		\$0	\$0	\$0	\$0	\$120	\$120	\$120				
Building Total All Groups		\$18,993	\$105,233	\$181,783	\$429,042	\$75,833	\$78,387	\$870,279				
Data per year		2022 REF	2023	2024	2025	2026	2027					
Exterior			10.5%	7.4%	72.1%	5.2%	4.7%					
Interior			20.0%	20.0%	20.0%	20.0%	20.0%					
MEP/FP/VT			13.8%	44.4%	13.4%	13.4%	15.0%					
Grounds			0.0%	0.0%	0.0%	0.0%	100.0%					
All Groups			12.1%	20.9%	49.3%	8.7%	9.0%					

Building Name		Occupancy Classification	Construction Type	Year Constructed	Notes	ARCH Consultants, Ltd				
Building 9		IL	CC/MF/CMU	2007		4-Jan-2023				
Edgemere Dallas, TX		Number of Units	Number of Beds	Square footage	Notes	Number of Stories				
		48		100,752		3				
Year		2022 REF	2023	2024	2025	2026	2027	Totals		
Exterior										
Exterior façade	2007		\$2,400	\$2,400	\$673,596	\$5,400	\$5,400	\$689,196	Good Fair Poor Comments	
Roofing	2007		\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$6,000	x	Repair Cementous Stucco Cracking, Prep and Paint, Repair Styrofoam Cast Window Sills, Prep and Paint, Repair Styrofoam Cast Architectural Detail, Prep and Paint
Windows	2007	\$10,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$25,000	x	Tile Roof replaced in 2020/2021 Unit operable windows show normal signs of wear but no reported issues. Common Area Exterior Metal Frame Windows have faded/worn finishes. Some exterior metal extrusions/mullions need replacement/repair
Doors	2007		\$8,500	\$30,000	\$8,500	\$8,500	\$8,500	\$64,000	x	Common Area Exterior Metal Frame Doors and have faded/worn finishes. Unit large door style windows on first floor units have cracked seams and are leaking. Unit other exterior doors in fair condition showing normal wear but no reported issues
Parapet, Fascia, Eaves	2007		\$2,400	\$2,400	\$26,730	\$1,800	\$1,800	\$35,130	x	Soffit/Fascia/Decorative wood supports should be refinished/painted in the next 5 years. Added to 2025 to coincide with Stucco Refinishing for efficiency
Gutters/Downspouts	2007					\$4,000		\$4,000	x	Gutter and downspout sections are showing signs of wear and leaking. Select gutter sections have been complete with new custom 8 inch gutter due to roof water runoff rate which is the new site standard.
Sealants	2007		\$7,894	\$7,894	\$7,894	\$7,894	\$3,947	\$35,525	x	Select sealants need to be redone around windows and doors. Sealants around doors and windows has been replaced in select locations.
Foundation/Structural	2007							\$0	x	No reported issues with foundation/building structure
Lighting	2007		\$2,700					\$2,700		Exterior Lighting is showing signs of wear with rust and finish deterioration
Building Frame	2007							\$0	x	Staff reported that there are no known issues with the building structure
Balconies and Patios	2007		\$2,200	\$2,200	\$2,200	\$2,200	\$2,200	\$11,000	x	First unit patios in fair condition and second/third floor balconies in fair condition.
Exterior stairs	2007							\$0	x	N/A
Pergola/Trellis	2007							\$0	x	Third floor units with trellises need to have wood components replaced. Wood is missing, electrical conduit is hanging unattached and wood is deteriorating
Misc	2007							\$0		
Subtotals		\$10,000	\$32,294	\$51,094	\$725,120	\$35,994	\$28,047	\$872,551		
Interior									Good Fair Poor Comments	
Common Area Finishes	2007							\$0	x	Elevator lobby refurbishment with corridors
Corridor Finishes	2007							\$0		Corridors in fair condition, with new custom carpet in 2017/2018, doors, walls, ceiling, rails and woodwork are in fair condition.
Resident Room Finishes	2007							\$0	x	N/A
Back of House Finishes	2007							\$0	x	N/A
Misc	2007		\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$50,000	x	Floor, wall and ceiling
Misc	2007							\$0	x	N/A
Subtotals		\$0	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$50,000		
MEPP/Vertical Transportation									Good Fair Poor Comments	
Mechanical	2007							\$0		Misc
Roof Top Equipment	2007							\$0	x	N/A
HVAC	2007		\$24,000	\$24,000	\$24,000	\$24,000	\$24,000	\$120,000	x	About 50% of in unit heat pumps have been replaced. The remaining are original to the building. Additional replacements are included in the forecast
Piping Mechanical	2007		\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$15,000	x	Misc, normal maintenance and repair for heat pump system copper piping
Electrical System	2007		\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$12,500	x	Misc, normal maintenance and repair for electrical system
Lighting	2007		\$2,750	\$2,750	\$2,750	\$2,750	\$2,750	\$13,750	x	N/A
Plumbing	2007	\$4,083	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$20,000	x	In unit fixtures replaced with unit turnover
Valves	2007	\$826	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$12,000	x	Normal Maintenance, Shut off valve replacement
Low Voltage Equipment (Built-in)	2007						\$5,000	\$5,000	x	N/A
Generator/EM Power	2007						\$0	\$0	x	N/A
Elevators	2007		\$3,000	\$3,000	\$3,000	\$3,000	\$96,250	\$108,250	x	Elevator Finishes, Panel and Equipment are original and the site has begun a refresh cycle to upgrade finishes, panel and hydraulic pump replacement. No code issues were reported
Fire Protection	2007		\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$6,250	x	Normal Maintenance, no reported issues
Fire Alarm	2007		\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$12,000	x	Normal Maintenance, no reported issues
Sprinklers and Standpipes	2007	\$4,083	\$3,200	\$3,200	\$3,200	\$3,200	\$3,200	\$16,000	x	Normal Maintenance, no reported issues
Misc	2007							\$0		
Misc	2007		\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$6,000		Pipe Insulation
Subtotals		\$8,993	\$49,700	\$49,700	\$49,700	\$49,700	\$147,950	\$346,750		
Grounds									Good Fair Poor Comments	
Stoops/Pads	2007							\$0	x	Covered in Site Section
Sidewalks/Paths	2007							\$0	x	Covered in Site Section
Patios/Garden	2007							\$0	x	Covered in Site Section
Accessibility	2007					\$120	\$120	\$120	x	Covered in Site Section
Landscaping and Appurtenances	2007							\$0	x	Covered in Site Section
Lighting	2007							\$0	x	Covered in Site Section
Signage	2007							\$0	x	Covered in Site Section
Fencing/Screening	2007							\$0	x	Covered in Site Section
Drainage/Stormwater	2007							\$0	x	Covered in Site Section
Paving, Curbing, Parking	2007							\$0	x	Covered in Site Section
Utilities	2007							\$0	x	Covered in Site Section
Ingress and Egress	2007							\$0	x	Covered in Site Section
Misc	2007							\$0		Covered in Site Section
Misc	2007							\$0		Covered in Site Section
Subtotals		\$0	\$0	\$0	\$0	\$0	\$120	\$120		
Building Total All Groups		\$18,993	\$91,994	\$110,794	\$784,820	\$95,694	\$186,117	\$1,269,421		
Data per year		2022 REF	2023	2024	2025	2026	2027			
Exterior			3.7%	5.9%	83.1%	4.1%	3.2%			
Interior			20.0%	20.0%	20.0%	20.0%	20.0%			
MEPP/FP/VT			14.3%	14.3%	14.3%	14.3%	42.7%			
Grounds			0.0%	0.0%	0.0%	0.0%	100.0%			
All Groups			7.2%	8.7%	61.8%	7.5%	14.7%			

Building Name		Occupancy Classification	Construction Type	Year Constructed	Notes	ARCH Consultants, Ltd		
Health Center	Confidential	SN/AL/MC	CC/MF/CMU	2002		4-Jan-2023		
Edgemere Dallas, TX		Number of Units	Number of Beds	Square footage	Notes	Number of Stories		
		196	196	157,986		3 plus below grade parking deck		
Year		2022 REF	2023	2024	2025	2026	2027	Totals
Exterior		2002						
Exterior façade	2002	\$2,500	\$504,504	\$4,900	\$4,900	\$4,900	\$521,704	Good Fair Poor Comments
Roofing	2002	\$556,875	\$3,500	\$3,500	\$3,500	\$3,500	\$570,875	X
Windows	2002	\$5,000	\$5,000	\$35,000	\$5,000	\$5,000	\$55,000	x
Doors	2002					\$0		x
Parapet, Fascia, Eaves	2002	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$20,000	x
Gutters/Downspouts	2002	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$6,000	x
Sealants	2002	\$8,411	\$8,411	\$8,411	\$8,411	\$4,206	\$37,850	x
Foundation/Structural	2002					\$0		x
Lighting	2002	\$2,000					\$2,000	x
Building Frame	2002					\$0		x
Balconies and Patios	2002						\$0	x
Exterior stairs	2002					\$0		x
Misc	2002					\$0		x
Misc	2002					\$0		
Subtotals		\$0						
		\$579,986	\$526,615	\$57,011	\$27,011	\$22,806	\$1,213,429	
Interior		2002						Good Fair Poor Comments
Common Area Finishes	2002					\$0		x
Corridor Finishes	2002					\$0		x
Resident Room Finishes	2002					\$0		x
Back of House Finishes	2002					\$0		x
Misc	2002					\$0		x
Misc	2002					\$0		x
Subtotals		\$0						
		\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$50,000	
		\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$50,000	
MEPP/Vertical Transportation		2002						Good Fair Poor Comments
Mechanical	2002					\$0		x
Roof Top Equipment	2002	\$1,200,000	\$5,000	\$5,000	\$10,000	\$10,000	\$1,230,000	x
HVAC	2002	\$1,300,000	\$3,000	\$3,000	\$5,000	\$5,000	\$1,316,000	x
Piping Mechanical	2002	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$22,500	x
Electrical System	2002	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$10,000	x
Lighting	2002	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$22,500	x
Plumbing	2002	\$4,083	\$6,000	\$6,000	\$6,000	\$6,000	\$30,000	x
Valves	2002	\$826	\$1,200	\$1,200	\$1,200	\$1,200	\$6,000	x
Low Voltage	2002					\$0		x
Equipment (Built-in)	2002	\$10,000	\$10,000	\$20,000	\$25,000	\$50,000	\$115,000	x
Generator/EM Power	2002					\$0		x
Elevators	2002	\$5,000	\$5,000	\$5,000	\$192,500	\$2,000	\$209,500	x
Fire Protection	2002	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$7,500	x
Fire Alarm	2002	\$2,600	\$2,600	\$2,600	\$2,600	\$2,600	\$13,000	x
Sprinklers and Standpipes	2002	\$4,083	\$3,400	\$3,400	\$3,400	\$3,400	\$17,000	x
Misc	2002					\$0		
Medical Alert System	2002	\$196,000	\$2,500	\$2,500	\$2,500	\$2,500	\$206,000	x
Subtotals		\$18,993						
		\$2,736,700	\$51,200	\$61,200	\$260,700	\$95,200	\$3,205,000	
Grounds		2002						Good Fair Poor Comments
Stoops/Pads	2002					\$0		x
Sidewalks/Paths	2002					\$0		x
Patios/Garden	2002					\$0		x
Accessibility	2002					\$250	\$250	x
Landscaping and Appurtenances	2002					\$0		x
Lighting	2002					\$0		x
Signage	2002					\$0		x
Fencing/Screening	2002					\$0		x
Drainage/Stormwater	2002					\$0		x
Paving, Curbing, Parking	2002					\$0		x
Utilities	2002					\$0		x
Ingress and Egress	2002					\$0		x
Misc	2002					\$0		
Misc	2002					\$0		
Subtotals		\$0				\$250	\$250	
		\$0	\$0	\$0	\$0	\$250	\$4,468,679	
Building Total All Groups		\$18,993	\$3,326,686	\$587,815	\$128,211	\$297,711	\$128,256	\$4,468,679
Data per year		2022 REF	2023	2024	2025	2026	2027	
Exterior			47.8%	43.4%	4.7%	2.2%	1.9%	
Interior			20.0%	20.0%	20.0%	20.0%	20.0%	
MEP/FP/VT			85.4%	1.6%	1.9%	8.1%	3.0%	
Grounds			0.0%	0.0%	0.0%	0.0%	100.0%	
All Groups			74.4%	13.2%	2.9%	6.7%	2.9%	

Building/Area Name	
Site	
Confidential	
Edgemere	
Dallas, TX	

Acres	Impermeable Surfaces	Year Constructed	ARCH Consultants, Ltd
		2002	4-Jan-2023
Notes	Notes	Notes	

Site	Year	2022 REF	2023	2024	2025	2026	2027	Totals	Comments
Storm water / Sewer	2002		\$2,500		\$2,500		\$2,500	\$7,500	Storm water from the buildings and interior courtyards are drained into the parking garage into large sump pit areas. There are some drain connections that have separated from the downspouts from what appears to be ground settlement. Downspouts should be reconnected and areas investigated for further settlement issues.
Sanitary system	2002						\$10,000	\$10,000	
Electrical Service	2002				\$5,000			\$5,000	Utility Provided Transformers are in good condition and no reported issues
Water Service	2002			\$2,000			\$2,000	\$4,000	
Gas Service	2002						\$2,000	\$2,000	Gas Service for units is for units with fireplaces only and otherwise supports building operations for heating, laundry, kitchen, etc.
Other Utilities	2002				\$500		\$500	\$1,000	
Roadways	2002							\$0	
Concrete Walkways/Paths	2002		\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$45,000	Concrete Sidewalks are in generally good condition. There are some repairs that have been made to sections of the sidewalk. Walkways have cracking and spalling at 50-60% of expansion joints. There is also sidewalk heaving at locations by large established trees. Area by loading dock has heaved upward of two inches and should be addressed
Paver Areas			\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$12,500	Relevel/replace pavers as they settle and heave due to tree roots
Site lighting	2002		\$5,000	\$5,000	\$25,000	\$5,000	\$5,000	\$45,000	Large light posts were replaced in 2021. Smaller accent lighting is original 120V and is near the end of its useful life.
IL Guest Parking/Entry Drive	2002		\$10,000	\$10,000	\$217,429			\$237,429	Signs of stamped concrete pitting and cracking. Sections have been previously repaired. Brick accents are in good condition will little wear or settling.
Health Center Guest Parking/Entry	2002					\$3,000		\$3,000	Parking lot and drive in good condition. Previous patched sections overlap and should be monitored for future issues. Parking restriping will need to be done in the next 5 years
Pergolas	2002	\$72,000		\$72,000		\$72,000		\$144,000	There are several pergolas throughout the site. Some are made from cedar, a combination of cedar and metal and a combination of cedar and metal with stone column enclosures.
Fencing/Screening	2002		\$97,500				\$5,000	\$102,500	Fence paint flaking with rust showing through. Sections of fence have rusted through at post connection and need to be repaired/replaced. This is particularly prevalent at the high retaining wall section behind building 9.
Retaining	2002	\$20,000	\$50,000	\$50,000	\$50,000	\$30,000	\$10,000	\$190,000	Retaining walls show areas of previous repair, cracking and deterioration of mortar. Some previous repairs have begun splitting apart again. This is particularly prevalent at two story retaining walls.
Stairs/Rails	2002		\$2,500			\$2,500		\$5,000	Stairs have signs of wear and cracking. Stair rails have flaking paint and signs of rust. Some rails have started rusting through at connection to concrete.
Landscaping	2002	\$79,967	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$50,000	Landscaping is in good condition. Edgemere plans to undertake a \$680K investment to bring the grounds back up to previous award winning levels over several years. There are signs of site settlement and ground pitching back toward buildings in select locations that should be addressed
Signage	2002						\$10,000	\$10,000	Signage is in good condition but will need periodic maintenance over the next 5 years
Water Fountains	2002		\$25,000	\$1,200		\$1,200		\$27,400	
Water Feature/Pond	2002		\$15,000		\$5,000		\$5,000	\$25,000	
Paving & Curbing	2002					\$5,000		\$5,000	Curbs are in generally good condition. Painted sections will need to be redone in next 3-5 years in East Commons Guest lot, included in Striping
Parking/Striping	2002				\$1,000	\$5,000		\$6,000	Striping. Crosswalk and curb painting are in fair condition and will need to be redone in next 2-5 years at loading dock
Exterior Fountains	2002		\$10,000			\$10,000		\$20,000	Fountains are in overall fair condition but will require maintenance and upkeep. Some fountains in the retaining walls show signs of water seepage and not all water spouts are in working order.
Bench Replacement	2002							\$0	
Subtotals		\$171,967	\$239,000	\$161,700	\$327,929	\$155,200	\$73,500	\$957,329	

Data per year	2022 REF
Site	

2023	2024	2025	2026	2027	Totals
25.0%	16.9%	34.3%	16.2%	7.7%	100.0%

2. Site Visit Photographs

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East Commons – Drive



East Commons – Canopy Column cladding



East Common – Parking Canopy



East Commons - Exterior



East Commons – Tile Roof



East Commons – Façade

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East Commons – Interior Entry



East Commons – Library



East Commons – Performing Arts Center



East Commons – Performing Arts Center Ceiling



East Commons – Corridor



East Commons – Main Entry

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West Commons - Exterior



West Commons - Exterior



West Commons - Exterior



West Commons - Exterior



West Commons - Exterior



West Commons - Pool Roof and Skylight

BAY000117

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West Commons – Gutter and Parapit



West Commons – Exterior Façade Cracking



West Commons – Flat Roof



West Commons – Flat Roof Exhaust



West Commons – Flat Roof



West Commons – Air Handler

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West Commons – Large Air Handler



West Commons – Built in Refrigerator and Freezer Compressors



West Commons – Greenhouse Air Handler



West Commons – Greenhouse Roof



West Commons – Greenhouse Air Handler



West Commons – Greenhouse Interior

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West Commons – Interior – Main Stairway



West Commons – Interior – Main Stairway



West Commons – Interior – Upper Dining Room



West Commons – Interior – Upper Dining



West Commons – Interior – Upper Dining Serverly



West Commons – Interior – Corridor

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West Commons – Interior – Kitchen



West Commons – Interior – Kitchen



West Commons – Interior – Refrigerator



West Commons – Interior – Lower Dining



West Commons – Interior – Bar



West Commons – Interior – Lower Dining BAY000122

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West Commons – Interior – Party Room



West Commons – Interior – Pool Room



West Commons – Interior – Crafts Room



West Commons – Interior – Conference Center



West Commons – Interior – Wine Room



West Commons – Interior – Exercise Room

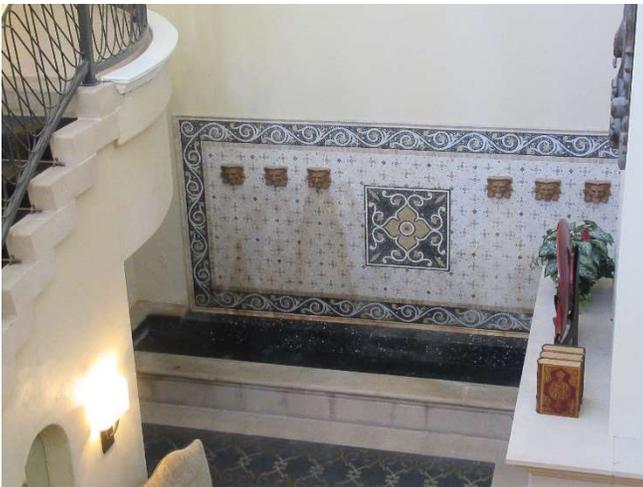
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West Commons – Interior – Pool



West Commons – Interior – Locker Room



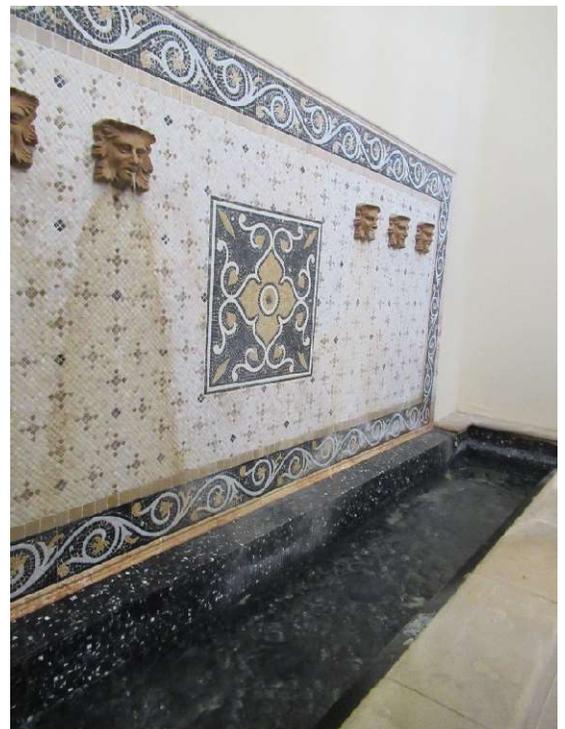
West Commons – Interior – Main Stairway Fountain



West Commons – Interior – Main Stairway



West Commons – Interior – Main Stairway Fountain



West Commons – Interior – Main Stairway Fountain

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West Commons – Interior – Back of House



West Commons – Interior – Laundry



West Commons – Interior – Main Stairway



West Commons – Interior – Main Stairway



West Commons – Interior – Main Stairway



West Commons – Interior – Main Stairway

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West Commons – Interior – Elevator Machine Room



West Commons – Interior – Elevator Machine Room



West Commons – Interior – Elevator Machine Room



West Commons – Interior – Electrical Room ATS



West Commons – Interior – Electrical Room ATS



West Commons – Interior – BAY 000126

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West Commons – Generator



West Commons – Generator



West Commons – Fire Pump Room



West Commons – Interior – Fire Pump Room



West Commons – Interior – Fire Pump Room



West Commons – Interior – BAY000127

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Site – Water Feature



Site – Walkway



Site – Retaining Wall



Site – Water Feature



Site – Retaining Wall



Site – Retaining Wall

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Site – Main Drive



Site – Main Drive



Site – Main Drive



Site – Landscaping and Walkway



Site – Pergola



Site – Landscaping and Walkway

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Unit – Non Renovated – Living Room



Unit – Non Renovated – Bedroom



Unit – Non Renovated – Kitchen



Unit – Non Renovated – Kitchen



Unit – Non Renovated – Bathroom



Unit – Non Renovated – Bathroom

BAY000130

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Facility Assessment Report
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Unit – Model Unit – Living Room



Unit – Model Unit – Living Room/Kitchen



Unit – Model Unit – Kitchen



Unit – Model Unit – Bathroom



Unit – Model Unit – Bedroom



Unit – Model Unit – Bathroom

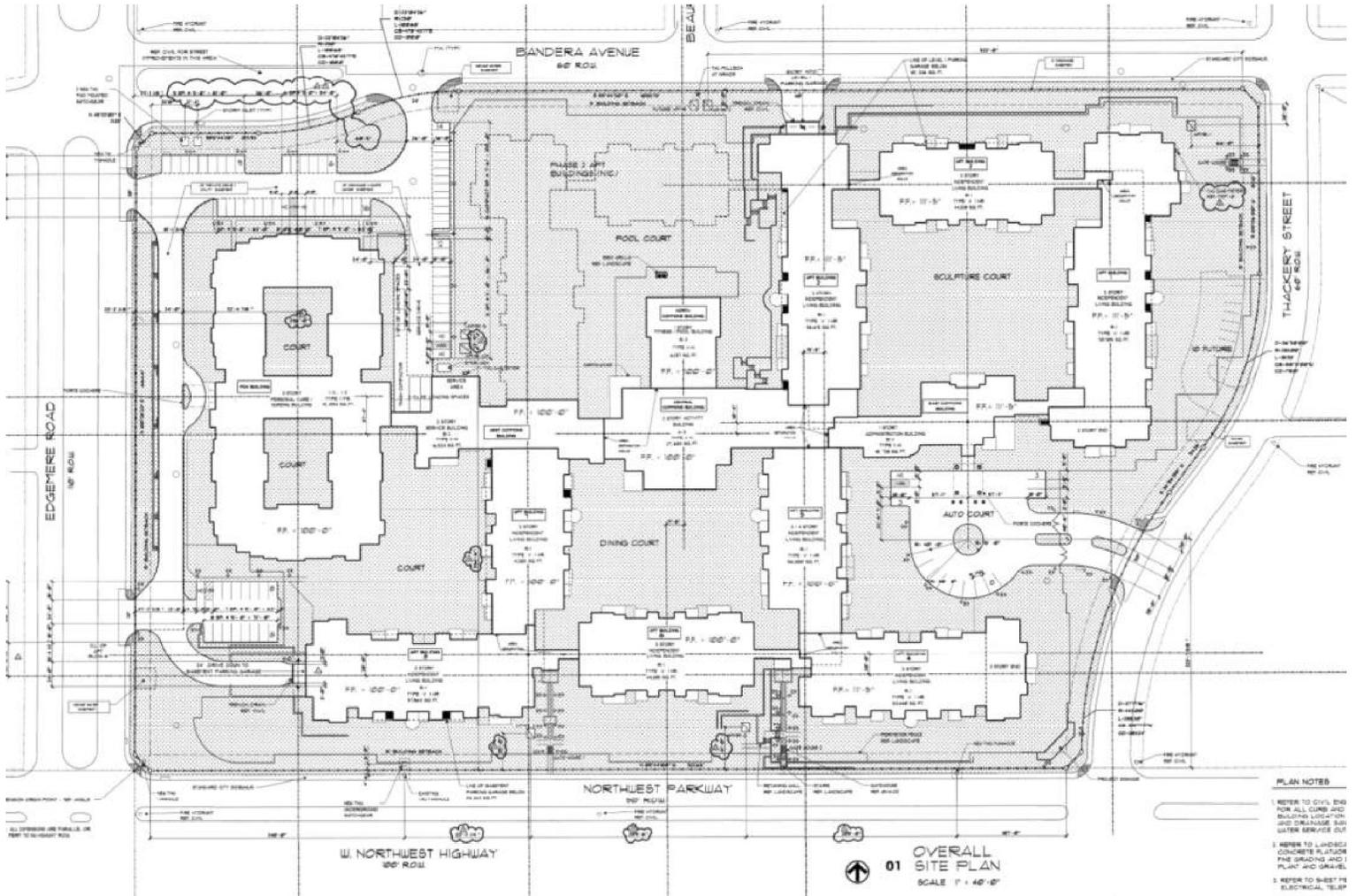
BAY000131

3. Site Plan with Building Labels

CONFIDENTIAL

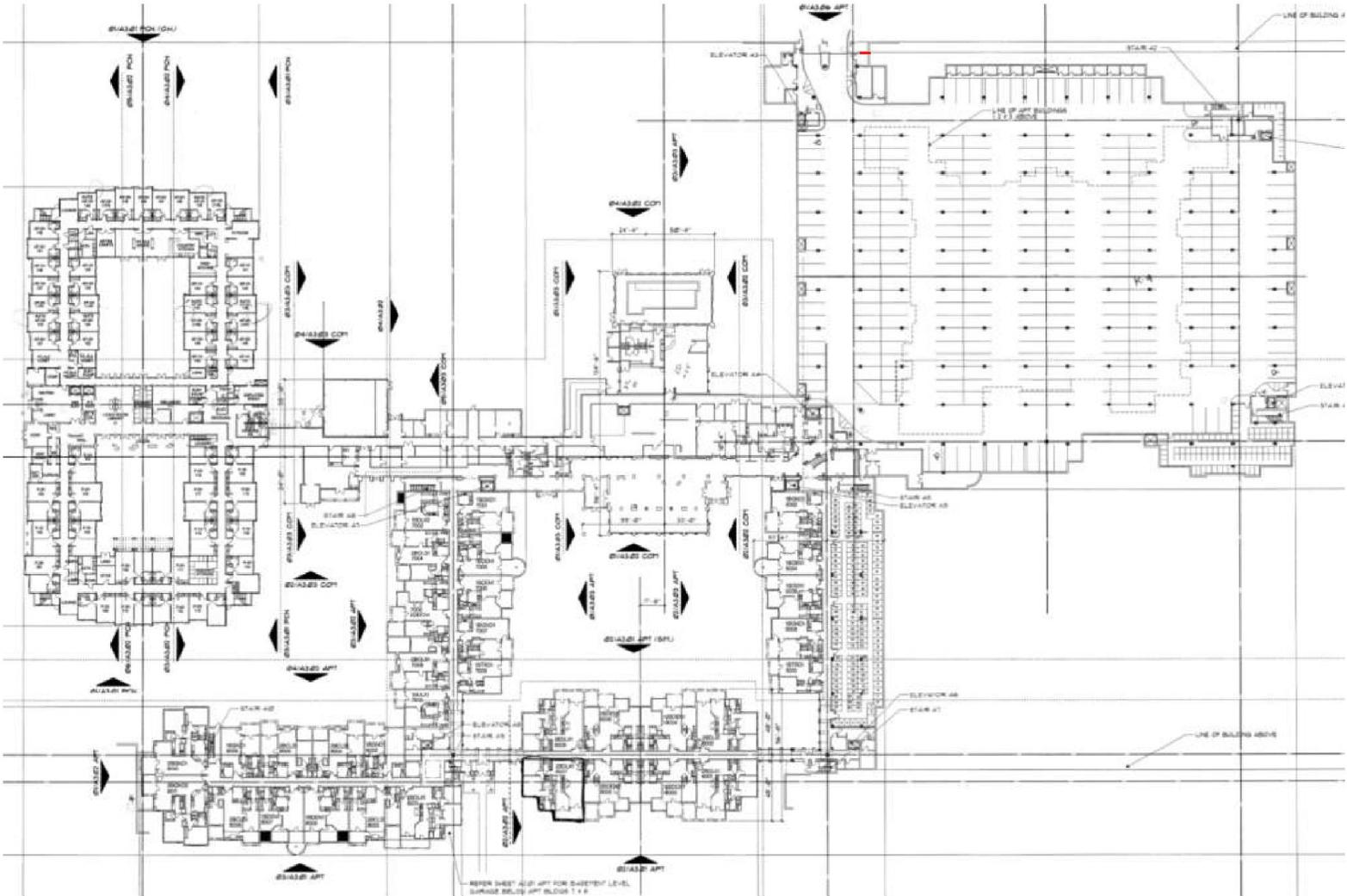
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Site Plan:



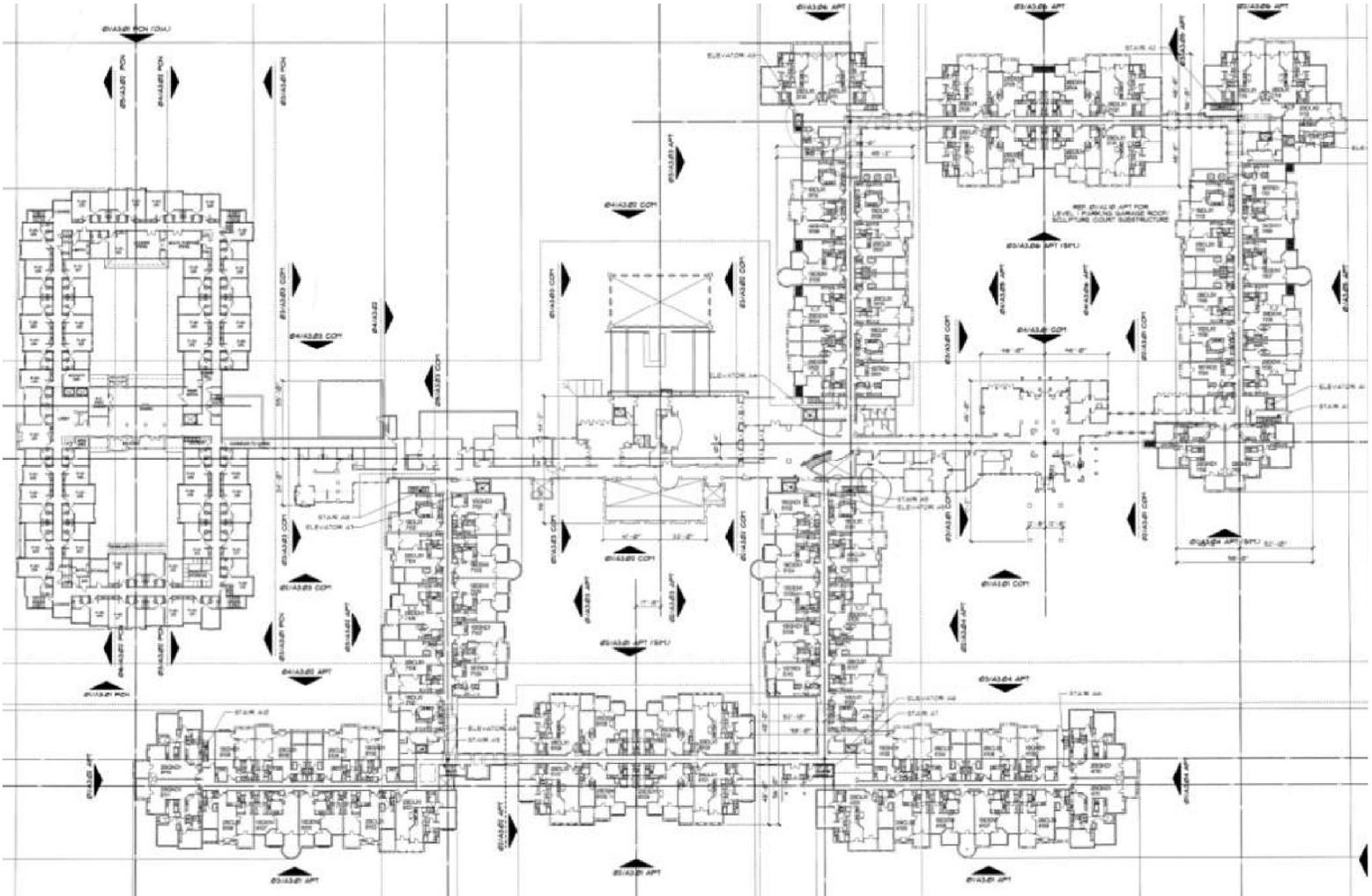
IL/AL/SNF/MC Building

Ground Level Plan:



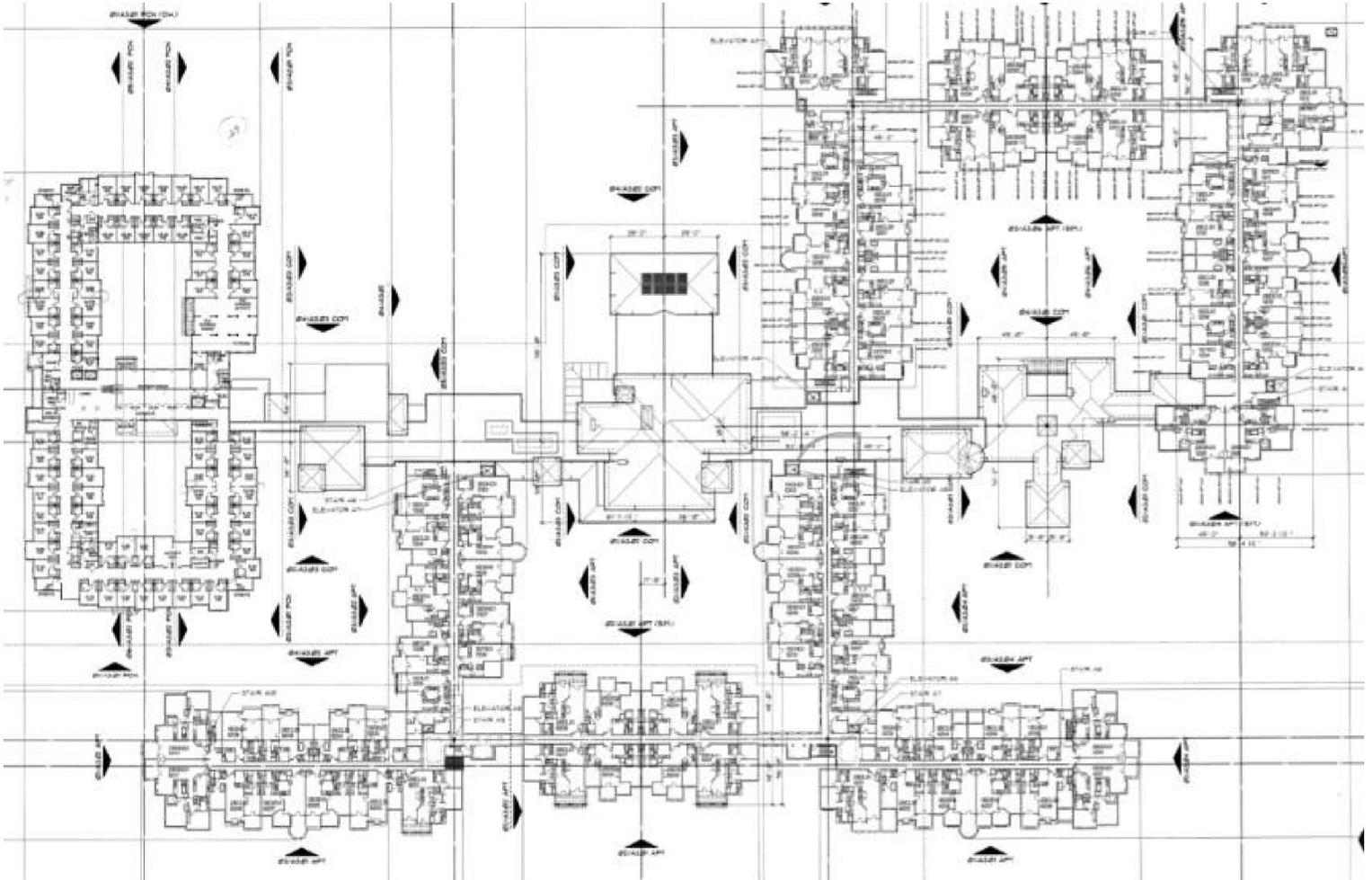
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2nd Level Plan:



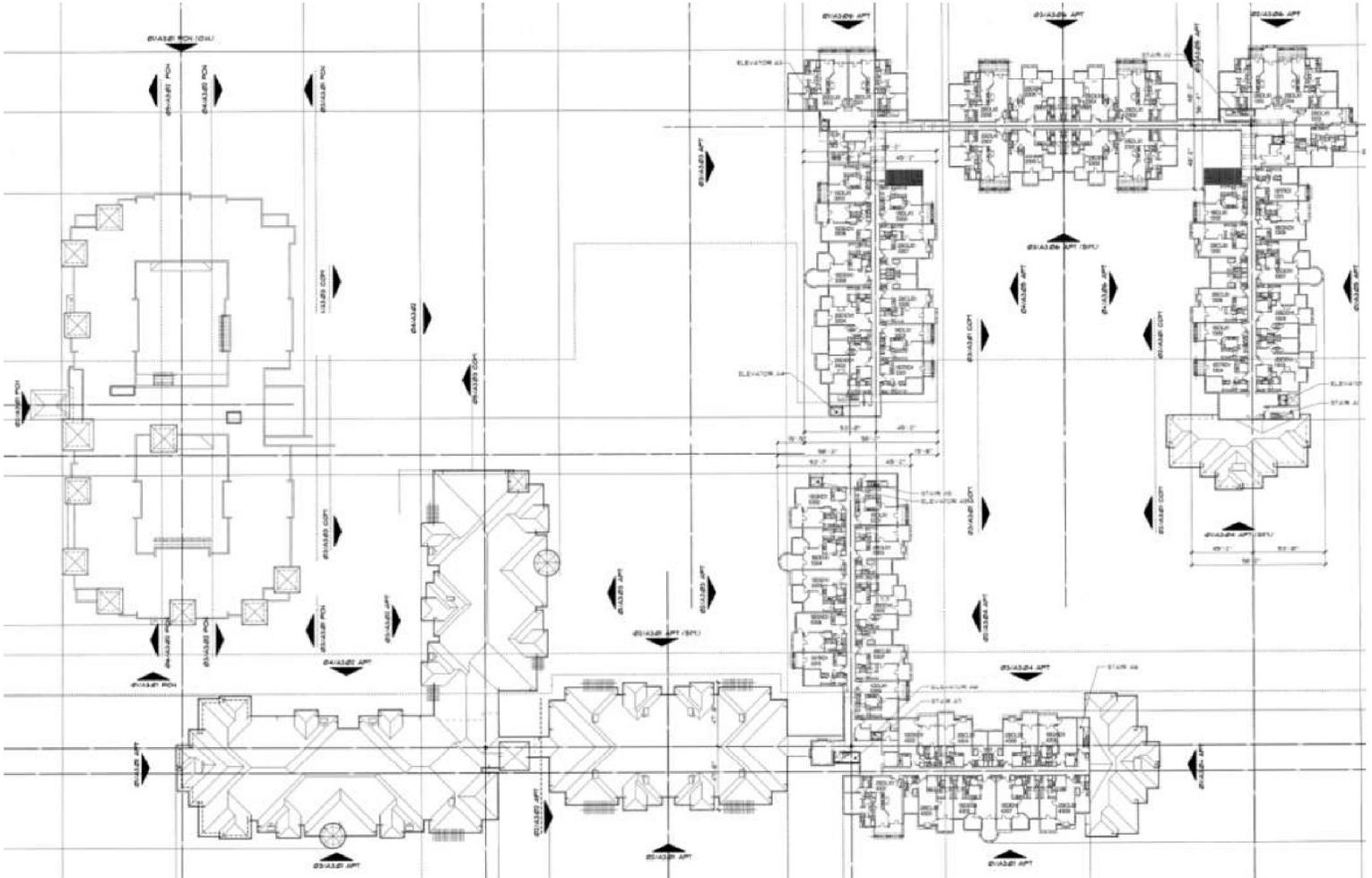
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3rd Level Plan:



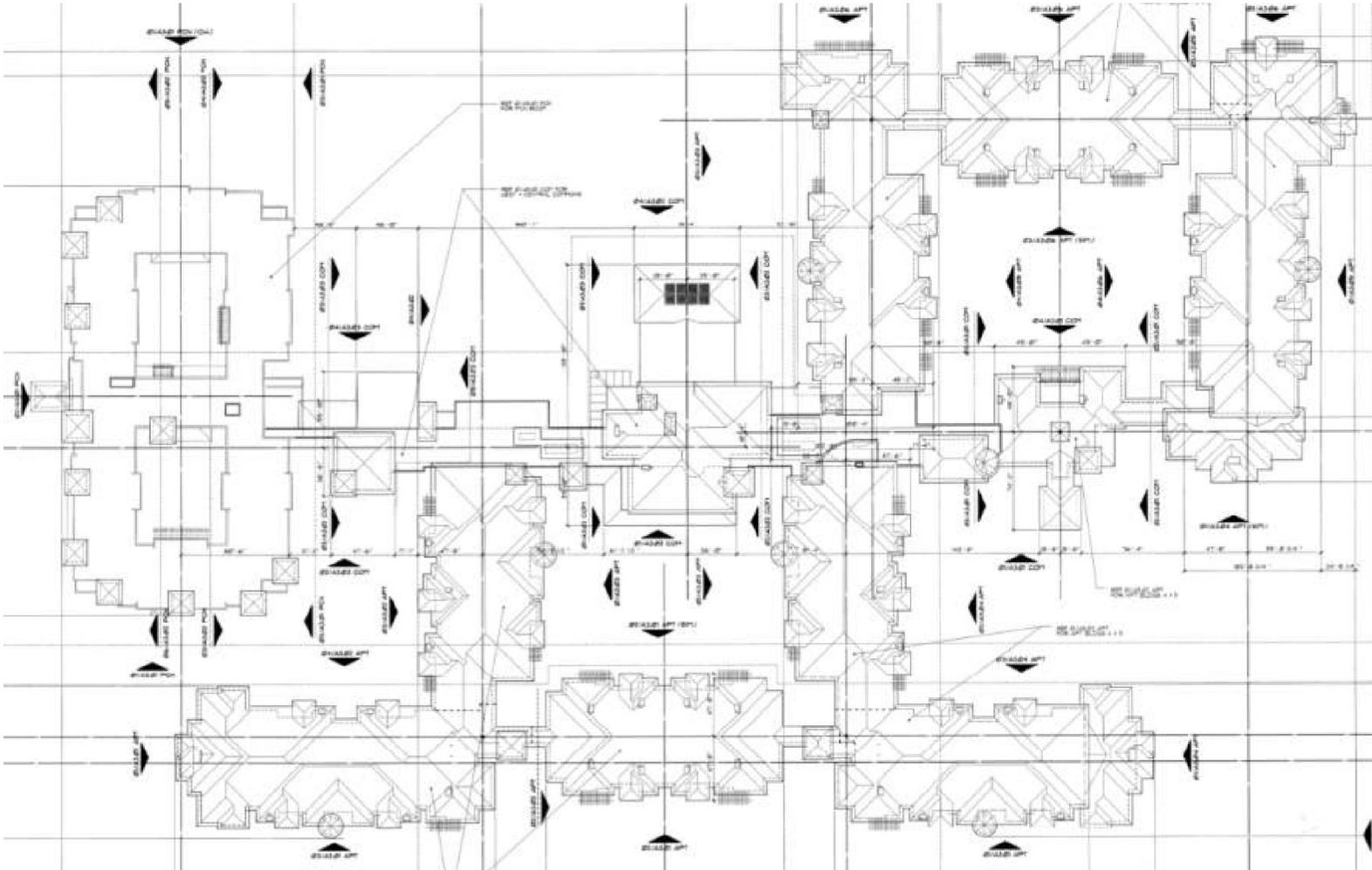
IL/AL/SNF/MC Building

4th Level Plan:



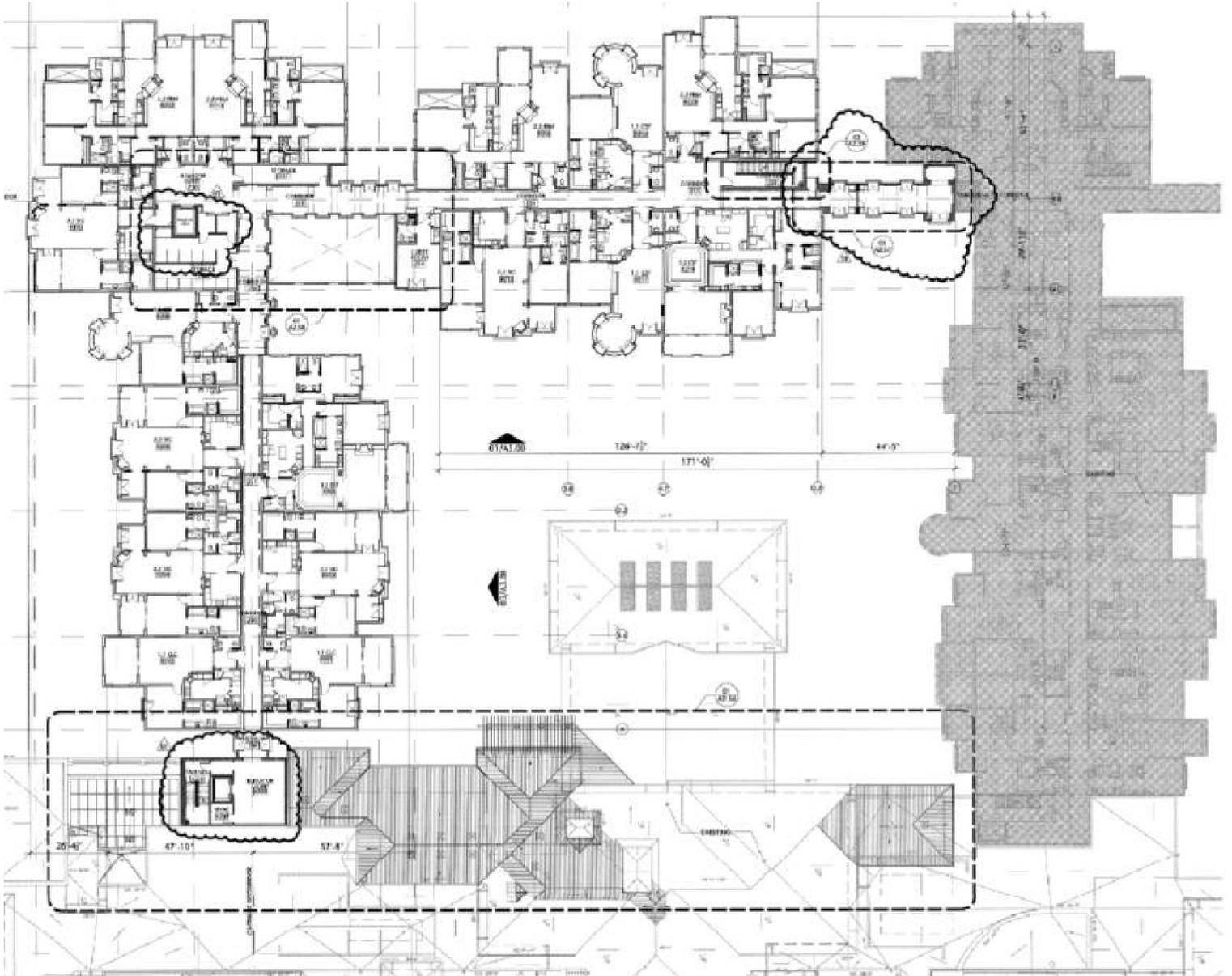
IL/AL/SNF/MC Building

Roof Plan:



IL/AL/SNF/MC Building

Phase II IL Second Level Floor Plan :



IL/AL/SNF/MC Building

Phase II IL Third Level Floor Plan:

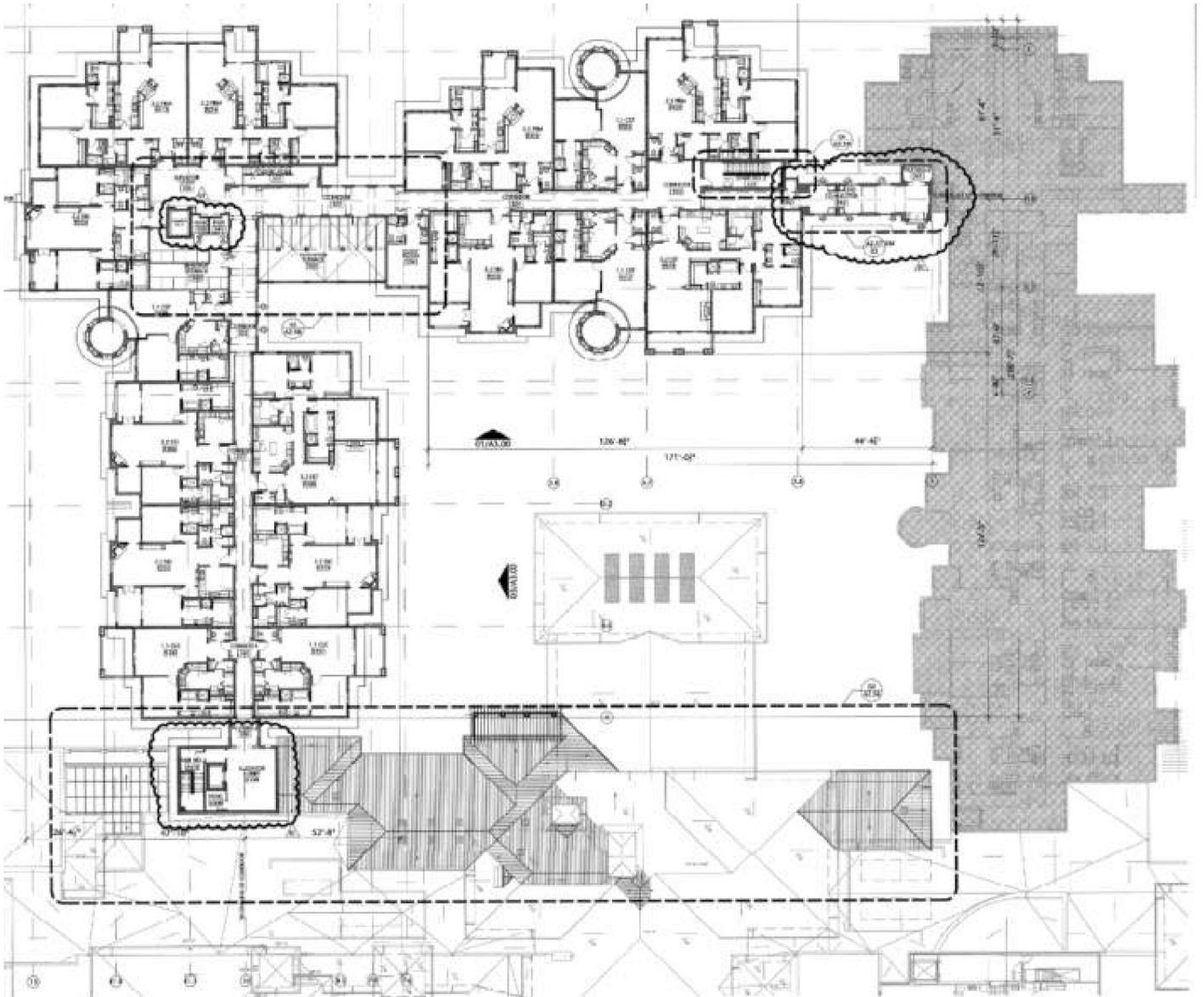


Exhibit 15



Designation: E2018 – 15

Standard Guide for Property Condition Assessments: Baseline Property Condition Assessment Process¹

This standard is issued under the fixed designation E2018; the number immediately following the designation indicates the year of original adoption or, in the case of revision, the year of last revision. A number in parentheses indicates the year of last reappraisal. A superscript epsilon (ϵ) indicates an editorial change since the last revision or reappraisal.

1. Scope

1.1 *Purpose*—The purpose of this guide is to define good commercial practice in the United States of America for conducting a baseline *property condition assessment* (PCA) of the improvements located on a parcel of commercial real estate by performing a walk-through survey and conducting research as outlined within this guide.

1.1.1 *Physical Deficiencies*—In defining good commercial and customary practice for conducting a baseline PCA, the goal is to identify and communicate physical deficiencies to a user. The term *physical deficiencies* includes the presence of conspicuous defects and material deferred maintenance of a subject property's material systems, components, or equipment as observed during completion of the PCA. This definition specifically excludes deficiencies that may be remedied with routine maintenance, miscellaneous minor repairs, normal operating maintenance, etc., and excludes de minimis conditions that generally do not present material physical deficiencies of the subject property.

1.1.2 *Walk-Through Survey*—This guide outlines procedures for conducting a walk-through survey to identify the subject property's physical deficiencies, and recommends various systems, components, and equipment that should be observed by the field observer and reported in the *property condition report* (PCR).

1.1.3 *Document Reviews and Interviews*—The scope of this guide includes document reviews, research, and interviews to augment the walk-through survey so as to assist the consultant's understanding of the subject property and identification of physical deficiencies.

1.1.4 *Property Condition Report*—The work product resulting from completing a PCA in accordance with this guide is a Property Condition Report (PCR). The PCR incorporates the information obtained during the Walk-Through Survey, the Document Review and Interviews sections of this guide, and

includes Opinions of Costs for suggested remedies of the physical deficiencies identified.

1.2 *Objectives*—Objectives in the development of this guide are to: (1) define good commercial and customary practice for the PCA of primary commercial real estate improvements; (2) facilitate consistent and pertinent content in PCRs; (3) develop pragmatic and reasonable recommendations and expectations for site observations, document reviews and research associated with conducting PCAs and preparing PCRs; (4) establish reasonable expectations for PCRs; (5) assist in developing an industry baseline standard of care for appropriate observations and research; and (6) recommend protocols for consultants for communicating observations, opinions, and recommendations in a manner meaningful to the user.

1.3 *Considerations Beyond Scope*—The use of this guide is strictly limited to the scope set forth in this section. Section 11 and Appendix X1 of this guide identify, for informational purposes, certain physical conditions that may exist on the subject property, and certain activities or procedures (not an all inclusive list) that are beyond the scope of this guide but may warrant consideration by parties to a commercial real estate transaction to enhance the PCA.

1.4 *Organization of This Guide*—This guide consists of several sections, an Annex and two (2) Appendixes. Section 1 is the Scope. Section 2 on Terminology contains definitions of terms both unique to this guide and not unique to this guide, and acronyms. Section 3 sets out the Significance and Use of this guide, and Section 4 describes the User's Responsibilities. Sections 5 through 10 provide guidelines for the main body of the PCR, including the scope of the Walk-Through Survey, preparation of the Opinions of Costs to Remedy Physical Deficiencies, and preparation of the PCR. Section 11 provides additional information regarding out of scope considerations (see 1.3). Annex A1 provides requirements relating to specific asset types, and where applicable, such requirements are to be considered as if integral to this guide. Appendix X1 provides the user with additional PCA scope considerations, whereby a user may increase this guide's scope of due diligence to be exercised by the consultant beyond this guide's baseline level. Appendix X2 and Appendix X3 outline the approach to Accessibility Surveys.

¹ This guide is under the jurisdiction of ASTM Committee E50 on Environmental Assessment, Risk Management and Corrective Action and is the direct responsibility of Subcommittee E50.02 on Real Estate Assessment and Management.

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1.5 *Multiple Buildings*—Should the subject property consist of multiple buildings, it is the intent of this guide that only a single PCR be produced by the consultant to report on all of the primary commercial real estate improvements.

1.6 *Safety Concerns*—This guide does not purport to address all of the safety concerns, if any, associated with the walk-through survey. It is the responsibility of the consultant using this guide to establish appropriate safety and health practices when conducting a PCA.

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2. Terminology

2.1 This section provides definitions, descriptions of terms, and a list of acronyms, where applicable, for the words used in this guide. The terms are an integral part of the guide and are critical to an understanding of this guide and its use.

2.2 Definitions:

2.2.1 *architect, n*—designation reserved by law for a person professionally qualified, examined, and registered by the appropriate governmental board having jurisdiction, to perform architectural services.

2.2.2 *architecture, n*—professional services conducted by an architect in connection with the design and construction of buildings, or built environments

2.2.3 *building codes, n*—rules and regulations adopted by the governmental authority having jurisdiction over the commercial real estate, which govern the design, construction, alteration, and repair of such commercial real estate.

2.2.4 *building department records, n*—records maintained by or in possession of the local government authority with jurisdiction over the construction, alteration, use, or demolition of improvements on the subject property. Building department records also may include building code violation notices.

2.2.5 *building systems, n*—interacting or independent components or assemblies, which form single integrated units that comprise a building and its site work, such as, pavement and flatwork, structural frame, roofing, exterior walls, plumbing, HVAC, electrical, etc.

2.2.6 *component, n*—a portion of a building system, piece of equipment, or building element.

2.2.7 *dismantling, n*—to take apart, move, or remove any component, device, or piece of equipment that is bolted, screwed, held in-place (mechanically or by gravity), secured, or fastened by other means.

2.2.8 *engineer, n*—designation reserved by law for a person professionally qualified, examined, and licensed by the appropriate governmental board having jurisdiction, to perform engineering services.

2.2.9 *engineering, n*—analysis or design work conducted by an engineer requiring extensive formal education, preparation, and experience in the use of mathematics, chemistry, physics, and the engineering sciences.

2.2.10 *fire department records, n*—records maintained by or in the possession of the local fire department having jurisdiction over the subject property.

2.2.11 *guide, n*—a series of options and instructions that do not recommend a specific course of action.

2.2.12 *interviews, n*—discussions with those knowledgeable about the subject property.

2.2.13 *material, adj*—having significant importance or great consequence.

2.2.14 *practice, n*—a definitive procedure for performing one or more specific operations or functions that does not produce a test result.

2.2.15 *publicly available, adj*—the source of the information allows access to the information by anyone upon request.

2.2.16 *recreational facilities, n*—facilities for exercise, entertainment or athletics including, without limitation, swimming pools, spas, saunas, steam baths, tennis, volleyball, or basketball courts; jogging, walking, or bicycle paths; and playground equipment.

2.2.17 *structural frame, n*—the components or building system that supports the building's nonvariable forces or weights (dead loads) and variable forces or weights (live loads).

2.2.18 *standard, n*—Where used in reference to ASTM documents, a standard is a document that has been developed and established within the consensus principles of ASTM International and that meets the approval of the applicable procedures and regulations. The term is otherwise used as commonly defined.

2.2.19 *system, n*—a combination of interacting or interdependent components assembled to carry out one or more functions.

2.3 *Definitions of Terms Specific to This Standard:*

2.3.1 *actual knowledge, n*—the knowledge possessed by an individual rather than an entity. Actual knowledge, as used in this guide, is to be distinguished from knowledge provided by others, or information contained on documents obtained during the course of conducting a PCA.

2.3.2 *appropriate inquiry, n*—a request for information conducted by Freedom of Information Letter (FOIL), verbal request, or by other written request made either by fax, electronic mail, overnight courier, or U.S. mail. *Appropriate inquiry* includes a good-faith effort conducted by the consultant to obtain the information considering the time constraints to prepare and deliver the PCR.

2.3.3 *base building, n*—the core (common areas) and shell of the building and its systems that typically are not subject to improvements to suit tenant requirements.

2.3.4 *baseline, n*—the minimum level of observations, due diligence, inquiry/research, documentation review, and prepa-

ration of opinions of costs to remedy material physical deficiencies for conducting a PCA as described in this guide.

2.3.5 *building envelope, n*—the enclosure of the building that protects the building's interior from outside elements, namely the exterior walls, roof and soffit areas.

2.3.6 *commercial real estate, n*—improved real property, except a dwelling or property with four or less dwelling units exclusively for residential use. This term includes, but is not limited to, improved real property used for industrial, retail, office, hospitality, agriculture, other commercial, medical, or educational purposes; property used for residential purposes that has more than four residential dwelling units; and property with four or less dwelling units for residential use when it has a commercial function, as in the operation of such dwellings for profit.

2.3.7 *commercial real estate transaction, n*— a transfer of title to or possession of improved real property or receipt of a security interest in improved real property, except that it does not include transfer of title to or possession of improved real property with respect to an individual dwelling or building containing four or less dwelling units.

2.3.8 *consultant, n*—the entity or individual that is responsible for completion of the PCR.

2.3.9 *dangerous or adverse conditions, n*— conditions that may pose a threat or possible injury to the field observer, and which may require the use of special protective clothing, safety equipment, access equipment, or any other precautionary measures.

2.3.10 *de minimis condition*—a physical deficiency that is not material to the conclusions of the report.

2.3.11 *deferred maintenance, n*—physical deficiencies that could have been remedied with routine maintenance, normal operating maintenance, etc., excluding de minimis conditions that generally do not present a material physical deficiency to the subject property.

2.3.12 *due diligence, n*—an investigation of the physical condition of a subject property in connection with a commercial real estate transaction. The degree and type of the investigation may vary for different properties, different user purposes, and time allotted.

2.3.13 *easily visible, adj*—describes items, components, and systems that are conspicuous, patent, and which may be observed visually during the walk-through survey without: intrusion, relocation or removal of materials, exploratory probing, use of special protective clothing, or use of any equipment (hand tools, meters of any kind, telescope instruments, stools, ladders, lighting devices, etc.).

2.3.14 *effective age, n*—the estimated age of a building component that considers actual age as affected by maintenance history, location, weather conditions, and other factors. Effective age may be more or less than actual age.

2.3.15 *expected useful life (EUL), n*—the average amount of time in years that an item, component or system is estimated to function without material repair when installed new and assuming routine maintenance is practiced.

2.3.16 *field observer, n*—the individual that conducts the walk-through survey.

2.3.17 *immediate costs, n*—opinions of costs that require immediate action as a result of any of the following: (1) material existing or potentially unsafe conditions, (2) material building or fire code violations, or (3) physical deficiencies that if left uncorrected would be expected to result in or contribute to critical element or system failure within one year or will result most probably in a significant escalation of its remedial cost.

2.3.18 *observation, n*—the visual survey of items, systems, conditions, or components that are readily accessible and easily visible during a walk-through survey of the subject property.

2.3.19 *observe, v*—to conduct an observation pursuant to this guide within the context of easily visible and readily accessible.

2.3.20 *obvious, adj*—plain, evident, and readily accessible; a condition easily visible or fact not likely to be ignored or overlooked by a field observer when conducting a walk-through survey or that which is practically reviewable and would be understood easily by a person conducting the PCA.

2.3.21 *opinions of costs, n*—opinion of costs that may be encountered in correction of physical deficiencies.

2.3.22 *owner, n*—the entity holding the title to the commercial real estate that is the subject of the PCA.

2.3.23 *PCR reviewer, n*—the individual that both exercises responsible control over the field observer and who reviews the PCR prior to delivery to the user.

2.3.24 *physical condition, n*—the physical state of a property, system, component or piece of equipment. Within the context of the assessment, the consultant may offer opinions of the physical condition of the property, or of systems, components and equipment observed. Such opinions commonly employ terms such as good, fair and poor; though additional terms such as excellent, satisfactory and unsatisfactory may also be used.

2.3.24.1 *good condition*—in working condition and does not require immediate or short term repairs above an agreed threshold*

2.3.24.2 *fair condition*—in working condition, but may require immediate or short term repairs above an agreed threshold*

2.3.24.3 *poor condition*—not in working condition or requires immediate or short term repairs substantially above an agreed threshold*

2.3.24.4 *Discussion*—*The agreed threshold is presumed to be the *de minimis* reporting threshold unless otherwise specified.

2.3.24.5 *Discussion*—Where used to describe the physical condition of a property, system, component or piece of equipment, the terms good, fair and poor shall have the following meaning: Where used to describe the physical condition of a property or system, the opinion is intended to reflect predominant condition of the property or system. For example, an air conditioning system may be in good condition

despite a requirement to replace a limited number of units. Alternatively, a range of conditions may be described by combining terms such as “good to fair”, or “fair to poor.” Where conditions are not uniform, an explanation of the various disparate conditions shall be included in the report. Terms not defined above shall be defined in the report or agreement for services.

2.3.24.6 *Discussion*—Terms not defined above shall be defined in the report or agreement for services.

2.3.25 *physical deficiency, n*—a conspicuous defect or deferred maintenance of a subject property’s material systems, components, or equipment as observed during completion of the PCA.

2.3.25.1 *Discussion*—This definition specifically excludes deficiencies that may be remedied with routine maintenance, miscellaneous minor repairs, normal operating maintenance, etc., and excludes *de minimis* conditions that generally do not present material physical deficiencies of the subject property.

2.3.26 *Point of Contact (POC)*—owner, owner’s agent, or user-identified person or persons knowledgeable about the physical characteristics, maintenance, and repair of the subject property.

2.3.27 *practically reviewable, adj*—describes information that is provided by the source in a manner and form that, upon review, yields information relevant to the subject property without the need for significant analysis, measurements, or calculations. Records or information that feasibly cannot be retrieved by reference to the location of the subject property are not generally considered practically reviewable.

2.3.28 *primary commercial real estate improvements, n*—the site and building improvements that are of fundamental importance with respect to the commercial real estate. This definition specifically excludes ancillary structures, that may have been constructed to provide support uses such as maintenance sheds, security booths, utility garages, pool filter and equipment buildings, etc.

2.3.29 *property, n*—the site improvements, which are inclusive of both site work and buildings.

2.3.30 *property condition assessment (PCA), v*—the process by which a person or entity observes a property, interviews sources, and reviews available documentation for the purpose of developing an opinion and preparing a PCR.

2.3.31 *property condition report (PCR), n*—a written report, prepared in accordance with the recommendations contained in this guide, documenting the observations and opinions developed during completion of the assessment.

2.3.32 *readily accessible, adj*—describes areas of the subject property that are promptly made available for observation by the field observer at the time of the walk-through survey and do not require the removal or relocation of materials or personal property, such as furniture, floor, wall, or ceiling coverings; and that are safely accessible in the opinion of the field observer.

2.3.33 *readily available, adj*—describes information or records that are easily and promptly provided to the consultant

upon making a request in compliance with an appropriate inquiry and without the need for the consultant to research archive files.

2.3.34 *reasonably ascertainable, adj*—describes information that is publicly available, as well as readily available, provided to the consultant's offices from either its source or an information research/retrieval service within reasonable time, practically reviewable, and available at a nominal cost for either retrieval, reproduction or forwarding.

2.3.35 *remaining useful life (RUL), n*—a subjective estimate based upon observations, or average estimates of similar items, components, or systems, or a combination thereof, of the number of remaining years that an item, component, or system is estimated to be able to function in accordance with its intended purpose before warranting replacement. Such period of time is affected by the initial quality of an item, component, or system, the quality of the initial installation, the quality and amount of preventive maintenance exercised, climatic conditions, extent of use, etc.

2.3.36 *representative observations, n*—observations of a reasonable number of samples of repetitive systems, components, areas, etc., which are conducted by the field observer during the walk-through survey. The concept of representative observations extends to all conditions, areas, equipment, components, systems, buildings, etc., to the extent that they are similar and representative of one another.

2.3.37 *routine maintenance, n*—a repair that does not require specialized equipment, professional services, or contractors, but rather can be corrected within the budget and skill set of typical property maintenance staff.

2.3.38 *short-term costs, n*—opinions of costs to remedy physical deficiencies, such as deferred maintenance, that may not warrant immediate attention, but require repairs or replacements that should be undertaken on a priority basis in addition to routine preventive maintenance.

2.3.39 *shutdown, adj*—equipment, components, or systems that are not operating at the time of the field observer's walk-through survey.

2.3.40 *site visit, n*—the visit to the subject property during which observations are made pursuant to the walk-through survey section of this guide.

2.3.41 *specialty consultants, n*—individuals or entities in the fields of life safety, security, engineering, or in any particular building component, equipment, or system that have acquired detailed, specialized knowledge and experience in the design, evaluation, operation, repair, or installation of same.

2.3.42 *subject building, n*—referring to the primary building or buildings on the subject property, and that are within the scope of PCA.

2.3.43 *subject property, n*—the commercial real estate consisting of the site and primary real estate improvements that are the subject of the PCA described by this guide.

2.3.44 *suggested remedy, n*—an opinion as to a course of action to remedy or repair a physical deficiency. Such an opinion may also be to conduct further research or testing for

the purposes of discovery to gain a better understanding of the cause or extent of a physical deficiency (whether observed or highly probable) and the appropriate remedial or reparatory response. A suggested remedy may be preliminary and does not preclude alternate methods or schemes that may be more appropriate to remedy the physical deficiency or that may be more commensurate with the user's requirements.

2.3.45 *survey, n*—observations made by the field observer during a walk-through survey to obtain information concerning the subject property's readily accessible and easily visible components or systems.

2.3.46 *technically exhaustive, adj*—describes the use of measurements, instruments, testing, calculations, exploratory probing or discovery, or other means to discover, or a combination thereof, or troubleshoot physical deficiencies or develop architectural or engineering findings, conclusions, and recommendations, or combination thereof.

2.3.47 *timely access, n*—entry provided to the consultant at the time of the site visit.

2.3.48 *user, n*—the party that retains the consultant for the preparation of the PCA.

2.3.49 *walk-through survey, n*—conducted during the field observer's site visit of the subject property, that consists of nonintrusive visual observations, survey of readily accessible, easily visible components and systems of the subject property. This survey is described fully in Section 8. Concealed physical deficiencies are excluded. It is the intent of this guide that such a survey should not be considered technically exhaustive. It excludes the operation of equipment by the field observer and is to be conducted without the aid of special protective clothing, exploratory probing, removal or relocation of materials, testing, or the use of equipment, such as ladders (except as required for roof access), stools, scaffolding, metering/testing equipment, or devices of any kind, etc. It is literally the field observer's visual observations while walking through the subject property.

2.4 *Abbreviations and Acronyms:*

2.4.1 *ADA, n*—The Americans with Disabilities Act.

2.4.2 *ASTM, n*—ASTM International.

2.4.3 *BOMA, n*—Building Owners and Managers Association.

2.4.4 *BUR, n*—Built-up Roofing.

2.4.5 *EIFS, n*—Exterior Insulation and Finish System.

2.4.6 *EMF, n*—Electro Magnetic Fields.

2.4.7 *EMS, n*—Energy Management System.

2.4.8 *EUL, n*—Expected Useful Life.

2.4.9 *FEMA, n*—Federal Emergency Management Agency.

2.4.10 *FHA, n*—Fair Housing Act.

2.4.11 *FIRMS, n*—Flood Insurance Rate Maps.

2.4.12 *FOIA, n*—U.S. Freedom of Information Act (5 USC 552 et seq.) and similar state statutes.

2.4.13 *FOIL*—Freedom of Information Letter.

2.4.14 *FM*—Factory Mutual.

- 2.4.15 *HVAC*—Heating, Ventilating and Air Conditioning.
- 2.4.16 *IAQ*—Indoor Air Quality.
- 2.4.17 *NFPA*—National Fire Protection Association.
- 2.4.18 *PCA*—Property Condition Assessment
- 2.4.19 *PCR*—Property Condition Report.
- 2.4.20 *PML*—Probable Maximum Loss.
- 2.4.21 *RTU, n*—Rooftop Unit.
- 2.4.22 *RUL, n*—Remaining Useful Life.
- 2.4.23 *STC, n*—Sound Transmission Class.

3. Significance and Use

3.1 *Use*—This guide is intended for use on a voluntary basis by parties who desire to obtain a baseline PCA of commercial real estate. This guide also recognizes that there are varying levels of property condition assessment and due diligence that can be exercised that are both more and less comprehensive than this guide, and that may be appropriate to meet the objectives of the user. Users should consider their requirements, the purpose that the PCA is to serve, and their risk tolerance level before selecting the consultant and the level of due diligence to be exercised by the consultant. The user should also review or establish the qualifications, or both, of the proposed field observer and PCR reviewer prior to engagement. A PCR should identify any deviations or exceptions to this guide. Furthermore, no implication is intended that use of this guide be required in order to have conducted a property condition assessment in a commercially prudent and reasonable manner. Nevertheless, this guide is intended to reflect a reasonable approach for the preparation of a baseline PCA.

3.2 Clarification of Use:

3.2.1 *Specific Point in Time*—A user should only rely on the PCR for the point in time at which the consultant’s observations and research were conducted.

3.2.2 *Site-Specific*—The PCA performed in accordance with this guide is site-specific in that it relates to the physical condition of real property improvements on a specific parcel of commercial real estate. Consequently, this guide does not address many additional issues in real estate transactions such as economic obsolescence, the purchase of business entities, or physical deficiencies relating to off-site conditions.

3.3 *Who May Conduct*—The walk-through survey portion of a PCA should be conducted by a field observer, and the PCR should be reviewed by a PCR reviewer; both qualified as suggested in [X1.1.1](#) and [X1.1.2](#), respectively.

3.4 *Principles*—The following principles are an integral part of this guide. They are intended to be referred to in resolving ambiguity, or in exercising discretion accorded the user or consultant in conducting a PCA, or in judging whether a user or consultant has conducted appropriate inquiry or has otherwise conducted an adequate PCA.

3.4.1 *Uncertainty Not Eliminated*—No PCA can wholly eliminate the uncertainty regarding the presence of physical deficiencies and the performance of a subject property’s building systems. Preparation of a PCR in accordance with this guide is intended to reduce, but not eliminate, the uncertainty

regarding the potential for component or system failure and to reduce the potential that such component or system may not be initially observed. This guide also recognizes the inherent subjective nature of a consultant’s opinions as to such issues as workmanship, quality of original installation, and estimating the RUL of any given component or system. The guide recognizes a consultant’s suggested remedy may be determined under time constraints, formed without the aid of engineering calculations, testing, exploratory probing, the removal or relocation of materials, design, or other technically exhaustive means. Furthermore, there may be other alternative or more appropriate schemes or methods to remedy a physical deficiency. The consultant’s opinions generally are formed without detailed knowledge from those familiar with the component’s or system’s performance.

3.4.2 *Not Technically Exhaustive*—Appropriate due diligence according to this guide is not to be construed as technically exhaustive. There is a point at which the cost of information obtained or the time required to conduct the PCA and prepare the PCR may outweigh the usefulness of the information and, in fact, may be a material detriment to the orderly and timely completion of a commercial real estate transaction. It is the intent of this guide to attempt to identify a balance between limiting the costs and time demands inherent in performing a PCA and reducing the uncertainty about unknown physical deficiencies resulting from completing additional inquiry.

3.4.3 *Representative Observations*—The purpose of conducting representative observations is to convey to the user the expected magnitude of commonly encountered or anticipated conditions. Recommended representative observation quantities for various asset types are provided in [Annex A1](#); however, if in the field observer’s opinion such representative observations as presented in [Annex A1](#) are unwarranted as a result of homogeneity of the asset or other reasons deemed appropriate by the field observer, the field observer may survey sufficient units, areas, systems, buildings, etc. so as to comment with reasonable confidence as to the representative presence of physical deficiencies at such repetitive or similar areas, systems, buildings, etc. To the extent there is more than one building on the subject property, and they are homogeneous with respect to approximate age, use, basic design, materials, and systems, it is not a requirement of this guide for the field observer to conduct a walk-through survey of each individual building’s systems to describe or comment on their condition within the PCR. The descriptions and observations provided in the PCR are to be construed as representative of all similar improvements.

3.4.3.1 *User-Mandated Representative Observations*—A user may mandate the representative observations required for a given property or a particular building system. Such representative observations may be more or less than this guide’s recommended representative observations as provided in [Annex A1](#).

3.4.3.2 *Extrapolation of Findings*—Consultant may reasonably extrapolate representative observations and findings to all typical areas or systems of the subject property for the purposes

of describing such conditions within the PCR and preparing the opinions of costs for suggested remedy of material physical deficiencies.

3.4.4 Level of Due Diligence is Variable—Not every property will warrant the same level of property condition assessment. Consistent with good commercial and customary practice, the appropriate level of property condition assessment generally is guided by the purpose the PCA is to serve; type of property; age of the improvements; expertise and risk tolerance level of the user; and time available for preparing the PCR and reviewing the opinions to be contained in the PCR.

3.5 Prior PCR Usage—This guide recognizes that PCRs performed in accordance with this guide may include information that subsequent users and consultants may want to use to avoid duplication and to reduce cost. Therefore, this guide includes procedures to assist users and consultants in determining the appropriateness of using such information. In addition to the specific procedures contained elsewhere in this guide, the following should be considered:

3.5.1 Use of Prior PCR Information—Information contained in prior property condition reports may be used by the consultant if, in the consultant's opinion, it is relevant; however, users and consultants are cautioned that information from prior property condition reports should only be used if such information was generated or obtained through procedures or methods that met or exceeded those contained in this guide. Such information should serve only as an aid to a consultant in fulfilling the requirements of this guide and to assist the field observer in the walk-through survey, research, and the field observer's understanding of the subject property. Furthermore, the PCR should identify the previously prepared property condition report if information from the prior report was used by the consultant in preparing the PCR.

3.5.2 Comparison with a Previously Prepared PCR—It should not be concluded or assumed that a previous PCR was deficient because the previous PCA did not discover a certain or particular physical deficiency, or because opinions of costs in the previous PCR are different. A PCR contains a representative indication of the property condition at the time of the walk-through survey and is dependent on the information available to the consultant at that time. Therefore, a PCR should be evaluated on the reasonableness of judgments made at the time and under the circumstances in which they are made. Experience of the field observer, the requirements of the previous PCR's client or the purpose of the previous PCR, time available to the consultant to complete the PCR, hindsight, new or additional information, enhanced visibility as a result of improved weather or site conditions, equipment visibility as a result of improved weather or site conditions, equipment not in a shutdown mode, and other factors influence the PCA and the opinions contained in the PCR.

3.5.3 Conducting Current Walk-Through Surveys—Except as provided in **3.5.1**, prior property condition reports should not be used without verification. At a minimum, for a PCR to be consistent with this guide, a new walk-through survey,

interviews, and solicitation and review of building and fire department records for recorded material violations should be performed.

3.5.4 Actual Knowledge Exception—If the user or consultant conducting a PCA has actual knowledge that the information from a prior property condition report is not accurate, or if it is obvious to the field observer that the information is not accurate, such information from a prior property condition report should not be used.

3.5.5 Contractual Issues—This guide recognizes that contractual and legal obligations may exist between prior and subsequent users of property condition reports, or between clients and consultants who prepared prior property condition reports, or both. Consideration of such contractual obligations is beyond the scope of this guide. Furthermore, a subsequent user of a prior PCR should be apprised that it may have been prepared for purposes other than the current desired purpose of the PCR and should determine the contractual purpose and scope of the prior PCR.

3.6 Rules of Engagement—The contractual and legal obligations between a consultant and a user (and other parties, if any) are outside the scope of this guide. No specific legal relationship between the consultant and the user was considered during the preparation of this guide.

4. User's Responsibilities

4.1 Access—User should arrange for the field observer to receive timely complete, supervised, and safe access to the subject property's improvements (including roofs). In addition, timely access to the subject property's POC, staff, vendors, and appropriate documents should be provided by owner, owner's representative, or made available by the user, or a combination thereof. In no event should the field observer seek access to any particular portion of the property, interview property management staff, vendors, or tenants, or review documents, if the owner, user, or occupant objects to such access or attempts to restrict the field observer from conducting any portion of the walk-through survey, research or interviews, or taking of photographs. Any conditions that significantly impede or restrict the field observer's walk-through survey or research, or the failure of the owner or occupant to provide timely access, information, or requested documentation should be timely communicated by the consultant to the user. If such conditions are not remedied, the consultant is obligated to state within the PCR all such material impediments that interfered with the conducting of the PCA in accordance with this guide.

4.2 User Disclosure—The user should disclose in a timely manner all appropriate information in the user's possession that may assist the consultant's efforts. The user should not withhold any pertinent information that may assist in identifying a material physical deficiency including, but not limited to, previously prepared property condition reports; any study specifically prepared on a system or component of the subject property; any knowledge of actual or purported physical

deficiencies; or, any information such as pending proposals or costs to remedy known physical deficiencies.

5. Property Condition Assessment

5.1 *Objective*—The purpose of the PCA is to observe and report, to the extent feasible pursuant to the processes prescribed herein, on the physical condition of the subject property.

5.2 *PCA Components*—The PCA should have four components:

5.2.1 *Documentation Review and Interviews*; refer to Section 7.

5.2.2 *Walk-Through Survey*; refer to Section 8.

5.2.3 *Preparation of Opinions of Costs to Remedy Physical Deficiencies*; refer to Section 9.

5.2.4 *Property Condition Report*; refer to Section 10.

5.3 *Coordination of Components*:

5.3.1 *Components Used in Concert*—The Documentation Review, Interviews, and Walk-Through Survey components of this guide are interrelated in that information obtained from one component may either indicate the need for more information from another, or impact the consultant's findings, opinions, opinions of costs, or recommendations, or a combination thereof.

5.3.2 *Information Provided by Others*—The consultant should note in the PCR the sources of information used by the consultant that were material in identifying any physical deficiencies of the subject property that were not readily observed by the consultant or that supplemented the consultant's observations.

5.4 *Consultant's Duties*:

5.4.1 *Who May Conduct Portions of the PCA*—The inquiries, interviews, walk-through survey, interpretation of the information upon which the PCR is based, the preparation of opinions of costs, and the writing of the PCR are all tasks and portions of the PCA that may be performed by the consultant, field observer, members of the consultant's staff, or third party contractors engaged by the consultant.

5.4.2 *Responsibility for Lack of Information*—The consultant is not responsible for providing or obtaining information should the source contacted fail to respond, respond only in part, or fail to respond in a timely manner.

5.4.3 *Opinions of Costs Contingent on Further Discovery*—The consultant is not required to provide opinions of costs to remedy physical deficiencies that may require the opinions of specialty consultants or the results of testing, intrusive observations, exploratory probing, or further research to determine the cause of the physical deficiency and the appropriate remedy, scope, and scheme for repair or replacement unless user and consultant have agreed to such an expansion of the scope of work.

5.4.4 *Representative Observations*—The field observer is not expected to survey every recurring component or system during a walk-through survey. For example, it is not the intent to survey every RTU, balcony, window, roof, toilet room facility, utility closet, every square foot of roofing, etc. Only representative observations of such areas are to be surveyed.

The concept of representative observations extends to all conditions, areas, equipment, components, systems, buildings, etc., to the extent that they are similar and representative of one another.

6. The Consultant

6.1 *Qualifications of the Consultant*—This guide recognizes that the competency of the consultant is highly dependent on many factors that may include professional education, training, experience, certification, or professional licensing/registration, of both the consultant's field observers and the PCR reviewer. It is the intent of this guide to identify factors that should be considered by the user when retaining a consultant to conduct a PCA and by the consultant in selecting the appropriate field observer and PCR reviewer. No standard can be designed to eliminate the role of professional judgment, competence, and the value and need for experience during the walk-through survey and to conduct the PCA. Consequently, the qualifications of the field observer and the PCR reviewer are critical to the performance of the PCA and the resulting PCR. This guide further recognizes that the consultant has the responsibility to select, engage, or employ the field observer and the PCR reviewer. Therefore, each PCR should include as an exhibit a statement of qualifications of both the field observer and the PCR reviewer.

6.2 *Staffing of the Field Observer*—This guide recognizes that for the majority of commercial real estate subject to a PCA, the field observer assigned by the consultant to conduct the walk-through survey most likely will be a single individual having a general, well rounded knowledge of pertinent building systems and components. However, a single individual will not have knowledge, expertise, or experience with all building codes, whether such codes are nationally or locally accepted, building systems, and asset types, which are applicable in all locales. The decision to supplement the field observer with specialty consultants, building system mechanics, specialized service personnel, or any other specialized field observers, should be a mutual decision made by the consultant and the user prior to engagement. This decision should be made in accordance with the requirements, risk tolerance level, and budgetary constraints of the user, the purpose the PCA is to serve, the expediency of PCR delivery, and the complexity of the subject property.

6.3 *Independence of the Consultant*—This guide recognizes that the consultant normally is a person or entity, acting as an independent contractor, who has been engaged by the user to conduct a PCA. In the event the consultant, the field observer, the PCR reviewer, or members of the consultant's staff are employees of, or subsidiary of, the user, such affiliation or relationship should be disclosed in the Executive Summary of the PCR.

6.4 *Qualifications of the Field Observer*—Refer to X1.1.1 for nonmandatory guidance on the qualifications of the field observer.

6.5 *Qualifications of the PCR Reviewer*—Refer to X1.1.2 for nonmandatory guidance on the qualifications of the PCR Reviewer.

6.6 *The Field Observer and PCR Reviewer May Be a Single Individual*—The PCR reviewer also may act as the field observer and conduct the walk-through survey. In such an event, the PCR reviewer should identify such dual responsibilities and sign the PCR indicating that he or she has performed both functions.

6.7 *Not a Professional Architectural or Engineering Service*—It is not the intent of this guide that by conducting the walk-through survey or reviewing the PCR that the consultant, the field observer, or the PCR reviewer is practicing architecture or engineering. Furthermore, it is not the intent of this guide that either the PCR reviewer or the field observer, if they are an architect or engineer, must either sign or seal the PCR as an instrument of professional service or identify their signatures as being that of an architect or engineer.

7. Document Review and Interviews

7.1 *Objective*—The objective of the document review and interviews is to augment the walk-through survey and to assist the consultant's understanding of the subject property and identification of physical deficiencies. Records or documents, that are readily available and reasonably ascertainable may be reviewed in completion of the assessment.

7.2 *Reliance*—The consultant is not required to independently verify the information provided and may rely on information provided to the extent that the information appears reasonable to the consultant.

7.3 *Accuracy and Completeness*—Accuracy and completeness of information varies among information sources. The consultant is not obligated to identify mistakes or insufficiencies in the information provided. However, the consultant should make reasonable effort to compensate for mistakes or insufficiencies of information reviewed that are obvious in light of other information obtained in the process of conducting the PCA or otherwise known to the consultant.

7.4 *Government Agency Provided Information:*

7.4.1 *Documents to Be Reviewed*—Consultant is to solicit and review: base building certificate of occupancy, outstanding and recorded material building code violations, and recorded material fire code violations.

7.4.2 *Reasonably Ascertainable/Standard Government Record Sources*—Availability of record or document information varies from information source to information source, including governmental jurisdictions. The consultant should make appropriate inquiry and review only such record information that is reasonably ascertainable from standard sources. If information is not practically reviewable or not provided to the consultant in a reasonable time for the consultant to formulate an opinion and complete the PCR, such fact should be stated in the PCR, and the consultant is to have no further obligation of retrieving such documentation or reviewing it if it is subsequently provided. Nevertheless, if pursuant to the consultant's appropriate inquiry, material information is received by the consultant contemporaneous to the preparation of the PCR (within 30 days of the site visit) but too late to be included in the PCR, the consultant should forward it to the user.

7.4.3 *Publicly Available Documents*—Information from a government agency, department or other source of information, which typically is reproduced and provided to the consultant upon appropriate inquiry and is reasonably ascertainable.

7.4.4 *Drawings*—Obtaining a set of drawings, which may be available publicly, is an exception to the requirement that Publicly Available Documents be provided, due to delivery and cost constraints. If readily available, such documents should be provided and identified to the consultant by the owner, owner's representative, or user as construction, as-built, or other design/construction documents. Nonetheless, the review of drawings of the subject property is not a requirement of this guide. Drawings may serve as an aid to the consultant in describing the subject property's improvements, in developing quantities for opinions of costs for suggested remedies of physical deficiencies, and to assist in preparing brief descriptions of the subject property's major systems; however, it should not be deemed by the user a verification of as-built conditions.

7.4.5 *Reasonable Time and Cost*—It is the intent of this guide that information will be provided to the consultant within ten (10) business days of the source receiving appropriate inquiry, without an in-person request by the consultant being required, and at no more than a nominal cost to cover the source's cost of retrieving and duplicating the information. Generally, an in-person request by the consultant is not required. However, this is not to preclude the consultant from personally researching such files if, in the opinion of the consultant, this could be reasonably accomplished at the time of the site visit.

7.5 *Pre-Survey Questionnaire*—The consultant may provide the owner, POC, or owner's representative with a pre-survey questionnaire (the questionnaire). Such a questionnaire, complete with the owner's or owner's representative's responses, should be included as an exhibit within the PCR unless directed otherwise by user. Should the user direct the consultant to omit the pre-survey questionnaire from the PCR or direct the consultant not to forward the pre-survey questionnaire to the owner, the consultant should disclose this information within the PCR.

7.6 *Owner/User Provided Documentation and Information*—The consultant should review the following documents and information that may be in the possession of or provided by the owner, owner's representative, user, or combination thereof, as appropriate. Such information also could aid in the consultant's knowledge of the subject property's physical improvements, extent and type of use, or assist in identifying material discrepancies between reported information and observed conditions, or a combination thereof. The consultant's review of documents submitted should not include commenting on the accuracy of such documents or their preparation, methodology, or protocol. If the consultant discovers a significant discrepancy, it should be disclosed within the PCR.

7.6.1 Appraisal, either current or previously prepared.

7.6.2 Certificate of Occupancy.

7.6.3 Safety inspection records.

7.6.4 Warranty information (roofs, boilers, chillers, cooling towers, etc.).



7.6.5 Records indicating the age of material building systems such as roofing, paving, plumbing, heating, air conditioning, electrical, etc.

7.6.6 Historical costs incurred for repairs, improvements, recurring replacements, etc.

7.6.7 Pending proposals or executed contracts for material repairs or improvements.

7.6.8 Descriptions of future improvements planned.

7.6.9 Outstanding citations for building, fire, and zoning code violations.

7.6.10 The ADA survey and status of any improvements implemented to effect physical compliance.

7.6.11 Previously prepared property condition reports or studies pertaining to any aspect of the subject property's physical condition.

7.6.12 Records indicating building occupancy percentage.

7.6.13 Building rent roll as it relates to tenant count or leasable area.

7.6.14 Leasing literature, listing for sale, marketing/promotional literature such as photographs, descriptive information, reduced floor plans, etc.

7.6.15 Drawings and specifications (as-built or construction).

7.7 *Interviews*—Prior to the site visit, the consultant should ask the owner or user to identify the POC. The consultant should contact the POC to forward the pre-survey questionnaire so as to inquire about the subject property's historical repairs and replacements and their costs, level of preventive maintenance exercised, pending repairs and improvements, frequency of repairs and replacements, and existence of ongoing or pending litigation related to subject property's physical condition. In connection with the consultant's research or walk-through survey, the consultant may also question others who are knowledgeable of the subject property's physical condition and operation. It is within the discretion of the consultant to decide which questions to ask before, during, or after the site visit.

7.7.1 *Method*—Questions to be asked pursuant to this section are at the discretion of the consultant and may be asked in person, by telephone, or in writing.

7.7.2 *Incomplete Answers*—While the consultant should make inquiries in accordance with this section, the persons to whom the questions are addressed may have no obligation to cooperate. Should the POC owner, or the property manager, building/facility engineer, or maintenance supervisor not be available for an interview, whether by intent or inconvenience, or not respond in full or in part to questions posed by the consultant, the consultant should disclose such within the PCR. Furthermore, should any party not grant such authorization to interview, restrict such authorization, or should the person to whom the questions are addressed not be knowledgeable about the subject property, this should be disclosed within the PCR.

8. Walk-Through Survey

8.1 *Objective*—The objective of the walk-through survey is to visually observe the subject property so as to obtain information on material systems and components.

8.2 *Frequency*—It is not expected that more than one site visit to the subject property be conducted by the field observer in connection with a PCA. The site visit constituting part of the PCA is referred to as the walk-through survey.

8.3 *Photographs*—Consultant should document representative conditions with photographs and use reasonable efforts to document typical conditions present including material physical deficiencies, if any. Photographs should include as a minimum: front and typical elevations and exteriors, site work, parking areas, roofing, structural systems, plumbing, HVAC, and electrical systems, conveyance systems, life safety systems, representative interiors, and any special or unusual conditions present, provided that such building systems and components are within the scope of the PCA as defined between the user and consultant.

8.4 *Scope*—During the site visit, and in accordance with the principles of conducting representative observations, the field observer should conduct a walk-through survey of the subject property to observe material systems and components and identify physical deficiencies and any unusual features. Testing, measuring, or preparing calculations for any system or component to determine adequacy, capacity, or compliance with any standard is outside the scope of this guide. The schedule of specific items of the material building systems and components to be observed, which are presented in the succeeding subsections, should not be considered all-inclusive, and the consultant should utilize professional judgment regarding adding or deleting subsections as necessary to complete the PCR. Similarly, subsections identified as “out of scope considerations” identified at Section 11 and elsewhere in this document are provided for clarification and should not be construed as all-inclusive.

8.4.1 *Site:*

8.4.1.1 *Topography*—Observe the general topography and any unusual or problematic features or conditions.

8.4.1.2 *Storm Water Drainage*—Observe the storm water collection and drainage system and note the presence of on-site surface waters, and retention or detention basins.

8.4.1.3 *Ingress and Egress*—Observe the major means of ingress and egress.

8.4.1.4 *Paving, Curbing, and Parking*—Observe the material paving and curbing systems. Identify the types of parking, that is, garage, surface, subsurface, etc., the number and types of parking and loading spaces, and any reported parking inadequacies. Note the source of the information relating to the number and types of parking and loading spaces.

8.4.1.5 *Flatwork*—Observe sidewalks, plazas, patios, etc.

8.4.1.6 *Landscaping and Appurtenances*—Observe landscaping (trees, shrubs, lawns, fences, retaining walls, etc.) and material site appurtenances (irrigation systems, fountains, lighting, signage, ponds, etc.).

8.4.1.7 *Recreational Facilities*—Observe on-site recreational facilities.

8.4.1.8 *Special Utility Systems*—Identify the presence of any material special on-site utility systems such as water or wastewater treatment systems, special power generation systems, etc. If readily available, identify material system

information, such as system type, manufacturer, system capacity, system age, system operator, etc.

8.4.2 *Structural Frame and Building Envelope:*

8.4.2.1 Identify the primary buildings, including parking structures, on the subject property, and identify the basic type of structure (steel frame, wood frame, cast-in-place concrete, precast concrete, concrete block, etc.) for each. Observe the building substructure, including the foundation system (noting the presence of cellars, basements, or crawl spaces), building's superstructure or structural frame (floor framing system and roof framing system), building envelope including facades or curtain wall system, glazing system, exterior sealants, exterior balconies, doors, stairways, parapets, etc. Observations of the building's exterior generally are to be limited to vantage points that are on-grade or from readily accessible balconies or rooftops.

8.4.3 *Roofing:*

8.4.3.1 Identify and observe the material roof systems (exposed membrane and flashings) including, parapets, slope, drainage, etc. Observe for evidence and/or the need for material repairs, evidence of significant ponding, or evidence of roof leaks. Inquire as to the age of the material roofing system(s) and whether a roof warranty or bond is reported to be in effect.

8.4.4 *Plumbing:*

8.4.4.1 Identify and observe the material plumbing systems including piping (sanitary, storm and supply water), fixtures, domestic hot water production, and note any special or unusual plumbing systems.

8.4.5 *Heating:*

8.4.5.1 Identify the basic type of heat generating and distribution system, and the apparent or reported age of the equipment, past material component replacements/upgrades, and the apparent level of maintenance exercised. If heating equipment is shutdown or not operational at the time of the walk-through survey, provide an opinion of the condition to the extent observed. Also, observe any special or unusual heating systems or equipment present, such as solar heat. Identify in general terms reported material tenant-owned systems that are outside the scope of the PCA.

8.4.6 *Air Conditioning and Ventilation:*

8.4.6.1 Identify the basic type of air-conditioning and ventilation systems including cooling towers, chillers (include type of reported refrigerant used), package units, split systems, air handlers, thermal storage equipment, material distribution systems, etc. Identify the apparent or reported age of the material equipment, past material component upgrades/replacements, apparent level of preventive maintenance exercised, and whether a maintenance contract is reported to be in place. If air conditioning and ventilation systems are shutdown or not operational at the time of the walk-through survey, provide an opinion of the condition to the extent observable. Identify any special or unusual air conditioning and ventilation systems or equipment, such as refrigeration equipment for ice skating rinks, cold storage systems, special computer cooling equipment, etc. Identify in general terms reported material tenant-owned systems that are outside the scope of the PCA.

8.4.7 *Electrical:*

8.4.7.1 Identify the electrical service provided and observe the electrical distribution system including distribution panels, transformers, meters, emergency generators, general lighting systems, and other such equipment or systems. Observe general electrical items, such as distribution panels, type of wiring, energy management systems, emergency power, lightning protection, etc. Identify any observed or reported special or unusual electrical equipment, systems, or devices at the subject property.

8.4.8 *Vertical Transportation:*

8.4.8.1 Identify equipment type, number of cabs/escalators, capacity, etc. Observe elevator cabs, finishes, call and communication equipment, etc. Identify whether a maintenance contract is reported to be in place, and if so, identify the service contractor.

8.4.9 *Life Safety/Fire Protection:*

8.4.9.1 Identify and observe life safety and fire protection systems, including sprinklers and standpipes (wet or dry, or both), fire hydrants, fire alarm systems, water storage, smoke detectors, fire extinguishers, emergency lighting, stairwell pressurization, smoke evacuation, etc.

8.4.10 *Interior Elements:*

8.4.10.1 Observe typical common areas including, but not limited to, lobbies, corridors, assembly areas, and restrooms. Identify and observe typical finishes, that is, flooring, ceilings, walls, etc., and material building amenities or special features, that is spas, fountains, clubs, shops, restaurants, etc.

8.5 *Additional Considerations*—There may be additional issues or conditions at a property that users may wish to assess in connection with commercial real estate that are outside the scope of this guide (Out of Scope considerations).

8.5.1 *Outside Standard Practices*—Whether or not a user elects to inquire into non-scope considerations in connection with this guide or any other PCA is not required for compliance by this guide.

8.5.2 *Other Standards*—Other standards or protocols for assessment of conditions associated with non-scope conditions may have been developed by governmental entities, professional organizations, or other private entities.

8.5.3 *Additional Issues*—Following are several non-scope considerations that users may want to assess in connection with commercial real estate. No implication is intended as to the relative importance of inquiry into such non-scope considerations, and this list of non-scope considerations is not intended to be all-inclusive:

8.5.3.1 Seismic Considerations,

8.5.3.2 Design Consideration for Natural Disasters (Hurricanes, Tornadoes, High Winds, Floods, Snow, etc.),

8.5.3.3 Insect/Rodent Infestation,

8.5.3.4 Environmental Considerations,

8.5.3.5 ADA Requirements,²

² This guide recognizes that PCAs may include some level of assessment of ADA compliance. This guide recognizes that there are numerous acceptable levels of ADA assessment that can be conducted as part of the PCA. Where such an assessment is desired, the extent of assessment should be mutually agreed upon by the user and the consultant.



- 8.5.3.6 FHA Requirements,³
- 8.5.3.7 Mold;
- 8.5.3.8 Indoor Air Quality, and
- 8.5.3.9 Property Security Systems.
- 8.5.3.10 Long Term Costs⁴

9. Opinions of Costs to Remedy Physical Deficiencies

9.1 *Purpose*—Based upon the walk-through survey and information obtained in accordance with following this guide, general-scope opinions of costs are to be prepared for the suggested remedy of the material physical deficiencies observed. These opinions of costs are to assist the user in developing a general understanding of the physical condition of the subject property.

9.2 *Scope*—Opinions of costs should be provided for material physical deficiencies and not for repairs or improvements that could be classified as: (1) cosmetic or decorative; (2) part or parcel of a building renovation program (3) tenant improvements/finishes; (4) enhancements to reposition the subject property in the marketplace; (5) for warranty transfer purposes; or (6) routine or normal preventive maintenance, or a combination thereof.

9.3 *Opinions of Costs Attributes:*

9.3.1 *Threshold Amount for Opinions of Costs*—It is the intent of this guide that the material physical deficiencies observed and the corresponding opinions of costs (1) be commensurate with the market value and complexity of the subject property; (2) not be minor or insignificant; and (3) serve the purpose of the user in accordance with the user's risk tolerance level. Opinions of costs that are either individually or in the aggregate less than a threshold amount of \$3,000 for like items are to be omitted from the PCR⁵. If there are more than four separate like items that are below this threshold requirement, but collectively total over \$10,000, such items should be included. This guide recognizes that for properties of large scope or market value, the aforementioned thresholds may be inappropriate to be meaningful to a user, and the user may adjust these cost threshold amounts provided that they are disclosed within the PCR's Executive Summary under the heading "Deviations from the Guide."

9.3.2 *Actual Costs May Vary*—Opinions of costs should only be construed as preliminary, order of magnitude budgets. Actual costs most probably will vary from the consultant's opinions of costs depending on such matters as type and design of suggested remedy, quality of materials and installation, manufacturer and type of equipment or system selected, field conditions, whether a physical deficiency is repaired or replaced in whole, phasing of the work (if applicable), quality of

contractor, quality of project management exercised, market conditions, and whether competitive pricing is solicited, etc. This guide recognizes that certain opinions of costs cannot be developed within the scope of this guide without further study. Opinions of cost for further study should be included in the PCR.

9.3.3 *Extrapolation of Representative Observations*—Opinions of costs may be based upon: the extrapolation of representative observations, conditions deemed by the consultant as highly probable, results from information received, or the commonly encountered EULs or RULs of the components or systems, or a combination thereof.

9.3.4 *Estimating of Quantities*—It is not the intent of this guide that the consultant is to prepare or provide exact quantities or identify the exact locations of items or systems as a basis for preparing the opinions of costs.

9.3.5 *Basis of Costs*—The source of cost information utilized by the consultant may be from one or more of the following resources: (1) user provided unit costs; (2) owner's historical experience costs; (3) consultant's cost database or cost files; (4) commercially available cost information such as published commercial data; (5) third-party cost information from contractors, vendors, or suppliers; or (6) other qualified sources that the consultant determines appropriate. Opinions of costs should be provided with approximate quantities, units, and unit costs by line item. If in the reasonable opinion of the consultant, a physical deficiency is too complex or difficult to develop an opinion of probable cost using the quantity and unit cost method, the consultant may apply a lump sum opinion of probable costs for that particular line item. Opinions of costs should be limited to construction-related costs; those types of costs that commonly are provided by contractors who perform the work. Business related, design, construction management fees, general conditions, and indirect costs should be excluded.

9.3.6 *Costs for Additional Study*—For some physical deficiencies, determining the appropriate suggested remedy or scope may warrant further study/research or design, testing, exploratory probing, and exploration of various repair schemes, or a combination thereof, all of which are outside the scope of this guide. In these instances, the opinions of costs for additional study should be provided.

9.3.7 *Cost Segregation*—Opinions of costs should be segregated within the PCR into the categories of immediate costs and short-term costs.

10. Property Condition Report

10.1 *Format*—This guide does not present a specific PCR format to be followed. This should be determined between the user and the consultant.

10.2 *Writing Protocols:*

10.2.1 *Suggested Remedy*—For each material physical deficiency, the consultant should provide a suggested remedy, which may include recommending further research or testing, or both, if appropriate in the consultant's opinion.

10.2.2 *Significance of Physical Deficiency*—If the significance of the physical deficiency is not readily discernible, the consultant should explain its significance in a simple manner meaningful to a user. For example, stating that "the subject

³ This guide recognizes that PCAs for residential properties may include some level of assessment of FHA compliance. Where such an assessment is desired, the extent of assessment should be mutually agreed upon by the user and the consultant.

⁴ This guide recognizes that most PCAs include some level of assessment of long-term costs. This guide recognizes that there are numerous methods and acceptable levels of long-term cost assessment that can be conducted as part of the PCA. Where such an assessment is desired, the method and level of assessment should be mutually agreed upon by the user and the consultant.

⁵ This guide recognizes that most PCRs include material life-safety code and building code violations regardless of cost.



property has aluminum distribution wiring” may be insufficient to the user, since this statement reveals nothing about the significance of this adverse condition.

10.2.3 *Disclosure of Information Source*—The consultant should differentiate between material information obtained by the field observer’s actual knowledge and that reported or provided by others or obtained from documents provided. The source of such material information should be reported.

10.2.4 *Representative Description and Observed Conditions*—The PCR’s descriptions of systems and components and their general physical condition may be based upon extrapolations of representative observations conducted by the field observer during the walk-through survey.

10.3 *Documentation*—The PCR should include pertinent documentation such as photographs; copies of material building and fire department records; building code violation notices to the extent deemed material; certificates of occupancy; and copies of repair cost documentation submitted by owner or owner’s representative, contractors, or agents, for past or existing physical deficiencies. All photographs should be numbered and captioned, and may be correlated to the PCR’s text.

10.4 *Credentials*—The PCR should name the field observer and the PCR reviewer and should include their statement of qualifications.

10.5 *Executive Summary*—The general content for the PCR Executive Summary is discussed in this section.

10.5.1 *General Description*—The opening paragraph should indicate that this is a PCR, identify the subject property, and provide pertinent information such as use, size, age, location, construction type, design style, and apparent occupancy status. Also identify the name of the consultant that prepared the PCR, the name of the user, the user’s position with respect to the subject property, the commercial real estate transaction (if known), the purpose the PCR is to serve (if known), and the date of the site visit.

10.5.2 *General Physical Condition*—In 10.5.1, the subject property’s general physical condition, the apparent level of preventive maintenance exercised, and any significant deferred maintenance is summarized. A schedule of material physical deficiencies, any significant capital improvements that are pending, in-progress, or were recently implemented, and any significant findings resulting from research should be provided.⁶

10.5.3 *Opinions of Costs*—Present the aggregate sum of opinions of costs segregated between immediate and short-term costs.

10.5.4 *Deviations from this Guide*—Present all material deviations and deletions from this guide, if any, listed individually along with all additional consultant services that have exceeded this guide’s suggested requirements.

10.5.5 *Consultant/Field Observer Relationship*—If the consultant or field observer, or both are not at arm’s-length with the user, such a relationship should be disclosed.

10.5.6 *Recommendations/Discussions*—Briefly identify those components and systems necessitating further study, research, testing, intrusive survey, or exploratory probing. This section also may be used to discuss any obvious major deviations from the subject property description provided by the user to the consultant, ongoing repairs or improvements, or other relevant issues.

10.6 *Purpose and Scope*:

10.6.1 *Purpose*—Provide a short paragraph specifically stating the purpose the PCR should serve and the client’s position with respect to the commercial real estate transaction. If the client does not disclose the PCR’s purpose or its role to the consultant, the PCR should so state.

10.6.2 *Scope*—Identify the improvements that comprise the subject property. Provide an outline of the scope of work completed for the PCA and methods utilized. Should either the PCA or the PCR materially deviate from this guide or if there were any constraints preventing the consultant from performing the PCA in accordance with this guide, these constraints should be identified.

10.7 *Walk-Through Survey*—Provide the information that is outlined in Section 8. Such information should include a brief description of each system or component and observed physical deficiencies, if any. Both the brief descriptions and the observed physical deficiencies may be based upon the field observer’s representative observations. A general description of material tenant-owned equipment that is outside the scope of the PCA should be provided in this section.

10.8 *Document Reviews and Interviews*—Identify any material information relating to physical deficiencies of the subject property resulting from the review of documents and interviews conducted.

10.9 *Additional Considerations*—Identify any material additional considerations or Out of Scope considerations that are included in the PCR.

10.10 *Opinions of Costs*—Identify the material physical deficiencies and provide suggested remedies, complete with opinions of costs.

10.11 *Qualifications*—Both the field observer’s and the PCR reviewer’s statement of qualifications should be provided.

10.12 *Limiting Conditions*—Provide all limiting conditions of the PCR.

10.13 *Exhibits*:

10.13.1 Representative photographs (may be correlated directly into text or numbered and labeled in exhibit).

10.13.2 Questionnaire.

10.13.3 User/owner submitted documents.

10.13.4 Photocopied plot plans, sketches, etc.

10.13.5 Other exhibits considered appropriate by the consultant.

11. Out of Scope Considerations

11.1 *Activity Exclusions*—The activities listed below generally are excluded from or otherwise represent limitations to the scope of a PCA prepared in accordance with this guide. These

⁶ This should include material life-safety code and building code violations.



should not be construed as all-inclusive or imply that any exclusion not specifically identified is a PCA requirement under this guide.

11.1.1 Identifying capital improvements, enhancements, or upgrades to building components, systems, or finishes. The consultant must be aware of the distinction between repair and replacement activities that maintain the property in its intended design condition, versus actions that improve or reposition the property.

11.1.2 Identifying improvements, capital expenditures, repairs, maintenance and other activities that are or may be required at a future date, except as needed in the review of short term and long term needs.

11.1.3 Removing, relocating, or repositioning of materials, ceiling, wall, or equipment panels, furniture, storage containers, personal effects, debris material or finishes; conducting exploratory probing or testing; dismantling or operating of equipment or appliances; or disturbing personal items or property, that obstructs access or visibility.

11.1.4 Determining adequate pressure and flow rate, fixture-unit values and counts, verifying pipe sizes, or verifying the point of discharge for underground drains.

11.1.5 Determining NFPA hazard classifications, identifying, classifying, or testing fire rating of assemblies. Determination of the necessity for or the presence of fire areas, fire walls, fire barriers, accessible routes, construction groups or types, or use classifications.

11.1.6 Preparing engineering calculations (civil, structural, mechanical, electrical, etc.) to determine any system's, component's, or equipment's adequacy or compliance with any specific or commonly accepted design requirements or building codes, or preparing designs or specifications to remedy any physical deficiency.

11.1.7 Taking measurements or quantities to establish or confirm any information or representations provided by the owner or user, such as size and dimensions of the subject property or subject building; any legal encumbrances, such as easements; dwelling unit count and mix; building property line setbacks or elevations; number and size of parking spaces; etc.

11.1.8 Reporting on the presence or absence of pests such as wood damaging organisms, rodents, or insects.

11.1.9 Reporting on the condition of subterranean conditions, such as soil types and conditions, underground utilities, separate sewage disposal systems, wells, manholes, utility pits; systems that are either considered process-related or peculiar to a specific tenancy or use; or items or systems that are not permanently installed.

11.1.10 Entering or accessing any area of the premises deemed to potentially pose a threat of dangerous or adverse conditions with respect to the field observer's health or safety, including, but not limited to: entering of plenum, crawl, or confined-space areas, entering elevator/escalator pits or shafts, walking on pitched roofs, or any roof areas that appear to be unsafe, or roofs without built-in access, and removing of electrical panel and device covers.

11.1.11 Performing any procedure, that may damage or impair the physical integrity of the property, any system, or component

11.1.12 Providing an opinion on the condition of any system or component, that is shutdown. However, the consultant is to provide an opinion of its physical condition to the extent reasonably possible considering its age, obvious condition, manufacturer, etc.

11.1.13 Evaluating the Sound Transmission Class or acoustical or insulating characteristics of systems or components.

11.1.14 Evaluating the flammability of materials and related regulations.

11.1.15 Providing an opinion on matters regarding security of the subject property and protection of its occupants or users from unauthorized access.

11.1.16 Operating or witnessing the operation of lighting, lawn irrigation, or other systems typically controlled by time clocks or that are normally operated by the building's operation staff or service companies.

11.1.17 Providing an environmental assessment or opinion on the presence of any environmental issues such as potable water quality, asbestos, hazardous wastes, toxic materials, the location or presence of designated wetlands, mold, fungus, IAQ, etc.

11.1.18 Providing an environmental assessment or opinion on the presence of any environmental issues such as potable water quality, asbestos, hazardous wastes, toxic materials, the location or presence of designated wetlands, mold, fungus, IAQ, etc.

11.1.19 Evaluating systems or components that require specialized knowledge or equipment, including but not limited to: flue connections, interiors of chimneys, flues or boiler stacks; electromagnetic fields, electrical testing and operating of any electrical devices; examination of elevator and escalator cables, sheaves, controllers, motors, inspection tags; or tenant-owned or maintained equipment.

11.1.20 Process related equipment or condition of tenant owned/maintained equipment. Entering of plenum or confined space areas. Testing or measurements of equipment or air flow.

11.1.21 Observation of flue connections, interiors of chimneys, flues or boiler stacks, or tenant-owned or maintained equipment. Entering of plenum or confined space areas.

11.2 Warranty, Guarantee, and Code Compliance Exclusions—By conducting a PCA and preparing a PCR, the consultant merely is providing an opinion and does not warrant or guarantee the present or future condition of the subject property, nor may the PCA be construed as either a warranty or guarantee of any of the following:

11.2.1 Any system's or component's physical condition or use, nor is a PCA to be construed as substituting for any system's or equipment's warranty transfer inspection;

11.2.2 Compliance with any federal, state, or local statute, ordinance, rule or regulation including, but not limited to, fire and building codes, life safety codes, environmental regulations, health codes, zoning ordinances, compliance with trade/design standards, or standards developed by the insurance industry.

11.2.3 Compliance of any material, equipment, or system with any certification or actuation rate program, vendor's or manufacturer's warranty provisions, or provisions established



by any standards that are related to insurance industry acceptance/approval, such as FM, State Board of Fire Underwriters, etc.

11.3 *Additional/General Considerations:*

11.3.1 *Further Inquiry*—There may be physical condition issues or certain physical improvements at the subject property that the parties may wish to assess in connection with a commercial real estate transaction that are outside the scope of this guide. Such issues are referred to as non-scope considerations, and if included in the PCR, should be identified under 10.9.

11.3.2 *Out of Scope Considerations*—Whether or not a user elects to inquire into non-scope considerations in connection

with this guide is a decision to be made by the user. No assessment of such non-scope considerations is required for a PCA to be conducted in compliance with this guide.

11.3.3 *Other Standards*—Other standards or protocols may exist for the discovery or assessment of physical deficiencies. Such standards and protocols are expressly excluded from the scope of the assessment unless otherwise agreed between the User and Consultant.

12. Keywords

12.1 ASTM; physical assessment report; property condition assessment (PCA); property condition report (PCR)

ANNEX

(Mandatory Information)

A1. SPECIFIC PROPERTY TYPES

INTRODUCTION

This annex is to be used to supplement or complement previous sections of this guide for various asset types as if integral to the preceding sections.

A1.1 *Multifamily Properties:*

A1.1.1 *Representative Observations*—For complexes with multiple buildings, representative observations of the exterior envelopes applies to all similar residential buildings. For complexes built in phases, each construction phase should be surveyed. Representative observations of the interiors should include a mix of units, which are occupied, vacant, damaged, and under renovation or repair. Representative observations of the interiors of each construction phase should include a sufficient number of the top and bottom floors. If not specified in the agreement between consultant and user, the number of units, buildings, and components surveyed in each construction phase should be sufficient to allow the field observer to develop an opinion with reasonable confidence regarding the present condition of the building systems and should be determined using the professional judgment and experience of the field observer at the time of the walk-through survey. The number of reported units that are not available for occupancy, and the reported reasons they are not available should be included in the PCR. The PCR should contain the consultant's rationale for determining the number of units surveyed and for selecting the units that are surveyed. In addition, the PCR should disclose the specific units surveyed.

A1.1.2 *Patios and Balconies*—The field observer should conduct representative observations of patios, balconies, enclosures, railings, etc., and report on the observed condition.

A1.1.3 *Plumbing*—The field observer should identify the type of supply piping material (to the extent that it is easily visible) and note any replacement or historical breakage if reported to the field observer. General conditions and historical

leakage of other systems and apparent causes should also be discussed in the PCR.

A1.1.4 *Electrical*—The field observer should note the size of the electrical service serving representative units, and whether units are individually metered. To the extent readily accessible and easily visible, which for purposes of this clause includes the removal of switch or outlet covers by building maintenance personnel for representative observations, the type of distribution wiring for 120-V circuits should be provided in the PCR. If aluminum wiring is observed, the presence or absence of properly rated connection devices should be noted.

A1.1.5 *Attic*—The presence or lack of an attic should be specifically addressed. If the attic(s) is readily accessible, the field observer should note observations such as means of access, ventilation, evidence of water leakage, daylight entering through defects, the amount and type of insulation and the presence and condition of draft stops.

A1.1.6 *Roof Sheathing*—The field observer should note Fire Resistant Treated (FRT) plywood, if observed.

A1.1.7 *Interviews*—For multifamily properties, residential occupants do not need to be interviewed unless appropriate and with the consent of the owner or user. If the subject property also has nonresidential uses and the owner or user provides authorization, the field observer should interview nonresidential occupants in accordance with this guide.

A1.2 *Commercial Office Buildings:*

A1.2.1 *Representative Observations*—For complexes of buildings built in phases, each construction phase should be



surveyed. For a subject property that contains a complex of multiple buildings, the concept of representative observations extends to each building individually and not to all buildings as a whole. Representative observations should include a mix of tenant (occupied and unoccupied) and common areas. Representative observations of the interiors of each construction phase should include a sufficient number of the top and bottom floors. If not specified in the agreement between consultant and user, the quantity of floor area and the number of components and systems surveyed in each construction phase should be sufficient to allow the field observer to develop an opinion with reasonable confidence regarding the present condition of the building systems. Such representative observations should be determined using the professional judgment and experience of the field observer at the time of the walk-through survey. The quantity of reported floor area, which is not available for occupancy, and the reasons it is reportedly not available, should be included in the PCR. The PCR should contain the consultant's rationale for determining the quantity of floor area surveyed and for selecting the specific floors that were surveyed.

A1.3 Retail Buildings:

A1.3.1 *General Exclusions*—The consultant is not required to survey the interior condition of shell-finish tenancies or the interior/base building conditions of anchor stores, unless specifically included in the scope of the PCA. Furthermore, pad buildings having different ownership than the primary building(s) are excluded from the scope of the PCA survey.

A1.3.2 *Representative Observations*—For complexes of buildings built in phases, each construction phase should be surveyed. For a subject property that contains a complex of multiple buildings, the concept of representative observations extends to each building individually and not to all buildings as a whole. Representative observations should include a mix of tenant (occupied and unoccupied) and common areas. Repre-

sentative observations of the interiors of each construction phase should include a sufficient number of the top and bottom floors. If not specified in the agreement between consultant and user, the quantity of floor area and the number of components, and systems surveyed in each construction phase should be sufficient to allow the field observer to develop an opinion with confidence as to the present condition of the building systems. Such representative observations should be determined using the professional judgment and experience of the field observer at the time of the walk-through survey. The quantity of reported floor area, which is not available for occupancy and the reasons it is reportedly not available, should be included in the PCR. The PCR should contain the consultant's rationale for determining the quantity of floor area surveyed and for selecting the specific floors, that were surveyed.

A1.3.3 *Interviews*—With the consent of the owner and the user, the field observer should interview proprietors or store managers of the tenant spaces surveyed as to the subject property's general condition in addition to other knowledgeable persons identified by the owner or user as described in 7.7. The consultant should use discretion and should not disclose the purpose of the PCA to tenants unless the user grants permission. This guide recognizes that there is no obligation for the proprietors or store managers to cooperate.

A1.3.4 *Roofing*—In addition to the observations made of the main roofs of buildings, a description and observed condition of canopy roofs, viewed either from the main roof or, if appropriate, from the ground should be reported along with any generally observed physical deficiencies with the parapets, canopies, soffit, or fascia system.

A1.3.5 *Flatwork*—Loading dock areas, if any, should be observed along with the condition of any flatwork, such as the loading dock platform, loading dock exterior stairs, and concrete trailer pads.

APPENDIXES

(Nonmandatory Information)

X1. GUIDANCE AND ENHANCED DUE DILIGENCE SERVICES

INTRODUCTION

The information presented in this appendix is not necessary for completing a baseline PCA pursuant to this guide; however, a user and consultant may wish to utilize some or all of the information presented in this appendix to increase or supplement the extent of due diligence to be exercised by the consultant.

X1.1 *Qualifications*—This guide recognizes that the quality of a PCR is highly dependent on the qualifications of the field observer and PCR reviewer. These qualifications include such factors as experience, education, training, certification, and professional registration/licensure in architecture or engineer-

ing. Additionally, this guide recognizes that appropriate qualification levels may vary for different PCAs depending on such factors as asset type and scope (size, age, complexity, etc.) as well as the purpose the PCR is to serve and specific needs and risk tolerance level of the user.

X1.1.1 *Qualifications of the Field Observer*—The field observer is the person or entity engaged by the consultant to perform the walk-through survey; the field observer also may be the PCR reviewer. The consultant should establish the qualifications of the field observer, but as the accuracy and completeness of the walk-through survey will determine the quality of the PCR, the consultant should carefully consider education, training, and experience when selecting the field observer.

X1.1.1.1 Due to the scope or complexity of the subject property or the purpose of the PCA, the user may direct the consultant to augment the field observer with specialty consultants, or the user may define the level of qualifications of the field observer.

X1.1.1.2 The field observer, as a representative of the consultant, should be identified in the PCR. As required by 6.1, the statement of qualifications of the field observer should be included in the PCR.

X1.1.2 *Qualifications of the PCR Reviewer*—The PCR reviewer is the qualified individual designated to exercise responsible control over the field observer on behalf of the consultant and to review the PCR. This guide recognizes that the consultant is ultimately responsible for the PCA process.

X1.1.2.1 As indicated in the main body of the guide, all PCRs prepared in accordance with this guide should be reviewed and signed by the PCR reviewer. In addition, as required by 6.1, the statement of qualifications of the PCR reviewer should be included in the PCR.

X1.1.2.2 It is recommended that the user consider a PCR reviewer who possesses a professional designation in architecture or engineering, or appropriate experience and/or certifications in the construction fields. The PCR reviewer should have experience commensurate with the subject property type and scope (size, complexity, etc.), and experience in the preparation of PCRs. Generally, professional architecture or engineering licensure/registration, and/or certifications, education, or appropriate construction experience related to these disciplines are recognized as acceptable qualifications for reviewing PCRs. However, the user and the consultant may mutually agree to define qualifications for the PCR reviewer that may depend on the specific experience of the PCR reviewer and the scope of the subject property.

X1.2 *Verification of Measurements and Quantities:*

X1.2.1 *Parking Spaces:*

X1.2.1.1 *Based Upon Review of Drawings*—The field observer should review the subject property's submitted as-built site drawings and survey for the purposes of identifying the number of parking spaces provided and compare to an actual field count.

X1.2.1.2 *Actual Field Count*—The field observer should physically count each delineated parking space that has been provided for the subject property.

X1.2.2 *Count of Multifamily Units:*

X1.2.2.1 *Based Upon Review of Drawings, Schedules, etc.*—The field observer should review documents submitted by the owner to determine the number of multifamily dwelling units.

X1.2.2.2 *Actual Field Count*—The field observer should physically count each dwelling unit. This implies that a walk-through survey of each building and the floor of each building should be conducted by the field observer.

X1.2.3 *Building Areas:*

X1.2.3.1 *Gross Areas:*

(1) *Based Upon Review of As-Built Drawings*—The consultant should review as-built drawings submitted by the owner to determine the gross building area on a floor-by-floor basis. Such review of drawings may consist of a review of schedules or dimensions. For purposes of this clause, gross building area should be that definition as required by the local zoning board at the time of the building's construction and as presented on the drawings' zoning schedule, if any.

(2) *Actual Field Measurement*—The field observer should take measurements and prepare calculations physically to determine gross area. Current BOMA definition of gross area is to be used unless the user provides the consultant with an alternate definition/protocol for the method of calculating such areas. The consultant should state the criteria under which the calculations are prepared and submit all quantities on a per floor basis.

X1.2.3.2 *Net Usable Areas:*

(1) *Based Upon Review of As-Built Drawings*—The user should provide the consultant with a set of as-built drawings for all space available for lease. Based solely on such drawings, the consultant should determine usable area by use of digitizer or other means. Current BOMA definition of usable area is to be used unless user provides the consultant with an alternate definition/protocol for the method of calculating such areas.

(2) *Actual Field Measurement*—The field observer should take measurements and prepare calculations physically to determine usable area. Current BOMA definition of usable area is to be used unless the user provides the consultant with an alternate definition/protocol for the method of calculating such areas. The consultant should state the criteria under which the calculations are prepared and submit all quantities on a per floor basis.

X1.3 *Service Company Research:* The consultant should conduct an appropriate inquiry of the subject building's major plumbing, HVAC, fire protection, electrical, and elevator service companies, if any. The purpose is to inquire of the system's or equipment's general condition; the extent of major or chronic repairs and replacements; pending repairs and replacements; and, outstanding proposals to provide repairs and replacements, etc. Within the PCR, the consultant should provide the name of the parties contacted and pertinent information received.

X1.4 *Flood Plain Designation*—Note whether the property encroaches upon a 100-year flood area designated as "Special Flood Hazard Areas Inundated by 100-year Flood" on FEMA maps, as amended.

X2. AMERICANS WITH DISABILITIES ACT (ADA) ACCESSIBILITY SURVEY

X2.1 Overview of The Americans with Disabilities Act— The Americans with Disabilities Act is a civil rights law that was enacted in 1990 to provide persons with disabilities with accommodations and access equal to, or similar to, that available to the general public. Title III of the ADA requires that owners of buildings that are considered to be places of public accommodations remove those architectural barriers and communications barriers that are considered readily-achievable in accordance with the resources available to building ownership to allow use of the facility by the disabled. The obligation to remove barriers where readily achievable is an ongoing one. The determination as to whether removal of a barrier or an implementation of a component or system is readily achievable is often a business decision, which is based on the resources available to the owner or tenants and contingent upon the timing of implementation. Determination of whether barrier removal is readily-achievable is on a case-by-case basis; the United States Department of Justice did not provide numerical formulas or thresholds of any kind to determine whether an action is readily achievable.

X2.1.1 It is important to understand that ADA is not a building code; it is a civil rights law. As a result, local building departments may not be responsible for compliance with ADA requirements and failure to meet ADA may not be considered to be a building code violation. Conformance with other accessibility standards is beyond the scope of this section.

*X2.2 Overview of the ADA Standards for Accessible Design—*As required by the ADA, the U.S. Architectural and Transportation Barriers Compliance Board promul-

gated the ADA Accessibility Guidelines (ADAAG). ADAAG provided guidelines for implementation of the ADA by providing specifications for design, construction, and alteration of facilities in accordance with the ADA. The ADAAG was superseded by the 2010 ADA Standards for Accessible Design. These guidelines specify quantities, sizes, dimensions, spacing, and locations of various components of a facility so as to be in compliance with the ADA.

*X2.3 Baseline Evaluation—*The baseline ADA due diligence is a Visual Accessibility Survey consisting of a limited scope visual survey and completion of the checklist provided herein. The baseline scope of work excludes limited measurement and counts. Since the evaluation is limited in scope and is based on representative sampling, non-compliant conditions may exist which will not be identified as a result of the assessment. Some of the information may be obtained from the owner, such as the number of standard and accessible parking spaces, or the number of total and ADA-compliant guestrooms. A detailed study of the conformance of properties with the requirements of ADA is beyond the scope of this Guide; however, an opinion of conformance is sometimes requested in connection with the Property Condition Assessment. Consistent with the principles and intent of this Guide, the checklist (Fig. X2.) may be used as a screen to assess the condition of the subject property with respect to the design and construction requirements of ADA. Supplemental assessment may be needed to satisfy the risk tolerance and desired level of due diligence of some users.



Uniform Abbreviated Screening Checklist for the 2010 Americans with Disabilities Act

	Item	Yes	No	NA	Comments
A.	History				
1.	Has an ADA survey previously been completed for this property?				
2.	Have any ADA improvements been made to the property since original construction?				
3.	Has building ownership/management reported any ADA complaints or litigation?				
B.	Parking				
1.	Does the required number of standard ADA-designated spaces appear to be provided?				
2.	Does the required number of van-accessible designated spaces appear to be provided?				
3.	Are accessible spaces part of the shortest accessible route to an accessible building entrance?				
4.	Is a sign with the International Symbol of Accessibility at the head of each space?				
5.	Does each accessible space have an adjacent access aisle?				
6.	Do parking spaces and access aisles appear to be relatively level and without obstruction?				
C.	Exterior Accessible Route				
1.	Is an accessible route present from public transportation stops and municipal sidewalks on the property?				
2.	Are curb cut ramps present at transitions through curbs on an accessible route?				
3.	Do the curb cut ramps appear to have the proper slope for all components?				
4.	Do ramps on an accessible route appear to have a compliant slope?				
5.	Do ramps on an accessible route appear to have a compliant length and width?				
6.	Do ramps on an accessible route appear to have compliant end and intermediate landings?				
7.	Do ramps on an accessible route appear to have compliant handrails?				
D.	Building Entrances				
1.	Do a sufficient number of accessible entrances appear to be provided?				
2.	If the main entrance is not accessible, is an alternate accessible entrance provided?				
3.	Is signage provided indicating the location of alternate accessible entrances?				
4.	Do doors at accessible entrances appear to have compliant clear floor area on each side?				
5.	Do doors at accessible entrances appear to have compliant hardware?				
6.	Do doors at accessible entrances appear to have a compliant clear opening width?				
7.	Do pairs of accessible entrance doors in series appear to have the minimum clear space between them?				
8.	Do thresholds at accessible entrances appear to have a compliant height?				
E.	Interior Accessible Routes and Amenities				
1.	Does an accessible route appear to connect with all public areas inside the building?				
2.	Do accessible routes appear free of obstructions and/or protruding objects?				
3.	Do ramps on accessible routes appear to have a compliant slope?				
4.	Do ramps on accessible routes appear to have a compliant length and width?				
5.	Do ramps on accessible routes appear to have compliant end and intermediate landings?				
6.	Do ramps on accessible routes appear to have compliant handrails?				
7.	Are adjoining public areas and areas of egress identified with accessible signage?				
8.	Do public transaction areas have an accessible, lowered counter section?				
9.	Do public telephones appear mounted with an accessible height and location?				
10.	Are publicly-accessible swimming pools equipped with an entrance lift?				
F.	Interior Doors				
1.	Do doors at interior accessible routes appear to have compliant clear floor area on each side?				
2.	Do doors at interior accessible routes appear to have compliant hardware?				
3.	Do doors at interior accessible routes appear to have compliant opening force?				
4.	Do doors at interior accessible routes appear to have a compliant clear opening width?				
G.	Elevators				
1.	Are hallway call buttons configured with the "UP" button above the "DOWN" button?				
2.	Is accessible floor identification signage present on the hoistway sidewalls?				
3.	Do the elevators have audible and visual arrival indicators at the entrances?				
4.	Do the elevator hoistway and car interior appear to have a minimum compliant clear floor area?				
5.	Do the elevator car doors have automatic re-opening devices to prevent closure on obstructions?				
6.	Do elevator car control buttons appear to be mounted at a compliant height?				
7.	Are tactile and Braille characters mounted to the left of each elevator car control button?				
8.	Are audible and visual floor position indicators provided in the elevator car?				
9.	Is the emergency call system at the base of the control panel and not require voice communication?				
H.	Toilet Rooms				
1.	Do publicly-accessible toilet rooms appear to have a minimum compliant floor area?				
2.	Does the lavatory appear to be mounted at a compliant height and with compliant knee area?				
3.	Does the lavatory faucet have compliant handles?				
4.	Is the plumbing piping under lavatories configured to protect against contact?				
5.	Are grab bars provided at compliant locations around the toilet?				
6.	Do toilet stall doors appear to provide the minimum compliant clear width?				
7.	Do toilet stalls appear to provide the minimum compliant clear floor area?				
8.	Do urinals appear to be mounted at a compliant height and with compliant approach width?				
9.	Do accessories and mirrors appear to be mounted at a compliant height?				
I.	Hospitality Guestrooms				
1.	Does property management report the minimum required accessible guestrooms?				
2.	Does property management report the minimum required accessible guestrooms with roll-in showers?				

X3. FAIR HOUSING ACT (FHA) ACCESSIBILITY SURVEY

*Overview of the Federal Fair Housing Act -The Americans with Disabilities Act—*X3.1 The Fair Housing Act (FHA) is a civil rights law that —prohibits discrimination in housing on the basis of race, color, religion, sex, national origin, familial status, and disability. One of the types of disability discrimination prohibited by the Act is the failure to design and construct covered multifamily dwellings

*X3.2 Overview of the Fair Housing Act Design Manual—*The Fair Housing Act Design Manual was developed by the US Department of Housing and Urban Development to provide guidance for the design and construction of multifamily housing covered by the Act. The Manual provides seven design and construction requirements for accessible housing.

*X3.3 Baseline Evaluation—*The baseline ADA due diligence is a Visual Accessibility Survey consisting of a limited

scope visual survey and completion of the checklist in [Fig. X3.](#) The baseline scope of work excludes the taking of measurements or counts and is subject to representative sampling. Some of the information may be obtained from the owner, such as the number of standard and accessible parking spaces, or the number of FHA-compliant residences. A detailed study of the conformance of properties with the requirements of FHA is beyond the scope of this Guide; however, an opinion of conformance is sometimes requested in connection with the Property Condition Assessment. Consistent with the principles and intent of this Guide, the checklist provided at [Fig. X3.](#) may be used as a screen to assess the condition of the subject property with respect to the design and construction requirements of FHA. Supplemental assessment may be needed to satisfy the risk tolerance and desired level of due diligence of some users. [Fig. X3.](#)



ASTM E 2018-15 Uniform Abbreviated Screening Checklist Fair Housing Act (FHA)

	Item	Yes	No	NA	Comments
A.	History				
1.	Was first occupancy at the subject property achieved after March 13, 1991?				
2.	Does the subject property consist of four or more dwelling units?				
3.	Was property management or the owner aware of any areas of non-compliance resulting in litigation?				
B.	Requirement 1– Accessible Routes; Site				
1.	Do designated accessible parking spaces appear to be provided in sufficient number at appropriate locations?				
2.	Do appropriate transitions from paved areas to sidewalks appear to be provided?				
3.	Do walkway slopes/cross slopes appear to be adequate and not excessive?				
4.	Do walkways appear to be the correct width, and clear of obstructions, including overhanging vehicles?				
5.	Do ramps appear to have appropriate handrails and edge protection?				
6.	Do building entry point/access doors appear to be provided along an apparent accessible route?				
7.	Do the main entrances appear to be barrier free and readily accessible (that is, no steps, obstacles, or revolving doors)?				
C.	Requirement 2– Accessible Common Areas				
1.	Does a continuous accessible route appear to be provided throughout the subject property, including the site, parking areas and amenities?.				
2.	Do common area/visitor restrooms appear to be barrier free and readily accessible?				
3.	Do the amenities appear to be barrier free and readily accessible?				
D.	Requirement 3– Usable Doors				
1.	Do appropriate doors/entries appear to be designed for accessibility?				
2.	Do interior doors appear to be designed for accessibility?				
E.	Requirement 4– Accessible Routes; Covered Units				
1.	Do the interiors of the covered units appear to provide adequate maneuverability?				
F.	Requirement 5– Environmental Controls; Covered Units				
1.	Do the environmental controls within the covered units appear to be at appropriate heights/locations?				
G.	Requirement 6– Reinforces Walls; Covered Units				
1.	Are reinforcements reportedly provided for future installation of grab bars at appropriate locations in the covered units?				
H.	Requirement 7– Usable Kitchens/Bathrooms; Covered Units				
1.	Do the interior kitchen areas of the covered units appear to provide adequate clearances for maneuverability?				
2.	Do the interiors of the covered units appear to provide adequate clearances in the bathrooms?				

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