

COVENANT WOODS

FILING OF QUARTERLY INFORMATION

Issuer:	Economic Development Authority of Hanover County (Virginia)	CUSIP#
Bonds:	\$30,200,000 Residential Facility Revenue Bonds (Covenant Woods) Series 2018	41077CAP0 41077CAR6 41077CAQ8 41077CAS4
	\$54,540,000 Residential Facility Revenue Bonds (Covenant Woods) Series 2022	41077CAT2 41077CAU9 41077CAV7 41077CAW5 41077CAX3 41077CAY1 41077CAZ8 41077CBA2 41077CBB0 41077CBC8

Date: October 27, 2025

Covenant Woods, the obligated party on the above captioned bonds, is making this filing as the second of its quarterly filings for FY2026 of financial and operation information related to the Obligated Group as required in connection with the issuance of the Series 2018 and Series 2022 Bonds.

Included in this package are:

1. Business description & organizational structure
2. Officer certificate of compliance
3. Financial covenants & ratios
4. Management discussion & analysis
5. Covenant Woods financials – September 30, 2025
6. Census Summary
7. Entrance fees received

If there are any questions related to this material, please contact me at Juanita.parks@covenantwoods.com

Sincerely,

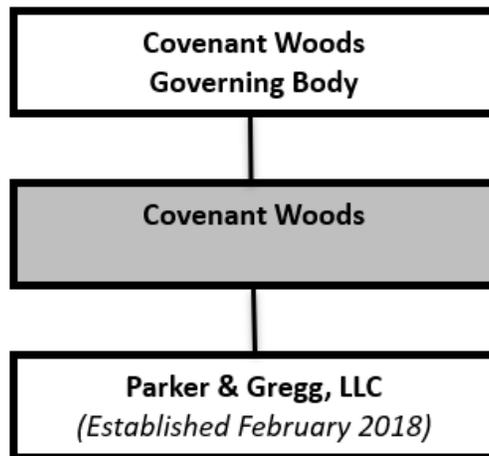
Juanita M Parks
Chief Financial Officer
Covenant Woods

Business Description and Organizational Make Up

Covenant Woods owns and operates a CCRC located at 7090 Covenant Woods Drive, Mechanicsville, Virginia 23111 in Hanover County, Virginia. Covenant Woods is a Virginia non-stock corporation without members. Covenant Woods is also the sole member of Parker & Gregg LLC, a holding company whose purpose is to help fund strategic initiatives and is outside of the Obligated Group. Parker & Gregg is a disregarded entity for tax purposes with all revenues and activities flowing through Covenant Woods 990.

Company organizational structure is as follows:

Covenant Woods Organizational Structure



 Denotes Obligated Group Member

Leadership Team:

Name	Position	Year Employed
Thom Wright	President/CEO	2021
Juanita Parks	Chief Financial Officer	2024
Carrie Davis	Administrator	2002
Erin Melton	Director of Marketing & Sales	2021
Sarah Sundberg	Director of Finance	2013
Peter Karlak	Director of Information Technology	2025
Meghan Tomes	Director of Resident Services & Compliance	2001
Emily Endert	Director of Human Resources	2006
Mike Scheff	Director of Dining Services	2015
LaFon Jackson	Director of Nursing	2021
Andrea Skeens	Director of Spiritual Care	2024
Tim Coffman	Director of Facilities	2020
Laurie Ursiny	Director of Philanthropy	2022
Stephanie Stevens	Director of Rehabilitation	2023

Obligated Group Member Information**Covenant Woods:**

Accreditation	CARF (Since 2005)
Medicare Star Rating	4 Stars
# of Independent Living Units	231
# of Assisted Living Beds	60
# of Nursing Beds	62

**OFFICER'S QUARTERLY CERTIFICATE REGARDING ADDITIONAL
DISCLOSURE**

I, Juanita M Parks, DO HEREBY CERTIFY that:

1. I am Chief Financial Officer of Covenant Woods, a not-for-profit Virginia nonstock corporation (the "Corporation").

2. This certificate is being delivered pursuant to Section 5.11 of the Loan Agreement, between the Corporation and the Economic Development Authority of Hanover County. Any capitalized terms used herein and not defined shall have the meaning assigned to them in the Loan Agreement.

3. For the quarter ended September 30, 2025, the Obligated Group's Debt Service Coverage Ratio was 3.78. See Financial Covenants.

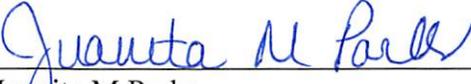
4. As of September 30, 2025, the ratio of the Obligated Group's cash and unrestricted investments to Indebtedness was 0.57.

5. As of September 30, 2025, the Obligated Group's Days' Cash on Hand was 510. See Financial Covenants.

6. The occupancy statistics for the Corporation are attached hereto as Census Summary.

7. To the best of my knowledge, the Corporation is in compliance with all covenants contained in the Loan Agreement, the Master Indenture and the Bond Indenture (including any covenant incorporated therein by reference).

IN WITNESS WHEREOF, I have hereunto set my hand this 27th day of October 2025.



Juanita M Parks
Chief Financial Officer

**OBLIGATED GROUP
FINANCIAL COVENANTS
FY 2025**

September

	Actual	Budget
Debt Service Coverage Ratio*:		
Change in Unrestricted Net Assets	\$ 5,027,537	\$ (435,056)
Non-cash transactions:		
Less entrance fee amortization	(3,821,464)	(3,734,980)
Add depreciation and amort of right of use asset	3,160,083	3,235,000
Add unrealized loss/Subtract unrealized gain on investments	(4,148,721)	0
Change in Investment in Subsidiary	58,434	0
Cash transactions:		
Add interest expense	1,852,869	1,864,122
Add Loss/Subtract Gain on Disposal of Assets	(1,035)	0
Add entrance fees received	7,961,352	5,963,257
Less entrance fee refunded	(247,335)	(462,658)
Income Available to Service debt	<u>\$ 9,841,720</u>	<u>\$ 6,429,685</u>
Debt Service		
Annual Debt Service (Bond and CATIE tablets)	\$ 2,604,561	\$ 2,604,561
Total Debt Service	<u>\$ 2,604,561</u>	<u>\$ 2,604,561</u>
Debt Service Coverage Ratio	3.78	2.47
Required by Bond Agreement*^	1.00	
Debt Service Coverage Ratio, Operations Only	0.63	0.00
Days' Cash on Hand*:		
Cash and cash equivalents	\$3,440,169	\$2,706,000
Investments	41,714,666	34,305,000
	<u>\$45,154,835</u>	<u>\$37,011,000</u>
Total Operating Expenses	\$19,385,856	\$20,035,344
Add:		
Amort of bond premium included in interest expense	\$132,798	\$132,798
Less:		
Depreciation & Right of Use Asset Amort	(3,160,083)	(3,235,000)
Amort of deferred financing costs included in interest expense	(\$54,452)	(\$54,452)
Amort of capitalized interest included in interest expense	(\$106,270)	(\$106,270)
	<u>16,197,849</u>	<u>16,772,420</u>
Days Cash on Hand	510	404
Required by Bond Agreement*	150	

* Measured Only at Fiscal Year End

^DSCR is 1.00 if Days Cash on Hand is greater than or equal to 300 days. If Days Cash on Hand is less than 300 days, the DSCR increases to 1.20.

Covenant Woods FY 2026 - 2nd Quarter Discussion & Analysis

Revenues

Total revenues through Q2 2026 were \$722k (3.7%) over budget at \$20.3m vs a budget of \$19.6m and \$1.6m (8.3%) more than the previous year's results. The favorable variance is primarily related to Independent Living (IL) service fees of \$236k combined with favorable interest and dividend revenue of \$294k and increased gift and donations of \$125k. IL occupancy for FY2026 continues to remain strong with a year-to-date average occupancy of 96.0% vs a budget of 90.1%. IL experienced 15 move-ins and 8 turnovers, resulting in a net increase in occupancy of 7 units, generating \$7.7m in net entrance fees. Occupied census for Assisted Living was over budget at 90% vs a budget of 87%, while Memory Support was slightly under budget at 79% vs. a budget of 81%. Nursing Care occupancy was on budget at 89%.

Expenses

Total expenses through Q2 2026 totaled \$19.4m vs a budget of \$20.0m resulting in a positive variance to budget of \$649k (3.2%). Compared to the previous year, expenses remained at \$19.4m. The Q2 2026 positive variance was largely due to savings in salary and payroll-related expenses of \$321k tied to open positions that are currently being recruited for, as well as timing-related savings of \$120k in supplies and materials, and \$67k related to savings in food costs.

Covenants

As of the end of 2Q 2026, Days Cash on Hand (DCOH) stood at 510 days, significantly above the budgeted 401 days and well above the required 150 days. The Debt Service Coverage Ratio (DSCR) was 3.78x, exceeding both the budgeted 2.45x and the required 1.00x.

Covenant Woods
Statement of Operations
For the Six Months Ending Tuesday, September 30, 2025

Actual To Budget	Actual	Budget	Over (Under)	%	YTD Actual	YTD Budget	Over (Under)	%
Unrestricted revenue, gains, and other support:								
Residential Services - Independent	\$1,502,793	\$1,448,475	\$54,318	3.8%	\$9,071,617	\$8,835,697	\$235,920	2.7%
Residential Services - Assisted Living, net of contractals	335,521	329,612	5,909	1.8%	1,974,527	2,010,632	(36,105)	-1.8%
Residential Services - Nursing, net of contractals	521,334	572,167	(50,833)	-8.9%	3,258,478	3,490,221	(231,743)	-6.6%
Therapy, net of contractals	34,429	1,538	32,891	2138.6%	240,274	9,379	230,895	2461.8%
Amortization of Entrance Fees	521,466	622,497	(101,031)	-16.2%	3,821,464	3,734,980	86,484	2.3%
Administrative Fees on New Entrance Fees	155,449	79,510	75,939	95.5%	524,032	477,061	46,971	9.8%
Covenant Program Expenses	(44,687)	(44,027)	(660)	-1.5%	(321,458)	(264,165)	(57,293)	-21.7%
Covenant Fund Income and Reimbursements	20,963	16,500	4,463	27.0%	93,523	99,000	(5,477)	-5.5%
Gifts and donations	116,156	0	116,156	100.0%	130,969	0	130,969	100.0%
Interest and dividend income	234,620	170,000	64,620	38.0%	917,560	622,882	294,678	47.3%
Net realized gain (loss) on sale of investments	0	0	0	0.0%	20,868	0	20,868	100.0%
Other	94,566	123,439	(28,873)	-23.4%	589,965	584,601	5,364	0.9%
	<u>3,492,610</u>	<u>3,319,711</u>	<u>172,899</u>	<u>5.2%</u>	<u>20,321,819</u>	<u>19,600,288</u>	<u>721,531</u>	<u>3.7%</u>
Expenses:								
Salaries	1,420,580	1,519,859	(99,279)	-6.5%	8,659,491	9,085,987	(426,496)	-4.7%
Benefits	247,948	152,509	95,439	62.6%	997,540	892,057	105,483	11.8%
Supplies and materials	53,842	72,980	(19,138)	-26.2%	338,868	459,215	(120,347)	-26.2%
Depreciation and amortization	541,443	535,796	5,647	1.1%	3,133,554	3,208,471	(74,917)	-2.3%
Repairs and maintenance	98,192	84,204	13,988	16.6%	556,663	507,051	49,612	9.8%
Professional fees	38,192	55,707	(17,515)	-31.4%	253,104	297,296	(44,192)	-14.9%
Food	144,976	159,964	(14,988)	-9.4%	895,427	961,809	(66,382)	-6.9%
Occupancy costs	124,986	161,191	(36,205)	-22.5%	930,643	971,143	(40,500)	-4.2%
Taxes	84,727	84,727	0	0.0%	556,805	508,361	48,444	9.5%
Insurance	50,802	49,160	1,642	3.3%	276,006	290,500	(14,494)	-5.0%
Interest	309,085	314,681	(5,596)	-1.8%	1,879,397	1,890,651	(11,254)	-0.6%
Other	155,983	149,933	6,050	4.0%	908,358	962,803	(54,445)	-5.7%
	<u>3,270,756</u>	<u>3,340,711</u>	<u>(69,955)</u>	<u>-2.1%</u>	<u>19,385,856</u>	<u>20,035,344</u>	<u>(649,488)</u>	<u>-3.2%</u>
Operating Income (Loss)	221,854	(21,000)	242,854	1156.4%	935,963	(435,056)	1,371,019	315.1%
Net realized gain (loss) on disposal of assets	150	0	150	100.0%	1,035	0	1,035	100.0%
Excess of revenues, gains and other support over expenses	<u>222,004</u>	<u>(21,000)</u>	<u>243,004</u>	<u>1157.2%</u>	<u>936,998</u>	<u>(435,056)</u>	<u>1,372,054</u>	<u>315.4%</u>
Other changes in unrestricted net assets:								
Net unrealized gain (loss) on investments	983,042	0	983,042	100.0%	4,148,721	0	4,148,721	100.0%
Change in Investment in Subsidiaries	(37,118)	0	(37,118)	100.0%	(58,434)	0	(58,434)	100.0%
Increase (decrease) in unrestricted net assets	<u>1,167,928</u>	<u>(21,000)</u>	<u>1,188,928</u>	<u>5661.6%</u>	<u>5,027,285</u>	<u>(435,056)</u>	<u>5,462,341</u>	<u>1255.5%</u>

Covenant Woods
Statement of Operations Comparison Quarter
For The Quarter Ending Sept 30, 2025

Actual To Actual	Current QTR	Prior Year QTR	Over		Current YTD	Prior YTD	Over	
	Actual	Actual	(Under)	%	Actual	Actual	(Under)	%
Unrestricted revenue, gains, and other support:								
Residential Services - Independent	\$4,515,226	\$4,128,836	\$386,390	9.4%	\$9,071,617	\$8,310,765	\$760,852	9.2%
Residential Services - Assisted Living, net of contractals	995,189	948,760	46,429	4.9%	1,974,527	1,868,026	106,501	5.7%
Residential Services - Nursing, net of contractals	1,626,647	1,700,634	(73,987)	-4.4%	3,258,478	3,329,479	(71,001)	-2.1%
Therapy, net of contractals	105,768	4,860	100,908	2076.3%	240,274	8,040	232,234	2888.5%
Amortization of Entrance Fees	1,675,390	1,940,075	(264,685)	-13.6%	3,821,464	3,948,349	(126,885)	-3.2%
Administrative Fees on New Entrance Fees	221,530	106,889	114,641	107.3%	524,032	221,826	302,206	136.2%
Covenant Program Expenses	(169,717)	(131,195)	(38,522)	-29.4%	(321,458)	(251,703)	(69,755)	-27.7%
Covenant Fund Income and Reimbursements	62,605	27,844	34,761	124.8%	93,523	57,876	35,647	61.6%
Gifts and donations	119,416	108,146	11,270	10.4%	130,969	113,178	17,791	15.7%
Interest and dividend income	417,262	308,772	108,490	35.1%	917,560	633,355	284,205	44.9%
Net realized gain (loss) on sale of investments		144,406	(144,406)	-100.0%	20,868	(140,601)	161,469	114.8%
Other	280,738	329,569	(48,831)	-14.8%	589,965	659,278	(69,313)	-10.5%
	<u>9,850,054</u>	<u>9,617,596</u>	<u>232,458</u>	<u>2.4%</u>	<u>20,321,819</u>	<u>18,757,868</u>	<u>1,563,951</u>	<u>8.3%</u>
Expenses:								
Salaries	4,286,531	4,311,966	(25,435)	-0.6%	8,659,491	8,600,448	59,043	0.7%
Benefits	653,899	492,678	161,221	32.7%	997,540	857,966	139,574	16.3%
Supplies and materials	169,362	187,695	(18,333)	-9.8%	338,868	398,374	(59,506)	-14.9%
Depreciation and amortization	1,569,841	1,598,091	(28,250)	-1.8%	3,133,554	3,161,588	(28,034)	-0.9%
Repairs and maintenance	276,492	264,151	12,341	4.7%	556,663	476,466	80,197	16.8%
Professional fees	126,001	169,305	(43,304)	-25.6%	253,104	424,928	(171,824)	-40.4%
Food	443,544	451,745	(8,201)	-1.8%	895,427	923,531	(28,104)	-3.0%
Occupancy costs	457,255	506,063	(48,808)	-9.6%	930,643	1,032,193	(101,550)	-9.8%
Taxes	251,484	236,499	14,985	6.3%	556,805	480,366	76,439	15.9%
Insurance	124,658	151,512	(26,854)	-17.7%	276,006	307,088	(31,082)	-10.1%
Interest	929,816	951,736	(21,920)	-2.3%	1,879,397	1,918,777	(39,380)	-2.1%
Other	458,840	420,011	38,829	9.2%	908,358	850,076	58,282	6.9%
	<u>9,747,723</u>	<u>9,741,452</u>	<u>6,271</u>	<u>0.1%</u>	<u>19,385,856</u>	<u>19,431,801</u>	<u>(45,945)</u>	<u>-0.2%</u>
Operating Income (Loss)	102,331	(123,856)	226,187	182.6%	935,963	(673,933)	1,609,896	238.9%
Net realized gain (loss) on disposal of assets	350	465	(115)	-24.7%	1,035	545	490	89.9%
Excess of revenues, gains and other support over expenses	102,681	(123,391)	226,072	183.2%	936,998	(673,388)	1,610,386	239.1%
Other changes in unrestricted net assets:								
Net unrealized gain (loss) on investments	1,988,747	1,142,197	846,550	74.1%	4,148,721	1,514,174	2,634,547	174.0%
Change in Investment in Subsidiaries	(37,118)	(2,132)	(34,986)	-1641.0%	(58,434)	(10,000)	(48,434)	-484.3%
Increase (decrease) in unrestricted net assets	<u>2,054,310</u>	<u>1,016,674</u>	<u>1,037,636</u>	<u>102.1%</u>	<u>5,027,285</u>	<u>830,786</u>	<u>4,196,499</u>	<u>505.1%</u>

**Covenant Woods
Balance Sheet**

	September 2025	March 2025	Variance
Assets			
Current Assets:			
Cash and cash equivalents	\$3,440,169	\$3,189,020	\$251,149
Residents' accounts receivable - net	373,293	430,070	(56,777)
Entrance fee receivable	0	1,468,473	(1,468,473)
Prepaid expenses and other	902,342	272,101	630,241
	<u>4,715,803</u>	<u>5,359,664</u>	<u>(643,860)</u>
Assets whose use is limited:			
Funds Held by Escrow Agent	372,847	3,500	369,347
Externally restricted under bond indenture, principal and interest	1,452,624	2,473,754	(1,021,130)
Externally restricted under bond indenture, reserve fund	5,497,963	5,480,185	17,778
Externally restricted under permanent donor restriction	1,551,970	1,496,772	55,198
Temporarily Restricted Investments	3,255,677	3,064,822	190,855
	<u>12,131,080</u>	<u>12,519,033</u>	<u>(387,953)</u>
Investments	41,714,666	31,580,394	10,134,272
Investment in Parker & Gregg, LLC	305,036	370,346	(65,310)
Investment in Advance Care, LLC	12,075	5,199	6,876
Property, plant and equipment	170,501,679	169,560,510	941,168
Accumulated Depreciation	(71,864,979)	(68,842,635)	(3,022,345)
Construction in Progress	240,276	328,411	(88,135)
Other assets:			
Other	539,610	583,721	(44,111)
	<u>539,610</u>	<u>583,721</u>	<u>(44,111)</u>
Total Assets	<u>158,295,246</u>	<u>151,464,643</u>	<u>6,830,603</u>
Liabilities and Net Assets			
Current Liabilities:			
Accounts payable	1,151,874	463,928	687,946
Accrued salaries and benefits	1,230,208	1,136,237	93,970
Interest payable	876,540	893,025	(16,485)
Advance fee deposits	138,500	164,500	(26,000)
Current portion of long-term debt	1,740,000	1,670,000	70,000
Other	1,480,044	1,246,891	233,153
	<u>6,617,165</u>	<u>5,574,581</u>	<u>1,042,584</u>
Deferred Finance Costs	(1,388,642)	(1,443,094)	54,452
Long-term debt	78,925,000	80,665,000	(1,740,000)
Funds Held by Escrow Agent	372,847	3,500	369,347
Lease Liability	0	160,947	(160,947)
Deferred revenue from Entrance Fees	60,454,704	58,053,673	2,401,031
Refundable Entrance Fees	2,344,699	2,644,399	(299,700)
Bond Premium	3,091,381	3,224,179	(132,798)
	<u>150,417,153</u>	<u>148,883,185</u>	<u>1,533,969</u>
Total Liabilities	150,417,153	148,883,185	1,533,969
Net Assets:			
Unrestricted	3,316,499	(1,835,330)	5,151,829
Temporarily Restricted	3,064,821	2,905,138	159,683
Permanently restricted	1,496,772	1,511,650	(14,878)
	<u>7,878,092</u>	<u>2,581,459</u>	<u>5,296,634</u>
Total Liabilities and Net Assets	<u>158,295,246</u>	<u>151,464,643</u>	<u>6,830,603</u>

Covenant Woods
Statement of Cash Flows

	<u>Sept 2025</u>	<u>March 2025</u>
Cash flows from operating activities		
Change in net assets	\$ 5,296,634	\$ (343,080)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Loss on disposal of assets	-	88,647
Amortization of deferred revenue from advance fees	(3,696,762)	(8,256,784)
Proceeds from advance fees and deposits	6,342,177	12,574,490
Depreciation and amortization	3,057,516	6,206,682
Net realized and unrealized losses (gains) on investments	(4,169,589)	(426,623)
Change in fair value of permanent donor restrictions	(55,198)	14,878
Net change in:		
Resident accounts receivable	56,777	(4,036)
Entrance Fee Receivable	1,468,473	(1,468,473)
Prepaid expenses and other	(630,241)	125,822
Externally restricted under temporary donor restriction	(190,855)	(130,026)
Right of Use Asset	76,035	(380,177)
Other assets	44,111	(119,487)
Accounts payable	687,946	(105,576)
Accrued salaries and benefits	93,971	145,313
Interest payable	(16,485)	(15,899)
Other liabilities	233,154	62,767
Net cash provided by operating activities	<u>8,597,664</u>	<u>7,968,437</u>
Cash flows from investing activities		
Purchases of property, plant and equipment	(1,097,039)	(2,676,858)
(Increase) decrease of investments	(5,964,682)	(3,725,909)
(Increase) decrease of investment in subsidiaries	58,434	159,457
Bond trustee funds	1,003,352	(42,613)
Net cash used by investing activities	<u>(5,999,936)</u>	<u>(6,285,922)</u>
Cash flows from financing activities		
Proceeds from long term debt	-	-
Capital Lease Liability	(160,947)	160,947
Principal payments on long-term debt	(1,670,000)	(1,610,000)
Amortization of deferred costs	54,452	117,423
Refunds to residents	(570,084)	(196,335)
Net cash used by financing activities	<u>(2,346,579)</u>	<u>(1,527,965)</u>
Net (decrease) increase in cash and cash equivalents	251,149	986,977
Cash and cash equivalents at beginning of year	<u>3,189,020</u>	<u>2,037,543</u>
Cash and cash equivalents at end of period	<u>\$ 3,440,169</u>	<u>\$ 3,189,020</u>

IL Census Changes FY26

Independent Living Turnovers by Month FY26												
	<u>April</u>	<u>May</u>	<u>*June</u>	<u>July</u>	<u>August**</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>	<u>January</u>	<u>February</u>	<u>March</u>
Beg. IL census (1st person)	213	220	219	221	221	219	220	220	220	220	220	220
Turnovers	0	-1	-1	-2	-2	-2	0	0	0	0	0	0
Transfers In	0	0	1	0	0	0	0	0	0	0	0	0
Move-ins	7	0	2	2	0	3	0	0	0	0	0	0
Ending IL census	220	219	221	221	219	220	220	220	220	220	220	220
Available Units	231	231	231	231	230	230	230	230	230	230	230	230
% Occupancy - Actual	95%	95%	96%	96%	95%	96%	96%	96%	96%	96%	96%	96%
% Occupancy - Budget	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%	92%

Average occupancy 96%
Total turnovers -8
Total Transfers In 1 * Beginning June 2025, a second person in IL is occupying a Primrose.
Total move-ins 14

**Starting Aug 2025 another Bradford Cottage was taken offline for renovations - total IL units reduced back to 230

Move-In Entrance Fee Contract Type by Month FY26													
	<u>April</u>	<u>May</u>	<u>*June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>Total</u>
Lifecare Contract (1st person)	7	0	2	2	0	2							13
Per Diem Contract (1st person)	0	0	0	0	0	1							1
Total	7	0	2	2	0	3	0	0	0	0	0	0	14

LifeCare vs Per Diem IL Census by Month FY26												
	<u>April</u>	<u>May</u>	<u>*June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>	<u>January</u>	<u>February</u>	<u>March</u>
Lifecare Contract (1st person)	205	204	206	206	204	204	205	205	205	205	205	205
Per Diem Contract (1st person)	15	15	15	15	15	16	15	15	15	15	15	15
Total	220	219	221	221	219	220	220	220	220	220	220	220
% of Per Diem Contracts	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%

LifeCare Contract Type IL Census by Month FY26												
	<u>April</u>	<u>May</u>	<u>*June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>	<u>January</u>	<u>February</u>	<u>March</u>
Declining Refund (1st person)	199	198	200	200	198	198	199	199	199	199	199	199
50% Guaranteed (1st person)	4	4	4	4	4	4	4	4	4	4	4	4
90% Guaranteed (1st person)	2	2	2	2	2	2	2	2	2	2	2	2
Total	205	204	206	206	204	204	205	205	205	205	205	205

* Beginning June 2025, a second person in IL is occupying a Primrose.

**Entrance Fees Received and Disposition of Those Fees (Cash Basis)
As of 09/30/2025**

<u>Month</u>	<u>Entrance Fees Received</u>	<u>Entrance Fees Refunded</u>	<u>Promissory Note Payments</u>	<u>Net Fees Received</u>	<u>Promissory Notes Issued</u>
April	\$ 3,050,596	\$ -	\$ 315,513	\$ 3,366,109	\$ -
May	-	-	-	-	-
June	468,818	-	-	468,818	448,869
July	736,937	(247,335)	300,000	789,602	-
August	-	-	852,960	852,960	-
September	1,787,659	-	448,869	2,236,528	-
October	-	-	-	-	-
November	-	-	-	-	-
December	-	-	-	-	-
January	-	-	-	-	-
February	-	-	-	-	-
March	-	-	-	-	-
Total	\$ 6,044,010	\$ (247,335)	\$ 1,917,342	\$ 7,714,017	\$ 448,869

<u>Disposition of Fees Received</u>	
Total Used for Operations	\$ 7,961,352
Total Entrance Fees Refunded	(247,335)
Total	\$ 7,714,017

Current Liability for Entrance Fee Refunds - due within one year*

*This amount is for entrance fees that are currently due to be paid out within one year.

\$	519,084
\$	-
\$	<u>519,084</u>