

WILLOW VALLEY COMMUNITIES

WILLOW VALLEY COMMUNITIES

DISCLOSURE STATEMENT

April 30, 2026

The issuance of a certificate of authority does not constitute approval, recommendation or endorsement of Willow Valley Communities by the Pennsylvania Department of Insurance, nor is it evidence of, nor does it attest to, the accuracy or completeness of the information set out in the disclosure statement.

TABLE OF CONTENTS

PAGE

Summary Page 1

Community Background 3

Community Descriptions 7

Community Services 9

Community Fees 13

Reserve Funds 14

Long-Term Financing 15

Actual vs. Budget – For the Year Ended December 31, 2025 18

Commentary on Material Budget Differences –Year Ended December 31, 2025 19

2026 Operating Budget 21

Notice of Right to Rescind 22

Services Available for an Additional Charge ..... Exhibit A

Description of Fees Required ..... Exhibit B

Willow Valley Communities Financial Statements
Years Ended December 31, 2025 & 2024 ..... Exhibit C

Resident Agreement ..... Attached – Exhibit D

SUMMARY PAGE

1. Communities:

Willow Valley Manor
211 Willow Valley Square
Lancaster, PA 17602
- Providence Park at Willow Valley

Willow Valley Lakes Manor
300 Willow Valley Lakes Drive
Willow Street, PA 17584
- Willow Gables
- Spring Run at Willow Valley
- SouthPointe at Lakes

Willow Valley Manor North
600 Willow Valley Square
Lancaster, PA 17602
- Willow Valley Manor North Garden Apartments

2. Owner and licensed provider:

Willow Valley Communities
600 Willow Valley Square
Lancaster, PA 17602

3. To discuss how you may become a Resident, contact:

Margie Seagers, Manager of Sales
Willow Valley Communities
600 Willow Valley Square
Lancaster, PA 17602
Phone: 1-800-770-5445 Fax: 1-717-464-6641
Web Site: www.WillowValleyCommunities.org

4. Community descriptions:

Willow Valley Manor is located in a suburban setting on 45 acres of land. The community offers 366 residential living units. These include apartments, villas, and townhomes.

Willow Valley Lakes Manor is located in a suburban setting on 139 acres of land. The community offers 885 residential living units. These include apartments, villas, and townhomes. Skilled nursing care is provided in Willow Valley Lakes Manor's 80-bed supportive living component. In addition, personal care is provided in an adjacent building with 156 beds available.

Willow Valley Manor North is located in a suburban setting on 42 acres of land. The community offers 447 residential living apartments. Personal care, memory support (dementia care) and

skilled nursing care are provided in Willow Valley Manor North's 338-bed supportive living component.

5. Minimum age for entrance: Willow Valley Communities accepts qualified applicants who have attained the age of 55.

6. Affiliations: In November of 2017, Willow Valley Communities formed the Willow Valley Communities Charitable Foundation, a 501(c)(3) supporting organization of Willow Valley Communities. Operations of the Foundation began January 1, 2019. Willow Valley Communities is the sole member of Connections at Home VIA Willow Valley LLC, a home care agency, and Mosaic Real Estate LLC. Willow Valley Communities has no other affiliations with any religious, fraternal, or other not-for-profit organization.

7. Resident population: As of December 31, 2025, Willow Valley Manor had 589 Lifecare Residents; Willow Valley Lakes Manor had 1,439 Lifecare Residents; and Willow Valley Manor North had 698 Lifecare Residents.

8. Sample fees: Willow Valley Manor

Prescott (One Bedroom Unit)	Non-Refundable Entrance Fee Buildings A-D	Monthly Fee Current (2026)
One person	$ 148,600	$ 3,064
Two persons	184,600	4,843

Willow Valley Lakes Manor

Prescott (One Bedroom Unit)	Non-Refundable Entrance Fee Buildings A-E	Monthly Fee Current (2026)
One person	$ 148,600	$ 3,064
Two persons	184,600	4,843

Willow Valley Manor North

Pennington (One Bedroom Unit)	Non-Refundable Entrance Fee	Monthly Fee Current (2026)
One person	$ 175,600	$ 3,181
Two persons	211,600	4,960

Mosaic by Willow Valley Communities
(planned expansion for 2028)

MR-H (Two Bedroom Unit)	Non-Refundable Entrance Fee	Monthly Fee Current (Estimated 2028)
One person	$ 649,600	$ 4,923
Two persons	689,600	6,763

COMMUNITY BACKGROUND

The owner and licensed provider is Willow Valley Communities, 600 Willow Valley Square, Lancaster, PA 17602.

Willow Valley Communities is a Pennsylvania not-for-profit corporation. No officer, director, or manager of Willow Valley Communities has any ownership or beneficial interest in Willow Valley Communities. Willow Valley Communities is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

The names and business addresses of all the officers and directors of Willow Valley Communities are as follows:

Jill Gilbert, **CPA,** Chair, 600 Willow Valley Square, Lancaster, PA 17602

Ms. Gilbert is a retired Audit Partner with RKL, LLP. She had over 30 years of experience in public accounting. She specialized in audits of local governments, employee benefits, and non-profit organizations. She received a B.S. in Business Administration with concentration in accounting and finance from Elizabethtown College in 1995. Ms. Gilbert is a member of the American Institute of Certified Public Accountants and the Pennsylvania Institute of Certified Public Accountants. Ms. Gilbert also serves on the Willow Valley Communities Charitable Foundation Board.

Leslie W. Brant, Vice Chair & Treasurer, 600 Willow Valley Square, Lancaster, PA 17602

Mr. Brant has served on the Willow Valley Communities Board for 15 years, most recently as Vice Chair and Treasurer of the Board. Mr. Brant is a retired financial executive whose professional experience includes 35 years at Bank of New York Mellon. He progressed through the ranks to Senior Director, providing wealth management services and leadership. Over the years, Mr. Brant served on various boards and committees as a volunteer, as a member, and as chairman of several organizations. He currently serves on the Willow Valley Communities Charitable Foundation Board and the Foundation Board of the Margaret Moul Home.

Jane R. Barley, Secretary, 600 Willow Valley Square, Lancaster, PA 17602

Ms. Barley has served on the Willow Valley Board for 30 years, most recently as Secretary of the Board. Ms. Barley, a graduate of Millersville University with a B.S. in Elementary Education, taught second grade in the Penn Manor School District for several years and was the business administrator for Star Rock Farms. She attends Grace Community Church, is active in the community, and serves on the Superintendent's Council for Penn Manor School District. Ms. Barley is actively involved with grandchildren and their sports activities and plays tennis and pickleball.

Robert A. Frick, Ed.D., Assistant Secretary/Treasurer, 600 Willow Valley Square, Lancaster, PA 17602

Dr. Frick served 45 years in the Lampeter-Strasburg School District—three years as an elementary teacher and 42 years as an administrator. The District's first Assistant Superintendent, he spent his last 15 years as Superintendent of Schools until retirement in 2011. He then worked as a starter at a local, private golf course for 11 years. In addition to serving on professional educational boards, he has served in several other positions including Millersville University's Council of Trustees and the Board of Directors for both Pleasant View Retirement Community and the Parish Resource Center. Dr. Frick is a Resident at Willow Valley Communities.

Betty J. Price, Assistant Secretary, 600 Willow Valley Square, Lancaster, PA 17602

Ms. Price is a retired U.S. Air Force colonel. She held numerous leadership positions including Commander of a 450-person intelligence group. She served four tours in Washington, DC related to intelligence policy and direction. In addition to her extensive military career, she previously served as a board member of National Senior Campuses (NSC), the governing organization of 22 CCRCs managed by Erickson Senior Living. Ms. Price is a Resident at Willow Valley Communities.

Dan A. Blakinger, 600 Willow Valley Square, Lancaster, PA 17602

Mr. Blakinger has practiced law for over 45 years at the Blakinger Thomas Law Firm and currently works there part-time in semi-retirement. He worked full-time for the firm through 2024 counseling individuals and businesses in a wide range of business-related transactions and personal matters from formation of entities, commercial real estate and financing transactions, mergers and acquisitions and other business transactions. Mr. Blakinger served as outside general counsel to Willow Valley Communities for more than 20 years. He earned his Bachelor of Arts Degree in Economics, *magna cum laude*, from Harvard University and his Juris Doctor Degree from the University of Maryland School of Law. He is a former president of the Lancaster Bar Association and has been active in numerous non-profit boards in the Lancaster community including the Lancaster Family YMCA, Hospice of Lancaster County and the Lancaster Cleft Palate Clinic. Mr. Blakinger is a Member of SmartLife VIA Willow Valley.

Dennis W. Griest, 600 Willow Valley Square, Lancaster, PA 17602

Mr. Griest is Director of Finance at Mt. Calvary Church and Christian School in Elizabethtown, PA. Prior to that position, he was employed by Willow Valley Communities for over 30 years serving as President and CFO. Mr. Griest graduated from Shippensburg University with a BSBA

in Accounting. He serves on the board of Choices Healthcare and is a member of the Finance, and Audit Committees. He is also a board member of StoneRidge Retirement Living Communities, Inc. and serves on their Finance & Property Committee. He is an active member of Mount Calvary Church.

Lisa H. Hawthorne, President & Chief Executive Officer, 100 Willow Valley Lakes Drive, Willow Street PA 17584

Ms. Hawthorne serves as President and Chief Executive Officer of Willow Valley Communities. Appointed to the role in June 2025 following a national executive search, Ms. Hawthorne brings to Willow Valley Communities more than 28 years of experience in the senior living and healthcare sectors. Her career includes leadership in strategic development, operations, marketing, and finance, with direct involvement in more than 100 senior living communities across the country. Ms. Hawthorne's expertise spans startup ventures, expansion initiatives, repositioning projects, and complex financing transactions. Throughout her work with executive teams and boards, she has provided strategic counsel in areas including business planning, market and financial analysis, architectural planning and construction, operations, and communications. Her ability to unite cross-functional disciplines has helped senior living organizations grow while remaining mission-driven and fiscally responsible. Ms. Hawthorne earned a Bachelor of Arts degree in Rhetoric and Communication Studies from the University of Virginia. A strong advocate for innovation, hospitality, and excellence in senior living, she is dedicated to continuing Willow Valley Communities' legacy of exceptional leadership and visionary service.

Scott R. Summy, Chief Operating Officer, 100 Willow Valley Lakes Drive, Willow Street PA 17584

Mr. Summy has spent most of his working life at Willow Valley with a tenure of more than 40 years. His career began at the Willow Valley Inn and Resort, where he learned the art of hospitality from the Thomas family and became passionate about customer service. After joining Willow Valley Communities in 1984 with the opening of Willow Valley Manor, Mr. Summy served as the Manager of Dining Services. The continued growth of Willow Valley Communities provided him the opportunity to expand his responsibilities and serve as Executive Director for Willow Valley Communities' Manor Campus for 13 years. This experience gave him a greater appreciation for working directly with Residents and their families, as they navigate changing health needs and was beneficial in his subsequent role as Director of Business Development, in which he expanded our Mission to Home and Community Based Services and led pursuits of new business opportunities to better serve our customers. Mr. Summy has served on the Board of Directors for LeadingAge PA, the state association for not-for-profit retirement communities. He is a member of the Board of Directors for Lancaster Area Senior Services, the Lancaster County Career and Technology Foundation, and the Lancaster Chamber of Commerce Executive Forum for Aging Services Providers.

Marsha A. Kauffman, Chief Financial Officer & Chief Information Officer, 100 Willow Valley Lakes Drive, Willow Street PA 17584

Ms. Kauffman joined Willow Valley Communities in December 2010, initially serving in a role with the Information Technology team where she led a project to replace the accounting system. In

2016, she transitioned to the role of Controller before being promoted to Chief Financial Officer. After a hiatus where Ms. Kauffman served as a consultant with the leading actuarial firm in the industry, she returned in 2024 to her prior role as Chief Financial Officer. In 2025, her responsibility grew to include the Information Technology area. With her dual role of Chief Financial Officer & Chief Information Officer, Ms. Kauffman's passion is to find efficiencies in processes to work smarter and increase accuracy. Prior to her time with Willow Valley Communities, Ms. Kauffman held various accounting and accounting systems roles within banking and government. She holds a Bachelor of Science in Accounting from Lebanon Valley College and earned a Master of Science in Accounting from the University of Delaware. Ms. Kauffman is a mentor with the Discovering Paths Mentor Program of the Lancaster Chamber of Commerce and also serves in children's ministry, on the Finance Commission, and as Assistant Treasurer at her church, Grace Community Church of Willow Street.

The professional services, firms, associations, trusts, partnerships or corporations in which Willow Valley Communities, any director, or any board member, or any officer, has, or which has in such person, a 10% or greater interest and which it is presently intended will or may provide goods, leases or services to the facility of a value of $500 or more, within any year are as follows:

None.

Neither Willow Valley Communities nor its directors nor its board members nor its officers have been convicted of a felony or pleaded nolo contendere to a felony charge or been held liable or enjoined in a civil action by final judgment if the felony or civil action involved fraud, embezzlement, fraudulent conversion or misappropriation of property, or are subject to a currently effective injunctive or restrictive order of a court of record, or within the past five years had any State or Federal license or permit suspended or revoked as a result of an action brought by a governmental agency or department, arising out of or relating to business activity or health care, including, without limitation, actions affecting a license to operate a foster care facility, nursing home, retirement home, home for the aged or facility registered under this act or a similar act in another state.

Willow Valley Communities operates the following Lifecare communities: the Willow Valley Manor community, opened in 1984, with the Providence Park at Willow Valley expansion opening in 2013; the Willow Valley Lakes Manor community, opened in 1986, with expansions Willow Gables and Spring Run at Willow Valley opening in 1999 and 2003, respectively and the SouthPointe at Lakes expansion opening in 2020 and still under construction; and the Willow Valley Manor North community, opened in 1993, with the North Garden Apartments expansion opening in 2000.

Willow Valley Communities offers a Lifecare at home membership program called SmartLife VIA Willow Valley which began operations in June 2014. SmartLife VIA Willow Valley provides Lifecare protection for individuals who wish to remain in their homes. Willow Valley Communities is the sole member of Connections at Home VIA Willow Valley LLC. Connections at Home VIA Willow Valley is a home care agency.

COMMUNITY DESCRIPTIONS

WILLOW VALLEY MANOR

Willow Valley Manor is located in a suburban setting on 20 acres of land. The community offers 270 residential living apartments in three-story buildings with extensive common areas. The living units are offered in the following basic styles:

- Waverly (Studio)
- Prescott (One Bedroom)
- Charleston (Two Bedroom)
- Kensington (Two Bedroom Deluxe)

Willow Valley Manor's center core building of approximately 48,000 square feet provides common areas for dining, recreation, meetings, and administrative offices.

Construction of the community began in August 1983 and was completed in December 1985. A significant renovation was completed in 2023.

Providence Park at Willow Valley is located in a suburban setting on 25 acres of land. This community offers 54 villa and townhome style residential living units. The villas and townhomes were constructed between 2012 and 2014. The Vistas at Providence Park consists of 53 luxury residential apartments situated in a 5-story building. Construction of this building, which overlooks the villas and townhomes, was completed in 2017.

WILLOW VALLEY LAKES MANOR

Willow Valley Lakes Manor is located in a suburban setting on 65 acres of land. The community offers 499 residential living units, primarily comprised of apartments in four-story buildings with extensive common areas, midrise apartments, villas, and townhomes. The living units are offered in the following basic styles:

- Ashford (Studio)
- Prescott (One Bedroom)
- Charleston (Two Bedroom)
- Richmond (Two Bedroom Deluxe)

Willow Valley Lakes Manor's center core building of approximately 62,000 square feet provides common areas for dining, recreation, meetings, and administrative offices. A significant renovation of the center core began in late 2025 with expected completion of late 2026. Construction of the community began in July 1985 and was completed in September 1988.

Spring Run at Willow Valley is located in a suburban setting on 34 acres of land. This expansion offers an additional 210 residential living apartments in five-story buildings and was constructed

between 2002 and 2004. Its center core building of approximately 29,000 square feet provides common areas for dining, recreation, meetings, and administrative offices.

The latest expansion of Willow Valley Lakes Manor on 40 acres of land, known as SouthPointe at Lakes began in 2019. Phase I of this expansion, known as SouthPointe Park, consists of 88 villa units built between 2020 and 2022. Phase II of this expansion, known as SouthPointe Village, will consist of 5 apartment buildings. The first 2 buildings totaling 48 residential living units were completed in 2022 and 2023 respectively. Two additional buildings, totaling 48 residential living units, were completed in 2025. The final building of 28 residential living units will be completed in 2026.

Skilled nursing care is provided in Lakeside at Willow Valley, Willow Valley Lakes Manor's 80-bed supportive living component. Personal care is provided adjacent to Spring Run in Meadow Ridge at Willow Valley, a 156-bed supportive living component.

WILLOW VALLEY MANOR NORTH

Willow Valley Manor North is located in a suburban setting on 42 acres of land. The community offers 404 residential living units in four and five story buildings. The apartments in the community are offered in the following basic styles:

- Pennington (One Bedroom)
- Wellington (Two Bedroom)
- Chelsea (Two Bedroom Deluxe)
- Huntingdon (Two Bedroom Deluxe Special)

Willow Valley Manor North's center core building of approximately 77,000 square feet provides common areas for dining, recreation, meetings, and administrative offices. Construction of the Manor North community began in July 1992 and was completed in 1995.

In addition, a separate building, known as North Garden Apartments, consists of 50 apartment style units. Construction of the North Garden Apartments was completed in November 2000.

Personal care, memory support (dementia care), and skilled nursing care are provided in The Glen at Willow Valley, Willow Valley Manor North's 338-bed supportive living component, with 262 skilled nursing beds, and accommodations for 76 in personal care. Extensive renovation of The Glen at Willow Valley began in 2017 with completion in late 2019.

MOSAIC BY WILLOW VALLEY COMMUNITIES

Willow Valley Communities has announced a planned expansion in the city of Lancaster, PA. The future community, Mosaic, will offer 146 residential living units in a 20-story mixed-use high-rise building at the intersection of S. Queen and W. Vine Streets. The apartments in the community will be offered in 16 floor plan styles ranging from 1,592 to 3,338 square feet in 2-bedroom, 2-bedroom plus study, and 3-bedroom plus study configurations. Construction is anticipated to begin in 2026 with completion projected for 2029.

The project is currently in the development phase, with total construction costs estimated at approximately $200 million. The comprehensive plan of finance will be finalized upon completion of the development phase. The project will be funded with a combination of equity and debt. It is anticipated that the majority of project-related debt will consist of short-term obligations, to be repaid through Entrance Fees generated by the project of approximately $160 million. Long-term debt is expected to be approximately 20 to 30 percent of total project costs. Currently, the only asset pledged is the land on which Mosaic will be constructed.

Occupancy is expected to be phased over an 18-month period, with stabilized occupancy projected at 93%. At stabilization, annual monthly service fee revenue is expected to total approximately $15 million, contributing to total projected annual revenue of $40 million. Projected expenses are estimated at $38 million. These projections are preliminary pending the completion of the development phase.

Mosaic will offer exclusively independent living with no supportive living care on-site. A Type 'A' Lifecare contract applies, which will provide for enhanced levels of care (personal care, memory support and skilled nursing care) at the supportive living components on Willow Valley Communities' existing campuses.

COMMUNITY SERVICES

Residential nursing services provided as part of the Resident Agreement:

1. Residential Services

Willow Valley has medical professionals available twenty-four (24) hours a day to respond to emergency calls in the Residence.

Each Residence has an emergency call system connected directly to a centrally monitored station.

Nursing support is provided to Residents for short-term illnesses through brief visits to the Residence to monitor progress and assess continuing needs.

Willow Valley Communities encourages residents to remain healthy. Programs promoting wellness are offered providing exercise, as well as nutrition and lifestyle counseling. Other programs offered by Willow Valley include blood pressure testing and weight clinics.

Long term care services provided as part of the Resident Agreement:

1. Temporary Care

If a Resident is in need of temporary care in Supportive Living, it shall take place after consultation among Willow Valley Communities Administration, Resident, Resident's spouse, and/or Resident's responsible party. Willow Valley Communities shall provide care in a semi-private accommodation in the skilled nursing, memory support, or personal care area of a Willow Valley Communities supportive living community as well as required medical supplies at no additional cost over the Resident's monthly

service fee. Medical supplies do not include personal hygiene items or durable medical goods, such as wheelchairs and walkers.

2. Permanent Care

If a Resident is in need of permanent care in supportive living, it shall take place after consultation among Willow Valley Communities Administration, Resident, Resident's spouse, and/or Resident's responsible party. Willow Valley Communities shall provide care in a semi-private accommodation in the skilled nursing, memory support, or personal care area of a Willow Valley supportive living community as well as required prescription medicines and medical supplies at no additional cost over the Resident's monthly service fee. Prescription medicines shall be subject to a maximum annual allowance, which is $6,645 for 2026. Medical supplies do not include personal hygiene items or durable medical goods, such as wheelchairs and walkers.

Resident Agreements for Providence Park at Willow Valley and all new Resident Agreements effective October 2014 do not include prescription medicines coverage.

3. Spring Run at Willow Valley, Providence Park at Willow Valley, and SouthPointe at Lakes Contracts Accommodations Provided

Resident Agreements for Spring Run at Willow Valley, Providence Park at Willow Valley, and SouthPointe at Lakes provide for private accommodations in personal care in a Willow Valley supportive living community, subject to availability.

4. Willow Gables and North Garden Apartment Contracts Accommodations Provided

Resident Agreements effective October 2014 for Willow Gables townhomes and North Garden Apartments provide for private accommodations in personal care in a Willow Valley supportive living community, subject to availability.

Services included as part of Resident's Monthly Fee:

1. Culinary Services

All Resident Agreements effective October 2014 or later include a Dining Credit program that allows Residents to purchase meals at a discounted price. Residents may opt out of this program for a reduced monthly fee. The future Mosaic Resident Agreement will not include a Dining Credit program.

2. Meal Delivery Service

Willow Valley Communities will provide meal delivery service to the Residence if the Resident is receiving care for minor illness and if such service is ordered by the Resident's physician or Willow Valley Communities Administration. This service will be limited to a maximum of fourteen (14) consecutive days. A Resident requiring further meal delivery service will be evaluated by Willow Valley Communities Administration and/or the Resident's personal physician for possible placement in a Willow Valley Communities supportive living community for whatever nursing services are required.

3. Utilities and Related Services

Willow Valley Communities will furnish water, heat, electricity, sewer, and air-conditioning to each apartment unit and be responsible for trash removal, sidewalk and roadway snow removal, and grounds maintenance.

4. Housekeeping

Willow Valley Communities will be responsible for the housekeeping in all public areas; it is the Resident's responsibility to maintain a clean, sanitary apartment unit and to perform all routine housekeeping tasks.

Willow Valley Communities will provide annual housecleaning services to maintain the Residence. Willow Valley Communities reserves the right to inspect the Residence periodically and, if the Residence appears to be in need of additional cleaning as determined by Willow Valley Communities, to schedule periodic maid service. The Resident will be charged for this service.

Resident Agreements for Willow Gables townhomes, Providence Park at Willow Valley, and SouthPointe at Lakes villas include weekly housekeeping services.

5. Storage

Residents living in an apartment style unit will be provided with a supplementary designated storage area. For safety purposes, Administration reserves the right to define the types of items that may be stored in these storage areas.

6. Maintenance

Willow Valley Communities will be responsible for all necessary repairs, maintenance and replacement of property and equipment owned by Willow Valley Communities, as determined by the administrative staff. The Resident will be responsible for his or her own property.

7. Linen Service

Linen service will be provided for bed linens supplied by Willow Valley Communities on a weekly schedule at no charge. Personal items may be laundered by the Resident using the washers and dryers in the conveniently located laundry rooms. The use of these appliances is provided at no charge to the Resident.

Resident Agreements for Midrise units, Lakes Villas, Willow Gables townhomes, Garden Apartments, Spring Run at Willow Valley, and Providence Park at Willow Valley, as well as all Resident Agreements effective October 2014, do not provide for linen services. The future Mosaic Resident Agreement will not provide for linen services.

8. Social Services and Activities

Willow Valley Communities will provide a planned schedule of social, educational, recreational, and spiritual activities designed to stimulate and support the overall physical, spiritual, and emotional well-being of Residents. Residents are encouraged to participate in as many activities as they wish.

9. Transportation

Willow Valley Communities will provide regularly scheduled transportation, at no charge to Residents, for shopping trips to local malls and shopping centers, as well as transportation between the Communities. The future Mosaic Resident Agreement also will provide for limited transportation services within Lancaster City.

10. The Center for Vitality

The Center for Vitality offers a wellness program focused on increasing the vitality of the Residents of Willow Valley Communities. The comprehensive program includes exercise and aquatic programs in addition to educational programs and nutritional counseling. The Center for Vitality is located at the Cultural Center with a satellite fitness and aquatics center at Manor North, a sports center at the Clubhouse, and satellite exercise rooms and classes at Manor and Lakes Manor.

Services available for an extra charge:

1. Dining Room Guest Privilege

Residents are encouraged to host guests, when permitted, for meals served in the Dining Rooms. Prices charged for these guest meals will be billed on the Resident's monthly statement or to the Resident's monthly dining plan when applicable.

2. Trips and Tours

Trips and tours (other than shopping trips) will be available to Residents.

3. Cultural Center Amenities

The Day Spa and Vitality Café offer services to Residents for a fee. In addition, Residents may be charged a fee for certain performances at the Cultural Center Performing Arts Theater and certain fitness and aquatics classes.

4. Clubhouse Amenities

Local Table restaurant is open for evening dining and entertainment. The Clubhouse Café and Ice Cream Parlor is open on a seasonal basis. Residents can purchase meals and beverages at both culinary venues.

Residents may be charged for certain events and classes offered in the Clubhouse Sports Center.

5. Cable TV, Internet, and Telephone

Willow Valley Communities provides standard cable television, internet service, and telephone service for a fee. The charge will be added to the Resident's monthly statement.

6. Maid Service

Maid service is available from the housekeeping department. If a Resident uses this service, the Resident will be charged at the current hourly rate for the service. The charge will be added to the Resident's monthly statement.

7. Café

Cafés located in the communities are open for lunch. Residents can purchase soups, sandwiches, salads, beverages, and many other hot and cold food items.

8. Beauty Salon

Barber/beauty salons located in the communities will be open standard hours several days each week.

9. Transportation

Individual transportation for a Resident's appointments may be provided on a fee-for-service basis.

COMMUNITY FEES

The entrance fees displayed in Exhibit B are the current fees for resale of the various unit styles. Entrance fees are subject to change without notice. Willow Valley Communities reserves the right to limit the number of contracts issued under each pricing plan.

The monthly fees displayed in Exhibit B are the current fees for the various unit styles. Monthly fees will be reviewed periodically and may be increased or decreased based on the financial needs of the Provider. Factors that influence the financial needs of the Provider include, but are not limited to, increased expenses, government regulations, reserve fund maintenance, and occupancy levels. Residents will receive prior written notice of such adjustments.

As all Resident Agreements are not signed at the same time, the monthly fees paid by Residents for similar apartment units may vary.

Residents may be subject to the Internal Revenue Service imputed interest rules and should contact their tax advisor for more information.

Average Monthly Fee Increases for the Current and Previous Four Years - Willow Valley Manor and Providence Park

Date of Increase	Single Occupancy	Double Occupancy
01/01/22	148	204
01/01/23	251	345
01/01/24	141	194
01/01/25	142	195
01/01/26	140	192

Average Monthly Fee Increases for the Current and Previous Four Years - Willow Valley Lakes Manor

Date of Increase	Single Occupancy	Double Occupancy
01/01/22	154	213
01/01/23	262	362
01/01/24	148	203
01/01/25	149	205
01/01/26	148	203

Average Monthly Fee Increases for the Current and Previous Four Years - Willow Valley Manor North

Date of Increase	Single Occupancy	Double Occupancy
01/01/22	158	221
01/01/23	266	374
01/01/24	147	208
01/01/25	148	209
01/01/26	145	205

RESERVE FUNDS

Willow Valley Communities has established a cash reserve fund as required by the Continuing Care Provider Registration and Disclosure Act. Under the Act, Willow Valley Communities is required to

maintain liquid reserves in an amount equal to or exceeding the greater; (1) the total amount of all principal and interest payments due during the next 12 months; or (2) 10 percent of the projected annual operating expenses of the program, exclusive of depreciation. This fund is held by the TD Bank Trust Department, which will invest the funds with special consideration given to safety of principal, a fair rate of return, and liquidity. As of December 31, 2025, there was a balance of $12,846,887 in this fund. A separate reserve fund is held for the SmartLife VIA Willow Valley program by BNY. As of December 31, 2025, there was a balance of $22,125,648 in this fund.

LONG-TERM FINANCING

Willow Valley Communities secured long-term financing through a Lancaster Industrial Development Authority bond issue, Adjustable-Rate Demand Revenue Bonds, Series A, B, and C of 2009. The 2009 Bonds were used to refinance an existing line of credit indebtedness, payment of the costs and expenses of issuing the bonds, and for renovation of the existing healthcare facilities known as The Glen at Willow Valley. As part of the bond issue Willow Valley Communities has entered into a direct pay letter of credit facility with a local bank for these bonds.

Issued in July 2009, the Series A, B and C each had an aggregate principal balance of $20,000,000. Each of the series of bonds are variable rate, adjusting every seven days. As of December 31, 2025, $16,680,000 of the Series A and B Bonds and $20,000,000 of the Series C Bonds was outstanding.

The 2009 bonds have varying maturities, from December 2032 through and including 2039. The 2009 bonds are subject to mandatory sinking fund redemptions beginning in 2032.

On December 13, 2018, Willow Valley Communities entered into an interest rate swap agreement to limit its exposure to interest rate changes on its variable-rate demand bonds 2009 Series C with a notional amount of $10,000,000 to pay a fixed rate of interest of 2.32% and receive a variable rate of interest based on SIFMA Municipal Swap Index to manage interest rate exposure related to its variable interest rate payment obligations on the 2009 Series C Bonds. This swap agreement terminates on December 1, 2028.

Willow Valley Communities secured long-term financing through a Lancaster Industrial Development Authority Revenue Note, Series of 2010 (the “2010 Bank Qualified Loan”). The 2010 Bank Qualified Loan was used to advance refund the 1997, 1998 and a portion of the 2001 Health Center Revenue Bonds and to pay the costs of issuance of the 2010 Bank Qualified Loan.

Issued in December 2010, with a fixed interest rate for seven years of 3.04% and variable thereafter, the 2010 Bank Qualified Loan is due December 2011 through 2031. As of December 31, 2025, $8,880,000 was outstanding on the loan.

On April 24, 2017, Willow Valley Communities entered into an interest rate swap agreement to limit its exposure to interest rate changes on its variable-rate 2010 Bank Qualified Loan with a notional amount of $18,480,000 to pay a fixed rate of interest of 2.742% and receive a variable rate of interest based on 65% of USD LIBOR BBA plus 1.10% to manage interest rate exposure related to its variable interest rate payment obligations on the 2010 Bank Qualified Loan. This swap agreement terminates on December 1, 2031.

Willow Valley Communities secured long-term financing through a Paradise Township Sewer Authority Tax Exempt Revenue Note, Series of 2012 (the "2012 Bank Qualified Loan"). The 2012 Bank Qualified Loan was used to advance refund the 2001 Health Center Revenue Bonds, to pay the costs of issuance of the 2012 Bank Qualified Loan and for the construction of independent living units at Providence Park.

Issued in December 2012, with a fixed interest rate for seven years of 2.08%, the 2012 Bank Qualified Loan has monthly principal payments beginning January 2014 through December 2032. As of December 31, 2025, $4,136,348 was outstanding on the loan.

On December 6, 2019, Willow Valley Communities entered into an interest rate swap agreement to limit its exposure to interest rate changes on its variable-rate 2012 Bank Qualified Loan with a notional amount of $7,245,176 to pay a fixed rate of interest of 2.5165% and receive a variable rate of interest based on 79% of USD LIBOR BBA plus 1.10% to manage interest rate exposure related to its variable interest rate payment obligations on the 2012 Bank Qualified Loan. This swap agreement terminates on November 1, 2032.

In February 2016, Willow Valley Communities secured long-term financing through an East Hempfield Industrial Development Authority bond issue (the "2016 Bond Series"). The 2016 Bond Series was used to advance refund a portion of the 2009 Series A and B Bonds, to pay the costs of issuance of the 2016 Bond, and for the construction of the 53 unit apartment building at Providence Park.

The 2016 Bond Series proceeds totaled $38,225,000. The 2016 Bond Series has varying maturities, from December 2016 through and including 2039. As of December 31, 2025, $22,495,000 was outstanding.

In August 2019, Willow Valley Communities secured long-term financing through a Lancaster Industrial Development Authority bond issue (the "2019 Bond Series"). The 2019 Bond Series was used for the construction of 88 villas at SouthPointe and to pay the costs of issuance.

The 2019 Bond Series proceeds totaled $37,250,000. The 2019 Bond Series has varying maturities, from December 2040 through and including 2049. As of December 31, 2025, $37,250,000 was outstanding.

In February 2020, Mosaic Real Estate LLC entered into a financing agreement for a property at Vine and Queen Street in Lancaster, Pennsylvania. The mortgage payable balance was $11,560,000 at December 31, 2025. The five-year mortgage payable has interest due monthly at a variable rate, 5.25% on December 31, 2025. The terms were extended from maturity in February 2025 to maturity in February 2028 with monthly principal and interest payments. Willow Valley Communities is the guarantor for the Mosaic debt.

Security for 2009, 2010, 2012, 2016 and 2019 Debt

Willow Valley Communities pledges and grants to the Authorities a lien on and security interest in all its revenues, income, rents, and other monies received by Willow Valley Communities. The gross revenue pledge is shared equally and ratably with the 2009, 2010, 2012, 2016, and 2019 Debtholders.

The 2009, 2010, 2012, 2016, and 2019 Debt are further secured by a mortgage lien on the property of Willow Valley Manor, Willow Valley Lakes Manor, and Willow Valley Manor North. This

mortgage is granted to the PNC Bank, N.A. The Mortgage is also subject to permitted encumbrances, which include the rights of Residents under the Resident's Agreements now or hereafter in effect.

Willow Valley Communities has covenanted to establish rates and charges each year, which, together with other available funds, will be sufficient to maintain a debt service coverage ratio not less than 1.20 of Willow Valley Communities' annual debt service requirements in such year.

WILLOW VALLEY COMMUNITIES
ACTUAL VS. BUDGET – FOR THE YEAR ENDED DECEMBER 31, 2025

	ACTUAL	BUDGET	VARIANCE
Revenues			
Resident Services	$ 98,994,305	$ 97,385,227	$ 1,609,078
Amortization of Deferred Revenue	30,742,275	29,373,654	1,368,621
Healthcare Services	12,639,124	14,396,276	(1,757,152)
Investment Income	5,802,120	3,204,605	2,597,515
Other	10,675,374	8,967,783	1,707,591
	158,853,198	153,327,545	5,525,653
Expenses			
Resident Services	2,338,452	2,366,628	(28,176)
Culinary Services	26,351,473	24,898,892	1,452,581
Healthcare Services	35,209,097	34,679,056	530,041
Housekeeping	6,809,943	7,570,871	(760,928)
Property Management & Services	7,005,226	7,136,979	(131,753)
Information Technology	3,320,651	2,826,503	494,148
Corporate Administration	4,750,687	5,876,166	(1,125,479)
Maintenance	5,727,333	5,765,269	(37,936)
Resident Life	6,860,535	6,668,173	192,362
Marketing and Sales	3,777,807	3,466,750	311,057
Health and Wellness	1,339,398	1,702,356	(362,958)
Real Estate Taxes	6,171,728	5,955,240	216,488
Insurance	1,324,174	1,059,492	264,682
Utilities	5,811,139	5,808,971	2,168
Interest and Financing Costs	5,071,261	4,615,133	456,128
Depreciation and Amortization	34,311,791	32,612,244	1,699,547
	156,180,695	153,008,723	3,171,972
Operating Income (Loss)	$2,672,503	$318,822	$2,353,681

WILLOW VALLEY COMMUNITIES

COMMENTARY ON MATERIAL DIFFERENCES

ACTUAL VS. BUDGET

Year Ended December 31, 2025

Revenues:

Resident Services

Resident services monthly fee revenue was greater than budgeted due to occupancy levels exceeding budget.

Amortization of Deferred Revenue

Amortization of Deferred Revenue was greater than budgeted due to occupancy levels and contract termination income exceeding budget.

Investment Income

Investment income was higher than budgeted due to capital gain distributions and realized gains recognized in the investment portfolio.

Operating Expenses:

All Departmental Expense Areas

As a self-insured employer, higher than budgeted group medical insurance claims expense and greater than anticipated total covered lives impacted all areas with employees enrolled in group medical insurance.

Culinary Services

Culinary Services expenses were higher than budgeted due to the closure of a location due to renovations. The delayed closure led to unanticipated expenses while the location continued to operate.

Healthcare Services

Healthcare expenses were higher than budgeted due to wages and fringe benefit costs being higher than anticipated.

Housekeeping

Housekeeping expenses were lower than budgeted due to actual hours worked being lower than anticipated.

Information Technology

Information Technology expenses were higher than budgeted due to higher than anticipated total wages and allocating all technology related expenses to the department. Some technology expenses were budgeted for under other departmental areas.

Corporate Administration

Corporate Administration expenses were lower than budgeted due to lower than anticipated wage expense and the allocation of expenses budgeted under Corporate Administration to other departments (e.g., technology expenses to Information Technology).

Marketing and Sales

Marketing and Sales expenses exceeded budget due to a higher than projected number of sales which leads to higher sales incentives being paid. Also, overall wage expense as well as outside services expenses were higher than anticipated.

Health and Wellness

Health and Wellness expenses trailed budget as actual wage expense was lower than anticipated in the education area due to the timing of positions being filled.

Depreciation and Amortization

Depreciation and Amortization expense was higher than anticipated due to the actual versus budgeted timing and the useful life breakout of capital projects.

WILLOW VALLEY COMMUNITIES
2026 OPERATING BUDGET

Revenues	
Resident Services	$106,841,430
Amortization of Deferred Revenue	29,880,000
Healthcare Services	14,863,909
Investment Income	3,709,676
Other	9,634,033
	164,929,048
Expenses	
Resident Services	2,056,309
Culinary Services	24,045,919
Healthcare Services	39,785,832
Housekeeping	7,063,769
Property Management & Services	5,045,358
Real Estate & Construction	2,652,459
Information Technology	4,170,138
Corporate Administration	5,406,323
Maintenance	6,002,740
Resident Life	4,306,174
Marketing and Sales	3,934,702
Health and Wellness	4,238,003
Real Estate Taxes	6,844,008
Insurance	1,330,368
Utilities	6,778,211
Interest and Financing Costs	4,896,628
Depreciation and Amortization	35,320,668
	163,877,609
Operating Income	$ 1,051,439

NOTICE OF RIGHT TO RESCIND

Date rescission period begins:

You may rescind and terminate your Resident's Agreement, without penalty or forfeiture, within seven (7) days of the above date. You are not required to move into the Life Plan community before the expiration of this seven (7) day period. No other agreement or statement you sign shall constitute a waiver of your right to rescind your Agreement within the seven (7) day period.

To rescind your Resident's Agreement, mail or deliver a signed and dated copy of this notice, or any other dated written notice, letter or telegram, stating your desire to rescind, to Willow Valley Communities, 600 Willow Valley Square, Lancaster, PA 17602 not later than midnight of _____.

Pursuant to this notice, I hereby cancel my Resident's Agreement.

_____
DATE

_____
PROSPECTIVE RESIDENT'S
SIGNATURE

Exhibit A
Services Available For Additional Fees
Effective January 1, 2026

ADMINISTRATIVE SERVICES				
Copies/Faxes - Resident Business Center (per page)				$0.05
Copies/Faxes/Laminating/Scanning - Concierge Desk (per page)				
Faxes:				
Incoming		$0.32	**Scanning:**	$0.26
Local - Outgoing		$0.32		
Long-Distance - Outgoing		$1.30		
Copies:			**Laminating:**	
8 1/2 x 11	B&W - .16 | Color - .25		8 1/2 x 11	$0.63
8 1/2 x 14	B&W - .21 | Color - .30		8 1/2 x 14	$0.74
11 x 17	B&W - .26 | Color - .35		11 x 17	$1.31
Handbook or Resident Directory		.16 per page	Credit Card	$0.53
Miscellaneous:				
Nametags				$8.25
Magnet				$4.10
Press Alert Pendant and/or Additional Press Alert Pendant				Inquire Within
Celebration of Life Services				Inquire Within
Guest Staying with Resident Over 8 Nights (per night)				$28.10
Roll-Away Bed with Linens (per night)				$15.45
Rentals (per month, if available):				
Undercover Garage Parking (contact community Social Worker for availability and deposit pricing)				$40.00
Extra Storage Room				$48.75
Extra Storage Cage				$20.55

BUILDINGS & GROUNDS	
Maintenance Service to Resident Personal Property (1/2 hour minimum, 1/4 hour increment thereafter)	$44.50/hour
Housekeeping/Maid Service (1 hour minimum, 1/4 hour increment thereafter)	$34.00/hour
Floorcare Service (1 hour minimum, 1/4 hour increment thereafter)	$44.25/hour
Gardening/Grounds Service (1 hour minimum, 1/4 hour increment thereafter)	$44.25/hour
Dump Fee (per bin)	$60.00
Vehicle Gate Access Tag/Access Combi-Cards	$15.00
Re-keying of Door Cylinder	$31.00
Replacement Key	$5.00
Replacement FOB	$11.50
Replacement Garage Door Openers	$61.00

COMMUNICATIONS AND TECHNOLOGY	
CampusTel with Unlimited U.S. Long Distance Calling (per month)	$36.25
Voice Mail (per month)	$6.50
Caller ID (per month)	$6.50
Voice Mail/Caller ID Combined (per month)	$12.00
CampusTV (per month)	$42.00
Nexus STB Cable Box Rental (per month)	$20.00
Cable Box Installation (optional)	standard maintenance rate
CampusNet (per month)	$36.25
Modem	$63.00
Router	$126.00
CampusNet/CampusTel Troubleshooting	
Willow Valley Communities Equipment	No Charge
Other Equipment* (1/2 hour minimum, 1/4 hour increment thereafter)	$41.00/hour
**Other equipment may require outside support and additional charges may apply.*	

CULINARY SERVICES (Residents and Guests)		
Breakfast at Lakes and North		$12.00
Continental Breakfast at Vistas, Spring Run, and Garden Apartments (Guests Only)		$8.75
Dinner at Lakes and North		$21.50
Dinner/Brunch at Four Seasons (All Residents and their Guests)		$21.50
Premium Charge for Holidays (Valentine's Formal, Easter, Christmas Eve, New Year's Eve)		$5.10
Children's Meal Charge	(ages 0-6) Free	(ages 7-12) Half Price
Catering/Banquet Service		Priced Per Event
Event Coordination (Anniversary, Birthday, Memorial Service)		Priced Per Event

By written request, Residents with two-meal conversion contracts are eligible for a meal credit of **$14.20** per person, per day when away from the community for 7 or more consecutive days.

GUEST SUITES	
Room Rates (nightly rate, including taxes)	
Room rates reflect the nightly rate for up to two people. An extra person fee will be assessed for each additional guest, ages 7 and older.	
Standard Room - King (1-2 people)	$139.72
Standard Room - Double (1-2 people)	$139.72
Suites (1-2 people)	$160.42
VIP - 3 night minimum (1-2 people)	$275.00
Extra Person Fee (7 and older)	$15 pp, per night
Miscellaneous Charges/Fees	
Breakfast (non-staying Resident or Guest	$12.00
Snacks/Beverages	Posted
Pet Fee - Dogs Only (non-refundable)	$25, plus $10 per night
Replacement Key Card	$10.00
Replacement Nametag	Inquire Within
Crib or Roll-Away Bed	no charge

RESIDENT HEALTH & WELLNESS SERVICES	
Connections at Home | Rate cards for all Connections at Home services are available in the Resident Nursing Office	
Caregiver Hourly - Weekday	$33.00
Caregiver Hourly - Weekend	$35.00
Caregiver Hourly - Couple Weekday	$49.00
Caregiver Hourly - Couple Weekend	$52.00
Caregiver Assisted Personal Transportation (Per Mile)	$0.75
Initial Nursing Assessment (as indicated)	$50.00
IntegrityForward Hearing Solutions	
Office Visit	$42.00
Office Visit w/Cleaning	$56.00
Office Visit w/Cleaning and Adjustment	$67.00
Office Visit w/Cleaning, Adjustment and Speech Mapping	$89.00
Initial Consultation with Hearing Aids	$160.00
Outpatient Therapy	
Cancellation fee with less then 24 hr. notice	$30.00
Resident Nursing - Independent Living	
Miscellaneouse Health Services	Available in the Resident Nursing Office

RESIDENT LIFE ACTIVITIES, PROGRAMMING AND SERVICES	
Activities	
Special Programs and Events	As Advertised
Travel	As Advertised
Cultural Center	
Renaissance Programming and Special Events	As Advertised
Room Rentals and Private Events	Inquire Within
The Clubhouse	
Classes/Private Lessons	As Advertised
Private and Semi-Private Rentals - Bowling	Inquire Within
Private Rentals - Pool (Monday-Friday, 4 PM-7PM only)	$225.00
Private Rentals - Sports Center (per hour, other fees may apply)	$75.00
Unattended Guest Fee - Amenities (per day)	$5.00

RESIDENT LIFE (continued)	
Day Spa	
Massage Therapy and Body Work	Brochure Available - Prices as Advertised
Skin Care	Brochure Available - Prices as Advertised
Nail Services	Brochure Available - Prices as Advertised
Miscellaneous Services	Brochure Available - Prices as Advertised
Fitness - Center for Vitality	
Personal Training (30 minute - 45 minute - 60 minute)	$28.00 - $42.00 - $ 56.00
Fitness Guest, includes Indoor Pool Access (per day)	$5.00
Unattended Guest Fee - Pool (per day)	$5.00
SmartLife Membership (per month)	$36.00
Premium Class Fees	As Advertised
Locker Rental (per month)	
General Locker Room - Small Locker	$5.00
Private locker Room - Small Locker	$7.00
Private Locker Room - Large Locker	$10.00

SUPPORTIVE LIVING (Personal Care and Skilled Care)
Available from Supportive Living Social Worker.

TRANSPORTATION SERVICES	
8:00 AM - 5:00 PM Monday through Friday (Car and Driver)	
Medical (Doctor, Hospital, etc.) and Non-Medical (Beauty Salon, Shopping, Lancaster Train Station, etc.) Services Available	
Zone Charges (Fees Quoted are for Round Trip Transportation on the Same Day)	
Zone 0 - WVC Campuses to Lakes Medical Centers, Willow Street Medical Offices	$14.50
Zone 1 - Willow Street Area (1 mile radius)	$22.25
Zone 2 - Lancaster City, Millersville, Strasburg (5 mile radius)	$37.25
Zone 3 - LGH Campus, Granite Run, Crooked Oak (8 mile radius)	$46.75
Zone 4 - Quarryville, Heart of Lancaster - Lititz (12 mile radius)	$62.50

Transportation outside normal working hours as noted above will incur an additional charge quoted at the time the appointment is made. These services are available to Residents provided adequate notice is given and if driver(s) and vehicle(s) are available.

There is a $10.00 cancellation charge if notice is given less than 2 hours prior to any scheduled transport.

Willow Valley reserves the right to direct transportation needs to another party or to cancel at its sole discretion for reasons including, but not limited to, bad weather, driver availability, equipment availability, schedule conflicts, and/or short-notice requests.

NOTE: Changes in available services and prices may be made with thirty (30) day advance notice.

Exhibit B

WILLOW VALLEY COMMUNITIES

Lakes - Apartments

Entrance and Monthly Fees
Effective January 1, 2026

Name	Description	Sq.Ft.	Capital (Zero Refund)	2026 MSF
	Building A - E			
Ashford	*Studio*	479	$104,600	$2,638
Prescott	*1 BR, 1 Bath*	625	$148,600	$3,064
Raleigh	*1 BR, 1 Bath w/Study*	925	$211,600	$3,330
Madison	*1 BR, 1½ Bath w/Study*	1,153	$266,600	$3,562
Charleston	*2 BR, 2 Bath*	1,259	$313,600	$3,619
Covington	*2 BR, 1½ Bath*	1,259	$333,600	$3,846
Canton	*1 BR, 1½ Bath w/Study*	1,285	$328,600	$3,871
Arlington	*2 BR, 2 Bath*	1,285	$328,600	$3,871
Richmond	*2 BR, 2 Bath w/Study*	1,404	$372,600	$3,997
Charleston w/Study	*2 BR, 2 Bath w/Study*	1,453	$386,600	$3,815
Covington w/Study	*2 BR, 1½ Bath w/Study*	1,453	$399,600	$4,040
Norfolk	*2 BR, 2 Bath w/Study*	1,555	$402,600	$4,145
	Second Person Fee		$36,000	$1,779

Entrance Fees paid are reduced by 2% per month until the minimum refund amount is reached.

All Monthly Service Fees (MSF) include a Dining Credit of $465 per month per person. If you opt out of the Dining Credit Meal Plan, your MSF will be reduced by $370 per month per person.

At Willow Valley Communities, your Monthly Service Fee includes our Lifecare coverage, which entitles you to short- or long-term personal care, skilled nursing care, or memory support, should you need it, at no extra cost. Maintenance, electricity, water, heating and cooling, trash removal, real estate taxes, and property insurance are also included in your Monthly Service Fee.

***A 33% entrance fee refund option is available for an additional 18% premium on the entrance fee. A 90% entrance fee refund option is available for an additional 73% premium on the entrance fee to those 79 years of age or younger.**

Lakes Midrise Apartments & Villas

Entrance and Monthly Fees
Effective January 1, 2026

Name	Description	Sq.Ft.	Capital (Zero Refund)	2026 MSF
Midrise Apartments				
Charleston	*2 BR, 2 Bath*	1,256	$333,600	$3,695
Covington	*2 BR, 1½ Bath*	1,256	$349,600	$3,907
Charleston w/Study	*2 BR, 2 Bath w/Study*	1,422	$402,600	$3,872
Covington w/Study	*2 BR, 1½ Bath w/Study*	1,422	$419,600	$4,098
Villas				
Warrington	*2 BR, 2 Bath*	1,387	$467,600	$4,056
Pickering	*2 BR, 2 Bath w/Study*	1,580	$484,600	$4,352
Henley	*2 BR, 2 Bath*	1,586	$487,600	$4,358
Scarborough	*2 BR, 2 Bath w/Study*	1,814	$525,600	$4,626
Second Person Fee			$36,000	$1,779

Entrance Fees paid are reduced by 2% per month until the minimum refund amount is reached.

All Monthly Service Fees (MSF) include a Dining Credit of $465 per month per person. If you opt out of the Dining Credit Meal Plan, your MSF will be reduced by $370 per month per person.

At Willow Valley Communities, your Monthly Service Fee includes our Lifecare coverage, which entitles you to short- or long-term personal care, skilled nursing care, or memory support, should you need it, at no extra cost. Maintenance, electricity, water, heating and cooling, trash removal, real estate taxes, and property insurance are also included in your Monthly Service Fee.

***A 33% entrance fee refund option is available for an additional 18% premium on the entrance fee. A 90% entrance fee refund option is available for an additional 73% premium on the entrance fee to those 79 years of age or younger.**

Lakes

Special Apartment Styles
Entrance and Monthly Fees
Effective January 1, 2026

Name	Description	Sq.Ft.	Capital (Zero Refund)	2026 MSF
Building A - E				
Prescott/Watson A1	*1 BR, 1 Bath - A-1*	685	$153,600	$3,064
Prescott/Watson B1	*1 BR, 1 Bath - B-1*	720	$153,600	$3,064
Prescott/Watson A2	*1 BR, 1 Bath - A-2*	753	$156,600	$3,064
Prescott/Watson Special	*1 BR, 1 Bath Special*	754	$156,600	$3,064
Raleigh M1	*1BR, 1 Bath, Study - M1*	961	$220,600	$3,393
Raleigh M2	*1BR, 1 Bath, Study - M2*	991	$229,600	$3,393
Raleigh w/Study	*2 BR, 1 Bath, M Suite*	1,143	$265,600	$3,541
Durham	*1 BR, 1½ Bath w/Study*	1,143	$265,600	$3,541
Charleston Special	*2 BR, 2 Bath Special A*	1,247	$312,600	$3,619
Kensington	*2 BR, 2 BA*	1,285	$334,600	$3,871
Building F				
Prescott/Watson	1 BR, 1 Bath	710	$151,600	$3,127
Charleston A	2 BR, 2 Bath A	1,384	$325,600	$3,758
Charleston B	2 BR, 2 Bath B	1,399	$326,600	$3,758
Charleston A1	*2 BR, 2 Bath A1 (Two Balconies)*	1,430	$329,600	$3,789
Arlington	2 BR, 2 Bath	1,420	$341,600	$4,017
Eastford - A	2 BR, 2 Bath w/Study A	1,633	$410,600	$4,064
Amhurst - B	2 BR, 2 Bath w/Study B	1,871	$447,600	$4,496
	Second Person Fee		$36,000	$1,779

Entrance Fees paid are reduced by 2% per month until the minimum refund amount is reached.

All Monthly Service Fees (MSF) include a Dining Credit of $465 per month per person. If you opt out of the Dining Credit Meal Plan, your MSF will be reduced by $370 per month per person.

At Willow Valley Communities, your Monthly Service Fee includes our Lifecare coverage, which entitles you to short- or long-term personal care, skilled nursing care, or memory support, should you need it, at no extra cost. Maintenance, electricity, water, heating and cooling, trash removal, real estate taxes, and property insurance are also included in your Monthly Service Fee.

***A 33% entrance fee refund option is available for an additional 18% premium on the entrance fee. A 90% entrance fee refund option is available for an additional 73% premium on the entrance fee to those 79 years of age or younger.**

Manor - Apartments

Entrance and Monthly Fees
Effective January 1, 2026

Name	Description	Sq. Ft.	Capital (Zero Refund)	2026 MSF
Building A - D				
Waverly	*Studio*	464	$104,600	$2,638
Prescott	*1 BR, 1 Bath*	625	$148,600	$3,064
Raleigh	*1 BR, 1 Bath w/Study*	925	$211,600	$3,330
Madison	*1 BR, 1 ½ Bath w/Study*	1,153	$266,600	$3,562
Charleston	*2 BR, 2 Bath*	1,259	$313,600	$3,619
Covington	*2 BR, 1 ½ Bath*	1,259	$333,600	$3,846
Canton	*1 BR, 1½ Bath w/Study*	1,285	$328,600	$3,871
Arlington	*2 BR, 2 Bath*	1,285	$328,600	$3,871
Essex	*2 BR, 2 ½ Bath w/Study*	1,850	$495,600	$4,756
Second Person			$36,000	$1,779

Entrance Fees paid are reduced by 2% per month until the minimum refund amount is reached.

All Monthly Service Fees (MSF) include a Dining Credit of $465 per month per person. If you opt out of the Dining Credit Meal Plan, your MSF will be reduced by $370 per month per person.

At Willow Valley Communities, your Monthly Service Fee includes our Lifecare coverage, which entitles you to short- or long-term personal care, skilled nursing care, or memory support, should you need it, at no extra cost. Maintenance, electricity, water, heating and cooling, trash removal, real estate taxes, and property insurance are also included in your Monthly Service Fee.

***A 33% entrance fee refund option is available for an additional 18% premium on the entrance fee. A 90% entrance fee refund option is available for an additional 73% premium on the entrance fee to those 79 years of age or younger.**

Manor

Special Apartment Styles
Entrance and Monthly Fees
Effective January 1, 2026

Name	Description	Sq.Ft.	Capital (Zero Refund)	2026 MSF
Building A - D				
Prescott/Watson Special	*1 BR, 1 Bath Special*	754	$163,600	$3,064
Raleigh Special	*2 BR, 1 Bath A Bldg.*	964	$217,600	$3,330
Charleston Special	*2 BR, 2 Bath Special A*	1,247	$312,600	$3,619
Kensington	*2 BR, 2 Bath*	1,285	$352,600	$3,871
Building E				
Prescott/Watson	*1 BR, 1 Bath*	704	$167,600	$3,127
Raleigh	*1 BR, 1 Bath w/Study*	1,026	$241,600	$3,434
Ludlow	*2 BR, 2 Bath*	1,269	$331,600	$3,630
Dartford	*2 BR, 2 Bath*	1,304	$336,600	$3,683
Essington	*2 BR, 2 Bath*	1,359	$336,600	$3,717
Thornbury	*2 BR, 2 Bath w/Study*	1,543	$383,600	$3,975
Yorktown	*2 BR, 2 Bath w/Study*	1,720	$426,600	$4,281
	Second Person Fee		$36,000	$1,779

Entrance Fees paid are reduced by 2% per month until the minimum refund amount is reached.

All Monthly Service Fees (MSF) include a Dining Credit of $465 per month per person. If you opt out of the Dining Credit Meal Plan, your MSF will be reduced by $370 per month per person.

At Willow Valley Communities, your Monthly Service Fee includes our Lifecare coverage, which entitles you to short- or long-term personal care, skilled nursing care, or memory support, should you need it, at no extra cost. Maintenance, electricity, water, heating and cooling, trash removal, real estate taxes, and property insurance are also included in your Monthly Service Fee.

***A 33% entrance fee refund option is available for an additional 18% premium on the entrance fee. A 90% entrance fee refund option is available for an additional 73% premium on the entrance fee to those 79 years of age or younger.**

North - Apartments

Entrance and Monthly Fees
Effective January 1, 2026

Name	Description	*Sq.Ft.*	Capital (Zero Refund)	2026 MSF
Pennington	*1 BR, 1 Bath*	840	$175,600	$3,181
Edmonton	*1 BR, 1 Bath w/Study*	1,065	$258,600	$3,758
Winchester	*1 BR, 1½ Bath w/Study*	1,165	$276,600	$3,867
Chelsea	*2 BR, 2 Bath*	1,305	$360,600	$4,212
Huntingdon	*2 BR, 2 Bath w/Study*	1,505	$398,600	$4,182
Chelsea w/Study	*2BR, 2 Bath w/Study*	1,575	$437,600	$4,605
Stratford	*2 BR, 2 Bath w/Study*	1,575	$437,600	$4,605
Astoria	*2 BR, 2 Bath w/Study*	1,710	$446,600	$4,764
Sutton	*2 BR, 2 Bath w/Study*	1,710	$459,600	$4,764
Grantham	*2 BR, 2 ½ Bath w/Study*	1,969	$574,600	$5,322
	Second Person Fee		$36,000	$1,779

Subject to availability, a parking space may be reserved in the covered parking garage for a fee of $10,000 and a monthly fee of $40.

Top Floor premium Entrance Fees are as follows:

Pennington	$5,000
Edmonton, Winchester & Chelsea	$7,000
Huntingdon, Stratford, Astoria, Sutton, Chelsea w/Study & Grantham	$10,000

Entrance Fees paid are reduced by 2% per month until the minimum refund amount is reached.

All Monthly Service Fees (MSF) include a Dining Credit of $465 per month per person. If you opt out of the Dining Credit Meal Plan, your MSF will be reduced by $370 per month per person.

At Willow Valley Communities, your Monthly Service Fee includes our Lifecare coverage, which entitles you to short- or long-term personal care, skilled nursing care, or memory support, should you need it, at no extra cost. Maintenance, electricity, water, heating and cooling, trash removal, real estate taxes, and property insurance are also included in your Monthly Service Fee.

***A 33% entrance fee refund option is available for an additional 18% premium on the entrance fee. A 90% entrance fee refund option is available for an additional 73% premium on the entrance fee to those 79 years of age or younger.**

Garden Apartments

Entrance and Monthly Fees
Effective January 1, 2026

Name	Description	Sq.Ft	Capital (Zero Refund)	2026 MSF
Monterey	*1 BR, 1 Bath*	922	$182,600	$3,057
Denton	*1 BR, 1 Bath*	1,007	$208,600	$3,438
Pembrooke	*1 BR, 1 Bath*	1,016	$209,600	$3,449
Claremont	*2 BR, 2 Bath w/Study*	1,719	$468,600	$4,474
Buchanan	*2 BR, 2 Bath w/Study*	2,276	$547,600	$5,378
Edinburg	*2 BR, 2 Bath w/Study*	2,291	$547,600	$5,399
	Second Person Fee		$36,000	$1,779

Ground Floor apartments have either a deck or a patio with an additional charge as follows:

Apartments with patios	$5,000
Apartments with decks	$10,000

Top Floor Premium Entrance Fees are as follows:

Monterey & Pembrooke	$5,000
Claremont	$7,000
Buchanan & Edinburg	$10,000

Entrance Fees paid are reduced by 2% per month until the minimum refund amount is reached.

All Monthly Service Fees (MSF) include a Dining Credit of $465 per month per person. If you opt out of the Dining Credit Meal Plan, your MSF will be reduced by $370 per month per person.

At Willow Valley Communities, your Monthly Service Fee includes our Lifecare coverage, which entitles you to short- or long-term personal care, skilled nursing care, or memory support, should you need it, at no extra cost. Maintenance, electricity, water, heating and cooling, trash removal, real estate taxes, and property insurance are also included in your Monthly Service Fee.

***A 33% entrance fee refund option is available for an additional 18% premium on the entrance fee. A 90% entrance fee refund option is available for an additional 73% premium on the entrance fee to those 79 years of age or younger.**

Providence Park Townhomes

Entrance and Monthly Fees
Effective Jan 1, 2026

Name	Description	Sq. Ft.	Capital (Zero Refund)	2026 MSF
Lyon w/basement				
Lake View	*2 BR, 2½ Bath*	2,285	$747,600	$6,041
Versailles w/basement				
Lake View	*3 BR, 2½ Bath w/Study*	3,228	$919,600	$7,285
	Second Person Fee		$36,000	$1,779

Entrance Fees paid are reduced by 2% per month until the minimum refund amount is reached.

All Monthly Service Fees (MSF) include a Dining Credit of $465 per month per person. If you opt out of the Dining Credit Meal Plan, your MSF will be reduced by $370 per month per person.

At Willow Valley Communities, your Monthly Service Fee includes our Lifecare coverage, which entitles you to short- or long-term personal care, skilled nursing care, or memory support, should you need it, at no extra cost. Maintenance, electricity, water, heating and cooling, trash removal, real estate taxes, and property insurance are also included in your Monthly Service Fee.

***A 33% entrance fee refund option is available for an additional 18% premium on the entrance fee. A 90% entrance fee refund option is available for an additional 73% premium on the entrance fee to those 79 years of age or younger.**

Providence Park Villas

Entrance and Monthly Fees
Effective Jan 1, 2026

Name	Description	Sq.Ft.	Capital (Zero Refund)	2026 MSF
Bedford	*2 BR, 2½ Bath*	1,600	$519,600	$4,768
Bedford w/basement	*2 BR, 2½ Bath*	1,600	$588,600	$4,898
Bristol	*2 BR, 2½ Bath*	1,600	$519,600	$4,768
Bristol w/basement	*2 BR, 2½ Bath*	1,600	$588,600	$4,898
Warwick	*2 BR, 2½ Bath w/Study*	1,945	$610,600	$5,418
Warwick w/basement	*2 BR, 2½ Bath w/Study*	1,945	$679,600	$5,548
Newport	*2 BR, 2½ Bath w/Study*	1,980	$618,600	$5,418
Newport w/basement	*2 BR, 2½ Bath w/Study*	1,980	$687,600	$5,548
Newport (detached)	*2 BR, 2½ Bath w/Study*	1,980	$622,600	$5,464
Newport (detached) w/basement	*2 BR, 2½ Bath w/Study*	1,980	$691,600	$5,595
	Second Person Fee		$36,000	$1,779

Premium for Lake View **$15,000**

Entrance Fees paid are reduced by 2% per month until the minimum refund amount is reached.

All Monthly Service Fees (MSF) include a Dining Credit of $465 per month per person. If you opt out of the Dining Credit Meal Plan, your MSF will be reduced by $370 per month per person.

At Willow Valley Communities, your Monthly Service Fee includes our Lifecare coverage, which entitles you to short- or long-term personal care, skilled nursing care, or memory support, should you need it, at no extra cost. Maintenance, electricity, water, heating and cooling, trash removal, real estate taxes, and property insurance are also included in your Monthly Service Fee.

***A 33% entrance fee refund option is available for an additional 18% premium on the entrance fee. A 90% entrance fee refund option is available for an additional 73% premium on the entrance fee to those 79 years of age or younger.**

SouthPointe Apartments

Entrance and Monthly Fees
Effective January 1, 2026

Name	Description	Sq.Ft.	Capital (Zero)	2026 MSF
Devon	*1 BR, 1½ Bath w/Study*	1,385	$385,600	$4,236
Hatfield	*2 BR, 2½ Bath*	1,704	$519,600	$4,772
Hatfield Variation	*2 BR, 2½ Bath*	1,737	$519,600	$4,772
Kingsbury	*2 BR, 2½ Bath w/Study*	1,878	$599,600	$5,792
Everett	*2 BR, 2½ Bath w/Study*	1,878	$599,600	$5,792
	Second Person Fee		$36,000	$1,779

An underground garage parking space is included with each apartment. Subject to availability, an extra parking space may be reserved for a fee of $10,000 (fully refundable) and a monthly fee of $40. There is no charge for outside parking.

Top Floor Premium

Devon, Hatfield & Hatfield Variation	$10,000
Kingsbury & Everett	$15,000

Entrance Fees paid are reduced by 2% per month until the minimum refund amount is reached.

All Monthly Service Fees (MSF) include a Dining Credit of $465 per month per person. If you opt out of the Dining Credit Meal Plan, your MSF will be reduced by $370 per month per person.

At Willow Valley Communities, your Monthly Service Fee includes our Lifecare coverage, which entitles you to short- or long-term personal care, skilled nursing care, or memory support, should you need it, at no extra cost. Maintenance, electricity, water, heating and cooling, trash removal, real estate taxes, and property insurance are also included in your Monthly Service Fee.

***A 33% entrance fee refund option is available for an additional 18% premium on the entrance fee. A 90% entrance fee refund option is available for an additional 73% premium on the entrance fee to those 79 years of age or younger.**

SouthPointe Villas

Entrance and Monthly Fees
Effective January 1, 2026

Name	Description	Sq.Ft.	Capital (Zero Refund)	2026 MSF
Hayes	*2 BR, 2½ Bath*	1,645	$552,600	$4,912
Hayes (detached)	*2 BR, 2½ Bath*	1,645	$573,600	$5,227
Whitby	*2 BR, 2½ Bath*	1,675	$563,600	$5,021
Whitby (detached)	*2 BR, 2½ Bath*	1,675	$582,600	$5,307
Marlow	*2 BR, 2½ Bath w/Study*	2,005	$653,600	$5,597
Marlow (detached)	*2 BR, 2½ Bath w/Study*	2,005	$673,600	$5,910
Rothwell	*2 BR, 2½ Bath w/Study*	2,010	$656,600	$5,663
Rothwell (detached)	*2 BR, 2½ Bath w/Study*	2,010	$676,600	$5,977
	Second Person Fee		$36,000	$1,779

Premium for Perimeter Location **$15,000**

Entrance Fees paid are reduced by 2% per month until the minimum refund amount is reached.

All Monthly Service Fees (MSF) include a Dining Credit of $465 per month per person. If you opt out of the Dining Credit Meal Plan, your MSF will be reduced by $370 per month per person.

At Willow Valley Communities, your Monthly Service Fee includes our Lifecare coverage, which entitles you to short- or long-term personal care, skilled nursing care, or memory support, should you need it, at no extra cost. Maintenance, electricity, water, heating and cooling, trash removal, real estate taxes, and property insurance are also included in your Monthly Service Fee.

***A 33% entrance fee refund option is available for an additional 18% premium on the entrance fee. A 90% entrance fee refund option is available for an additional 73% premium on the entrance fee to those 79 years of age or younger.**

Spring Run - Apartments

Entrance and Monthly Fees
Effective January 1, 2026

Name	Description	Sq.Ft	Capital (Zero Refund)	2026 MSF
Conestoga	*1 BR, 1½ Bath*	1,015	$225,600	$3,508
Delaware	*2 BR, 2 Bath w/Study*	1,525	$431,600	$4,323
Susquehanna	*2 BR, 2 Bath w/Sunroom*	1,796	$479,600	$4,647
Lehigh	*2 BR, 2 Bath w/Study & Sunroom*	1,974	$531,600	$5,060
Brandywine	*2 BR, 2½ Bath w/Study*	2,035	$555,600	$5,136
Chesapeake	*2 BR, 2½ Bath w/Study*	2,128	$569,600	$5,250
	Second Person Fee		$36,000	$1,779

An underground garage parking space is included with the Chesapeake, Brandywine and Lehigh apartment. Subject to availability, a garage parking space may be reserved with the other styles of apartments for a fee of $10,000 and a monthly fee of $40. There is no charge for outside parking.

Park Side Premium Entrance Fee (all styles): $15,000

Top Floor Premium Entrance Fees are as follows:

The Conestoga	$5,000
The Delaware & Susquehanna	$7,000
The Lehigh, Brandywine & Chesapeake	$10,000

Entrance Fees paid are reduced by 2% per month until the minimum refund amount is reached.

All Monthly Service Fees (MSF) include a Dining Credit of $465 per month per person. If you opt out of the Dining Credit Meal Plan, your MSF will be reduced by $370 per month per person.

At Willow Valley Communities, your Monthly Service Fee includes our Lifecare coverage, which entitles you to short- or long-term personal care, skilled nursing care, or memory support, should you need it, at no extra cost. Maintenance, electricity, water, heating and cooling, trash removal, real estate taxes, and property insurance are also included in your Monthly Service Fee.

***A 33% entrance fee refund option is available for an additional 18% premium on the entrance fee. A 90% entrance fee refund option is available for an additional 73% premium on the entrance fee to those 79 years of age or younger.**

The Vistas – Apartments

Entrance and Monthly Fees
Effective January 1, 2026

Name	Description	Sq.Ft	Capital (Zero Refund)	2026 MSF
Chatham	*2 BR, 2½ Bath*	1,720	$565,600	$4,772
Danbury	*2 BR, 2½ Bath*	1,723	$565,600	$4,772
Hudson	*2 BR, 2½ Bath w/Study*	1,982	$648,600	$5,683
Vernon	*2 BR, 2½ Bath w/Study*	1,991	$661,600	$5,792
	Second Person Fee		$36,000	$1,779

Top Floor Premium Entrance Fee **$20,000**

Entrance Fees paid are reduced by 2% per month until the minimum refund amount is reached.

All Monthly Service Fees (MSF) include a Dining Credit of $465 per month per person. If you opt out of the Dining Credit Meal Plan, your MSF will be reduced by $370 per month per person.

At Willow Valley Communities, your Monthly Service Fee includes our Lifecare coverage, which entitles you to short- or long-term personal care, skilled nursing care, or memory support, should you need it, at no extra cost. Maintenance, electricity, water, heating and cooling, trash removal, real estate taxes, and property insurance are also included in your Monthly Service Fee.

A 33% entrance fee refund option is available for an additional 18% premium on the entrance fee. A 90% entrance fee refund option is available for an additional 73% premium on the entrance fee to those 79 years of age or younger.

Willow Gables

Entrance and Monthly Fees
Effective January 1, 2026

Name	Description	Sq. Ft.	Capital (Zero Refund)	2026 MSF
Lyon	*2 BR, 2½ Bath*	2,285	$645,600	$5,911
Lyon w/basement	*2 BR, 2½ Bath*	2,285	$717,600	$6,041
Marseille	*2 BR, 2½ Bath*	2,628	$743,600	$6,364
Marseille w/basement	*2 BR, 2½ Bath*	2,628	$812,600	$6,494
Versailles	*3 BR, 2½ Bath w/Study*	3,228	$836,600	$7,157
Versailles w/basement	*3 BR, 2½ Bath w/Study*	3,228	$905,600	$7,285
	Second Person Fee		$36,000	$1,779

Premium for Lake View: $15,000

All Monthly Service Fees (MSF) include a Dining Credit of $465 per month per person. If you opt out of the Dining Credit Meal Plan, your MSF will be reduced by $370 per month per person.

At Willow Valley Communities, your Monthly Service Fee includes our Lifecare coverage, which entitles you to short- or long-term personal care, skilled nursing care, or memory support, should you need it, at no extra cost. Maintenance, electricity, water, heating and cooling, trash removal, real estate taxes, and property insurance are also included in your Monthly Service Fee.

***A 33% entrance fee refund option is available for an additional 18% premium on the entrance fee. A 90% entrance fee refund option is available for an additional 73% premium on the entrance fee to those 79 years of age or younger.**

Mosaic
by Willow Valley Communities

Entrance and Estimated Monthly Fees
Effective January 1, 2026

Styles	Description	Sq.Ft.	Capital (Zero Refund)	Traditional (33% Refund)	*Estate (90% Refund)	**2028 MSF
MR-I	*2 BR, 2½ Bath*	1,592	$642,600	$755,700	$1,111,800	$4,923
MR-H	*2 BR, 2½ Bath*	1,597	$649,600	$763,700	$1,123,800	$4,923
MR-J	*2 BR, 2½ Bath*	1,620	$669,600	$786,700	$1,158,800	$4,986
MR-E	*2 BR, 2½ Bath w/Den*	1,772	$752,600	$884,700	$1,301,800	$5,333
MR-F	*2 BR, 2½ Bath w/Den*	1,830	$798,600	$938,700	$1,381,800	$5,491
MR-G	*2 BR, 2½ Bath w/Den*	1,885	$838,600	$985,700	$1,450,800	$5,554
MR-K	*2 BR, 2½ Bath*	1,940	$858,600	$1,008,700	$1,485,800	$5,680
MR-B	*2 BR, 2½Bath w/Den*	2,012	$879,600	$1,033,700	$1,521,800	$5,806
MR-C	*2 BR, 2½ Bath w/Den*	2,188	$965,600	$1,134,700	$1,670,800	$6,185
MR-D	*2 BR, 2½ Bath w/Den*	2,246	$979,600	$1,151,700	$1,694,800	$6,311
MR-A	*2 BR, 2½ Bath w/Den*	2,451	$989,600	$1,162,700	$1,712,800	$6,690
PH-3	*2 BR, 2½ Bath w/Den*	2,370	$978,600	$1,149,700	$1,692,800	$6,564
PH-5	*2 BR, 2½ Bath w/Den*	2,401	$982,600	$1,154,700	$1,699,800	$6,627
PH-2	*2 BR, 2½ Bath w/Den*	2,437	$995,600	$1,169,700	$1,722,800	$6,690
PH-4	*2 BR, 2½ Bath w/Den*	2,484	$998,600	$1,173,700	$1,727,800	$6,753
PH-1	*3 BR, 3½ Bath w/Den*	3,338	$1,432,600	$1,683,700	$2,478,800	$6,943
	Second Person Fee		$40,000	$47,000	$70,000	$1,840

High-rise (HR floors 11-16) Floors Premium Entrance Fee $10,000 over Midrise (MR floors 3-10)

Entrance Fees paid are reduced by 2% per month until the minimum refund amount is reached.

At Mosaic by Willow Valley Communities, your Monthly Service Fee includes our Lifecare coverage, which entitles you to short- or long-term personal care, skilled nursing care, or memory support, should you need it, at no extra cost. Maintenance, electricity, water, heating and cooling, trash removal, real estate taxes, and property insurance are also included in your Monthly Service Fee.

***The Estate Plan (90% refund) entrance fee option is available to those 79 years of age or younger.**
****2028 Monthly Service Fees are estimated**

Exhibit C

Willow Valley Communities and Subsidiaries

Consolidated Financial Statements
and Supplementary Information

December 31, 2025 and 2024

Willow Valley Communities and Subsidiaries

Table of Contents
December 31, 2025 and 2024

	Page
Independent Auditors' Report	1
Consolidated Financial Statements	
Consolidated Balance Sheets	3
Consolidated Statements of Operations and Changes in Net Assets	4
Consolidated Statements of Cash Flows	6
Notes to Consolidated Financial Statements	7
Supplementary Information	
Consolidating Balance Sheet Schedule	23
Consolidating Statement of Operations and Changes in Net Assets (Deficit) Schedule	24

Independent Auditors' Report

To the Board of Directors of
Willow Valley Communities and Subsidiaries

Opinion

We have audited the consolidated financial statements of Willow Valley Communities and Subsidiaries (the Company), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and changes in 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 Consolidated Financial Statements section of our report. We are required to be independent of the Company 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 Consolidated Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm that provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

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 consolidated 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 consolidated 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 Company'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company'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 consolidated financial statements as a whole. The consolidating information, as identified in the table of contents, is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations and changes in net assets of the individual organizations, and it is not a required part of the consolidated 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 consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Baker Tilly US, LLP

Philadelphia, Pennsylvania
April 22, 2026

Willow Valley Communities and Subsidiaries

Consolidated Balance Sheets
December 31, 2025 and 2024
(In Thousands)

	2025	2024
Assets		
Cash and cash equivalents	$ 4,008	$ 5,842
Investments	144,117	145,252
Statutory minimum liquid reserve	13,299	12,023
Accounts receivable, entrance fee receivables and other receivables	4,505	5,253
Prepaid expenses, inventory and deposits	6,644	6,465
Accumulated gain on investment contracts	402	994
Property and equipment, net	517,367	459,279
Total assets	$ 690,342	$ 635,108
Liabilities and Net Assets		
Accounts payable and accrued expenses	$ 10,814	$ 9,655
Construction payable	11,051	7,648
Short-term indebtedness	20,000	20,000
Mortgage payable	11,600	12,000
Long-term indebtedness	112,777	117,015
Entrance fee deposits	17,524	14,076
Refundable portion of entrance fees	40,161	37,677
Deferred revenue from entrance fees	324,490	291,619
Total liabilities	548,417	509,690
Net Assets		
Without donor restrictions	124,281	109,638
With donor restrictions	17,644	15,780
Total net assets	141,925	125,418
Total liabilities and net assets	$ 690,342	$ 635,108

See notes to consolidated financial statements

Willow Valley Communities and Subsidiaries

Consolidated Statements of Operations and Changes in Net Assets
Years Ended December 31, 2025 and 2024
(In Thousands)

	2025	2024
Operating Revenue		
Resident services revenues, net of amortization of entrance fees	$ 116,750	$ 109,232
Resident services revenues from third-party payors	5,553	5,045
Investment income	7,097	7,728
Net assets released from restrictions to provide resident services	605	627
Other revenue	6,993	5,833
Total operating revenue before amortization of entrance fees	136,998	128,465
Amortization of entrance fees	32,524	30,476
Total operating revenue	169,522	158,941
Operating Expenses		
Salaries, wages and benefits	80,073	75,248
Contracted services	9,250	12,941
Utilities	6,321	5,512
Food	8,686	8,191
Supplies	6,677	5,673
Real estate taxes	6,279	6,071
Insurance	1,384	1,308
Other	4,523	3,995
Total operating expenses before depreciation and interest	123,193	118,939
Depreciation	34,902	33,355
Interest	5,749	6,271
Total operating expenses	163,844	158,565
Operating income	$ 5,678	$ 376

See notes to consolidated financial statements

Consolidated Statements of Operations and Changes in Net Assets (continued)
Years Ended December 31, 2025 and 2024
(In Thousands)

	2025	2024
Changes in Net Assets Without Donor Restrictions		
Operating income	$ 5,678	$ 376
Net unrealized gain on investments and investment contracts	8,965	3,886
Net operating income and change in net assets without donor restrictions	14,643	4,262
Changes in Net Assets With Donor Restrictions		
Contributions	2,469	3,492
Net assets released from restriction	(605)	(627)
Change in net assets with donor restrictions	1,864	2,865
Change in net assets	16,507	7,127
Net Assets, Beginning	125,418	118,291
Net Assets, Ending	$ 141,925	$ 125,418

See notes to consolidated financial statements

Willow Valley Communities and Subsidiaries

Consolidated Statements of Cash Flows
Years Ended December 31, 2025 and 2024
(In Thousands)

	2025	2024
Cash Flows From Operating Activities		
Change in net assets	$ 16,507	$ 7,127
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	34,902	33,355
Amortization of entrance fees	(32,524)	(30,476)
Amortization of deferred financing costs	67	67
Amortization of bond premium	(440)	(482)
Net realized and unrealized gain on investments	(12,109)	(6,358)
Change in fair value of investment contracts	592	(121)
Entrance fees from nonrefundable resale contracts	39,016	42,207
Refunds of nonrefundable resale contracts	(1,853)	(77)
Contributions for long-term purposes	(906)	(2,260)
Changes in assets and liabilities:		
Decrease (increase) in accounts receivable and other receivables	294	(223)
Increase in prepaid expenses, inventory and deposits	(179)	(692)
Increase in accounts payable and accrued expenses	1,096	1,336
Net cash provided by operating activities	44,463	43,403
Cash Flows From Investing Activities		
Purchase of property and equipment	(81,939)	(54,547)
Net sales (purchases) of investments	11,968	(1,425)
Net cash used in investing activities	(69,971)	(55,972)
Cash Flows From Financing Activities		
Entrance fees from initial sale contracts	27,651	6,261
Entrance fees from refundable contracts	4,811	3,725
Refunds of refundable entrance fees	(1,848)	(2,545)
Payment of accounts payable, construction	(7,648)	(6,154)
Change in entrance fee deposits	3,448	4,976
Net proceeds from short-term indebtedness	-	5,000
Payments on mortgage payable	(400)	-
Payments on long-term indebtedness	(3,865)	(3,724)
Proceeds from contributions for long-term purposes	1,525	2,646
Net cash provided by financing activities	23,674	10,185
Net change in cash and cash equivalents	(1,834)	(2,384)
Cash and Cash Equivalents, Beginning	5,842	8,226
Cash and Cash Equivalents, Ending	$ 4,008	$ 5,842
Supplemental Disclosure of Cash Flow Information		
Interest paid	$ 6,119	$ 6,625
Supplemental Disclosure of Noncash Investing and Financing Activities		
Obligations incurred for the acquisition of property and equipment	$ 11,051	$ 7,648

See notes to consolidated financial statements

1. Nature of Operations and Organization Matters

Willow Valley Communities (WVC) is a not-for-profit Pennsylvania corporation that provides residential, personal care and skilled care services to senior adults in its continuing care retirement community (CCRC), located in Lancaster, Pennsylvania. There are four primary areas within WVC's CCRC; Willow Valley Manor, Willow Valley Lakes Manor, Willow Valley Manor North and Spring Run at Willow Valley. WVC also operates a lifecare at home program known as SmartLife VIA Willow Valley.

WVC is the sole corporate member of the following affiliates:

Connections at Home VIA Willow Valley, LLC (Connections) is a home care agency that provides companion and homemaking services, as well as wellness visits and personal and hospice assistance.

Mosaic Real Estate, LLC (Mosaic) acquires, owns and manages real estate.

Willow Valley Communities Charitable Foundation (the Foundation) supports WVC by obtaining, investing and disbursing charitable contributions in support of WVC and Subsidiaries.

On May 1, 2022, WVC commenced a Strategic Alliance (the Strategic Alliance) with ACTS Retirement Services, Inc. (ARS), a not-for-profit Pennsylvania corporation based in Fort Washington, Pennsylvania. On November 1, 2024, the Strategic Alliance was terminated.

Principles of Consolidation

The consolidated financial statements include the accounts for WVC, Connections, the Foundation and Mosaic (collectively, the Company). All significant intercompany accounts and transactions have been eliminated.

2. Summary of Significant Accounting Policies

Cash and Cash Equivalents

For purposes of the consolidated statements of cash flows, cash and cash equivalents include working capital accounts invested in highly liquid instruments purchased with an original maturity of three months or less.

Investments and Investment Risk

Investments with readily determinable fair values are measured at fair value in the consolidated balance sheets. Investment income (including realized and unrealized gains and losses on investments, interest and dividends) is included in net operating income in the consolidated statements of operations and changes in net assets unless the income 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.

The Company's investments are comprised of a variety of financial instruments. The fair values reported in the consolidated balance sheets 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 certain investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is reasonably possible that the amounts reported on the consolidated balance sheets could materially change in the near term.

Investments include assets without restrictions and assets with restrictions. Assets without restrictions represent assets that are available for the general use and purposes of the Company and assets that are used to meet statutory reserve requirements. Assets with restrictions include amounts restricted by donors for specific purposes or time periods.

Accounts Receivable and Entrance Fee Receivables

The Company assesses collectability on all resident accounts prior to providing services. An allowance for expected 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 Company has exhausted all collection efforts and accounts are deemed impaired.

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

Pledges Receivable

Pledges receivable represent unconditional promises to give that are expected to be collected in future years. The pledges are recorded as contributions with donor restrictions at the present value of estimated future cash flows. The discounts on the pledged amounts approximate current market rates at initial recognition. An allowance for uncollectible pledges is also recorded when the pledges are received and adjusted each year to reflect changes in the gross amount of pledges outstanding. Amortization of the discounts and the adjustment of the allowance each year are reported as contributions in net assets with donor restrictions.

Property and Equipment

Property and equipment are stated at cost. Donated assets are recorded at their fair value at the date of donation. Depreciation is computed using the straight-line method.

When assets are sold or retired, the asset values and related accumulated depreciation are eliminated from the accounts and any gain or loss is included in the consolidated statements of operations and changes in net assets. The cost of maintenance and repairs is charged to expense as incurred. Significant renewals and betterments are capitalized.

Gifts of long-lived assets such as land, buildings or equipment are reported as other revenue 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 restricted contributions. Expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

Interest is capitalized for assets that require a period of time to be constructed or to prepare them for their intended use. Interest was capitalized in the amount of $274,000 in 2025 and $130,000 in 2024.

Deferred Financing Costs

Deferred financing costs are amortized straight-line over the terms of the related debt, which approximates using the effective interest method and are classified net with the related debt. Amortization expense, which is included as a component of interest expense, was $67,000 in 2025 and 2024.

Derivative Financial Instruments

The Company uses interest rate swap agreements which are considered derivative financial instruments, to manage its interest rate risk on its long-term debt. The interest rate swap agreements are reported at fair value in accumulated gain on investment contracts in the consolidated balance sheets and related changes in fair value are reported on the consolidated statements of operations and changes in net assets as a component of net unrealized gain on investments and investment contracts.

Deferred Revenue From Entrance Fees

Under a continuing care contract (resident agreement) for a residential living unit, the Company receives entrance fee payments in advance. The Company offers both nonrefundable and refundable resident agreements. As of December 31, 2025 and 2024, the majority of the Company's resident agreements are nonrefundable.

Under current nonrefundable resident agreements, residents who terminate their contracts will generally be entitled to a full refund less 2% of the remaining entrance fee per each month of residency. Under nonrefundable resident agreements executed prior to October 2014, residents who terminate their contracts are not entitled to any entrance fee refund after a 90-day rescission period. 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 Company within three months of contract termination.

The nonrefundable portion of entrance fees is amortized to revenue over the actuarially computed 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 transferred to residents and the Company's performance obligation to the residents is satisfied, and is classified as deferred revenue from entrance fees on the consolidated balance sheets. Amortization of nonrefundable entrance fees was $32,524,000 in 2025 and $30,476,000 in 2024. A significant portion of amortization revenue in 2025 and 2024 was included in deferred revenue from entrance fees as of the beginning of each year.

The guaranteed refundable portion of entrance fees is classified as refundable portion of entrance fees on the consolidated balance sheets and is not amortized to revenue.

The gross contractual refund obligations under existing resident agreements were approximately $140,046,000 and $123,718,000 as of December 31, 2025 and 2024, respectively.

Under the majority of existing resident agreements, residential living residents are entitled to personal care or skilled care services, as needed, with no increases in the current monthly service fees as a result of transferring to a higher level of care.

Obligation to Provide Future Services

The Company engages an independent actuary once every three years to calculate the present value of the net cost of future services and the use of facilities to be provided to current residents and compares that amount with the balance of deferred revenue from entrance fees. Based upon the last calculation performed (December 31, 2024), the present value of the net cost of future services and the use of facilities, based on a discount rate of 5%, did not exceed the balance of deferred revenue from entrance fees. Based upon this calculation, and the analysis of management, no liability for the obligation to provide future services has been recorded at December 31, 2025 and 2024.

Net Assets

Net assets, revenues, gains and 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. All revenue not restricted by donors and donor-restricted contributions whose restrictions are met in the same period in which they are received are accounted for in net assets without donor restrictions.

Net Assets With Donor Restrictions - Net assets 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. All revenues restricted by donors as to either timing or purpose of the related expenditures or required to be maintained in perpetuity as a source of investment income are accounted for in net assets with donor restrictions. When a donor restriction expires, that is when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Resident Services Revenues

Resident services revenues are reported at the amount that reflects the consideration the Company 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 revenues are recognized as performance obligations are satisfied.

Payment terms and conditions for the Company's resident agreements vary by contract type and payor source, although terms generally include payment to be made within 30 days. Resident services revenues for recurring and routine monthly services due from self-pay residents are generally billed monthly in advance. Resident services revenues for ancillary services due from self-pay residents are generally billed monthly in arrears. Resident services revenues due from Medicare and other third-party payor programs are billed monthly in arrears.

Resident services revenues are primarily comprised of skilled care, personal care, residential living and lifecare at home revenue streams, which are primarily derived from providing nursing, personal care and housing services to residents at a stated daily or monthly fee, net of any explicit or implicit price concessions. The Company 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 Company 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 care, personal care, residential living and lifecare at home revenues are recognized on a daily or month-to-month basis as services are rendered.

The Company receives revenue for services under third-party payor programs, including Medicare and other third-party payors. 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 Company estimates the transaction price based on the terms of the contract, correspondence with the third-party payor and historical payment trends, and retroactive adjustments are recognized in future periods as final settlements are determined.

Contract Balances

Contract assets represent the Company's right to consideration in exchange for goods or services that the Company has transferred to a resident when that right is conditioned on something other than the passage of time (for example, the Company's future performance). Contract liabilities represent the Company's obligation to transfer goods or services to a resident for which the Company has received consideration (or the amount is due) from the resident.

The Company's beginning and ending contract liabilities are separately presented on the consolidated balance sheets as of December 31, 2025 and 2024 as deferred revenue from entrance fees. Deferred revenue from entrance fees was $275,190,000 as of December 31, 2023. The Company had no contract assets as of December 31, 2025, 2024, and 2023.

Income Taxes

WVC and the Foundation are not-for-profit corporations. Each is exempt from federal income taxes on exempt income under Section 501(a) of the Internal Revenue Code (IRC) and other income taxes under similar statutes. Connections and Mosaic are disregarded entities of WVC for federal tax purposes and, as such, are considered exempt under Section 501(a) of the IRC. Accordingly, no provision for income taxes has been recorded in the consolidated financial statements.

Measure of Operations and Performance Indicator

The consolidated statements of operations and changes in net assets include the determination of operating income and net operating income (the performance indicator). Operating income includes only those operating revenues and expenses that are an integral part of the Company's program activities and net assets released from donor restrictions to provide resident services. Net operating income includes all operating activities, as well as changes in net unrealized gain on investments and investment contracts.

Changes in net assets without donor restrictions which are excluded from the determination of the performance indicator, consistent with industry practice, include contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purposes of acquiring such assets, if any).

Use of Estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The Company evaluated subsequent events for recognition or disclosure through April 22, 2026, the date the consolidated financial statements were issued.

3. Liquidity and Availability of Resources

As of December 31, the Company has financial assets available for general expenditure within one year of the date of the consolidated balance sheets, consisting of the following:

	2025	2024
	(in Thousands)	
Cash and cash equivalents	$ 4,008	$ 5,842
Accounts receivable, entrance fee receivables and other receivables	3,799	3,928
Investments without donor restrictions	127,179	130,797
Total	$ 134,986	$ 140,567

The above accounts receivable, entrance fee receivables and other receivables exclude pledges receivable of $706,000 and $1,325,000 as of December 31, 2025 and 2024, respectively.

The Company has other assets restricted as to use: statutory minimum liquid reserve and assets held for donor-restricted purposes. These amounts have been excluded from the amounts above can be made available based on the passage of time or other events specified by the donor.

As part of the Company's liquidity management, cash in excess of daily requirements is invested in short-term investments and money market funds. The Company may designate a portion of any operating surplus to a general reserve. This fund may be drawn upon to meet unexpected liquidity needs.

Additionally, the Company maintains a line of credit, as discussed in more detail in Note 8.

4. Investments, Statutory Minimum Liquid Reserve, Fair Value Measurements and Financial Instruments

Investments and Statutory Minimum Liquid Reserve

The classification of the Company's investments and statutory minimum liquid reserve as of December 31 is set forth in the following table:

	2025	2024
	(in Thousands)	
Investments without donor restrictions	$ 127,179	$ 130,797
Donor-restricted funds	16,938	14,455
Total investments	144,117	145,252
Statutory minimum liquid reserve	13,299	12,023
Total investments and statutory minimum liquid reserve	$ 157,416	$ 157,275

Investment return is as follows:

	2025	2024
	(in Thousands)	
Without donor restrictions:		
Interest and dividend income	$ 4,545	$ 5,135
Net realized gain on investments	2,552	2,593
Total investment income	7,097	7,728
Net unrealized gain on investments	9,557	3,765
Total investment return	$ 16,654	$ 11,493

Fair Value Measurements

The Company measures its investments, statutory minimum liquid reserve and derivative financial instruments at fair value on a recurring basis in accordance with accounting principles generally accepted in the United States of America.

Fair value is defined as the price that would be received to sell an asset or the price that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. The framework that the authoritative guidance establishes for measuring fair value includes a hierarchy used to classify the inputs used in measuring fair value. The hierarchy prioritizes the inputs used in determining valuations into three levels. The level in the fair value hierarchy within which the fair value measurement falls is determined 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 - Fair value is based on unadjusted quoted prices in active markets that are accessible to the Company for identical assets or liabilities. These generally provide the most reliable evidence and are used to measure fair value whenever available.

Level 2 - Fair value is based on significant inputs, other than Level 1 inputs, that are observable either directly or indirectly for substantially the full term of the asset or liability through corroboration with observable market data. Level 2 inputs include quoted market prices in active markets for similar assets or liabilities, quoted market prices in markets that are not active for identical or similar assets or liabilities and other observable inputs.

Level 3 - Fair value would be based on significant unobservable inputs. Examples of valuation methodologies that would result in Level 3 classification include option pricing models, discounted cash flows and other similar techniques.

The fair value of the Company's investments, statutory minimum liquid reserve and derivative financial instruments were measured using the following inputs at December 31:

	2025			
	Total	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Other Unobservable Inputs (Level 3)
	(in Thousands)			
Assets:				
Instruments measured and reported at fair value:				
Investments and statutory minimum liquid reserve:				
Mutual funds, exchange traded funds and pooled funds:				
Equity	$ 65,327	$ 65,327	$ -	$ -
Fixed income	23,854	23,854	-	-
Other	6,132	6,132	-	-
Equities	15,037	15,037	-	-
U.S. government securities	17,358	-	17,358	-
Other federal agency obligations	2,711	-	2,711	-
Corporate debt securities	4,226	-	4,226	-
Total investments and statutory minimum liquid reserve	134,645	110,350	24,295	-
Accumulated gain on investment contracts	402	-	402	-
Total assets	$ 135,047	$ 110,350	$ 24,697	$ -
Reconciliation of investments and statutory minimum liquid reserve to the consolidated balance sheet:				
Cash and cash equivalents	$ 22,771			
Investments measured at fair value	134,645			
Total investments and statutory minimum liquid reserve	$ 157,416			

	2024			
	Total	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Other Unobservable Inputs (Level 3)
	(In Thousands)			
Assets:				
Instruments measured and reported at fair value:				
Investments and statutory minimum liquid reserve:				
Mutual funds, exchange traded funds and pooled funds:				
Equity	$ 49,129	$ 49,129	$ -	$ -
Fixed income	19,816	19,816	-	-
Other	10,657	10,657	-	-
Equities	10,770	10,770	-	-
U.S. government securities	16,799	-	16,799	-
Other federal agency obligations	3,211	-	3,211	-
Corporate debt securities	4,682	-	4,682	-
Total investments and statutory minimum liquid reserve	115,064	90,372	24,692	-
Accumulated gain on investment contracts	994	-	994	-
Total assets	$ 116,058	$ 90,372	$ 25,686	$ -
Reconciliation of investments and statutory minimum liquid reserve to the consolidated balance sheet:				
Cash and cash equivalents	$ 42,211			
Investments measured at fair value	115,064			
Total investments and statutory minimum liquid reserve	$ 157,275			

Financial Instruments

Mutual funds, exchange traded funds, pooled funds and equities are based on quoted market prices in active markets, which are considered Level 1 inputs. U.S. government securities, other federal agency obligations, and corporate debt securities are generally valued using quoted market prices of similar securities, which are considered Level 2 inputs.

The Company measures its accumulated gain on investment contracts at fair value based on proprietary models of an independent third-party valuation specialist. The fair value takes into consideration the prevailing interest rate environment and the specific terms and conditions of the derivative financial instruments and considers the credit risk of the counterparty to the agreements and the Company. The method used to determine the fair value calculates the estimated future payments required by the derivative financial instruments and discounts these payments using an appropriate discount rate. The value represents the estimated exit price the Company would be paid to terminate the agreements.

Statutory Minimum Liquid Reserve

In compliance with Section 9 of the Commonwealth of Pennsylvania's Continuing-Care Provider Registration and Disclosure Act (Act 82), the board of directors designated a portion of WVC's investments reserved to meet the requirements of Act 82. The designated amount approximates $13,299,000 at December 31, 2025 and was calculated as follows (in thousands):

2026 WVC budgeted operating expenses	$	168,308	
Less depreciation expense		(35,321)	
Expenses subject to minimum liquid reserve requirement		132,987	
Statutory requirement		10%	
Statutory minimum liquid reserve requirement	$	13,299	(a)
2026 WVC scheduled debt service payments:			
Principal	$	4,021	
Interest		4,575	
Total 2026 scheduled debt service payments	$	8,596	(b)
Statutory minimum liquid reserves, greater of (a) or (b)	$	13,299	

5. Accounts Receivable, Entrance Fee Receivables and Other Receivables

Accounts receivable, entrance fee receivables and other receivables are comprised of the following at December 31:

	2025	2024
	(in Thousands)	
Resident monthly fees	$ 578	$ 643
Resident entrance fees	1,204	1,039
Third-party accounts	1,592	1,329
Other	1,131	2,242
Total accounts receivable, entrance fee receivables and other receivables	$ 4,505	$ 5,253

6. Property and Equipment

Property and equipment is comprised of the following at December 31:

	2025	2024
	(in Thousands)	
Land and improvements	$ 81,390	$ 80,694
Buildings	661,832	628,278
Furniture, fixtures and equipment	63,785	58,802
Construction in progress	76,129	44,388
Total property and equipment	883,136	812,162
Accumulated depreciation	(365,769)	(352,883)
Property and equipment, net	$ 517,367	$ 459,279

7. Mortgage Payable

In February 2020, Mosaic entered into a financing agreement for a property at Vine and Queen Street in Lancaster, Pennsylvania. Proceeds from this mortgage payable settled a previous $8,960,000 note payable to Asset Preservation, Inc. and covered costs of financing. The mortgage payable balance was $11,600,000 at December 31, 2025 and $12,000,000 at December 31, 2024. The mortgage payable has interest due monthly at a variable rate (5.25% at December 31, 2025). The total principal is due at maturity in February 2028. WVC is the guarantor for the Mosaic debt.

Anticipated principal repayments on the mortgage payable are as follows (in thousands):

Years ending December 31:	
2026	$ 480
2027	480
2028	10,640
Total	$ 11,600

8. Short-Term Indebtedness

The Company has available a $15,000,000 term loan with a financial institution. Interest is due monthly at a variable rate (5.06% at December 31, 2025). Borrowings were $15,000,000 at December 31, 2025 and 2024. The term loan is set to expire in December 2026.The Company also has available a $20,000,000 revolving line of credit with a financial institution. Interest is due monthly at a variable rate (4.60% at December 31, 2025). Borrowings were $5,000,000 at December 31, 2025 and 2024. The line of credit is set to expire in December 2026.

The Company's obligations under the term loan and line of credit agreements are secured on a parity basis by gross revenues and all property and equipment.

9. Long-Term Debt

WVC is the only member of the Obligated Group for the Company's long-term debt. The long-term debt is collateralized by gross revenues and all property and equipment.

The Company's long-term debt consists of the following at December 31:

	2025	2024
	(in Thousands)	
2009 Series A Bonds, interest payable semiannually at a variable rate (3.40% at December 31, 2025); principal matures in varying amounts from 2032 through 2039	$ 8,340	$ 8,340
2009 Series B Bonds, interest payable semiannually at a variable rate (3.40% at December 31, 2025); principal matures in varying amounts from 2032 through 2039	8,340	8,340
2009 Series C Bonds, interest payable semiannually at a variable rate (3.40% at December 31, 2025); principal matures in varying amounts from 2032 through 2039	20,000	20,000
2010 Bank Qualified Loan, interest payable monthly at a variable rate (3.62% at December 31, 2025); principal matures in varying amounts through 2031	8,880	10,205
2012 Bank Qualified Loan, interest payable monthly at a variable rate (4.17% at December 31, 2025); principal matures in varying amounts through 2032	4,136	4,682
2016 Bonds, interest payable semiannually at rates ranging from 1.00% to 5.00%; principal matures in varying amounts through 2039	22,496	24,490
2019 Bonds, interest payable semiannually at rates ranging from 4.00% to 5.00%; principal matures in varying amounts from 2040 through 2049	37,250	37,250
Total	109,442	113,307
Bond premiums, net	4,448	4,888
Unamortized deferred financing costs	(1,113)	(1,180)
Total long-term indebtedness	$ 112,777	$ 117,015

Variable rates are determined based on prevailing market rates and general financial conditions. The variable interest rates above include letter of credit and remarketing fees. The letter of credit fees are subject to change if the rating for WVC changes in the future.

Anticipated principal repayments on long-term indebtedness are as follows (in thousands):

Years ending December 31:	
2026	$ 4,021
2027	4,177
2028	4,344
2029	4,510
2030	4,692
2031-2035	26,167
2036-2039	24,280
2040-2045	20,260
2046-2050	16,991
Total	$ 109,442

10. Derivative Instruments and Hedging Activities

The Company has interest rate swap agreements with financial institutions that are considered derivative financial instruments. The objective of the swap agreements is to minimize the risks associated with financing activities by reducing the impact of changes in the interest rates on variable rate debt. The swap agreements are contracts to exchange variable rate for fixed rate payments over the terms of the swap agreements without the exchange of the underlying notional amount. The notional amount of the swap agreements is used to measure the interest to be paid or received and does not represent the amount of exposure to credit loss. Exposure to credit loss is limited to the receivable amount, if any, which may be generated as a result of the swap agreements. Management believes that losses related to credit risk are remote and that the swap agreements are continuing to function as intended.

The net cash paid or received under the swap agreements is recognized as an adjustment to interest expense. The Company does not utilize interest rate swap agreements or other financial instruments for trading or other speculative purposes.

Changes in fair value of the interest rate swap agreements is included in net operating income on the consolidated statements of operations and changes in net assets. The change in fair value was $(592,000) in 2025 and $121,000 in 2024.

At December 31, 2024, the Company had the following interest rate swaps in effect:

Debt Series	Notional Amount	Maturity Date	Effective Interest Rate	Accumulated Unrealized Gain
2009 Series C Bonds	$ 10,000,000	2028	2.32 %	$ 22,000
2010 Bank Qualified Loan	8,880,000	2031	2.74	189,000
2012 Bank Qualified Loan	4,136,000	2032	2.52	191,000

The fair value of the interest rate swap agreements was $402,000 and $994,000 at December 31, 2025 and 2024, respectively, and was obtained from an independent third-party valuation specialist.

11. Net Assets With Donor Restrictions

Net assets with donor restrictions are available for the following purposes at December 31:

	2025	2024
	(in Thousands)	
Employee scholarship	$ 1,563	$ 1,593
Financial assistance to residents	269	439
Memory care project and services	15,011	12,270
Other	95	153
Pledges receivable	706	1,325
Total	$ 17,644	$ 15,780

12. Resident Services Revenues

The Company disaggregates revenue from contracts with residents and members 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. Resident services revenues consist of the following for the years ended December 31:

	2025				
	Residential Living	Member Services	Personal Care	Skilled Care	Total
			(In Thousands)		
Self-pay	$ 105,368	$ 4,297	$ 1,258	$ 5,827	$ 116,750
Medicare and other	-	-	-	5,553	5,553
Total	$ 105,368	$ 4,297	$ 1,258	$ 11,380	$ 122,303
Amortization of entrance fees					$ 32,524

	2024				
	Residential Living	Member Services	Personal Care	Skilled Care	Total
			(In Thousands)		
Self-pay	$ 99,265	$ 3,580	$ 1,146	$ 5,241	$ 109,232
Medicare and other	-	-	-	5,045	5,045
Total	$ 99,265	$ 3,580	$ 1,146	$ 10,286	$ 114,277
Amortization of entrance fees					$ 30,476

13. Retirement Plan

The Company has a defined-contribution retirement plan (the Plan) covering substantially all full-time employees. In accordance with the terms of the Plan, the Company matches up to 50% of the first 6% of the employee's contribution. In addition, the Company may make a discretionary contribution as determined by the Company. Plan expense was $737,000 in 2025 and $683,000 in 2024.

14. Concentrations of Credit Risk

The Company grants credit without collateral to its residents, some of whom are insured under third-party payor arrangements, primarily related to providing residential and healthcare related services.

The Company maintains cash accounts, which, at times, may exceed federally insured limits. The Company has not experienced any losses resulting from this, and management believes it is not subject to any significant credit risk related to cash accounts.

15. 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 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.

Management Fees

In connection with the Strategic Alliance, ACTS Alliance Management, LLC (AAM), a controlled entity of ARS, purchased the management contract of WVC's previous management company on December 31, 2021. The contract terminated on October 24, 2024. Management fees were payable to AAM based on WVC's revenue and were $4,008,000 in 2024.

Construction Agreements

As of December 31,2025, the Company has outstanding construction contracts totaling approximately $122,608,000 for various projects. Costs incurred through December 31, 2025 were approximately $106,352,000.

Litigation

The Company operates in an industry where various suits and claims arise in the normal course of business. Management is not currently aware of any claims that have been or will be asserted that will, after consideration of applicable insurance coverages, have a material adverse effect on the consolidated financial statements.

Insurance

The Company participates with other unrelated entities in a consortium arrangement for the payment of insurance claims through a captive insurance company, CARE, LTD. A letter of credit of $884,000 is required by CARE, LTD to secure payment of potential claims.

16. Functional Expenses

The Company provides housing, healthcare and other related services to residents within its geographic location. The consolidated financial statements report certain expense categories that are attributable to more than one program service or support function. Therefore, these expenses require an allocation on a reasonable basis that is consistently applied. Costs not directly attributable to a function, including depreciation and amortization, interest and other occupancy costs, are allocated to a function based on usage of space. Expenses relating to providing these services are approximately as follows for 2025 and 2024:

	2025		
	Program Services	General and Administrative	Total
Salaries, wages and benefits	$ 74,010	$ 6,063	$ 80,073
Contracted services	7,681	1,569	9,250
Utilities	6,132	189	6,321
Food	8,686	-	8,686
Supplies	5,265	1,412	6,677
Real estate taxes	6,279	-	6,279
Insurance	1,332	52	1,384
Other	2,875	1,648	4,523
Depreciation	34,902	-	34,902
Interest	5,749	-	5,749
Total	$ 152,911	$ 10,933	$ 163,844

	2024		
	Program Services	General and Administrative	Total
Salaries, wages and benefits	$ 70,071	$ 5,177	$ 75,248
Contracted services	8,641	4,300	12,941
Utilities	5,490	22	5,512
Food	8,191	-	8,191
Supplies	3,788	1,885	5,673
Real estate taxes	6,046	25	6,071
Insurance	1,303	5	1,308
Other	2,666	1,329	3,995
Depreciation	33,222	133	33,355
Interest	6,246	25	6,271
Total	$ 145,664	$ 12,901	$ 158,565

Willow Valley Communities and Subsidiaries

Consolidating Balance Sheet Schedule
December 31, 2025
(In Thousands)

	Willow Valley Communities	Connections at Home VIA Willow Valley, LLC	Willow Valley Communities Charitable Foundation	Mosaic Real Estate, LLC	Eliminations	Total
Assets						
Cash and cash equivalents	$ 3,184	$ 37	$ 761	$ 26	$ -	$ 4,008
Investments	143,670	-	447	-	-	144,117
Statutory minimum liquid reserve	13,299	-	-	-	-	13,299
Accounts receivable, entrance fee receivables and other receivables	3,746	52	707	-	-	4,505
Due from related parties	2,918	-	-	(332)	(2,586)	-
Prepaid expenses, inventory and deposits	6,639	2	3	-	-	6,644
Accumulated gain on investment contracts	402	-	-	-	-	402
Property and equipment, net	508,307	-	-	9,060	-	517,367
Total assets	$ 682,165	$ 91	$ 1,918	$ 8,754	$ (2,586)	$ 690,342
Liabilities and Net Assets (Deficit)						
Accounts payable and accrued expenses	$ 10,725	$ 29	$ 29	$ 31	$ -	$ 10,814
Due to related parties	(334)	1,200	1,720	-	(2,586)	-
Construction payable	11,051	-	-	-	-	11,051
Short-term indebtedness	20,000	-	-	-	-	20,000
Mortgage payable	-	-	-	11,600	-	11,600
Long-term indebtedness	112,777	-	-	-	-	112,777
Entrance fee deposits	17,524	-	-	-	-	17,524
Refundable portion of entrance fees	40,161	-	-	-	-	40,161
Deferred revenue from entrance fees	324,490	-	-	-	-	324,490
Interest rate swap	-	-	-	-	-	-
Total liabilities	536,394	1,229	1,749	11,631	(2,586)	548,417
Net Assets (Deficit)						
Without donor restrictions	128,864	(1,138)	(568)	(2,877)	-	124,281
With donor restrictions	16,907	-	737	-	-	17,644
Total net assets (deficit)	145,771	(1,138)	169	(2,877)	-	141,925
Total liabilities and net assets (deficit)	$ 682,165	$ 91	$ 1,918	$ 8,754	$ (2,586)	$ 690,342

Willow Valley Communities and Subsidiaries

Consolidating Statement of Operations and Changes in Net Assets (Deficit) Schedule
Year Ended December 31, 2025
(In Thousands)

	Willow Valley Communities	Connections at Home VIA Willow Valley, LLC	Willow Valley Communities Charitable Foundation	Mosaic Real Estate, LLC	Eliminations	Total
Operating Revenue						
Resident services revenues, net of amortization of entrance	$ 116,231	$ 519	$ -	$ -	$ -	$ 116,750
Resident services revenues from third-party payors	5,553	-	-	-	-	5,553
Investment income	6,869	-	228	-	-	7,097
Net assets released from restriction to provide resident services	605	-	-	-	-	605
Other revenue	6,467	-	552	-	(26)	6,993
Total operating revenue before amortization of entrance fees	135,725	519	780	-	(26)	136,998
Amortization of entrance fees	32,524	-	-	-	-	32,524
Total operating revenue	168,249	519	780	-	(26)	169,522
Operating Expenses						
Salaries, wages and benefits	79,386	472	215	-	-	80,073
Contracted services	9,238	26	5	7	(26)	9,250
Utilities	6,314	7	-	-	-	6,321
Food	8,686	-	-	-	-	8,686
Supplies	6,583	15	79	-	-	6,677
Real estate taxes	6,279	-	-	-	-	6,279
Insurance	1,371	13	-	-	-	1,384
Other	4,439	13	71	-	-	4,523
Total operating expenses before depreciation and interest	122,296	546	370	7	(26)	123,193
Depreciation	34,902	-	-	-	-	34,902
Interest, net	5,071	-	-	678	-	5,749
Total operating expenses	162,269	546	370	685	(26)	163,844
Operating income (loss)	$ 5,980	$ (27)	$ 410	$ (685)	$ -	$ 5,678

Willow Valley Communities and Subsidiaries

Consolidating Statement of Operations and Changes in Net Assets (Deficit) Schedule (Continued)
Year Ended December 31, 2025
(In Thousands)

	Willow Valley Communities	Connections at Home VIA Willow Valley, LLC	Willow Valley Communities Charitable Foundation	Mosaic Real Estate, LLC	Eliminations	Total
Changes in Net Assets (Deficit) Without Donor Restrictions						
Operating income (loss)	$ 5,980	$ (27)	$ 410	$ (685)	$ -	$ 5,678
Net unrealized gain on investments and investment contracts	8,913	-	52	-	-	8,965
Net operating income (loss) and change in net assets (deficit) without donor restrictions	14,893	(27)	462	(685)	-	14,643
Changes in Net Assets With Donor Restrictions						
Contributions	1,268	-	1,201	-	-	2,469
Transfer of net assets	10,783	-	(10,783)	-		-
Net assets released from restriction	(562)	-	(43)	-	-	(605)
Change in net assets with donor restrictions	11,489	-	(9,625)	-	-	1,864
Change in net assets (deficit)	26,382	(27)	(9,163)	(685)	-	16,507
Net Assets (Deficit), Beginning	119,389	(1,111)	9,332	(2,192)	-	125,418
Net Assets (Deficit), Ending	$ 145,771	$ (1,138)	$ 169	$ (2,877)	$ -	$ 141,925