

**Continuing Care Retirement Community
Disclosure Statement**

Date Prepared: 04/20/24

FACILITY NAME: Freedom Village
 ADDRESS: 23442 El Toro Road, Lake Forest, CA ZIP CODE: 92630 PHONE: (949) 472-4700
 PROVIDER NAME: Casa Pacifica FACILITY OPERATOR: Freedom Management Company
 RELATED FACILITIES: The Village RELIGIOUS AFFILIATION: None
 YEAR # OF SINGLE MULTI- MILES TO SHOPPING CTR: 1
 OPENED: 1987 ACRES: 8.8 STORY STORY OTHER: MILES TO HOSPITAL: 2.5

NUMBER OF UNITS:

RESIDENTIAL LIVING	HEALTH CARE
APARTMENTS — STUDIO: <u>7</u>	ASSISTED LIVING: <u>58</u>
APARTMENTS — 1 BDRM: <u>127</u>	SKILLED NURSING: <u>52</u>
APARTMENTS — 2 BDRM: <u>121</u>	SPECIAL CARE: <u>6</u>
COTTAGES/HOUSES: <u>0</u>	DESCRIPTION: > <u>Extended Care</u>
RLU OCCUPANCY (%) AT YEAR END: <u>89.3%</u>	

TYPE OF OWNERSHIP: NOT-FOR-PROFIT FOR-PROFIT ACCREDITED?: YES NO BY:

FORM OF CONTRACT: CONTINUING CARE LIFE CARE ENTRANCE FEE FEE FOR SERVICE
(Check all that apply) ASSIGNMENT OF ASSETS EQUITY MEMBERSHIP RENTAL

REFUND PROVISIONS: *(Check all that apply)* Refundable Repayable 90% 75% 50% OTHER: Fully Amortized

RANGE OF ENTRANCE FEES: \$ 111,000 - \$ 301,600 **LONG-TERM CARE INSURANCE REQUIRED?** YES NO

HEALTH CARE BENEFITS INCLUDED IN CONTRACT: 0% or 25% Discount, depending on plan

ENTRY REQUIREMENTS: MIN. AGE: 60 PRIOR PROFESSION: None OTHER:

RESIDENT REPRESENTATIVE(S) TO, AND RESIDENT MEMBER(S) ON, THE BOARD: One resident, nominated by the residents' council,
(briefly describe provider's compliance and residents' roles) >
 > joins the table at each partnership meeting to offer feedback, advice and resident perspective on all agenda items.

FACILITY SERVICES AND AMENITIES					
COMMON AREA AMENITIES	AVAILABLE	FEE FOR SERVICE	SERVICES AVAILABLE	INCLUDED IN FEE	FOR EXTRA CHARGE
BEAUTY/BARBER SHOP	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HOUSEKEEPING (<u>4</u> TIMES/MONTH)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BILLIARD ROOM	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MEALS (<u>1</u> /DAY)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BOWLING GREEN	<input type="checkbox"/>	<input type="checkbox"/>	SPECIAL DIETS AVAILABLE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CARD ROOMS	<input checked="" type="checkbox"/>	<input type="checkbox"/>			
CHAPEL	<input checked="" type="checkbox"/>	<input type="checkbox"/>	24-HOUR EMERGENCY RESPONSE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
COFFEE SHOP	<input type="checkbox"/>	<input checked="" type="checkbox"/>	ACTIVITIES PROGRAM	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CRAFT ROOMS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ALL UTILITIES EXCEPT PHONE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
EXERCISE ROOM	<input checked="" type="checkbox"/>	<input type="checkbox"/>	APARTMENT MAINTENANCE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
GOLF COURSE ACCESS	<input type="checkbox"/>	<input type="checkbox"/>	CABLE TV	<input checked="" type="checkbox"/>	<input type="checkbox"/>
LIBRARY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	LINENS FURNISHED	<input checked="" type="checkbox"/>	<input type="checkbox"/>
PUTTING GREEN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	LINENS LAUNDERED	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SHUFFLEBOARD	<input type="checkbox"/>	<input type="checkbox"/>	MEDICATION MANAGEMENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SPA	<input checked="" type="checkbox"/>	<input type="checkbox"/>	NURSING/WELLNESS CLINIC	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SWIMMING POOL-INDOOR	<input type="checkbox"/>	<input type="checkbox"/>	PERSONAL HOME CARE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SWIMMING POOL-OUTDOOR	<input checked="" type="checkbox"/>	<input type="checkbox"/>	TRANSPORTATION-PERSONAL	<input checked="" type="checkbox"/>	<input type="checkbox"/>
TENNIS COURT	<input type="checkbox"/>	<input type="checkbox"/>	TRANSPORTATION-PREARRANGED	<input checked="" type="checkbox"/>	<input type="checkbox"/>
WORKSHOP	<input type="checkbox"/>	<input type="checkbox"/>	OTHER <u>Extended Transportation</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
OTHER <u> </u>	<input type="checkbox"/>	<input type="checkbox"/>			

All providers are required by Health and Safety Code section 1789.1 to provide this report to prospective residents before executing a deposit agreement or continuing care contract, or receiving any payment. Many communities are part of multi-facility operations which may influence financial reporting. Consumers are encouraged to ask questions of the continuing care retirement community that they are considering and to seek advice from professional advisors.

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
INCOME FROM ONGOING OPERATIONS				
OPERATING INCOME (Excluding amortization of entrance fee income)	19,043,536	18,211,324	20,146,529	20,989,589
LESS OPERATING EXPENSES (Excluding depreciation, amortization, and interest)	-17,346,930	-17,261,576	-19,287,238	-20,055,364
NET INCOME FROM OPERATIONS	<u>1,696,606</u>	<u>949,748</u>	<u>859,291</u>	<u>934,225</u>
LESS INTEREST EXPENSE	-10,101	-30,224	-35,200	-54,308
PLUS CONTRIBUTIONS				
PLUS NON-OPERATING INCOME (EXPENSES) (excluding extraordinary items)	504,761	2,316,775	47,005	2,823,865
NET INCOME (LOSS) BEFORE ENTRANCE FEES, DEPRECIATION AND AMORTIZATION	<u>2,191,266</u>	<u>3,236,299</u>	<u>871,096</u>	<u>3,703,782</u>
NET CASH FLOW FROM ENTRANCE FEES (Total Deposits Less Refunds)	<u>2,839,314</u>	<u>3,892,853</u>	<u>4,828,080</u>	<u>5,846,888</u>

DESCRIPTION OF SECURED DEBT (as of most recent fiscal year end)

<u>LENDER</u>	<u>OUTSTANDING BALANCE</u>	<u>INTEREST RATE</u>	<u>DATE OF ORIGINATION</u>	<u>DATE OF MATURITY</u>	<u>AMORTIZATION PERIOD</u>
FV of CA Master Trust	16,620,000	0%	01/01/1989	03/31/2038	40 yrs.

FINANCIAL RATIOS (see next page for ratio formulas)

2017 CCAC Medians
50th Percentile
(optional)

	<u>2021</u>	<u>2022</u>	<u>2023</u>
DEBT TO ASSET RATIO	74%	74%	67%
OPERATING RATIO	95%	96%	96%
DEBT SERVICE COVERAGE RATIO	734%	546%	881%
DAYS CASH ON HAND RATIO	84	58	76

HISTORICAL MONTHLY SERVICE FEES (Average Fee and Change Percentage)

	<u>2020</u>	<u>%</u>	<u>2021</u>	<u>%</u>	<u>2022</u>	<u>%</u>	<u>2023</u>
STUDIO	2,338	0	2,338	4.9	2,453	4.9	2,573
ONE BEDROOM	3,193	0	3,193	4.9	3,349	4.9	3,513
TWO BEDROOM	4,362	0	4,362	4.9	4,576	4.9	4,800
COTTAGE/HOUSE							
ASSISTED LIVING	6,864	0	6,864	6.6	7,320	4.9	7,680
SKILLED NURSING	364	0	364	6.6	388	6.2	412
SPECIAL CARE							

COMMENTS FROM PROVIDER: > 1. Freedom Village's Resident Master Trust holds a first trust deed against the Retirement Center. Of the \$16.6 MM > Note Payable, approximately \$4.9 MM is refundable to residents. Therefore, the true liabilities represent a debt to asset ratio of 24%. >

FINANCIAL RATIO FORMULAS

LONG-TERM DEBT TO TOTAL ASSETS RATIO

$$\frac{\text{Long-Term Debt, less Current Portion}}{\text{Total Assets}}$$

OPERATING RATIO

$$\frac{\begin{array}{l} \text{Total Operating Expenses} \\ - \text{ Depreciation Expense} \\ - \text{ Amortization Expense} \end{array}}{\text{Total Operating Revenues} - \text{Amortization of Deferred Revenue}}$$

DEBT SERVICE COVERAGE RATIO

$$\frac{\begin{array}{l} \text{Total Excess of Revenues over Expenses} \\ + \text{ Interest, Depreciation, and Amortization Expenses} \\ \text{Amortization of Deferred Revenue} + \text{ Net Proceeds from Entrance Fees} \end{array}}{\text{Annual Debt Service}}$$

DAYS CASH ON HAND RATIO

$$\frac{\begin{array}{l} \text{Unrestricted Current Cash \& Investments} \\ + \text{ Unrestricted Non-Current Cash \& Investments} \end{array}}{(\text{Operating Expenses} - \text{Depreciation} - \text{Amortization})/365}$$

NOTE: These formulas are also used by the Continuing Care Accreditation Commission. For each formula, that organization also publishes annual median figures for certain continuing care retirement communities.