# **KEY INDICATORS REPORT**

899 Charleston DBA: Moldaw Residences

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Elyse Gerson - CEO, Executive Director

Please attach an explanatory memo that summarizes significant trends or variances in the key operational indicators.

### OPERATIONAL STATISTICS

Date Prepared:

1. Average Annual Occupancy by Site (%)

## MARGIN (PROFITABILITY) INDICATORS

2. Net Operating Margin (%)

3. Net Operating Margin - Adjusted (%)

## LIQUIDITY INDICATORS

4. Unrestricted	Cash a	id Investment	s (\$000)
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5. Days Cash on Hand (Unrestricted)

### CAPITAL STRUCTURE INDICATORS

6. Deferred	Revenue	from	Entrance	Fees	(\$000)

7. Net Annual E/F proceeds (\$000)

8. Unrestricted Net Assets (\$000)

9. Annual Capital Asset Expenditure (\$000)

10. Annual Debt Service Coverage Revenue Basis (x)

11. Annual Debt Service Coverage (x)

12. Annual Debt Service/Revenue (%)

13. Average Annual Effective Interest Rate (%)

14. Unrestricted Cash & Investments/LT Debt (%)

8.79

9.75

11.86

13.31

15. Average Age of Facility (years)

Preferred		ast	Foreca		Projected					
Trend Indicator	2027	2026	2025	2024	2023	2022	2021	2020	2019	2018
N/A	97.41%	97.41%	97.41%	89.64%	79.53%	80.83%	88.60%	94.82%	97.15%	98.19%
<b>^</b>	8.40%	6.62% 7.51%		5.71%	4.79%	-6.52%	11.90%	18.59%	24.63%	25.84%
<b>^</b>	27.86%	27.16%	26.46%	25.74%	32.10%	18.95%	24.93%	37.00%	46.37%	38.29%
<b>^</b>	\$17,786	\$19,998	\$22,191	\$24,370	\$26,536	\$21,773	\$24,863	\$26,210	\$24,090	\$20,352
<b>1</b>	368	422	479	536	596	487	602	658	635	555
N/A	\$1,581	\$1,520	\$1,461	\$1,405	\$1,351	\$2,089	\$2,608	\$2,791	\$2,248	\$2,799
N/A	\$4,262	\$4,098	\$3,941	\$3,789	\$5,431	\$3,796	\$2,284	\$3,961	\$5,528	\$2,647
N/A	-\$80,519	-\$76,466	-\$72,372	-\$68,237	-\$64,061	-\$59,842	-\$55,579	-\$52,532	-\$50,881	-\$48,597
N/A	\$1,501	\$1,443	\$1,388	\$1,334	\$1,283	\$1,392	\$1,821	\$535	\$449	\$498
<b>↑</b>	0.56	0.56	0.57	0.57	0.57	0.61	1.13	1.23	1.37	1.41
<b>^</b>	1.09	1.08	1.06	1.04	1.38	0.97	1.06	1.48	2.11	1.38
Ψ	29.00%	30.17%	31.39%	32.65%	33.97%	33.22%	27.19%	27.57%	26.72%	27.15%
•	5.30%	5.24%	5.18%	5.13%	5.08%	5.03%	5.01%	5.00%	4.98%	4.92%
<b>^</b>	30.22%	32.95%	35.51%	37.95%	40.27%	32.24%	36.33%	37.83%	33.92%	27.97%
							12.20	44.00	0.75	0.70

15.69

16.69

17.69

18.69

# KEY INDICATORS REPORT

# Moldaw Residences

Please attach an explanatory memo that summarizes		Budgeted Forecast											Preferred
significant trends or variances in the key operational indicators.	FORMULA		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Trend Indicator
OPERATIONAL STATISTICS						1							1
1. Average Annual Occupancy by Site (%)	(total occupied units @ 7/1 + total occupied units @ 6/30)/2		98%	97%	95%	89%	81%	80%	90%	97%	97%	97%	N/A
	total number of units at the community											A.C.C.C.C.	1.50
	BB occupancy EB occupancy		191,00 188,00	188,00 187,00	187,00 179,00	179.00 163.00	163,00 149,00	149.00 158.00	158,00 188,00	188.00 188.00	188,00	188,00	I.
	Average occupancy		189.50	187.50	183.00	171.00	156.00	153.50	173.00	188.00	188,00	188.00	
	Total available occupancy		193.00	193.00	193.00	193.00	193.00	193.00	193.00	193.00	193.00	193.00	
MARGIN (PROFITABILITY) INDICATORS			25.84%	24.63%	18.59%	11.90%	-6.52%	4.79%	5.71%	6.62%	7.51%	8.40%	
	Resident revenue exclude EF amortization income		13,121	13.631	13 556	13 155	12 076	13,506					
2. Net Operating Margin (%)									14,047	14,609	15,193	15,801	1
	less resident expenses excluding depreciation & amortization = net resident operating INCOME.		(9,731)	(10.274)	(11,036)	(11,590) 1,565	(12.863) (787)	(12,859) 648	(13,245) 802	(13,642) 967	(14,051) 1,142	(14,473) 1,328	
	Resident revenue	-	13,121	13,631	13,556	13,155	12,076	13,506	14,047	14,609	15,193	15,801	
And the property of the proper							46,535						
3. Not Operating Margin - Adjusted (%)	Resident revenue + Net Proceed from EF - Resident Expenses Resident revenue + Net Proceeds from EF		38.3%	46.4%	37.0%	24.9%	19.0%	32.1%	25.7%	26.5%	27.2%	27.9%	1
	Resident revenue		13,121	13,631	13,556	13 155	12,076	13 506	14,047	14,609	15,193	15,801	
	Net proceed from EF		2,647	5,528	3,961	2 284	3 796	5,431	3,789	3,941	4,098	4,262	
	Less: Resident Expenses		15,768 (9,731)	19,159 (10,274)	17,517 (11,036)	15,440 (11,590)	15,871 (12,863)	18,937 (12,859)	17,836 (13,245)	18,549 (13,642)	19,291 (14,051)	20,063 (14,473)	
			6,037	8,885	6,481	3,850	3,008	6,079	4,591	4,907	5,240	5,590	
LIQUIDITY INDICATORS		Modified to relect											
4. Unrestricted Cash and Investments (\$800)		refinancing	20,352	24,090	26,210	24,863	21,773	26,536	24,370	22,191	19,998	17,786	1
									- 1				
5. Days Cash on Hand (Unrestricted)			555	635	658	602	487	596	536	479	422	368	•
	Unrestricted cash and investment	row 49	20,352 36.68	24,090 37.95	26,210 39.81	24,863 41.31	21,773	26,536 44.52	<u>24,370</u> 45,43	22.191 46.37	19,998 47.33	17,786 48.32	
	(Operating expenses - depreciation and amortization)/365	10W 49											
	Operating resident expenses	Modified to reject	9,731	10,274	11 036	11,590	12,863	12,859	13,245	13,642	14,051	14,473	I
	Interest expense, and LOC and other fees	refinancing	3,656 13,387	3,579 13,852	3,535 14,572	3,489 15,080	3,442 16,305	3,391 16,250	3,339 16,583	3,283 16,925	3,225 17,276	3,164 17,637	ink to Row 11
CAPITAL STRUCTURE INDICATORS													
6. Deferred Revenue from Entrance Fees (\$000)			2,799	2,248	2,791	2,608	2,089	1,351	1,405	1,461	1,520	1,581	N/A
7. Net Annual E/F proceeds (\$000)			2,647	5,528	3,961	2,284	3,796	5,431	3,789	3,941	4,098	4,262	N/A
8. Unrestricted Net Assets (\$800)			(48,597)	(50,881)	(52,532)	(55,579)	(59,842)	(64 061)	(68.237)	(72,372)	(76.466)	(80,519)	N/A
9. Annual Capital Asset Expenditure (\$000)			498	449	535	1 821	1,392	1,283	1,334	1,388	1,443	1,501	N/A
10. Annual Debt Service Coverage			1.41	1.37	1.23	1.13	0.61	0.57	0.57	0.57	0.56	0.56	
Revenue Basis (x)													
							1						

Please attach on explanatory memo that summarizes								Budgeted		Fore	east		Preferred
significant trends or variances in the key operational indicators.	FORMULA		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Trend Indicator
	Total excess revenue over expenses + interest + depreciation +	row 72										2027	
	amortization expense - amortization of deferred revenue	10W 72	6,291	6,053	5,815	5,351	2,870	2,863	2,852	2,839	2,822	2,802	
		Modified to relect											
	Annual debt service (principal & interest paid)	refinancing	4,450	4,429	4,725	4,724	4,722	5,021	5,019	5,018	5,015	5,014	Cut and paste
													1
	T. 4.1		14 000	2.004									
	Total excess revenue over expenses	Modified to relect	(1,959)	(2,284)	(1,651)	(3,047)	(4,262)	(4.219)	(4,177)	(4,135)	(4.094)	(4,053)	1
	Add interest expense	refinancing	3,528	3 556	3 535	3 489	3 442	3,391	3,339	3,283	3,225	3,164	From Row 48
	Add depreciation/amortization expense		4,212	4,238	3,803	3,665	3,563	3,563	3,563	3,563	3,563	3,563	
	Add Non-Cash Change in FSO Liability		50	14		1,116	-	-	-	5	-	-	
	Less - Non Cash Discount on Loan Add amortization expense		128 332	128 415	128	128	128	128	128	128	128	128	
	Total	_	6,291	6,053	5,815	5,351	2,870	2,863	2,852	2,839	2,822	2,802	
11. Annual Debt Service Coverage (x)			1.38	2.11	1.48	1.06	0.97	1.38	1.04	1.06	1.08	1.09	
	Total excess revenue over expenses + interest + depreciation +	row 62+ row 32											
	amortization expense - amortization of deferred revenue + EF proceed		6,139	9,332	6,985	5,027	4,577	6,943	5,236	5,318	5,401	5,484	•
		Modified to relect refinancing											
	Annual debt service		4,450	4,429	4,725	4.724	4,722	5,021	5,019	5,018	5,015	5,014	From Row 63
12 Annual Dukt Saming Days and (Mr.)			278/	270	2004	270/	2204	2400	224		-		ali
12. Annual Debt Service/Revenue (%)		Modified to relect	27%	27%	28%	27%	33%	34%	33%	31%	30%	29%	•
	Annual debt service (principal & interest exclude capitalized int.)	refinancing	4,450	4,429	4,725	4,724	4,722	5,021	5,019	5,018	5,015	5,014	From Row 63
	Total operating revenue + Net assets released from restriction for operation + Net non-operating gain & loss		16,389	16,576	17,136	17,373	14,211	14,780	15,371	45.000	10.005	47.000	
	operation of the finite operating gain a rosa		10,359	10,376	17,130	17,373	14,211	14,780	15,3/1	15,986	16,625	17,290	
13. Average Annual Effective Interest Rate (%)			5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	J.
			,										
		Modified to relect refinancing	0.050	0.570	0.505	0.100							
	Total interest expense on LT debt		3,656	3,579	3,535	3,489	3,442	3,391	3,339	3,283	3,225	3,164	From Row 48
		Modified to relect refinancing	74.000	74.000	72.570								
	Total LT term		74,363	71 862	70.672	69 714	68,384	66,754	65,074	63,339	61,549	59,699	
14. Unrestricted Cash & Investments/													1
Long-Term Debt (%)			27.97%	33.92%	37.83%	36 33%	32.24%	40.27%	37.95%	35.51%	32 95%	30.22%	т
	Unrestricted (current +noncurrent) Cash and Investment	Modified to relect refinancing	20.352	24 090	26 210	24 863	21.773	26.536	24 370	22,191	19 998	17 786	
		Modified to relect											
	Long term Debt less Current Portion	refinancing	72,768	71 012	69 289	68 434	67,532	65,902	64,222	62,487	60,697	58,847	
15. Average Age of Facility (years)			8.79	9.75	11.86	13.31	14.69	15.69	16.69	17.69	18.69	19.69	4
	Accumulated depreciation		37,020	41,300	45 103	48 768	52,331	55,894	59,457	63,020	66,582	70,145	10 2076
	Annual depreciation expense		4,212	4 238	3 803	3.665	3,563	3,563	3,563	3,563	3,563	3,563	

# 899 Charleston DBA: Moldaw Residences Attachment to Key Indicator Report

### OPERATIONAL STATISTICS

1. Average Annual Occupancy by Site (%)

Historically, there have been sales each year in the range of 12 or 13 units, which matched the vacancies; in other words, occupancy levels were maintained for approximately five years prior to the onset of the pandemic. As we have previously reported, due to deaths and the impact of the pandemic on sales efforts, we have gone through a period of high attrition during FY21 and FY22 which diminished our occupancy from 96% in FY20 to 77% by the end of FY22. At the start of FY23, there were 39 vacancies in independent living. FY23 occupancy is expected to rebound to 80% by the end of the fiscal year.

#### MARGIN (PROFITABILITY) INDICATORS

2. Net Operating Margin (%)

The budgeted improvement in financial performance is driven by increases in resident fees and a net 6 unit increase in independent living occupancy, offset by a 7% increase in operating expense.

3. Net Operating Margin - Adjusted (%)

Includes net proceeds from Entrance Fees which include fees received from re-occupancy of units, net of refunds. FY22 margin was impacted by the unusual repayment of one entrance fee of \$1.5 million within 90 days of occupancy with no corresponding receipt. FY23 is expected to be a rebound year with 23 sales of units budgeted.

### LIQUIDITY INDICATORS

4. Unrestricted Cash and Investments (\$000)

Cash generated by operations expected to increase in FY23 as 23 resales are planned resulting in a net 6 unit increase in independent living

5. Days Cash on Hand (Unrestricted)

Days cash on hand expected to increase in FY23 due to eleveated number of sales.

### CAPITAL STRUCTURE INDICATORS

6. Deferred Revenue from Entrance Fees (\$000)

Amortization of the non-refundable portion of entrance fees based on resident's life expectancy. FY23 is lower and will be until occupancy is rebuilt.

7. Net Annual E/F proceeds (\$000)

Includes net entrance fees received from re-occupancy, calculated as entrance fees collected on resold units less refund paid to prior resident. Expected to increase in FY23 due to a higher than typical planned number of sales.

8. Unrestricted Net Assets (\$000)

Change reflects expected gain/loss from operations

9. Annual Capital Asset Expenditure (\$000)

In FY23, \$973k is planned to for facility upgrades, most of which will be appliance and HVAC turnover. \$310k is planned for IT improvements.

10. Annual Debt Service Coverage - Revenue Basis (x)

Expected to trend downward starting in FY23 due to an increase in debt service principal payments

11. Annual Debt Service Coverage (x)

Expecting increase from FY22 driven by improved operating margin and occupancy growth from sales.

12. Annual Debt Service/Revenue (%)

No significant changes in trend

13. Average Annual Effective Interest Rate (%)

No significant changes in trend

14. Unrestricted Cash & Investments/LT Debt (%)

The upward trending relates to projected increases in unrestricted cash and investments coupled with principle payments that

reduce debt balances

15. Average Age of Facility (years)

No major renovations planned as facility is relatively new, appliance and HVAC turnover are major drivers of age related

spending.