

Aldersly

Annual Report

September 30, 2025

Independent Auditors' Report

Board of Directors
Aldersly

Report on the Continuing Care Liquid Reserve Schedules

Opinion

We have audited the accompanying continuing care liquid reserve schedules (the Schedules) of Aldersly (the Organization), which comprise the continuing care liquid reserve schedules, as of and for the year ended September 30, 2025, and the related notes to the continuing care liquid reserve schedules.

In our opinion, the Schedules referred to above present fairly, in all material respects, the continuing care reserves of the Organization as of and for the year ended September 30, 2025, in accordance with the liquid reserve requirements of California Health and Safety Code Section 1792 as described below.

Basis for Opinion

We conducted our audit 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 Schedules section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 2 to the Schedules, which describes the basis of accounting used to prepare the Schedules. The Schedules are prepared by the Organization on the basis of the liquid reserve requirements of California Health and Safety Code Section 1792, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of California Health and Safety Code Section 1792. Our opinion is not modified with respect to this matter.

Management's Responsibility for the Schedules

Management is responsible for the preparation and fair presentation of these Schedules in accordance with the liquid reserve requirements of California Health and Safety Code Section 1792. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the Schedules that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility for the Audit of the Schedules

Our objectives are to obtain reasonable assurance about whether the Schedules 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 Schedules.

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the Schedules, 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 Schedules.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization'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 Schedules.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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.

Restriction on Use

Our report is intended solely for the information and use of management and the board of directors of the Organization and the State of California, Department of Social Services and is not intended to be, and should not be, used by anyone other than these specified parties.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the Schedules, as a whole.

The accompanying supplementary information is presented for the purpose of additional analysis and is not a required part of the Schedules. 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 Schedules. The information has been subjected to the auditing procedures applied in the audit of the Schedules, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the Schedules, or to the Schedules themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the Schedules, taken as a whole.

Baker Tilly US, LLP

San Francisco, California
February 26, 2026

ANNUAL REPORT CHECKLIST

PROVIDER(S): Aldersly

CCRC(S): Aldersly

PROVIDER CONTACT PERSON: Mike Sharkey

TELEPHONE NO.: (415) 453-7425 EMAIL: mikesharkey@aldersly.com



A complete annual report must consist of 3 copies of all of the following:

- Annual Report Checklist.
- Annual Provider Fee in the amount of: \$4,457
 - If applicable, late fee in the amount of: n/a
- Certification by the provider's **Chief Executive Officer** that:
 - The reports are correct to the best of his/her knowledge.
 - Each continuing care contract form in use or offered to new residents has been approved by the Department.
 - The provider is maintaining the required *liquid* reserves and, *when applicable*, the required refund reserve.
- Evidence of the provider's fidelity bond, as required by H&SC section 1789.8.
- Provider's audited financial statements, with an accompanying certified public accountant's opinion thereon.
- Provider's audited reserve reports (prepared on Department forms), with an accompanying certified public accountant's opinion thereon. (NOTE: Form 5-5 must be signed and have the required disclosures attached (H&SC section 1790(a)(2) and (3)).
- "Continuing Care Retirement Community Disclosure Statement" for **each** community.
- Form 7-1, "Report on CCRC Monthly Service Fees" for **each** community.
- Form 9-1, "Calculation of Refund Reserve Amount", *if applicable*. – **N/A**
- Key Indicators Report (signed by CEO or CFO (or by the authorized person who signed the provider's annual report)). The KIR may be submitted along with the annual report, but is not required until 30 days later. – **N/A**

FORM 1-1
RESIDENT POPULATION

<u>Line</u>	Continuing Care Residents	<u>TOTAL</u>
[1]	Number at beginning of fiscal year	36
[2]	Number at end of fiscal year	55
[3]	Total Lines 1 and 2	91
[4]	Multiply Line 3 by ".50" and enter result on Line 5.	x .50
[5]	Mean number of continuing care residents	45.5
All Residents		
[6]	Number at beginning of fiscal year	63
[7]	Number at end of fiscal year	78
[8]	Total Lines 6 and 7	141
[9]	Multiply Line 8 by ".50" and enter result on Line 10.	x .50
[10]	Mean number of <i>all</i> residents	70.5
[11]	Divide the mean number of continuing care residents (Line 5) by the mean number of <i>all</i> residents (Line 10) and enter the result (round to two decimal places).	0.65

FORM 1-2
ANNUAL PROVIDER FEE

<u>Line</u>		<u>TOTAL</u>
[1]	Total Operating Expenses	\$10,940,392
[a]	Depreciation	\$1,035,762
[b]	Debt Service (Interest Only)	\$2,999,407
[2]	Subtotal (add Line 1a and 1b)	\$4,035,169
[3]	Subtract Line 2 from Line 1 and enter result.	\$6,905,223
[4]	Percentage allocated to continuing care residents (Form 1-1, Line 11)	65%
[5]	Total Operating Expense of Continuing Care Residents (multiply Line 3 by Line 4)	\$4,456,562
[6]	Total Amount Due (multiply Line 5 by .001)	x .001 \$4,457

PROVIDER: ALDERSLY
COMMUNITY:



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

6/30/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Arthur J. Gallagher Risk Management Services, LLC 300 S Riverside Plaza Ste 1500 Chicago IL 60606	CONTACT NAME: PHONE (A/C. No. Ext): 312-704-0100		FAX (A/C. No): 312-803-7443
	E-MAIL ADDRESS:		
INSURER(S) AFFORDING COVERAGE			NAIC #
INSURER A : Ironshore Specialty Insurance Company			25445
INSURER B : Zurich American Insurance Company			16535
INSURER C : XL Specialty Insurance Company			37885
INSURER D :			
INSURER E :			
INSURER F :			


COVERAGES **CERTIFICATE NUMBER:** 281252583 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input checked="" type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR Policy Agg: <input checked="" type="checkbox"/> \$32,500,000 GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:			HC7SACAI55005	6/30/2025	6/30/2026	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000 Deductible \$ 0
B	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY <input checked="" type="checkbox"/> CompDed:\$500 <input checked="" type="checkbox"/> CollDed:\$500			BAP 4503108-16	6/30/2025	6/30/2026	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input checked="" type="checkbox"/> CLAIMS-MADE DED RETENTION \$			HC7SACAI6H005	6/30/2025	6/30/2026	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 50,000,000 Facility Agg \$ 10,000,000
B	<input checked="" type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y/N <input checked="" type="checkbox"/> N/A (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			WC4503170-16	6/30/2025	6/30/2026	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000
C	<input checked="" type="checkbox"/> Crime <input checked="" type="checkbox"/> Medical Prof. Liab(Claims Made)			ELU204303-25 HC7BACAI6L005	6/30/2025 6/30/2025	6/30/2026 6/30/2026	Limit of Liability \$3,000,000 Per Claim \$1,000,000 Aggregate \$3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 PROFESSIONAL LIABILITY DEDUCTIBLE IS SAME AS GL DEDUCTIBLE. The General Liability policy includes TRIA coverage
 Re: For informational purposes only.

CERTIFICATE HOLDER**CANCELLATION**

State of California 744 p Street MS 19-50 Sacramento CA 95823 USA	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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**FORM 5-1
LONG-TERM DEBT INCURRED
IN A PRIOR FISCAL YEAR
(Including Balloon Debt)**

Long-Term Debt Obligation	(a) Date Incurred	(b) Principal Paid During Fiscal Year	(c) Interest Paid During Fiscal Year	(d) Credit Enhancement Premiums Paid in Fiscal Year	(e) Total Paid (columns (b) + (c) + (d))
1	02/01/15	\$215,000	\$260,650		\$475,650
2	06/06/23		\$1,493,806		\$1,493,806
3	06/06/23		\$218,750		\$218,750
4	06/06/23		\$744,430		\$744,430
5	06/06/23		\$281,771		\$281,771
6					\$0
7					\$0
8					\$0
		TOTAL:	\$2,999,407	\$0	\$3,214,407

*(Transfer this amount to
Form 5-3, Line 1)*

NOTE: For column (b), do not include voluntary payments made to pay down principal.

PROVIDER: ALDERSLY

**FORM 5-2
LONG-TERM DEBT INCURRED
DURING FISCAL YEAR
(Including Balloon Debt)**

	(a)	(b)	(c)	(d)	(e)
Long-Term Debt Obligation	Date Incurred	Total Interest Paid During Fiscal Year	Amount of Most Recent Payment on the Debt	Number of Payments over next 12 months	Reserve Requirement (see instruction 5) (columns (c) x (d))
1					\$0
2					\$0
3					\$0
4					\$0
5					\$0
6					\$0
7					\$0
8					\$0
TOTAL:		\$0	\$0	0	\$0

*(Transfer this amount to
Form 5-3, Line 2)*

NOTE: For column (b), do not include voluntary payments made to pay down principal.

PROVIDER: ALDERSLY

**FORM 5-3
CALCULATION OF LONG-TERM DEBT RESERVE AMOUNT**

Line		TOTAL
1	Total from Form 5-1 bottom of Column (e)	<u>\$3,214,407</u>
2	Total from Form 5-2 bottom of Column (e)	<u>\$0</u>
3	Facility leasehold or rental payment paid by provider during fiscal year (including related payments such as lease insurance)	<u>NONE</u>
4	TOTAL AMOUNT REQUIRED FOR LONG-TERM DEBT RESERVE:	<u><u>\$3,214,407</u></u>

PROVIDER: ALDERSLY

**FORM 5-4
CALCULATION OF NET OPERATING EXPENSES**

Line		Amounts	TOTAL
1	Total operating expenses from financial statements		<u>\$10,940,392</u>
2	Deductions:		
	a. Interest paid on long-term debt (see instructions)	<u>\$2,999,407</u>	
	b. Credit enhancement premiums paid for long-term debt (see instructions)	<u>\$0</u>	
	c. Depreciation	<u>\$1,035,762</u>	
	d. Amortization	<u>\$0</u>	
	e. Revenues received during the fiscal year for services to persons who did not have a continuing care contract	<u>\$3,929,705</u>	
	f. Extraordinary expenses approved by the Department	<u>\$0</u>	
3	Total Deductions		<u>\$7,964,874</u>
4	Net Operating Expenses		<u>\$2,975,518</u>
5	Divide Line 4 by 365 and enter the result.		<u>\$8,152</u>
6	Multiply Line 5 by 75 and enter the result. This is the provider's operating expense reserve amount.		<u><u>\$611,408</u></u>

PROVIDER: ALDERSLY

COMMUNITY: _____

**ATTACHMENT TO FORM 5-4
CALCULATION OF NET OPERATING EXPENSES**

Provider Name: ALDERSLY

Fiscal Year Ended: SEPTEMBER 30, 2025

Amount per Form 5-4, line 2-e: Revenues received for services
to persons without a continuing care contract \$ 3,929,705

Add: Monthly care fees	2,036,859	
Extended center fees	101,190	
Assisted living fees	509,851	
Memory Care fees	108,226	
Entrance fees received	4,133,632	<u>6,889,758</u>

Cash received from residents per consolidated statement of cash flows \$ 10,819,463

**ATTACHMENT TO FORM 5-5
ANNUAL RESERVE CERTIFICATION**

Provider Name: ALDERSLY

Fiscal Year Ended: September 30, 2025

Aldersly currently maintains its Debt Service Reserve of \$3,214,407 and its Operating Expense Reserve of \$611,408 by investing in corporate stocks and bonds, U.S. government and foreign obligations, equity and fixed income funds, and cash equivalents with a combined value of \$13,871,345 at September 30, 2025. At September 30, 2025, Aldersly has \$5,685,623 in cash and cash equivalents, net of net assets with donor restrictions of \$0, available to fulfill its Debt Service Reserve and Operating Expense Reserve requirements.

As part its bond financing, at September 30, 2025, Aldersly has \$16,159,958 in reserves held by the bond trustee, of which \$8,333,267 is to be used for capital projects.

At September 30, 2025, there are no other funds specifically held for identified projects or purposes or any funds maintained or designated for specific contingencies except for board designated reserves of \$4,186,653. The income from the board designated reserves may be used for assistance to residents or other specific projects identified by the board from time to time.

Total operating expenses for the year ended September 30, 2025, amounted to \$10,940,281. This amount, divided by the mean number of all residents for the year of 71, results in per capita costs of operation of \$155,183.

**Continuing Care Retirement Community
Disclosure Statement
General Information**

Date Prepared: _____

FACILITY NAME: _____
 ADDRESS: _____ ZIP CODE: _____ PHONE: _____
 PROVIDER NAME: _____ FACILITY OPERATOR: _____
 RELATED FACILITIES: _____ RELIGIOUS AFFILIATION: _____
 YEAR OPENED: _____ # OF ACRES: _____ SINGLE STORY MULTI-STORY OTHER: _____
 MILES TO SHOPPING CTR: _____
 MILES TO HOSPITAL: _____

NUMBER OF UNITS:

RESIDENTIAL LIVING	HEALTH CARE
APARTMENTS — STUDIO: _____	ASSISTED LIVING: _____
APARTMENTS — 1 BDRM: _____	SKILLED NURSING: _____
APARTMENTS — 2 BDRM: _____	SPECIAL CARE: _____
COTTAGES/HOUSES: _____	DESCRIPTION: > _____
RLU OCCUPANCY (%) AT YEAR END: _____	> _____

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)* 90% 75% 50% FULLY AMORTIZED OTHER: _____

RANGE OF ENTRANCE FEES: \$ _____ - \$ _____ **LONG-TERM CARE INSURANCE REQUIRED?** YES NO

HEALTH CARE BENEFITS INCLUDED IN CONTRACT: _____

ENTRY REQUIREMENTS: MIN. AGE: _____ PRIOR PROFESSION: _____ OTHER: _____

RESIDENT REPRESENTATIVE(S) TO, AND RESIDENT MEMBER(S) ON, THE BOARD (briefly describe provider's compliance and residents' role): > _____

> _____

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

PROVIDER NAME: _____

OTHER CCRCs

LOCATION (City, State)

PHONE (with area code)

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

MULTI-LEVEL RETIREMENT COMMUNITIES

LOCATION (City, State)

PHONE (with area code)

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

FREE-STANDING SKILLED NURSING

LOCATION (City, State)

PHONE (with area code)

_____	_____	_____
_____	_____	_____
_____	_____	_____

SUBSIDIZED SENIOR HOUSING

LOCATION (City, State)

PHONE (with area code)

_____	_____	_____
_____	_____	_____
_____	_____	_____

NOTE: PLEASE INDICATE IF THE FACILITY IS A LIFE CARE FACILITY.

PROVIDER NAME: _____

	2022	2023	2024	2025
INCOME FROM ONGOING OPERATIONS				
OPERATING INCOME (Excluding amortization of entrance fee income)				
LESS OPERATING EXPENSES (Excluding depreciation, amortization, and interest)				
NET INCOME FROM OPERATIONS				
LESS INTEREST EXPENSE				
PLUS CONTRIBUTIONS				
PLUS NON-OPERATING INCOME (EXPENSES) (excluding extraordinary items)				
NET INCOME (LOSS) BEFORE ENTRANCE FEES, DEPRECIATION AND AMORTIZATION				
NET CASH FLOW FROM ENTRANCE FEES (Total Deposits Less Refunds)				

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

LENDER	OUTSTANDING BALANCE	INTEREST RATE	DATE OF ORIGINATION	DATE OF MATURITY	AMORTIZATION PERIOD

FINANCIAL RATIOS (see next page for ratio formulas)

	CCAC 50 th Percentile <i>(optional)</i>	2023	2024	2025
DEBT TO ASSET RATIO				
OPERATING RATIO				
DEBT SERVICE COVERAGE RATIO				
DAYS CASH ON HAND RATIO				

HISTORICAL MONTHLY SERVICE FEES (Average Fee and Change Percentage)

	2022	%	2023	%	2024	%	2025
STUDIO							
ONE BEDROOM							
TWO BEDROOM							
COTTAGE/HOUSE							
ASSISTED LIVING							
SKILLED NURSING							
SPECIAL CARE							

COMMENTS FROM PROVIDER: > _____
 > _____
 > _____

PROVIDER NAME: _____

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.

FORM 7-1
REPORT ON CCRC MONTHLY CARE FEES

	<u>RESIDENTIAL LIVING</u>	<u>ASSISTED LIVING</u>	<u>EXTENDED CARE</u>
[1] Monthly Care Fees at beginning of reporting period: (indicate range, if applicable)	\$5,510 to \$8,280	\$9,589 to \$11,028	\$473/day to \$529/day
[2] Indicate percentage of increase in fees imposed during reporting period: (indicate range, if applicable)	4.5%	5%	0%

Check here if monthly care fees at this community were not increased during the reporting period. (If you checked this box, please skip down to the bottom of this form and specify the names of the provider and community.)

[3] Indicate the date the fee increase was implemented: October 1, 2025
(If more than one (1) increase was implemented, indicate the dates for each increase.)

[4] Check each of the appropriate boxes:

- Each fee increase is based on the provider's projected costs, prior year per capita costs, and economic indicators.
- All affected residents were given written notice of this fee increase at least 30 days prior to its implementation. **Date of Notice:** July 31, 2025 **Method of Notice:** Letter
- At least 30 days prior to the increase in fees, the designated representative of the provider convened a meeting that all residents were invited to attend. **Date of Meeting:** August 7, 2025
- At the meeting with residents, the provider discussed and explained the reasons for the increase, the basis for determining the amount of the increase, and the data used for calculating the increase.
- The provider provided residents with at least 14 days advance notice of each meeting held to discuss the fee increases. **Date of Notice:** July 18, 2025
- The governing body of the provider, or the designated representative of the provider posted the notice of, and the agenda for, the meeting in a conspicuous place in the community at least 14 days prior to the meeting. **Date of Posting:** July 18, 2025 **Location of Posting:** Touchtown (visual board) monthly resident calendar

[5] On an attached page, provide a concise explanation for the increase in monthly care fees including the amount of the increase and compliance with the Health and Safety Code. See **PART 7 REPORT ON CCRC MONTHLY CARE FEE** in the **Annual Report Instruction** booklet for further instructions.

PROVIDER: Aldersly
COMMUNITY: _____

ALDERSLY

ATTACHMENT TO FORM 7-1 INCREASES IN MONTHLY SERVICE FEES

Year ended September 30, 2025

Aldersly's continuing care contracts do not specify a rate or dollar amount that monthly fees may be raised on an annual basis. The contract allows for adjustments periodically as deemed necessary based on financial indicators. The Board of Directors is responsible for reviewing financial indicators and recommending increases. Increases are determined on a case-by-case basis within the parameters set by the Board based on individual resident's factors. For the year ended September 30, 2025, the average increase in service fees for residential living was 4.5%. For the year ended September 30, 2025, the average increase in service fees for assisted living and memory (special care) was 5.0%.

Several factors were attributed to the monthly services, specifically rising medical costs associated with care for nursing and personal care.

The Aldersly Board of Directors budgets every year to keep resident monthly service fee increases low, but ongoing demands for increased services and higher wages consistently result in increases in fees. Overall low unemployment in the Bay Area for medical professionals requires the community to budget wages and staffing accordingly to continue to provide current services.

Aldersly

Notes to Continuing Care Liquid Reserve Schedules
September 30, 2025

1. Description of Operations

Founded in 1921 by Danish immigrants as a not-for-profit retirement community located in San Rafael, California, Aldersly today is a diverse and vibrant mix of residents from many cultural backgrounds. Aldersly is a continuing care retirement community that offers three lifestyle options - Independent Living, Assisted Living, and memory (special care). Residents are able to seamlessly transition between care levels, as necessary.

2. Basis of Accounting

The accompanying continuing care liquid reserve schedules have been prepared in accordance with the provisions of Health and Safety Code Section 1792 administered by the State of California, Department of Social Services and are not intended to be a complete presentation of the Aldersly's assets, liabilities, revenues and expenses.