

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.

CCRCs	LOCATION (City, State)	PHONE (with area code)
Terraces at Los Altos	Los Altos, CA	650-948-8291
Grand Lake Gardens	Oakland, CA	510-893-8897
Piedmont Gardens	Oakland, CA	510-654-7172
Plymouth Village	Redlands, CA	909-793-1233
Valle Verde	Santa Barbara, CA	805-687-1571
Rosewood	Bakersfield, CA	661-834-0620
Terraces of Los Gatos	Los Gatos, CA	408-356-1006
MULTI-LEVEL RETIREMENT COMMUNITIES		
FREE-STANDING SKILLED NURSING		
SUBSIDIZED SENIOR HOUSING		
HumanGood NorCal owns HumanGood Affordable Housing (formerly known as Beacon Communities) which owns or manages over 60 affordable senior housing communities. These activities are not part of the obligated group.		

*** PLEASE INDICATE IF THE FACILITY IS LIFE CARE.**

In addition to HumanGood NorCal, HumanGood owns directly or through its affiliates, 10 CCRC's in five western states and owns or manages 63 subsidized senior housing communities. Additional disclosure of corporate structure is included in the audited financial statements.

PROVIDER NAME: HumanGood NorCal

	2014	2015	2016	2017
INCOME FROM ONGOING OPERATIONS				
OPERATING INCOME (excluding amortization of entrance fee income)	115,160,000	116,091,000	122,970,000	130,091,000
LESS OPERATING EXPENSES (excluding depreciation, amortization, & interest)	<u>111,185,000</u>	<u>109,080,000</u>	<u>120,965,000</u>	<u>121,642,000</u>
NET INCOME FROM OPERATIONS	3,975,000	7,011,000	2,005,000	8,449,000
LESS INTEREST EXPENSE	6,616,000	6,778,000	7,464,000	9,616,000
PLUS CONTRIBUTIONS	572,000	1,323,000	956,000	984,000
PLUS NON-OPERATING INCOME (EXPENSES) (excluding extraordinary items)	<u>1,384,000</u>	<u>1,422,000</u>	<u>1,778,000</u>	<u>2,935,000</u>
NET INCOME (LOSS) BEFORE ENTRANCE FEES, DEPRECIATION AND AMORTIZATION	<u>-685,000</u>	<u>2,978,000</u>	<u>(2,725,000)</u>	<u>2,752,000</u>
Non-Cash pension termination expense included in operating expense above			<u>7,325,000</u>	
NET CASH FLOW FROM ENTRANCE FEES (Total Deposits Less Refunds)	<u>18,315,000</u>	<u>16,839,000</u>	<u>23,163,000</u>	<u>24,980,000</u>

DESCRIPTION OF SECURED DEBT AS OF MOST RECENT FISCAL YEAR END

LENDER	OUTSTANDING BALANCE	INTEREST RATE	DATE OF ORIGINATION	DATE OF MATURITY	AMORTIZATION PERIOD
Series 2010	\$101,075,000	4.25% to 6.25%	2/16/2010	2040	30 years
Series 2012	\$17,220,000	1.96%	1/2/2012	2036	24 years
Series 2013	\$20,000,000	2.1% to 5.0%	2/1/2013	2043	30 years
Series 2013	\$975,000	2.07%	2/1/2013	2020	7 years
Series 2015	\$48,285,000	2 to 5%	5/28/2015	2045	30 years
2016 Capital Lease	\$3,039,000	0.24%	12/1/2016	2023	7 years

FINANCIAL RATIOS (see next page for ratio formulas)

	2016 CCAC Medians 50 th Percentile (optional)	2015	2016	2017
DEBT TO ASSET RATIO	38.81	50.07%	47.37%	35.35%
OPERATING RATIO	97.78%	97.97%	97.47%	97.72%
DEBT SERVICE COVERAGE RATIO	2.46	3.08	3.04	2.94
DAYS CASH-ON-HAND RATIO	315	362	342	372

HISTORICAL MONTHLY SERVICE FEES

AVERAGE FEE AND PERCENT CHANGE

	2014		2015		2016		2017
STUDIO	2,227	4.00%	2,487	5.00%	2,671	5.00%	2,815
ONE BEDROOM	2,827	4.00%	2,958	5.00%	3,287	5.00%	3,504
TWO BEDROOM	3,339	4.00%	3,592	5.00%	4,532	5.00%	4,807
THREE BEDROOM							
ASSISTED LIVING							
SKILLED NURSING							
SPECIAL CARE							

COMMENTS FROM PROVIDER:

The above financial information and related disclosures represents the performance of the HumanGood NorCal Obligated Group which consists of 7 California CCRCs and the Home Office. The financial information is taken from the other financial information section of the audited financial statements. The days cash on hand ratio includes unrestricted cash and investments from HumanGood Foundation West (formerly known as American Baptist Foundation of the West.)

FINANCIAL RATIO FORMULAS

LONG-TERM DEBT TO TOTAL ASSETS RATIO

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

OPERATING RATIO

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

DEBT SERVICE COVERAGE RATIO

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

DAYS CASH ON HAND RATIO

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

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.