PINE RUN VILLAGE

A not-for-profit Presbyterian Senior Living Life Plan Community

DISCLOSURE STATEMENT

777 Ferry Road
Doylestown, PA 18907
(215) 345-9000

PINE RUN VILLAGE

A Service of PHI dba Presbyterian Senior Living

A Life Plan Community

Located at 777 Ferry Road
City of Doylestown, Bucks County
Pennsylvania

MAILING ADDRESS:

777 Ferry Road
Doylestown, Pennsylvania 18907

TELEPHONE NUMBER:

(215) 345-9000

DISCLOSURE STATEMENT

THE ISSUANCE OF A CERTIFICATE OF AUTHORITY BY THE INSURANCE DEPARTMENT OF PENNSYLVANIA DOES NOT CONSTITUTE THAT DEPARTMENT'S APPROVAL, RECOMMENDATION, OR ENDORSEMENT OF PINE RUN VILLAGE, OR PRESBYTERIAN SENIOR LIVING, NOR IS IT EVIDENCE OF, NOR DOES IT ATTEST TO, THE ACCURACY OR COMPLETENESS OF THE INFORMATION SET FORTH IN THIS DISCLOSURE STATEMENT.

Dated: April 29, 2026

Pine Run Village
One Trinity Drive East, Suite 201
Dillsburg, PA 17019
www.presbyterianseniorliving.org

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SUMMARY OF DISCLOSURE STATEMENT

1. Name and Address of Community: Pine Run Village Inc.
777 Ferry Road
Doylestown, PA 18901

2. Name and Address of Licensed Provider: Pine Run Village Inc.
One Trinity Drive East
Suite 201
Dillsburg, PA 17019
Phone: (717) 502-8840

   Pine Run Village is a controlled affiliate of Presbyterian Senior Living, One Trinity Drive East, Suite 201, Dillsburg, PA 17019 www.presbyterianseniorliving.org

3. Contact for Admissions: Executive Director
Pine Run Village
777 Ferry Road
Doylestown, PA 18901
Phone: (215) 340-5106
www.psl.org/pinerun

4. Description of Physical Property:

   Pine Run Village is located in the "Delaware Valley" region, Doylestown Township, Bucks County, Pennsylvania on approximately 43 acres in a suburban/rural setting. The Community comprises 282 cottage style units, a centrally located community building, arts and crafts barn, guest house and administrative offices. The Community is also licensed to operate a 90-bed skilled nursing facility and a 38-room secured Personal Care Dementia Unit on the Ferry Road campus. In addition, Pine Run is licensed to operate a 96 room Personal Care Center located at our Pine Run Lakeview campus, approximately three miles away in Doylestown.

5. Minimum Age Requirement:

   Minimum age requirement for admission to the independent living units is 55.

6. Affiliation with Religious Institution:

   Presbyterian Senior Living, Pine Run Village's Parent Corporation, is affiliated with (but not owned or operated by) the Presbyterian Church U.S.A. ("PCUSA"). There is no legal connection between the Church and Pine Run Village or Presbyterian Senior Living, and the Church is not legally responsible for the financial and contractual obligations of Pine Run Village or Presbyterian Senior Living.

7. Current Resident Accommodations and Population:

	Units	Population (as of 12/31/25)
Independent Living	281	329
Lakeview Personal Care & Garden Memory Care	133	114
Skilled Nursing & Rehabilitation	90	81
Total:	504	524

8. Fees:

   A. Entrance Fees and Monthly Fees:

   See attached Appendix I – Rate Sheets for fee information for Pine Run Village.

   B. Adjustments to Monthly Fees:

   Monthly fees are ordinarily subject to adjustment on an annual basis.

   C. Independent Living Average Monthly Fee Increase.

   50% and 50 Month Refundable Entrance Fee Plan

   07/01/2026 – 2.20%
   01/01/2026 – 3.15%
   07/01/2025 – 4.00%
   01/01/2025 – 6.00%

07/01/2024 – 8.00%
01/01/2024 – 4.00%

One Bedroom Cottage — Traditional Entrance Fee Plan*
07/01/2024 – 4.00%
01/01/2024 – 4.00%
07/01/2023 – 4.00%
07/01/2022 – 4.33%

Two Bedroom Apartment — 50% & 70% Refundable Entrance Fee Plan*
07/01/2024 – 4.00%
01/01/2024 – 4.00%
07/01/2023 – 7.00%
07/01/2022 – 1.48%

**These contracts are no longer offered as of 8/24/2023*

1. The Corporation:

   Pine Run Village, a nonprofit corporation, is an affiliate of Presbyterian Senior Living, a non-profit corporation, and is tax exempt under the provisions of Section 501(c)(3) of the Internal Revenue Code. The Board of Trustees of Presbyterian Senior Living elects the majority of the directors of Pine Run Village.

2. Names, Addresses, and Professions of the Board of Directors and Officers:

   A complete list of the Board of Directors of Pine Run Village is attached as Appendix I. The Biographical Affidavit for the new Director to this Board for 2026 is enclosed with the supplemental information provided.

   Management of Pine Run Village:

   A. Executive Staff and Executive Director

      The management of the organization is the responsibility of the President of Presbyterian Senior Living and his staff. The President and principal members of the staff are attached with Appendix I.

Executive Director

Charles Gergits, Executive Director at Pine Run Village. Charles received a Bachelor of Science degree in Nursing from Bloomsburg University in 1995, his Nursing Home Administrator license in 2003, and received his MBA from Eastern University in 2020. Charles has worked in various RN roles from 1995-2000. In 2000 he joined Presbyterian Senior Living as Director of Nursing at Kirkland Village. In 2006 he became the Nursing Home Administrator at Westminster Village in Allentown. In 2012 Charles became the Assistant Executive Director at Kirkland Village; in 2016 he transferred to Cathedral Village as Assistant Executive Director and in 2019 Charles became Cathedral Village's Executive Director. In 2022, Charles became the Area Director of Cathedral Village and Kirkland Village. In 2023 Charles became the Executive Director of Pine Run Village.

B. Officers of the Board of Directors

Chair: Jennifer Shropshire
Vice Chair: Charles Grezlak
President: Dan Davis
Secretary: Beverly Wickline
Assistant Secretary: Kate Hershey
Treasurer: Dyan McAlister
Assistant Treasurer: Todd Davis

C. Financial Interest of Management and Compliance with Law

Attached with Appendix I.

3. Statement of Purpose and "Our Mission":

Guided by the life and teachings of Jesus, the mission of Presbyterian Senior Living is to provide compassionate, vibrant and supportive communities and services to promote wholeness of body, mind and spirit.

4. Description of Accommodations:

Pine Run Village is located in the "Delaware Valley" region, Doylestown Township, Bucks County, Pennsylvania. The Community has two locations of operations, both in Doylestown. The main Ferry Road campus of the Community is situated on approximately 43 acres in a suburban setting adjacent to Pine Run Lake and provides Independent Living, Personal Care/Memory Care, and Skilled Nursing services. In addition, Personal Care services are provided at our second location, Pine Run Lakeview, which is located on approximately 7 acres on Lower State Road, Doylestown, PA.

The Ferry Road Campus consists of 282 independent living units, a centrally located Community Center; arts and crafts barn including a wood shop; guest house; greenhouse; resident garden plots and administrative offices. The Community Center includes fitness center, pool, auditorium, pub, library, card room, beauty salon, concierge, and business center, as well as areas for resident dining, recreation, meeting, and a country store.

The cottages are grouped into seventeen "clusters." Cluster neighborhoods are connected to each other by covered walkways which lead in a central direction and connect with the Community Center. Standard features in each cottage include a fully equipped kitchen, wireless emergency call system, wall-to-wall carpeting, vinyl flooring in the bathroom and kitchen, blinds on most windows and washer-dryers in all units.

In the spring of fiscal year 2017, work was started on the new Community Center. With the completion of Phase 1 of the sprawling new 37,000 SF Community Center in August 2018, the community was then positioned to turn its attention to Phase 2. Amenities in this generous space opened in September 2019 spotlighting lively fun and professional instruction. The interactive aquatic and fitness center offers a multitude of classes fulfilling the dimensions of wellness. The state-of-the-art building provides fresh dining venues, meeting spaces, country store, library, pub, indoor pool, computer nook, gaming areas, and auditorium designed to meet both current and future Villager expectations.

Following the celebration of its 45th Anniversary in 2021, Pine Run Village continues to reinvest in the Ferry Road campus. Major initiatives for 2022 included the planting of over 180 trees and shrubs in locations throughout our 45 acres that was generously funded through an anonymous donation, ongoing renovation of our cluster courtyards, and a new outdoor pavilion on the Health Center patio enhancing (and shading) outdoor visits and life enrichment.

The Ferry Road campus also includes the Pine Run Health Center comprised of over 90,000 square feet. The comprehensive service area, handsomely renovated in 2014-2015, includes 90 licensed skilled nursing beds (85 private and 5 semi-private) providing both short and long-term care and 38 personal care secure memory care beds (36 private and 2 semi-private). Other popular amenities include the Cottonwood Café,

The Pine Run Lakeview campus, located three miles away in the Doylestown Township, features a 96 room personal care home. Providing living accommodations for up to 106 individuals needing some additional daily assistance, Pine Run Lakeview also includes a community dining room, private dining room, activities areas, living rooms, interior courtyard, beauty salon, and outdoor gazebo overlooking a pond. The residence includes an intimate 13-bed secure memory care center. Lakeview enjoyed a significant renovation this past year featuring new carpet, paint, lighting, wallpaper, and finishes on both floors offering a fresh, elegant, and modern look and feel for residents, Associates, and guests.

6. <u>Services Provided as Part of the Monthly Fee</u>:

   This information is provided in Appendix I – Rate Sheets for Pine Run Village.

7. <u>Residence and Care Agreement</u>:

   See Appendix II.

8. <u>Source and Application of Funding for Construction of Community</u>:

   Community is operational.

9. <u>Reserve Funding</u>:

   There is a Reserve Fund equivalent to a minimum of 10% of the annual operating expenses of the community available to the provider. These funds are managed by professional investment advisors under the oversight of the PHI Investment Management Services, Inc. Board and the Chief Finance and Strategy Officer, Dyan McAlister.

4. Certified Financial Statements:

   See Appendix III.

11. Disclosure Statement Date:

   April 29, 2026.

APPENDIX I

INDEPENDENT LIVING
RESIDENCY INVESTMENT FEES

(Effective January 1, 2026 - subject to change without notice)

Our Fee Structure

For both singles and couples at Pine Run Village, a one-time **Residency Investment Fee**, plus a reasonable **Monthly Maintenance Fee** – based on the type of home you choose – provides you with living accommodations that fit your lifestyle. Many of the residents find that living at Pine Run Village is more convenient and less costly than living in their previous home. The Residency Investment Fee is often covered by the sale of a house. The Monthly Fee is usually covered by Social Security, pensions and/or money previously used for monthly utility bills, home maintenance and repair, transportation, insurance premiums and property taxes.

Residency Investment Fee

We offer you a choice of two entrance plans. Both entitle you to a life-lease of your residence, (i.e., the right to reside in the accommodation for the rest of your life under the terms of the Residence and Care Agreement).

- Our **50 Month Plan** assures residents that if they should withdraw from the community within the first 50 months, they will receive a partial refund based on a 2% reduction of their Residency Investment Fee for every month of occupancy. After 50 months of occupancy there is no refund under this plan.
- Our **50% Refund Plan** has a slightly higher Residency Investment Fee but provides for a 50% minimum refund based on 2% reduction of the Residency Investment Fee for every month of occupancy for 25 months.

Learn more about life at Pine Run Village by calling 215-345-9000 or email us at prvliving@psl.org.

RESIDENCY INVESTMENT AND MONTHLY FEES
2026 RATES

(Effective January 1, 2026 - subject to change without notice)

	RESIDENCY INVESTMENT FEE		MONTHLY PRICING
COTTAGES*	50 MONTH PLAN	50% REFUND PLAN	
New Hope	$93,300	$139,900	$1,431
Furlong Terrace	$182,500	$273,800	$2,496
Furlong Deluxe	$182,500	$273,800	$2,496
Chalfont	$187,975	$282,014	$2,574
Chalfont Balcony	$198,800	$298,200	$2,711
Chalfont Vista	$218,400	$327,700	$2,943
Chalfont Loft	$275,600	$413,400	$3,651
Buckingham Standard	$270,400	$405,600	$3,540
Buckingham Vista	$270,400	$405,600	$3,540
Buckingham Deluxe	$312,700	$469,100	$4,254
Warrington Terrace	$270,400	$405,600	$3,540
Solebury New Orleans	$387,400	$581,200	$5,252
Solebury Deluxe	$419,700	$629,600	$5,690
Doylestown Cottage	$533,800	$800,700	$6,730
Bucks County Cottage	$613,800	$920,900	$7,740
Doylestown Farmhouse	$723,200	$1,084,800	$7,640
Bucks County Farmhouse	$805,800	$1,208,900	$8,514
SECOND PERSON FEES	$21,500	$32,200	$1,096

	RESIDENCY INVESTMENT FEE		MONTHLY PRICING
FRINGETREE APARTMENTS*	50 MONTH PLAN	50% REFUND PLAN	
Warwick	$331,200	$496,800	$5,481
Jamison	$360,200	$540,400	$5,582
Newtown	$469,800	$704,800	$7,091
Yardley	$515,700	$773,600	$7,954
SECOND PERSON FEES	$21,500	$32,200	$1,096

RESIDENCY INVESTMENT AND MONTHLY FEES
2026 RATES

(Effective January 1, 2026 - subject to change without notice)

***Service and Amenities Included:**

- Fully-equipped kitchen
- Washer/dryer
- Utilities (AC/heat/water/sewer)
- Wi-Fi access in the Community Center
- Campus-wide emergency generator
- Home maintenance
- Scheduled local transportation
- Snow removal and lawn service
- Assistance when needed and emergency response
- Real estate taxes and home insurance (renter's insurance additional)
- Daily check-in system
- Priority access to all levels of living
- Thrive Wellness programs
- Bi-weekly light housekeeping
- Expansive aquatics and fitness center
- Social activities, events, classes, computer learning opportunities
- Recreational facilities including billiards, library, shuffleboard, vegetable garden, and greenhouse
- Craft Barn with woodworking, crafts artists' studio, and train club
- Clinical social worker
- Spiritual Program
- Free open parking spaces
- Locked mailbox and postal service
- And so much more!

**Subject to terms and conditions in agreements.*

LAKEVIEW PERSONAL CARE

Pine Run Village

Personal Care provides seniors with professional assistance when needed and a way to enjoy an active lifestyle. Our team partners with residents and their families to ensure they meet each person's needs and can adjust support plans as needed. You can expect our Personal Care community to provide you or your senior loved one with help with daily tasks such as taking medications, bathing, dressing and maintaining a well-balanced diet. We also offer The Arbor, an intimate, secure neighborhood for memory care featuring a warm family environment. On top of daily necessities, Lakeview Personal Care at Pine Run Village helps residents stay engaged and involved in activities around the campus and with their peers. We provide the opportunity for companionship for those seniors who would rather not live alone and often host activities in a group setting to promote socialization.

Room and Board	Daily Rate
Private Suite	$205
Companion Suite Single Occupancy – for individuals who desire a larger accommodation or for couples.	$328
Companion Suite Double Occupancy – for individuals who desire a larger accommodation or for couples.	$205/first person $118/second person
Arbor Suite – a secure neighborhood for memory care featuring a warm family environment with an inviting backyard garden patio, as well as a living room and dining area complete with a kitchen for impromptu tea, snacks, and cookies.	$305
Personal Care Level I Services	$45
Personal Care Level II Services	$80
Personal Care Level III Services	$95

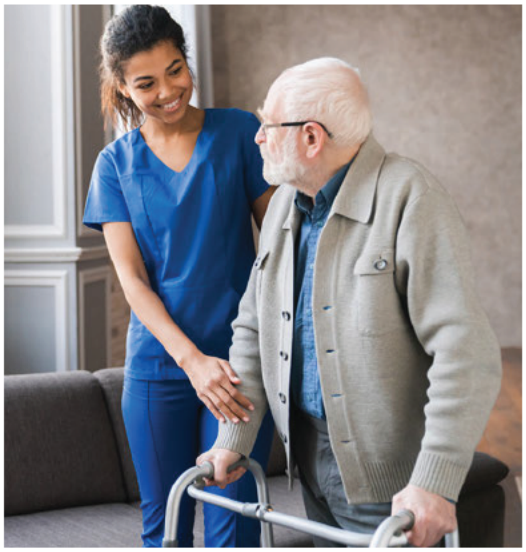
Rates effective January 1, 2026. Not covered by Medicare or Medicaid.

We offer Personal Care where you can exercise your independence while receiving the assistance needed. In addition to striving for the highest standards of physical support services, we provide socially stimulating activities as well as supervision of medical needs by nursing team members.

Veterans and surviving spouses who require Personal Care may be eligible for assistance from the Veterans Administration. Pine Run Village and Lakeview offer assistance with obtaining these benefits should you qualify for them. Some long-term care insurance policies may also pay for Personal Care.

Pine Run Lakeview
PERSONAL CARE • MEMORY CARE

2425 Lower State Road | Doylestown, PA 18901
215-489-5848 | www.psl.org/pinerun



SKILLED NURSING SERVICES

Pine Run Village

Skilled nursing residents receive comprehensive care in a warm, home-like environment. With continuous support, nursing and care support team members assist with tasks of daily living such as bathing and dressing, feeding, medication management and more. Programmed activities provide stimulation and engagement as well as the opportunity for social connection with other residents.

Room and Board	Daily Rate
Private	$588*
Semi-Private	$484/per person

Rates effective January 1, 2026. Subject to change and availability.
*If a private room is medically necessary, a portion of the daily rate may be covered by your insurance plan.

SERVICES INCLUDE:

- Post-acute nursing care
- Wound care
- Physical, occupational, and speech therapy
- IV therapy
- Oxygen administration, weaning and respiratory treatments
- Dietary consult, including enteral nutrition
- Administration of gastrostomy and jejunostomy feeding

PRESBYTERIAN SENIOR LIVING
Pine Run Village
777 Ferry Road | Doylestown, PA 18901
215-340-5201 | www.psl.org/pinerun

Pine Run Village

DIRECTORS OF THE BOARD AND OFFICERS

January 2026

Name/Address	Contact Information	Years Served 12/31/2025	Class
James Brexler Penn Medicine Doylestown Health [redacted]	Email: [redacted] Mobile: [redacted] Office [redacted]	3	2028
Charles Grezlak [redacted]	Email: [redacted] Mobile: [redacted]	3	2026
Sharon Kelly [redacted]	Email: [redacted] Mobile: [redacted]	3	2027
Scott Levy *(effective September2024)* [redacted]	Email: [redacted] Mobile: [redacted]	2	2027
William P. Scott [redacted]	Email: [redacted] Home: [redacted] Mobile: [redacted]	3	2028
Jennifer Shropshire [redacted]	Email [redacted] Cell: [redacted]	3	2026

<u>BOARD OFFICERS</u>

Jennifer Shropshire– Chair

Charles Grezlak – Vice Chair

President: Dan Davis

Secretary: Beverly Wickline

Assistant Secretary: Kate Hershey

Treasurer: Dyan McAlister

Assistant Treasurer: Todd Davis

PSL Corporate Staff	**PSL VP List**
Dan Davis – President & CEO	Chris Bailey –VP of Operations – Western Region
Cindy Fox – SVP Human Resources	Nicole Bowser – VP Legal / In-house Counsel
Kate Hershey – SVP/COO	Bethanie Constant – VP Mission Support
Chris Holt – SVP Sales & Marketing	Melissa Crawl – VP Housing Operations
Dan Krieger – SVP / Chief Business Integration & Compliance Officer	Todd Davis – VP of Finance
Dyan McAlister – SVP/ Chief Finance & Strategy Officer	Greg Day – VP of Technology
	Alicia Fenstermacher – VP Purposeful Living
	Malynda Hivner - VP Finance – Affordable Housing & Development
	Deb Larkin – VP Compliance and Privacy
	Jessica Lelii – VP of Employee Relations
	Matt Oathout – VP of Operations – Eastern Region
	Wesley Paxton – VP of Planning, Design and Construction
Bev Wickline – Executive Administrative Assistant	Jessica Sharer – VP Clinical Excellence

A. **Executive Staff**

The management of the organization is the responsibility of the President of Presbyterian Senior Living and his staff. The President and principal members of the staff are listed below with brief resumes of their backgrounds:

Dan L. Davis, Jr., President/CEO, Presbyterian Senior Living (PSL).

Mr. Davis has over 30 years of experience in aging services and has been a Licensed Nursing Home Administrator since 1993. Mr. Davis began his career in Aging Service with Leader Nursing And Rehabilitation Centers in 1992 as an Administrator in Training. After serving as an NHA managing Long-Term, Sub-Acute, Memory Care, and Hospital Based Nursing Facilities, Mr. Davis joined Presbyterian Senior Living in 2001 and has since served as Executive Director, Regional Director of Operations, Vice President of Continuing Care Operations, and Chief Operating Officer prior to assuming the role of President and Chief Executive Officer in 2022. Mr. Davis is a graduate of Oklahoma City University with a Bachelor's in Business (1988) and holds a Master's in Organizational Development and Leadership (2010) from Shippensburg University. He is active in Leading Age and Leading Age PA, is a staunch advocate for aging services, and has served as Treasurer on the board of the state association. In addition, Mr. Davis serves as Chair of the Board of Prelude Services, Inc. a Managed Service Provider offering IT services to improve client productivity, enable growth, and strengthen cybersecurity; Vice-Chair of the Presbyterian Association of Homes and Service for the Aging (PAHSA), an independent, not for profit association representing organizations that provide residential communities, health care and services for older adults; as well as Chair of the Board of Three Oaks Senior Dining, a senior living partnership dedicated to providing health-forward, innovative, and sustainable dining services tailored to the unique needs of multi-site not-for-profit providers. while providing a partnership model built upon four pillars: joint governance, shared control, full transparency, and mutual rewards.

Dyan McAlister, Senior Vice President/Chief Finance and Strategy Officer, Presbyterian Senior Living (PSL).

Ms. McAlister has been employed by PSL for over 27 years. Prior to serving as Chief Finance and Strategy Officer, she held the positions of Senior Vice President/CFO, Vice-President of Finance, Director of Financial Reporting, Controller, Accounting Manager, and Senior Accountant. Before joining PSL, Ms. McAlister worked in public accounting, where she obtained her CPA license in 1998. She began her career as an accountant for Keystone Service Systems. She is a graduate of Messiah College and holds a master's degree in Strategic Management and Executive Leadership from Penn State University. Ms. McAlister has served on several non-profit and church boards, including Daybreak Church of the CMA, Carlisle Alliance Church, Forgotten Voices International and Carlisle Christian Academy.

Cindy Fox, Senior Vice President of Human Resources, Presbyterian Senior Living (PSL).

Ms. Fox is responsible for developing and executing human resources strategy in support of the overall business plan and strategic direction of the organization. Specifically, her responsibilities are in the areas of talent acquisition, compensation and benefits, payroll, HR electronic systems, employee relations and employment law, and performance management. Ms. Fox has been with PSL since 2010 and has over 40 years of experience in human resources. She has held the positions of Corporate HR Director, V.P. of Employee Relations and V.P. of Human Resources while working at PSL. Prior to joining PSL, Ms. Fox worked in the human resource sector with Pennsylvania Blue Shield, AMISYS Synertech, and Prelude Services. She is a graduate of Indiana University of Pennsylvania and holds a Master's degree in Industrial Organizational Psychology from the University of Tennessee. She is a member of the Society of Human Resources Management and is President of the United Methodist WC Trust for Quincy Village

Daniel Krieger, Senior Vice President, Chief Business Integration and Compliance Officer, Presbyterian Senior Living (PSL).

Mr. Krieger has been in the senior services field for over 20 years and currently is the Chief Business Integration and Compliance Officer. In this role he serves as Presbyterian Senior Living's Enterprise Risk and Compliance Officer. Mr. Krieger leads the organization's fully integrated risk, compliance and legal programming, integrating these across all lines of business, while focusing on innovative partnerships to maximize healthcare and business operations. He has served Presbyterian Senior Living in several positions since 2007, including Executive Director of Life Plan Communities, Operations Reimbursement Manager, Corporate Director of Value Based Reimbursement, Vice President of Risk, Compliance, Legal and Value Based Integration and Senior Vice President of Risk, Compliance and Business Development. With oversight of enterprise risk management, corporate compliance, legal matters, business development, reimbursement methodologies, vendor management, managed care contracting, value-based relationships, initiatives and integration, Mr. Krieger strives to seamlessly integrate PSL's portfolio of services into a cohesive continuum to move dynamically and successfully with the senior living industry. He received his MBA from Point Park University and Bachelor's degree in Management Science from the University of Pittsburgh. He is also a Licensed Nursing Home Administrator in the states of Pennsylvania and Virginia. He is certified in Professional Aging Services Risk Management and a graduate of the LeadingAge PA Fellows in Leadership program.

Katherine E. Hershey, Senior Vice President, Chief Operating Officer, Presbyterian Senior Living (PSL).

Katherine E. Hershey has more than 25 years of experience in Long Term Care, working in aging services her entire professional career. Licensed as NHA with a Master's degree in Health Administration, Ms. Hershey is a CARF surveyor and a 2010 graduate of the Larry Minnix National Leadership Academy through LeadingAge. Prior to joining PSL in 2017, Ms. Hershey served older adults in varying roles from Dietary Aide to Admissions Coordinator, Executive Director, as well as several regional leadership opportunities. Ms. Hershey is actively involved in the professional community serving positions of state and national leadership. She has served on the Board of Directors of Leading Age PA, is a member of the Leading Age PA Education Committee and the LeadingAge PA Public Policy committee.

Christine Holt, Senior Vice President of Sales and Marketing, Presbyterian Senior Living (PSL).

Ms. Holt brings over three decades of healthcare leadership experience, with 10 years in operations and more than 20 years focused on marketing strategy, brand development, and customer experience design. During her tenure at Redeemer Health, she successfully led multiple divisions and initiatives, including overseeing seven residential communities and architecting comprehensive operational improvements that resulted in enhanced operating results and significant increases in occupancy rates.

Ms. Holt holds dual master's degrees from Temple University - an MBA in Health Care Administration and a Master of Science in Health Care Finance, both achieved with Cum Laude honors. She also earned dual Bachelor of Science degrees in Marketing and Finance from Saint Joseph's University, graduating Magna Cum Laude.
Throughout her career, Ms. Holt has demonstrated exceptional skill in developing and implementing strategic innovations that drive organizational growth and enhance customer experience. As Chief Experience Officer at Redeemer Health, she pioneered the Experience University program and created transformative onboarding experiences that resulted in improved customer satisfaction scores and increased position fulfillment. Her expertise in brand development and marketing strategy has consistently yielded impressive results, including notable increases in top-of-mind awareness and brand attribute association.

A published author and frequent industry speaker, Ms. Holt actively contributes to the advancement of healthcare marketing and experience design through presentations at major industry conferences and publications in leading healthcare management journals. Her approach combines data-driven foresight with strategic innovation to create meaningful connections between organizational goals and customer experience.

Financial Interest of Management and Compliance with Law

No Director, Officer, Executive Staff, or Administrator owns a ten percent (10%) or greater interest in any professional service, firm, association, trust, partnership or corporation from which the "Facility" purchases or anticipates purchasing and/or securing goods, leases or services to or for the facility of a value of $500 or more, within any one year.

None of the Directors, Officers, Executive Staff and Administrators have anything to disclose pursuant to Section 7(a) (3) (C) (I) or (II) of the Continuing Care Provider Registration and Disclosure Act, regarding noncompliance with the law.

APPENDIX II

Presbyterian Senior Living
RESIDENCE AND CARE AGREEMENT
Select from drop-down list
TABLE OF CONTENTS

____

THIS AGREEMENT, made this day of , , between **Select from drop-down list** (the entire continuum of care, is referred to herein as "Community") and , hereinafter called "Resident" for admission to Community for Occupancy of (the Residence).

RECITALS

Community operates a continuing-care community; and

Resident has applied for admission to Community and to occupy the Residence; and

Community has reviewed and accepted Resident's application subject to execution of this Agreement.

In consideration of the mutual promises contained in this Agreement, and intending to be legally bound, Community and Resident agree as follows:

SECTION 1: DEFINITIONS OF WORDS AND PHRASES

ASSIGNMENT OF INSURANCE: authorization to Community to apply for and collect Insurance benefits from Resident's insurance carrier for services furnished to Resident or on Resident's behalf by Community.

CONDITIONS OF OCCUPANCY: the health, safety and related requirements for continued Occupancy of the Residence as specified on Exhibit D.

CONTINUUM REVIEW BOARD: a multi-disciplinary team consisting of staff assigned by the Executive Director as defined by Community policy. The Review Board shall include the Community Medical Director.

CO-RESIDENT: one of two persons who sign as Residents to occupy a single independent living Residence.

DAILY RATE: the daily charge to residents for routine personal care or nursing services.

DOUBLE OCCUPANCY: occupancy of one independent living Residence by two Residents.

DESIGNATED OCCUPANCY DATE: the date specified in the Agreement on which Resident must accept Occupancy of the Residence, if available.

EXECUTED CONTRACT: this Agreement once it is signed by both Community and Resident, regardless of which party signs first.

EXECUTIVE DIRECTOR: the person designated to administer the community and to whom every member of the staff is accountable.

EXTENDED CARE FACILITY: the skilled nursing or personal care facility operated by or made available to Resident by Community.

INSURANCE: Medicare (Parts A and B, including Medicare managed care plans, with which Community participates, that replace traditional plans), and Medicare Supplemental Insurance (plan C or better), which Resident is required to carry.

LIVING ACCOMMODATION: the independent living residence, personal care or nursing accommodation provided for Occupancy by Resident.

MEDICAL DIRECTOR: the physician(s) designated by the Executive Director to supervise the medical affairs of Community and of the residents of said Community.

MONTHLY FEE: the monthly charge for Occupancy of the independent living residence.

NURSING CARE SERVICES: the level of nursing services provided in semi-private accommodations and covered by the Daily Rate.

OCCUPANCY: the actual possession or use of a living accommodation, or immediate right to such possession or use. The date of occupancy is established in Exhibit B.

OPTIONS: finishes such as flooring, cabinetry and appliances, the cost of which is covered by the Residency Investment Fee, as described in Exhibit A.

PERMANENT TRANSFER: non-temporary transfer of Resident to the Extended Care Facility for an indefinite period of time.

PERSONAL CARE SERVICES: the provision of assistance with activities of daily living.

PERSONAL REPRESENTATIVE: an individual entitled to make health-related decisions for or on behalf of Resident. Evidence of one's status as Personal Representative may be demonstrated through documents such as, but not limited to, papers showing the person's appointment as Resident's guardian, a health care power of attorney, a living will, or an advanced directive.

PROBATIONARY PERIOD: the first three months of actual Occupancy of an independent living residence during which the Community evaluates Resident's ability to satisfy the Conditions of Occupancy.

REMAINING RESIDENT OR SURVIVING RESIDENT: the Resident who continues to occupy an independent living residence after the death or withdrawal of a Co-Resident, or the permanent transfer of a Co-Resident to the Extended Care Facility or to any other facility authorized under this Agreement.

RESIDENCY INVESTMENT FEE: the fee charged for admission which must be paid prior to Occupancy.

RESIDENT: the person or persons executing this agreement and residing at Community.

SCHEDULE OF CHARGES: the Community publication reflecting current charges for services rendered by Community as set forth in Exhibit C attached hereto and made a part hereof.

SURRENDER: to cease to occupy an independent living residence, to remove all possessions from the residence and to turn in all keys to Community.

TEMPORARY TRANSFER: transfer of Resident to the Extended Care Facility or other outside facility, with the reasonable mutual expectation that Resident will be able to return to the Residence within a timeframe established by the Medical Director.

TERMINATION: the end of Resident's right of Occupancy in an independent living residence for any reason.

UPGRADES: structures, independent living residence modifications, finishes and fixtures the cost of which are not covered by the Residency Investment Fee.

SECTION 2: ACCOMMODATIONS AND FACILITIES PROVIDED BY COMMUNITY

A. Living Accommodation and Term - Community shall provide Resident with the Residence, common spaces and services specified in this Agreement beginning on the

Designated Occupancy Date or actual date of Occupancy, whichever is earlier, and continuing until the Termination of this Agreement.

B. Furnishings and Options - Community shall provide standard furnishings including certain Options as reflected in Exhibit A, which is attached to the Agreement and incorporated by reference. All other furnishings and Upgrades shall be provided by Resident at Resident's expense subject to supervision of and approval by the Executive Director.

C. Upgrades - Resident may request to upgrade furnishings supplied by Community. The cost of Upgrades requested prior to Occupancy shall be paid at the time selections are finalized. The cost of Upgrades requested after Occupancy shall be paid prior to or at the time of installation, as determined by Community. The fees for Upgrades are not refundable and are separate from the Residency Investment Fee.

D. Structural Changes and Additions - Any structural or physical change of any kind within the Residence may be made only after submitting a written request and obtaining approval from the Executive Director. Structural or physical changes of the Residence shall be supervised by the Executive Director. The Community, at its sole discretion, may select the contractor to perform the structural or physical changes. The cost of such changes requested by Resident is not covered by the Residency Investment Fee and will not be refunded to Resident upon Termination. The cost of such changes shall be paid by Resident. Any changes to the Residence shall become the property of Community.

E. Common Spaces - Resident may use, in common with others and in accordance with Community policies, the dining room, activities areas and other spaces provided by Community for all residents.

F. Personal Care and Nursing Care Services - Community shall operate or make available to Resident an Extended Care Facility offering licensed Personal Care and Nursing Care Services, which services shall be available to Resident on a priority access basis in accordance with the terms of the Agreement and Community policies.

G. Designated Occupancy Date - Community expects that the Residence shall be ready for Occupancy on or before (the "Designated Occupancy Date"), which is sixty (60) days from the date this agreement is signed. If the Residence is available for Occupancy before the Designated Occupancy Date, Resident may take possession on the first available date. The obligation to pay the Monthly Fee shall begin on the Designated Occupancy Date or upon actual Occupancy, whichever is earlier, as indicated in Exhibit B.

The Designated Occupancy Date may be extended by the Community, with approval of the Executive Director, for a period not to exceed two (2) months (i.e. the "Extended Occupancy Date"). Community shall provide Resident with notice of any extension of the Designated

Occupancy Date by certified mail, addressed to Resident at the address set forth in Section 16. In the event that Resident fails to take possession on the Designated Occupancy Date or Extended Occupancy Date, then Community, in its sole and absolute discretion, may elect to terminate this Agreement in accordance with the termination and refund provisions.

SECTION 3: SERVICES PROVIDED BY COMMUNITY

A. Utilities - Community will provide water and sewer. Fees for utilities, cable and telephone service are set forth in the Community's Schedule of Charges.

B. Housekeeping - Resident will maintain the Residence in clean, sanitary, and orderly condition and is responsible for all usual light housekeeping tasks in connection therewith. Community will provide housekeeping services in accordance with rates set forth on Community's Schedule of Charges. If Resident does not maintain the Residence in a proper manner, Community, after notice to Resident, shall have the right to maintain the Residence and the cost of such maintenance shall be charged to Resident.

C. Maintenance and Repair - Community will perform and provide grounds keeping, snow removal, necessary repairs, and maintenance and replacement of Community's real property and equipment. Repairs, maintenance and replacement of Resident's personal property will be the responsibility of Resident.

D. Other Services - Assigned parking is provided for Resident's own car pursuant to procedures established by Community. Security services as deemed appropriate by Community will be provided. However, Community shall not assume responsibility for theft, vandalism or other security breaches by third parties.

E. Food and Meals - Dining Service - Resident shall pay in advance each month for Resident's selected meal plan as specified in the Community's dining service cost schedule (the "Dining Service Cost Schedule"), included in the Community's Schedule of Charges. Additional meals, guest meals and other services may be purchased at a cost set forth in the Dining Service Cost Schedule. Community agrees to provide Resident written policies governing this section, including, but not limited to, unused meal credits/points, and absence from the Community. Community reserves the right to periodically adjust meal plan options and cost schedules.

F. Health Care Services

1. Personal Care Services and Nursing Care Services - Community shall make Personal Care Services and Nursing Care Services available to Resident in the Extended Care Facility. In the event there is insufficient space in the Extended Care Facility at such time as Resident may require Personal Care or Nursing Care Services, Community may transfer Resident to an outside facility selected by Community for a temporary period and until such time

as a nursing bed or personal care accommodation becomes available. The Resident is responsible for financial arrangements with, and charges incurred at, an outside facility.

2. Costs Associated with Transfer to Extended Care Facility

(a) Cost of Health Services. When recommended by the Medical Director and approved by the Executive Director, Community will provide fourteen (14) days per calendar year of Resident's room and board fees (not to include any ancillary charges) for semi-private accommodations in the Extended Care Facility. In the Double Occupancy context, a Co-Resident may not make use of the other Co-Resident's fourteen (14) days for purposes of this Section 3, regardless of whether such Co-Residents are married. If Resident's stay in the Extended Care Facility should exceed fourteen (14) days, beginning on the fifteenth day, Resident shall pay the applicable Daily Rate set forth in the Community's Schedule of Charges for the health services provided plus any ancillary charges incurred. A description of the Personal Care and Nursing Care Services covered by and included in the Daily Rate and ancillary services not covered by or included in the Daily Rate is contained in Community's Schedule of Charges, which is subject to change from time to time. Community reserves the right to determine, from time to time, the scope and extent of services provided in the Extended Care Facility. Certain higher acuity or higher level of care services, such as ventilator dependency care, may not be available. To the extent that Community provides any specialized, non-routine nursing care services for higher acuity levels of care, those services shall be provided at an additional charge over and above the Daily Rate. Leave based on a transfer to a hospital or other leave days may be covered within the fourteen (14) day period described herein at the sole discretion of the Executive Director. In the case of Double Occupancy, upon the Permanent Transfer of a Co-Resident to the Extended Care Facility, the remaining Co-Resident will pay the current single person fee beginning on the date of the Permanent Transfer. A thirty-day notice shall not be required for this change in the Monthly Fee when the rate change is due to a Permanent Transfer or Residence change.

(b) Renewal. The fourteen (14) days will be renewed on January 1 of each calendar year as long as Resident continues to occupy the Residence. Unused days may not be carried forward. There shall be no renewal of the fourteen (14) days following Resident's Permanent Transfer to the Extended Care Facility. For partial year Occupancy, allocation of the Resident's fourteen (14) days shall be prorated as follows: For Occupancy beginning between January 1 and June 30, Resident shall be allocated the full fourteen (14) days. For Occupancy beginning between July 1 and December 31, Resident shall be allocated seven (7) days for the remainder of the year.

(c) Costs to Reserve Independent Living Residence. In the case of Single Occupancy, during a Temporary Transfer to the Extended Care Facility or other health care facility, Resident shall continue to pay the then current applicable Monthly Fee to reserve the Residence. Upon the Permanent Transfer of Resident to the Extended Care Facility or other health care facility and Surrender of the Residence, the obligation to pay the Monthly Fee shall cease. In the case of Double Occupancy, during a Temporary Transfer of one Co-Resident to the Extended Care Facility or other health care facility, both Co-Residents shall continue to pay the then current applicable Monthly Fee for continued Occupancy of the Residence or to reserve the Residence. In the event of a Permanent Transfer of one Co-Resident to the Extended Care Facility or other health care facility, Section 4(F) of this Agreement shall apply. Upon the permanent transfer of both Co-Residents to the Extended Care Facility or other health care facility and Surrender of the Residence, the obligation to pay the Monthly Fee shall cease.

(d) Liability for Health Care Services. Resident shall not be liable to any health care provider for services rendered to Resident under this Agreement if the health care services rendered are services which Community agreed to furnish to Resident in consideration of Resident's payment of [entrance and periodic fees]. In the event a health care provider seeks payment from Resident for services rendered and which services Community has agreed to provide under this Agreement, then Community will assume liability for payment of such services.

3. Transfer to Hospital or other Facility - Community does not provide hospital or acute care. Community will assist, if requested, in making arrangements for the prompt transfer of Resident to a hospital on order of a physician. The costs of ambulance or emergency transportation for transfer to a hospital or other acute care provider and the costs of such hospitalization and acute care shall be the responsibility of Resident.

G. Private Duty Nursing or Companion Services in the Residence - Subject to the approval of Community, Resident may utilize the services of private duty nurses or companions providing personal or nursing care services in the Residence so long as Resident is able to satisfy the Conditions of Occupancy. Such services must be approved in advance and in writing by Community. Resident is responsible to make all arrangements for and shall pay the cost of such services. The utilization of such services shall not impair the Resident's financial obligations to Community. Community reserves the right to review the credentials of all private duty nurses or companions, to approve or prohibit the use of or to require the discontinuation of such services. As a condition of Community's approval, all private duty nurses or companions must provide Community with an appropriate release and indemnification agreement, proof of liability insurance and workers' compensation insurance coverage, as well as proof that such private duty nurses or companions are free of tuberculosis and/or any other contagious or communicable disease, and are subject to a criminal background check. To the extent required, Resident shall confirm that any approved private duty nurse, companion or attending individual has workers' compensation insurance coverage. In the absence of such coverage, Resident is required to provide workers' compensation insurance to the extent required by law. Services of private duty nurses or companions may be used so long as Resident is able to satisfy the Conditions of Occupancy. In exchange for Community's consent to Resident's request for the services of a private duty nurse or companion, Resident shall execute, if requested by Community, an Aging-in-Place Addendum, which shall be attached to this Agreement and incorporated by reference. Community reserves the right to terminate Resident's authorization to utilize the services of private duty nurses or companions in the event that Resident does not comply with the requirements of this Section 3(G) or, if applicable, the Aging-in-Place Addendum, or Resident requires transfer to a higher level of care. If transfer to a higher level of care is required as determined in the discretion of Community or as required by the Pennsylvania Department of Human Services, the Pennsylvania Department of Health or any other duly constituted authorities or agencies, then Community reserves the right to transfer Resident to a higher level of care within Community or to such other external care facility as Community deems appropriate.

H. Limitations on Care and Residency - The Community is not designed to care for persons who are afflicted with mental illness, alcohol or drug abuse or who require specialized psychiatric care or services not authorized or permitted pursuant to state regulation. If Community, through its Medical Director, determines that Resident's mental or physical condition is such that Resident's continued presence in the Community is dangerous or detrimental to the life, health, safety or peace of Resident or other residents, Community, in consultation with Resident and/or Resident's Personal Representative and subject to the Continuum Review Board's ultimate decision, may transfer Resident to a facility of Community's choosing, or discharge Resident from the Community. Any determination by the Medical Director that the Resident is a danger to himself or others while living within the Community shall be in writing and signed by both the Medical Director and Executive Director. If Resident is transferred or discharged as provided in this Section 3(H), the Community shall pay to Resident any refund due as if the Resident's Agreement was terminated pursuant to Section 9.

SECTION 4: FEES

A. Residency Investment Fee - Resident shall pay to Community a one-time Residency Investment Fee of **$.** The Residency Investment Fee shall be paid in full according to the policies of the Community on or before occupancy, unless otherwise indicated in Exhibit E, if applicable. The Residency Investment Fee is paid as follows: a first payment of **$** , (10% of the applicable first and second person Residency Investment Fee, less any applicable Future Resident Club deposit), payable upon signing of the Residence Selection Agreement dated , a second payment of **$** (25% of the applicable first and second person Residency Investment Fee), payable upon the signing of this Agreement, and a final payment of **$** , (65% of the applicable first and second person Residency Investment Fee) payable on or before the Designated Occupancy Date. If two persons sign this Agreement as Co-Residents, the sums stated in this paragraph cover both persons.

B. Amortization of Residency Investment Fee – The amount of the Residency Investment Fee to be refunded, subject to all other provisions herein, shall decline by **two**

percent (2%) a month for the first fifty (50) months of Occupancy of the Residence. The Amortization will be calculated on the total amount of the Residency Investment Fee, not the declining refundable balance thereof. **After fifty (50) months, zero percent (0%)** of the Residency Investment Fee will be subject to the refund provisions in Section 12-B. If the Residence is surrendered prior to the completion of **fifty (50)** months of occupancy, the refund shall cease to decline upon the Resident's Surrender of the Residence. As stated in Section 12-B, in the event of Termination after Occupancy for reasons other than death, Community shall retain no less than ten percent (10%) of the Residency Investment Fee.

C. Limitations on Increases in the Residency Investment Fee. After Resident signs this Agreement, there will be no increases in the Residency Investment Fee prior to Occupancy unless required by changes in federal or state assistance programs. Charges for care paid in one lump sum shall not be increased or changed during the duration of the agreed upon care, except for changes required by state or federal assistance programs.

D. Use of Residency Investment Fee - The entire Residency Investment Fee after payment shall be used by Community for any corporate purpose and in any manner deemed appropriate by Community in its sole and absolute discretion consistent with law.

E. Monthly Fee and Meal Plan Fee - Resident shall pay to Community monthly in advance, a Monthly Fee of **$** , a Monthly Fee (second person) of **$** , a meal plan fee of **$** , and a meal plan fee (second person) of **$** (collectively referred to as "Fees"). Payment of the Fees is due on the date Resident accepts Occupancy or the Designated Occupancy Date, whichever is earlier. The Fees shall be pro-rated if Resident assumes Occupancy after the first of the month. Payment thereafter is due upon receipt of a monthly statement from Community. The statement shall show the amount due for the Fees and any other sums which are chargeable to Resident. If any Fees or charge are not paid within sixty (60) days of delivery of statement, the Community, subject to the provisions of Section 9(B) of this Agreement, may terminate this Agreement. It is the intent of Community that these Fees, with any adjustments thereto authorized under this Agreement, shall remain in effect whether Resident (and Co-Resident, if applicable) remains in the Residence, temporarily leaves the residence for any reason (including vacation), or is temporarily transferred to the Extended Care Facility or other facility authorized under this Agreement. Fees may be increased or adjusted; however, Community will provide at least thirty (30) days advance written notice of any changes in the Fees, with the exception of a rate change due to a Permanent Transfer to the Extended Care Facility or Residence change.

F. Co-Resident's Fee Responsibility - In situations of Double Occupancy, each Co-Resident shall be jointly and severally liable for all payments due under this Agreement. If one Co-Resident dies or leaves the Residence, the remaining Co-Resident shall be responsible for payment of the applicable Fees and any other charges. This Section shall not apply to services in the Extended Care Facility which otherwise would be reimbursed through the Pennsylvania

Medical Assistance Program administered by the Department of Human Services and/or Medicare.

G. Service Charge for Late Payment - A service charge of one and one-half percent (1 ½%) per month may be added to amounts past due in excess of thirty (30) days. Resident is obligated to pay all actual attorney fees and costs incurred relative to the collection of any amounts past due in excess of ninety (90) days.

H. Disclosure of Financial Information - Community reserves the right to require Resident upon request to update the financial information disclosed in the application for admission. Disclosure allows Community to monitor and project financial assistance needs.

SECTION 5: FINANCIAL ASSISTANCE POLICIES

A Financial Inability - To the extent funds are available, it is the policy of Community to furnish financial assistance and, Resident shall not be dismissed, nor this Agreement terminated solely because of Resident's financial inability to pay the Monthly Fee or other charges, provided Resident presents to Community facts which, in Community's opinion, justify special financial consideration. In such event, Community, at Community's sole discretion, may subsidize Resident's Monthly Fee or other charges to the extent determined by the Community provided that such subsidy can be granted without impairing the ability of Community to provide care to its other Residents. The possibility of providing financial assistance should not be construed as an assurance or guarantee of life care by Community. If financial assistance is initially granted, there is no guarantee that such assistance can or will continue indefinitely, or for any specific period of time. Community may discontinue or reduce any financial assistance if there is a change in Resident's financial circumstances permitting Resident to bear all or an increased portion of the Monthly Fee or other charges, or if any factual representation by Resident made in the original application for admission and related documents or in support of a request for financial assistance is determined to have been materially false or inaccurate. Community reserves the right to transfer a resident receiving subsidy to another living accommodation.

B. Transfer of Assets/Sale of Assets - Resident shall make every reasonable effort to meet Resident's financial responsibilities to Community. Resident represents that Resident has made no gift prior to the date of Resident's application and will make no gift thereafter, other than to Community, which would substantially impair Resident's ability or the ability of Resident's Estate to satisfy Resident's financial responsibilities to Community. If Resident's sources of income and other resources are inadequate to meet Resident's financial responsibilities to Community, Resident will make every reasonable effort to obtain assistance elsewhere and, if Resident can qualify, shall take all necessary steps to obtain federal, state, or municipal aid or assistance. Resident has an affirmative obligation to make Resident's financial need and resources known to Community at least one hundred and twenty (120) days in advance of the need for funds. Resident is ineligible for Community subsidy if the Resident or Co-Resident has transferred assets or sold assets at less than Fair Market Value.

C. Subsidy by Community - In the event the Resident receives Community subsidy, any property of Resident which remains in Resident's possession or control at Resident's death shall be transferred by Resident's executor, heirs, devisees and assigns, to Community for the purpose of repaying to Community (to the extent of the value of such property) the subsidy furnished Resident by Community. This Agreement shall operate as an assignment, transfer, and conveyance to Community of such property, and may be enforced as a claim against Resident's Estate. Any portion of the Residency Investment Fee that may be refundable under Section 12 of this Agreement shall, to the extent permitted by applicable law, be utilized to pay any current or future outstanding balances before Community will consider subsidy. Community may periodically request financial statements from any Resident receiving subsidy from Community. This subparagraph shall apply whether or not Resident is in residence at the facility. Community, in its sole discretion, may deduct, from funds otherwise due to Resident as a refund under this Agreement amounts equivalent to the amount of any Community subsidy provided, up to the whole value of the refund.

SECTION 6: HEALTH INSURANCE AND THIRD-PARTY PAYMENTS

A. Required Insurance - Resident shall maintain Insurance in force at Resident's expense. In the event Resident fails to maintain in force, because of failure to make premium payments, Insurance after Occupancy, Community reserves the right to make such payments for purposes of maintaining such Insurance in force for Resident's benefit. To the extent permitted by applicable law, Resident is obligated to reimburse Community for such payments made on behalf of Resident and the cost of such premiums shall be billed as an ancillary charge on Resident's monthly statement. The payment by Community of any premium due on the required Insurance does not constitute a waiver of Community's right to terminate this Agreement upon Resident's failure to make such premium payments and Community has no obligation or liability to provide or pay for Resident's Insurance. Community may require Resident to provide proof of Insurance from time to time after Occupancy. Resident has an affirmative obligation to inform Community of any change in Insurance coverage prior to the effective date of the change. If failure to do so results in financial harm to the Community, Resident shall, to the extent permitted by applicable law, be obligated to reimburse Community for such costs, which Community will bill as an ancillary charge on Resident's monthly statement. In addition, Community reserves the right to apply the Residency Investment Fee to such charges, and to deduct such amounts from funds otherwise due to Resident as a refund under this Agreement.

B. Assignment of Required Insurance and Third-Party Payments - Resident shall take all necessary steps to provide for direct payment to Community for services provided by Community which are covered either in whole or in part under the terms of Resident's Insurance.

If Resident's Insurance requires co-payments, co-insurance or deductibles after Community bills the primary or secondary payor, these charges will be the responsibility of the Resident to remit to the Community at such time as the Community determines the amount that is due from the Resident. If Resident's insurance company or other third-party payor remits payment directly to Resident for services provided, Resident shall immediately remit those payments, as well as any deductibles or co-pays, to the Community with copies of any explanation of benefits received from the third-party payors.

C. Enrollment in a Health Maintenance Organization or other Managed Care Plan - Resident may not enroll in an HMO or other managed care plan for which the Community is not a network or participating provider, and Resident may not enroll in or subscribe to any HMO or managed care plan providing equivalent Medicare benefits without the written consent of Community. In the event that Resident subscribes to an HMO or other managed care plan, including a managed care plan that provides Medicare benefits, and Community is not a participating provider in Resident's managed care plan, Community may elect, at its option, to attempt to negotiate an agreement with and to obtain payment from Resident's managed care plan for covered services to be provided by Community. If Community is or becomes a network provider in Resident's managed care plan, Community reserves the right to withdraw from participation as a network provider. If the Resident's managed care plan and the Community do not reach agreement on the terms under which services would be provided, or the Resident's managed care plan does not agree to provide payment for covered services provided by Community, Resident may either transfer to and receive services from a participating provider in Resident's managed care plan or pay Community the Daily Rate and any additional charges for services which otherwise would have been covered by traditional Medicare (i.e., non-HMO) coverage. Regardless whether Resident transfers to a participating provider or receives services through Community, Resident shall continue to pay the Monthly Fee.

Any co-payments, co-insurance or other member responsibilities or deductibles as determined by the managed care company shall be the financial responsibility of the Resident to pay to the Community at such time as (i) the Community determines the amount is due from the Resident, or (ii) at the time the Resident receives payment directly from the managed care company. If payment is received directly by the Resident, payment must be immediately forwarded to the Community, along with copies of the explanation of benefits from the insurance company. Any co-pays, deductibles, co-insurance or other member responsibilities must also be remitted to the Community at that time.

SECTION 7: PROBATIONARY PERIOD

A. Resident Obligation - Resident is obligated to successfully complete a three-month (3) Probationary Period commencing on the Designated Occupancy Date or Occupancy, whichever is earlier, during which Resident must affirmatively show the ability to satisfy the Conditions of Occupancy for the Residence. Resident must physically reside in the Residence for the three-month (3) period. Periods of absence for vacations, travel, etc. are not included in the calculation of the three-month (3) period. During the Probationary Period, Resident may not use Resident's fourteen (14) days referenced in Section 3(F)(2)(a). If Resident is transferred to the Extended Care Facility during the Probationary Period, Resident shall pay the Daily Rate for Nursing or Personal Care Services and any other applicable charges for the duration of Resident's stay. Community reserves the right to determine in its sole discretion whether Resident has completed successfully the Probationary Period.

B. Community's Obligation - If during the first three (3) months of actual physical residency in the independent living residence (i.e. excluding periods of vacation or other absences), Community, with the advice of Community's Medical Director or Resident's own personal physician, determines that Resident is incapable of fulfilling the Conditions of Occupancy of the independent living residence, Community, in its discretion, may extend the Probationary Period up to sixty (60) additional days for further evaluation, or terminate this Agreement. In the event of termination for failure to satisfy the Conditions of Occupancy, the Residency Investment Fee shall be refunded to Resident in accordance with the refund provisions of this Agreement.

SECTION 8: SHARED LIVING ARRANGEMENT

A. Non-resident - Resident may request that a non-resident occupy the Residence as a Co-Resident. The new Resident shall be required to meet all admissions requirements. An addendum shall be signed and attached to this Agreement providing for the following:

1. The new Resident in the shared living arrangement shall pay the current 2nd person Residency Investment Fee and the difference between the Residency Investment Fee paid by the original Resident of the living residence and the current Residency Investment Fee. Any additional Residency Investment Fee paid shall amortize back to the original Resident's original date of admission.

2. Each Co-Resident is jointly and severally liable for all payments due under this Agreement in the event that a Co-Resident dies or leaves the Residence, as provided in Section 4(F).

B. Existing Resident - In the event of marriage or other shared living arrangement between two Residents of the Community, either Resident may request that the other Resident occupy the Residence as a Co-Resident. If Community approves the request, Resident shall select and designate in writing at least sixty (60) days in advance of the proposed move, which one of the two (2) living units then occupied shall be thereafter occupied jointly. The living residence not designated for joint Occupancy must be surrendered on or before the date of the proposed move to the designated living residence. This designation should be directed to the Executive Director. An addendum shall be signed and attached to each Residence and Care

Agreement providing for the following:

1. Resident vacating the living residence shall receive any refund due in accordance with Section 12 herein.

2. Each Co-Resident is jointly and severally liable for all payments due under this Agreement in the event that a Co-Resident dies or leaves the Residence, as provided in Section 4(F).

SECTION 9: TERMINATION OF AGREEMENT

A. By Resident - Resident may terminate this Agreement within seven (7) days of execution by signing the attached Notice of Right to Rescind and delivering it to Community. All payments, except the Application Processing Fee and any payments made for Upgrades, shall be refunded to Resident. After the lapse of the seven (7) day rescission period, but prior to the Designated Occupancy Date, Resident may terminate this Agreement upon delivery by Resident of written notice to Community.

1. Termination During the Probationary Period - At any time during the Probationary Period, Resident may terminate this Agreement by delivery of written notice to Community and Surrender of the Residence, such Termination to be effective upon such Surrender.

2. Termination After the Probationary Period - Resident may also terminate this Agreement at any time after the conclusion of the Probationary Period by delivery of written notice to Community at least thirty (30) days prior to Termination ("Notice Period"). Such Termination shall only be effective upon the date Resident Surrenders the Residence. Resident is required to pay the Monthly Fee during the Notice Period, or actual Surrender of the Residence, whichever is longer. In the event of Termination after Occupancy, any refunds will be made in accordance with Section 12 of this Agreement.

B. By Community - At any time prior to Occupancy or during the Probationary Period, Community may terminate this Agreement by delivery of written notice to Resident. After completion of the Probationary Period, Community may terminate this Agreement upon a determination of just cause and delivery of thirty (30) days written notice or such written notice as is reasonable under the circumstances to Resident or Resident's Personal Representative. Just cause may include, among other reasons, a default in payment, the submission of material false information in the application documents, the failure of Resident to abide by Community's rules, regulations, policies and procedures, the breach of any of the other terms of this Agreement, or a good faith determination in writing (signed by both the Medical Director and Executive Director) that continued Occupancy in the Residence by Resident creates a serious threat or danger to the life, health, or safety of Resident or the life, health, safety or peaceful enjoyment of others. In situations where continued Occupancy threaten the life, health or safety of Resident or the life, health safety or peaceful enjoyment of others, only such notice as is reasonably practicable under the circumstances will be provided Resident or Resident's representative, and termination may be effective immediately. The refund provisions at Section 12 of this Agreement shall apply to termination for just cause in the same manner as those provisions would apply to any other termination.

C. By Death - Unless sooner terminated by Resident or by Community, and except as to enforcing rights granted herein, this Agreement shall terminate at the death of Resident and Surrender of Residence. If this Agreement has been signed by Co-Residents, it shall remain in full force and effect as to the surviving or remaining Co-Resident. The Monthly Fee obligation will continue until Surrender of the Residence.

D. Further Obligations and Release upon Termination - Upon Termination of this Agreement, Community is released from any further obligations to Resident or Resident's Estate except for the payment of any refund which may become due. Resident or Resident's Estate is released from any further obligations to Community except for the obligation to pay any sums due under the Agreement, including any indemnification obligations and payment of the Monthly Fee up to the date of Surrender of the Residence.

SECTION 10: SURVIVING OR REMAINING RESIDENT'S OPTION TO MODIFY AGREEMENT

Upon the Termination of this Agreement as to a Co-Resident, the surviving or remaining Resident shall have the option for a period of sixty (60) days thereafter to elect:

A. To retain the same independent living residence and pay the Monthly Fee for single Occupancy thereof, or

B. To move to a living residence with a lower Residency Investment Fee, if and when available, and, after moving, to pay the Monthly Fee for single Occupancy in such living residence. Failure to make an election within the option period shall be deemed an election under A above. No option shall be given to a surviving or remaining Resident who has been permanently transferred to an Extended Care Facility or other authorized facility.

If Resident opts to move to a living residence with a lower Residency Investment Fee, the original Residency Investment Fee paid remains in effect.

SECTION 11: TRANSFER TO OTHER LIVING ACCOMMODATIONS

A. Conditions of Occupancy - Resident shall have the right to occupy the Residence for so long as Resident satisfies the Conditions of Occupancy. In the event Community needs to make substantive repairs, improvements or changes to all or a portion of the Community affecting the Residence which will require permanent relocation, Community shall provide Resident six (6) months notice of such change when possible, and at Community's cost relocate and endeavor to provide Resident with a residence of similar size, character, and Upgrades which Resident paid for in the original Residence. In the event of a temporary relocation due to renovation, repair or restoration Community shall provide Resident two (2) months notice of such change when possible, and at Community's cost to relocate Resident to temporary living accommodations.

B. Transfer to Another Living Residence - Resident may request a voluntary transfer to another living residence within the Community. Such request shall be subject to approval by Community in its sole discretion, and shall be subject to availability and an assessment of Resident's level of living at the time of the request. If Community approves the Resident's request and the Resident transfers to another living residence within the Community, this Agreement shall remain in effect. The Monthly Fee, as applicable, shall be adjusted as appropriate for the new living residence and the Resident shall be responsible for all costs and arrangements involved in moving from one living residence to another, including any charges associated with renovations to the new living residence.

1. Transfer to a Living Residence that Costs More Money - If Resident requests a transfer to a living residence that costs more money, Resident must be financially approved for the new living residence and must submit a new financial application with supporting documentation. Resident shall also pay an additional Residency Investment Fee equal to the difference between the Residency Investment Fee paid by the Resident for the living residence currently assigned and the current Residency Investment Fee for the living residence requested. Otherwise, there shall be no new Residency Investment Fee when a Resident transfers within the Community.

2. Transfer to a Living Residence that Costs Less Money - If Resident transfers to living residence that costs less money, Resident is not entitled to a refund of any portion of the Residency Investment Fee at the time of transfer. Thereafter, Resident may be entitled to a refund of the Residency Investment Fee in accordance with Section 12 of this Agreement.

3. A Resident moving from one living residence to another living residence shall pay a refurbishment fee of $10,000.00 to cover the actual reasonable costs of repairs, beyond normal wear and tear for refurbishment of the new living residence. Such refurbishment fee shall be paid in accordance with the terms of an Addendum to this Agreement.

4. If Resident relocates or transfers to another living residence, Resident is not entitled to a refund of any portion of the Residency Investment Fee at the time of transfer. Thereafter, Resident may be entitled to a refund of the Residency Investment Fee in accordance with Section 12 of this Agreement.

C. Transfer to Extended Care Facility or other Outside Facility - After consultation with the Resident and/or Resident's family or designated representative, Community may transfer Resident to the Extended Care Facility or other outside facility if it determines that Resident no longer meets the Conditions of Occupancy of the Residence. The decision as to whether the transfer shall be deemed temporary or permanent shall be made by the Continuum Review Board in its sole discretion. Community shall consider the opinion of Resident, the advice of Resident's family or designated representative, if available, and if requested and at Resident's expense, a private physician. The opinion of Resident and the advice of Resident's family, designated representative and/or physician are advisory only and shall not be binding on Community. If Resident is transferred permanently to the Extended Care Facility or to any other facility authorized under this Agreement, Community may declare Resident's Residence vacant.

SECTION 12: REFUNDS OF ALL OR PART OF RESIDENCY INVESTMENT FEE

Upon termination of this Agreement, Community shall refund the Residency Investment Fee in accordance with the following provisions:

A. Termination Before Occupancy - All fees including any payments toward the Residency Investment Fee will be refunded in full if the Resident rescinds this Agreement within seven (7) days of the date on which Community receives an Executed Contract with the Notice of Right to Rescind. In the event of termination of this Agreement by death of Resident before the Designated Occupancy Date, or in the event Resident is precluded from becoming a resident because of illness, injury or incapacity, Community shall make a full refund of all Residency Investment Fee payments less any amounts deducted to cover the expenses incurred by Community at the specific written request of Resident. In situations of Co-Residency, if one (1) Co-Resident is precluded from taking Occupancy of the Residence because of death, illness, injury or incapacity, this Agreement shall remain in full force and effect as to the other Co-Resident. If Resident does not terminate this Agreement within the seven (7) day rescission period but does terminate prior to the Designated Occupancy Date, while not precluded from taking Occupancy by illness, injury, incapacity or death, then Community shall retain any payments for Upgrades made by Resident, and shall also retain the Deposit of 10% or **$**   , of the Residency Investment Fee and the balance of all Residency Investment Fee payments shall be refunded to Resident, less any amount deducted to cover expenses incurred by Community at the specific written request of Resident.

B. Termination After Occupancy - In the event of Termination after Occupancy by reason of death, Permanent Transfer or other reason, any unamortized portion of the Residency Investment Fee, less any amounts necessary to cover costs incurred by Community to upgrade, restore or repair the Residence in the event of unreasonable wear and tear, or to satisfy unpaid charges, shall be refunded to Resident or Resident's Estate in accordance with Paragraph E. In the event of Termination after Occupancy for reasons other than death, Community shall retain not less than ten percent (10%) of the Residency Investment Fee.

C. Due Date for Refund Payments - Prior to Occupancy, all applicable refunds will be made after Termination and within sixty (60) days of Resident's request. After Occupancy, any refund of the Residency Investment Fee shall be payable only when the Residence has been Surrendered, Resident has permanently departed from all levels of care in the Community (or in the case of Double Occupancy, both Co-Residents have departed from all levels of care in the Community), and when Community has accepted and entered into a Residence and Care Agreement and the new Resident has occupied the Residence formerly occupied by Resident. If Resident terminates this Agreement during construction of the living residence designated for Occupancy by Resident, no refund shall be made until an equal number of living units have been reserved as the number reserved at the time Resident gave notice of Termination to Community. The amount of any refund due will be calculated by reference to the date of Surrender of the Residence.

D. No Accrual of Interest - No interest will accrue to the benefit of Resident or Resident's Estate on any amounts required to be refunded under this Agreement, and no interest will be paid on Termination.

E. Recipient of Refund - If there is a single signatory to this Agreement as Resident, then the refund will be made to the Resident or to the executor of the Resident's Estate. If there are two (2) signatories to this Agreement as Resident, then the refund will be made one-half (1/2) to each Co-Resident if both are living at the time the refund becomes due, to the surviving Co-Resident if only one (1) is living at the time the refund becomes due, or one-half (1/2) to the Executor/Executrix of the Estate of each Co-Resident if both Residents die simultaneously.

F. Taxation Disclosure - Tax code changes enacted by Congress may affect Resident's taxable income. Resident should consult with Resident's accountant or attorney to determine how changes in the tax laws might be applied. The Community makes no representations and has no responsibility for any tax consequences.

SECTION 13: ARRANGEMENTS FOR ESTATE

A. Will and Funeral Arrangements Required - If not previously made, Resident within one (1) month after the date on which the parties sign an Executed Contract, shall prepare or have prepared a Will providing for the disposal of Resident's furniture and possessions and/or appointment of an Executor/Executrix of Resident's Estate, and make funeral and burial arrangements. Resident will provide community with a copy of the page designating the Executor/Executrix.

SECTION 14: POWER OF ATTORNEY, ADVANCE DIRECTIVES AND ARRANGEMENTS FOR GUARDIANSHIP

A. Power-of-Attorney - Resident shall furnish Community, no later than the date of Occupancy, a Durable, General Financial Power of Attorney authorizing an individual or an institution to act on behalf of the Resident in the event of Resident's incapacity, including the authority to authorize medical treatment, executed by Resident which shall be maintained in the files of Community.

B. Living Will or Designation of Surrogate - If Resident has executed an Advance Directive in the form of a Living Will or has designated another person as a surrogate relating to the provision of health care services in the event of terminal or other illnesses or conditions, Resident shall provide a copy of the Living Will or Advance Directive designating the Resident's surrogate and any revisions or changes made to the document during Resident's Occupancy to Community.

C. Legal Guardian - If Resident becomes incapacitated or unable to properly care for self or property, and no representative has been lawfully designated to act on behalf of Resident or the lawfully designated representative is unavailable or unable to act on behalf of Resident, then Community may institute legal proceedings to adjudge Resident incapacitated and have a guardian appointed for Resident's estate or person or both. All costs of such legal proceedings, including legal fees, shall be paid by Resident or the legally appointed guardian of Resident's estate.

SECTION 15: RIGHTS AND OBLIGATIONS OF RESIDENT

A. Right of Self-Organization - Residents of the Community shall have the right of self-organization. The Community shall hold quarterly meetings which Resident may attend for the purpose of free discussion of subjects which may include income, expenditures and financial matters as they apply to the Community and proposed changes in policies, programs, and services. At least seven (7) days' notice of each quarterly meeting shall be given.

B. Right to Receive Disclosure Statements - Community shall deliver to Resident at the time of the execution of this Agreement and at least annually thereafter, the disclosure statement required by Act No. 82 of 1984. (Applicable to Pennsylvania only)

C. Guest Privileges - Resident shall have the right to have overnight guests in the Residence, provided that the period of visitation of any guest shall not exceed fourteen (14) days. The fourteen (14) day visitation period may be extended to a maximum thirty (30) day total stay, subject to written approval by the Community. Resident will be subject to additional Monthly Fees and other fees at the sole discretion of the Community for guests staying beyond the initial fourteen (14) day visitation period. Resident will be fully responsible for all acts of Resident's guest(s).

D. Rights to Property/Subordination - The rights and privileges granted to Resident by this Agreement do not include any right, title or interest in any part of the personal property, land, buildings and improvements owned or administered by Community. Resident's rights are primarily for services, with a contractual right of Occupancy. Nothing contained in this Agreement shall be construed to create the relationship of landlord and tenant between Community and Resident. Any rights, privileges, or benefits under this Agreement, including Resident's right to a full or partial refund, shall be subordinate to any existing or subsequent mortgages or deeds of trust on any of the premises or to any other interest in the real property of Community and to all amendments, modifications, replacements, or refinancing of any existing or subsequent mortgages or deeds of trust or to any liens or security interests held by secured creditors of Community. This subordination provision means that the claims of secured creditors in the event of Community's bankruptcy or default on its financial obligations shall be paid before Resident is entitled to receive any applicable refund. Upon request Resident shall execute and deliver any document which may be required by Community, or by the holder of any such mortgages or deeds of trust or other encumbrances, to affect such subordination or to confirm it.

E. Responsibility for Damages - Any loss or damage to real or personal property of Community caused by the fault, negligence or intentional misconduct of Resident shall be paid for by Resident. At the effective date of termination of this Agreement, Resident shall vacate the Residence and leave it in as good condition as the date of Occupancy except for reasonable wear and tear. If the Residence is damaged beyond ordinary wear and tear, the costs of repair shall be the obligation of Resident and such costs shall be billed directly to Resident or Resident's Estate, or alternatively, deducted from any refund that may be due. Any loss or damage to real or personal property of Community caused by Resident or Resident's guests shall be paid for by Resident or Resident's Estate. If any fault, negligence or intentional misconduct of Resident results in injury, illness, or damage to any other resident, Community assumes no responsibility therefore, and Resident hereby releases and discharges Community from any injury or damage to Resident or to Resident's personal property caused by the fault, negligence or intentional misconduct of other residents or guests.

F. Responsibility for Protection of Resident's Property.

1. Community shall not be responsible for the loss of any property belonging to Resident or to Resident's Estate or Resident's guest, for any cause, unless the care and control of said property is specifically accepted in writing by Community.

2. If Resident's personal property is not removed by Resident or Resident's representative within the established timeframe following Resident's Permanent Transfer from the Residence or other Termination of this Agreement, Community shall dispose of Resident's

property in any manner it deems appropriate and shall not be liable or responsible for any damages to it. Resident or Resident's Estate shall be obligated to pay all costs for the removal, storage or disposal of Resident's property. If Resident's property is moved to and stored in a commercial warehouse, Community shall have no liability or responsibility for Resident's property during the transfer of the property or the storage of it.

G. Renter's Insurance - Resident is required to obtain and maintain at Resident's own expense, renter's insurance. Said insurance shall have general liability coverage of at least Three Hundred Thousand Dollars and Zero Cents ($300,000.00), which amount is subject to change from time to time. The insurance shall also have personal property coverage in an amount sufficient to cover the loss of all property in the Residence. Resident is required to provide proof of such insurance upon taking Occupancy of the Residence. Community may periodically request proof of such insurance from Resident. Failure to maintain said insurance could constitute a breach of this Agreement and Resident will be personally responsible for damage caused to property or injuries to third parties due to Resident's negligence or the negligence of Resident's visitor(s) and/or guest(s).

H. Release to Extent of Recovery Collectible under Insurance - Resident and Community hereby release the other from any claim or recovery for any loss or damage to any of its property which is insured under valid and collectible insurance policies to the extent of any recovery collectible under such insurance. Resident and Community further agree that this waiver shall apply only when permitted by the applicable policy of insurance.

I. Rights of Resident are Personal and Non-transferable - The rights and privileges of Resident under this Agreement to the Residence services, and medical care provided for herein are personal to him/her and cannot be transferred or assigned by act of Resident, or by any proceeding at law, or otherwise. No person other than Resident may occupy or use the Residence covered by this Agreement, except with the approval of Community.

J. Inspection of Independent Living Residence and Right of Entry - Resident shall permit Community, or its agents, or any representative of any holder of a mortgage or similar interest on the property, or, when authorized by Community, the employees of any contractor, utility company, municipal agency or others, to enter the Residence for the purpose of making reasonable inspections and repairs and replacements. Such entry will be made only with reasonable advance notice, except in emergency situations. Community shall have the right to enter the Residence to perform scheduled housekeeping, and to perform routine maintenance and for other reasonably necessary purposes having due regard for Resident's privacy.

K. Automobile Insurance and Operating Privileges - In order to operate a motor vehicle, Resident shall maintain automobile liability insurance to cover liability and medical expenses arising from injury to Resident and others. Resident shall provide proof of such insurance to Community upon taking Occupancy of the Residence. Resident shall operate a motor vehicle in accordance with Community's rules and regulations, including but not limited to legal speed limits and safe driving procedures and practices. Community reserves the right to revoke Resident's driving privileges on Community's property if the Resident does not abide by the applicable rules, regulations, policies and procedures.

SECTION 16: NOTICE

Notice, when required by the terms of this Agreement, shall be deemed to have been properly given if and when delivered personally or, if sent by mail, when postmarked, postage prepaid and addressed as follows:

To Community:
Select from drop-down list
Select from drop-down list
Select from drop-down list
Attn.: Executive Director

To Resident (before taking occupancy):

After occupancy, notice will be provided to Resident at the Residence specified in this Agreement.

SECTION 17: ENTIRE AGREEMENT

This Agreement, together with the Application Form, Medical Records, and Financial Statement submitted by Resident, constitutes the entire contract between Community and Resident. Community shall not be liable for any statements, representations or promises made by any person representing or purporting to represent Community, unless such statements, representations or promises are set forth in this Agreement. Resident agrees to observe the rules adopted by Community for the convenience, comfort and safety of all residents. This Agreement may not be modified except by agreement of the parties in writing and attached hereto, signed by the party against whom enforcement of any waiver, change, modification, extension or discharge is sought.

SECTION 18: NON-DISCRIMINATION

Community operates on a non-discriminatory basis and provides access to its Community and services for all persons regardless of sex, race, color, religion, national origin, sexual orientation, gender identity, handicap or disability.

SECTION 19: ACTS OF FORBEARANCE

No act of forbearance or failure to insist upon prompt performance of any of the terms hereof or agreement or statement of Resident under this Agreement, shall be construed as a valid waiver of any of the rights granted herein or by the Continuing Care Provider Registration and Disclosure Act intended for the benefit or protection of Resident.

SECTION 20: SEVERABILITY

If any provision of this Agreement is determined to be invalid or unenforceable, the remainder of this Agreement shall remain in full force and effect.

SECTION 21: NON-WAIVER CLAUSE

No act, agreement or statement of Resident, or of an individual purchasing care for Resident under any agreement to furnish care to Resident, shall constitute a valid waiver of any provision of the Continuing-Care Provider Registration and Disclosure Act, Act of June 18, 1984, PL 391, No. 82, Sections 1-25, 40 PS Section 3201 et. seq., intended for the benefit or protection of Resident or the individual purchasing care for Resident.

SECTION 22: SUBROGATION WHERE ACCIDENT OR INJURY CAUSED BY OTHERS

When Resident fails to pay to Community the Fees due under the agreement or where the cost to Community of Resident's care is increased due to injury to Resident caused or occasioned by other parties, Community shall be subrogated to Resident's claims or causes of action arising therefrom, including the right to damages for the injury and all expenses incurred as a result thereof, and Resident hereby assigns all such right of recovery to Community. Community, in such event, may sue on and enforce any cause of action for Resident for injury or damages so resulting, in the name of Resident, or in its own name. After all costs and expenses incurred by Community (including legal fees and cost of injury) shall have been paid for and reimbursed to Community by such subrogation, either from settlement, judgment, or otherwise, the balance of any such payment will be refunded or credited to Resident or, in the event of Resident's death, will be paid to Resident's Estate or the person legally entitled thereto.

SECTION 23: CASUALTY LOSS

In the event the Residence occupied by Resident, or the building in which the Residence is located, is destroyed or so damaged by fire or other casualty so as to render the Residence or the building generally unfit for Occupancy, Community in its sole and absolute discretion may elect to rebuild and restore the Residence and building, or exercise its option to Terminate this Agreement.

In the unlikely event that Community determines rebuilding and restoring the Residence and building threatens the financial viability of Community, Community will exercise its best efforts to locate and identify reasonable alternative accommodations for any Resident affected by casualty loss.

If Community terminates this Agreement for reasons relating to casualty loss, such Termination shall be provided to Resident in writing. In the event of Termination, no further obligation shall rest on either party under this Agreement except those expressed in the refund provisions or described as surviving Termination.

In the event Resident is unable to occupy the Residence for any period of time during any reasonably necessary period of restoration of the Residence, the Monthly Fee shall be reduced proportionately, unless a vacant independent living residence is available for temporary Occupancy. Resident shall be responsible to locate and pay the costs of any temporary housing or residence during any reasonably necessary period of repairs for housing outside of the Community. Community shall not be liable for any damage, compensation or claim by reason of inconvenience or annoyance.

SECTION 24: SPEND-DOWN TRUSTS

Resident represents and warrants that, as of the date of this Agreement, Resident's assets are not subject to any trust or future trust, the principal and interest of which will not be available for the care, support, healthcare and other needs of Resident while at the Community. Resident further represents and warrants that, to the extent that such trusts exist as of the date of this Agreement, Resident will take any and all actions necessary to amend or revoke such trusts, or to spend down the assets in such trusts, so that all funds from such trusts shall be available for the care, support, healthcare and other needs of Resident while at the Community, and so that Resident qualifies for any government program requiring that such assets be spent down prior to Resident being eligible for governmental support. Resident further agrees that Resident shall not, after the date of this Agreement, enter into or divert any of Resident's assets to any trust that would cause Resident's assets to be unavailable for Resident's care, support, healthcare and other needs while Resident is at the Community, or which would prevent Resident from becoming eligible for government support for the Community's services without first spending down the assets held in such trust. Any violation of this Section 24 shall be "just cause," permitting the Community to terminate this Agreement pursuant to Section 9(B).

SECTION 25: VENUE

This Agreement will be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania exclusive of the conflict of law principles thereof. The parties agree that exclusive venue for any disputes, controversies or litigation arising under this

Agreement lies with the Courts of York County, Pennsylvania, and the parties agree to and hereby submit to the personal jurisdiction of the Courts of York County, Pennsylvania for all such disputes, controversies and litigation.

Signature Page Follows

IN WITNESS WHEREOF, *COMMUNITY* has caused this Agreement to be duly signed, and the party or parties Resident has or have hereunto affixed Resident's signature(s), the day and year first above written.

____________________________________ ______________
Community Representative Date
Print Name:__________________________

____________________________________ ______________
Resident Date

____________________________________ ______________
Resident Date

Reviewed By ________________________________

NOTICE OF RIGHT TO RESCIND

Date rescission period begins

Resident may rescind and terminate this Residence and Care Agreement without penalty or forfeiture, within seven (7) days of the above date. Residents are not required to move into the continuing care facility before the expiration of this seven (7) day period. No other agreement or statement Resident signs shall constitute a waiver of the right to rescind this Agreement within the seven (7) day period.

To rescind this Agreement, mail or deliver a signed and dated copy of this notice, or any other dated written notice, letter or telegram, stating the desire to rescind to the following address:

Select from drop-down list
Select from drop-down list
Select from drop-down list
Attn.: Executive Director

not later than midnight of (last day for rescission).

Pursuant to this notice, I hereby cancel my Residence and Care Agreement.

DATE___________________

PROSPECTIVE RESIDENT'S SIGNATURE(S)

____

____

(LEAVE BLANK TO INSERT EXHIBIT A)

OCCUPANCY DATE
EXHIBIT B

Occupancy of , is confirmed for _______________ (occupancy date).

_____________________________ _______________
Resident Date

_____________________________ _______________
Resident Date

_____________________________ _______________
Community Representative Date
Print Name:___________________

(LEAVE BLANK TO INSERT EXHIBIT C)

CONDITIONS OF OCCUPANCY
EXHIBIT D

The health, safety and related requirements for continued occupancy of the Residence include the following requirements:

1. Maintain the ability to meet one's personal care needs to ensure the health, safety and welfare of Resident and other residents.

2. Maintain one's self and the Residence in a safe and sanitary manner so as not to pose a threat or danger to one's health or safety or the health or safety of others in the Community.

3. Maintain the ability to reside safely in the Residence without becoming disoriented as to person, place and/or time so as to be at risk of departing/wandering from the Community without understanding the risks of harm to Resident or other actions, including socially offensive or aggressive behaviors, which would endanger Resident or threaten the safety or well-being of other residents.

4. Demonstrate that, upon Resident's request for a reasonable accommodation to remain in the Residence, such reasonable accommodation shall be secured with appropriate and qualified assistance as approved by Community, and, if requested by Community, execution of and compliance with the Aging-in-Place Addendum, and demonstrate sufficient resources to pay for such reasonable accommodation without impairing one's financial obligations to Community and without prematurely depleting such resources as determined by Community.

5. Demonstrate sufficient financial resources to meet all financial requirements of residency.

6. Comply with the rules, regulations, policies and procedures established by Community.

APPENDIX III

Presbyterian Homes Obligated Group

Combined Financial Statements
and Supplementary Information

December 31, 2025 and 2024

Table of Contents

December 31, 2025 and 2024

Certification of Chief Executive and Chief Financial Officers

We are responsible for the combined financial statements of Presbyterian Homes Obligated Group as of December 31, 2025 and 2024, and attest that they are accurate, complete and fairly presented.

Our financial integrity is built on robust internal controls, disciplined financial management, and a culture of transparency. Our commitment to integrity is reflected in our Statement of Values. Presbyterian Senior Living's Statement of Values guides how we conduct business and serve our residents. We believe that this commitment, our processes, and internal controls produce financial information that can be trusted.

Combined financial statements report our financial position and results using numbers and prescribed rules. They also include a significant amount of information that is required by financial reporting standards. We believe these combined financial statements disclose information that is important to create a complete picture of our stewardship of financial resources.

Combined financial statements alone can never reflect the breadth of our mission-driven work. They do not measure the dedication of our team members, the strength of our relationships, or the transformative impact Presbyterian Senior Living has on the lives of those we serve. Guided by the life and teachings of Jesus, stewardship of our financial resources is inseparable from our commitment to delivering vibrant, supportive communities where individuals thrive.

We believe in open and honest communication and welcome any inquiries regarding this report. Presbyterian Senior Living remains steadfast in its mission, vision and values as we continue to shape the future of senior living with integrity, innovation and purpose.

Dan Davis
Chief Executive Officer
Presbyterian Senior Living

Dyan McAlister
Chief Finance and Strategy Officer
Presbyterian Senior Living

Independent Auditors' Report

To the Board of Directors of
Presbyterian Homes Obligated Group

Opinion

We have audited the combined financial statements of Presbyterian Homes Obligated Group (the Obligated Group), which comprise the combined statements of financial position as of December 31, 2025 and 2024, and the related combined statements of operations and changes in net assets and cash flows for the years then ended, and the related notes to the combined financial statements.

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the financial position of the Obligated Group as of December 31, 2025 and 2024, and the results of their operations, changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Combined Financial Statements section of our report. We are required to be independent of the Obligated Group and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of the combined financial statements in accordance with GAAP, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Obligated Group's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the combined financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the combined financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Obligated Group's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Obligated Group's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The combining information as identified on the table of contents is presented for purposes of additional analysis of the combined financial statements, and it is not a required part of the combined financial statements. Also, the other supplementary information as identified on the table of contents is presented for purposes of additional analysis and is not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the combined financial statements as a whole.

Baker Tilly US, LLP

Philadelphia, Pennsylvania
April 27, 2026

Presbyterian Homes Obligated Group

Combined Statements of Financial Position
December 31, 2025 and 2024

	2025	2024
Assets		
Cash and cash equivalents	$ 4,020,820	$ 10,578,204
Investments	180,922,337	138,141,276
Statutory liquid reserves	13,875,034	13,786,571
Accounts receivable, net	15,517,097	14,927,149
Assets whose use is limited	20,064,312	28,586,814
Property and equipment, net	468,643,786	467,080,559
Due from affiliates, net	83,241,827	83,168,710
Funds held in trust by others	20,856,407	19,953,488
Goodwill	23,082,598	26,234,673
Other assets	9,753,139	6,270,053
Total assets	$ 839,977,357	$ 808,727,497
Liabilities and Net Assets		
Accounts payable	$ 10,225,496	$ 8,997,019
Accrued expenses	19,756,441	20,333,310
Lines of credit	15,316,959	6,306,477
Resident deposits	4,324,090	3,457,092
Entrance fees payable	15,170,341	12,586,800
Other liabilities	5,031,719	5,328,991
Long-term debt	333,219,905	341,297,959
Deferred revenues from entrance fees	176,102,055	166,589,346
Total liabilities	579,147,006	564,896,994
Net Assets		
Without donor restrictions	229,980,559	214,304,790
With donor restrictions	30,849,792	29,525,713
Total net assets	260,830,351	243,830,503
Total liabilities and net assets	$ 839,977,357	$ 808,727,497

See notes to combined financial statements

Presbyterian Homes Obligated Group

Combined Statements of Operations and Changes in Net Assets
Years Ended December 31, 2025 and 2024

	2025	2024
Net Assets Without Donor Restrictions		
Revenues, gains and other support:		
Resident services:		
Resident services	$ 226,685,715	$ 224,505,887
Amortization of entrance fees	25,868,381	21,874,608
Total resident services	252,554,096	246,380,495
Contributions, gifts and bequests	465,873	1,654,571
Other revenues	331,480	721,576
Net assets released from restrictions	270,603	515,541
Total operating revenues and other support	253,622,052	249,272,183
Expenses:		
Nursing services	68,793,170	70,290,258
Rehabilitation	9,883,702	9,992,857
Recreation and special services	4,704,796	4,520,389
Pharmacy	2,407,425	2,429,238
Social services	1,054,728	1,003,337
Physician services	361,549	365,105
Food services	28,987,953	28,057,277
Building operations and maintenance	37,398,908	33,932,112
Housekeeping	4,815,692	4,459,200
Laundry and linen	1,295,488	1,398,387
Management and general	36,590,612	35,638,779
Employee benefits	10,156,724	12,362,250
Interest	16,189,734	16,474,519
Depreciation	29,594,959	26,811,272
Amortization	3,152,075	3,293,375
Fundraising	664,499	560,098
Total expenses before nonrecurring expenses	256,052,014	251,588,453
Operating loss before other gains and losses	(2,429,962)	(2,316,270)
(Loss) gain on sale of community and disposals of property and equipment	(116,408)	426,830
Loss on impairment of asset	-	(102,723)
Operating loss	(2,546,370)	(1,992,163)
Other income:		
Investment income	6,214,538	6,162,346
Realized gain on investments	1,410,030	1,034,003
Unrealized gain on investments	9,690,999	6,737,553
Total other income	17,315,567	13,933,902
Revenues in excess of expenses	14,769,197	11,941,739
Net assets released from restrictions for property and equipment	906,572	-
Change in net assets without donor restrictions	15,675,769	11,941,739

See notes to combined financial statements

	2025	2024
Net Assets With Donor Restrictions		
Contributions, gifts and bequests	$ 944,936	$ 913,464
Investment income, net of investment expense	109,601	70,448
Unrealized gain on investments	1,446,717	1,410,234
Net assets released from restrictions	(1,177,175)	(515,541)
Change in net assets with donor restrictions	1,324,079	1,878,605
Change in net assets	16,999,848	13,820,344
Net Assets, Beginning	243,830,503	230,010,159
Net Assets, Ending	$ 260,830,351	$ 243,830,503

See notes to combined financial statements

Presbyterian Homes Obligated Group

Combined Statements of Cash Flows
Years Ended December 31, 2025 and 2024

	2025	2024
Cash Flows From Operating Activities		
Change in net assets	$ 16,999,848	$ 13,820,344
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	29,594,959	26,811,272
Provision for credit losses	1,258,396	1,717,938
Proceeds from nonrefundable entrance fees and deposits	43,356,557	36,694,776
Amortization of entrance fees	(25,868,381)	(21,874,608)
Unrealized gain on investments	(11,137,716)	(8,147,787)
Realized gain on investments	(1,410,030)	(1,034,003)
Loss (gain) on sale of community and disposals of property and equipment	116,408	(426,830)
Loss on impairment of asset	-	102,723
Contributions restricted for long-term purposes	(114,836)	(93,391)
Amortization of deferred financing costs	193,750	236,117
Amortization of bond premium	(399,903)	(457,028)
Amortization of bond discount	173,219	173,254
Amortization of goodwill	3,152,075	3,293,375
Changes in assets and liabilities:		
Accounts receivable	(448,649)	(577,758)
Entrance fee receivable	(1,399,695)	(833,361)
Other assets	(3,483,086)	(1,166,393)
Accounts payable	970,355	(3,536,396)
Accrued expenses	(1,195,637)	1,544,276
Other liabilities	(297,272)	1,315,134
Net cash provided by operating activities	50,060,362	47,561,654
Cash Flows From Investing Activities		
Acquisition of property and equipment	(28,596,268)	(33,300,019)
Proceeds from sale of community and property and equipment	-	5,600,000
Purchases of investments	(49,718,139)	(31,465,192)
Proceeds from sale of investments	31,640,437	29,052,366
Due from affiliates, net	(73,117)	2,938,868
Net cash used in investing activities	(46,747,087)	(27,173,977)
Cash Flows From Financing Activities		
Payment of accounts payable, construction	(1,801,436)	(2,291,737)
Refunds of entrance fees and deposits	(5,481,378)	(6,063,266)
Proceeds from refundable entrance fees and deposits, resales	956,450	893,355
Proceeds from entrance fees and deposits, new units	-	4,892,812
Principal payments on redemptions of long-term debt	(8,045,120)	(9,495,801)
Financing costs paid	-	(99,585)
Borrowings (repayments) on lines of credit, net	9,010,482	(10,443,523)
Contributions restricted for long-term purposes	114,836	93,391
Net cash used in financing activities	(5,246,166)	(22,514,354)
Net change in cash, cash equivalents and restricted cash and cash equivalents	(1,932,891)	(2,126,677)
Cash, Cash Equivalents and Restricted Cash and Cash Equivalents, Beginning	62,023,332	64,150,009
Cash, Cash Equivalents and Restricted Cash and Cash Equivalents, Ending	$ 60,090,441	$ 62,023,332
Supplemental Disclosure of Cash Flow Information		
Interest paid, net of amounts capitalized	$ 16,219,607	$ 15,411,825
Noncash Investing and Financing Activities		
Obligations incurred for the acquisition of property and equipment	$ 2,678,326	$ 1,801,436
Reconciliation of Cash, Cash Equivalents and Restricted Cash and Cash Equivalents		
Cash and cash equivalents	$ 4,020,820	$ 10,578,204
Cash and cash equivalents in investments	42,179,949	29,579,542
Restricted cash and cash equivalents in assets whose use is limited	13,889,672	21,865,586
Total cash, cash equivalents and restricted cash and cash equivalents	$ 60,090,441	$ 62,023,332

See notes to combined financial statements

1. General Information

Presbyterian Homes Obligated Group (the Obligated Group) consists of the following not-for-profit corporations: Presbyterian Homes, Inc. (Pres Homes), Presbyterian Homes in the Presbytery of Huntingdon (PHPH), Quincy Retirement Community (QRC), The Long Community, Inc. (TLC), PHI Investment Management Services, Inc. (PIMSI), Cathedral Village (CA) and Pine Run Village, Inc, (PR). Among all the members of the Obligated Group, they own, operate and manage 11 continuing care retirement communities, three stand-alone independent living facilities and one stand-alone personal care home.

Windy Hill Village, a component of PHPH, was sold in 2024. This transaction resulted in a gain on sale which is included in operating loss in the accompanying combined statement of operations and changes in net assets for the year ended December 31, 2024.

The Obligated Group is governed by the Board of Trustees of PHI, doing business as Presbyterian Senior Living. Presbyterian Senior Living (PSL) is the parent organization for the members of the Obligated Group.

The following table details the number of beds/units that operate under each member of the Obligated Group:

	Total	Pres Homes	PHPH	QRC	TLC	CA	PR
Nursing beds	771	376	130	94	-	81	90
Personal care and assisted living units	584	240	73	80	32	26	133
Independent living units	1,777	762	150	229	108	247	281
Total	3,132	1,378	353	403	140	354	504

2. Summary of Significant Accounting Policies

Basis of Combination and Accounting

The combined financial statements were prepared in accordance with accounting principles generally accepted in the United States of America on the accrual basis of accounting, and only include those entities who comprise of the Obligated Group, and are parties to the master trust indenture with BNY Mellon, as master trustee, dated May 1, 2008, as amended through the 35th supplemental indenture dated September 1, 2023. All material intercompany balances and transactions have been eliminated.

Income Taxes

The Obligated Group and all its members are not-for-profit organizations as described in Section 501(c)(3) of the Internal Revenue Code (IRC) and have been recognized as tax-exempt under Section 501(a) of the IRC.

Use of Estimates

The preparation of combined financial statements in accordance with accounting principles generally accepted in the United States of America as set forth in the master trust indenture requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Obligated Group considers all liquid investments with a maturity of three months or less when purchased to be cash equivalents for the purposes of the combined statements of financial position and cash flows, except for those included in investments or assets whose use is limited. The Obligated Group's cash and cash equivalents are insured by the Federal Deposit Insurance Corporation (FDIC) for up to $250,000. At times during 2025 and 2024, the Obligated Group's cash balances may have exceeded the FDIC coverage. The Obligated Group has not experienced any loss in these accounts.

Restricted cash included in statutory reserves represents amounts required by the Continuing Care Provider Registration and Disclosure Act in Pennsylvania, which requires a working capital reserve equivalent to the greater of the total debt service payments due during the next 12 months on account of any loan or long-term financing, or 10% of the projected annual operating expenses of the Obligated Group exclusive of depreciation. The reserve is computed on only the proportional share of financing or operating expenses that are applicable to Residence and Care Agreements. Restricted cash in assets whose use is limited represents cash and cash equivalents held by a trustee under the terms of various bond indentures and permanently restricted investments.

Investments and Investment Risk

The Obligated Group's investments are comprised of a variety of financial instruments. The fair values reported in the combined statements of financial position are subject to various risks, including changes in the equity markets, the interest rate environment and general economic conditions. Due to the level of risk associated with investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is possible that the amounts reported in the combined statements of financial position could change materially in the near term.

Investment income or loss (including realized and unrealized gains and losses on investments, interest and dividends) is included in revenues in excess of expenses unless the income or loss is restricted by donor or law. Interest income is measured as earned on the accrual basis. Dividends are measured based on the ex-dividend date. Purchases and sales of securities and realized gains and losses are recorded on a trade-date basis.

Accounts Receivable, Net

The Obligated Group assesses collectability on all resident accounts prior to providing services. An allowance for credit losses is recognized to reduce accounts receivable to its net realizable value for impairment of revenues for changes in resident credit worthiness. The allowance is estimated by management based on factors such as aging of the accounts receivable and anticipated collection of the consideration. Accounts are written off through bad debt expense when the Obligated Group has exhausted all collection efforts and accounts are deemed impaired.

Included in accounts receivable, net are entrance fee receivables. Entrance fee receivables are evaluated for collectability prior to residents being admitted to the community based on the resident's credit worthiness. The terms and conditions of each entrance fee receivable are determined when a resident agreement is executed.

Assets Whose Use is Limited

Assets whose use is limited primarily include assets held by a trustee under the terms of various bond indentures, Board designated investments and donor-restricted investments.

Property and Equipment

Property and equipment are stated at cost or, if donated, at fair market value on the date of donation. Depreciation is being provided on the straight-line method over the estimated useful lives of the assets for property and equipment. The Obligated Group's policy is to capitalize items in excess of $3,000 or for a group of items that are the same or similar in nature or function as a group totaling $3,000 or more and benefits more than one year.

Depreciable lives are determined as follows:

Land improvements	3 - 35 years
Buildings and improvements	5 - 50 years
Departmental equipment, furniture and fixtures	1 - 40 years
Furniture	5 - 25 years
Vehicles	4 - 5 years

Goodwill

The Obligated Group has elected the accounting alternative to amortize goodwill. Goodwill is amortized on a straight-line basis over 10 years and is tested for impairment at the entity level. The Obligated Group evaluates goodwill for impairment when a triggering event occurs that indicates the fair value may be below its carrying amount. Management has determined that no such triggering event had occurred during 2025 and 2024. Therefore, additional testing to identify potential impairment was unnecessary. Goodwill was $23,082,598 and $26,234,673 at December 31, 2025 and 2024, respectively. Goodwill is primarily the result of the acquisition of PR.

Funds Held in Trust by Others

Certain members of the Obligated Group have been named as a beneficiary of several trusts which are administered and controlled by independent trustees. The trusts are recorded as contribution revenue when the Obligated Group is notified of the trust's existence. The Obligated Group receives the earnings from these trusts whose principal is to be held in perpetuity. The earnings from the trusts are reported as investment income, increasing net assets without donor restrictions.

Assets held in trust by others are valued based on the estimated fair value of the underlying investments. The change in the fair value of assets held in trust by others is reported as unrealized gains or losses on investments in change in net assets with donor restrictions.

Also included in funds held in trust by others are gift annuities and contributions receivable from charitable remainder trusts that are held by an independent trustee. Periodic payments are made until the death of the annuitant. These annuities are recorded at the present value of the annuity amount discounted at the contract rate over the estimated remaining life of the annuitant.

A summary of these funds as of December 31 is as follows:

	2025	2024
Beneficial interest in perpetual trusts	$ 20,422,085	$ 19,593,213
Contributions receivable from remainder trusts	433,755	359,708
Gift annuities	567	567
Total funds held in trust by others	$ 20,856,407	$ 19,953,488

Deferred Financing Costs

The Obligated Group has deferred the costs incurred for obtaining the proceeds of its long-term debt. These costs are being amortized over the life of the related debt agreement using the straight-line method, which approximates the effective interest method. Unamortized deferred financing costs are a direct deduction from the associated long-term debt included on combined statements of financial position and associated amortization expense is included as a component of interest expense on the combined statements of operations and changes in net assets.

Workers' Compensation

Accrued expenses include a provision for estimated self-insured workers' compensation claims for both reported claims not yet paid and claims incurred but not reported.

Deferred Revenue From Entrance Fees, Entrance Fees Payable and Amortization of Entrance Fees

Residents entering a community execute a residence and care agreement, which requires payment of an entrance fee, based on the unit to be occupied. The Obligated Group offers both nonrefundable and refundable resident agreements. Under the majority of nonrefundable resident agreements, residents who terminate their contracts will generally be entitled to a refund less 2% of the entrance fee per each month of residency up to 50 months. Under refundable resident agreements, the entrance fee is reduced to no less than the guaranteed refund, as specified in the resident agreement and refunds to residents are generally paid by the Obligated Group after the resident leaves the community and a new resident occupies the residential living unit vacated by the former resident.

The nonrefundable portion of entrance fee is amortized to revenue over the estimated life expectancy of the residents using the straight-line method, which approximates the period of time that services under the resident agreements are expected to be provided to residents and the Obligated Group's performance obligation to the residents is satisfied, and is classified as deferred revenue from entrance fees on the combined statements of financial position.

The guaranteed refundable portion of entrance fees is classified as entrance fees payable on the combined statements of financial position and is not amortized to revenue. The gross contractual refund obligations under existing resident agreements was approximately $86,937,000 at December 31, 2025.

Obligation to Provide Future Service

The Obligated Group periodically calculates the present value of the net cost of future services and the use of facilities to be provided to current residents and compares that with the balance of deferred revenue from entrance fees. If the present value of the net cost of future services and the use of facilities exceeds deferred revenue from entrance fees, a liability is recorded with the corresponding change to income. As a result of the last calculation (as of December 31, 2024), using a discount rate of 5.5%, the present value of the net cost of future services and use of facilities did not exceed deferred revenues from entrance fees; accordingly, no obligation was recorded for the years ended December 31, 2025 or 2024.

Statutory Liquid Reserves

The Continuing Care Provider Registration and Disclosure Act in Pennsylvania requires a working capital reserve equivalent to the greater of the total debt service payments due during the next 12 months on account of any loan or long-term financing, or 10% of the projected annual operating expenses of the Obligated Group exclusive of depreciation. The reserve is computed on only the proportional share of financing or operating expenses that are applicable to residence and care agreements. The Obligated Group met the reserve requirements as of December 31, 2025 and 2024.

Net Assets

Net assets, revenues, gains and other losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor restrictions.

Net Assets With Donor Restrictions - Net assets available for use subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Donor Restrictions

The Obligated Group reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose to which the donation is restricted is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported on the combined statements of operations and changes in net assets as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reflected as contributions without donor restrictions in the accompanying combined financial statements.

The Obligated Group reports noncash gifts as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Obligated Group reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Contributions, including unconditional promises to give, are recognized as revenues when the promise to give is first made. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value as of the date of contribution.

Resident Services Revenue

Resident services revenue is reported at the amount that reflects the consideration the Obligated Group expects to receive in exchange for the services provided. These amounts are due from residents or third-party payors and include variable consideration for retroactive adjustments, if any, under reimbursement programs. Performance obligations are determined based on the nature of the services provided. Resident services revenue is recognized as performance obligations are satisfied.

Resident services revenue is primarily comprised of independent living, personal care/assisted living and health center revenue streams, which are primarily derived from providing housing, skilled nursing, personal care and independent living services to residents at a stated daily or monthly fee, net of any explicit or implicit price concessions. The Obligated Group has determined that the services included in the stated daily or monthly fee for each level of care represents a series of distinct services that have the same timing and pattern of transfer. Therefore, the Obligated Group considers the services provided to residents in each level of care to be one performance obligation which is satisfied over time as services are provided. As such, skilled nursing, personal care and independent living revenues are recognized on a daily or month-to-month basis as services are rendered. Resident services revenue includes revenues from therapy services, other services such as housekeeping, laundry, transportation and other revenues from residents are considered one performance obligation which is satisfied over time as services are rendered. Revenue for performance obligations satisfied at a point in time is generally recognized when services are provided to the resident in a retail setting (for example, pharmaceuticals and medical equipment), and the Obligated Group does not believe it is required to provide additional goods or services related to that sale.

Payment terms and conditions for the Obligated Group's resident contracts vary by contract type and payor source, although terms generally include payment to be made within 30 days. Resident services revenue for recurring and routine monthly services are generally billed monthly in advance. Resident services revenue for ancillary services are generally billed monthly in arrears.

The Obligated Group receives revenue for services under third-party payor programs, including Medicare, Medical Assistance and other third-party payors. The Obligated Group's agreements with third-party payors provide for payments at amounts different from established rates. Settlements with third-party payors for retroactive adjustments due to audits, reviews or investigations are included in the determination of the estimated transaction price for providing services. The Obligated Group estimates the transaction price based on the terms of the contract and correspondence with the third-party payor and historical payment trends, and retroactive adjustments are recognized in future periods as final settlements are determined.

A summary of the payment arrangements with major third-party payors follows:

Medical Assistance - Nursing services provided to Medical Assistance program beneficiaries are paid at prospectively determined rates per day. These rates vary according to a resident classification system that is based on clinical, diagnostic and other factors and the reimbursement methodology is subject to various limitations and adjustments.

Medicare - Nursing and ancillary services provided to Medicare Part A beneficiaries are paid at prospectively determined rates per day. These rates vary according to a resident-specific classification system that is based on clinical, diagnostic and other factors and the reimbursement methodology is subject to various limitations and adjustments. The determination of these rates is partially based on the Obligated Group's clinical assessment of its residents. The Obligated Group is required to clinically assess its residents at predetermined time periods throughout the year which are subject to review and adjustment by the Medicare program.

Other - Payment agreements with certain commercial insurance carriers, health maintenance organizations and preferred provider organizations provide for payment using prospectively determined rates based upon contractual obligations (i.e. the terms/rates agree upon in the respective contracts).

Resident Assistance

Resident assistance is measured based on the Obligated Group's direct and indirect costs of providing resident assistance services. If the Obligated Group's costs cannot be specifically attributed to services provided to resident assistance patients, the Obligated Group uses reasonable techniques to estimate these costs.

The Obligated Group's policy is to provide services without charge, or at amounts less than its established rates, to residents who meet the certain need-based criteria. These criteria consider resident income and expenses, financial resources, state and federal government requirements and other sources of payment for services which may be provided. The Obligated Group also receives donations and income from permanently restricted trusts and investments designated to the needs of its residents under this policy.

Amounts the Obligated Group provided and received for resident financial support are as follows for the years ended December 31:

	2025	2024
Resident assistance provided at the estimated cost thereof, net of amounts received from residents	$ 5,518,890	$ 4,467,009
Additional resident assistance provided to Medical Assistance residents at amounts less than pre-established charges for private pay services	24,596,444	29,921,976
Giving and income designated for resident financial support	281,821	1,202,849

Contract Balances

Contract assets represent the Obligated Group's right to consideration in exchange for goods or services that the Obligated Group has transferred to a resident when that right is conditioned on something other than the passage of time (for example, the Obligated Group's future performance). Contract liabilities represent the Obligated Group's obligation to transfer goods or services to a resident for which the Obligated Group has received consideration (or the amount is due) from the resident. The Obligated Group had no contract assets as of December 31, 2025, 2024 and 2023.

The Obligated Group's beginning and ending contract liabilities are separately presented on the combined statements of financial position as of December 31, 2025 and 2024 as deferred revenues from entrance fees. Deferred revenues from entrance fees were $150,814,426 as of December 31, 2023.

Performance Indicator

The Obligated Group measures the performance of its operations using the combined statements of operations and changes in net assets, which includes a performance indicator of operations labeled as "revenues in excess of expenses." Changes in net assets without donor restrictions which are excluded from this measure are net assets released from restrictions for property and equipment.

Reclassifications

Certain prior year amounts have been reclassified to conform to the current year presentation.

Subsequent Events

The Obligated Group has evaluated subsequent events through April 27, 2026, which is the date the combined financial statements were issued.

3. Resident Services Revenue

The Obligated Group disaggregates revenue from contracts with customers by type of service and payor source as this depicts the nature, amount, timing and uncertainty of its revenue and cash flows as affected by economic factors which include the following:

- Payors (Medicare, Medical Assistance, managed or other insurance) have different reimbursement and payment methodologies
- Length of the resident's stay or service
- Method of reimbursement (fee-for-service or capitation)
- Corporation's line of business that provided the service (skilled nursing, personal care/assisted living, independent living and outpatient)

The composition of resident services revenue by payor and level of care for the years ended December 31:

	2025					
	Independent Living	Personal Care/ Assisted Living	Health Center	Outpatient	Other	Total
Private Pay	$ 76,726,947	$ 42,515,255	$ 37,036,552	$ 242,076	$ 53,496	$ 156,574,326
Medicare	-	973,273	35,382,972	2,043,683	-	38,399,928
Medical Assistance	-	-	29,898,473	-	-	29,898,473
Other	-	45,783	492,954	238,248	1,036,003	1,812,988
Subtotal	76,726,947	43,534,311	102,810,951	2,524,007	1,089,499	226,685,715
Amortization of entrance fees						25,868,381
Total	$ 76,726,947	$ 43,534,311	$ 102,810,951	$ 2,524,007	$ 1,089,499	$ 252,554,096

	2024					
	Independent Living	Personal Care/ Assisted Living	Health Center	Outpatient	Other	Total
Private Pay	$ 72,614,022	$ 43,336,582	$ 32,939,596	$ 219,376	$ 52,269	$ 149,161,845
Medicare	-	1,735,723	35,441,278	1,134,539	-	38,311,540
Medical Assistance	-	-	34,291,778	-	-	34,291,778
Other	-	2,712	1,195,688	247,929	1,294,395	2,740,724
Subtotal	72,614,022	45,075,017	103,868,340	1,601,844	1,346,664	224,505,887
Amortization of entrance fees						21,874,608
Total	$ 72,614,022	$ 45,075,017	$ 103,868,340	$ 1,601,844	$ 1,346,664	$ 246,380,495

4. Investments, Restricted Deposits and Funded Reserves, Assets Whose Use is Limited and Fair Value Measurements

The composition of investments, restricted deposits and funds reserves and assets whose use is limited as of December 31 is as follows:

	2025	2024
Money market funds	$ 56,069,621	$ 51,445,128
Mutual funds:		
Equity	108,237,902	77,033,667
Fixed income	31,438,782	26,999,777
Investment measured using alternative measurement	9,243,285	9,243,285
Alternative investments	9,872,093	15,792,804
Total investments, statutory liquid reserves and assets whose use is limited	214,861,683	180,514,661
Less:		
Assets whose use is limited:		
Investments held in perpetuity	(5,866,480)	(5,752,348)
Other escrow fund	(604,483)	(1,559,152)
Project fund	(13,593,349)	(21,275,314)
Statutory liquid reserves	(13,875,034)	(13,786,571)
Total investments	$ 180,922,337	$ 138,141,276

Fair Value of Financial Instruments

For financial instruments required to be measured at fair value on a recurring basis, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is measured using a hierarchy prioritizing the inputs used in determining valuations into three levels. The level within the fair value hierarchy is based on the lowest level input that is significant to the fair value measurement.

The levels of the fair value hierarchy are as follows:

Level 1 - Unadjusted quoted prices in active markets that are accessible to the Obligated Group for identical instruments.

Level 2 - Significant inputs, other than Level 1 inputs that are observable either directly or indirectly for substantially the full term of the instruments through corroboration with observable market data.

Level 3 - Significant unobservable inputs.

The following is a description of the valuation methodologies used for instruments measured at fair value:

Money market funds are valued based on the carrying amount which approximates fair value due to the short-term nature of these instruments.

Mutual funds are valued at fair value based on quoted market prices in active markets.

Investments in the accompanying combined statements of financial position include alternative investment funds (the Funds). The Funds are measured using the net asset value per share as a practical expedient.

Investments measured using an alternative measurement do not have a readily determinable fair value, and therefore, are measured using an alternative measurement equal to its cost minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issuer.

The funds held in trust by others are valued at fair value based on the Obligated Group's interest in the fair values of the underlying assets, which approximate the present value of estimated future cash flows to be received from the trusts.

For assets measured at fair value on a recurring basis, the fair value measurements by level within the fair value hierarchy used as of December 31, 2025 and 2024, are as follows:

	Fair Value as of December 31, 2025			
	Total	**Level 1**	**Level 2**	**Level 3**
Money market funds	$ 56,069,621	$ 56,069,621	$ -	$ -
Mutual funds:				
Equity	108,237,902	108,237,902	-	-
Fixed income	31,438,782	31,438,782	-	-
Total investments	195,746,305	195,746,305	-	-
Funds held in trust by others	20,856,407	-	-	20,856,407
Total assets	$ 216,602,712	$ 195,746,305	$ -	$ 20,856,407

	Fair Value as of December 31, 2024			
	Total	**Level 1**	**Level 2**	**Level 3**
Money market funds	$ 51,445,128	$ 51,445,128	$ -	$ -
Mutual funds:				
Equity	77,033,667	77,033,667	-	-
Fixed income	26,999,777	26,999,777	-	-
Total investments	155,478,572	155,478,572	-	-
Funds held in trust by others	19,953,488	-	-	19,953,488
Total assets	$ 175,432,060	$ 155,478,572	$ -	$ 19,953,488

The reconciliation of total investments, restricted deposits and funded reserves and assets whose use is limited in the accompanying combined statements of financial position as of December 31 is as follows:

	2025	2024
Measured at net asset value	$ 9,872,093	$ 15,792,804
Measured using alternative measurement	9,243,285	9,243,285
Measured at fair value	195,746,305	155,478,572
Total investments, restricted deposits and funded reserves and assets whose use is limited	$ 214,861,683	$ 180,514,661

5. Liquidity

The Obligated Group's financial assets available for general expenditures, without donor or other restrictions limiting their use, within one year of the combined statements of financial position date are as follows:

	2025	2024
Cash and cash equivalents	$ 4,020,820	$ 10,578,204
Investments	180,922,337	138,141,276
Accounts receivable, net	15,517,097	14,927,149
Total	$ 200,460,254	$ 163,646,629

The Obligated Group's endowment fund consists of donor-restricted funds. Income from donor-restricted endowments is restricted for specific purposes, and therefore, is not available for general expenditures.

As a part of the Obligated Group's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. In addition, the Obligated Group invests cash in excess of daily requirements in short-term investments. To help manage unanticipated liquidity needs, the Obligated Group has committed lines of credit (Note 9) that totaled $24,000,000 as of December 31, 2025 and 2024, which it draws upon as needed. As of December 31, 2025 and 2024, the lines of credit had approximately $8,683,000 and $17,694,000, respectively, available to draw for general expenditures.

6. Related-Party Transactions

PSL provides the Obligated Group with various management and administrative services to each member of the Obligated Group's operating facilities, for which it charges the members of the Obligated Group a management fee. The Obligated Group members also incur certain operating expenses that are comprised primarily of the salaries and benefits of certain key management personnel provided to the Obligated Group by the parent organization. During the years ended December 31, 2025 and 2024, the Obligated Group incurred management fees and other expenses totaling $19,393,392 and $18,274,944, respectively, which is included in management and general expenses on the combined statements of operations and changes in net assets.

Amounts due from affiliate entities as of December 31, 2025 and 2024, are $83,241,827 and $83,168,710, respectively. The balances represent amounts transferred to PSL to fund development of affiliated affordable housing entities and other amounts arising from the normal course of business, including affiliate liquidity support. The amounts are unsecured, noninterest bearing and have no fixed repayment terms. The Obligated Group assess the amounts due from affiliates annually to determine if events or circumstances effect the collectability of the amounts. No impairment losses were recognized during 2025 and 2024. The Obligated Group did not transfer assets to PSL for development of a new affordable housing entity during 2025 and 2024.

Prelude Systems, Inc. (Prelude) is a joint venture between PSL and Diakon Lutheran Senior Services (Diakon). Prelude is an information technology services organization with a wide range of programs designed to support the information systems needs of both PSL and Diakon as well as other health care and community service organizations. During 2025 and 2024, the Obligated Group incurred expenses amounting to $2,152,088 and $1,898,093, respectively, for information services provided by Prelude, of which $40,324 and $42,138 is included in accounts payable as of December 31, 2025 and 2024, respectively.

In May 2025, PSL entered into a joint venture between Presbyterian Senior Living and Culinesse, LLC (Culinesse) to form Three Oaks Senior Dining, LLC (Three Oaks). On October 1, 2025, the agreement was amended to admit Lutheran Senior Services d/b/a EverTrue (EverTrue) as a founding member. Three Oaks is a dining services management company that provides consulting, management, and back-office shared services in the hospitality industry and manages dining services for PSL and EverTrue with the intent to offer services to other large health care and community service organizations. During 2025, the Obligated Group incurred expenses of $2,723,497 for dining services provided by Three Oaks, of which $1,123,306 is included in accounts payable as of December 31, 2025.

During 2021, the Obligated Group purchased preferred stock of Benchmark Therapies, an affiliate, and is accounted for using an alternative measurement. It is included in investments in the accompanying combined statements of financial position and totaled $8,000,000 as of December 31, 2025 and 2024. The Obligated Group purchases rehabilitation services from Benchmark Therapies. The Obligated Group incurred fees of $9,857,290 and $9,968,681 during 2025 and 2024, respectively, of which $840,279 and $736,938 is included in accounts payable as of December 31, 2025 and 2024, respectively.

7. Property and Equipment

A summary of property and equipment and accumulated depreciation as of December 31 is as follows:

	2025	2024
Land	$ 43,663,538	$ 43,663,538
Land improvements	30,760,141	29,518,505
Buildings and improvements	713,734,092	686,900,580
Departmental equipment, furniture and fixtures	68,186,573	61,725,328
Vehicles	1,815,806	1,817,668
Construction-in-progress	12,534,856	16,763,728
	870,695,006	840,389,347
Accumulated depreciation	(402,051,220)	(373,308,788)
Total	$ 468,643,786	$ 467,080,559

As the Obligated Group undertakes expansion and improvement projects, costs are included in construction-in-progress. As projects are completed, the costs are transferred to buildings and building improvements. Ongoing improvement and expansion is anticipated in the normal course of operations.

As of December 31, 2025 and 2024, respectively, the Obligated Group had approximately $2,678,000 and $1,801,000 outstanding of construction payable included in accounts payable and accrued expenses in the accompanying combined statements of financial position. As of December 31, 2025, the Obligated Group has outstanding construction contracts totaling approximately $3,623,000 for various projects. Costs incurred through December 31, 2025 were approximately $2,797,000.

8. Long-Term Debt

Long-term debt of the group and of the amounts payable by the Obligated Group as of December 31 consisted of the following:

	2025	2024
1995 Series A Revenue Note to First National Bank, was payable in equal monthly installments of principal and interest based on a floating rate through 2025 when it was paid off.	$ -	$ 53,836
Quincy Sewer Authority Series 2016 bonds held by TD Bank, principal due in varying annual amounts from 2017 to 2042, interest is fixed at 2.40% until 2026, interest rates will be reset in five year increments. This note is subject to an optional call including principal and interest on May 20, 2026.	14,512,522	15,218,577
Bank of America taxable 10-year term loan, principal due in varying amounts through June 2032. The bonds bear a fixed interest rate of 4.09%.	1,785,589	2,140,191
Pennsylvania Economic Development Financing Authority Revenue Bonds, Series 2018, held by TD Bank, principal due in varying amounts from 2020 to 2044. The bonds bear a fixed rate of interest equal to 3.91% per annum multiplied by a margin rate factor interest resets in 10 year increments.	25,191,000	26,082,000
Bank of America taxable 10-year term loan Bond Series 2020, principal payments are based on 8.5-year mortgage style amortization schedule, due in June 2030. The bonds bear a fixed interest rate of 2.49%.	7,760,608	9,369,075
Northampton County Industrial Development Authority Revenue Bonds Series 2020, held by Bank of America, principal payments are based on a 25-year mortgage style amortization schedule, due in January 2047. The bonds bear a fixed interest rate of 2.31%.	13,152,925	13,632,085
Pennsylvania Economic Development Financing Authority Revenue Bonds, Series 2021, for which The Bank of New York Mellon Trust Company is Trustee, with principal due varying amounts from 2022 to 2046. The bonds bear a fixed interest rate of 4.00%.	57,355,000	58,170,000
Bank of America taxable 10-year term loan Bond Series 2021, principal due in varying amounts through 2031. The bonds bear a fixed interest rate of 2.59%.	6,885,000	7,287,000

	2025	2024
Pennsylvania Economic Development Financing Authority Revenue Bonds, Series 2023B-1, for which The Bank of New York Mellon Trust Company is the Trustee, with principal due varying amounts from 2047 to 2049. The bonds bear a fixed interest rate of 5.25%.	$ 36,510,000	$ 36,510,000
Pennsylvania Economic Development Financing Authority Revenue Bonds, Series 2023B-2, for which The Bank of New York Mellon Trust Company is the Trustee, with principal due varying amounts from 2024 to 2046. The bonds bear various fixed rates from 4.50% to 5.25%.	95,035,000	95,260,000
National Finance Authority Revenue Bonds, Series 2023A, for which The Bank of New York Mellon Trust Company is the Trustee, with principal due varying amounts from 2046 to 2048. The bonds bear a fixed interest rate of 5.25%.	27,895,000	27,895,000
Bank of America taxable 10-year term loan Bond Series 2023A, principal due in varying amounts through 2035. The bonds bear a fixed interest rate of 5.74%.	29,595,000	31,730,000
Bank of America taxable 10-year term loan Bond Series 2023B, principal due in varying amounts through 2049. The bonds bear a fixed interest rate of 5.72%.	19,335,000	19,710,000
Total long-term debt	335,012,644	343,057,764
Plus unamortized premium	5,340,290	5,740,193
Less unamortized discount	(3,343,789)	(3,517,008)
Less deferred financing costs	(3,789,240)	(3,982,990)
Total	$ 333,219,905	$ 341,297,959

All of the Obligated Group long-term debt is collateralized by property and equipment and gross revenues of the Obligated Group and is tax-exempt, unless otherwise stated.

Under the terms of the master trust indenture, the Obligated Group is subject to various covenants, which include the achievement of certain pre-established financial indicators.

Scheduled maturities for the five years subsequent to December 31, 2025, and thereafter are as follows:

Years ending December 31:	
2026	$ 8,284,677
2027	8,606,257
2028	8,930,765
2029	9,321,133
2030	9,608,722
Thereafter	290,261,090
Total	$ 335,012,644

9. Lines of Credit

The Obligated Group has available various lines of credit with financial institutions. Interest rates on these lines of credit are variable based on the prime rate of the various financial institutions or the Bloomberg Short Term Bank Yield (BSBY) rate. The lines of credit are collateralized by property and equipment of the Obligated Group. As of December 31, 2025 and 2024, under the line of credit agreements, the Obligated Group had available a total maximum of $24,000,000 from the financial institutions. As of December 31, 2025 and 2024, the Obligated Group had $15,316,959 and $6,306,477, respectively, outstanding under these agreements at interest rates ranging from 5.28% to 7.18%, and with maturity dates ranging from July 2026 to February 2027.

The Obligated Group also has available a construction line of credit with the First National Bank of Pennsylvania. The interest rate on this line of credit is variable based on the prime rate of First National Bank of Pennsylvania. The construction line of credit is collateralized by gross revenues and property and equipment of the Obligated Group. As of December 31, 2025, the Obligated Group had available a total maximum of $25,000,000 from the financial institution. As of December 31, 2025 and 2024, the Obligated Group did not have an outstanding balance under this agreement at interest rate of 5.23% and with a maturity date of February 2028.

10. Workers' Compensation Insurance

The Obligated Group has instituted a self-insured workers' compensation program as allowed by the Commonwealth of Pennsylvania Bureau of Workers' Compensation. This program provides for self-payment of work related injuries and illnesses as opposed to utilizing an insurance carrier. The Obligated Group has contracted with major insurance carriers for excess insurance coverage, loss control services and administration. In both 2025 and 2024, the Obligated Group maintained a surety bond for $3,000,000 in connection with this self-insurance program. As of December 31, 2025 and 2024, the Obligated Group has recorded an accrued expense of approximately $3,720,000 and $4,838,000, respectively, for workers' compensation claims. This accrual includes known case reserves and an estimate of the Obligated Group's liability for incurred but not reported claims.

11. Medical Malpractice Claims Coverage

The Obligated Group members are named insured under a claims-made professional liability insurance policy maintained by the parent organization, Presbyterian Senior Living. Other than for premiums paid under this policy, no provision has been made for estimated losses. Management believes no incidents have occurred or will be asserted that will exceed the insurance coverages or will have a material adverse effect on the combined financial statements.

12. Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods as of December 31:

	2025	2024
Subject to expenditure for specified purpose:		
Team member assistance	$ 328,872	$ 350,768
Community enhancement	1,483,122	1,776,344
	1,811,994	2,127,112
Subject to the passage of time:		
Promises to give that are not restricted by donors, but which are unavailable for expenditure until due	257,451	271,802
Gift annuities	567	567
Contributions receivable from remainder trusts	433,755	359,708
	691,773	632,077
Endowments:		
Subject to appropriation and expenditures when a specified event occurs:		
Restricted by donors for:		
Educational scholarship	67,142	64,370
Resident assistance	38,303	8,783
Community enhancement	332,578	272,172
	438,023	345,325
Subject to endowment spending policy and appropriation:		
Educational scholarship	583,501	500,117
Resident assistance	1,209,315	1,179,092
Community enhancement	4,073,664	4,073,139
	5,866,480	5,752,348
Total endowments	6,304,503	6,097,673
Not subject to spending policy or appropriation:		
Beneficial interest in perpetual trusts	20,422,085	19,593,213
Trust assets held for the benefit of Presbyterian Home at Williamsport, a community of Pres Homes	1,619,437	1,075,638
	22,041,522	20,668,851
Total	$ 30,849,792	$ 29,525,713

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended December 31:

	2025	2024
Expiration of time restrictions	$ 28,000	$ 85,848
Satisfaction of purpose restriction:		
Team member assistance	50,221	21,710
Community enhancement	174,775	360,236
Capital improvement	906,572	-
Restricted-purpose spending rate distributions and appropriations:		
Educational scholarship	16,206	6,609
Resident assistance	-	19,757
Community enhancement	1,401	21,381
Total	$ 1,177,175	$ 515,541

13. Endowments

The endowments consist of donor-restricted funds established for a variety of purposes supporting the Obligated Group. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Trustees of PSL has interpreted the relevant state law as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Obligated Group classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure in a manner consistent with the standard of prudence described in state laws. Unless specifically defined, a donor-restricted endowment fund that is required by donor stipulation to accumulate or appropriate endowment funds, the Obligated Group considers the following factors:

1. The duration and preservation of the fund
2. The purposes of the organization and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and appreciation of investments
6. Other resources of the organization
7. The investment policies of the organization

The following schedule represents endowment net asset composition by type of fund and changes in endowment net assets for the years ended December 31, 2025 and 2024:

	With Donor Restrictions	
	2025	**2024**
Endowment net assets, beginning of year	$ 6,097,673	$ 5,981,581
Investment income	109,601	70,448
Contributions	114,836	93,389
Appropriation of endowment assets for expenditures	(17,607)	(47,745)
Endowment net assets, end of year	$ 6,304,503	$ 6,097,673

The value of the original gifts plus subsequent gifts to be held in perpetuity totaled $5,866,480 and $5,752,348 for the years ended December 31, 2025 and 2024, respectively.

Funds With Deficiencies

The fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or the relevant state law requires the Obligated Group to retain as a fund of perpetual duration. In accordance with accounting principles generally accepted in the United States of America, these deficiencies are reported as net assets without donor restrictions. The Obligated Group's policy states that should a fund fall below the original principal balance the Obligated Group would curtail spending in the fund until it returned to its original principal balance. There were no such deficiencies reported as of December 31, 2025 or 2024.

Return Objectives and Risk Parameters

The Obligated Group has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Obligated Group must hold in perpetuity or for donor-specified purposes. Under this policy, as approved by the Board of Trustees of PSL, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of a composite of public market indexes based on the mix of investments held, while assuming a moderate level of investment risk. The Obligated Group's goal is that its endowment funds, over time, will provide an average rate of return of approximately the consumer price index plus the investment spending percentage plus 1% annually. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives

The Obligated Group relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Obligated Group targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Endowment Spending Policy and How the Investment Objectives Relate to the Spending Policy

The Obligated Group has a total return policy for calculating the amounts available for distribution each year. It is a percent of its endowment fund's average fair value over the prior five calendar year ends. This percentage per the policy was up to 2% for 2025 and 2024. Actual distributions are to satisfy donor restrictions. If the total return amount exceeds the actual earnings of the endowment funds in any one year, then the amount needed to fund such excess will first be taken from the accumulated excess earnings from prior years, then from the accumulated net capital gains of endowment funds and, conversely, any undistributed income after the allocation of the total return distribution is added back to the unrestricted or temporarily restricted fund balance. In establishing this policy, the Obligated Group considered the long-term expected return on its endowments. Accordingly, over the long term, the Obligated Group intends that the current spending policy will allow its endowments to grow at an average of inflation plus 1% annually. This is consistent with the Obligated Group's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

14. Retirement Plan

The Obligated Group has a defined-contribution retirement plan covering all employees that have completed one year of service and have reached the age of 21. Vesting occurs after three years of service. Contributions to the defined-contribution retirement plan are at the discretion of the Board of Trustees of Presbyterian Senior Living and employees have the ability to direct how their contributions are invested. In 2024, the Obligated Group froze contributions to the defined-contribution plan.

Employees also have the option of a 403b plan. Beginning in 2024, the Obligated Group matched the participating employees' contributions up to 4% of their compensation to the employees' 403b plans. For the years ended December 31, 2025 and 2024, contributions to the 403b plan totaled approximately $1,400,000 and $1,157,000, respectively.

15. Functional Expenses

The combined statements of operations and changes in net assets report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy and depreciation, which are allocated on a square footage basis. Employee benefits and payroll taxes are allocated on the basis of total salaries and wages. Information technology and insurance are allocated on the basis of direct costs and management fees are allocated based on the home office direct costs.

The costs of providing services and supporting activities are as follows for the years ended December 31, 2025 and 2024:

	2025		
	Resident Services	General and Administrative	Total
Salaries and wages	$ 86,498,304	$ 3,786,741	$ 90,285,045
Employee benefits	9,748,493	429,548	10,178,041
Payroll taxes	6,420,311	271,231	6,691,542
Purchased services	25,887,362	506,492	26,393,854
Occupancy	15,875,935	28,880	15,904,815
Taxes and insurance	9,260,584	355,453	9,616,037
Management services	-	19,393,392	19,393,392
Office and telephone	508,305	1,774,223	2,282,528
Information technology	549,085	3,386,902	3,935,987
Supplies	3,904,133	324,631	4,228,764
Medical supplies and services	5,280,015	-	5,280,015
Food and beverage	9,034,046	127,459	9,161,505
Other operating	1,246,378	2,517,343	3,763,721
Depreciation and amortization	32,557,104	189,930	32,747,034
Interest	14,387,818	1,801,916	16,189,734
Total cost of services provided and supporting activities	$ 221,157,873	$ 34,894,141	$ 256,052,014

	2024		
	Resident Services	General and Administrative	Total
Salaries and wages	$ 84,276,986	$ 3,692,256	$ 87,969,242
Employee benefits	12,261,545	568,821	12,830,366
Payroll taxes	6,230,715	267,045	6,497,760
Purchased services	26,066,878	380,599	26,447,477
Occupancy	14,032,800	160,161	14,192,961
Taxes and insurance	8,986,935	412,388	9,399,323
Management services	-	19,683,108	19,683,108
Office and telephone	440,345	1,722,516	2,162,861
Information technology	462,575	3,128,559	3,591,134
Supplies	4,190,340	366,915	4,557,255
Medical supplies and services	6,259,547	-	6,259,547
Food and beverage	9,134,506	81,209	9,215,715
Other operating	-	2,202,538	2,202,538
Depreciation and amortization	29,930,041	174,606	30,104,647
Interest	14,691,674	1,782,845	16,474,519
Total cost of services provided and supporting activities	$ 216,964,887	$ 34,623,566	$ 251,588,453

16. Commitments and Contingencies

Senior Living Services Industry

The senior living services industry is subject to numerous laws, regulations and administrative directives of federal, state and local governments and agencies. Compliance with these laws, regulations and administrative directives is subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time. Government activity continues to increase with respect to investigations and allegations concerning possible violations by healthcare providers of fraud and abuse statutes and regulations, which could result in the imposition of significant fines and penalties as well as significant repayments for resident services previously billed. Management is not aware of any material incidents of noncompliance.

Litigation

The Obligated Group is involved in several legal proceedings arising from its activities in the health care industry. Although it is not possible to presently determine the final outcome of these matters, management believes the aggregate liability, if any, resulting from such proceedings will not have a material adverse effect on the Obligated Group's assets, liabilities, net assets, operations or cash flows.

Presbyterian Homes Obligated Group

Combining Schedule of Financial Position
December 31, 2025

	Presbyterian Homes, Inc.	Presbyterian Homes in the Presbytery of Huntingdon	PHI Investment Management Services, Inc.	The Long Community, Inc.	Quincy Retirement Community	Cathedral Village	Pine Run Village	Obligated Group Subtotal	Eliminating Entries	Obligated Group Total
Assets										
Assets										
Cash and cash equivalents	$ 1,579,643	$ 49,567	$ 1,166	$ 408,019	$ 1,978,125	$ 1,000	$ 3,300	$ 4,020,820	$ -	$ 4,020,820
Investments	27,239,939	22,344,414	91,046,822	6,497,613	10,241,719	23,409,420	142,410	180,922,337	-	180,922,337
Statutory liquid reserves	5,784,172	1,173,375	-	-	1,329,760	2,213,516	3,374,211	13,875,034	-	13,875,034
Accounts receivable, net	6,972,309	2,017,447	-	109,560	2,394,909	1,607,599	2,415,273	15,517,097	-	15,517,097
Assets whose use is limited	11,970,046	3,484,635	3,517,457	180,176	564,744	347,254	-	20,064,312	-	20,064,312
Property and equipment, net	224,182,523	28,817,262	-	28,868,020	36,595,586	64,382,660	85,797,735	468,643,786	-	468,643,786
Due from affiliates, net	61,022,495	21,828,170	-	-	9,594,205	11,872,642	11,551,965	115,869,477	(32,627,650)	83,241,827
Funds held in trust by others	9,487,379	844,395	-	927,123	6,850,729	2,746,781	-	20,856,407	-	20,856,407
Goodwill	-	-	-	-	-	-	23,082,598	23,082,598	-	23,082,598
Other assets	5,326,371	1,456,063	-	434,513	701,730	824,107	1,010,355	9,753,139	-	9,753,139
Beneficial interest in assets	3,495,910	-	-	-	-	-	-	3,495,910	(3,495,910)	-
Total assets	$ 357,060,787	$ 82,015,328	$ 94,565,445	$ 37,425,024	$ 70,251,507	$ 107,404,979	$ 127,377,847	$ 876,100,917	$ (36,123,560)	$ 839,977,357
Liabilities and Net Assets										
Liabilities										
Accounts payable	$ 5,685,209	$ 727,953	$ 488,172	$ 103,918	$ 920,885	$ 870,006	$ 1,429,353	$ 10,225,496	$ -	$ 10,225,496
Accrued expenses	10,808,952	2,215,874	59,600	539,932	881,314	3,367,236	1,883,533	19,756,441	-	19,756,441
Lines of credit	15,316,959	-	-	-	-	-	-	15,316,959	-	15,316,959
Resident deposits	1,751,107	90,500	-	51,400	303,878	1,093,515	1,033,690	4,324,090	-	4,324,090
Entrance fees payable	5,506,679	796,425	-	-	1,446,272	1,438,113	5,982,852	15,170,341	-	15,170,341
Other liabilities	2,206,314	490,067	-	220,463	419,168	1,602,445	93,262	5,031,719	-	5,031,719
Long-term debt	165,434,640	18,763,425	-	20,919,982	22,269,367	28,742,807	77,089,684	333,219,905	-	333,219,905
Deferred revenues from entrance fees	81,370,802	10,495,995	-	-	18,582,790	33,418,853	32,233,615	176,102,055	-	176,102,055
Due to affiliates	-	-	15,434,016	17,193,634	-	-	-	32,627,650	(32,627,650)	-
Total liabilities	288,080,662	33,580,239	15,981,788	39,029,329	44,823,674	70,532,975	119,745,989	611,774,656	(32,627,650)	579,147,006
Net Assets										
Without donor restrictions	53,525,524	44,699,972	75,087,747	(2,632,061)	18,176,606	33,644,195	7,478,576	229,980,559	-	229,980,559
With donor restrictions	15,454,601	3,735,117	3,495,910	1,027,756	7,251,227	3,227,809	153,282	34,345,702	(3,495,910)	30,849,792
Total net assets	68,980,125	48,435,089	78,583,657	(1,604,305)	25,427,833	36,872,004	7,631,858	264,326,261	(3,495,910)	260,830,351
Total liabilities and net assets	$ 357,060,787	$ 82,015,328	$ 94,565,445	$ 37,425,024	$ 70,251,507	$ 107,404,979	$ 127,377,847	$ 876,100,917	$ (36,123,560)	$ 839,977,357

Presbyterian Homes Obligated Group

Combining Schedule of Operations and Changes in Net Assets
Year Ended December 31, 2025

	Presbyterian Homes, Inc.	Presbyterian Homes in the Presbytery of Huntingdon	PHI Investment Management Services, Inc.	The Long Community, Inc.	Quincy Retirement Community	Cathedral Village	Pine Run Village	Obligated Group Subtotal	Eliminating Entries	Obligated Group Total
Net Assets Without Donor Restrictions										
Revenues, gains and other support:										
Resident services:										
Resident services	$ 103,343,830	$ 24,199,021	$ -	$ 6,902,859	$ 23,098,903	$ 26,576,105	$ 42,564,997	$ 226,685,715	$ -	$ 226,685,715
Amortization of entrance fees	11,603,856	1,469,743	-	-	2,441,389	5,482,213	4,871,180	25,868,381	-	25,868,381
Total resident services	114,947,686	25,668,764	-	6,902,859	25,540,292	32,058,318	47,436,177	252,554,096	-	252,554,096
Contributions, gifts and bequests	138,829	114,065	-	12,880	188,697	6,087	5,315	465,873	-	465,873
Other revenues	-	-	-	-	-	-	331,480	331,480	-	331,480
Net assets released from restrictions	203,334	27,745	-	10,538	(13,353)	27,754	14,585	270,603	-	270,603
Total operating revenues and other support	115,289,849	25,810,574	-	6,926,277	25,715,636	32,092,159	47,787,557	253,622,052	-	253,622,052
Expenses:										
Nursing services	31,173,327	9,531,473	-	1,150,062	8,809,147	6,629,253	11,499,908	68,793,170	-	68,793,170
Rehabilitation	4,102,772	1,397,129	-	-	1,761,126	989,938	1,632,737	9,883,702	-	9,883,702
Recreation and special services	1,927,309	514,372	-	81,562	487,628	686,634	1,007,291	4,704,796	-	4,704,796
Pharmacy	1,046,586	461,195	-	10,924	232,225	230,398	426,097	2,407,425	-	2,407,425
Social services	491,563	146,669	-	-	104,839	118,003	193,654	1,054,728	-	1,054,728
Physician services	200,875	60,000	-	2,250	30,000	29,250	39,174	361,549	-	361,549
Food Services	12,644,347	3,092,615	-	712,480	2,387,495	4,233,630	5,917,386	28,987,953	-	28,987,953
Building operations and maintenance	16,458,678	3,475,401	-	1,433,472	3,652,286	6,169,327	6,209,744	37,398,908	-	37,398,908
Housekeeping	2,134,727	374,043	-	29,000	296,880	739,491	1,241,551	4,815,692	-	4,815,692
Laundry and linen	452,035	181,295	-	-	202,267	209,139	250,752	1,295,488	-	1,295,488
Management and general	17,077,878	4,453,300	54,088	1,102,908	3,563,104	4,523,000	5,816,334	36,590,612	-	36,590,612
Employee benefits	5,109,126	941,246	-	150,840	1,256,352	929,534	1,769,626	10,156,724	-	10,156,724
Interest	7,625,850	796,165	-	1,182,099	943,351	1,110,569	4,549,498	16,207,532	(17,798)	16,189,734
Depreciation	15,844,027	2,166,122	-	1,222,878	2,672,704	5,029,867	2,659,361	29,594,959	-	29,594,959
Amortization	-	-	-	-	-	141,301	3,010,774	3,152,075	-	3,152,075
Fundraising	295,049	71,289	-	18,638	65,121	92,865	121,537	664,499	-	664,499
Total expenses before nonrecurring expenses	116,584,149	27,662,314	54,088	7,097,113	26,464,525	31,862,199	46,345,424	256,069,812	(17,798)	256,052,014
Operating (loss) income before other gains and losses	(1,294,300)	(1,851,740)	(54,088)	(170,836)	(748,889)	229,960	1,442,133	(2,447,760)	17,798	(2,429,962)
Gain on sale of community and disposals of property and equipment	71,963	(143,541)	-	-	-	-	(44,830)	(116,408)	-	(116,408)
Operating (loss) income	(1,222,337)	(1,995,281)	(54,088)	(170,836)	(748,889)	229,960	1,397,303	(2,564,168)	17,798	(2,546,370)
Other income:										
Investment income	2,522,420	759,712	1,331,047	202,119	621,142	700,844	174,695	6,311,979	(97,441)	6,214,538
Realized gain on investments	51,024	(24,998)	1,339,549	53,731	36,036	(17,540)	-	1,437,802	(27,772)	1,410,030
Unrealized gain on investments	1,618,885	2,358,967	(252,836)	809,291	1,396,183	3,151,089	502,005	9,583,584	107,415	9,690,999
Total other income	4,192,329	3,093,681	2,417,760	1,065,141	2,053,361	3,834,393	676,700	17,333,365	(17,798)	17,315,567
Revenues in excess of expenses	2,969,992	1,098,400	2,363,672	894,305	1,304,472	4,064,353	2,074,003	14,769,197	-	14,769,197
Net assets released from restrictions for property and equipment	51,599	-	-	-	103,909	-	751,064	906,572		906,572
Change in net assets without donor restrictions	3,021,591	1,098,400	2,363,672	894,305	1,408,381	4,064,353	2,825,067	15,675,769	-	15,675,769
Net Assets With Donor Restrictions										
Contributions, gifts and bequests	386,736	193,927	-	24,097	58,088	64,037	218,051	944,936	-	944,936
Investment income, net of investment expense	97,789	563	-	-	1,297	9,952	-	109,601	-	109,601
Unrealized gain on investments	959,904	62,612	543,797	61,841	177,007	185,353	-	1,990,514	(543,797)	1,446,717
Net assets released from restrictions	(254,933)	(27,745)	-	(10,538)	(90,556)	(27,754)	(765,649)	(1,177,175)	-	(1,177,175)
Change in net assets with donor restrictions	1,189,496	229,357	543,797	75,400	145,836	231,588	(547,598)	1,867,876	(543,797)	1,324,079
Change in net assets	4,211,087	1,327,757	2,907,469	969,705	1,554,217	4,295,941	2,277,469	17,543,645	(543,797)	16,999,848
Net Assets, Beginning	64,769,038	47,107,332	75,676,188	(2,574,010)	23,873,616	32,576,063	5,354,389	246,782,616	(2,952,113)	243,830,503
Net Assets, Ending	$ 68,980,125	$ 48,435,089	$ 78,583,657	$ (1,604,305)	$ 25,427,833	$ 36,872,004	$ 7,631,858	$ 264,326,261	$ (3,495,910)	$ 260,830,351

Presbyterian Homes Obligated Group

Statutory Minimum Liquid Reserves Schedule
December 31, 2025

	Presbyterian Homes, Inc.	Presbyterian Homes in the Presbytery of Huntingdon	Quincy Retirement Community	Cathedral Village	Pine Run Village	Obligated Group Subtotal
2026 Budgeted operating expenses	$ 120,466,226	$ 29,089,194	$ 27,755,572	$ 31,783,746	$ 48,183,056	
Less depreciation expense	17,007,476	2,421,572	3,130,385	5,114,875	2,907,374	
Expenses subject to minimum liquid assets requirement	103,458,750	26,667,622	24,625,187	26,668,871	45,275,682	
Percentage of residents subject to continuing-care agreements as of December 31, 2025	51%	44%	54%	83%	58%	
	52,763,963	11,733,754	13,297,601	22,135,163	26,259,896	
Statutory requirement	10%	10%	10%	10%	10%	
Statutory minimum liquid reserve requirement, operating expenses (a)	$ 5,276,396	$ 1,173,375	$ 1,329,760	$ 2,213,516	$ 2,625,990	
Next 12 months debt service payments:						
Total debt service for next 12 months	$ 11,341,513	$ 1,260,402	$ 1,544,849	$ 2,425,549	$ 5,817,606	
Percentage of residents subject to residence and care agreements as of December 31, 2025	51%	44%	54%	83%	58%	
Statutory minimum liquid reserve requirement, debt service (b)	$ 5,784,172	$ 554,577	$ 834,218	$ 2,013,206	$ 3,374,211	
Statutory minimum liquid reserve, greater of (a) or (b)	$ 5,784,172	$ 1,173,375	$ 1,329,760	$ 2,213,516	$ 3,374,211	$ 13,875,034