

RESIDENCES AT VANTAGE POINT

DISCLOSURE STATEMENT

October 2024

Issuance of a certificate of registration by the Maryland Department of Aging does not constitute approval, recommendation or endorsement of Residences at Vantage Point by the Department, nor is it evidence of, nor does it attest to the accuracy or completeness of the information set out in the disclosure statement.

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RESIDENCES AT VANTAGE POINT
DISCLOSURE STATEMENT
October 2024

The following statement is given in compliance with Section 10-425 of the Human Services Article of the Annotated Code of Maryland.

1. COPY OF RESIDENCY AGREEMENT

There are two types of Residency Agreements available to prospective residents of Residences at Vantage Point (“Vantage Point”): a Type A Agreement or a Type C Agreement. Both the Type A and Type C Agreements offer an 85% Refundable, a 50% Refundable or a 50 Month Declining entrance fee option. Prospective residents of Vantage Point will be provided a copy of the Residency Agreement they are interested in upon request.

2. REVISIONS AND UPDATES TO DISCLOSURE STATEMENT

The disclosure statement is revised annually and is circulated on or about December 1 of each year unless amendments are necessary. Vantage Point shall promptly amend its disclosure statement if, at any time, in the opinion of Columbia Vantage House Corporation or the Maryland Department of Aging, an amendment is necessary to prevent the disclosure statement from containing any material misstatement of fact or omission of a material fact required by this section to be stated in the disclosure statement.

3. NAME, ADDRESS, AND DESCRIPTION OF RESIDENCES AT VANTAGE POINT

Columbia Vantage House Corporation, a not-for-profit Maryland membership corporation formed in 1986, is the Provider of the continuing care retirement community known as Residences at Vantage Point. Both are located at 5400 Vantage Point Rd, Columbia, Maryland 21044. Columbia Vantage House Corporation owns and operates only Residences at Vantage Point and no other facility. Residences at Vantage Point was formerly known as “Vantage House,” but is now known by the updated name of “Residences at Vantage Point” (also referred to as “Vantage Point”).

The real property comprising the Vantage Point facility and the land on which it is located is owned by Vantage House LLC. Columbia Vantage House Corporation owns all of the interests in Vantage House LLC, and operates under a lease agreement with Vantage House LLC.

Mr. Pierce Carey is the Executive Director of Residences at Vantage Point. The Executive Director may be reached at (410) 992-1101. Vantage Point is a private, not-for-profit continuing care retirement community consisting of 200 independent living (“Tower”) apartments, 26 private assisted living suites, 24 private assisted living memory care suites, and 44 private and semi-private comprehensive nursing care beds (skilled). At this time, Vantage Point operates only 44 comprehensive nursing care beds due to a restrictive zoning provision.

4. ORGANIZATIONAL STRUCTURE OF RESIDENCES AT VANTAGE POINT

Vantage Point is a Maryland not-for-profit retirement community located in Columbia, Maryland, recognized by the Internal Revenue Service as a tax exempt organization under Section 501(c)(3) of the Internal Revenue Code.

5. AFFILIATION

Vantage Point is not now and has not previously been affiliated with any religious denomination since it began as a private not-for-profit organization and is managed under the direction of the Columbia Vantage House Corporation Board of Directors. (Please see the Organizational Chart included as Exhibit A at the end of this Disclosure Statement).

6. DESCRIPTION OF FEES

Vantage Point offers six entrance fee options: (i) Type A 80% Refundable (ii) Type A 50% Refundable, (iii) Type A 50 Month Declining, (iv) Type C 80% Refundable, (v) Type C 50% Refundable and (vi) Type C 50 Month Declining. (See the entrance fees that follow below.) Under the 80% Refund Plan, a resident or the resident's estate is refunded 80% of the entrance fee (less the Capital Reserve Fee, outstanding charges, and the costs of custom improvements incurred by Vantage Point at the resident's request). Under the 50% Refund Plan, a resident or the resident's estate is refunded 50% of the entrance fee (less the Capital Reserve Fee, outstanding charges, and the costs of custom improvements incurred by Vantage Point at the resident's request).

The portion of the Entrance Fee to be refunded after the Occupancy Date is not held in trust or escrow for the benefit of the resident after the Occupancy Date.

Under the 50-Month Declining Agreement, the resident or the estate will be refunded the balance of the entrance fee remaining (less the Capital Reserve Fee, outstanding charges, and the costs of custom improvements incurred by Vantage Point at the resident's request), and net of monthly deductions from the date of residence to the date of termination of the Residency Agreement. After 50 months there is no refund. **Carefully read the Residency Agreement for the conditions that must be satisfied before Vantage Point is required to pay the Entrance Fee refund, and refer to the Residency Agreement for the terms concerning the timing of payment of refunds.**

Residents also pay a Monthly Fee as determined in the list below:

ENTRANCE FEES (EFFECTIVE DATE JULY 1, 2024)**Type A Residency Agreements***Includes \$6,000 Capital Reserve Fee – refer to section 16*

	<i>FY25 Entrance Fee</i>	<i>FY25 Entrance Fee</i>	<i>FY25 Entrance Fee</i>	<i>FY25 Monthly Fee</i>	<i>FY25 Monthly Fee</i>
<i>Unit Type</i>	<i>80% Refundable</i>	<i>50% Refundable</i>	<i>50 Month Declining</i>	<i>First Person</i>	<i>Two People</i>
<i>Somerset (Studio)</i>	\$ 243,359	\$ 195,887	\$ 148,415	\$ 4,059.00	\$ 6,469.00
<i>Senator (One BR)</i>	\$ 243,359	\$ 195,887	\$ 148,415	\$ 4,059.00	\$ 6,469.00
<i>Ambassador (One BR)</i>	\$ 366,320	\$ 294,256	\$ 216,920	\$ 5,081.00	\$ 7,491.00
<i>Executive (One BR)</i>	\$ 366,320	\$ 294,256	\$ 216,920	\$ 5,081.00	\$ 7,491.00
<i>Coronet (Two BR)</i>	\$ 555,058	\$ 445,245	\$ 335,434	\$ 6,766.00	\$ 9,176.00
<i>Regency (Two BR)</i>	\$ 552,221	\$ 442,977	\$ 333,732	\$ 6,423.00	\$ 8,833.00
<i>Windsor (Two BR)</i>	\$ 549,695	\$ 440,956	\$ 332,217	\$ 6,423.00	\$ 8,833.00
<i>Marquis (Two BR)</i>	\$ 554,234	\$ 444,588	\$ 334,941	\$ 6,423.00	\$ 8,833.00
<i>Sussex (Two BR)</i>	\$ 689,242	\$ 552,594	\$ 415,945	\$ 7,613.00	\$ 10,023.00
<i>Carlton (Two BR/Den)</i>	\$ 696,886	\$ 558,708	\$ 420,533	\$ 8,464.00	\$ 10,874.00
<i>Devonshire (Two BR)</i>	\$ 784,860	\$ 629,088	\$ 473,315	\$ 8,079.00	\$ 10,489.00
<i>Buckingham (Two BR Deluxe)</i>	\$ 837,404	\$ 671,123	\$ 504,842	\$ 8,832.00	\$ 11,242.00
<i>Westminster (Two BR/Den)</i>	\$ 852,354	\$ 683,084	\$ 513,813	\$ 9,145.00	\$ 11,555.00
<i>Oxford (Two BR/Den)</i>	\$ 889,115	\$ 712,491	\$ 535,869	\$ 8,378.00	\$ 10,788.00

*Second Person Fee for AL, Memory Support or Nursing Care
(calculated using the weighted average Type A first person
monthly fee)*

\$5,684.00

Additional Entrance Fee for Second Person

\$27,500

Portion of Entrance Fee designated for Capital Reserves

\$6,000.00

Premium Entrance Fee for Penthouse Floor Apartments

\$20,000.00

*Premium Entrance Fee for 10th, 11th, 12th Floor
Apartments*

\$12,500.00

Additional Monthly Fee for second person

\$2,410.00

ENTRANCE FEES (EFFECTIVE DATE JULY 1, 2024)

Type C Residency Agreements

Includes \$6,000 Capital Reserve Fee – refer to section 16

	<i>FY25 Entrance Fee</i>	<i>FY25 Entrance Fee</i>	<i>FY25 Entrance Fee</i>	<i>Monthly Fee</i>	<i>Monthly Fee</i>
<i>Unit Type</i>	<i>80% Refundable</i>	<i>50% Refundable</i>	<i>50 Month Declining</i>	<i>First Person</i>	<i>Two People</i>
<i>Somerset (Studio)</i>	\$ 213,763	\$ 172,210	\$ 130,657	\$ 3,102.00	\$ 4,744.00
<i>Senator (One BR)</i>	\$ 213,763	\$ 172,210	\$ 130,657	\$ 3,102.00	\$ 4,744.00
<i>Ambassador (One BR)</i>	\$ 330,405	\$ 265,524	\$ 195,896	\$ 3,876.00	\$ 5,488.00
<i>Executive (One BR)</i>	\$ 330,405	\$ 265,524	\$ 195,896	\$ 3,876.00	\$ 5,488.00
<i>Coronet (Two BR)</i>	\$ 514,699	\$ 412,960	\$ 311,219	\$ 5,159.00	\$ 6,722.00
<i>Regency (Two BR)</i>	\$ 511,944	\$ 410,755	\$ 309,566	\$ 4,897.00	\$ 6,470.00
<i>Windsor (Two BR)</i>	\$ 509,491	\$ 408,793	\$ 308,094	\$ 4,897.00	\$ 6,470.00
<i>Marquis (Two BR)</i>	\$ 513,900	\$ 412,320	\$ 310,740	\$ 4,897.00	\$ 6,470.00
<i>Sussex (Two BR)</i>	\$ 645,050	\$ 517,241	\$ 389,431	\$ 5,801.00	\$ 7,339.00
<i>Carlton (Two BR/Den)</i>	\$ 652,476	\$ 523,181	\$ 393,886	\$ 6,447.00	\$ 7,960.00
<i>Devonshire (Two BR)</i>	\$ 737,937	\$ 591,549	\$ 445,162	\$ 6,299.00	\$ 7,818.00
<i>Buckingham (Two BR Deluxe)</i>	\$ 788,979	\$ 632,383	\$ 475,787	\$ 6,662.00	\$ 8,167.00
<i>Westminster (Two BR/Den)</i>	\$ 803,502	\$ 644,002	\$ 484,501	\$ 6,963.00	\$ 8,456.00
<i>Oxford (Two BR/Den)</i>	\$ 839,212	\$ 672,570	\$ 505,927	\$ 6,382.00	\$ 7,898.00

Additional Entrance Fee for Second Person \$
22,000.00

Portion of Entrance Fee designated for Capital Reserves \$
6,000.00

Premium Entrance Fee for Penthouse Floor Apartments \$
20,000.00

Premium Entrance Fee for 10th, 11th, 12th Floor Apartments \$
12,500.00

Additional Monthly Fee for Two People \$
1,761.00

Assisted Living Starting at \$220/day

Memory Support program \$286/day

Comprehensive Nursing Care Semi-private \$397/day

Comprehensive Nursing Care Private room \$462/day

ASSISTED LIVING – FEES (Effective July 1, 2024)

TYPE C RESIDENCY AGREEMENTS – TRANSFER TO ASSISTED LIVING

Assisted Living Private Accommodation	Per Diem Rate* per Person for CCRC Independent Living Residents Transferring to Assisted Living either temporarily or permanently
Traditional Assisted Living Level 1	\$220 /day*
Traditional Assisted Living Level 2	\$240 /day*
Traditional Assisted Living Level 3	\$265 /day*
Memory Care Assisted Living	\$286 /day*

TYPE C RESIDENCY AGREEMENTS – DIRECT ADMISSION TO ASSISTED LIVING

Direct admission to Assisted Living from outside the Community Private Accommodation	Entrance Fee - \$12,426 per person	Per Diem Rate per person*
Traditional Assisted Living Level 1		\$220 /day*
Traditional Assisted Living Level 2		\$240 /day*
Traditional Assisted Living Level 3		\$265 /day*
Memory Care Assisted Living		\$286 /day*

NON-CCRC RESIDENTS – DIRECT ADMISSION TO ASSISTED LIVING

Direct Admission to Assisted Living from outside the Community Private Accommodation	Community Fee of \$4,200 per person - Non-Refundable. No admission to Comprehensive Care.	Per Diem Rate per person*
Traditional Assisted Living Level 1		\$220 /day*
Traditional Assisted Living Level 2		\$240 /day*
Traditional Assisted Living Level 3		\$265 /day*
Memory Care Assisted Living		\$286 /day*

TYPE A RESIDENCY AGREEMENTS – DIRECT ADMISSION TO ASSISTED LIVING

Direct admission to Assisted Living from outside the Community Private Accommodation	Entrance Fee - \$13,245 per person	Monthly Fee per person[□]
Traditional Assisted Living Level 1		\$8,547.00 /month
Traditional Assisted Living Level 2		\$8,547.00 /month
Traditional Assisted Living Level 3		\$8,547.00 /month
Memory Care Assisted Living		\$8,740.00 /month

COMPREHENSIVE NURSING CARE – FEES (Effective July 1, 2024)

TYPE C – TRANSFER TO COMPREHENSIVE NURSING CARE

Comprehensive Care (Effective 7/1/2024)	Semi-Private Room	Private Room
One Person Per Diem Rate*	\$384 /day	\$462 /day

SURCHARGES

In addition to the Monthly Fee, Vantage Point may impose a Surcharge upon a resident who has a complex medical condition and requires health care services within two years of admission. This Surcharge would be warranted if: i) during the admissions process Vantage Point determines that a resident has a complex medical condition and, prior to admission, notifies the resident of such determination; and ii) the resident's health condition requires relocation to a higher level of care at Vantage Point within two years after admission; and iii) the resident relocates to a higher level of care. Surcharges are in the form of a per diem fee, not an entrance fee, and are not considered part of the Entrance Fee when calculating the statutory refund.

7. SUMMARY OF SERVICES

Included in the Monthly Fee are: the rent for the apartment; utilities; limited digital cable service, wireless internet; local telephone service; housekeeping; the Declining Balance Dining Allowance Program for residents in the independent living ("Tower") apartments; self-service laundry centers; maintenance on Vantage Point property and equipment; emergency call system; security; certain scheduled transportation; recreational programs, and use of common facilities. Also included in the Type A Residency Agreements are assisted living care, memory care, and short and long-term routine nursing care in a Semi-Private Room when needed.

TRADITIONAL ASSISTED LIVING

For residents residing in this division, Vantage Point's Assisted Living program provides special programming which allows and encourages continuing attendance at scheduled recreational, entertainment and educational programs along with Tower residents. There were no material changes to the Assisted Living program in FY 2024.

Services included in the Monthly Fee:

- Residents may dine in the various dining venues. (If specific medical concerns are present, they may be addressed through a reasonable accommodation process by our Level of Care Committee. Participation by Healthcare Residents in Residential Living events and Residential Dining Rooms will be assessed on an individualized basis, consistent with medical necessity and the recommendations and directions of the Level of Care Committee.);
- Individualized service plans;
- Participate in special trips arranged specially for Assisted Living residents;
- Registered Nurse supervision of the Assisted Living Program;
- Social worker available on-site at Vantage Point;
- Opportunity to participate in the Residents' Association;
- Opportunity to participate in the Resident Council;
- The resident's representative is invited to participate in Family Council meetings;
- The resident's representative is invited to participate in service plan meetings;
- Residents may continue to participate in spiritual services on-site at Vantage Point;
- Dietician services available on-site, and may make arrangements for special dietary needs;
- Emergency call system in each room;
- Security staff on-site 24 hours a day to protect the resident and the resident's property;
- May schedule meetings with resident's representative and staff to resolve concerns or care

issues;

- Have assistance with purchasing of special equipment and/or supplies, including assistance in ascertaining the cost of purchasing durable medical equipment;
- Assistance with the activities of daily living such as eating, personal hygiene, mobility, toileting and dressing;
- Receive care to allow residents to function at their highest level;
- Trained professional staff on duty 24 hours a day; and
- Medication administration and pharmacy oversight.

Services provided for an Additional Fee:

- Psychiatric support;
- Newspaper delivery;
- Assistance with personal laundry if needed;
- Use of the on-site Beauty Salon;
- Physical therapy, occupational therapy and speech therapy services available on-site at Vantage Point;
- Pharmacy delivery services available, or residents may order their own medications by mail;
- Dietary supplements per physician's order; and
- Three meals a day with special diets as prescribed by the resident's attending physician and registered dietitian.

The Assisted Living program staff receives special training as required by regulation to care for individuals with particular needs or conditions such as cognitive impairment, including participation in off-site training programs.

All Assisted Living suites are equipped with an entry door handle lock as well as a deadlock on the same door. Assisted Living suites are also equipped with lock boxes which may be used to secure personal items.

Vantage Point is a non-cash community, so upon admission, residents are discouraged from keeping valuables and collectibles in their accommodations and are encouraged to carry only small amounts of cash. Upon admission to the Assisted Living Program, Vantage Point creates an inventory of the residents' personal items. Our Security staff investigates reports of missing items, or, if appropriate, will call the Howard County Police Department, depending on the circumstances.

Vantage Point staff members have the right to enter a resident's suite in order to carry out the purpose and intent of the Residency Agreement. Such entry includes, but is not limited to: (1) performance of scheduled housekeeping duties; (2) response to the emergency call system; (3) response to the automatic fire alert system; (4) entry in the event that a resident is reported missing or has not responded to a call; (5) maintenance procedures; and (6) personal care and medication management. Vantage Point personnel will knock before entering an Assisted Living suite except in case of emergency.

Vantage Point will arrange for or oversee medical care, monitor the health status of the resident, and assist the resident or resident's representative in ascertaining the cost of, and purchasing or

renting, essential or desired medical equipment or supplies.

All residents of Vantage Point have the right to voice grievances, including those about treatment or care that is or fails to be provided, and recommend changes in policies and services, to the staff or Executive Director of Vantage Point, the Maryland Department of Health, Office of Health Care Quality, the Maryland Department of Aging, the Howard County Office on Aging, or any other person, without fear of reprisal, restraint, coercion, interference, or discrimination. Residents have the right to prompt efforts by Vantage Point to resolve grievances and complaints, including those with respect to the behavior of other residents.

MEMORY CARE ASSISTED LIVING

For residents residing in this division, Vantage Point's Assisted Living program provides special programming which allows and encourages attendance at scheduled recreational, entertainment and educational programs within the Community.

Services included in the Monthly Fee:

- Residents may dine in the various dining venues. (If specific medical concerns are present, they may be addressed through a reasonable accommodation process by our Level of Care Committee. Participation by Healthcare Residents in Residential Living events and Residential Dining Rooms will be assessed on an individualized basis, consistent with medical necessity and the recommendations and directions of the Level of Care Committee.);
- Individualized service plans;
- Participate in special trips arranged specially for Memory Care Assisted Living residents;
- Registered Nurse supervision of the Assisted Living Program;
- Social worker available on-site at Vantage Point;
- Opportunity to participate in the Residents' Association;
- Opportunity to participate in the Resident Council;
- The resident's representative is invited to participate in Family Council meetings;
- The resident's representative is invited to participate in service plan meetings;
- Residents may continue to participate in spiritual services on-site at Vantage Point;
- Dietician services available on-site, and may make arrangements for special dietary needs;
- Emergency call system in each room;
- Security staff on-site 24 hours a day to protect the resident and the resident's property;
- May schedule meetings with resident's representative and staff to resolve concerns or care issues;
- Have assistance with purchasing of special equipment and/or supplies, including assistance in ascertaining the cost of purchasing durable medical equipment;
- Assistance with the activities of daily living such as eating, personal hygiene, mobility, toileting and dressing;
- Receive care to allow residents to function at their highest level;
- Trained professional staff on duty 24 hours a day; and
- Medication administration and pharmacy oversight.

Services provided for an Additional Fee:

- Psychiatric support;
- Newspaper delivery;

- Assistance with personal laundry if needed;
- Use of the on-site Beauty Salon;
- Physical therapy, occupational therapy and speech therapy services available on-site at Vantage Point;
- Pharmacy delivery services available, or residents may order their own medications by mail;
- Dietary supplements per physician's order; and
- Three meals a day (two for an additional fee) with special diets as prescribed by the resident's attending physician and registered dietitian.

The Assisted Living program staff receives special training as required by regulation to care for individuals with particular needs or conditions such as cognitive impairment, including participation in off-site training programs.

All Memory Care Assisted Living suites are equipped with a locking armoire and/or nightstand which may be used to secure personal items.

Vantage Point is a non-cash community, so upon admission, residents are discouraged from keeping valuables and collectibles in their accommodations and are encouraged to carry only small amounts of cash. Upon admission to the Assisted Living Program, Vantage Point creates an inventory of the residents' personal items. Our Security staff investigates reports of missing items, or, if appropriate, will call the Howard County Police Department, depending on the circumstances.

Vantage Point staff members have the right to enter a resident's suite in order to carry out the purpose and intent of the Residency Agreement. Such entry includes, but is not limited to: (1) performance of scheduled housekeeping duties; (2) response to the emergency call system; (3) response to the automatic fire alert system; (4) entry in the event that a resident is reported missing or has not responded to a call; (5) maintenance procedures; and (6) personal care and medication management. Vantage Point personnel will knock before entering an Assisted Living suite except in case of emergency.

Vantage Point will arrange for, or oversee medical care, monitor the health status of the resident, and assist the resident or resident's representative in ascertaining the cost of, and purchasing or renting, essential or desired medical equipment or supplies.

COMPREHENSIVE NURSING CARE

Comprehensive Care accommodations are in a semi-private room unless a private room is a medical necessity. If a resident desires a private room, but the resident's medical condition does not require private room accommodations, the resident may be provided a private room, if available, upon payment of a user fee.

For residents of the Medicare-Certified Comprehensive Care Health Center, the services provided or available include:

Included in the Monthly Fee:

- Assistance with the activities of daily living such as eating, personal hygiene, mobility, toileting and dressing;

- Receive care to allow residents to function at their highest level;
- Trained professional staff on duty 24 hours a day;
- Preventive skin care;
- Medication administration and pharmacy oversight;
- Restorative nursing service;
- Catheter care;
- Colostomy care; and
- Individualized Care Plans.

For an Additional Fee:

- Three meals a day (two for an additional fee) with special diets as prescribed by the resident's attending physician and registered dietitian;
- Dietary supplements per physician's order;
- Enteral feeding;
- Incontinence care;
- Wound care;
- Oxygen therapy;
- Suctioning;
- Tracheotomy care;
- IV therapy; and
- Personal laundry services.

The Community also provides and/ or facilitates access to appropriate health care and social services, hospital services, skilled nursing services, physician services, oral health care, dietary consultation and services, counseling, psychiatric services, other specialty health and social work services and spiritual and religious activities consistent with the resident's background and preferences.

Community staff members receive special training to care for individuals with particular needs or conditions such as cognitive impairment, including participation in off-site training programs. The Community received initial certification and recertification as a Hearthstone Center of Excellence, and is the only Maryland community to offer this memory impairment support program. The Community and Life Care Services have a strong commitment to continuing education for all employees of the Community and conduct training, as necessary, to allow staff to keep apprised of current trends, regulatory issues and delivery techniques.

Pharmacy charges, medical supplies, physician coverage, covered parking facilities, hair care and other personal services are out-of-pocket expenses paid by residents whether living in apartments or in the Health Center.

LONG TERM CARE INSURANCE POLICY

If you have a long-term care insurance policy, request your advisors to review the policy and the Residency Agreement to determine whether there are potential areas of duplication or areas where benefits can be coordinated.

8. INTERNAL GRIEVANCE PROCEDURE

Vantage Point has established an internal grievance procedure to address resident grievances. A resident or group of residents collectively may submit a grievance in writing to the Executive Director. The Executive Director will send a written acknowledgement to the resident or group of residents within five (5) days after receipt of the written grievance. The Executive Director will assign personnel to investigate the grievance. A resident or group of residents who file a written grievance are entitled to a meeting with the Executive Director within thirty (30) days after receipt of the written grievance, in order to present the grievance. The Executive Director will provide a response in writing within forty-five (45) days after receipt of the written grievance as to the investigation and resolution of the grievance.

Within thirty (30) days after Vantage Point provides its response to the grievance, a resident or group of residents or Vantage Point may seek mediation through one of the community mediation centers in Maryland or another mediation provider. If a resident, group of residents, or Vantage Point seeks mediation under the preceding sentence, the mediation shall be nonbinding.

9. HISTORICAL INCREASES IN FEES

<u>Entrance Fees</u>	<u>Monthly Fee+</u>
FY 2017 – 3.0%	FY 2017 – 1.5%
FY 2018 – 3.0-5.0%	FY 2018 – 2.0%
FY 2019 – 3.0-5.0%	FY 2019 – 3.0%
FY 2020 – See below note**	FY 2020 – 3.0%, 0.0% ***
FY 2021 – 0.0%-7.0% ^	FY 2021 – 4.0%
FY 2022 – 0.0%-10.0%^^	FY 2022 – 4.0%
FY 2023 – 0.00% - 4.0%	FY 2023 – 3.0% - 3.5% ^^^
FY 2024 – 1.0 - 5.0%	FY 2024 – 5.9%
FY 2025 – 1.0 - 5.0%	FY 2025 – 4%

* Commencing July 1 and ending June 30.

** RC 90% Type A contract had an entrance fee increase in the amount of \$20,000, RC 90% Type C contract had a 0.0% increase, and Traditional 50-Month Declining Type A and Type C contracts will now both have entrance fees equal to 60% of the entrance fees from the RC 90% Type A and Type C contracts, respectively.

*** Type A contracts had a 3.0% increase in monthly fees, and Type C contracts had a 0.0% increase in monthly fees.

+ Residents with Type A contracts who permanently transfer from an apartment to Assisted Living or comprehensive nursing care, pay the same Monthly Fee that they paid prior to the time of transfer, adjusted from time to time for changing costs, plus a charge equal to the cost of purchasing breakfast and lunch on a daily basis (the cost of dinner being included in the Monthly Fee). Residents with Type C contracts pay the per diem rate when they transfer to Assisted Living or comprehensive nursing care.

^ Entrance fees increased by 0.0%-7.0%, depending on apartment type (0.0% for Studios and Small 1 Bedroom apartments, 5.0% for 1 Bedroom Deluxe apartments, and 7.0% for 2 Bedroom and Penthouse apartments). Second Person entrance fees increased to \$25,000 for Type A

contracts, and to \$20,000 for Type C contracts. A 50% Return of Capital entrance fee option was introduced.

^^Entrance fees increase by 0.0%-10.0%, depending on apartment type (0.0% for Studios and Small 1 Bedroom apartments, 2.5% for 1 Bedrooms, 3.5% for 2 Bedrooms, 10% for all RC90% Contracts). A premium Entrance Fee of \$15,000 for Penthouse Apartments and \$8,000 for Apartments on the 10, 11, and 12 Floors. An 85% Return of Capital entrance fee option was introduced.

^^^The RC 90% Type A and RC 90% Type C have been eliminated for Independent Living and replaced with an RC 85% Type A and RC 85% Type C.

Item		FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Meals – Breakfast		A La Carte pricing – available in Pub only	A La Carte pricing – available in Pub only	A La Carte pricing – available in Pub only	A La Carte pricing – available in Pub only	A La Carte pricing – available in Pub only	A La Carte pricing – available in Pub only	A La Carte pricing – available in Pub only
Meals – Lunch or Dinner		\$11.50	\$11.75	\$11.75	\$12.00	\$12.00	\$12.00	\$12.00
Meals – Lunch or Dinner, Chef’s Favorite		\$17.50	\$17.75	\$17.75	\$18.00	\$18.00	\$18.00	\$18.00
Brunch / Special Event		\$11.50	\$11.75	\$11.75	\$15.00	\$15.00	\$15.00	\$15.00
Meals – Health Center Breakfast or Lunch		\$10.50	\$10.75	\$11.00	\$11.25	\$11.25	\$11.25	\$11.50
Private Room Surcharge (per day)		\$52.00	\$54.00	\$56.00	\$58.00	\$59.00	\$62.00	\$62.00
Guest – Breakfast		A La Carte pricing – available in Pub only	A La Carte pricing – available in Pub only	A La Carte pricing – available in Pub only	A La Carte pricing – available in Pub only	A La Carte pricing – available in Pub only	A La Carte pricing – available in Pub only	A La Carte pricing – available in Pub only
Guest – Lunch or Dinner		\$13.50	\$13.75	\$13.75	\$14.00	\$14.00	\$14.00	\$14.00
Guest – Lunch or Dinner, Chef’s Favorite		\$19.50	\$19.75	\$19.75	\$20.00	\$20.00	\$20.00	\$20.00
Guest – Brunch / Special Event		\$29.50	\$29.50	\$29.50	\$29.75	\$29.75	\$29.75	\$29.75

10. STATUTORY OPERATING RESERVE FUND

It is a requirement of Maryland Human Services Article Title 10-420 (b)(1)(ii) and (c) and 421 (a) and (b) that continuing care retirement providers maintain certain operating reserves that equal 25% of the facility’s net operating expenses, as defined by that Article, relating to continuing care contracts. Operating reserves are held in cash and commercial paper, which Vantage Point has deemed reasonably liquid. The reserve fund investment is reviewed annually by management and the Finance Committee of the Corporate Board of Directors. The cash and investments available

for operating reserves as defined by Senate Bill 543 of 1996 exceed the required amount of \$3,211,426.

11. AUDITED STATEMENTS

The auditor for Vantage Point is CliftonLarsonAllen LLP. A copy of Vantage Point's audited statements is provided as part of the disclosure statement to prospective residents, etc. The audit results are presented annually with comments to the full Vantage Point Board of Directors and are attached to this disclosure statement as Exhibit "B".

12. DESCRIPTION OF LONG-TERM FINANCING

On October 27, 2016, Howard County, Maryland (the Issuer) issued \$27,580,000 of fixed rate retirement community revenue bonds Series 2016 on behalf of the Corporation. The bonds were issued at a premium of \$732,194. The issuance of Serial Bonds mature between April 1, 2021 and April 1, 2046. Interest on the Series 2016 Bonds is payable semi-annually on April 1 and October 1 of each year. The Series 2016 Bonds bear interest at an average rate of 5.00%. The Series 2016 Bonds are secured by first mortgage liens on all the buildings, improvements, and equipment owned by the Corporation, a security interest in the Corporation's gross revenue and the right to offset against the Corporation's trustee held funds.

The proceeds of the Series 2016 Bond Issuance were used to repay a portion of the Series 2007 Bonds, to finance the cost of capital improvements, to fund certain required reserves and to pay the cost of finance. The capital improvements included the renovation of Vantage Point's common areas and expansion of its assisted living services to offer a dedicated memory support floor. The scope of the project consisted of the following: convert the 10 enhanced living units on the fifth floor of the Community into two new 12-unit memory support neighborhoods; renovate the fifth floor common areas such as dining, living, office and circulation; renovate dining areas including formal, bistro/casual, roof area and pub; capture underbuilding area for new administrative areas, a theater, a classroom and new cardio and rehab spaces; renovate and expand wellness areas such as the cardio, rehab, spa and salon spaces; renovate the administrative areas, café market, reception area, marketing and circulation; expand and renovate auditorium; and renovate arts and crafts space and some storage and circulation space. These capital improvements have been completed.

On January 4, 2017, Howard County, Maryland (the Issuer) issued \$22,530,000 of fixed rate retirement community revenue bonds Series 2017 on behalf of the Corporation. The bonds were issued at a premium of \$610,798. The Issuance of Serial Bonds mature between April 1, 2021 and April 1, 2044. Interest on the Series 2017 Bonds is payable semi-annually on April 1 and October 1 of each year. The Series 2017 Bonds bear interest at an average rate of 5.00%. The Series 2017 Bonds are secured by first mortgage liens on all the buildings, improvements, and equipment owned by the Corporation, a security interest in the Corporation's gross revenue and the right to offset against the Corporation's trustee held funds.

The proceeds of the Series 2017 Bonds were used to repay the remaining portion of the Series 2007 Bonds, fund a deposit to the Debt Service Reserve Fund, and pay the costs of issuance of the Series 2017 Bonds.

Under the terms of the Series 2016 and 2017 Bonds, the Corporation is required to meet a number of covenants, including provisions related to the debt service coverage ratio, day's cash on hand covenants, and other covenants. For the year ended June 30, 2024, the Corporation met the required debt service ratio covenant.

The Corporation is required to maintain certain deposits with a trustee that are included within assets limited as to use in the accompanying statement of financial position.

Prior to the refinancing of the debt on October 27, 2016 and April 1, 2017, the Corporation had long term debt consisting of Series 2007A Bonds and Series 2007B Bonds (the Prior Bonds). Interest payments under the Prior Bonds were made semi-annually on April 1 and October 1 of each year.

On April 29, 2020, the Corporation was granted a loan (the Loan) from Fulton Bank, N.A. in the aggregate amount of \$1,468,880 pursuant to the Paycheck Protection Program (PPP) under Division A, Title I of the CARES Act. The loan, which was in the form of a promissory note (Note), matures on April 29, 2022, and bears interest at a rate of 1.00% per annum, payable monthly commencing on November 29, 2020. The Note may be prepaid by the Corporation at any time prior to maturity with no prepayment penalties. Funds from the Loan may only be used for payroll costs, costs used to continue group health care benefits, mortgage payments, rent, utilities, and interest on other debt obligations incurred before February 15, 2020. The Corporation intends to use the entire Loan amount for qualifying expenses. Under the terms of the PPP, certain amounts of the Loan may be forgiven if they are used for qualifying expenses as described in the CARES Act.

Scheduled debt service in each of the next five fiscal years is as follows:

2025	\$3,272,000
2026	\$3,275,250
2027	\$3,270,500
2028	\$3,273,000
2029	\$3,203,000

13.

CASH FLOW FORECAST STATEMENT
Residences at Vantage Point
2024 Projected Cash Flow

Accounts	Projected		
	FY2025	FY2026	FY2027
APARTMENT REVENUES			
First Person Revenue	11,554,581	12,016,764	12,437,351
Second Person	954,996	952,904	986,256
TOTAL APARTMENT SERVICE FEES	12,509,577	12,969,668	13,423,607
Other Apartment Revenue	198,128	203,281	203,255
NET APARTMENT REVENUES	12,707,705	13,172,950	13,626,862
HEALTH CENTER REVENUES			
Private Pay Room & Board	772,172	795,134	818,988
Private Pay Ancillaries	74,992	74,802	74,771
NET PRIVATE REVENUE	847,164	869,936	893,759
Medicare A Room & Board	505,463	521,067	536,699
Medicare A Contractual Allowance	140,587	134,674	128,878
NET MEDICARE A REVENUE(@ reimbursement rate)	646,050	655,741	665,577
Medicare Part B Revenue	292,567	292,675	292,686
Life Care Room & Board	1,567,766	1,614,705	1,614,705
Life Care Discounts	-1,061,743	-1,084,937	-1,063,001
Life Care Meals	80,300	80,300	80,300
NET LIFE CARE REVENUE	586,323	610,068	632,004
NET HEALTH CENTER	2,372,104	2,428,420	2,484,026
ASSISTED LIVING			
Assisted Living Private Pay Room & Board	788,400	811,395	834,390
Assisted Living Life Care Room & Board	1,429,194	1,472,070	1,516,232
Assisted Living Life Care Discount	-286,560	-290,374	-296,487
Assisted Living Meals - Life Care	128,480	128,480	128,480
Assisted Living Ancillaries	25,167	25,162	25,186
NET ASSISTED LIVING REVENUES	2,084,682	2,146,733	2,207,801
ASSISTED LIVING - DEMENTIA			
AL - Dementia Private Pay Room & Board	867,336	1,069,450	1,102,300
AL - Dementia Life Care Room & Board	961,748	1,117,833	1,151,368
AL - Dementia Life Care Discount	-439,415	-502,986	-515,024
AL - Dementia Meals - Life Care	72,914	82,308	82,308
AL - Dementia- Ancillary Revenue	11,161	12,491	12,494
NET ASSISTED LIVING - DEMENTIA REVENUES	1,473,743	1,779,096	1,833,446

OTHER OPERATING			
Home Health Revenue	325,042	318,907	327,453
Clinic Revenue	11,733	11,733	11,733
Other Operating Revenue	198,344	58,344	58,344
<hr/>			
TOTAL OPERATING REVENUES	19,173,352	19,916,182	20,549,666
OPERATING EXPENSES			
GENERAL AND ADMINISTRATIVE	4,181,425	4,270,931	4,376,139
PLANT	1,907,498	1,944,434	1,984,487
ENVIRONMENTAL SERVICES	1,116,910	1,149,095	1,191,840
FOOD & BEVERAGE SERVICES	3,451,317	3,576,355	3,726,491
HEALTH CENTER	2,362,455	2,402,501	2,473,267
RESIDENT SERVICES	745,717	758,576	772,694
ASSISTED LIVING	853,144	878,065	911,804
ASSISTED LIVING - DEMENTIA	964,025	1,063,959	1,107,468
HOME HEALTH	294,312	300,279	305,777
CLINIC	242,991	254,462	265,051
TOTAL OPERATING EXPENSE	16,119,794	16,598,656	17,115,017
<hr/>			
NET OPERATING INCOME	3,053,558	3,317,526	3,434,648
CAPITAL EXPENDITURES	-2,107,174	-2,213,646	-2,811,633
ATTRITION			
Entrance Fees Received - Attrition	9,035,523	8,438,273	8,127,351
	0	0	0
Repayments - Attrition	6,821,880	5,974,393	5,657,490
Total Net Attrition	2,213,643	2,463,880	2,469,861
<hr/>			
DEBT SERVICE			
Principal Expense	-1,135,000	-1,195,000	-1,255,000
Interest Expense	-2,164,000	-2,080,250	-2,020,250
Other Revenues (incl. Realized Gains/Losses)	250,000	250,000	250,000
Net Cash Flow	111,027	542,510	67,626
Beginning Balance	11,358,039	11,469,066	12,011,577
Ending Cash Balance	11,469,066	12,011,577	12,079,202

NOTE: The cash flow projections for fiscal 2025 are based on projected expectations. The cash flow projections for fiscal 2026 and 2027 are based on broad assumptions and may or may not materialize in fact as time passes. It is also important for the reader to recognize that this cash flow is based on the most recent information and assumptions available and may not directly reflect previous projections.

14. FINANCIALLY INTERESTED PARTIES

The sources of funds to develop and operate Vantage Point have come from two principal sources. Funds to develop Vantage Point came from a private investor, ROC Vantage Associates, a Maryland partnership which no longer has any interest in Vantage Point. Operating funds are provided by resident Entrance Fees, Monthly Fees and other fees, and from income derived from investment reserves. No person has a ten (10) percent or greater equity or beneficial interest in the Provider.

15. GOVERNANCE

Vantage Point is a 501(c)(3) not-for-profit organization whose operations are managed under the overall direction of its Board of Directors, which includes a resident member in accordance with the requirements of Section 10-427(a)(1) of the Human Services Article of the Annotated Code of Maryland. Effective March 1, 2000, Vantage Point entered into a management agreement with an experienced independent management firm, Life Care Services LLC (“Life Care Services”), to provide a full range of day-to-day management services. Life Care Services is a wholly-owned subsidiary of Life Care Companies LLC (“LCS”), an Iowa limited liability company.

Life Care Services is a nationally recognized leader in the development and management of quality senior living communities throughout the United States. Since 1971, Life Care Services has been instrumental in the planning, developing, and managing of senior living communities throughout the United States. Management services are provided through Life Care Services, which currently manages more than 140 communities (see Exhibit C attached to this Disclosure Statement). In addition to the above management services, a variety of professional and other services are provided under contract with various providers on the premises, including a beauty/barber shop, rehabilitation services, mobile dental services, and pharmacy services.

16. COMMUNITY IMPROVEMENTS

In order to provide for community improvements, such as renewal and replacement of buildings, Residents are required to pay a Capital Reserve Fee which is a non-refundable portion of the Entrance Fee. The current Capital Reserve Fee is \$6,000.

17. PROJECT FINANCING

The Provider reserves the right, at its discretion, to finance future development and operations at the community, or establish debt on the Community. Ongoing debt service will be paid from operating revenues generated by Vantage Point. Operating revenues consists of net operating income derived from Monthly Fees and Health Center revenues.

18. MEETINGS WITH RESIDENTS

The Executive Director generally meets with the Residents' Association monthly, and participates in resident general membership meetings two times a year. The Executive Director also schedules monthly meetings with the general resident population. Additional general meetings are scheduled when there is a community-wide topic that needs to be addressed.

From July 1, 2023 to June 30, 2024 the Executive Director met with the Residents' Association on the following dates.

July 6, 2023
August 3, 2023
September 7, 2023
October 5, 2023
November 9, 2023
December 7, 2023
January 4, 2024
February 8, 2024
March 7, 2024
April 4, 2024
May 9, 2024
June 6, 2024

Once a year, a meeting of all residents is called to present the proposed Residences at Vantage Point budget. This information was published and individually provided to all current residents on May 1, 2024. The Executive Director conducted this annual meeting on May 1, 2024 . The agenda included a summary of Vantage Point operations, significant changes from the previous year, goals and objectives for the next year, and charges effective with the FY 2025 budget.

19. RESIDENT ASSOCIATION

All residents of Vantage Point are eligible to be members of the Residents' Association. Functioning as a liaison between Administration and the resident body, the Association aims to promote and maintain a satisfactory, healthful and secure community lifestyle. The overall purpose of the Association is to improve the quality of life for all residents of Vantage Point. No member of the Residents' Association has any beneficial interest in the Provider.

All independent living residents of Vantage Point who pay annual dues are members of the Association; residents permanently in comprehensive care and assisted living may participate without payment of dues. The Residents' Association holds a community meeting of its members two times a year.

An elected President and Board of Directors oversee the Association. The Officers of the

Association are elected at the annual Association meeting; Officers include President, Vice President, Recording Secretary, Corresponding Secretary and Treasurer. Residents' Association Committees are formed following the annual Residents' Association meeting every October. Residents can audit (attend without being a Committee member) all Committee meetings except the Executive Committee. Names of Residents' Association Officers and Committee Chairs are posted in the community. The following are the Standing Committees and their responsibilities:

- Building Services - Acts as a conduit between residents and the Plant Operations Department, the Environmental Services Department, and Security.
- Dining Services - Provides a forum for presenting ideas and suggestions for food services.
- Finance – Meets monthly with the Director of Finance to review financial data, and communicates that information to residents and the Resident Board in order to foster understanding of Vantage Point financial operations.
- Grounds and Gardens – Consults with the Executive Director and the Director of Plant Operations to oversee the planning and maintenance of Sidwell Gardens.
- Health Services - Offers health education programs to meet the needs of residents and maintains a communication and support link with the Health Services Department.
- Hospitality – In cooperation with resident floor representatives, assists new residents to adjust to their new home.
- Library – Acquires, processes and maintains library materials.
- Marketing – In cooperation with the Marketing Director, plans events and activities intended to attract new residents to Vantage Point.
- Social and Cultural Activities – In cooperation with the Life Enrichment Manager, plans programs, activities and trips for residents.

20. NAMES OF OFFICERS AND BOARD OF DIRECTOR MEMBERS AND RELATED BOARD INFORMATION

Columbia Vantage House Corporation's chief executive officer is Virginia M. Thomas, the President of the Board. The facility's Administrative Operations are managed under the direction of an Executive Director who is an employee of Life Care Services LLC (See Section 20. Executive Director and Department Managers).

As a not-for-profit, nonstock corporation, no individual person owns an equitable or beneficial interest in Vantage Point. None of the officers or members of the Board of Trustees of Vantage Point: (i) has been convicted of a felony or pleaded nolo contendere to a felony charge, if the felony involved fraud, embezzlement, fraudulent conversion, or misappropriation of property; (ii) has been held liable or enjoined in a civil action by final judgment, if the civil action involved fraud, embezzlement, fraudulent conversion, or misappropriation as a fiduciary; (iii) has been subject to an effective injunctive or restrictive order of a court of record in an action that arose out of or related to business activity or health care, including an action that affected a license to operate a facility or service for senior, impaired, or dependent persons; or (iv) in the past 10 years, had a state or federal license or permit suspended or revoked because a governmental unit brought an action that arose out of or related to business activity or health care, including an action that affected a license to operate a facility or service for senior, impaired, or dependent persons.

BOARD MEMBER SELECTION PROCESS

Directors of the Corporate Board are volunteer members with no financial interest in the Provider. They are elected at the annual meeting for a term of two (2) years, and serve until his or her successor has been elected and shall qualify. A Director may succeed him or herself. Any Director may be removed at any time, with or without cause, by the Board of Directors. In cases where a Director resigns, is removed, or otherwise vacates his or her position on the Board of Directors, the remaining Board of Directors appoints a successor to complete the unexpired term of the Director. The current President and immediate past President of the Residents' Association serve as ex-officio, voting members of the Board until there is a change in the applicable officer position at the Residents' Association. The Board Nomination and Development Committee annually reviews and recommends Directors for approval by the full Board.

The Members of Columbia Vantage House Corporation's current Board of Directors are:

<u>Board Member</u>	<u>Biography</u>	<u>Member Since</u>
Virginia M. Thomas President Columbia, MD	Retired; past Director of Community Health for the Center for Health Program Development and Management, University of Maryland Baltimore County; former State Legislator, Maryland General Assembly; former member of Howard County Council; Immediate Past President, Maryland Gerontological Association; member of numerous Board and Committees.	1996
Bruce P. Martin Vice President Columbia, MD	Executive Director, Montgomery County Maryland Merit System Protection Board; Lawyer and former Maryland Assistant Attorney General.	2014
Susan Castellan Secretary Greenbelt, MD	Vice President, The Whiting-Turner Contracting Company; Adjunct Professor, Baltimore County Community College, Catonsville.	2008
Stephen Baron Columbia, MD	Retired; Former Director of the District of Columbia Department of Mental Health, Past President of Baltimore Mental Health Systems, Inc., Past Faculty at University of Maryland School of Social Work	2021
Barbara Bednarzik Treasurer Columbia, MD	Retired, Director of Social Services, Winter Growth, Inc.; Social Worker with a focus on dementia care; has served on various boards and advisory committees including the Coalition of Geriatric Services (COGS), Howard County Mental Health Committee, University of MD School of Social Work Advisory Board, Association of Community Services Board, and Alzheimer's Respite Care Advisory Board.	2016

Leo Brulette Columbia, MD	Retired, Certified Public Accountant; member of the Maryland Association of Certified Public Accountants and long serving member of its State Tax Committee.	2020
Irma Chapin Columbia, MD	Nursing Consultant, Prime Health; former Owner/Operator of Millennium Health Services Facilities; Board of Directors, Quality Assurance Committee for Health Facilities Association of MD (HFAM).	2004
George Gallahorn Columbia, MD	Physician; Clinical Associate Professor of Psychiatry, University of Maryland School of Medicine	2024
Andre Lingham Columbia, MD	Founder and President, Center of Elder Justice and Education	2024
Frank Miles Columbia, MD	Retired Architect/Project Executive, Public Building of the General Services Administration	2024
John Wade Columbia, MD	Retired Vice President and Chief Actuary; National Rural Electric Cooperative Association	2024
Victoria Imre Elliott City, MD	President of Athenix Solutions	2021
Carol A. Romano Columbia, MD	Rear Admiral, USPHS (Ret); Professor and Dean, Daniel K. Inouye Graduate School of Nursing, Uniformed Services University of the Health Sciences in Bethesda, Maryland; served in a variety of leadership positions in the United States Public Health Service (USPHS) in the Office of the Surgeon General; worked for 34 years at the National Institutes of Health, Clinical Research Center.	2018
Ruth Bell Voting, Ex-Officio Director Columbia, MD	Resident; President of the Vantage Point Residents' Association; Retired, Minister and Psychiatric Mental Health Nurse, Faculty of Howard County Community College, Catholic University, Towson State University, University of Maryland	2021

21. EXECUTIVE DIRECTOR & DEPARTMENT MANAGERS

The Executive Director and the Associate Administrator are direct employees of Life Care Services LLC. All Department Directors and other employees are employed by Columbia Vantage House Corporation.

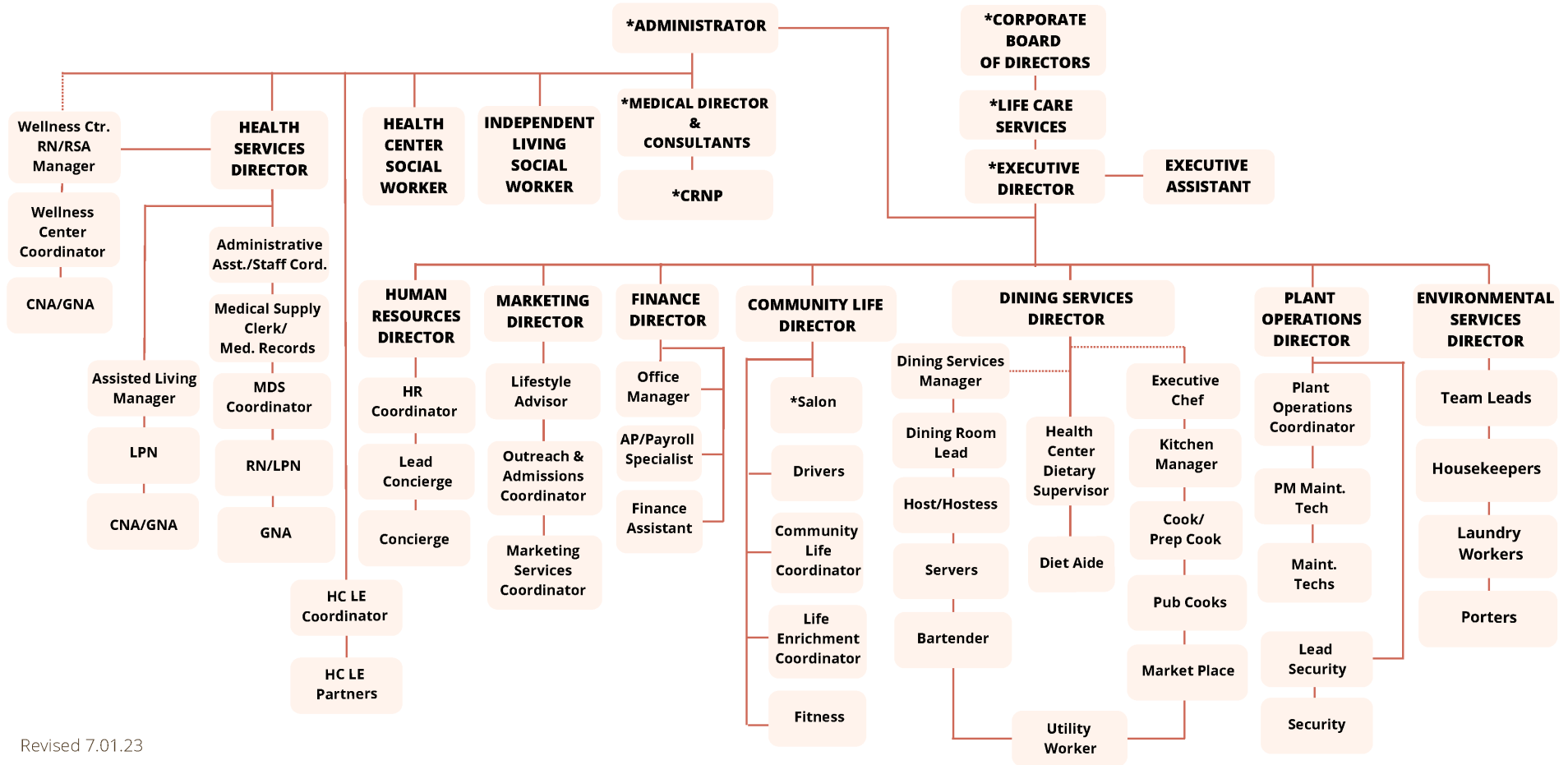
<u>Name</u>	<u>Title</u>	<u>Length of Service</u>
Pierce Carey	Executive Director	2023
Alexis Hitchcock	Administrator	2021
Fatmatu Bah Barrie	Director of Health Services	2021
Carliesa Meakes	Director of Community Life	2024
Paul Dutton	Director of Human Resources	2007
Gil Hardy	Director of Environmental Services	2018
Patti Hutton	Director of Marketing	2018
Heather Warble	Director of Finance	2024
Lisa Rohauer	Director of Dining Services	2016
Mark Scoffield	Director of Plant Operations	2021

22. ORGANIZATIONAL CHART

At the end of the disclosure statement is a representation of the current organizational structure of Vantage Point. It is marked Exhibit "A".

EXHIBIT A: ORGANIZATIONAL CHART

RESIDENCES AT VANTAGE POINT - DEPARTMENT ORGANIZATIONAL CHART



Revised 7.01.23

* Denotes positions are not Vantage Point employees

EXHIBIT B:
MOST RECENT CERTIFIED FINANCIAL
STATEMENT UNDER GAAP

EXHIBIT C
SENIOR LIVING COMMUNITIES MANAGED
BY LIFE CARE SERVICES
AS OF 7/03/2024

Alabama, Birmingham – Galleria Woods
Alabama, Hoover – Danberry at Inverness
Arizona, Chandler – Clarendale of Chandler
Arizona, Fountain Hills – Fountain View Village
Arizona, Phoenix – Clarendale of Arcadia
Arizona, Phoenix – Sagewood
Arizona, Tempe (Phoenix) – Friendship Village of Tempe
California, Cupertino – Forum at Rancho San Antonio, The
California, Mission Viejo – Heritage Pointe
California, Palo Alto – Moldaw Residences
California, San Diego – Casa de las Campanas
California, San Rafael – Aldersly
California, Santa Rosa – Arbol Residences of Santa Rosa
California, Santa Rosa – Oakmont Gardens
Connecticut, Essex – Essex Meadows
Connecticut, Mystic – StoneRidge
Connecticut, Southbury – Pomperaug Woods
Delaware, Newark – Millcroft Living
Delaware, Wilmington – Foulk Living
Delaware, Wilmington – Shipley Living
Florida, Aventura – Sterling Aventura
Florida, Bradenton – Freedom Village of Bradenton
Florida, Celebration – Windsor at Celebration
Florida, Clearwater – Regency Oaks
Florida, Fort Meyers – Amavida at Lakes Park
Florida, Hollywood – Presidential Place
Florida, Jacksonville – Cypress Village
Florida, Leesburg – Lake Port Square
Florida, Naples – The Glenview at Pelican Bay
Florida, Naples – The Arlington of Naples
Florida, Palm City – Sandhill Cove
Florida, Port Charlotte – South Port Square
Florida, Seminole – Freedom Square of Seminole
Florida, Seminole – Lake Seminole Square
Florida, Sun City Center – Freedom Plaza
Florida, The Villages – Freedom Point at The Villages
Georgia, Evans – Brandon Wilde
Georgia, Savannah – Marshes of Skidaway Island, The
Illinois, Addison – Clarendale of Addison
Illinois, Algonquin – Clarendale of Algonquin
Illinois, Chicago – Clare, The
Illinois, Chicago – Clarendale Six Corners
Illinois, Godfrey – Asbury Village
Illinois, Lincolnshire – Sedgebrook
Illinois, Mokena – Clarendale of Mokena
Illinois, Naperville – Monarch Landing

Illinois, Wheaton – Wyndemere
 Indiana, Carmel – Rose Senior Living – Carmel
 Indiana, Greenwood (Indianapolis) – Greenwood Village South
 Indiana, Indianapolis – Marquette
 Indiana, West Lafayette – Westminster Village West Lafayette
 Iowa, Ames – Green Hills Community
 Iowa, Cedar Rapids – Cottage Grove Place
 Kansas, Atchison – Dooley Center
 Kentucky, Lexington – Richmond Place Senior Living
 Maryland, Columbia – Residences at Vantage Point
 Maryland, Timonium – Mercy Ridge
 Maryland, Towson (Baltimore) – Blakehurst
 Massachusetts, Woburn – The Delaney at The Vale
 Michigan, Auburn Hills – The Avalon of Auburn Hills
 Michigan, Battle Creek – NorthPointe Woods
 Michigan, Bloomfield Township – The Avalon of Bloomfield Township
 Michigan, Clinton Township – Rose Senior Living – Clinton Township
 Michigan, East Lansing – Burcham Hills
 Michigan, Holland – Freedom Village
 Michigan, Kalamazoo – Friendship Village
 Michigan, Novi – Rose Senior Living at Providence Park
 Michigan, Auburn Hills – The Avalon of Auburn Hills
 Michigan, Commerce Township – The Avalon of Commerce Township
 Minnesota, Buffalo – Havenwood of Buffalo
 Minnesota, Burnsville – Havenwood of Burnsville
 Minnesota, Maple Grove – Havenwood of Maple Grove
 Minnesota, Minnetonka – Havenwood of Minnetonka
 Minnesota, Richfield – Havenwood of Richfield
 Minnesota, Plymouth – Trillium Woods
 Minnesota, Vadnais Heights – Gable Pines
 Missouri, St. Peters – Clarendale of St. Peters
 New Jersey, Bridgewater – Delaney of Bridgewater, The
 New Jersey, Bridgewater – Laurel Circle
 New Jersey, Burlington – Masonic Village at Burlington
 New Jersey, Florham Park – The Delaney at The Green
 New York, Rye Brook – Broadview Senior Living at Purchase College
 New York, Staten Island – Brielle at Seaview, The
 North Carolina, Chapel Hill – Cedars of Chapel Hill, The
 North Carolina, Charlotte – Cypress of Charlotte, The
 North Carolina, Durham – Croasdaile Village
 North Carolina, Greensboro – WhiteStone
 North Carolina, Greenville – Cypress Glen
 North Carolina, Lumberton – Wesley Pines
 North Carolina, Raleigh – Cypress of Raleigh, The
 North Carolina, Wilmington – Porters Neck Village
 Ohio, Avon – Rose Senior Living – Avon
 Ohio, Beachwood – Rose Senior Living – Beachwood
 Ohio, Lewis Center – The Avalon of Lewis Center
 Ohio, New Albany – The Avalon of New Albany
 Oklahoma, Bartlesville – Green Country Village
 Oregon, Dallas – Dallas Retirement Village
 Oregon, Salem – Capital Manor

Pennsylvania, Coatesville – Freedom Village at Brandywine
Pennsylvania, Warrington – Solana Doylestown, The
South Carolina, Greenville – Rolling Green Village
South Carolina, Hilton Head Island – Bayshore on Hilton Head Island
South Carolina, Hilton Head Island – Cypress of Hilton Head, The
Tennessee, Brentwood – Heritage at Brentwood, The
Tennessee, Hendersonville – Clarendale at Indian Lake
Tennessee, Memphis – Heritage at Irene Woods
Tennessee, Nashville – Clarendale at Bellevue Place
Texas, Austin – Westminster
Texas, Bedford – Parkwood Healthcare
Texas, Bedford – Parkwood Retirement
Texas, Dallas – Autumn Leaves
Texas, Dallas – Monticello West
Texas, Dallas – Signature Pointe
Texas, Dallas – Walnut Place
Texas, Georgetown – Delaney at Georgetown Village, The
Texas, League City – Delaney at South Shore, The
Texas, Lubbock – Carillon
Texas, Richmond – Delaney at Parkway Lakes, The
Texas, Spring – Village at Gleannloch Farms, The
Texas, The Woodlands – Village at the Woodlands Waterway, The
Texas, Waco – Delaney at Lake Waco, The
Vermont, White River – Village at White River Junction, The
Virginia, Fairfax – Virginian, The
Virginia, Gainesville – Heritage Village Assisted Living and Memory Care
Virginia, Virginia Beach – Atlantic Shores
Washington, Issaquah – Timber Ridge at Talus
Wisconsin, Greendale – Harbour Village
Wisconsin, Milwaukee – Eastcastle Place

COLUMBIA VANTAGE HOUSE CORPORATION

**CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

YEARS ENDED JUNE 30, 2024 AND 2023



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**COLUMBIA VANTAGE HOUSE CORPORATION
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Columbia Vantage House Corporation
Columbia, Maryland

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Columbia Vantage House Corporation and its subsidiary, which comprise the consolidated statements of financial position as of June 30, 2024 and 2023, and the related consolidated statements of operations, changes in net assets (deficiency), and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Columbia Vantage House Corporation and its subsidiary as of June 30, 2024 and 2023, and the results of their operations, changes in net assets (deficiency), and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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 Financial Statements section of our report. We are required to be independent of Columbia Vantage House Corporation 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 Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, 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 Columbia Vantage House Corporation's ability to continue as a going concern for one year after the date the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the 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.

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 Columbia Vantage House Corporation and its subsidiary'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 Columbia Vantage House Corporation and its subsidiary'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 audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information listed in the table of contents is presented for purposes of additional analysis and 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 information has been subjected to the auditing procedures applied in the audits 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 GAAS. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

King of Prussia, Pennsylvania
October 24, 2024

COLUMBIA VANTAGE HOUSE CORPORATION
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 3,067,253	\$ 2,069,106
Current Portion of Assets Limited as to Use	909,960	888,485
Investments	10,984,380	11,546,792
Accounts Receivable	823,473	433,123
Allowance for Credit Losses	(120,007)	(55,463)
Entrance Fees Receivable	-	233,975
Prepaid Expenses and Other Current Assets	267,240	282,078
Total Current Assets	<u>15,932,299</u>	<u>15,398,096</u>
ASSETS LIMITED AS TO USE, LESS CURRENT PORTION	4,433,540	4,203,338
PROPERTY AND EQUIPMENT		
Land	4,738,600	4,738,600
Building and Improvements	83,512,404	81,627,736
Furniture and Equipment	3,882,808	3,578,399
Construction in Progress	277,064	160,532
Total	<u>92,410,876</u>	<u>90,105,267</u>
Less: Accumulated Depreciation	<u>(57,759,694)</u>	<u>(54,347,798)</u>
Total Property and Equipment	34,651,182	35,757,469
RIGHT-OF-USE ASSETS - OPERATING LEASES	11,406	13,253
CONTRACT ACQUISITION COSTS, NET	<u>721,749</u>	<u>638,117</u>
Total Assets	<u><u>\$ 55,750,176</u></u>	<u><u>\$ 56,010,273</u></u>
LIABILITIES AND NET ASSETS (DEFICIENCY)		
CURRENT LIABILITIES		
Current Portion of Long-Term Debt	\$ 1,135,000	\$ 1,080,000
Accounts Payable and Accrued Expenses	1,684,869	1,665,630
Current Portion of Lease Liabilities - Operating Leases	3,977	13,322
Entrance Fee Refunds in Process	283,051	1,380,266
Current Portion of Statutory Refunds	1,505,114	1,409,560
Total Current Liabilities	<u>4,612,011</u>	<u>5,548,778</u>
Long-Term Debt, Less Current Portion	41,393,010	42,518,338
Escrow Payable and Other	1,634,489	1,234,452
Long-Term Lease Liabilities - Operating Leases	7,082	-
Refundable Entrance Fee Liability	48,203,248	49,379,106
Deferred Revenue from Entrance Fees	<u>13,603,832</u>	<u>11,386,026</u>
Total Liabilities	109,453,672	110,066,700
NET ASSETS (DEFICIENCY)		
Net Assets Without Donor Restrictions	(54,220,492)	(54,555,455)
Net Assets With Donor Restrictions	516,996	499,028
Total Net Assets (Deficiency)	<u>(53,703,496)</u>	<u>(54,056,427)</u>
Total Liabilities and Net Assets (Deficiency)	<u><u>\$ 55,750,176</u></u>	<u><u>\$ 56,010,273</u></u>

See accompanying Notes to Consolidated Financial Statements.

COLUMBIA VANTAGE HOUSE CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
YEARS ENDED JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
REVENUE		
Resident Care Services	\$ 12,341,853	\$ 11,448,620
Health Care Services	6,310,554	5,044,629
Earned Entrance Fees	1,938,342	1,615,043
Contributions	153,537	58,873
Net Assets Released from Donor Restrictions	<u>57,196</u>	<u>11,678</u>
Total Revenue	<u>20,801,482</u>	<u>18,178,843</u>
EXPENSES		
Resident Care:		
Health and Resident Services	5,398,374	4,639,597
Dining Services	3,231,740	3,006,103
Housekeeping and Laundry	<u>985,151</u>	<u>880,087</u>
Total Resident Care	<u>9,615,265</u>	<u>8,525,787</u>
Management and General:		
General and Administrative	3,584,958	3,089,126
Plant and Maintenance	1,787,027	1,755,993
Depreciation and Amortization	3,652,253	3,436,070
Interest	2,188,224	2,262,875
Insurance	378,341	328,457
Real Estate Taxes	<u>311,314</u>	<u>306,634</u>
Total Management and General	<u>11,902,117</u>	<u>11,179,155</u>
Total Expenses	<u>21,517,382</u>	<u>19,704,942</u>
EXCESS OF EXPENSES OVER REVENUE BEFORE OTHER NONOPERATING INCOME (LOSS)	<u>(715,900)</u>	<u>(1,526,099)</u>
NONOPERATING INCOME (LOSS)		
Investment Income, Net	381,407	243,062
Gain on Sale of Investments	205,746	86,645
Net Unrealized Gain on Equity Investments	730,230	666,704
Loss on Disposal of Fixed Assets	<u>(201,973)</u>	<u>(252,396)</u>
Total Nonoperating Income	<u>1,115,410</u>	<u>744,015</u>
DEFICIT (EXCESS) OF EXPENSES OVER REVENUE	<u>399,510</u>	<u>(782,084)</u>
NET UNREALIZED LOSS ON FIXED INCOME SECURITIES AND OTHER INVESTMENTS	<u>(64,547)</u>	<u>(371,163)</u>
CHANGE IN NET ASSETS (DEFICIENCY) WITHOUT DONOR RESTRICTIONS	<u><u>\$ 334,963</u></u>	<u><u>\$ (1,153,247)</u></u>

See accompanying Notes to Consolidated Financial Statements.

COLUMBIA VANTAGE HOUSE CORPORATION
CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS (DEFICIENCY)
YEARS ENDED JUNE 30, 2024 AND 2023

	Net Assets (Deficiency) Without Donor Restrictions	Net Assets With Donor Restrictions	Total Net Assets (Deficiency)
BALANCE - JUNE 30, 2022	\$ (53,402,208)	\$ 496,221	\$ (52,905,987)
Excess of Expenses Over Revenue	(782,084)	-	(782,084)
Contributions	-	14,485	14,485
Net Assets Released from Restrictions	-	(11,678)	(11,678)
Net Unrealized Loss on Fixed Income Securities and Other Investments	<u>(371,163)</u>	<u>-</u>	<u>(371,163)</u>
Change in Net Assets (Deficiency)	<u>(1,153,247)</u>	<u>2,807</u>	<u>(1,150,440)</u>
BALANCE - JUNE 30, 2023	(54,555,455)	499,028	(54,056,427)
Excess of Revenue Over Expenses	399,510	-	399,510
Contributions	-	75,164	75,164
Net Assets Released from Restrictions	-	(57,196)	(57,196)
Net Unrealized Loss on Fixed Income Securities and Other Investments	<u>(64,547)</u>	<u>-</u>	<u>(64,547)</u>
Change in Net Assets (Deficiency)	<u>334,963</u>	<u>17,968</u>	<u>352,931</u>
BALANCE - JUNE 30, 2024	<u><u>\$ (54,220,492)</u></u>	<u><u>\$ 516,996</u></u>	<u><u>\$ (53,703,496)</u></u>

See accompanying Notes to Consolidated Financial Statements.

COLUMBIA VANTAGE HOUSE CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets (Deficiency)	\$ 352,931	\$ (1,150,440)
Adjustments to Reconcile Change in Net Assets (Deficiency) to		
Net Cash Provided by Operating Activities:		
Depreciation	3,514,261	3,331,403
Amortization of Deferred Financing Costs	25,310	25,310
Amortization of Bond Premium	(15,638)	(15,636)
Amortization of Contract Acquisition Costs	137,992	104,667
Entrance Fees Received, Net of Refunds of \$7,105,190 in 2024		
and \$4,381,115 in 2023	1,978,629	3,805,247
Amortization of Deferred Entrance Fees	(1,938,342)	(1,615,043)
Provision for Credit Loss Expense	64,545	41,130
Gain on Sale of Investments	(205,746)	(86,645)
Unrealized Gain on Investments	(665,683)	(295,541)
Loss on Disposal of Fixed Assets	201,973	252,396
(Increase) Decrease in Assets:		
Accounts Receivable	(390,351)	(102,159)
Entrance Fee Receivable	233,975	155,361
Contract Acquisition Costs	(221,624)	(151,085)
Prepaid Expenses and Other Assets	14,422	(699)
Increase (Decrease) in Liabilities:		
Escrow Payable and Other	400,037	141,013
Accounts Payable and Accrued Expenses	(100,239)	(45,206)
Net Cash Provided by Operating Activities	<u>3,386,452</u>	<u>4,394,073</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property and Equipment	(2,490,469)	(3,038,969)
Decrease (Increase) in Investments	1,433,841	(2,755,129)
Net Cash Used by Investing Activities	<u>(1,056,628)</u>	<u>(5,794,098)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal Payment of Bonds Payable	(1,080,000)	(1,030,000)
Net Cash Used by Financing Activities	<u>(1,080,000)</u>	<u>(1,030,000)</u>
NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS,		
AND RESTRICTED CASH	1,249,824	(2,430,025)
Cash, Cash Equivalents, and Restricted Cash - Beginning of Year	<u>7,160,929</u>	<u>9,590,954</u>
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH -		
END OF YEAR	<u><u>\$ 8,410,753</u></u>	<u><u>\$ 7,160,929</u></u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash Paid for Interest	<u><u>\$ 2,211,767</u></u>	<u><u>\$ 2,262,875</u></u>
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING		
AND FINANCING ACTIVITIES		
Noncash Acquisition of Property and Equipment in Accounts Payable	<u><u>\$ 119,478</u></u>	<u><u>\$ 286,254</u></u>

See accompanying Notes to Consolidated Financial Statements.

COLUMBIA VANTAGE HOUSE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Columbia Vantage House Corporation (the Corporation) was incorporated as a nonprofit, nonstock corporation on August 18, 1986 under the general laws of the state of Maryland to establish, sponsor, operate, and maintain a long-term residential “life-care” or “continuing care” community for the aged located in Columbia, Maryland. Vantage House LLC was also formed as a single member tax-exempt limited liability corporation to own the land and improvements. All of the land and improvements are leased by the Corporation for \$1 per year, for a term of 99 years. The Corporation began operations on October 15, 1990 (occupancy date). As of June 30, 2024, the community had the following units available for occupancy: 200 Independent Living Units (ILUs), 26 Assisted Living Units, 24 Assisted Living Memory Care Units, and 44 Skilled Nursing Units/Beds (the Facility).

On June 23, 2008, the Corporation’s board of directors formed the Columbia Vantage House Foundation, Inc. (the Foundation) as a separate legal entity, to support the nonprofit mission of Vantage House. The Foundation was renamed Columbia Vantage Point Foundation on April 22, 2019. The Foundation is organized as a single member corporation and is governed by a separate board of directors.

Principles of Consolidation

The consolidated financial statements include the accounts of the Corporation, Vantage House LLC, and the Foundation (collectively referred to as the Corporation). All material inter-company accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of consolidated financial statements in accordance 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.

Cash, Cash Equivalents, and Restricted Cash

The Corporation considers all highly liquid investments with no restrictions on withdrawals to be cash and cash equivalents. Deposits from prospective residents, waitlist deposits, and assets limited as to use are considered to be restricted in nature.

COLUMBIA VANTAGE HOUSE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash, Cash Equivalents, and Restricted Cash (Continued)

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the consolidated statements of financial position that sum to the total of the same such amounts shown in the consolidated statements of cash flows at June 30:

	2024	2023
Cash and Cash Equivalents	\$ 1,367,497	\$ 572,190
Restricted Cash:		
Admission Deposits	201,970	420,713
Waitlist Deposits	1,497,786	1,076,203
Total Cash, Cash Equivalents, and Restricted		
Cash Other than Assets Limited as to Use	3,067,253	2,069,106
Assets Limited as to Use:		
Current Portion	909,960	888,485
Long-Term Portion	4,433,540	4,203,338
Total Assets Limited as to Use	5,343,500	5,091,823
Total Cash, Cash Equivalents, and Restricted		
Cash Shown in the Statement of Cash Flows	<u>\$ 8,410,753</u>	<u>\$ 7,160,929</u>

Investments

Investments are measured at fair value. Investment income or loss (including realized gains and losses on investments, unrealized gains and losses on equity securities, interest, and dividends) is included in excess of expenses over revenue unless the income or loss is restricted by donor or law. Unrealized gains and losses on fixed income securities and other investments are excluded from excess of expenses over revenue.

Accounts Receivable and Allowance for Credit Losses

Resident accounts receivable are reported net of an allowance for credit losses to represent the Corporation's estimate of expected losses at the consolidated statement of financial position date. The adequacy of the Corporation's allowance for credit losses is reviewed on an ongoing basis, using historical payment trends, write-off experience, analyses of receivable portfolios by payor source and aging of receivables, a review of specific accounts, as well as expected future economic conditions and market trends, and adjustments are made to the allowance as necessary.

Residents are not required to provide collateral for services rendered. Payment for services is required within 30 days of receipt of invoice or claim submitted. Accounts more than 90 days past due are individually analyzed for collectability. When all collection efforts have been exhausted, the account is written off against the related allowance.

Management believes the composition of receivables at year-end is consistent with historical conditions as credit terms and practices and the customer base has not changed significantly. At June 30, 2024 and 2023, the allowance for estimate of expected credit losses was \$120,007 and \$55,463, respectively.

COLUMBIA VANTAGE HOUSE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable and Allowance for Credit Losses (Continued)

Changes in the allowance for credit losses for the years ended June 30, 2024 and 2023 were as follows:

	2024	2023
Allowance for Credit Losses		
Balance, Beginning of Year	\$ 55,463	\$ 14,333
Provision for Losses	64,545	41,130
Amounts Written Off	(1)	-
Balance, End of Year	<u>\$ 120,007</u>	<u>\$ 55,463</u>

The opening and closing balances in accounts receivable from residents were as follows:

	Accounts Receivable from Residents
Balance as of July 1, 2022	\$ 316,631
Balance as of June 30, 2023	377,660
Balance as of June 30, 2024	703,466

Entrance Fee Receivables

Entrance fee receivables represent entrance fees that are deferred for up to four months after a resident occupies a unit. Additional extensions may be granted provided additional payments are received. The receivables are expected to be collected during the immediately subsequent fiscal year and are included in current assets. Management determined that no allowance is necessary on the Entrance Fee Receivables.

Assets Limited as to Use

Assets limited as to use consist of investments set aside for statutory and other reserve funds, amounts temporarily restricted by donors, and amounts held by trustees under bond indenture agreements. Changes in the fair value of assets limited as to use are recognized in the consolidated statements of operations as unrealized gain or loss, except for where amounts have been restricted by donor or by law in which case they are reflected in the consolidated statements of changes in net assets (deficiency).

Property and Equipment

Property and equipment are stated at cost. Depreciation is calculated on a straight-line basis over the estimated lives of the assets. Estimated lives are determined using American Hospital Association guidelines. Useful lives range from 5 to 40 years. The Corporation capitalizes all expenditures for property and equipment costing \$1,000 or more and having useful lives greater than one year. Repairs and maintenance are expensed as incurred. Depreciation expense for the years ended June 30, 2024 and 2023 was \$3,514,261 and \$3,331,403, respectively.

COLUMBIA VANTAGE HOUSE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment (Continued)

The Corporation records impairment losses on property and equipment when events and circumstances indicate that it is probable that the assets are impaired and the undiscounted cash flows estimated to be generated by those assets are less than the carrying amount of those assets. Based on management's estimation process, no impairment losses have been recorded for the years ended June 30, 2024 and 2023.

Contract Costs

The Corporation has elected to apply the practical expedient provided by FASB ASC 340-40-25-4, and expense as incurred the incremental customer contract acquisition costs for contracts in which the amortization period of the asset that the Corporation otherwise would have recognized is one year or less. However, incremental costs incurred to obtain customer contracts for which the amortization period of the asset that the Corporation otherwise would have recognized is longer than one year are capitalized and amortized over the life of the contract based on the pattern of revenue recognition from these contracts. The Corporation regularly considers whether the unamortized contract acquisition costs are impaired if they are not recoverable under the contract. During the years ended June 30, 2024 and 2023, there was no impairment of contract acquisition costs. During the years ended June 30, 2024 and 2023, the Corporation recognized amortization expense of \$137,992 and \$104,667, respectively. At June 30, 2024 and 2023, the unamortized customer contract acquisition costs were \$721,749 and \$638,117, respectively, and are presented in the accompanying consolidated statements of financial position.

Obligation to Provide Future Service

The Corporation periodically calculates the present value of the net cost of future service and use of facilities to be provided to current residents and compares that amount with the balance of deferred revenue from advance fees. If the present value of the net obligation to provide future service and use of facilities exceeds the deferred revenue from entrance fees, a liability is recorded with the corresponding charge to income. No such liability existed at June 30, 2024 and 2023.

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 – Include net assets available for use in general operations and not subject to donor restrictions. At times, the governing board can designate, from net assets without donor restrictions, net assets for a board-designated endowment or other purposes. At June 30, 2024 and 2023, the governing board has not made this designation.

COLUMBIA VANTAGE HOUSE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Assets (Continued)

Net Assets With Donor Restrictions – Include 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. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. At June 30, 2024 and 2023, net assets with donor restrictions included \$516,996 and \$499,028, respectively, which were temporary in nature.

Excess of Expenses Over Revenue

The consolidated statements of operations and changes in net assets (deficiency) include excess of expenses over revenue as the performance indicator. Changes in net assets without donor restrictions which are excluded from such amount, consistent with industry practice, include unrealized gains and losses on fixed income securities and other investments.

Income Taxes

The Corporation is a nonprofit corporation as described in Section 501(c)(3) of the Internal Revenue Code (IRC) and is exempt from federal income taxes pursuant to Section 501(a) of the IRC.

The Corporation follows the provisions of the income tax standard regarding the recognition and measurement of uncertain tax positions. The application of these provisions has no impact on the Corporation's consolidated financial statements. The Corporation is not aware of any activities that would jeopardize its tax-exempt status or of any activities that are subject to tax on unrelated business income or excise or other taxes.

The Corporation has implemented processes to ensure corporate compliance with the Internal Revenue Service intermediate sanctions provision. These processes include annual review by the executive committee of executive team compensation, and annual review by the board of directors of the performance and compensation of the Corporation's executive director. The board engages in annual corporate compliance education, has adopted and reviews at least annually a written corporate compliance program and code of conduct, and has a detailed conflict of interest policy.

COLUMBIA VANTAGE HOUSE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New Accounting Pronouncements — Accounting Standards Update 2016-13

In June 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. The main objective of the ASU is to provide financial statement users with more decision-useful information about the expected credit losses on financial instruments and other commitments to extend credit held by a reporting entity at each reporting date. To achieve this objective, the amendments in the ASU replace the incurred loss impairment methodology in current GAAP with a methodology that reflects expected losses, referred to as the current expected credit loss (CECL) model, and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. The Corporation adopted this new guidance, as amended, utilizing the modified retrospective transition method. The adoption of this Standard did not have a material impact on the Corporation's consolidated financial statements but did change how the allowance for credit losses is determined.

Revenue

Revenue consists of resident care services, health care services, entrance fees, and other and is reported at the amount that reflects the consideration to which the Corporation expects to be entitled in exchange for providing such services. These amounts are due from residents, third-party payors (including health insurers and government programs), and others and includes variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. The Corporation bills the residents and third-party payors for services on a monthly basis. Revenue is recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by the Corporation. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred. The Corporation believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to residents in the facility receiving skilled nursing services or residents receiving other services in the facility. The Corporation measures the performance obligation from admission into the facility to the point when it is no longer required to provide services to that resident, which is generally at the time of the termination of the resident contract.

COLUMBIA VANTAGE HOUSE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue (Continued)

The Corporation determines the transaction price based on standard charges for goods and services provided, reduced by contractual adjustments provided to third-party payors. The Corporation determines its estimates of contractual adjustments based on contractual agreements, its policies, and historical experience. The Corporation determines its estimate of implicit price concessions based on its historical collection experience.

Monthly Service Fees

The Corporation charges residents a monthly service fee which varies according to the contract type and the size of the living space occupied. Second persons are charged a separate fee.

Health Care Services

Agreements with third-party payors typically provide for payments at amounts less than established charges. A summary of the payment arrangements with major third-party payors follows:

Medicare

The licensed nursing facility participates in the Medicare program. This federal program is administered by the Centers for Medicare and Medicaid Services (CMS). The nursing facility is paid under the Medicare Prospective Payment System (PPS) for residents who are Medicare Part A eligible and meet the coverage guidelines for skilled nursing facility services. The PPS is a per diem price-based system. Annual cost reports are required to be submitted to the designated Medicare Administrative Contractor; however, they do not contain a cost settlement. CMS finalized the Patient Driven Payment Model (PDPM) to replace the existing Medicare reimbursement system effective October 1, 2019. Under PDPM, therapy minutes are removed as the primary basis for payment and instead uses the underlying complexity and clinical needs of a patient as a basis for reimbursement. In addition, PDPM introduces variable adjustment factors that change reimbursement rates during the resident's length of stay.

Nursing facilities licensed for participation in the Medicare program are subject to annual licensure renewal. If it is determined that a nursing facility is not in substantial compliance with the requirements of participation, CMS may impose sanctions and penalties during the period of noncompliance. Such a payment ban would have a negative impact on the revenues of the licensed nursing facility.

Other

Payment agreements with certain commercial insurance carriers, health maintenance corporations, and preferred provider corporations provide for payment using prospectively determined daily rates.

COLUMBIA VANTAGE HOUSE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue (Continued)

Health Care Services (Continued)

Settlements with third-party payors for retroactive adjustments due to audits, reviews, or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence from the payor, and the Corporation's historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlement are adjusted in future periods as adjustments become known (that is, new information becomes available), or as years are settled or are no longer subject to such audits, reviews, and investigations. Adjustments arising from a change in an implicit price concession impacting transaction price, were not significant in 2024 or 2023.

Generally, residents who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. The Corporation estimates the transaction price for residents with deductibles and coinsurance based on historical experience and current market conditions.

The initial estimate of the transaction price is determined by reducing the standard charge by any contractual adjustments, discounts, and implicit price concessions. Subsequent charges to the estimate of the transaction price are generally recorded as adjustments to health care services revenue in the period of the change.

The Corporation has determined that the nature, amount, timing, and uncertainty of revenue and cash flows are affected by the following factors: payors, service line, method of reimbursement, and timing of when revenue is recognized. All resident services revenue for the Corporation is provided at the single campus located in Columbia, Maryland. The method of reimbursement is prospective payments, and the timing of revenue recognition is health care services transferred over time.

The composition of resident care services, and health care service revenue by primary payor is as follows for the years ended June 30:

	2024	2023
Medicare	\$ 506,496	\$ 919,192
Private Pay and Other	18,145,911	15,574,057
Total Resident Services Revenue	<u>\$ 18,652,407</u>	<u>\$ 16,493,249</u>

COLUMBIA VANTAGE HOUSE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue (Continued)

Health Care Services (Continued)

The composition of resident care services, and health care service revenue based on its lines of business, method of reimbursement, and timing of revenue recognition for the years ended June 30 are as follows:

	2024	2023
Service Lines:		
Independent Living	\$ 12,620,943	\$ 11,799,180
Assisted Living	3,094,066	2,480,826
Skilled Care	2,937,398	2,213,243
Total	<u>\$ 18,652,407</u>	<u>\$ 16,493,249</u>
Method of Reimbursement:		
Fee for Service	\$ 18,306,799	\$ 16,318,038
Other	345,608	175,211
Total	<u>\$ 18,652,407</u>	<u>\$ 16,493,249</u>
Timing of Revenue and Recognition:		
Services Transferred Over Time	\$ 18,306,799	\$ 16,318,038
Services Transferred at Point of Sale	345,608	175,211
Total	<u>\$ 18,652,407</u>	<u>\$ 16,493,249</u>

Entrance Fees

As of June 30, 2024 and 2023, the Corporation has two types of Residence and Care Agreements: Type A and Type C. Each of these contract types has a 90% refundable, 85% refundable, 80% refundable, 50% refundable, or a 50-month declining balance option. After the first month of occupancy, if a resident withdraws from the facility for any cause (including death), the resident (depending on the option selected by the resident in the residence and care agreement) is entitled to a refund of (1) 90% of the refundable entrance fees paid, less expenses (2) 85% of the refundable entrance fees paid, less expenses (3) 80% of the refundable entrance fees paid, less expenses (4) 50% of the refundable entrance fees paid, less expenses or (5) an amount calculated based on a 50-month declining refund formula. Payment of any refund of the entrance fee is deferred until the Corporation has accepted and entered into a residence and care agreement with a new resident who has accepted and paid the entrance fee. The portion of the entrance fee that is refundable to the resident on the condition that a new entrance fee is received for the same unit is reported as refundable entrance fee liability. Nonrefundable entrance fees are considered to contain a material right associated with access to future services, which is the related performance obligation. The nonrefundable portion is reported as deferred revenue from entrance fees and amortized to income using actuarial tables based on the estimated life of the resident (time based).

Management has estimated the current portion of refundable entrance fees based on historical experience. The estimated amount of entrance fees that is expected to be refunded to current residents under the terms of the resident contracts is presented as a current liability in the accompanying consolidated financial statements.

COLUMBIA VANTAGE HOUSE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue (Continued)

Entrance Fees (Continued)

As of June 30, 2024 and 2023, the allocation of the various contract types was as follows:

	2024	2023
90% Refundable	61 %	68 %
50 Month Declining Balance	23	22
50% Refundable	6	3
85% Refundable	8	7
80% Refundable	2	-
Total	<u>100 %</u>	<u>100 %</u>

Leases

The Corporation leases equipment. The Corporation determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets, other current liabilities, and operating lease liabilities on the consolidated statements of financial position. Finance leases are included in property and equipment, other current liabilities, and other long-term liabilities on the consolidated statements of financial position.

Right-of-use (ROU) assets represent the Corporation's right to use an underlying asset for the lease term and lease liabilities represent the Corporation's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. As most of leases do not provide an implicit rate, the Corporation uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Corporation will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Corporation has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included in the lease liabilities or right of use assets on the consolidated statements of financial position. Management has evaluated the Corporation's leases and determined that there are no material leases to disclose.

Advertising Expenses

The cost of advertising is expensed when incurred and included within the general and administrative financial statement line item within the consolidated statements of operations and changes in net assets (deficit). Advertising expense was \$290,430 and \$310,234 for the years ended June 30, 2024 and 2023, respectively.

Subsequent Events

In preparing these consolidated financial statements, the Corporation has evaluated events and transactions for potential recognition or disclosure through October 24, 2024, the date the consolidated financial statements were issued.

COLUMBIA VANTAGE HOUSE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 2 LIQUIDITY

As of June 30, 2024, the Corporation has a working capital of \$11,320,288 and days cash on hand of 204 days. As of June 30, 2023, the Corporation had a working capital of \$9,849,318 and days cash on hand of 287 days.

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the consolidated statement of financial position date, comprise the following:

	<u>2024</u>	<u>2023</u>
Financial Assets at Year-End:		
Cash and Cash Equivalents	\$ 3,067,253	\$ 2,069,106
Accounts Receivable, Net and Entrance Fees Receivable	703,466	611,635
Assets Limited to Use	909,960	888,485
Investments	<u>10,984,380</u>	<u>11,546,792</u>
Total Financial Assets	15,665,059	15,116,018
Less: Amounts Not Available to be Used Within One Year:		
Restricted Investments	(516,996)	(499,028)
Admission Deposits	(201,970)	(420,713)
Wait List Deposits	<u>(1,497,786)</u>	<u>(1,076,203)</u>
Total Financial Assets Not Available to be Used Within One Year	<u>(2,216,752)</u>	<u>(1,995,944)</u>
Total Financial Assets Available to Meet General Expenditures Within One Year	<u><u>\$ 13,448,307</u></u>	<u><u>\$ 13,120,074</u></u>

NOTE 3 INVESTMENTS AND ASSETS LIMITED AS TO USE

The Corporation records investments and assets limited as to use at fair value. The estimated fair values of investments are as follows as of June 30:

	<u>2024</u>	<u>2023</u>
Money Market and Mutual Funds	\$ 2,284,152	\$ 3,470,902
Common Equity Securities	1,771,442	1,347,280
U.S. Treasury Obligations and Government Agencies	5,302,223	4,117,530
Corporate Bonds	<u>1,626,563</u>	<u>2,611,080</u>
Total Investments	<u><u>\$ 10,984,380</u></u>	<u><u>\$ 11,546,792</u></u>

COLUMBIA VANTAGE HOUSE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 3 INVESTMENTS AND ASSETS LIMITED AS TO USE (CONTINUED)

Assets limited as to use are comprised of cash and cash equivalents and designated for the following purposes at June 30:

	2024	2023
Funds Held by Bond Trustee:		
Debt Service Reserve Fund	\$ 4,433,540	\$ 4,203,338
Principal Fund	343,008	318,407
Interest Fund	566,952	570,078
Total Assets Limited as to Use	5,343,500	5,091,823
Current Portion	(909,960)	(888,485)
Assets Limited as to Use, Net of Current Portion	<u>\$ 4,433,540</u>	<u>\$ 4,203,338</u>

Investment income for the years ended June 30, 2024 and 2023 was \$1,252,836 and \$625,248, respectively.

NOTE 4 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value measurement applies to reported balances that are required or permitted to be measured at fair value under an existing accounting standard. The Corporation emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability and establishes a fair value hierarchy. The fair value hierarchy consists of three levels of inputs that may be used to measure fair value as follows:

Level 1 – Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Corporation has the ability to access.

Level 2 – Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

Level 3 – Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

COLUMBIA VANTAGE HOUSE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 4 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

The following tables present the Corporation's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of June 30.

2024				
	Level 1	Level 2	Level 3	Total
Assets:				
Investments	\$ 10,984,380	\$ -	\$ -	\$ 10,984,380
Assets Limited as to Use	5,343,500	-	-	5,343,500

2023				
	Level 1	Level 2	Level 3	Total
Assets:				
Investments	\$ 11,546,792	\$ -	\$ -	\$ 11,546,792
Assets Limited as to Use	5,091,823	-	-	5,091,823

NOTE 5 REFUNDABLE LIABILITY AND DEFERRED REVENUE FROM ENTRANCE FEES

Entrance fees received for the years ended June 30, 2024 and 2023 were \$9,083,819 and \$8,186,362, respectively. For the years ended June 30, 2024 and 2023, entrance fees refunded were \$7,105,190 and \$4,381,115, respectively. Total net entrance fees collected were \$1,978,629 and \$3,805,247 for the years ended June 30, 2024 and 2023, respectively. As of June 30, 2024 and 2023, \$49,708,362 and \$50,788,666, respectively, of deferred resident entry fees are contractually refundable based upon the terms of the Corporation's refund policies.

The opening and closing balances in the nonrefundable portion reported as deferred revenue from resident entrance fees were as follows:

	Deferred Revenue from Entrance Fees
Balance as of July 1, 2022	\$ 10,835,192
Balance as of June 30, 2023	11,386,026
Balance as of June 30, 2024	13,603,832

NOTE 6 EMPLOYEE SAVINGS PLAN

Effective July 1, 1995, the Corporation established a defined contribution plan under IRC Section 403(b). Effective January 1, 1999, the Plan was amended to include an employer match component. Pursuant to the terms of the agreement, employees are required to make a contribution in order to benefit from the Plan. The Corporation's matching contribution limit is discretionary. Full-time employees will be required to work three months of service and Part-time employees will be required to work one year of service defined as less than 1,000 hours per year in order to become eligible for matching contributions. Each participant may elect a basic contribution of a percentage of annual compensation subject to certain limitations. Contributions made by the Corporation were \$67,820 and \$59,171 in 2024 and 2023, respectively.

COLUMBIA VANTAGE HOUSE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 7 LONG-TERM DEBT

Long-term debt is as follows as of June 30:

<u>Description</u>	<u>2024</u>	<u>2023</u>
Howard County, Maryland Revenue Retirement Community Revenue Bonds Series, 2016 Bonds due on April 1, 2046	\$ 25,155,000	\$ 25,510,000
Howard County, Maryland Revenue Retirement Community Revenue Bonds Series, 2017 Bonds due on April 1, 2044	<u>17,585,000</u>	<u>18,310,000</u>
Total	42,740,000	43,820,000
Add: Unamortized Bond Premium, Net	324,999	340,637
Less: Unamortized Debt Issuance Costs, Net	<u>(536,989)</u>	<u>(562,299)</u>
Long-Term Debt	42,528,010	43,598,338
Less: Current Portion of Long-Term Debt	<u>1,135,000</u>	<u>1,080,000</u>
Long-Term Debt, Less Current Portion	<u><u>\$ 41,393,010</u></u>	<u><u>\$ 42,518,338</u></u>

On October 1, 2016, Howard County, Maryland (the Issuer) issued \$27,580,000 of fixed rate retirement organization revenue bonds Series 2016 on behalf of the Corporation. The bonds were issued at a premium of \$732,194. Interest on the Series 2016 Bonds is payable semi-annually on April 1 and October 1 of each year. The Series 2016 Bonds bear interest at an average rate of 5.00%. The Series 2016 Bonds are secured by first mortgage liens on all the buildings, improvements, and equipment owned by the Corporation, a security interest in the Corporation's gross revenue and the right to offset against the Corporation's trustee held funds.

The proceeds of the Series 2016 Bond Issuance were used to repay a portion of the Series 2007 Bonds, to finance the cost of capital improvements, to fund certain required reserves and to pay the costs of finance. The proceeds of the Series 2017 Bond Issuance were used to repay the remaining portion of the Series 2007 Bonds after the issuance of the 2016 Bonds, to fund a portion of a debt service reserve fund for, and pay costs of issuance of, the Series 2017 Bonds. The capital improvements include the renovation of the Facility's common areas and expansion of its assisted living services to offer a dedicated memory support floor.

COLUMBIA VANTAGE HOUSE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 7 LONG-TERM DEBT (CONTINUED)

The scope of the project consisted of the following: conversion of the 10 enhanced living units on the fifth floor of the Facility into two new 12-unit memory support neighborhoods; renovation of the fifth floor common areas such as dining, living, office, and circulation; renovation of dining areas including formal, bistro/casual, roof area, and pub; capturing of underbuilding area for new administrative areas, a theater, a classroom, and new cardio and rehab spaces; renovation and expansion of wellness areas such as the cardio, rehab, spa, and salon spaces; renovation of the administrative areas, café market, reception area, marketing and circulation; expansion and renovation of auditorium; and renovation of arts and crafts space and some storage and circulation space. These capital improvements were completed by the close of the prior fiscal year ended June 30, 2019.

On April 1, 2017, Howard County, Maryland (the Issuer) issued \$22,530,000 of fixed rate retirement organization revenue bonds Series 2017 on behalf of the Corporation. The bonds were issued at a premium of \$610,798. Interest on the Series 2017 Bonds is payable semi-annually on April 1 and October 1 of each year. The Series 2017 Bonds bear interest at an average rate of 5.00%. The Series 2017 Bonds are secured by first mortgage liens on all the buildings, improvements, and equipment owned by the Corporation, a security interest in the Corporation's gross revenue and the right to offset against the Corporation's trustee held funds.

Under the terms of the Series 2016 and 2017 Bonds, the Corporation is required to meet a number of covenants, including provisions related to the debt service coverage ratio, day's cash on hand covenants, and other covenants. As of June 30, 2024, management is not aware of any noncompliance with these covenants.

The Corporation is required to maintain certain deposits with a trustee that are included within assets limited as to use in the accompanying consolidated statements of financial position.

Deferred financing costs related to outstanding bond issuances as of June 30 are as follows:

	2024	2023
Deferred Financing Costs	\$ 731,457	\$ 731,457
Less: Accumulated Amortization	(194,468)	(169,158)
Deferred Financing Costs	<u>\$ 536,989</u>	<u>\$ 562,299</u>

COLUMBIA VANTAGE HOUSE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 7 LONG-TERM DEBT (CONTINUED)

The aggregate amount of future principal payments for all long-term debt is as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2025	\$ 1,135,000
2026	1,195,000
2027	1,250,000
2028	1,315,000
2029	1,380,000
2030 and Thereafter	36,465,000
Total	<u>\$ 42,740,000</u>

NOTE 8 MARYLAND DEPARTMENT OF AGING RESERVE REQUIREMENTS

The Maryland Department of Aging requires continuing care retirement providers to maintain certain operating reserves that equal 15% of the facility's net operating expenses, as defined by the state, relating to continuing care contracts. The reserves must be kept in reasonably liquid form in the judgment of the provider. Per provider regulations established by the Maryland Department of Aging, beginning January 1, 2023, the operating reserve requirement increased from 15% to 25% of net operating expenses.

The reserves are computed as of the end of the fiscal year and facilities had up to 10 full fiscal years after October 1, 1996 to meet these requirements. The reserves must be set aside at a minimum rate of 10% per year up to a total of 100% as of the end of the tenth fiscal year. The Corporation's required reserves under Senate Bill 543 for the years ended June 30, 2024 and 2023, based upon operating expenses of the prior year, are as follows:

	<u>2024</u>	<u>2023</u>
Reserve Required per Senate Bill 543:		
Operating Expenses	\$ 19,704,942	\$ 18,614,229
Less: Depreciation Expense	3,436,070	3,565,988
Less: Interest Expense	2,262,875	2,202,536
Net Operating Expenses as Defined by Senate Bill 543	<u>\$ 14,005,997</u>	<u>\$ 12,845,705</u>
Required Reserve under Senate Bill 543 for the Years Ended June 30, 2024 and 2023 (100% of Total Operating Reserve)	<u>\$ 3,501,499</u>	<u>\$ 3,211,426</u>
Cash and Marketable Securities Available for Operating Reserve as Defined by Senate Bill 543	<u>\$ 14,051,633</u>	<u>\$ 13,615,898</u>

COLUMBIA VANTAGE HOUSE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 9 FUNCTIONAL EXPENSES

The Corporation provides services and housing to its residents. Expenses related to these services are as follows for the years ended June 30:

	2024		
	Resident Services	General and Administrative	Total
Salaries and Related Expenses	\$ 7,876,581	\$ 1,512,281	\$ 9,388,862
Marketing and Occupancy	461,051	-	461,051
Information Technology	-	378,332	378,332
Property and Other Taxes	323,532	2,042	325,574
Telephone and Cable TV	178,970	1,129	180,099
Insurance	375,968	2,373	378,341
Supplies	491,998	7,354	499,352
Maintenance and Repair	246,595	3,256	249,851
Utilities	664,780	4,195	668,975
Food	1,058,281	-	1,058,281
Contracted Services	1,347,616	153,750	1,501,366
Other	485,550	101,271	586,821
Interest	2,174,501	13,723	2,188,224
Depreciation and Amortization	3,629,349	22,904	3,652,253
Total Expenses	<u>\$ 19,314,772</u>	<u>\$ 2,202,610</u>	<u>\$ 21,517,382</u>

	2023		
	Resident Services	General and Administrative	Total
Salaries and Related Expenses	\$ 6,931,763	\$ 1,485,738	\$ 8,417,501
Marketing and Occupancy	430,698	-	430,698
Information Technology	-	275,793	275,793
Property and Other Taxes	318,791	2,012	320,803
Telephone and Cable TV	169,297	1,068	170,365
Insurance	326,396	2,060	328,456
Supplies	425,394	10,384	435,778
Maintenance and Repair	335,750	-	335,750
Utilities	629,922	3,975	633,897
Food	986,210	-	986,210
Contracted Services	1,145,741	108,851	1,254,592
Other	337,146	79,008	416,154
Interest	2,248,751	14,124	2,262,875
Depreciation and Amortization	3,414,455	21,615	3,436,070
Total Expenses	<u>\$ 17,700,314</u>	<u>\$ 2,004,628</u>	<u>\$ 19,704,942</u>

Functional expenses were allocated between Resident Services and General and Administrative based on square footage for natural classes, property and other taxes, telephone and cable television, insurance, utilities, interest, and depreciation and amortization. All other expenses were based on actual.

COLUMBIA VANTAGE HOUSE CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 10 COMMITMENTS AND CONTINGENCIES

Litigation

The Corporation periodically finds itself a defendant in legal suits that have developed in the normal course of business. The Corporation maintains professional liability insurance on an occurrence basis with limits of coverage which management believes to be adequate. No accrued claims liability has been recorded at June 30, 2024 and 2023. Although it is impossible to determine the ultimate resolution of matters that remain unresolved at this time, the Corporation believes that the matters will be resolved without significant negative financial impact.

Management Agreement

The Corporation has a management agreement in place through July 1, 2026. During the years ended June 30, 2024 and 2023, the Corporation incurred management fees of \$557,714 and \$488,004, respectively, including performance incentive fees of \$60,000 and \$-0-, respectively.

COLUMBIA VANTAGE HOUSE CORPORATION
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2024
(SEE INDEPENDENT AUDITORS' REPORT)

	Columbia Vantage House Corporation	Columbia Vantage Point Foundation	Eliminations	Total
ASSETS				
CURRENT ASSETS				
Cash and Cash Equivalents	\$ 2,814,150	\$ 253,103	\$ -	\$ 3,067,253
Current Portion of Assets Limited as to Use	909,960	-	-	909,960
Investments	10,325,756	658,624	-	10,984,380
Accounts Receivable	823,473	-	-	823,473
Allowance for Credit Losses	(120,007)	-	-	(120,007)
Prepaid Expenses and Other Current Assets	274,309	-	(7,069)	267,240
Total Current Assets	15,027,641	911,727	(7,069)	15,932,299
ASSETS LIMITED AS TO USE, LESS CURRENT PORTION	4,433,540	-	-	4,433,540
PROPERTY AND EQUIPMENT				
Land	4,738,600	-	-	4,738,600
Building and Improvements	83,512,404	-	-	83,512,404
Furniture and Equipment	3,882,808	-	-	3,882,808
Construction in Progress	277,064	-	-	277,064
Total	92,410,876	-	-	92,410,876
Less: Accumulated Depreciation	(57,759,694)	-	-	(57,759,694)
Total Property and Equipment	34,651,182	-	-	34,651,182
RIGHT-OF-USE ASSETS - OPERATING LEASES	11,406	-	-	11,406
CONTRACT ACQUISITION COSTS, NET	721,749	-	-	721,749
Total Assets	<u>\$ 54,845,518</u>	<u>\$ 911,727</u>	<u>\$ (7,069)</u>	<u>\$ 55,750,176</u>
LIABILITIES AND NET ASSETS (DEFICIENCY)				
CURRENT LIABILITIES				
Current Portion of Long-Term Debt	\$ 1,135,000	\$ -	\$ -	\$ 1,135,000
Accounts Payable and Accrued Expenses	1,684,869	7,069	(7,069)	1,684,869
Current Portion of Lease Liabilities - Operating Leases	3,977	-	-	3,977
Entrance Fee Refunds in Process	283,051	-	-	283,051
Current Portion of Statutory Refunds	1,505,114	-	-	1,505,114
Total Current Liabilities	4,612,011	7,069	(7,069)	4,612,011
LONG-TERM DEBT, LESS CURRENT PORTION	41,393,010	-	-	41,393,010
Escrow Payable and Other	1,634,489	-	-	1,634,489
Long-Term Lease Liabilities - Operating Leases	7,082	-	-	7,082
Refundable Entrance Fee Liability	48,203,248	-	-	48,203,248
Deferred Revenue from Entrance Fees	13,603,832	-	-	13,603,832
Total Liabilities	109,453,672	7,069	(7,069)	109,453,672
NET ASSETS (DEFICIENCY)				
Net Assets (Deficiency) Without Donor Restrictions	(54,608,154)	387,662	-	(54,220,492)
Net Assets With Donor Restrictions	-	516,996	-	516,996
Total Net Assets (Deficiency)	<u>(54,608,154)</u>	<u>904,658</u>	<u>-</u>	<u>(53,703,496)</u>
Total Liabilities and Net Assets (Deficiency)	<u>\$ 54,845,518</u>	<u>\$ 911,727</u>	<u>\$ (7,069)</u>	<u>\$ 55,750,176</u>

COLUMBIA VANTAGE HOUSE CORPORATION
CONSOLIDATING STATEMENT OF OPERATIONS
YEAR ENDED JUNE 30, 2024
(SEE INDEPENDENT AUDITORS' REPORT)

	Columbia Vantage House Corporation	Columbia Vantage Point Foundation	Eliminations	Total
REVENUE				
Resident Care Services	\$ 12,341,853	\$ -	\$ -	\$ 12,341,853
Health Care Services	6,310,554	-	-	6,310,554
Earned Entrance Fees	1,938,342	-	-	1,938,342
Contributions	142,504	11,033	-	153,537
Net Assets Released from Donor Restrictions	-	57,196	-	57,196
Total Revenue	20,733,253	68,229	-	20,801,482
EXPENSES				
Resident Care:				
Health and Resident Services	5,398,374	-	-	5,398,374
Dining Services	3,231,740	-	-	3,231,740
Housekeeping and Laundry	985,151	-	-	985,151
Total Resident Care	9,615,265	-	-	9,615,265
Management and General:				
General and Administrative	3,488,687	96,271	-	3,584,958
Plant and Maintenance	1,787,027	-	-	1,787,027
Depreciation and Amortization	3,652,253	-	-	3,652,253
Interest	2,188,224	-	-	2,188,224
Insurance	378,341	-	-	378,341
Real Estate Taxes	311,314	-	-	311,314
Total Management and General	11,805,846	96,271	-	11,902,117
Total Expenses	21,421,111	96,271	-	21,517,382
(EXCESS) DEFICIT OF EXPENSES OVER REVENUE BEFORE OTHER INCOME (LOSS)	(687,858)	(28,042)	-	(715,900)
NONOPERATING INCOME (LOSS)				
Investment Income, Net	361,821	19,586	-	381,407
Gain (Loss) on Sale of Investments	218,633	(12,887)	-	205,746
Net Unrealized Gain on Equity Securities	650,670	79,560	-	730,230
Loss on Disposal of Fixed Assets	(201,973)	-	-	(201,973)
Total Nonoperating Income	1,029,151	86,259	-	1,115,410
DEFICIT OF EXPENSES OVER REVENUE	341,293	58,217	-	399,510
NET UNREALIZED LOSS ON FIXED INCOME SECURITIES AND OTHER INVESTMENTS	(59,152)	(5,395)	-	(64,547)
CHANGE IN NET ASSETS (DEFICIENCY) WITHOUT DONOR RESTRICTIONS	<u>\$ 282,141</u>	<u>\$ 52,822</u>	<u>\$ -</u>	<u>\$ 334,963</u>

