

Carroll Lutheran Village, Inc.
Disclosure Statement
October 2024

The issuance of a certificate of registration does not constitute approval, recommendation, or endorsement of Carroll Lutheran Village, Inc. by the Maryland Department of Aging.

The issuance of a certificate of registration is neither evidence of, nor does it attest to, the accuracy or completeness of the information set out in the Disclosure Statement.

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Attached Exhibits

- Exhibit A, Certified Financial Statements for Year-end 2024
- Exhibit B, Carroll Lutheran Village Avondale Place Renovation
- Exhibit C, Schedule of Fees

Description of Carroll Lutheran Village, Inc.

Carroll Lutheran Village, Inc. (also hereafter referred to as “the Village”) welcomed its first residents in 1980 as a faith-based, non-profit organization that was created to provide services, programs and care to adults aged 60 and older. Today the Village is a, fee- for-service continuing care retirement community, situated on about 100 acres overlooking the Wakefield Valley just west of the City of Westminster. All campus buildings and the land they are situated on are wholly owned by Carroll Lutheran Village, Inc.

The Village is home to approximately 600 residents across three levels of care: Residential Living, Assisted Living, and Skilled Nursing. Residential living offers 281 apartments and 100 individual homes, duplexes and fourplexes for those seniors able to live independently.

Residents are encouraged to pursue individual interests and recreations in a stimulating environment. A wide variety of amenities are offered, including a robust activities program, both on and off campus; fitness programming with personal trainers, a full equipped gym and pool; numerous dining venues for relaxed or more formal dining; and transportation to shopping locations and medical providers.

Diven House offers 63 licensed assisted living care beds. A structured activities program and ongoing service plan reviews help ensure that resident care is individualized, and that appropriate assistance is provided with regard to activities of daily living.

The Memory Care unit offers 20 beds for assisted living residents diagnosed with Alzheimer’s disease or other related dementias. Team members in this secure unit receive enhanced training and activities are designed to better meet the special needs of dementia residents.

The Health Care Center has 83 dually licensed beds that provide skilled nursing services for short term rehabilitative care, as well as for long term care placement. Physical, occupational and speech therapies are available. Residents of the Village have priority access to Diven House, the Memory Care unit and the Health Care Center, but seniors in the greater community are also welcome.

The Village’s focus on resident wellness guides the development and delivery of our independent living programs and services. Our holistic approach is intended to help residents achieve personal growth and harmony in mind, body and spirit. Our Wellness team members continually assist residents in achieving their personal goals, whether they involve enhanced physical activities, additional social and leisure engagements, or spiritual pursuits. Over 300 residents participate in our wellness programs and events, and approximately 250 residents regularly use our gym, pool or attend our fitness activities

Carroll Lutheran Village is known for our strong legacy of service. Volunteers are a vital part of our ministry of caring, and they play an integral role in our operation. We are fortunate to

have several hundred volunteers, both residents and members of the wider community, who willingly and consistently donate their times and talents to serve in a variety of ways.

And, while the Village serves in the Lutheran tradition, people of all faiths are welcome and embraced. The Chaplaincy program works to meet the spiritual and pastoral needs of residents individually and through weekly ecumenical services. Other communities of faith are also encouraged to host services on the Village campus, including Jewish, Catholic, and other Protestant denominations.

The Village is actively involved in LeadingAge, a national organization focusing on education, advocacy and applied research in the field of aging, and its local affiliate LeadingAge Maryland.

Entity Information & Tax-Exempt Status

Entity Name: Carroll Lutheran Village, Inc.

Entity & Facility Address: 300 St. Luke Circle, Westminster, MD 21158

State of Incorporation: Maryland

Registered Agent: Jeff Branch, President and Chief Executive Officer

Tax Status: 501(c)3

Governing Body

Appointment of Trustees

Members of the Carroll Lutheran Village, Inc. corporation are appointed by the members of the Lutheran Social Ministries of Maryland (LSMMD) board of trustees. In turn, the LSMMD Board is elected by the 26 participating congregations of the Westminster Conference of the Delaware- Maryland Synod of the Evangelical Lutheran Church in America (ELCA). The LSMMD corporation meets annually in September, at which time the corporation members elect trustees to the governing board of LSMMD. Additional meetings of the corporation may be held whenever necessary.

The Board of Trustees (also hereafter referred to as “the Board”) of Carroll Lutheran Village consists of nine to twelve members. All trustees are appointed, a majority of whom are active members of the participating congregations and includes at least two pastors actively serving one of the congregations. One but no more than three of the elected trustees shall be residents of the Village.

A Trustee may serve for two consecutive full or partial three-year terms and may be eligible for re-election two years following the completion of their term.

As a not-for profit non-stock corporation, no individual person owns an equitable or beneficial interest in Carroll Lutheran Village.

Carroll Lutheran Village's officers and their occupations are:

Jeff Branch	President/CEO, LSMMD
David Bollinger (Chair)	President, Barnes-Bollinger Insurance Services
David Morgan (Vice Chair)	Information Technology Professional
Neil Salonen	Resident, Former University President
Joseph Conklin	Controller, Certified Professional Accountant
James Schwartz	Licensed Mortician
Jenni Glennon	Associate Vice President of Administration
Dot Sisler	Resident, Former Assistant Vice President
John Olsh	Field Operations Manager

None of the individuals have a 10% or greater financial interest in any entity that is anticipated to provide goods, premises, or services with a value of \$10,000 or more to the facility or provider in a fiscal year.

In addition, no member of the Board of Trustees of LVMG: (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

Meetings and Disclosures

The Board of Trustees of Carroll Lutheran Village meets at least four times a year. A Chair, Vice Chair, Treasurer, and Secretary comprise the Executive Committee. While these officers hold key positions of responsibility in overseeing the functioning of the Board and in reporting to the Board of LSMMD, the entire Board of Trustees is ultimately responsible for the services offered at Carroll Lutheran Village, Inc.

Carroll Lutheran Village fully complies with §10-426 and 10-427 of the Human Services Article of the Annotated Code of Maryland. An authorized officer of the Village meets at least annually with the residents to present a summary of its operations, significant changes from the previous year, and the goals and objectives for the next year. The officer receives and answer questions from residents at these meetings. Furthermore, at the request of the Residents Association, an officer of the Village attends meetings of the Residents Association to give reports and address issues.

There are currently no matters of disclosure that would be reportable under Title 10-425(6) of the Human Services Article.

Board Minutes

The Board is required by the Human Services Article section 10-427 (C) to make non-confidential portions of the minutes of its meetings available to residents within one month of the approval of the minutes by the Board.

Residents Association Council

Residents organize, operate and participate fully in a Residents Association in all levels of care. Carroll Lutheran Village, Inc. makes available areas for private meetings. The objective of the Association is to function as a liaison between the residents and the administration, and to promote programs that help ensure resident quality of life.

Affiliations

Evangelical Lutheran Church in America

Carroll Lutheran Village, Inc. is affiliated with the Evangelical Lutheran Church in America, which has no responsibility for the financial and contractual obligations of the Village.

Lutheran Social Ministries of Maryland

The Lutheran Village at Miller's Grant (LVMG) was a wholly owned subsidiary of Carroll Lutheran Village, Inc. until October 2018 when the corporation restructured. Carroll Lutheran Village and the Lutheran Village at Miller's Grant are now sister organizations under a new parent organization, the Lutheran Social Ministries of Maryland (LSMMD). Lutheran Social Ministries of Maryland is an Internal Revenue Service 501.c.3 not-for-profit designated organization, which is located at 117 E. Main Street, Westminster, MD 21157. Carroll Lutheran Village and The Lutheran Village at Millers Grant each retain a separate Board of Trustees and budgets. Additionally, both communities are assessed a Management Services Fee from the parent organization for overall management and supporting services

Operating Reserves

Carroll Lutheran Village, Inc. is in full compliance with the operating reserve requirements as defined and described by the Maryland Annotated Code, Title 10 (420-421) of the Human Services Article. By statute, the required reserve will increase on January 1, 2023 from 15% of net operating expenses to 25% of net operating expenses. Beginning with its 2013 fiscal year, the Village started incrementally reserving a portion of the 25% requirement. The incremental portion will be funded annually until the reserve is fully funded at the 25% level by January 1, 2023. As of June 30, 2024, the Village has fully funded the reserve to \$5,470,010 which meets the 25% of net operating expenses requirement.

See Exhibit A: Certified Financial Statements for the year-end 2024, note 4, page 21-22

The Village's investment policy related to reserves is one of conservatism. Investment assets generally consist of readily marketable US Government obligations and corporate securities. Principles of diversification are fundamental to the investment philosophy and achieved not only through an allocation of assets among various financial instruments, but also among various fund managers. The reserve fund investments are reviewed by the Village management and the Finance Committee of the Board and its subcommittee the Investment Committee on at least a quarterly basis, and by its independent auditing, certified public accounting firm and Board of Trustees on an annual basis.

Financial Arrangements to Address Renewal and Replacement of Buildings and Improvements

Carroll Lutheran Village, Inc. maintains a distinct reserve for the purpose of providing funds for renewal and replacement of buildings and improvements that may arise outside of the normal, annual capital budget. The funds are a Board designated portion of Assets whose use is limited. Note 4 on page 22 of the audited financial statements for June 30, 2023 states that the "Capital improvement and depreciation fund" reserve accounts for \$4,729,339 of assets whose use is limited.

In addition to the reserve, Carroll Lutheran Village, Inc. prepares detailed capital spending plans for the current and future five fiscal years. The budgets are incorporated into the projected cash flow analysis and the required funds are typically provided through the course of normal, annual operations. To the extent that required capital spending is not provided through operations, Carroll Lutheran Village, Inc. may elect to draw funds from the Capital improvement and depreciation fund or secure short term borrowing that would be allowable under the existing debt structure.

Long Term Financing

As of June, 30,2024 Carroll Lutheran Village had \$49,568,237 of outstanding long-term debt.

See Exhibit A: Certified Financial Statements for the year-end 2024.

As of September 9th, 2022, the Village refinanced its outstanding 2014 bond debt via a Cinderella financing, which will immediately establish debt service savings. The Village's Series 2022B bonds were issued in the amount of \$41,342,510. While the Series 2022A bonds issued new funds of \$10,000,000 for renovation of one of the original apartment buildings on campus. The final terms of the 2022A bonds offers a flexible prepayment structure. The refinancing will increase debt capacity for future project financing.

The final terms of the financing included a 4.25% taxable interest rate (Cinderella) for two years then replaced by a 3.36% tax exempt financing, 20-year amortization, and a 12-year term. The financing agreement offers no covenant testing for two years. The blended cost of capital for the 51.34mm loan is 3.54%.

See Exhibit B: Carroll Lutheran Village Avondale Place Renovation

Fee Structure - Current & Historical

A description of fees, including entrance fees, monthly service fees, Health Care Center fees (Skilled Nursing), and other periodic fees collected by Carroll Lutheran Village, Inc. from residents is included in this Disclosure Statement under Exhibit I. The amount and frequency of the fee changes for the current fiscal year and for each of the previous 5 years is also included. Carroll Lutheran Village, Inc. reserves the right to change current fees after issuing 45 days' notice except for in the health care center where 60 days' notice is given.

Carroll Lutheran Village, Inc. offers three new entrance fee plans effective May 2020:

The Declining Balance entrance fee plan is non-refundable after 5 years of occupancy and partially refundable if occupancy in residential living is terminated at any time during the first 5 years. In the first year of occupancy Carroll Lutheran Village will retain 10% of the entrance fee as of the ninetieth day (90th) from date of occupancy. If occupancy is less than 90 days, the 10% is pro-rated on a daily basis from date of occupancy. In addition, refund declines (1.5%) per month for each the first 60 months of occupancy until 0% refund remains.

The second entrance fee plan is a 50% refundable plan. Carroll Lutheran Village will retain (10%) of the entrance fee as of the ninetieth day (90th) from date of occupancy. If occupancy is less than 90 days, the 10% is pro-rated on a daily basis from date of occupancy. In addition, refund declines 2.5% per month for each of the first 24 months of occupancy until 50% refund remains.

The third entrance fee plan is a 90% refundable. Carroll Lutheran Village will retain (10%) of the entrance fee as of the ninetieth day (90th) from date of occupancy. If occupancy is less than 90 days, the 10% is pro-rated on a daily basis from date of occupancy. The remaining 90% of the entrance fee will be refunded upon contract termination.

Entrance fee refunds are paid when resident permanently leaves the community. Entrance fee refunds are paid from proceeds received when a unit is re-occupied. Further, re-occupancy and full receipt of a new entrance fee are contractual prerequisites for disbursing an entrance fee refund. Once a resident takes occupancy of a residential living unit, the Village does not maintain any portion of the entrance fee in trust or escrow arrangement for the benefit of the resident. Carefully read the Residential Living Residency Agreement for the conditions that must be satisfied before the Village is required to pay the entrance fee refund.

See Exhibit C, Fee Structure Current and Historical, Health Care Center

See Exhibit C, Fee Structure Current and Historical, Assisted Living/Memory Care

See Exhibit C, Fee Structure Current and Historical, Residential Living

Summary of Services

The monthly service fee for Residential Living residents includes:

- Administrative costs for general operation of the Village
- Maintenance of buildings, appliances, and grounds
- Insurance on buildings and appliances
- Water, garbage and sewer services
- Scheduled transportation for local shopping
- Transportation for local, scheduled physicians' visits
- Medical, social work and chaplaincy support services
- Costs to provide activities on a regular basis
- Use of the Village's common space areas for personal use
- 24-hour emergency maintenance support by the Village's maintenance staff
- 24-hour emergency nursing support by the Village's nursing staff
- Priority admission to the Village's Health Care Center (Fee for Services)
- Priority admission to Diven House (Fee for Services)
- Apartment utilities to include basic cable, gas and electric, and exclude telephone
- Home utilities to include basic cable, exclude telephone, gas and electric
- Membership to the Wellness Center
- Flexible monthly meal plan - \$480 double occupancy or \$240 single occupancy

Services available for an additional fee:

- Specialty classes and activities offered by the Wellness Center
- Hair salon services
- Private catered events
- Distance travel to appointments
- Some recreational and cultural trips
- RV parking
- Storage facilities
- Guest meals and rooms
- Private duty nursing services in the Village's Health Care Center
- Private duty nursing services in Diven House
- Home health and home care services through community agencies
- Gift shop
- Meal delivery
- Personal housekeeping and laundry services
- Pet fee
- Covered parking
- Maintenance services over and above those normally covered in monthly service fees

Residence and Care Agreement

Carroll Lutheran Village, Inc. is a continuing care retirement community, providing services under a Type C, fee for service arrangement. Residents are granted priority admission to assisted living or skilled nursing, but separate agreements are required for these levels of care. Assisted living and skilled nursing contracts and services are regulated by the Office of Health Care Quality under the Maryland Department of Health and Mental Hygiene. Residential living contracts and agreements are regulated by the Maryland Department of Aging.

Grievance Procedure

Carroll Lutheran Village, Inc. encourages residents to communicate openly any issues or concerns with the Executive Director, the Department heads, and the Resident Association Council.

However, in cases where the resident may remain dissatisfied with an issue, he/she can file a formal complaint to management. In accordance with Maryland law and the Maryland Department of Aging, Carroll Lutheran Village provides an internal grievance procedure for unresolved issues. A resident, or a group of residents, may submit a grievance in writing to the Director of Social Work. Within five days after the receipt of the written grievance, the

resident(s) will receive a written acknowledgement, and the Director of Social Work will begin an investigation of the grievance.

If desired, the resident(s) who files the written grievance is entitled to a meeting with Administration within 30 days after the receipt of the written grievance. The Director of Social Work will provide a written response to the resident(s) within 45 days after the receipt of the written grievance regarding the investigation and resolution of the grievance.

Within 30 days after the conclusion of an internal grievance procedure established under this section, Carroll Lutheran, a resident, or group of residents may seek mediation through one of the Community Mediation Centers in the State or another mediation provider. If Carroll Lutheran, a resident, or group of residents seeks mediation under paragraph (1) of this subsection (MD Code, Human Services, § 10-428) the mediation shall be nonbinding.

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**Carroll Lutheran Village, Inc. shall amend this Disclosure Statement if, at any time, in the opinion of the Village or the Maryland Department of Aging, an amendment is deemed necessary to prevent the Disclosure Statement from containing any misstatement or omission of any statement of material fact required to be stated herein.**



**Carroll Lutheran Village, Inc.  
Obligated Group**

**Special-Purpose Financial Statements**

June 30, 2024 and 2023

**Carroll Lutheran Village, Inc. Obligated Group**

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## Independent Auditor's Report

To the Board of Trustees  
Carroll Lutheran Village, Inc.  
Westminster, Maryland

### Opinion

We have audited the special-purpose financial statements of Carroll Lutheran Village, Inc. Obligated Group (the Corporation), which comprise the special-purpose balance sheet as of June 30, 2024 and 2023, the related special-purpose statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the special-purpose financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as of June 30, 2024 and 2023, and the results of its operations and its cash flows for the years then ended on the basis of accounting as described in Note 2.

### 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 Auditor's Responsibilities for the Audit of the Special-Purpose Financial Statements section of our report. We are required to be independent of the Corporation 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 Matters

We draw attention to Note 2 of the financial statements, which describes the basis of accounting and the purpose for which the financial statements are prepared. The financial statements are prepared on the basis of the financial reporting provisions specified in Section 4 of the Master Trust Indenture dated July 1, 2014, between Carroll Lutheran Village, Inc. Obligated Group and Manufacturers and Traders Trust Company, as amended and supplemented by the Supplemental Master Trust Indenture Number 2 dated September 1, 2022 between Carroll Lutheran Village, Inc. Obligated Group and U.S. Bank Trust Company, National Association (the Master Trust Indenture), as discussed in Note 2, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

As discussed in Note 16 to the financial statements, the financial statements for the year ended June 30, 2023 have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

## **Responsibilities of Management for the Special-Purpose Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions of the Master Trust Indenture, and for determining that this basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

## **Auditor's Responsibilities for the Audit of the Special-Purpose Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 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 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 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 the Corporation'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation'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**

This report is intended solely for the information and use of the Board of Trustees and management of Carroll Lutheran Village, Inc. Obligated Group, Lutheran Social Ministries of Maryland, Inc., Manufacturers and Traders Trust Company, as trustee, U.S. Bank Trust Company, National Association, as successor trustee, Wilmington Trust, N.A., KeyBank, N.A., and Sandy Spring Bank, as banks, and The Mayor and Common Council of Westminster, as issuer, for filing in accordance with the financial reporting provisions of the Master Trust Indenture and is not intended to be, and should not be used by, anyone other than these specified parties.

RKL LLP

October 17, 2024  
Mechanicsburg, Pennsylvania



**Carroll Lutheran Village, Inc. Obligated Group****Special-Purpose Balance Sheet**

|                                                | June 30,                         |                                  |
|------------------------------------------------|----------------------------------|----------------------------------|
|                                                | <u>2024</u>                      | <u>2023</u>                      |
| <b>Assets</b>                                  |                                  |                                  |
| <b>Current Assets</b>                          |                                  |                                  |
| Cash and cash equivalents                      | \$ 2,889,892                     | \$ 1,911,290                     |
| Accounts receivable, net                       | 2,076,099                        | 1,147,490                        |
| Current portion of assets whose use is limited | 174,205                          | 146,568                          |
| Prepaid expenses and inventory                 | <u>347,601</u>                   | <u>383,451</u>                   |
| <b>Total Current Assets</b>                    | <b>5,487,797</b>                 | <b>3,588,799</b>                 |
| <b>Assets Whose Use is Limited, Net</b>        | <b>38,080,423</b>                | <b>44,112,641</b>                |
| <b>Property and Equipment, Net</b>             | <b>74,185,649</b>                | <b>66,173,647</b>                |
| <b>Investment in Related Party</b>             | <u>45,000</u>                    | <u>45,000</u>                    |
| <br><b>Total Assets</b>                        | <br><b><u>\$ 117,798,869</u></b> | <br><b><u>\$ 113,920,087</u></b> |

**Carroll Lutheran Village, Inc. Obligated Group**

Special-Purpose Balance Sheet (continued)

|                                            | June 30,              |                       |
|--------------------------------------------|-----------------------|-----------------------|
|                                            | 2024                  | 2023                  |
| <b>Liabilities and Net Assets</b>          |                       |                       |
| <b>Current Liabilities</b>                 |                       |                       |
| Current portion of long-term debt          | \$ 1,129,357          | \$ -                  |
| Accounts payable                           | 690,659               | 2,305,551             |
| Accrued expenses                           | 949,695               | 975,464               |
| Accrued interest                           | 174,205               | 146,568               |
| Due to related parties                     | 122,697               | 186,954               |
| Entrance fee refunds                       | 1,549,716             | 1,828,942             |
| <b>Total Current Liabilities</b>           | <b>4,616,329</b>      | <b>5,443,479</b>      |
| <b>Refundable Deposits</b>                 | <b>376,704</b>        | <b>308,320</b>        |
| <b>Refundable Entrance Fees</b>            | <b>2,889,804</b>      | <b>2,622,456</b>      |
| <b>Deferred Revenue from Entrance Fees</b> | <b>38,933,285</b>     | <b>33,955,834</b>     |
| <b>Long-Term Debt, Net</b>                 | <b>49,568,237</b>     | <b>50,665,746</b>     |
| <b>Total Liabilities</b>                   | <b>96,384,359</b>     | <b>92,995,835</b>     |
| <b>Net Assets</b>                          |                       |                       |
| Without donor restrictions                 | 10,244,069            | 10,109,729            |
| With donor restrictions                    | 11,170,441            | 10,814,523            |
| <b>Total Net Assets</b>                    | <b>21,414,510</b>     | <b>20,924,252</b>     |
| <b>Total Liabilities and Net Assets</b>    | <b>\$ 117,798,869</b> | <b>\$ 113,920,087</b> |

**Carroll Lutheran Village, Inc. Obligated Group****Special-Purpose Statement of Operations**

|                                                        | Years Ended June 30, |                       |
|--------------------------------------------------------|----------------------|-----------------------|
|                                                        | 2024                 | 2023                  |
| <b>Revenues Without Donor Restrictions</b>             |                      |                       |
| Net health care center resident services               | \$ 10,896,550        | \$ 9,522,257          |
| Residential services                                   |                      |                       |
| Assisted living                                        | 4,622,507            | 4,388,619             |
| Memory care                                            | 993,714              | -                     |
| Independent living                                     | 16,880,727           | 16,772,153            |
| Other residential services                             | 1,875,507            | 1,434,971             |
| Interest and dividends                                 | 830,501              | 139,372               |
| Realized gains                                         | 344,705              | 15,283                |
| Contributions and bequests                             | 51,455               | 91,241                |
| Grant revenue                                          | -                    | 27,228                |
| Other                                                  | 508,365              | 430,848               |
| Net assets released from restrictions                  | 742,835              | 580,536               |
| <b>Total Revenues Without Donor Restrictions</b>       | <b>37,746,866</b>    | <b>33,402,508</b>     |
| <b>Expenses</b>                                        |                      |                       |
| Nursing services and resident care                     | 9,983,355            | 8,401,497             |
| Dietary services                                       | 6,286,674            | 5,714,899             |
| General services                                       | 1,549,486            | 1,545,489             |
| Housekeeping and laundry                               | 1,168,470            | 1,020,238             |
| Plant                                                  | 5,823,008            | 5,854,843             |
| General and administrative                             | 4,527,375            | 4,490,309             |
| Marketing and development                              | 1,331,101            | 1,166,332             |
| Depreciation                                           | 4,945,625            | 4,402,590             |
| Interest                                               | 2,038,451            | 2,411,966             |
| <b>Total Expenses</b>                                  | <b>37,653,545</b>    | <b>35,008,163</b>     |
| <b>Operating Income (Loss)</b>                         | <b>93,321</b>        | <b>(1,605,655)</b>    |
| <b>Net Unrealized Gains on Investments</b>             | <b>41,019</b>        | <b>358,572</b>        |
| <b>Revenues in Excess of (Less Than) Expenses</b>      | <b>134,340</b>       | <b>(1,247,083)</b>    |
| <b>Change in Net Assets Without Donor Restrictions</b> | <b>\$ 134,340</b>    | <b>\$ (1,247,083)</b> |

**Carroll Lutheran Village, Inc. Obligated Group****Special-Purpose Statement of Changes in Net Assets**

|                                                                        | <b>Years Ended June 30,</b> |                      |
|------------------------------------------------------------------------|-----------------------------|----------------------|
|                                                                        | <b>2024</b>                 | <b>2023</b>          |
| <b>Net Assets Without Donor Restrictions</b>                           |                             |                      |
| Revenues less than expenses                                            | \$ 134,340                  | \$ (1,247,083)       |
| <b>Change in Net Assets Without Donor Restrictions Before Transfer</b> | <b>134,340</b>              | <b>(1,247,083)</b>   |
| <b>Transfer of Net Assets from Related Party</b>                       | <b>-</b>                    | <b>5,000,000</b>     |
| <b>Change in Net Assets Without Donor Restrictions After Transfer</b>  | <b>134,340</b>              | <b>3,752,917</b>     |
| <b>Net Assets With Donor Restrictions</b>                              |                             |                      |
| Contributions                                                          |                             |                      |
| Purpose restricted                                                     | 552,166                     | 307,993              |
| Held in perpetuity                                                     | 119,747                     | 91,379               |
| Interest and dividends                                                 | 301,640                     | 280,616              |
| Realized gains                                                         | 125,200                     | 34,493               |
| Net assets released from restrictions                                  | (742,835)                   | (580,536)            |
| <b>Change in Net Assets With Donor Restrictions</b>                    | <b>355,918</b>              | <b>133,945</b>       |
| <b>Change in Net Assets</b>                                            | <b>490,258</b>              | <b>3,886,862</b>     |
| <b>Net Assets, Beginning of Year</b>                                   | <b>20,924,252</b>           | <b>17,037,390</b>    |
| <b>Net Assets, End of Year</b>                                         | <b>\$ 21,414,510</b>        | <b>\$ 20,924,252</b> |

**Carroll Lutheran Village, Inc. Obligated Group****Special-Purpose Statement of Cash Flows**

|                                                                                               | Years Ended June 30, |                     |
|-----------------------------------------------------------------------------------------------|----------------------|---------------------|
|                                                                                               | 2024                 | 2023                |
| <b>Cash Flows from Operating Activities</b>                                                   |                      |                     |
| Change in net assets                                                                          | \$ 490,258           | \$ 3,886,862        |
| Adjustments to reconcile change in net assets<br>to net cash provided by operating activities |                      |                     |
| Depreciation                                                                                  | 4,945,625            | 4,402,590           |
| Loss on debt extinguishment                                                                   | -                    | 402,462             |
| Amortization of deferred financing costs                                                      | 31,848               | 42,133              |
| Amortization of bond premium                                                                  | -                    | (5,595)             |
| Proceeds from nonrefundable entrance fees,<br>existing units                                  | 11,416,861           | 7,315,917           |
| Amortization of entrance fees                                                                 | (5,180,652)          | (5,757,278)         |
| Change in allowance for expected credit losses                                                | 86,094               | 127,106             |
| Net realized and unrealized gains on investments                                              | (510,924)            | (408,348)           |
| Contributions restricted for long-term purposes                                               | (119,747)            | (91,379)            |
| (Increase) decrease in assets                                                                 |                      |                     |
| Accounts receivable                                                                           | (506,410)            | 506                 |
| Prepaid expenses and inventory                                                                | 35,850               | 31,663              |
| Increase (decrease) in liabilities                                                            |                      |                     |
| Accounts payable                                                                              | (1,614,892)          | 939,232             |
| Accrued expenses                                                                              | (25,769)             | 58,005              |
| Accrued interest                                                                              | 27,637               | (993,854)           |
| Refundable deposits                                                                           | 68,384               | 79,804              |
| <b>Net Cash Provided by Operating Activities</b>                                              | <b>9,144,163</b>     | <b>10,029,826</b>   |
| <b>Cash Flows from Investing Activities</b>                                                   |                      |                     |
| Purchases of property and equipment                                                           | (12,957,627)         | (11,847,487)        |
| Net purchases of investments and assets<br>whose use is limited                               | (1,461,872)          | (319,325)           |
| <b>Net Cash Used in Investing Activities</b>                                                  | <b>(14,419,499)</b>  | <b>(12,166,812)</b> |
| <b>Cash Flows from Financing Activities</b>                                                   |                      |                     |
| Borrowings of long-term debt                                                                  | -                    | 10,000,000          |
| Repayments of long-term debt                                                                  | -                    | (2,650,833)         |
| Payment of deferred financing costs                                                           | -                    | (555,864)           |
| Proceeds from refundable entrance fees, existing units                                        | 164,393              | 753,739             |
| Refunds of entrance fees                                                                      | (1,943,322)          | (2,327,022)         |
| Contributions restricted for long-term purposes                                               | 119,747              | 91,379              |
| Repayments (to) from related parties                                                          | (64,257)             | 250,991             |
| <b>Net Cash Provided by (Used in) Financing<br/>Activities</b>                                | <b>(1,723,439)</b>   | <b>5,562,390</b>    |

**Carroll Lutheran Village, Inc. Obligated Group**

## Special-Purpose Statement of Cash Flows (continued)

|                                                                                                                                       | Years Ended June 30,  |                      |
|---------------------------------------------------------------------------------------------------------------------------------------|-----------------------|----------------------|
|                                                                                                                                       | 2024                  | 2023                 |
| <b>Net Change in Cash, Cash Equivalents, and Restricted Cash and Cash Equivalents</b>                                                 | <b>\$ (6,998,775)</b> | <b>\$ 3,425,404</b>  |
| <b>Cash, Cash Equivalents, and Restricted Cash and Cash Equivalents at Beginning of Year</b>                                          | <b>17,376,440</b>     | <b>13,951,036</b>    |
| <b>Cash, Cash Equivalents, and Restricted Cash and Cash Equivalents at End of Year</b>                                                | <b>\$ 10,377,665</b>  | <b>\$ 17,376,440</b> |
| <b>Cash, Cash Equivalents, and Restricted Cash and Cash Equivalents Consist of the Following in the Special-Purpose Balance Sheet</b> |                       |                      |
| Cash and cash equivalents                                                                                                             | <b>\$ 2,889,892</b>   | <b>\$ 1,911,290</b>  |
| Assets whose use is limited                                                                                                           |                       |                      |
| Letter of credit collateral                                                                                                           | 363,010               | 362,647              |
| Escrow deposits                                                                                                                       | 5,918,122             | 5,597,838            |
| Trustee held funds                                                                                                                    | 1,206,641             | 9,504,665            |
|                                                                                                                                       | <b>7,487,773</b>      | <b>15,465,150</b>    |
| <b>Total Cash, Cash Equivalents, and Restricted Cash and Cash Equivalents</b>                                                         | <b>\$ 10,377,665</b>  | <b>\$ 17,376,440</b> |
| <b>Supplemental Disclosure of Cash Flow Information</b>                                                                               |                       |                      |
| Interest paid                                                                                                                         | <b>\$ 1,978,966</b>   | <b>\$ 2,966,820</b>  |
| <b>Supplemental Disclosures of Noncash Financing Activities</b>                                                                       |                       |                      |
| Bond refunding through long-term debt incurred                                                                                        | <b>\$ -</b>           | <b>\$ 41,221,610</b> |
| Deferred financing costs through long-term debt incurred                                                                              | <b>\$ -</b>           | <b>\$ 120,900</b>    |

## **Carroll Lutheran Village, Inc. Obligated Group**

### Notes to Special-Purpose Financial Statements

June 30, 2024 and 2023

#### **Note 1 - Nature of Operations**

Carroll Lutheran Village, Inc. (the Corporation or CLV) is a continuing care retirement community located in Westminster, Maryland, and currently consists of 381 independent living apartments and homes, 50 assisted living units, 83 skilled nursing beds, and 20 memory care beds.

The Corporation is a 90% owner of CLV Catering, Inc. (Catering). Catering was established as a for-profit entity for the purpose of providing food services to the Corporation.

Lutheran Social Ministries of Maryland, Inc. (LSMMD), a Maryland not-for-profit corporation, is the parent corporation of CLV.

#### **Note 2 - Summary of Significant Accounting Principles**

A summary of significant accounting policies consistently applied in the preparation of the accompanying special-purpose financial statements follows.

##### **Basis of Accounting**

These special-purpose financial statements are presented to comply with the requirements set forth in the Master Trust Indenture between Carroll Lutheran Village, Inc. Obligated Group and Manufacturers and Traders Trust Company (M&T) dated July 1, 2014, as amended and supplemented by the Supplemental Master Trust Indenture Number 2 between Carroll Lutheran Village, Inc. Obligated Group and U.S. Bank Trust Company, National Association dated September 1, 2022 (the Master Trust Indenture). The sole member of the Obligated Group is Carroll Lutheran Village, Inc. Thus, these special-purpose financial statements do not include the consolidation of Catering.

##### **Basis of Presentation**

The Corporation follows Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*. Under ASC 958, the Corporation is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets are classified as follows:

**Net assets without donor restrictions** - Net assets that are not subject to donor-imposed stipulations.

**Net assets with donor restrictions** - Net assets that are subject to donor-imposed stipulations. Some donor-imposed restrictions are temporary in nature, such as those that will be met either by actions of the Corporation and/or the passage of time. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed or when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

## **Carroll Lutheran Village, Inc. Obligated Group**

### **Notes to Special-Purpose Financial Statements**

June 30, 2024 and 2023

#### **Note 2 - Summary of Significant Accounting Principles (continued)**

##### **Use of Estimates**

The preparation of special-purpose financial statements in accordance with the Master Trust Indenture 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 special-purpose financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

##### **Cash, Cash Equivalents, and Restricted Cash and Cash Equivalents**

For purposes of the special-purpose statement of cash flows, the Corporation considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash and cash equivalents.

##### **Accounts Receivable and Allowance for Expected Credit Losses**

In June 2016, the FASB issued Accounting Standards Update (ASU) 2016-13, *Financial Instruments-Credit Losses* (Topic 326). The Corporation adopted ASU 2016-13 as of July 1, 2023. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the Corporation that are subject to the guidance in FASB ASC Topic 326 was accounts receivable. The Corporation implemented the provisions of this standard. Management determined the ASU did not have a material impact on the Corporation's special-purpose financial statements.

The Corporation assesses collectability on all resident accounts prior to providing services. An allowance for expected credit losses is recognized to reduce accounts receivable to its net realizable value for impairment of revenues for changes in resident credit worthiness. The allowance is estimated by management based on factors such as aging of the accounts receivable and anticipated collection of the consideration. Accounts are written off through provision for expected credit losses when the Corporation has exhausted all collection efforts and accounts are deemed impaired. The allowance for expected credit losses is based on management's assessment of the collectability of specific customer accounts and the aging of the accounts receivable and totaled \$333,566 and \$247,422 at June 30, 2024 and 2023, respectively.

##### **Investments and Assets Whose Use is Limited**

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the special-purpose balance sheet. The fair value of substantially all securities is determined by quoted market prices, with the exception of alternative investments. Alternative investments, which are not readily marketable, are valued at net asset value per share (NAV). Investment income or loss (including realized and unrealized gains and losses on investments, interest and dividends) is included in revenues in excess of (less than) expenses unless the income or loss is restricted by donor or law. Change in unrealized gains and losses on investments are included in revenues in excess of (less than) expenses. Interest income is measured as earned on the accrual basis. Dividends are measured based on the ex-dividend date. Purchases and sales of securities and realized gains and losses are recorded on a trade-date basis.



## **Carroll Lutheran Village, Inc. Obligated Group**

Notes to Special-Purpose Financial Statements  
June 30, 2024 and 2023

### **Note 2 - Summary of Significant Accounting Principles (continued)**

#### **Investments and Assets Whose Use is Limited (continued)**

The Corporation's investments are comprised of a variety of financial instruments and are managed by investment advisors. The fair values reported in the special-purpose balance sheet are subject to various risks including changes in the equity markets, the interest rate environment and general economic conditions. Due to the level of risk associated with investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is reasonably possible that the amounts reported in the special-purpose balance sheet could change materially in the near term. Contributed investments are initially valued at the quoted fair value on the date received, which is then treated as cost.

Assets whose use is limited include assets designated by the Board of Trustees for future capital improvements and other purposes, assets limited as to use under terms of debt agreements, reserve requirements or escrow accounts, and assets whose use is restricted by donors are classified as assets whose use is limited.

#### **Property and Equipment**

Property and equipment are stated at cost for all items purchased and fair market value at the date of receipt for contributed property. The Corporation's policy is to examine invoices in excess of \$1,000 to determine whether the items should be capitalized or expensed. Maintenance and repairs are charged to expense as incurred; major renewals and betterments are capitalized. Depreciation is provided on the straight-line method over the estimated useful lives of the respective assets. When items of property or equipment are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is included in the special-purpose statement of operations.

#### **Long-Lived Assets**

Long-lived assets, other than those held for sale, are reviewed for impairment whenever events or circumstances indicate that the carrying amount of the assets may not be recoverable. An asset is considered to be impaired when the undiscounted estimated net cash flows to be generated by the asset are less than the carrying amount. The impairment recognized is the amount by which the carrying amount exceeds the fair value amount. Fair value estimates are based on assumptions concerning the amount and timing of the estimated future cash flows and discount rates reflecting varying degrees of perceived risk. Management of the Corporation concluded that no impairment adjustments were required during the years ended June 30, 2024 or 2023.

#### **Deferred Financing Costs**

Financing costs were incurred in connection with the issuance of long-term debt. These costs are reported in the accompanying special-purpose balance sheet as a reduction of long-term debt and are being amortized over the life of the debt using the effective interest method.

## **Carroll Lutheran Village, Inc. Obligated Group**

### **Notes to Special-Purpose Financial Statements**

June 30, 2024 and 2023

#### **Note 2 - Summary of Significant Accounting Principles (continued)**

##### **Entrance Fees**

Residents are admitted to the Corporation under a Type C (Fee for Service) agreement and charged an initial entrance fee, a monthly fee and fees for services provided. Effective July 1, 2020, the Corporation offers three Type C (Fee for Service) plans: a declining balance plan, a 50% refundable plan, and a 90% refundable plan. A resident receives a qualified refund if they provide written notice of their intent to voluntarily terminate within the first 30 days of occupancy and in the event of death of one or two of the residents within the first 90 days of occupancy. Under the declining balance plan, a qualified refund amortizes at 3% per month for 90 days, or three months and the unqualified refund will amortize 10% upon occupancy and 1.5% per month thereafter. Under the 50% refundable plan, a qualified refund will amortize at 3% per month for 90 days and the unqualified refund will amortize 10% upon occupancy and 2% per month thereafter until 50% of the original entrance fee remains which is refundable upon termination of the residency agreement. Under the 90% refundable plan, a qualified refund amortizes at 3% per month for 90 days and the unqualified refund will amortize 10% upon occupancy and the resident will receive 90% of the original entrance fee upon termination of the residency agreement.

Prior to July 1, 2020, the entrance fees offered a refund that amortizes over eight years (16% the first month, 0% for months two through twelve, and 1% per month thereafter). Initial entrance fees were deferred and amortized into income on a straight-line basis over the estimated remaining life expectancy of the resident. The recovery of unamortized nonrefundable entrance fees is recognized as revenue upon a resident's death or termination of the contract. The agreement offered a premium refundable option of 78% over the base fee, which accrues interest to 90% of the base fee. These premiums totaled \$1,426,704 and \$1,439,401 at June 30, 2024 and 2023, respectively, and are recorded as refundable entrance fees, are not amortized into income and refunded at death or termination of the contract. Contractual refund obligations under all agreements totaled \$24,733,347 and \$21,250,000 at June 30, 2024 and 2023, respectively.

Revenue from nonrefundable entrance fees received are recognized through amortization of the nonrefundable entrance fee using the straight-line method over annually adjusted estimated remaining life expectancies of the residents, which approximates the period of time the goods and services under the agreements are expected to be transferred to residents. The unamortized portion is classified as deferred revenues from entrance fees in the special-purpose balance sheet. Amortization of nonrefundable entrance fees was \$5,180,652 in 2024 and \$5,757,278 in 2023.

##### **Net Resident Service Revenues**

Net health care center resident services and residential services (together net resident service revenues) are reported at the amount that reflects the consideration the Corporation expects to receive in exchange for the services provided. These amounts are due from residents or third-party payors and include variable consideration for retroactive adjustments, if any, under reimbursement programs. Performance obligations are determined based on the nature of the services provided. Net resident service revenues are recognized as performance obligations are satisfied.

## Carroll Lutheran Village, Inc. Obligated Group

### Notes to Special-Purpose Financial Statements

June 30, 2024 and 2023

#### Note 2 - Summary of Significant Accounting Principles (continued)

##### Net Resident Service Revenues (continued)

Net resident service revenues are primarily comprised of skilled nursing, assisted and independent living revenue streams, which are primarily derived from providing housing, skilled nursing, assisted living and independent living services to residents at a stated daily or monthly fee, net of any explicit or implicit price concessions. The Corporation has determined that the services included in the stated daily or monthly fee for each level of care represents a series of distinct services that have the same timing and pattern of transfer. Therefore, the Corporation considers the services provided to residents in each level of care to be one performance obligation, which is satisfied over time as services are provided. As such, skilled nursing, assisted living and independent living revenues are recognized on a daily or month-to-month basis as services are rendered.

The Corporation receives revenue for services under third-party payor programs, including Medicare, Medical Assistance, and other third-party payors. Settlements with third-party payors for retroactive adjustments due to audits, reviews or investigations are included in the determination of the estimated transaction price for providing services. The Corporation estimates the transaction price based on the terms of the contract and correspondence with the third-party payor and historical payment trends and retroactive adjustments are recognized in future periods as final settlements are determined.

##### Disaggregation of Revenues

The Corporation disaggregates revenue from contracts with customers by type of service and payor source as this depicts the nature, amount, timing, and uncertainty of its revenue and cash flows as affected by economic factors. Net health care center residential services and residential services revenues consists of the following for the years ended June 30:

|                                             | 2024                                 |                                 |                      |                            |                      |
|---------------------------------------------|--------------------------------------|---------------------------------|----------------------|----------------------------|----------------------|
|                                             | Health Care Center Resident Services | Assisted Living and Memory Care | Independent Living   | Other Residential Services | Total                |
| Self-pay                                    | \$ 3,026,117                         | \$ 5,816,221                    | \$ 11,700,075        | \$ 1,478,430               | \$ 21,820,843        |
| Medicare                                    | 2,670,524                            | -                               | -                    | 397,077                    | 3,067,601            |
| Medical Assistance                          | 4,643,830                            | -                               | -                    | -                          | 4,643,830            |
| Commercial insurance                        | 556,079                              | -                               | -                    | -                          | 556,079              |
| Amortization of nonrefundable entrance fees | -                                    | -                               | 5,180,652            | -                          | 5,180,652            |
|                                             | <u>\$ 10,896,550</u>                 | <u>\$ 5,816,221</u>             | <u>\$ 16,880,727</u> | <u>\$ 1,875,507</u>        | <u>\$ 35,269,005</u> |
|                                             | 2023                                 |                                 |                      |                            |                      |
| Self-pay                                    | \$ 3,331,191                         | \$ 4,388,619                    | \$ 11,014,875        | \$ 1,057,659               | \$ 19,792,344        |
| Medicare                                    | 2,322,089                            | -                               | -                    | 377,312                    | 2,699,401            |
| Medical Assistance                          | 3,430,258                            | -                               | -                    | -                          | 3,430,258            |
| Commercial insurance                        | 438,719                              | -                               | -                    | -                          | 438,719              |
| Amortization of nonrefundable entrance fees | -                                    | -                               | 5,757,278            | -                          | 5,757,278            |
|                                             | <u>\$ 9,522,257</u>                  | <u>\$ 4,388,619</u>             | <u>\$ 16,772,153</u> | <u>\$ 1,434,971</u>        | <u>\$ 32,118,000</u> |

## **Carroll Lutheran Village, Inc. Obligated Group**

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### Notes to Special-Purpose Financial Statements

June 30, 2024 and 2023

#### **Note 2 - Summary of Significant Accounting Principles (continued)**

##### **Disaggregation of Revenues (continued)**

The Corporation has agreements with third-party payors that provide for payments to the Corporation at amounts different from its established rates. A summary of the principal payment arrangements with major third-party payors is as follows:

- **Medicare:** Nursing and ancillary services provided to Medicare beneficiaries are paid at prospectively determined rates per day. These rates vary according to a resident-specific classification system that is based on clinical, diagnostic and other factors and the reimbursement methodology is subject to various limitations and adjustments.
- **Medical Assistance:** Nursing services provided to Medical Assistance program beneficiaries are paid at prospectively determined rates per day. These rates vary according to a resident-specific classification system that is based on clinical, diagnostic and other factors and the reimbursement methodology is subject to various limitations and adjustments.

As described above, the Medicare and Medical Assistance rates are based on clinical, diagnostic and other factors. The determination of these rates is partially based on the Corporation's clinical assessment of its residents. The Corporation is required to clinically assess its residents at predetermined time periods throughout the year. The documented assessments are subject to review and adjustment by the Medicare and Medical Assistance programs.

The Corporation has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for payment to the Corporation under these agreements includes prospectively determined rates per day or discounts from established charges.

Payment terms and conditions for the Corporation's resident contracts vary by contract type and payor source, although terms generally include payment to be made within 30 days. Net resident service fee revenues for recurring and routine monthly services are generally billed monthly in advance. Net resident service fee revenues for ancillary services are generally billed monthly in arrears. Additionally, nonrefundable entrance fees are generally billed and collected in advance of move-in. Revenues collected from residents in advance are recognized as deferred revenue from entrance fees until the performance obligations are satisfied and are included in deferred revenues from entrance fees in the accompanying special-purpose balance sheet. In 2024 and 2023, the Corporation recognized approximately \$4,757,000 and \$4,600,000, respectively, of revenue that was included in the deferred revenue from entrance fees balance as of July 1, 2023 and 2022, respectively. The Corporation applies the practical expedient in ASC 606 and therefore does not disclose amounts for remaining performance obligations that have original expected durations of one year or less.

##### **Donated Services**

A significant number of volunteers annually donate their services to the Corporation. The value of these donated services is not reflected in the special-purpose financial statements.

## **Carroll Lutheran Village, Inc. Obligated Group**

### **Notes to Special-Purpose Financial Statements**

June 30, 2024 and 2023

#### **Note 2 - Summary of Significant Accounting Principles (continued)**

##### **Grant Revenue**

Grant revenue includes amounts received from federal and state funding sources related to the COVID-19 pandemic. The Corporation accounts for this funding in accordance with FASB ASC 958-605, *Guidance for Conditional Contributions*. Accordingly, revenues are recognized when barriers are substantially met, which occurs when the Corporation complies with the terms and conditions related to the purpose of the grants rather than those that are administrative in nature.

In March 2020, the Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law to combat the financial effects of COVID-19. The CARES Act created a Provider Relief Fund (PRF) to provide financial support for hospitals and other healthcare providers. The Corporation, for the years ended June 30, 2024 and 2023, received \$-0- and \$27,228, respectively, related to this funding. In accordance with the original terms and conditions, the Corporation could apply the funding against lost revenues and eligible expenses. The Corporation incurred eligible expenses, in accordance with the term and conditions of the PRF for the years ended June 30, 2024 and 2023 of \$-0- and \$27,228, respectively, which are included in grant revenue in the accompanying special-purpose statement of operations.

Noncompliance with the terms and conditions of the PRF and the state and other funding could result in repayment of some or all of the support, which can be subject to government review and interpretation. The majority of the funding received is subject to future reporting and audit requirements. These matters could cause reversal or claw-back of amounts previously recognized; however, an estimate of the possible effects cannot be made as of October 17, 2024, the date these special-purpose financial statements were issued. In addition, it is unknown whether there will be further developments in the regulatory guidance.

##### **Income Taxes**

The Corporation is a not-for-profit entity as described in Section 501(c)(3) of the Internal Revenue Code (IRC) and is exempt from income taxes on related activities pursuant to Section 509(a) of the IRC.

The Corporation follows the standards of accounting for uncertainty in income taxes according to the principles of FASB ASC 740, *Income Taxes*, which prescribes a recognition threshold and measurement attribute for the special-purpose financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. It requires management to evaluate tax positions taken by the Corporation, including whether the entity is exempt from income taxes. Management evaluated the tax positions taken and concluded that the Corporation had taken no uncertain tax positions that require recognition or disclosure in the special-purpose financial statements. With few exceptions, the Corporation is no longer subject to income tax examinations by the U.S. Federal, state, or local tax authorities for years before 2021.

##### **Measures of Operations**

The special-purpose statement of operations includes the determination of operating income (loss). Operating income (loss) includes only those revenues and expenses that are an integral part of its program activities and that are used to support operations, and excludes other income and expenses, if any. The special-purpose statement of operations also include the determination of revenues in excess of (less than) expenses as a performance indicator.

## Carroll Lutheran Village, Inc. Obligated Group

### Notes to Special-Purpose Financial Statements

June 30, 2024 and 2023

#### Note 3 - Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the special-purpose balance sheet date, comprise the following at June 30:

|                               | <u>2024</u>          | <u>2023</u>          |
|-------------------------------|----------------------|----------------------|
| <b>Financial Assets</b>       |                      |                      |
| Cash and cash equivalents     | \$ 2,889,892         | \$ 1,911,290         |
| Accounts receivable, net      | 2,076,099            | 1,147,490            |
| Board designated funds        | 13,903,490           | 12,728,300           |
| Investments                   | -                    | -                    |
| Escrow deposits               | 5,918,122            | 5,597,838            |
| Certificate of deposit        | 222,914              | 222,201              |
| <b>Total Financial Assets</b> | <b>\$ 25,010,517</b> | <b>\$ 21,607,119</b> |

Additionally, the Corporation maintains a \$2,000,000 line of credit, as discussed in Note 6.

The Corporation designated a portion of its investments "reserved" to comply with the requirements of Maryland Department of Aging. Although the Corporation does not intend to utilize the reserves for general expenditures as part of its annual budget and approval process, amounts designated as the reserves could be made available as necessary. The reserves are included with the assets whose use is limited detail in Note 4, and do not have third-party restrictions or limitations on the withdrawal and subsequent liquidation of such funds.

As part of the Corporation's liquidity management plan, cash in excess of daily requirements are invested in short-term investments and money market funds.

#### Note 4 - Fair Value Measurements, Investments and Assets Whose Use is Limited, and Other Financial Instruments

##### Fair Value Measurements

For financial instruments required to be measured at fair value on a recurring basis, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is measured using a hierarchy prioritizing the inputs used in determining valuations into three levels. The level within the fair value hierarchy is based on the lowest level input that is significant to the fair value measurement.

The levels of the fair value hierarchy are as follows:

- Level 1 - Unadjusted quoted prices in active markets that are accessible to the Corporation for identical instruments.
- Level 2 - Significant inputs, other than Level 1 inputs, that are observable either directly or indirectly for substantially the full term of the instruments through corroboration with observable market data.

**Carroll Lutheran Village, Inc. Obligated Group**

## Notes to Special-Purpose Financial Statements

June 30, 2024 and 2023

**Note 4 - Fair Value Measurements, Investments and Assets Whose Use is Limited, and Other Financial Instruments (continued)****Fair Value Measurements (continued)**

Level 3 - Significant unobservable inputs. The Corporation did not hold any Level 3 investments for the years ended June 30, 2024 and 2023.

The following tables present financial instruments measured at fair value at June 30:

|                                                                                      | 2024                 |                      |             |
|--------------------------------------------------------------------------------------|----------------------|----------------------|-------------|
|                                                                                      | Total                | Level 1              | Level 2     |
| <b>Reported at Fair Value</b>                                                        |                      |                      |             |
| Assets                                                                               |                      |                      |             |
| Investments and assets whose use is limited                                          |                      |                      |             |
| Mutual funds                                                                         |                      |                      |             |
| Equity                                                                               | \$ 5,350,396         | \$ 5,350,396         | \$ -        |
| Bond                                                                                 | 1,547,433            | 1,547,433            | -           |
| Other                                                                                | 16,672,617           | 16,672,617           | -           |
| <b>Total Investments and Assets Whose Use is Limited in the Fair Value Hierarchy</b> | 23,570,446           | <u>\$ 23,570,446</u> | <u>\$ -</u> |
| Cash and cash equivalents (a)                                                        | 11,688,329           |                      |             |
| Alternative investments measured at NAV (a)                                          | <u>2,995,853</u>     |                      |             |
| <b>Total Investments and Assets Whose Use is Limited</b>                             | <u>\$ 38,254,628</u> |                      |             |

**Carroll Lutheran Village, Inc. Obligated Group**

## Notes to Special-Purpose Financial Statements

June 30, 2024 and 2023

**Note 4 - Fair Value Measurements, Investments and Assets Whose Use is Limited, and Other Financial Instruments (continued)****Fair Value Measurements (continued)**

|                                                                                      | 2023                 |                      |             |
|--------------------------------------------------------------------------------------|----------------------|----------------------|-------------|
|                                                                                      | Total                | Level 1              | Level 2     |
| <b>Reported at Fair Value</b>                                                        |                      |                      |             |
| Assets                                                                               |                      |                      |             |
| Investments and assets whose use is limited                                          |                      |                      |             |
| Mutual funds                                                                         |                      |                      |             |
| Equity                                                                               | \$ 3,720,731         | \$ 3,720,731         | \$ -        |
| Bond                                                                                 | 1,447,291            | 1,447,291            | -           |
| Other                                                                                | 16,690,724           | 16,690,724           | -           |
| <b>Total Investments and Assets Whose Use is Limited in the Fair Value Hierarchy</b> | 21,858,746           | <u>\$ 21,858,746</u> | <u>\$ -</u> |
| Cash and cash equivalents (a)                                                        | 19,423,347           |                      |             |
| Alternative investments measured at NAV (a)                                          | <u>2,977,116</u>     |                      |             |
| <b>Total Investments and Assets Whose Use is Limited</b>                             | <u>\$ 44,259,209</u> |                      |             |

(a) The amounts are presented together to reconcile total investments and assets whose is limited on the special-purpose balance sheet.

Investments and assets whose use is limited are presented together in the tables above as there are various investment and cash accounts that are allocated between the investment and assets whose use is limited lines on the special-purpose balance sheet. Investments and assets whose use is limited are presented in the special-purpose balance sheet as follows as of June 30:

|                                                          | 2024                 | 2023                 |
|----------------------------------------------------------|----------------------|----------------------|
| Current portion of assets whose use is limited           | \$ 174,205           | \$ 146,568           |
| Assets whose use is limited, net                         | <u>38,080,423</u>    | <u>44,112,641</u>    |
| <b>Total Investments and Assets Whose Use is Limited</b> | <u>\$ 38,254,628</u> | <u>\$ 44,259,209</u> |



**Carroll Lutheran Village, Inc. Obligated Group****Notes to Special-Purpose Financial Statements**

June 30, 2024 and 2023

**Note 4 - Fair Value Measurements, Investments and Assets Whose Use is Limited, and Other Financial Instruments (continued)****Valuation Methodologies**

Investments and assets whose use is limited are valued at fair value based on quoted market prices in active markets for mutual funds.

Alternative investments are comprised of hedge and real estate funds. The Corporation has a policy which permits investments in alternative investments that do not have a readily determinable fair value, and as such, has elected to use NAV as calculated on the reporting entity's measurement date as the fair value of the investment. The Corporation measures the fair value of an investment that does not have a readily determinable fair value, based on the NAV of the investment as a practical expedient, without further adjustment, unless it is probable that the investment will be sold at a value significantly different than the NAV. If the practical expedient NAV is not as of the reporting entity's measurement date, then the NAV is adjusted to reflect any significant events that would materially affect the value of the security and the NAV of the Corporation as of the valuation date. In using the NAV as a practical expedient, certain attributes of the investment, that may impact the fair value of the investment, are not considered in measuring fair value. Attributes of those investments include the investment strategies of the investees and may also include, but are not limited to, restrictions on the investor's ability to redeem its investments at the measurement date at NAV as well as any unfunded commitments.

The following table presents a list of the Corporation's alternative investments as of June 30:

|                                  | <u>2024<br/>Net Asset<br/>Value</u> | <u>2023<br/>Net Asset<br/>Value</u> | <u>Unfunded<br/>Commitments</u> | <u>Investment<br/>Strategy</u> | <u>Redemption<br/>Frequency<br/>and<br/>Notice Period</u> |
|----------------------------------|-------------------------------------|-------------------------------------|---------------------------------|--------------------------------|-----------------------------------------------------------|
| GPB Automotive Portfolio Class B | \$ 427,770                          | \$ 428,901                          | N/A                             | (a)                            | Monthly with<br>15 days<br>notice                         |
| Pointer Offshore, Ltd.           | 1,171,738                           | 2,064,958                           | N/A                             | (b)                            | Annually<br>Quarterly<br>with 45<br>days<br>notice        |
| Independent Access Partners, LLC | <u>1,396,345</u>                    | <u>483,257</u>                      | \$494,737                       | (c)                            | notice                                                    |
|                                  | <u>\$ 2,995,853</u>                 | <u>\$ 2,977,116</u>                 |                                 |                                |                                                           |

## Carroll Lutheran Village, Inc. Obligated Group

### Notes to Special-Purpose Financial Statements

June 30, 2024 and 2023

#### Note 4 - Fair Value Measurements, Investments and Assets Whose Use is Limited, and Other Financial Instruments (continued)

- (a) Objective is to seek capital appreciation by focusing on brand and geographically diverse dealership assets located in attractive growth markets that are backed by stable manufacturers with a demonstrated commitment to their U.S. automotive presence.
- (b) Objective is to achieve capital appreciation through a balanced level risk primarily by allocating assets to a select number of long/short equity-based managers. The balance of the portfolio is invested opportunistically, which may include, but is not limited to, distressed/credit, sector or commodity-related funds, or other thematic investment opportunities.
- (c) Objective is to provide consistent, absolute returns in a long/short equity strategy through a diversified portfolio, which may include investments in securities products and other derivatives.

#### Assets Whose Use is Limited

Assets whose use is limited consist of the following as of June 30:

|                                                   | <u>2024</u>          | <u>2023</u>          |
|---------------------------------------------------|----------------------|----------------------|
| Donor restricted funds                            | \$ 11,170,441        | \$ 10,814,523        |
| Board designated funds                            |                      |                      |
| Funds functioning as endowment                    | 9,174,151            | 7,998,961            |
| Capital improvement and depreciation fund         | 4,729,339            | 4,729,339            |
| Certificate of deposit                            | 222,914              | 222,201              |
| Letter of credit collateral                       | 363,010              | 362,647              |
| Escrow deposits                                   | 5,918,122            | 5,597,838            |
| Trustee held funds                                |                      |                      |
| Interest funds                                    | 1,129,398            | 1,129,397            |
| Construction fund                                 | 77,243               | 8,375,268            |
| Maryland Department of Aging reserve requirements | 5,470,010            | 5,029,035            |
|                                                   | <u>38,254,628</u>    | <u>44,259,209</u>    |
| Current portion                                   | <u>(174,205)</u>     | <u>(146,568)</u>     |
|                                                   | <u>\$ 38,080,423</u> | <u>\$ 44,112,641</u> |

#### Maryland Department of Aging Reserve Requirements

The Maryland Department of Aging requires providers of continuing care 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.

The reserves shall be computed as of the end of the most recent fiscal year. Beginning January 1, 2023, the reserve requirement will be equal to 25% of the facility's net operating expenses, as defined by the State, relating to continuing care contracts.

**Carroll Lutheran Village, Inc. Obligated Group**

Notes to Special-Purpose Financial Statements  
June 30, 2024 and 2023

**Note 4 - Fair Value Measurements, Investments and Assets Whose Use is Limited, and Other Financial Instruments (continued)**

**Maryland Department of Aging Reserve Requirements (continued)**

The Corporation has fully funded the reserve, which is calculated as follows:

|                                        |                     |
|----------------------------------------|---------------------|
| Operating expenses, June 30, 2024      | \$ 37,650,588       |
| Less                                   |                     |
| Depreciation                           | 4,945,625           |
| Interest                               | <u>2,038,452</u>    |
| <b>Net Operating Expenses</b>          | <b>30,666,511</b>   |
|                                        | <u>25.00 %</u>      |
|                                        | 7,666,628           |
| I/L Units/Total Units (381/534)        | <u>71.35 %</u>      |
| Reserve required at June 30, 2024      | <u>5,470,010</u>    |
| <b>Actual Reserve at June 30, 2024</b> | <b>\$ 5,470,010</b> |

**Note 5 - Property and Equipment**

Property and equipment are as follows as of June 30:

|                                     | <u>2024</u>          | <u>2023</u>          |
|-------------------------------------|----------------------|----------------------|
| Land*                               | \$ 1,067,705         | \$ 1,067,705         |
| Land improvements                   | 3,343,160            | 3,264,407            |
| Buildings and building improvements | 136,656,957          | 134,328,633          |
| Furniture and equipment             | 14,954,126           | 14,639,283           |
| Vehicles                            | 962,055              | 962,055              |
| Construction in progress*           | <u>13,251,608</u>    | <u>3,004,499</u>     |
|                                     | 170,235,611          | 157,266,582          |
| Accumulated depreciation            | <u>(96,049,962)</u>  | <u>(91,092,935)</u>  |
| <b>Property and Equipment, Net</b>  | <b>\$ 74,185,649</b> | <b>\$ 66,173,647</b> |

\*Not depreciated

## **Carroll Lutheran Village, Inc. Obligated Group**

### **Notes to Special-Purpose Financial Statements**

June 30, 2024 and 2023

#### **Note 6 - Line of Credit and Long-Term Debt**

The Corporation has a \$2,000,000 line of credit, with interest at the U.S. Prime Rate minus 0.50% (8.00% at June 30, 2024). The line of credit has an expiration date of January 31, 2025, subject to renewal and extension thereafter. There were no borrowings on the line of credit as of June 30, 2024 and 2023.

Long-term debt consists of the following as of June 30:

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <u>2024</u>          | <u>2023</u>          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
| Series 2022A The Mayor and Common Council of Westminster Project Revenue Bonds in the original amount of \$10,000,000, placed with Sandy Spring Bank, (Series 2022A Bonds); monthly interest payments at 3.36% are due through September 1, 2034 and commencing September 1, 2026 varying monthly installments of principal are due through September 1, 2034 and a final payment is due on the maturity date of September 9, 2034                                                                                                                                                            | \$ 10,000,000        | \$ 10,000,000        |
| Series 2022B The Mayor and Common Council of Westminster Convertible Refunding Revenue Bonds in the original amount of \$41,342,510, placed with Sandy Spring Bank, (Series 2022B Bonds); monthly interest payments are due through September 1, 2034 and commencing October 1, 2024 varying monthly installments of principal are due through September 1, 2034 and a final payment is due on the maturity date of September 9, 2034; the initial interest rate is 4.25% through the conversion date occurring no later than September 1, 2024 at which time the interest rate will be 3.36% | 41,342,510           | 41,342,510           |
| Deferred financing costs, net                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | (644,916)            | (676,764)            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 50,697,594           | 50,665,746           |
| Current portion                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | (1,129,357)          | -                    |
| <b>Total Long-Term Debt, Net</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>\$ 49,568,237</b> | <b>\$ 50,665,746</b> |

## **Carroll Lutheran Village, Inc. Obligated Group**

### **Notes to Special-Purpose Financial Statements June 30, 2024 and 2023**

#### **Note 6 - Line of Credit and Long-Term Debt (continued)**

The line of credit and long-term debt are collateralized by substantially all real and personal property and equipment and gross revenues of the Corporation.

Interest expense on long-term debt totaled \$2,038,451 and \$2,411,966 for the years ended June 30, 2024 and 2023, respectively. The amortization of the Series 2014 and Series 2022 deferred financing costs, included in interest expense on the accompanying special-purpose statement of operations, totaled \$31,848 and \$42,133 for the years ended June 30, 2024 and 2023, respectively. The Series 2014 bond issue premium was being amortized over the life of the bonds, using the effective interest method, and was included in interest expense on the accompanying special-purpose statement of operations. The amortization of the bond issue premium totaled \$-0- and \$5,595 for the years ended June 30, 2024 and 2023, respectively. As a result of refunding the Series 2014 bonds, a loss on debt extinguishment totaling \$402,462, consisting of unamortized deferred financing costs of \$835,867 and unamortized bond issue premium of \$433,405, was included in interest expense during the year ended June 30, 2023.

The long-term debt, exclusive of deferred financing costs, maturing in the next five years at June 30 are as follows:

|      |              |
|------|--------------|
| 2025 | \$ 1,129,357 |
| 2026 | 1,505,103    |
| 2027 | 1,913,290    |
| 2028 | 1,974,235    |
| 2029 | 2,046,850    |

#### **Note 7 - Related Party Transactions**

During the years ended June 30, 2024 and 2023, the Corporation received parent equity transfers from LSMMD in the amount of \$-0- and \$5,000,000, respectively, each year to support ongoing renovation projects. The transfers were in accordance with the Acquisition, Affiliation, and Subsidiary Assessment Policy between LSMMD, LVMG, and the Corporation.

The due from related parties or due to related parties primarily relate to amounts due to or from the Corporation from LSMMD and/or LVMG, have no stated repayment terms and are expected to be repaid in the current operating cycle and thus is classified as current.

During 2024 and 2023, the Corporation had paid a management fee to LSMMD in the amount of approximately \$3,084,000 and \$2,974,000, respectively.

## **Carroll Lutheran Village, Inc. Obligated Group**

### **Notes to Special-Purpose Financial Statements**

June 30, 2024 and 2023

#### **Note 8 - Net Assets With Donor Restrictions**

Net assets with donor restrictions are restricted for the following purposes or periods as of June 30:

|                                              | <u>2024</u>          | <u>2023</u>          |
|----------------------------------------------|----------------------|----------------------|
| Subject to expenditure for specified purpose |                      |                      |
| Skilled nursing facility reinvention         | \$ 1,499,420         | \$ 1,257,359         |
| Scholarship                                  | 341,754              | 326,095              |
| Other                                        | 93,563               | 115,112              |
| Perpetual in nature                          |                      |                      |
| Resident assistance                          | 4,707,444            | 4,707,444            |
| Endowment fund                               | 3,689,978            | 3,577,056            |
| Scholarship endowment                        | 838,282              | 831,457              |
|                                              | <u>\$ 11,170,441</u> | <u>\$ 10,814,523</u> |

#### **Note 9 - Endowment Funds**

The Corporation's endowments consist of funds established for a variety of reasons and purposes. Its endowments include donor-restricted endowments and board designated endowments. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

##### **Interpretation of Relevant Law**

The Board of Trustees of the Corporation has interpreted the relevant Maryland law as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment fund absent explicit donor stipulations to the contrary. As a result of this interpretation, the Corporation classifies as amounts held in perpetuity (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as held in perpetuity is classified as purpose restricted until those amounts are appropriated for expenditure by the Corporation in a manner consistent with the standard of prudence prescribed by the relevant state law. Unless specifically defined, the Corporation considers the following factors to determine when a donor-restricted endowment fund is required by donor stipulation to accumulate or appropriate endowment funds:

- (a) The duration and preservation of the fund
- (b) The purposes of the Corporation and the donor-restricted endowment fund
- (c) General economic conditions
- (d) The possible effect of inflation and deflation

## Carroll Lutheran Village, Inc. Obligated Group

### Notes to Special-Purpose Financial Statements

June 30, 2024 and 2023

#### Note 9 - Endowment Funds (continued)

##### Interpretation of Relevant Law (continued)

- (e) The expected total return from income and appreciation of investments
- (f) Other resources of the Corporation
- (g) The investment policies of the Corporation

The following schedules represent the changes in endowment net assets:

|                                                          | <u>Without</u><br><u>Donor</u><br><u>Restrictions</u> | <u>With Donor Restrictions</u>      |                                           |                      |
|----------------------------------------------------------|-------------------------------------------------------|-------------------------------------|-------------------------------------------|----------------------|
|                                                          |                                                       | <u>Purpose</u><br><u>Restricted</u> | <u>Restricted In</u><br><u>Perpetuity</u> | <u>Total</u>         |
| Endowment net assets,<br>July 1, 2022                    | \$ 7,859,346                                          | \$ -                                | \$ 9,024,578                              | \$ 16,883,924        |
| Investment return                                        | 139,615                                               | 290,924                             | -                                         | 430,539              |
| Contributions                                            | -                                                     | 208,585                             | 91,379                                    | 299,964              |
| Appropriation of<br>endowment assets for<br>expenditure  | -                                                     | (499,509)                           | -                                         | (499,509)            |
| Endowment net assets,<br>June 30, 2023                   | 7,998,961                                             | -                                   | 9,115,957                                 | 17,114,918           |
| Investment return                                        | 1,175,190                                             | 378,672                             | -                                         | 1,553,862            |
| Contributions                                            | -                                                     | 164,183                             | 119,747                                   | 283,930              |
| Appropriation of<br>endowment assets for<br>expenditures | -                                                     | (542,855)                           | -                                         | (542,855)            |
| Endowment net assets,<br>June 30, 2024                   | <u>\$ 9,174,151</u>                                   | <u>\$ -</u>                         | <u>\$ 9,235,704</u>                       | <u>\$ 18,409,855</u> |

##### Funds With Deficiencies

The fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or the relevant state law requires the Corporation to retain as a fund of perpetual duration. These deficiencies are reported as a component of net assets without donor restrictions. There were no deficiencies reported at either June 30, 2024 or 2023.

##### Return Objectives and Risk Parameters

The Corporation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Corporation must hold in perpetuity or for a donor-specified period(s). Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 index while assuming a moderate level of investment risk.

## **Carroll Lutheran Village, Inc. Obligated Group**

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### Notes to Special-Purpose Financial Statements

June 30, 2024 and 2023

#### **Note 9 - Endowment Funds (continued)**

##### **Return Objectives and Risk Parameters (continued)**

The Corporation expects its endowment funds, over time, to provide an average rate of return of approximately 6% - 8% annually. Actual returns in any given year may vary from this amount.

##### **Strategies Employed for Achieving Objectives**

The Corporation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Corporation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

##### **Endowment Spending Policy and How the Investment Objectives Relate to the Spending Policy**

The Corporation has a policy of appropriating restricted net assets for distribution on an as needed basis. The amount needed to fund distributions will first be taken from any accumulated excess earnings from prior years, then from current year investment earnings. Any undistributed income is added back to the purpose restricted fund balance. Over the long term, the Corporation expects the current spending policy to allow its endowment to grow at an average of 4% annually. This is consistent with the Corporation's objective to maintain the purchasing power of the endowment assets to be held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

#### **Note 10 - Retirement Plan**

The Corporation participates in a retirement plan, known as the Thrift Plan for Employees of Lutheran Social Ministries of Maryland. During the years ended June 30, 2024 and 2023, the Corporation made contributions in an amount equal to 4% of employee earnings. Employer contributions related to the plan totaled approximately \$219,000 and \$213,000 for the years ended June 30, 2024 and 2023, respectively.



## Carroll Lutheran Village, Inc. Obligated Group

Notes to Special-Purpose Financial Statements  
June 30, 2024 and 2023

### Note 11 - Expense by Nature and Function

The Corporation provides housing, healthcare and other related services to residents within its geographic location. The special-purpose financial statements report certain expense categories that are attributable to more than one program service or support function. Therefore, these expenses require an allocation on a reasonable basis that is consistently applied. Expenses relating to providing these services as June 30 are approximately:

|                                      | 2024                 |                            |                   | Total                |
|--------------------------------------|----------------------|----------------------------|-------------------|----------------------|
|                                      | Program Service      | General and Administrative | Fundraising       |                      |
| Salaries and wages                   | \$ 10,767,623        | \$ 821,238                 | \$ -              | \$ 11,588,861        |
| Payroll taxes and fringe benefits    | 2,190,416            | 157,020                    | -                 | 2,347,436            |
| Professional fees                    | 2,216,353            | 5,535                      | 6,400             | 2,228,288            |
| Supplies                             | 905,553              | 279,900                    | 329,930           | 1,515,383            |
| Building operations and maintenance  | 3,195,734            | -                          | -                 | 3,195,734            |
| Food                                 | 1,860,234            | -                          | -                 | 1,860,234            |
| Depreciation                         | 4,176,327            | 769,298                    | -                 | 4,945,625            |
| Insurance                            | 755,006              | -                          | -                 | 755,006              |
| Interest                             | 1,959,548            | 77,662                     | 1,241             | 2,038,451            |
| Provision for expected credit losses | 278,040              | -                          | -                 | 278,040              |
| Other operating                      | 3,129,094            | 3,679,618                  | 91,775            | 6,900,487            |
| <b>Total</b>                         | <b>\$ 31,433,928</b> | <b>\$ 5,790,271</b>        | <b>\$ 429,346</b> | <b>\$ 37,653,545</b> |
|                                      | 2023                 |                            |                   |                      |
| Salaries and wages                   | \$ 10,095,074        | \$ 796,776                 | \$ -              | \$ 10,891,850        |
| Payroll taxes and fringe benefits    | 2,106,061            | 155,024                    | -                 | 2,261,085            |
| Professional fees                    | 2,443,127            | 301,262                    | -                 | 2,744,389            |
| Supplies                             | 780,573              | 72,645                     | 26,935            | 880,153              |
| Building operations and maintenance  | 3,493,064            | -                          | -                 | 3,493,064            |
| Food                                 | 1,647,432            | -                          | -                 | 1,647,432            |
| Depreciation                         | 3,690,022            | 712,568                    | -                 | 4,402,590            |
| Insurance                            | 658,163              | -                          | -                 | 658,163              |
| Interest                             | 2,330,394            | 80,289                     | 1,283             | 2,411,966            |
| Provision for expected credit losses | 236,337              | -                          | -                 | 236,337              |
| Other operating                      | 1,799,848            | 3,535,619                  | 45,667            | 5,381,134            |
| <b>Total</b>                         | <b>\$ 29,280,095</b> | <b>\$ 5,654,183</b>        | <b>\$ 73,885</b>  | <b>\$ 35,008,163</b> |

## **Carroll Lutheran Village, Inc. Obligated Group**

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Notes to Special-Purpose Financial Statements  
June 30, 2024 and 2023

### **Note 12 - Benevolent Care**

The Corporation extends charity care and other support to residents, who meet certain criteria under its benevolent care policy and are unable to pay for services, at all levels of care as needed and when appropriate without charge or at amounts less than its established rates. Because the Corporation does not pursue collection of amounts determined to be benevolent care, they are not reported as resident service revenues.

The Corporation maintains records to identify and monitor the level of charity care it provides. The costs associated with the charity care services provided are estimated by applying a cost-to-charge ratio to the amount of gross uncompensated charges for the residents receiving charity care. The level of charity care provided by the Corporation amounted to \$3,924,000 and \$3,053,000 in 2024 and 2023, respectively, including costs related to the medical assistance program of \$2,574,000 and \$2,525,000 in 2024 and 2023, respectively.

### **Note 13 - Concentrations of Credit Risk**

Financial instruments, which subject the Corporation to concentrations of credit risk, consist primarily of cash and cash equivalents, short-term investments (such as certificates of deposit), and receivables.

The Corporation typically maintains cash and cash equivalents in local banks, which at times may exceed the amounts insured by the Federal Deposit Insurance Corporation. The Corporation has not experienced any losses from maintaining cash accounts in excess of federally insured limits. Management believes that it is not subject to any significant credit risk on its cash accounts. Common stocks, mutual funds, corporate bonds, and alternative investments are uninsured.

The Corporation's investments are subject to fluctuations in the fair values of those investments.

The Corporation grants credit to its residents and other third-party payors, primarily Medicare, Medical Assistance and various commercial insurance companies. The Corporation maintains reserves for potential credit losses and such losses have historically been within management's expectations.

### **Note 14 - Medical Malpractice Claims Coverage**

The Corporation maintains occurrence based professional liability coverage through a commercial insurance carrier. Management believes no incidents have occurred or will be asserted that will exceed the insurance coverage or will have a material adverse effect on the special-purpose financial statements.

## **Carroll Lutheran Village, Inc. Obligated Group**

Notes to Special-Purpose Financial Statements  
June 30, 2024 and 2023

### **Note 15 - Commitments and Contingencies**

#### **Senior Living Industry**

The senior living services and healthcare industries are subject to numerous laws, regulations, and administrative directives of federal, state, and local governments and agencies. Compliance with these laws, regulations and administrative directives is subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time. Government activity continues to increase with respect to investigations and allegations concerning possible violations by healthcare providers of fraud and abuse statutes and regulations, which could result in the imposition of significant fines and penalties as well as significant repayments for resident services previously billed. The Corporation is not aware of any material incidents of noncompliance; however, the possible future financial effects of this matter, if any, are not presently determinable.

#### **Agreements Regarding Construction Projects**

The Corporation has entered into several contracts for their Building 205 construction project in aggregate amounts not to exceed \$11,726,758. At June 30, 2024, \$4,710,583 remained to be billed on these contracts.

### **Note 16 - Restatement**

The 2023 special-purpose financial statements have been restated to correct a misstatement related to depreciation expense as previously reported. A prior period adjustment was recorded in the amount of \$612,059 to decrease property and equipment, net in the special-purpose balance sheet and to increase depreciation expense in the special-purpose statement of operations as of and for the year ended June 30, 2023. The effect of the restatement was to decrease change in net assets without donor restrictions by \$612,059 for the year ended June 30, 2023.

### **Note 17 - Reclassifications**

Certain items in the 2023 special-purpose financial statements have been reclassified to conform to the 2024 special-purpose financial statement presentation. These changes did not affect net assets as of or for the year ended June 30, 2024.

### **Note 18 - Subsequent Events**

The Corporation has evaluated subsequent events through October 17, 2024. This date is the date the special-purpose financial statements were available to be issued. No material events subsequent to June 30, 2024 were noted.



## **Exhibit B: Carroll Lutheran Village Avondale Place Renovation**

As noted in last year's disclosure, residential living 205, now called Avondale Place, began renovations. Avondale Place has five floors that consist of 129 residential living units. Like the Windsor Terrace renovations, the Avondale Place renovation plan focuses on installing a new HVAC system, and the replacement of the existing roof. The new heating and cooling systems are energy efficient and allow residents to individually to adjust apartment temperatures to their comfort level using individual thermostats.

The renovation plan also included a substantial makeover of building's interior finishes in common areas, resident gathering rooms such as a new game room. The remodeling/renovation effort has resulted in a more aesthetically pleasing and functional residence for our residents.

Because of the large scope of renovations that needed to be completed, several initiatives were implemented from the start to minimize the disruption on residents living in Avondale Place during the renovation. As we learned from the renovation in Windsor Terrace, frequent communication or "over-communication" to the resident's minimized confusion and uncertainty and kept the residents fully informed. Initiatives included weekly group in-person meetings with residents. The meetings were led by the corporate director of construction/ development, VP of Operations, Executive Director, facilities team members and the social work team. Individual resident meetings were also offered if residents were not able to attend the group meetings.

The meetings provided regular project updates and drawings, discussed the temporary apartment relocation process, as well as addressed questions or concerns raised by the residents. Written communications were also sent out to residents to reinforce any changes in the construction process that would have an impact on the resident's daily routine. If needed a "phone tree" message alerting residents of the same information went out to residents.

As of October 2024, all five floors and resident units of Avondale Place have been successfully completed. All residents that needed to stay in temporary units have returned to their permanent units. The remaining work of the project will be focused on the exterior of the building and will commence by January 2025.

**Fee Structure—Current and Historical; Health Care Center**

## Per Diem Rates

| <b>Effective Date</b>      | <b>Minimum Level of Care</b> | <b>Intermediate Level of Care</b> | <b>Heavy Level of Care</b> |
|----------------------------|------------------------------|-----------------------------------|----------------------------|
| July 1, 2024<br>• General  | \$436.25                     | \$504.00                          | \$555.00                   |
| July 1, 2024<br>• Rehab    | \$448.50                     | \$516.50                          | \$567.50                   |
| July 1, 2023<br>• General  | \$419.25                     | \$484.50                          | \$533.50                   |
| July 1, 2023<br>• Rehab    | \$431.25                     | \$496.50                          | \$545.50                   |
| July 1, 2023<br>• Dementia | \$431.25                     | \$496.50                          | \$545.50                   |
| July 1, 2022<br>• General  | \$401.25                     | \$463.75                          | \$510.75                   |
| July 1, 2022<br>• Rehab    | \$413.25                     | \$475.75                          | \$522.75                   |
| July 1, 2022<br>• Dementia | \$413.25                     | \$475.75                          | \$522.75                   |
| July 1, 2021<br>• General  | \$386.00                     | \$446.00                          | \$491.25                   |
| July 1, 2021<br>• Rehab    | \$399.25                     | \$458.75                          | \$504.25                   |
| July 1, 2021<br>• Dementia | \$399.25                     | \$458.75                          | \$504.25                   |
| July 1, 2020<br>• General  | 366.00                       | 423.00                            | 465.75                     |
| July 1, 2020<br>• Rehab    | 378.00                       | 435.00                            | 477.75                     |
| July 1, 2020<br>• Dementia | 378.00                       | 435.00                            | 477.75                     |

Note: Above rates are for semi-private rooms. There is a differential of \$47 for private rooms for all levels of care. There are no private rooms available on the dementia unit.

## Fee Structure—Current and Historical; Assisted Living

### Per Diem Rates

| <b>Effective Date</b> | <b>Minimum Level of Care</b> | <b>Intermediate Level of Care</b> | <b>Heavy Level of Care</b> |
|-----------------------|------------------------------|-----------------------------------|----------------------------|
| July 1, 2024          | \$252.75                     | \$273.75                          | \$297.25                   |
| July 1, 2023          | \$243.00                     | \$263.00                          | \$285.75                   |
| July 1, 2022          | \$232.75                     | \$251.75                          | \$273.50                   |
| July 1, 2021          | \$224.00                     | \$242.25                          | \$263.00                   |
| July 1, 2020          | \$212.25                     | \$229.75                          | \$249.25                   |

Note: Above rates are for standard suite. The facility does have an Ultra-High Assistance Level for an additional \$58.50 per day in the standard suite. There is a differential of \$38.25-\$58.25 for large or deluxe suites for all levels of care.

| <b>Effective Date</b> | <b>Community Fee</b> |
|-----------------------|----------------------|
| <b>July 1, 2024</b>   | <b>\$5,000.00</b>    |

\*Community Fee is a one-time Non-Refundable fee which does not apply to CLV Independent Living Residents

**Fee Structure—Current and Historical; Assisted Living/Memory Care**

## Per Diem Rates

| <b>Effective Date</b> | <b>Private Room</b> | <b>Semi-Private</b> |
|-----------------------|---------------------|---------------------|
| July 1, 2024          | \$500.00            | \$313.00            |

Room and Board and Level of Care are included in the daily rate  
Ancillary charges are not included

**Non-Refundable Community Fee**

| <b>Effective Date</b> | <b>Private Room</b> | <b>Semi-Private</b> |
|-----------------------|---------------------|---------------------|
| July 1, 2024          | \$7,000.00          | \$5,000             |

CARROLL LUTHERAN VILLAGE  
RESIDENTIAL LIVING HOMES - CURRENT AND HISTORICAL FEE STRUCTURE

| ADDRESS               | TYPE                          | As of July 1, 2024      |                                  | As of July 1, 2023      |                                  | As of July 1, 2022      |                                  | As of July 1, 2021      |                                  | As of July 1, 2020      |                                  |
|-----------------------|-------------------------------|-------------------------|----------------------------------|-------------------------|----------------------------------|-------------------------|----------------------------------|-------------------------|----------------------------------|-------------------------|----------------------------------|
|                       |                               | STANDARD ENTRANCE FEE * | MONTHLY SERVICE FEE (see note A) | STANDARD ENTRANCE FEE * | MONTHLY SERVICE FEE (see note A) | STANDARD ENTRANCE FEE * | MONTHLY SERVICE FEE (see note A) | STANDARD ENTRANCE FEE * | MONTHLY SERVICE FEE (see note A) | STANDARD ENTRANCE FEE * | MONTHLY SERVICE FEE (see note A) |
| 295 Luther Drive      | 2BR,1.5BA,DPLX, SR,GAR,Porch  | 414,079                 | 3,344                            | 398,153                 | 2,374                            | 359,538                 | 2,199                            | 340,795                 | 2,085                            | 289,447                 | 1,976                            |
| 297 Luther Drive      | 2BR,1.5BA,DPLX,GAR,FP,SR      | 414,079                 | 3,344                            | 398,153                 | 2,374                            | 359,538                 | 2,199                            | 340,795                 | 2,085                            | 289,447                 | 1,976                            |
| 299 Luther Drive      | 2BR,2BA,SNGL,GAR,Den,Por,Deck | 529,893                 | 5,434                            | 514,459                 | 4,384                            | 476,351                 | 4,060                            | 451,518                 | 3,849                            | 383,487                 | 3,648                            |
| 301 Luther Drive      | 2br snlg gar famrm            | 455,673                 | 3,344                            | 438,147                 | 2,374                            | 405,692                 | 2,199                            | 384,543                 | 2,085                            | 326,604                 | 1,976                            |
| 200 St. Mark Way      | 1BR,1BA,QUAD,Porch            | 198,530                 | 2,199                            | 180,482                 | 2,019                            | 167,113                 | 1,870                            | 158,401                 | 1,773                            | 150,059                 | 1,681                            |
| 202 St. Mark Way      | 1BR,1BA,QUAD,Porch            | 198,530                 | 2,199                            | 180,482                 | 2,019                            | 167,113                 | 1,870                            | 158,401                 | 1,773                            | 150,059                 | 1,681                            |
| 204 St. Mark Way      | 1BR,1BA,QUAD,V                | 198,530                 | 2,199                            | 180,482                 | 2,019                            | 167,113                 | 1,870                            | 158,401                 | 1,773                            | 150,059                 | 1,681                            |
| 206 St. Mark Way      | 1BR,1BA,QUAD,Porch,V          | 198,530                 | 2,199                            | 180,482                 | 2,019                            | 167,113                 | 1,870                            | 158,401                 | 1,773                            | 150,059                 | 1,681                            |
| 208 St. Mark Way      | 2BR,2BA,DPLX,Porch            | 267,702                 | 2,579                            | 243,365                 | 2,397                            | 225,338                 | 2,220                            | 213,591                 | 2,105                            | 227,946                 | 1,976                            |
| 210 St. Mark Way      | 2BR,2BA,FPLX,Porch            | 267,702                 | 2,579                            | 243,365                 | 2,374                            | 225,338                 | 2,199                            | 213,591                 | 2,085                            | 181,409                 | 1,976                            |
| 212 St. Mark Way      | 2BR,2BA,FPLX,Porch,Patio      | 267,702                 | 2,579                            | 243,365                 | 2,374                            | 225,338                 | 2,199                            | 213,591                 | 2,085                            | 181,409                 | 1,976                            |
| 214 St. Mark Way      | 2BR,2BA,FPLX,Porch,SR         | 267,702                 | 2,579                            | 243,365                 | 2,374                            | 225,338                 | 2,199                            | 213,591                 | 2,085                            | 227,946                 | 1,976                            |
| 216 St. Mark Way      | 2BR,1.5BA,SNGL,GAR,FP,SR      | 496,852                 | 3,807                            | 477,742                 | 2,820                            | 424,250                 | 2,612                            | 402,133                 | 2,476                            | 341,544                 | 2,347                            |
| 218 St. Mark Way      | 1BR,1BA,DPLX,Den              | 267,702                 | 2,579                            | 243,365                 | 2,374                            | 243,641                 | 2,199                            | 230,940                 | 2,085                            | 196,145                 | 1,976                            |
| 220 St. Mark Way      | 2BR,1.5BA,DPLX,SR,V           | 267,702                 | 2,579                            | 243,365                 | 2,374                            | 243,641                 | 2,199                            | 230,940                 | 2,085                            | 196,145                 | 1,976                            |
| 221 St. Mark Way      | 2BR,2BA,SNGL,FP,Patio         | 496,852                 | 3,581                            | 477,742                 | 2,602                            | 424,250                 | 2,199                            | 402,133                 | 2,085                            | 341,544                 | 1,976                            |
| 222 St. Mark Way      | 3BR,2BA,SNGL,GAR,FR,V         | 496,852                 | 3,581                            | 477,742                 | 2,602                            | 442,354                 | 2,410                            | 419,293                 | 2,285                            | 356,118                 | 2,166                            |
| 224 St. Mark Way      | 2BR,2BA,DPLX,GAR,Porch,V      | 468,660                 | 3,581                            | 450,635                 | 2,602                            | 369,225                 | 2,199                            | 349,977                 | 2,085                            | 297,246                 | 1,976                            |
| 225 St. Mark Way      | 2BR,1BA,DPLX,GAR,SR           | 357,851                 | 3,102                            | 325,319                 | 2,820                            | 301,222                 | 2,612                            | 285,519                 | 2,476                            | 242,500                 | 2,347                            |
| 226 St. Mark Way      | 2BR,1.5BA,DPLX,GAR            | 468,660                 | 3,581                            | 450,635                 | 2,602                            | 369,225                 | 2,410                            | 349,977                 | 2,285                            | 297,246                 | 2,166                            |
| 227 St. Mark Way      | 2BR,1BA,DPLX,GAR,Patio        | 357,851                 | 3,102                            | 325,319                 | 2,374                            | 301,222                 | 2,199                            | 285,519                 | 2,085                            | 242,500                 | 1,976                            |
| 228 St. Mark Way      | 2BR,1.5BA,DPLX,GAR,SR,V       | 468,660                 | 3,581                            | 450,635                 | 3,513                            | 355,638                 | 2,199                            | 337,098                 | 2,085                            | 286,308                 | 1,976                            |
| 229 St. Mark Way      | 2BR,1BA,DPLX,GAR,Patio        | 338,030                 | 3,102                            | 334,683                 | 2,820                            | 301,222                 | 2,199                            | 285,519                 | 2,085                            | 242,500                 | 1,976                            |
| 230 St. Mark Way      | 2BR,1BA,DPLX,GAR,Patio,V      | 468,660                 | 4,528                            | 450,635                 | 3,513                            | 355,638                 | 3,253                            | 337,098                 | 3,084                            | 286,308                 | 2,923                            |
| 231 St. Mark Way      | 2BR,1BA,DPLX,GAR,SR,Patio     | 468,660                 | 3,807                            | 450,635                 | 2,820                            | 386,716                 | 2,612                            | 366,556                 | 2,476                            | 311,327                 | 2,347                            |
| 233 St. Mark Way      | 2BR,1.5BA,DPLX,GAR,SR         | 402,340                 | 3,807                            | 386,865                 | 2,820                            | 358,209                 | 2,612                            | 339,535                 | 2,476                            | 288,377                 | 2,347                            |
| 235 St. Mark Way      | 2BR,1BA,DPLX,GAR,SR,Patio     | 402,339                 | 3,807                            | 386,865                 | 2,820                            | 358,208                 | 2,612                            | 339,534                 | 2,476                            | 288,377                 | 2,347                            |
| 236 St. Mark Way      | 2BR,2BA,DPLX,DGAR,Patio,V     | 417,061                 | 3,581                            | 401,020                 | 2,602                            | 371,315                 | 2,410                            | 351,958                 | 2,285                            | 298,928                 | 2,166                            |
| 237 St. Mark Way      | 2BR,1.5BA,SNGL,GAR,SR,V       | 514,224                 | 4,374                            | 499,247                 | 3,365                            | 462,266                 | 3,116                            | 438,167                 | 2,954                            | 372,148                 | 2,800                            |
| 238 St. Mark Way      | 2BR,1.5BA,DPLX,DGAR,FR,V      | 492,074                 | 3,581                            | 477,742                 | 2,602                            | 371,314                 | 2,410                            | 351,957                 | 2,285                            | 298,928                 | 2,166                            |
| 239 St. Mark Way      | 2BR,2BA,DPLX,GAR,Patio,V      | 492,074                 | 3,581                            | 477,742                 | 2,602                            | 371,314                 | 2,410                            | 351,957                 | 2,285                            | 298,928                 | 2,166                            |
| 241 St. Mark Way      | 2BR,1BA,DPLX,GAR,Patio,V      | 545,221                 | 3,933                            | 524,251                 | 2,941                            | 485,418                 | 2,724                            | 460,112                 | 2,582                            | 390,787                 | 2,448                            |
| 200 St. Matthew Court | 2BR,1BA,DPLX,GAR,Deck         | 338,030                 | 2,611                            | 334,683                 | 2,374                            | 271,320                 | 2,199                            | 257,176                 | 2,085                            | 218,428                 | 1,976                            |
| 201 St. Matthew Court | 2BR,2BA,DPLX,Cov Patio        | 343,052                 | 2,611                            | 311,865                 | 2,374                            | 288,764                 | 2,199                            | 273,710                 | 2,085                            | 232,470                 | 1,976                            |
| 202 St. Matthew Court | 2BR,1.5 BA,DPLX,GAR,Deck      | 338,030                 | 2,611                            | 344,683                 | 2,374                            | 309,892                 | 2,199                            | 293,737                 | 2,085                            | 249,480                 | 1,976                            |
| 203 St. Matthew Court | 2BR,1.5BA,DPLX                | 343,052                 | 2,611                            | 311,865                 | 2,374                            | 288,764                 | 2,199                            | 273,710                 | 2,085                            | 232,470                 | 1,976                            |
| 204 St. Matthew Court | 2BR,2BA,DPLX,FR,SR,D          | 403,747                 | 3,516                            | 367,043                 | 2,374                            | 339,855                 | 2,199                            | 322,138                 | 2,085                            | 273,601                 | 1,976                            |
| 205 St. Matthew Court | 2BR,1BA,DPLX,Porch,street     | 267,702                 | 2,636                            | 243,365                 | 2,535                            | 225,338                 | 2,348                            | 213,591                 | 2,226                            | 181,409                 | 2,110                            |
| 211 St. Matthew Court | 2BR,1BA,DPLX,Porch,street     | 267,702                 | 2,579                            | 243,365                 | 2,374                            | 225,338                 | 2,199                            | 213,591                 | 2,085                            | 181,409                 | 1,976                            |
| 207 St. Matthew Court | 2BR,1BA,DPLX,Porch,garden     | 267,702                 | 2,636                            | 243,365                 | 2,535                            | 225,338                 | 2,348                            | 213,591                 | 2,226                            | 181,409                 | 2,110                            |
| 209 St. Matthew Court | 2BR,1BA,DPLX,Porch,garden     | 267,702                 | 2,579                            | 243,365                 | 2,374                            | 225,338                 | 2,199                            | 213,591                 | 2,085                            | 181,409                 | 1,976                            |
| 206 St. Matthew Court | 2BR,1BA,DPLX,Cov Patio        | 267,702                 | 2,611                            | 243,365                 | 2,374                            | 225,338                 | 2,199                            | 213,591                 | 2,085                            | 181,409                 | 1,976                            |
| 208 St. Matthew Court | 2BR,2BA,DPLX,Porch            | 336,376                 | 2,611                            | 305,796                 | 2,374                            | 283,145                 | 2,199                            | 268,384                 | 2,085                            | 227,946                 | 1,976                            |
| 210 St. Matthew Court | 2BR,2BA,FPLX,Porch            | 325,345                 | 2,611                            | 295,768                 | 2,374                            | 225,338                 | 2,199                            | 213,591                 | 2,085                            | 181,409                 | 1,976                            |
| 212 St. Matthew Court | 2BR,2BA,FPLX,Porch,Patio      | 325,345                 | 2,611                            | 295,768                 | 2,374                            | 225,338                 | 2,199                            | 213,591                 | 2,085                            | 181,409                 | 1,976                            |
| 214 St. Matthew Court | 2BR,2BA,FPLX,Porch,SR         | 336,376                 | 2,611                            | 305,796                 | 2,374                            | 283,145                 | 2,199                            | 268,384                 | 2,085                            | 227,946                 | 1,976                            |
| 216 St. Matthew Court | 2BR,1.5BA,DPLX,GAR,SR         | 386,059                 | 3,807                            | 371,211                 | 2,820                            | 343,714                 | 2,612                            | 325,796                 | 2,476                            | 276,708                 | 2,347                            |
| 218 St. Matthew Court | 2BR,1BA,DPLX,GAR,Patio        | 386,059                 | 3,807                            | 371,211                 | 3,513                            | 343,714                 | 3,253                            | 325,796                 | 3,084                            | 276,708                 | 2,923                            |

\* Carefully read the Residency Care Agreement for the conditions that must be satisfied before Carroll Lutheran Village is required to pay the entrance fee refund.

Note A: Second person fees are \$874 for FY2025 \$841 for FY2024 \$779 for FY2023 \$739 for FY2022 \$701 for FY2021

Note B: Three contract types are offered beginning 7/1/2020: Declining Balance, 50% refundable and 90% refundable. The declining balance is presented in this schedule for comparison purposes with the prior years. The conversion factors from declining balance to the other contract types are: 1.425 for 50% contracts and 2.4 for 90% contracts.

Prepared for Carroll Lutheran Village's Disclosure Statement.

Carroll Lutheran Village reserves the right to change current prices without prior notice.



| NUMBER OF APTS. | TYPE            | SIZE SQ. FT. | As of July 1, 2024     |                                  | As of July 1, 2023     |                                  | As of July 1, 2022     |                                  | As of July 1, 2021     |                                  | As of July 1, 2020     |                                  | As of July 1, 2019     |                                  | As of July 1, 2018     |                                  |
|-----------------|-----------------|--------------|------------------------|----------------------------------|------------------------|----------------------------------|------------------------|----------------------------------|------------------------|----------------------------------|------------------------|----------------------------------|------------------------|----------------------------------|------------------------|----------------------------------|
|                 |                 |              | STANDARD ENTRANCE FEE* | MONTHLY SERVICE FEE (see note A) | STANDARD ENTRANCE FEE* | MONTHLY SERVICE FEE (see note A) | STANDARD ENTRANCE FEE* | MONTHLY SERVICE FEE (see note A) | STANDARD ENTRANCE FEE* | MONTHLY SERVICE FEE (see note A) | STANDARD ENTRANCE FEE* | MONTHLY SERVICE FEE (see note A) | STANDARD ENTRANCE FEE* | MONTHLY SERVICE FEE (see note A) | STANDARD ENTRANCE FEE* | MONTHLY SERVICE FEE (see note A) |
| 4               | STUDIO***       | 374          | 97,826                 | 1,786                            | 96,134                 | 1,734                            | 89,013                 | 1,606                            | 84,373                 | 1,523                            | 79,929                 | 1,444                            | 72,160                 | 1,282                            | 69,720                 | 1,236                            |
| 0               | STUDIO****      | 390          | N/A                    | N/A                              | 96,134                 | 1,734                            | 89,013                 | 1,606                            | 84,373                 | 1,523                            | 79,929                 | 1,444                            | 72,160                 | 1,282                            | 69,720                 | 1,236                            |
| 0               | STUDIO****      | 453          | N/A                    | N/A                              | 96,134                 | 1,734                            | 89,013                 | 1,606                            | 84,373                 | 1,523                            | 79,929                 | 1,444                            | 67,302                 | 1,395                            | 65,026                 | 1,344                            |
| 2               | 1 BEDROOM       | 480          | 138,758                | 2,495                            | 136,586                | 2,422                            | 109,973                | 1,909                            | 104,240                | 1,810                            | 98,750                 | 1,716                            | 92,119                 | 1,534                            | 89,004                 | 1,479                            |
| 2               | 1 BEDROOM****   | 551          | 172,028                | 2,566                            | 169,336                | 2,491                            | 136,342                | 1,963                            | 129,235                | 1,861                            | 122,428                | 1,764                            | 113,151                | 1,578                            | 109,324                | 1,521                            |
| 22              | 1 BEDROOM       | 552          | 172,028                | 2,566                            | 169,336                | 2,491                            | 136,342                | 1,963                            | 129,235                | 1,861                            | 122,428                | 1,764                            | 106,996                | 1,535                            | 103,378                | 1,479                            |
| 28              | 1 BEDROOM***    | 561          | 172,028                | 2,566                            | 169,336                | 2,491                            | 136,342                | 1,963                            | 129,235                | 1,861                            | 122,428                | 1,764                            | 113,150                | 1,578                            | 109,324                | 1,521                            |
| 5               | 1 BEDROOM       | 643          | 186,710                | 2,790                            | 183,788                | 2,709                            | 147,978                | 2,135                            | 140,264                | 2,024                            | 132,877                | 1,919                            | 122,364                | 1,717                            | 118,226                | 1,655                            |
| 1               | 1 BEDROOM       | 644          | 186,710                | 2,790                            | 183,788                | 2,709                            | 147,978                | 2,135                            | 140,264                | 2,024                            | 132,877                | 1,919                            | 122,364                | 1,717                            | 118,226                | 1,655                            |
| 0               | 1 BEDROOM****   | 650          | N/A                    | N/A                              | 183,788                | 2,709                            | 147,978                | 2,135                            | 140,264                | 2,024                            | 132,877                | 1,919                            | 122,364                | 1,717                            | 118,226                | 1,655                            |
| 5               | 1 BEDROOM/Study | 717          | 230,057                | 2,902                            | 226,612                | 2,817                            | 182,458                | 2,220                            | 172,946                | 2,105                            | 146,888                | 1,995                            | 134,720                | 1,785                            | 130,164                | 1,721                            |
| 2               | 1 BEDROOM/Study | 780**        | 261,834                | 3,122                            | 256,398                | 3,031                            | 206,441                | 2,506                            | 195,679                | 2,376                            | 166,196                | 2,252                            | 151,746                | 2,014                            | 146,614                | 1,942                            |
| 17              | 1 BEDROOM/Study | 869          | 292,972                | 3,324                            | 286,890                | 3,227                            | 230,991                | 2,668                            | 196,300                | 2,529                            | 185,960                | 2,398                            | 164,928                | 2,146                            | 159,351                | 2,068                            |
| 18              | 1 BEDROOM/Study | 882          | 292,972                | 3,324                            | 286,890                | 3,227                            | 230,991                | 2,668                            | 218,949                | 2,529                            | 185,960                | 2,398                            | 169,357                | 2,146                            | 163,630                | 2,068                            |
| 3               | 1 BEDROOM/Study | 884          | 292,972                | 3,324                            | 286,890                | 3,227                            | 230,991                | 2,668                            | 218,949                | 2,529                            | 185,960                | 2,398                            | 169,357                | 2,146                            | 163,630                | 2,068                            |
| 24              | 1 BEDROOM/Study | 890          | 292,972                | 3,324                            | 286,890                | 3,227                            | 230,991                | 2,668                            | 218,949                | 2,529                            | 185,960                | 2,398                            | 169,357                | 2,146                            | 163,630                | 2,068                            |
| 3               | 1 BEDROOM/Study | 893          | 292,972                | 3,324                            | 286,890                | 3,227                            | 230,991                | 2,668                            | 218,949                | 2,529                            | 185,960                | 2,398                            | 169,357                | 2,146                            | 163,630                | 2,068                            |
| 0               | 1 BEDROOM/Study | 895          | N/A                    | N/A                              | 286,890                | 3,227                            | 230,991                | 2,668                            | 218,949                | 2,529                            | 185,960                | 2,398                            | 164,928                | 2,146                            | 159,351                | 2,068                            |
| 1               | 1 BEDROOM/Study | 977          | 304,470                | 3,460                            | 298,149                | 3,359                            | 240,056                | 2,777                            | 227,542                | 2,633                            | 193,258                | 2,496                            | 175,792                | 2,233                            | 169,847                | 2,153                            |
| 1               | 2BDR DELUXE     | 1000         | 357,091                | 3,464                            | 357,091                | 4,107                            | 287,513                | 3,237                            | 244,334                | 3,069                            | 231,464                | 2,909                            | 182,055                | 2,262                            | 175,898                | 2,180                            |
| 8               | 2BDR DELUXE     | 1,020        | 357,091                | 3,464                            | 357,091                | 3,464                            | 287,513                | 2,730                            | 244,334                | 2,588                            | 231,464                | 2,453                            | 202,886                | 2,283                            | 196,025                | 2,200                            |
| 2               | 2BDR DELUXE     | 1,025        | 357,091                | 3,464                            | 357,091                | 3,464                            | 287,513                | 2,730                            | 272,525                | 3,069                            | 231,464                | 2,453                            | 199,255                | 2,189                            | 192,517                | 2,110                            |
| 10              | 2BDR DELUXE     | 1,041        | 357,091                | 3,464                            | 357,091                | 3,464                            | 287,513                | 2,730                            | 272,525                | 2,588                            | 231,464                | 2,453                            | 206,517                | 2,305                            | 199,533                | 2,222                            |
| 3               | 2BDR DELUXE     | 1,118        | 391,399                | 3,801                            | 391,399                | 3,801                            | 287,513                | 2,730                            | 272,525                | 2,588                            | 231,464                | 2,453                            | 226,711                | 2,370                            | 219,045                | 2,284                            |
| 2               | 2BDR DELUXE     | 1,126        | 391,399                | 3,801                            | 391,399                | 3,801                            | 287,513                | 2,730                            | 272,525                | 2,588                            | 231,464                | 2,453                            | 226,711                | 2,378                            | 219,045                | 2,292                            |
| 2               | 2BDR DELUXE     | 1,172        | 391,399                | 3,985                            | 391,399                | 3,985                            | 287,513                | 2,730                            | 272,525                | 2,588                            | 231,464                | 2,453                            | 231,957                | 2,445                            | 224,113                | 2,357                            |
| 3               | 2BDR DELUXE     | 1,218        | 426,300                | 4,141                            | 426,300                | 4,141                            | 287,513                | 2,730                            | 272,525                | 2,588                            | 231,464                | 2,453                            | 231,957                | 2,478                            | 224,113                | 2,388                            |
| 1               | 2BDR DELUXE     | 1,312        | 459,200                | 4,461                            | 459,200                | 4,461                            | 287,513                | 3,237                            | 272,525                | 3,069                            | 231,464                | 2,909                            | 251,311                | 2,811                            | 242,813                | 2,709                            |
| 3               | 2BDR DELUXE     | 1,349        | 450,859                | 3,984                            | 450,859                | 3,831                            | 363,011                | 3,225                            | 344,087                | 3,057                            | 292,243                | 2,898                            | 278,675                | 2,718                            | 269,251                | 2,619                            |
| 1               | 2BDR DELUXE     | 1370**       | 479,500                | 4,658                            | 479,500                | 4,658                            | 363,011                | 3,225                            | 344,087                | 3,057                            | 292,243                | 2,898                            | 278,140                | 2,717                            | 268,734                | 2,619                            |
| 3               | 2BDR DELUXE     | 1,462        | 450,859                | 4,132                            | 450,859                | 3,973                            | 363,011                | 3,345                            | 344,087                | 3,171                            | 292,243                | 3,006                            | 295,360                | 2,904                            | 285,372                | 2,799                            |
| 1               | 2BEDROOM COMBO  | 1,097        | 357,092                | 3,499                            | 357,092                | 3,464                            | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              |
| 1               | 2BEDROOM COMBO  | 1,120        | 357,092                | 3,499                            | 357,092                | 3,464                            | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              |
| 1               | 2BEDROOM COMBO  | 1,126        | 357,092                | 3,499                            | 357,092                | 3,464                            | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              |
| 1               | 2BEDROOM COMBO  | 1,133        | 357,092                | 3,603                            | 357,092                | 3,464                            | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              |
| 1               | 1BEDROOM COMBO  | 984          | 298,150                | 3,360                            | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              |
| 2               | 2BEDROOM COMBO  | 1,066        | 357,092                | 3,499                            | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              |
| 5               | 2BEDROOM COMBO  | 1,150        | 357,092                | 3,637                            | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              |
| 1               | 2BEDROOM COMBO  | 1,298        | 400,860                | 3,908                            | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              |
| 1               | 2BEDROOM COMBO  | 1,290        | 420,860                | 3,908                            | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              | N/A                    | N/A                              |
| 1               | 3 BEDROOM       | 1,119        | 391,399                | 3,805                            | 391,399                | 3,805                            | 287,513                | 3,237                            | 272,525                | 3,069                            | 231,464                | 2,909                            | 216,591                | 2,370                            | 209,267                | 2,284                            |

\* Carefully read the Residency Care Agreement for the conditions that must be satisfied before Carroll Lutheran Village is required to pay the entrance fee refund.

\*\*Renovations occurred during 2016/2017.

\*\*\*Combination of units occurred in 2022. Combinations removed

\*\*\*\*Combination of units occurred in 2023. Combinations removed

Note A: Second person fees are \$874 for FY2025 \$841 for FY2024 \$779 for FY2023 \$739 for FY2022 \$701 for FY2021

Note B: Three contract types are offered beginning 7/1/2020: Declining Balance, 50% refundable and 90% refundable. The declining balance is presented in this schedule for comparison purposes with the prior years.

The conversion factors from declining balance to the other contract types are: 1.425 for 50% contracts and 2.4 for 90% contracts.

Prepared for Carroll Lutheran Village's Disclosure Statement.

Carroll Lutheran Village reserves the right to change current prices without prior notice.

| Home Address       | Type                  | Square Feet | As of July 1, 2024 |                 |                        | As of July 1, 2023 |                 |                        | As of July 1, 2022 |                 |                        | As of July 1, 2021 |                 |                        | As of July 1, 2020 |                 |                        |
|--------------------|-----------------------|-------------|--------------------|-----------------|------------------------|--------------------|-----------------|------------------------|--------------------|-----------------|------------------------|--------------------|-----------------|------------------------|--------------------|-----------------|------------------------|
|                    |                       |             | Monthly Fees       |                 | Entrance Fee           | Monthly Fees       |                 | Entrance Fee           | Monthly Fees       |                 | Entrance Fee           | Monthly Fees       |                 | Entrance Fee           | Monthly Fees       |                 | Entrance Fee           |
|                    |                       |             | First Occupant     | Second Occupant | Standard Entrance Fee* | First Occupant     | Second Occupant | Standard Entrance Fee* | First Occupant     | Second Occupant | Standard Entrance Fee* | First Occupant     | Second Occupant | Standard Entrance Fee* | First Occupant     | Second Occupant | Standard Entrance Fee* |
| 1238 Weller Way    | 2 BEDROOM/DEN/GAR     | 1600        | 4,088              | 874             | 484,874                | 3,931              | 841             | 466,225                | 3,640              | 779             | 431,690                | 3,451              | 739             | 409,185                | 3,272              | 701             | 347,533                |
| 1248 Weller Way    | 2 BEDROOM/DEN/GAR     | 1600        | 4,088              | 874             | 484,874                | 3,931              | 841             | 466,225                | 3,640              | 779             | 431,690                | 3,451              | 739             | 409,185                | 3,272              | 701             | 347,533                |
| 1268 Weller Way    | 2 BEDROOM/DEN/GAR     | 1600        | 4,088              | 874             | 484,874                | 3,931              | 841             | 466,225                | 3,640              | 779             | 431,690                | 3,451              | 739             | 409,185                | 3,272              | 701             | 347,533                |
| 1272 Weller Way    | 2 BEDROOM/DEN/GAR     | 1600        | 4,088              | 874             | 484,874                | 3,931              | 841             | 466,225                | 3,640              | 779             | 431,690                | 3,451              | 739             | 409,185                | 3,272              | 701             | 347,533                |
| 1280 Weller Way    | 2 BEDROOM/DEN/GAR     | 1600        | 4,088              | 874             | 484,874                | 3,931              | 841             | 466,225                | 3,640              | 779             | 431,690                | 3,451              | 739             | 409,185                | 3,272              | 701             | 347,533                |
| 1282 Weller Way    | 2 BEDROOM/DEN/GAR     | 1600        | 4,088              | 874             | 484,874                | 3,931              | 841             | 466,225                | 3,640              | 779             | 431,690                | 3,451              | 739             | 409,185                | 3,272              | 701             | 347,533                |
| 1286 Weller Way    | 2 BEDROOM/DEN/GAR     | 1600        | 4,088              | 874             | 484,874                | 3,931              | 841             | 466,225                | 3,640              | 779             | 431,690                | 3,451              | 739             | 409,185                | 3,272              | 701             | 347,533                |
| 1284 Weller Way    | 2 BEDROOM/DEN/GAR     | 1600        | 4,088              | 874             | 484,874                | 3,931              | 841             | 466,225                | 3,640              | 779             | 431,690                | 3,451              | 739             | 409,185                | 3,272              | 701             | 347,533                |
| 1276 Weller Way    | 2 BEDROOM/DEN/GAR     | 1600        | 4,088              | 874             | 484,874                | 3,931              | 841             | 466,225                | 3,640              | 779             | 431,690                | 3,451              | 739             | 409,185                | 3,272              | 701             | 347,533                |
| 1266 Weller Way    | 2 BEDROOM/DEN/GAR     | 1600        | 4,088              | 874             | 484,874                | 3,931              | 841             | 466,225                | 3,640              | 779             | 431,690                | 3,451              | 739             | 409,185                | 3,272              | 701             | 347,533                |
| 1244 Weller Way    | 2 BEDROOM/DEN/GAR     | 1625        | 4,314              | 874             | 516,892                | 4,148              | 841             | 497,012                | 3,841              | 779             | 460,197                | 3,641              | 739             | 436,206                | 3,452              | 701             | 370,483                |
| 1260 Weller Way    | 2 BEDROOM/DEN/GAR     | 1625        | 4,314              | 874             | 516,892                | 4,148              | 841             | 497,012                | 3,841              | 779             | 460,197                | 3,641              | 739             | 436,206                | 3,452              | 701             | 370,483                |
| 1242 Weller Way    | 2 BEDROOM/DEN/GAR     | 1625        | 4,314              | 874             | 516,892                | 4,148              | 841             | 497,012                | 3,841              | 779             | 460,197                | 3,641              | 739             | 436,206                | 3,452              | 701             | 370,483                |
| 1258 Weller Way    | 2 BEDROOM/DEN/GAR     | 1625        | 4,314              | 874             | 516,892                | 4,148              | 841             | 497,012                | 3,841              | 779             | 460,197                | 3,641              | 739             | 436,206                | 3,452              | 701             | 370,483                |
| 1274 Weller Way    | 2 BEDROOM/DEN/GAR     | 1625        | 4,314              | 874             | 516,892                | 4,148              | 841             | 497,012                | 3,841              | 779             | 460,197                | 3,641              | 739             | 436,206                | 3,452              | 701             | 370,483                |
| 1276 Weller Way    | 2 BEDROOM/DEN/GAR     | 1625        | 4,314              | 874             | 516,892                | 4,148              | 841             | 497,012                | 3,841              | 779             | 460,197                | 3,641              | 739             | 436,206                | 3,452              | 701             | 370,483                |
| 1240 Weller Way    | 2 BEDROOM/DEN/GAR     | 1625        | 4,314              | 874             | 516,892                | 4,148              | 841             | 497,012                | 3,841              | 779             | 460,197                | 3,641              | 739             | 436,206                | 3,452              | 701             | 370,483                |
| 1262 Weller Way    | 2 BEDROOM/DEN/GAR     | 1625        | 4,314              | 874             | 516,892                | 4,148              | 841             | 497,012                | 3,841              | 779             | 460,197                | 3,641              | 739             | 436,206                | 3,452              | 701             | 370,483                |
| 1282 Weller Way    | 2 BEDROOM/DEN/GAR     | 1625        | 4,314              | 874             | 516,892                | 4,148              | 841             | 497,012                | 3,841              | 779             | 460,197                | 3,641              | 739             | 436,206                | 3,452              | 701             | 370,483                |
| 1256 Weller Way    | 2 BEDROOM/DEN/GAR     | 1625        | 4,314              | 874             | 516,892                | 4,148              | 841             | 497,012                | 3,841              | 779             | 460,197                | 3,641              | 739             | 436,206                | 3,452              | 701             | 370,483                |
| 1235 Weller Way    | 2 BEDROOM/DEN/GAR     | 1830        | 4,314              | 874             | 570,348                | 4,148              | 841             | 548,412                | 3,841              | 779             | 460,197                | 3,641              | 739             | 436,206                | 3,452              | 701             | 370,483                |
| 1239 Weller Way    | 2 BEDROOM/DEN/GAR     | 1830        | 4,314              | 874             | 570,348                | 4,148              | 841             | 548,412                | 3,841              | 779             | 460,197                | 3,641              | 739             | 436,206                | 3,452              | 701             | 370,483                |
| 1243 Weller Way    | 2 BEDROOM/DEN/GAR     | 1830        | 4,314              | 874             | 570,348                | 4,148              | 841             | 548,412                | 3,841              | 779             | 460,197                | 3,641              | 739             | 436,206                | 3,452              | 701             | 370,483                |
| 305 Shriver Lane   | 2 BEDROOM/DEN/GAR     | 1830        | 4,314              | 874             | 570,348                | 4,148              | 841             | 548,412                | 3,841              | 779             | 460,197                | 3,641              | 739             | 436,206                | 3,452              | 701             | 370,483                |
| 1237 Weller Way    | 2 BEDROOM/DEN/GAR     | 1830        | 4,314              | 874             | 570,348                | 4,148              | 841             | 548,412                | 3,841              | 779             | 460,197                | 3,641              | 739             | 436,206                | 3,452              | 701             | 370,483                |
| 1241 Weller Way    | 2 BEDROOM/DEN/GAR     | 1830        | 4,314              | 874             | 570,348                | 4,148              | 841             | 548,412                | 3,841              | 779             | 460,197                | 3,641              | 739             | 436,206                | 3,452              | 701             | 370,483                |
| 1245 Weller Way    | 2 BEDROOM/DEN/GAR     | 1830*       | 4,314              | 874             | 570,348                | 4,148              | 841             | 548,412                | 3,841              | 779             | 460,197                | 3,641              | 739             | 436,206                | 3,452              | 701             | 370,483                |
| 303 Shriver Lane   | 2 BEDROOM/DEN/GAR     | 1830        | 4,314              | 874             | 570,348                | 4,148              | 841             | 548,412                | 3,841              | 779             | 460,197                | 3,641              | 739             | 436,206                | 3,452              | 701             | 370,483                |
| 301 Shriver Lane   | 2 BEDROOM/DEN/GAR     | 1830        | 4,314              | 874             | 570,348                | 4,148              | 841             | 548,412                | 3,841              | 779             | 460,197                | 3,641              | 739             | 436,206                | 3,452              | 701             | 370,483                |
| 1259 Weller Way    | 2 BEDROOM/DEN/GAR     | 1830        | 4,314              | 874             | 570,348                | 4,148              | 841             | 548,412                | 3,841              | 779             | 460,197                | 3,641              | 739             | 436,206                | 3,452              | 701             | 370,483                |
| 1249 Weller Way    | 2 BEDROOM/DEN/GAR     | 1830        | 4,314              | 874             | 570,348                | 4,148              | 841             | 548,412                | 3,841              | 779             | 460,197                | 3,641              | 739             | 436,206                | 3,452              | 701             | 370,483                |
| 1286 Weller Way    | 2 BEDROOM/DEN/GAR     | 1830        | 4,314              | 874             | 570,348                | 4,148              | 841             | 548,412                | 3,841              | 779             | 460,197                | 3,641              | 739             | 436,206                | 3,452              | 701             | 370,483                |
| 1257 Weller Way    | 2 BEDROOM/DEN/GAR     | 1830        | 4,314              | 874             | 570,348                | 4,148              | 841             | 548,412                | 3,841              | 779             | 460,197                | 3,641              | 739             | 436,206                | 3,452              | 701             | 370,483                |
| 1284 Weller Way    | 2 BEDROOM/DEN/GAR     | 1830        | 4,314              | 874             | 570,348                | 4,148              | 841             | 548,412                | 3,841              | 779             | 460,197                | 3,641              | 739             | 436,206                | 3,452              | 701             | 370,483                |
| 1247 Weller Way    | 2 BEDROOM/DEN/GAR     | 1830        | 4,314              | 874             | 570,348                | 4,148              | 841             | 548,412                | 3,841              | 779             | 460,197                | 3,641              | 739             | 436,206                | 3,452              | 701             | 370,483                |
| 1233 Weller Way    | 2 BEDROOM/DEN/GAR     | 1830        | 4,314              | 874             | 570,348                | 4,148              | 841             | 548,412                | 3,841              | 779             | 460,197                | 3,641              | 739             | 436,206                | 3,452              | 701             | 370,483                |
| 101 St. Paul Court | 2 BEDROOM/GAR/DEN     | 1830        | 4,314              | 874             | 570,348                | 4,148              | 841             | 548,412                | 3,841              | 779             | 507,789                | 3,641              | 739             | 481,317                | 3,452              | 701             | 408,797                |
| 103 St. Paul Court | 2 BEDROOM/GAR/DEN     | 1830        | 4,314              | 874             | 570,348                | 4,148              | 841             | 548,412                | 3,841              | 779             | 507,789                | 3,641              | 739             | 481,317                | 3,452              | 701             | 408,797                |
| 1231 Weller Way    | 2 BEDROOM/DEN/GAR     | 1830        | 4,314              | 874             | 570,348                | 4,148              | 841             | 548,412                | 3,841              | 779             | 507,789                | 3,641              | 739             | 481,317                | 3,452              | 701             | 408,797                |
| 1288 Weller Way    | 2 BEDROOM/DEN/GAR     | 1830        | 4,314              | 874             | 570,348                | 4,148              | 841             | 548,412                | 3,841              | 779             | 507,789                | 3,641              | 739             | 481,317                | 3,452              | 701             | 408,797                |
| 1267 Weller Way    | 2 BEDROOM/DEN/GAR/BAS | 2114        | 4,985              | 874             | 607,991                | 4,793              | 841             | 584,607                | 4,438              | 779             | 541,303                | 4,212              | 739             | 513,084                | 3,993              | 701             | 486,060                |
| 1275 Weller Way    | 2 BEDROOM/DEN/GAR/BAS | 2114        | 4,985              | 874             | 607,991                | 4,793              | 841             | 584,607                | 4,438              | 779             | 541,303                | 4,212              | 739             | 513,084                | 3,993              | 701             | 486,060                |
| 1273 Weller Way    | 2 BEDROOM/DEN/GAR/BAS | 2114        | 4,985              | 874             | 607,991                | 4,793              | 841             | 584,607                | 4,438              | 779             | 541,303                | 4,212              | 739             | 513,084                | 3,993              | 701             | 486,060                |
| 1293 Weller Way    | 2 BEDROOM/DEN/GAR/BAS | 2114        | 4,985              | 874             | 607,991                | 4,793              | 841             | 584,607                | 4,438              | 779             | 541,303                | 4,212              | 739             | 513,084                | 3,993              | 701             | 486,060                |
| 1263 Weller Way    | 2 BEDROOM/DEN/GAR/BAS | 2114        | 4,985              | 874             | 607,991                | 4,793              | 841             | 584,607                | 4,438              | 779             | 541,303                | 4,212              | 739             | 513,084                | 3,993              | 701             | 486,060                |
| 1291 Weller Way    | 2 BEDROOM/DEN/GAR/BAS | 2114        | 4,985              | 874             | 607,991                | 4,793              | 841             | 584,607                | 4,438              | 779             | 541,303                | 4,212              | 739             | 513,084                | 3,993              | 701             | 486,060                |
| 1265 Weller Way    | 2 BEDROOM/DEN/GAR/BAS | 2114        | 4,985              | 874             | 607,991                | 4,793              | 841             | 584,607                | 4,438              | 779             | 541,303                | 4,212              | 739             | 513,084                | 3,993              | 701             | 486,060                |
| 1269 Weller Way    | 2 BEDROOM/DEN/GAR/BAS | 2114        | 4,985              | 874             | 607,991                | 4,793              | 841             | 584,607                | 4,438              | 779             | 541,303                | 4,212              | 739             | 513,084                | 3,993              | 701             | 486,060                |
| 1271 Weller Way    | 2 BEDROOM/DEN/GAR/BAS | 2114        | 4,985              | 874             | 607,991                | 4,793              | 841             | 584,607                | 4,438              | 779             | 541,303                | 4,212              | 739             | 513,084                | 3,993              | 701             | 486,060                |
| 1261 Weller Way    | 2 BEDROOM/DEN/GAR/BAS | 2114        | 4,985              | 874             | 607,991                | 4,793              | 841             | 584,607                | 4,438              | 779             | 541,303                | 4,212              | 739             | 513,084                | 3,993              | 701             | 486,060                |

\* Carefully read the Residency Care Agreement for the conditions that must be satisfied before Carroll Lutheran Village is required to pay the entrance fee refund.  
 \*\*Renovations occurred during 2016/2017.  
 Note A: Second person fees are \$874 for FY2024 \$779 for FY2023 \$730 for FY2022 \$701 for FY2021.  
 Note B: These contract types are offered beginning 7/1/2020: Declining Balance, 50% refundable and 90% refundable. The declining balance is presented in this schedule for comparison purposes with the prior years.  
 The conversion factors from declining balance to the other contract types are: 1.425 for 50% contracts and 2.4 for 90% contracts.

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| Unit | Type          | Square Footage | As of July 1, 2024 |                 | Entrance Fee | As of July 1, 2023 |                 | Entrance Fee | As of July 1, 2022 |                 | Entrance Fee | As of July 1, 2021 |                 | Entrance Fee | As of July 1, 2020 |                 | Entrance Fee |
|------|---------------|----------------|--------------------|-----------------|--------------|--------------------|-----------------|--------------|--------------------|-----------------|--------------|--------------------|-----------------|--------------|--------------------|-----------------|--------------|
|      |               |                | Monthly Fees       |                 |              | Monthly Fees       |                 |              | Monthly Fees       |                 |              | Monthly Fees       |                 |              | Monthly Fees       |                 |              |
|      |               |                | First Occupant     | Second Occupant |              | First Occupant     | Second Occupant |              | First Occupant     | Second Occupant |              | First Occupant     | Second Occupant |              | First Occupant     | Second Occupant |              |
| 103  | 1 BEDROOM/DEN | 1,000          | 3,378              | 874             | 322,935      | 3,248              | 841             | 310,514      | 3,008              | 779             | 287,513      | 2,852              | 739             | 272,525      | 2,703              | 701             | 231,464      |
| 104  | 1 BEDROOM/DEN | 1,000          | 3,378              | 874             | 322,935      | 3,248              | 841             | 310,514      | 3,008              | 779             | 287,513      | 2,852              | 739             | 272,525      | 2,703              | 701             | 231,464      |
| 105  | 1 BEDROOM/DEN | 1,000          | 3,378              | 874             | 322,935      | 3,248              | 841             | 310,514      | 3,008              | 779             | 287,513      | 2,852              | 739             | 272,525      | 2,703              | 701             | 231,464      |
| 203  | 1 BEDROOM/DEN | 1,000          | 3,378              | 874             | 322,935      | 3,248              | 841             | 310,514      | 3,008              | 779             | 287,513      | 2,852              | 739             | 272,525      | 2,703              | 701             | 231,464      |
| 204  | 1 BEDROOM/DEN | 1,000          | 3,378              | 874             | 322,935      | 3,248              | 841             | 310,514      | 3,008              | 779             | 287,513      | 2,852              | 739             | 272,525      | 2,703              | 701             | 231,464      |
| 205  | 1 BEDROOM/DEN | 1,000          | 3,378              | 874             | 322,935      | 3,248              | 841             | 310,514      | 3,008              | 779             | 287,513      | 2,852              | 739             | 272,525      | 2,703              | 701             | 231,464      |
| 303  | 1 BEDROOM/DEN | 1,000          | 3,378              | 874             | 322,935      | 3,248              | 841             | 310,514      | 3,008              | 779             | 287,513      | 2,852              | 739             | 272,525      | 2,703              | 701             | 231,464      |
| 304  | 1 BEDROOM/DEN | 1,000          | 3,378              | 874             | 322,935      | 3,248              | 841             | 310,514      | 3,008              | 779             | 287,513      | 2,852              | 739             | 272,525      | 2,703              | 701             | 231,464      |
| 305  | 1 BEDROOM/DEN | 1,000          | 3,378              | 874             | 322,935      | 3,248              | 841             | 310,514      | 3,008              | 779             | 287,513      | 2,852              | 739             | 272,525      | 2,703              | 701             | 231,464      |
| 101  | 2 BEDROOM     | 1,300          | 3,764              | 874             | 386,539      | 3,518              | 841             | 371,672      | 3,258              | 779             | 344,141      | 3,089              | 739             | 326,200      | 2,928              | 701             | 277,052      |
| 102  | 2 BEDROOM     | 1,300          | 3,764              | 874             | 386,539      | 3,518              | 841             | 371,672      | 3,258              | 779             | 344,141      | 3,089              | 739             | 326,200      | 2,928              | 701             | 277,052      |
| 106  | 2 BEDROOM     | 1,300          | 3,764              | 874             | 386,539      | 3,518              | 841             | 371,672      | 3,258              | 779             | 344,141      | 3,089              | 739             | 326,200      | 2,928              | 701             | 277,052      |
| 109  | 2 BEDROOM     | 1,300          | 3,764              | 874             | 386,539      | 3,518              | 841             | 371,672      | 3,258              | 779             | 344,141      | 3,089              | 739             | 326,200      | 2,928              | 701             | 277,052      |
| 110  | 2 BEDROOM     | 1,300          | 3,764              | 874             | 386,539      | 3,518              | 841             | 371,672      | 3,258              | 779             | 344,141      | 3,089              | 739             | 326,200      | 2,928              | 701             | 277,052      |
| 111  | 2 BEDROOM     | 1,300          | 3,764              | 874             | 386,539      | 3,518              | 841             | 371,672      | 3,258              | 779             | 344,141      | 3,089              | 739             | 326,200      | 2,928              | 701             | 277,052      |
| 113  | 2 BEDROOM     | 1,300          | 3,764              | 874             | 386,539      | 3,518              | 841             | 371,672      | 3,258              | 779             | 344,141      | 3,089              | 739             | 326,200      | 2,928              | 701             | 277,052      |
| 201  | 2 BEDROOM     | 1,300          | 3,764              | 874             | 386,539      | 3,518              | 841             | 371,672      | 3,258              | 779             | 344,141      | 3,089              | 739             | 326,200      | 2,928              | 701             | 277,052      |
| 202  | 2 BEDROOM     | 1,300          | 3,764              | 874             | 386,539      | 3,518              | 841             | 371,672      | 3,258              | 779             | 344,141      | 3,089              | 739             | 326,200      | 2,928              | 701             | 277,052      |
| 206  | 2 BEDROOM     | 1,300          | 3,764              | 874             | 386,539      | 3,518              | 841             | 371,672      | 3,258              | 779             | 344,141      | 3,089              | 739             | 326,200      | 2,928              | 701             | 277,052      |
| 208  | 2 BEDROOM     | 1,300          | 3,764              | 874             | 386,539      | 3,518              | 841             | 371,672      | 3,258              | 779             | 344,141      | 3,089              | 739             | 326,200      | 2,928              | 701             | 277,052      |
| 209  | 2 BEDROOM     | 1,300          | 3,764              | 874             | 386,539      | 3,518              | 841             | 371,672      | 3,258              | 779             | 344,141      | 3,089              | 739             | 326,200      | 2,928              | 701             | 277,052      |
| 210  | 2 BEDROOM     | 1,300          | 3,764              | 874             | 386,539      | 3,518              | 841             | 371,672      | 3,258              | 779             | 344,141      | 3,089              | 739             | 326,200      | 2,928              | 701             | 277,052      |
| 211  | 2 BEDROOM     | 1,300          | 3,764              | 874             | 386,539      | 3,518              | 841             | 371,672      | 3,258              | 779             | 344,141      | 3,089              | 739             | 326,200      | 2,928              | 701             | 277,052      |
| 213  | 2 BEDROOM     | 1,300          | 3,764              | 874             | 386,539      | 3,518              | 841             | 371,672      | 3,258              | 779             | 344,141      | 3,089              | 739             | 326,200      | 2,928              | 701             | 277,052      |
| 301  | 2 BEDROOM     | 1,300          | 3,764              | 874             | 386,539      | 3,518              | 841             | 371,672      | 3,258              | 779             | 344,141      | 3,089              | 739             | 326,200      | 2,928              | 701             | 277,052      |
| 302  | 2 BEDROOM     | 1,300          | 3,764              | 874             | 386,539      | 3,518              | 841             | 371,672      | 3,258              | 779             | 344,141      | 3,089              | 739             | 326,200      | 2,928              | 701             | 277,052      |
| 306  | 2 BEDROOM     | 1,300          | 3,764              | 874             | 386,539      | 3,518              | 841             | 371,672      | 3,258              | 779             | 344,141      | 3,089              | 739             | 326,200      | 2,928              | 701             | 277,052      |
| 308  | 2 BEDROOM     | 1,300          | 3,764              | 874             | 386,539      | 3,518              | 841             | 371,672      | 3,258              | 779             | 344,141      | 3,089              | 739             | 326,200      | 2,928              | 701             | 277,052      |
| 309  | 2 BEDROOM     | 1,300          | 3,764              | 874             | 386,539      | 3,518              | 841             | 371,672      | 3,258              | 779             | 344,141      | 3,089              | 739             | 326,200      | 2,928              | 701             | 277,052      |
| 310  | 2 BEDROOM     | 1,300          | 3,764              | 874             | 386,539      | 3,518              | 841             | 371,672      | 3,258              | 779             | 344,141      | 3,089              | 739             | 326,200      | 2,928              | 701             | 277,052      |
| 311  | 2 BEDROOM     | 1,300          | 3,764              | 874             | 386,539      | 3,518              | 841             | 371,672      | 3,258              | 779             | 344,141      | 3,089              | 739             | 326,200      | 2,928              | 701             | 277,052      |
| 313  | 2 BEDROOM     | 1,300          | 3,764              | 874             | 386,539      | 3,518              | 841             | 371,672      | 3,258              | 779             | 344,141      | 3,089              | 739             | 326,200      | 2,928              | 701             | 277,052      |
| 107  | 2 BEDROOM/DEN | 1,605          | 4,499              | 874             | 430,743      | 4,326              | 841             | 414,176      | 4,006              | 779             | 383,497      | 3,798              | 739             | 363,505      | 3,600              | 701             | 308,736      |
| 112  | 2 BEDROOM/DEN | 1,605          | 4,499              | 874             | 430,743      | 4,326              | 841             | 414,176      | 4,006              | 779             | 383,497      | 3,798              | 739             | 363,505      | 3,600              | 701             | 308,736      |
| 207  | 2 BEDROOM/DEN | 1,605          | 4,499              | 874             | 430,743      | 4,326              | 841             | 414,176      | 4,006              | 779             | 383,497      | 3,798              | 739             | 363,505      | 3,600              | 701             | 308,736      |
| 212  | 2 BEDROOM/DEN | 1,605          | 4,499              | 874             | 430,743      | 4,326              | 841             | 414,176      | 4,006              | 779             | 383,497      | 3,798              | 739             | 363,505      | 3,600              | 701             | 308,736      |
| 307  | 2 BEDROOM/DEN | 1,605          | 4,499              | 874             | 430,743      | 4,326              | 841             | 414,176      | 4,006              | 779             | 383,497      | 3,798              | 739             | 363,505      | 3,600              | 701             | 308,736      |
| 312  | 2 BEDROOM/DEN | 1,605          | 4,499              | 874             | 430,743      | 4,326              | 841             | 414,176      | 4,006              | 779             | 383,497      | 3,798              | 739             | 363,505      | 3,600              | 701             | 308,736      |
| 114  | 2 BEDROOM/DEN | 1,865          | 5,253              | 874             | 486,737      | 5,051              | 841             | 468,016      | 4,677              | 779             | 433,349      | 4,434              | 739             | 410,758      | 4,203              | 701             | 348,869      |
| 214  | 2 BEDROOM/DEN | 1,865          | 5,253              | 874             | 486,737      | 5,051              | 841             | 468,016      | 4,677              | 779             | 433,349      | 4,434              | 739             | 410,758      | 4,203              | 701             | 348,869      |
| 314  | 2 BEDROOM/DEN | 1,865          | 5,253              | 874             | 486,737      | 5,051              | 841             | 468,016      | 4,677              | 779             | 433,349      | 4,434              | 739             | 410,758      | 4,203              | 701             | 348,869      |

\* Carefully read the Residency Care Agreement for the conditions that must be satisfied before Carroll Lutheran Village is required to pay the entrance fee refund.

Note A: Second person fees are \$874 for FY2025 \$841 for FY2024 \$779 for FY2023 \$739 for FY2022 \$701 for FY2021

Note B: Three contract types are offered beginning 7/1/2020. Declining Balance, 50% refundable and 90% refundable. The declining balance is presented in this schedule for comparison purposes with the prior years.

The conversion factors from declining balance to the other contract types are: 1.425 for 50% contracts and 2.4 for 90% contracts.

Prepared for Carroll Lutheran Village's Disclosure Statement.

Carroll Lutheran Village reserves the right to change current prices without prior notice.

| Unit | Square Feet | As of July 1, 2024 |                 |                        | As of July 1, 2023 |                 |                        | As of July 1, 2022 |                 |                        | As of July 1, 2021 |                 |                        | As of July 1, 2020 |                 |                        |
|------|-------------|--------------------|-----------------|------------------------|--------------------|-----------------|------------------------|--------------------|-----------------|------------------------|--------------------|-----------------|------------------------|--------------------|-----------------|------------------------|
|      |             | Monthly Fees       |                 | Entrance Fee           | Monthly Fees       |                 | Entrance Fee           | Monthly Fees       |                 | Entrance Fee           | Monthly Fees       |                 | Entrance Fee           | Monthly Fees       |                 | Entrance Fee           |
|      |             | First Occupant     | Second Occupant | Standard Entrance Fee* | First Occupant     | Second Occupant | Standard Entrance Fee* | First Occupant     | Second Occupant | Standard Entrance Fee* | First Occupant     | Second Occupant | Standard Entrance Fee* | First Occupant     | Second Occupant | Standard Entrance Fee* |
| T17  | 1000        | 3,378              | 874             | 322,935                | 3,248              | 841             | 310,514                | 3,008              | 779             | 287,513                | 2,852              | 739             | 272,525                | 2,703              | 701             | 231,464                |
| T18  | 1000        | 3,378              | 874             | 322,935                | 3,248              | 841             | 310,514                | 3,008              | 779             | 287,513                | 2,852              | 739             | 272,525                | 2,703              | 701             | 231,464                |
| T19  | 1000        | 3,378              | 874             | 322,935                | 3,248              | 841             | 310,514                | 3,008              | 779             | 287,513                | 2,852              | 739             | 272,525                | 2,703              | 701             | 231,464                |
| 117  | 1000        | 3,378              | 874             | 322,935                | 3,248              | 841             | 310,514                | 3,008              | 779             | 287,513                | 2,852              | 739             | 272,525                | 2,703              | 701             | 231,464                |
| 118  | 1000        | 3,378              | 874             | 322,935                | 3,248              | 841             | 310,514                | 3,008              | 779             | 287,513                | 2,852              | 739             | 272,525                | 2,703              | 701             | 231,464                |
| 119  | 1000        | 3,378              | 874             | 322,935                | 3,248              | 841             | 310,514                | 3,008              | 779             | 287,513                | 2,852              | 739             | 272,525                | 2,703              | 701             | 231,464                |
| 217  | 1000        | 3,378              | 874             | 322,935                | 3,248              | 841             | 310,514                | 3,008              | 779             | 287,513                | 2,852              | 739             | 272,525                | 2,703              | 701             | 231,464                |
| 218  | 1000        | 3,378              | 874             | 322,935                | 3,248              | 841             | 310,514                | 3,008              | 779             | 287,513                | 2,852              | 739             | 272,525                | 2,703              | 701             | 231,464                |
| 219  | 1000        | 3,378              | 874             | 322,935                | 3,248              | 841             | 310,514                | 3,008              | 779             | 287,513                | 2,852              | 739             | 272,525                | 2,703              | 701             | 231,464                |
| 317  | 1000        | 3,378              | 874             | 322,935                | 3,248              | 841             | 310,514                | 3,008              | 779             | 287,513                | 2,852              | 739             | 272,525                | 2,703              | 701             | 231,464                |
| 318  | 1000        | 3,378              | 874             | 322,935                | 3,248              | 841             | 310,514                | 3,008              | 779             | 287,513                | 2,852              | 739             | 272,525                | 2,703              | 701             | 231,464                |
| 319  | 1000        | 3,378              | 874             | 322,935                | 3,248              | 841             | 310,514                | 3,008              | 779             | 287,513                | 2,852              | 739             | 272,525                | 2,703              | 701             | 231,464                |
| T15  | 1300        | 3,764              | 874             | 386,539                | 3,518              | 841             | 371,672                | 3,258              | 779             | 344,141                | 3,089              | 739             | 326,200                | 2,928              | 701             | 277,052                |
| T20  | 1300        | 3,764              | 874             | 386,539                | 3,518              | 841             | 371,672                | 3,258              | 779             | 344,141                | 3,089              | 739             | 326,200                | 2,928              | 701             | 277,052                |
| 115  | 1300        | 3,764              | 874             | 386,539                | 3,518              | 841             | 371,672                | 3,258              | 779             | 344,141                | 3,089              | 739             | 326,200                | 2,928              | 701             | 277,052                |
| 116  | 1300        | 3,764              | 874             | 386,539                | 3,518              | 841             | 371,672                | 3,258              | 779             | 344,141                | 3,089              | 739             | 326,200                | 2,928              | 701             | 277,052                |
| 120  | 1300        | 3,764              | 874             | 386,539                | 3,518              | 841             | 371,672                | 3,258              | 779             | 344,141                | 3,089              | 739             | 326,200                | 2,928              | 701             | 277,052                |
| 123  | 1300        | 3,764              | 874             | 386,539                | 3,518              | 841             | 371,672                | 3,258              | 779             | 344,141                | 3,089              | 739             | 326,200                | 2,928              | 701             | 277,052                |
| 124  | 1300        | 3,764              | 874             | 386,539                | 3,518              | 841             | 371,672                | 3,258              | 779             | 344,141                | 3,089              | 739             | 326,200                | 2,928              | 701             | 277,052                |
| 125  | 1300        | 3,764              | 874             | 386,539                | 3,518              | 841             | 371,672                | 3,258              | 779             | 344,141                | 3,089              | 739             | 326,200                | 2,928              | 701             | 277,052                |
| 127  | 1300        | 3,764              | 874             | 386,539                | 3,518              | 841             | 371,672                | 3,258              | 779             | 344,141                | 3,089              | 739             | 326,200                | 2,928              | 701             | 277,052                |
| 215  | 1300        | 3,764              | 874             | 386,539                | 3,518              | 841             | 371,672                | 3,258              | 779             | 344,141                | 3,089              | 739             | 326,200                | 2,928              | 701             | 277,052                |
| 216  | 1300        | 3,764              | 874             | 386,539                | 3,518              | 841             | 371,672                | 3,258              | 779             | 344,141                | 3,089              | 739             | 326,200                | 2,928              | 701             | 277,052                |
| 220  | 1300        | 3,764              | 874             | 386,539                | 3,518              | 841             | 371,672                | 3,258              | 779             | 344,141                | 3,089              | 739             | 326,200                | 2,928              | 701             | 277,052                |
| 222  | 1300        | 3,764              | 874             | 386,539                | 3,518              | 841             | 371,672                | 3,258              | 779             | 344,141                | 3,089              | 739             | 326,200                | 2,928              | 701             | 277,052                |
| 223  | 1300        | 3,764              | 874             | 386,539                | 3,518              | 841             | 371,672                | 3,258              | 779             | 344,141                | 3,089              | 739             | 326,200                | 2,928              | 701             | 277,052                |
| 224  | 1300        | 3,764              | 874             | 386,539                | 3,518              | 841             | 371,672                | 3,258              | 779             | 344,141                | 3,089              | 739             | 326,200                | 2,928              | 701             | 277,052                |
| 225  | 1300        | 3,764              | 874             | 386,539                | 3,518              | 841             | 371,672                | 3,258              | 779             | 344,141                | 3,089              | 739             | 326,200                | 2,928              | 701             | 277,052                |
| 227  | 1300        | 3,764              | 874             | 386,539                | 3,518              | 841             | 371,672                | 3,258              | 779             | 344,141                | 3,089              | 739             | 326,200                | 2,928              | 701             | 277,052                |
| 315  | 1300        | 3,764              | 874             | 386,539                | 3,518              | 841             | 371,672                | 3,258              | 779             | 344,141                | 3,089              | 739             | 326,200                | 2,928              | 701             | 277,052                |
| 316  | 1300        | 3,764              | 874             | 386,539                | 3,518              | 841             | 371,672                | 3,258              | 779             | 344,141                | 3,089              | 739             | 326,200                | 2,928              | 701             | 277,052                |
| 320  | 1300        | 3,764              | 874             | 386,539                | 3,518              | 841             | 371,672                | 3,258              | 779             | 344,141                | 3,089              | 739             | 326,200                | 2,928              | 701             | 277,052                |
| 322  | 1300        | 3,764              | 874             | 386,539                | 3,518              | 841             | 371,672                | 3,258              | 779             | 344,141                | 3,089              | 739             | 326,200                | 2,928              | 701             | 277,052                |
| 323  | 1300        | 3,764              | 874             | 386,539                | 3,518              | 841             | 371,672                | 3,258              | 779             | 344,141                | 3,089              | 739             | 326,200                | 2,928              | 701             | 277,052                |
| 324  | 1300        | 3,764              | 874             | 386,539                | 3,518              | 841             | 371,672                | 3,258              | 779             | 344,141                | 3,089              | 739             | 326,200                | 2,928              | 701             | 277,052                |
| 325  | 1300        | 3,764              | 874             | 386,539                | 3,518              | 841             | 371,672                | 3,258              | 779             | 344,141                | 3,089              | 739             | 326,200                | 2,928              | 701             | 277,052                |
| 327  | 1300        | 3,764              | 874             | 386,539                | 3,518              | 841             | 371,672                | 3,258              | 779             | 344,141                | 3,089              | 739             | 326,200                | 2,928              | 701             | 277,052                |
| T24  | 1605        | 4,499              | 874             | 430,743                | 4,326              | 841             | 414,176                | 4,006              | 779             | 383,497                | 3,798              | 739             | 363,505                | 3,600              | 701             | 308,736                |
| T21  | 1605        | 4,499              | 874             | 430,743                | 4,326              | 841             | 414,176                | 4,006              | 779             | 383,497                | 3,798              | 739             | 363,505                | 3,600              | 701             | 308,736                |
| T26  | 1605        | 4,499              | 874             | 430,743                | 4,326              | 841             | 414,176                | 4,006              | 779             | 383,497                | 3,798              | 739             | 363,505                | 3,600              | 701             | 308,736                |
| 121  | 1605        | 4,499              | 874             | 430,743                | 4,326              | 841             | 414,176                | 4,006              | 779             | 383,497                | 3,798              | 739             | 363,505                | 3,600              | 701             | 308,736                |
| 126  | 1605        | 4,499              | 874             | 430,743                | 4,326              | 841             | 414,176                | 4,006              | 779             | 383,497                | 3,798              | 739             | 363,505                | 3,600              | 701             | 308,736                |
| 221  | 1605        | 4,499              | 874             | 430,743                | 4,326              | 841             | 414,176                | 4,006              | 779             | 383,497                | 3,798              | 739             | 363,505                | 3,600              | 701             | 308,736                |
| 226  | 1605        | 4,499              | 874             | 430,743                | 4,326              | 841             | 414,176                | 4,006              | 779             | 383,497                | 3,798              | 739             | 363,505                | 3,600              | 701             | 308,736                |
| 321  | 1605        | 4,499              | 874             | 430,743                | 4,326              | 841             | 414,176                | 4,006              | 779             | 383,497                | 3,798              | 739             | 363,505                | 3,600              | 701             | 308,736                |
| 326  | 1605        | 4,499              | 874             | 430,743                | 4,326              | 841             | 414,176                | 4,006              | 779             | 383,497                | 3,798              | 739             | 363,505                | 3,600              | 701             | 308,736                |
| 128  | 1865        | 5,253              | 874             | 486,737                | 5,051              | 841             | 468,016                | 4,677              | 779             | 433,349                | 4,434              | 739             | 410,758                | 348,869            | 701             | 4,203                  |
| 228  | 1865        | 5,253              | 874             | 486,737                | 5,051              | 841             | 468,016                | 4,677              | 779             | 433,349                | 4,434              | 739             | 410,758                | 348,869            | 701             | 4,203                  |
| 328  | 1865        | 5,253              | 874             | 486,737                | 5,051              | 841             | 468,016                | 4,677              | 779             | 433,349                | 4,434              | 739             | 410,758                | 348,869            | 701             | 4,203                  |

\* Carefully read the Residency Care Agreement for the conditions that must be satisfied before Carroll Lutheran Village is required to pay the entrance fee refund.

Note A: Second person fees are \$874 for FY2025 \$841 for FY2024 \$779 for FY2023 \$739 for FY2022 \$701 for FY2021

Note B: Three contract types are offered beginning 7/1/2020: Declining Balance, 50% refundable and 90% refundable. The declining balance is presented in this schedule for comparison purposes with the prior years.  
The conversion factors from declining balance to the other contract types are: 1.425 for 50% contracts and 2.4 for 90% contracts.

Prepared for Carroll Lutheran Village's Disclosure Statement.  
Carroll Lutheran Village reserves the right to change current prices without prior notice.