

HumanGood

Consolidated Financial Statements
and Supplementary Information

December 31, 2021

HumanGood

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December 31, 2021

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Accountants' Compilation Report

To the Board of Directors of
HumanGood

Management is responsible for the accompanying consolidated financial statements of HumanGood, which comprise the consolidated balance sheet as of December 31, 2021, and the related consolidated statements of operations and changes in net assets and cash flows the year then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the consolidated financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on these consolidated financial statements.

Management has elected to omit substantially all the disclosures ordinarily included in consolidated financial statements prepared in accordance with accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the consolidated financial statements, they might influence the user's conclusions about HumanGood's financial position, results of operations and cash flows. Accordingly, the consolidated financial statements are not designed for those who are not informed about such matters.

Accounting principles generally accepted in the United States of America require recording the net assets acquired in a business combination at fair value at the date control is obtained. Management has informed us that the net assets acquired on June 30, 2019 from the affiliation with HumanGood East were recorded at the predecessor's historical basis at the date of affiliation rather than at fair value. Management has not determined the effect of this departure on the consolidated financial statements.

The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Due to our involvement in a separate consulting engagement, we are not independent with respect to Beacon Development Group, LLC, a member of HumanGood Affordable Housing included in the supplementary information.

Baker Tilly US, LLP

Philadelphia, Pennsylvania
November 14, 2022

HumanGood

Consolidated Balance Sheet
December 31, 2021
(In Thousands)

Assets		Liabilities and Net Assets	
Current Assets		Current Liabilities	
Cash and cash equivalents	\$ 110,309	Accounts payable and accrued expenses	\$ 90,620
Current portion of restricted cash	30,548	Deposits	6,946
Resident accounts receivable, net	21,086	Accrued interest	6,964
Other receivables	21,226	Current portion of long-term debt	30,898
Current portion of restricted investments	7,259	Entrance fee rebates payable	663
Prepaid expenses, deposits and other assets	10,238		
	<hr/>		
Total current assets	200,666	Total current liabilities	136,091
Restricted Cash	31,688	Notes and Bonds Payable, Net	980,921
Investments	376,002	Subordinated External Debt	2,900
Designated Investments	130,957	Notes and Bonds Payable, Net - Non-Servicing Debt	418,909
Restricted Investments	234,739	Rebatable Entrance Fees Due	368,408
Beneficial Interest in Split Interest Agreements and Perpetual Trusts	9,865	Entrance Fees Subject to Refund	106,980
Land, Buildings and Equipment, Net	1,616,564	Entrance Fees Nonrefundable	268,308
Other Noncurrent Assets	25,714	Revocable Trusts	251
		Obligations Under Annuity Agreements	3,854
		Retirement Liabilities	4,825
		Workers' Compensation Liability	18,468
		Advances Subject to Refund	31,480
		Other Liabilities	23,848
			<hr/>
		Total liabilities	2,365,243
			<hr/>
		Net Assets	
		Without donor restrictions of the controlling interest	62,963
		Without donor restrictions of the noncontrolling interest	121,678
		With donor restrictions	76,311
			<hr/>
		Total net assets	260,952
			<hr/>
Total assets	<u>\$ 2,626,195</u>	Total liabilities and net assets	<u>\$ 2,626,195</u>

HumanGood

Consolidated Statement of Operations and Changes in Net Assets

Year Ended December 31, 2021

(In Thousands)

Operating Revenues

Residential living	\$	165,068
Assisted living		46,696
Health center		136,009
Memory care		20,514
Personal care		11,275
Other residential services		4,335
Amortization of entrance fees		58,387
COVID relief funding		2,014
Other operating revenue		12,243
Affordable housing fees		75,075
Net assets released from restrictions		5,611
Unrestricted contributions		1,581
Change in future service obligations		11,895

Total operating revenues 550,703

Operating Expenses

Salaries and wages		222,418
Employee benefits		54,520
Supplies		37,515
Ancillary services		19,725
Repairs and maintenance		12,430
Marketing and advertising		7,310
Purchased services		32,955
Management fees		33
Utilities		24,420
Travel and related		2,544
Leases and rents		2,891
Insurance		9,215
Other operating expenses		21,275

Total operating expenses 447,251

Income before other operating income (expense) 103,452

Other Operating Income (Expense)

Realized gains on investments, net		25,072
Change in unrealized gains on investments, net		4,392
Investment income, net		8,201
Mortgage interest		(34,315)
Interest expense - non-servicing debt		(3,538)
Depreciation and amortization		(92,220)
Bond negotiation expenses		(766)
Gain on early retirement of debt, net		2,295
Community Development Financial Institutions Fund grant without donor restrictions		1,113
Other income/expense, net		(419)
Gain on disposal of fixed assets		4,909

Income from operations 18,176

HumanGood

Consolidated Statement of Operations and Changes in Net Assets

Year Ended December 31, 2021

(In Thousands)

Other Changes in Net Assets Without Donor Restrictions

Change in minimum pension liability	\$ (104)
Capital contributions	484
Net assets released from restrictions used for property and equipment	59
Change in fair value of interest rate caps and swap	4,170
Contributions from noncontrolling interest	7,556

Change in net assets without donor restrictions 30,341

Net Assets With Donor Restrictions

Dividend and interest income	1,312
Unrealized gains on investments with donor restrictions, net	3,326
Contributions	6,551
Net assets released from restrictions for benevolence	(1,319)
Contractual payments to beneficiaries	(1,328)
Realized gains on investments, net	2,143
Contractual liability adjustments	(283)
Net assets released from restrictions for special project funds	(3,960)
Community Development Financial Institutions Fund grant with donor restrictions	2,900

Change in net assets with donor restrictions 9,342

Change in net assets 39,683

Net Assets, Beginning 221,269

Net Assets, Ending \$ 260,952

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Consolidated Statement of Cash Flows

Year Ended December 31, 2021

(In Thousands)

Cash Flows From Operating Activities

Cash received for resident services	\$ 395,214
Cash received from nonrebatable entrance fees from reoccupancy	89,305
Cash received from advances subject to refund	31,480
Cash received from COVID relief funding	1,758
Cash received from other operating activities	74,876
Cash received from bequests and trust maturities	2,416
Cash earnings realized from investments	7,699
Cash paid for employee salaries	(200,970)
Cash paid for employee benefits	(53,285)
Cash paid for temporary labor	(22,432)
Cash paid to vendors	(165,704)
Cash paid for interest	(35,164)

Net cash provided by operating activities 125,193

Cash Flows From Investing Activities

Acquisition of land, buildings and equipment	(184,207)
Proceeds from sale of fixed assets	6,216
Net purchases of unrestricted investments	(2,144)
Change in restricted investments	1,681

Net cash used in investing activities (178,454)

Cash Flows From Financing Activities

Cash received from initial entrance fees and deposits	19,470
Proceeds from rebatable entrance fees	37,272
Refunds of deposits and entrance fees	(49,609)
Proceeds from issuance of notes and bonds payable	252,670
Principal payments on notes and bonds payable	(61,590)
Proceeds from Community Development Financial Institutions Fund Grant	5,250
Cash paid for deferred debt issuance costs	(3,969)
Cash paid from other trust activity	(2,884)
Capital contributions	527
Contributions from noncontrolling interest	7,556
Cash received from restricted contributions	6,551

Net cash provided by financing activities 211,244

Increase in cash, cash equivalents and restricted cash 157,983

Cash, Cash Equivalents and Restricted Cash, Beginning 186,839

Cash, Cash Equivalents and Restricted Cash, Ending \$ 344,822

HumanGood

Consolidated Statement of Cash Flows

Year Ended December 31, 2021

(In Thousands)

Noncash Disclosures

Obligations incurred for the acquisition of land, buildings and equipment	\$ 32,495
Compounding of accrued interest on HumanGood Nevada Series 2012 B bonds to Series 2012 B bonds principal	\$ 371
Gain on early retirement of debt	\$ 7,230
HumanGood Idaho senior external debt refinanced	\$ 79,215

Reconciliation of Cash, Cash Equivalents and Restricted Cash to Consolidated Balance Sheet

Cash and cash equivalents	\$ 110,309
Restricted cash included in restricted investments	172,277
Restricted cash	62,236
Total cash, cash equivalents and restricted cash	\$ 344,822

HumanGood

Consolidating Balance Sheet Schedule

December 31, 2021

(In Thousands)

	HumanGood California Obligated Group and Foundation Affiliates	HumanGood Cornerstone and Affiliates	Eliminations	HumanGood
Assets				
Current Assets				
Cash and cash equivalents	\$ 52,624	\$ 57,685	\$ -	\$ 110,309
Current portion of restricted cash	-	30,548	-	30,548
Resident accounts receivable, net	13,017	8,069	-	21,086
Other receivables	10,594	10,709	(77)	21,226
Current portion of restricted investments	4,728	2,531	-	7,259
Intercompany advances due	8,644	117	(8,761)	-
Prepaid expenses, deposits and other assets	7,495	2,743	-	10,238
Total current assets	97,102	112,402	(8,838)	200,666
Restricted Cash	5,106	26,582	-	31,688
Investments	211,792	164,210	-	376,002
Designated Investments	130,957	-	-	130,957
Investments in HumanGood Nevada Bonds	43,819	-	(43,819)	-
Restricted Investments	201,330	33,409	-	234,739
Beneficial Interest in Split Interest Agreements and Perpetual Trusts	-	9,865	-	9,865
Subordinated Notes Receivable, Net	15,607	-	(15,607)	-
Land, Buildings and Equipment, Net	466,861	1,151,448	(1,745)	1,616,564
Interest and Management Fees Due From Affiliates	477	-	(477)	-
Other Noncurrent Assets	10,492	15,222	-	25,714
Total assets	<u>\$ 1,183,543</u>	<u>\$ 1,513,138</u>	<u>\$ (70,486)</u>	<u>\$ 2,626,195</u>

HumanGood

Consolidating Balance Sheet Schedule

December 31, 2021

(In Thousands)

	HumanGood California Obligated Group and Foundation Affiliates	HumanGood Cornerstone and Affiliates	Eliminations	HumanGood
Liabilities and Net Assets				
Current Liabilities				
Accounts payable and accrued expenses	\$ 37,845	\$ 52,869	\$ (94)	\$ 90,620
Deferred management fees	-	416	(416)	-
Payable to affiliates	-	8,667	(8,667)	-
Deposits	3,157	3,789	-	6,946
Accrued interest	3,509	3,593	(138)	6,964
Current portion of long-term debt	9,524	21,686	(312)	30,898
Entrance fee rebates payable	215	448	-	663
	<u>54,250</u>	<u>91,468</u>	<u>(9,627)</u>	<u>136,091</u>
Total current liabilities	54,250	91,468	(9,627)	136,091
Notes and Bonds Payable, Net	460,728	521,193	(1,000)	980,921
Subordinated Notes Held by Affiliates	-	65,799	(65,799)	-
Subordinated External Debt	-	2,900	-	2,900
Notes and Bonds Payable, Net - Non-Servicing Debt	-	418,909	-	418,909
Rebatable Entrance Fees Due	174,492	193,916	-	368,408
Entrance Fees Subject to Refund	79,974	27,006	-	106,980
Entrance Fees Nonrefundable	199,606	68,702	-	268,308
Revocable Trusts	251	-	-	251
Obligations Under Annuity Agreements	3,854	-	-	3,854
Retirement Liabilities	4,625	200	-	4,825
Workers' Compensation Liability	18,086	382	-	18,468
Advances Subject to Refund	21,060	10,420	-	31,480
Other Liabilities	1,915	22,349	(416)	23,848
	<u>1,018,841</u>	<u>1,423,244</u>	<u>(76,842)</u>	<u>2,365,243</u>
Total liabilities	1,018,841	1,423,244	(76,842)	2,365,243
Net Assets				
Without donor restrictions of the controlling interest	123,817	(67,210)	6,356	62,963
Without donor restrictions of the noncontrolling interest	-	121,678	-	121,678
With donor restrictions	40,885	35,426	-	76,311
	<u>164,702</u>	<u>89,894</u>	<u>6,356</u>	<u>260,952</u>
Total net assets	164,702	89,894	6,356	260,952
Total liabilities and net assets	\$ 1,183,543	\$ 1,513,138	\$ (70,486)	\$ 2,626,195

HumanGood

Consolidating Statement of Operations and Changes in Net Assets Schedule
Year Ended December 31, 2021
(In Thousands)

	HumanGood California Obligated Group and Foundation Affiliates	HumanGood Cornerstone and Affiliates	Eliminations	HumanGood
Operating Revenues				
Residential living	\$ 109,963	\$ 55,105	\$ -	\$ 165,068
Assisted living	34,943	11,753	-	46,696
Health center	92,387	43,622	-	136,009
Memory care	14,557	5,957	-	20,514
Personal care	-	11,275	-	11,275
Other residential services	3,964	371	-	4,335
Amortization of entrance fees	43,034	15,353	-	58,387
COVID relief funding	1,174	840	-	2,014
Other operating revenues	10,469	9,239	(7,465)	12,243
Affordable housing fees	-	75,075	-	75,075
Net assets released from restrictions	4,408	1,203	-	5,611
Unrestricted contributions	811	770	-	1,581
Change in future service obligations	-	11,895	-	11,895
	<u>315,710</u>	<u>242,458</u>	<u>(7,465)</u>	<u>550,703</u>
Operating Expenses				
Salaries and wages	137,937	84,481	-	222,418
Employee benefits	35,295	19,225	-	54,520
Supplies	23,340	14,175	-	37,515
Ancillary services	12,907	6,818	-	19,725
Repairs and maintenance	4,777	7,653	-	12,430
Marketing and advertising	4,367	2,943	-	7,310
Purchased services	15,477	17,478	-	32,955
Management fees	-	4,949	(4,916)	33
Utilities	13,057	11,363	-	24,420
Travel and related	1,335	1,209	-	2,544
Leases and rents	1,758	1,133	-	2,891
Insurance	4,742	4,473	-	9,215
Other operating expenses	10,396	11,431	(552)	21,275
	<u>265,388</u>	<u>187,331</u>	<u>(5,468)</u>	<u>447,251</u>
Income before other operating income (expense)	50,322	55,127	(1,997)	103,452
Other Operating Income (Expense)				
Realized gains on investments, net	14,198	10,874	-	25,072
Realized gains on investment in HumanGood Nevada Bonds	8,834	-	(8,834)	-
Change in unrealized gains on investments, net	1,895	2,497	-	4,392
Investment income, net	5,598	2,897	(294)	8,201
Mortgage interest	(11,288)	(23,386)	359	(34,315)
Interest expense - non-servicing debt	-	(3,538)	-	(3,538)
Depreciation and amortization	(41,760)	(50,460)	-	(92,220)
Bond negotiation expenses	-	(766)	-	(766)
Gain on early retirement of debt, net	-	2,295	-	2,295
Community Development Financial Institutions Fund grant without donor restrictions	-	1,113	-	1,113
Other income/expense, net	-	(419)	-	(419)
Gains (losses) on disposals of fixed assets	4,927	(18)	-	4,909
	<u>32,726</u>	<u>(3,784)</u>	<u>(10,766)</u>	<u>18,176</u>

HumanGood

Consolidating Statement of Operations and Changes in Net Assets Schedule
Year Ended December 31, 2021
(In Thousands)

	HumanGood California Obligated Group and Foundation Affiliates	HumanGood Cornerstone and Affiliates	Eliminations	HumanGood
Other Changes in Net Assets Without Donor Restrictions				
Change in minimum pension liability	\$ (104)	\$ -	\$ -	\$ (104)
Capital contributions	(4,241)	5,116	(391)	484
Net assets released from restrictions used for property and equipment	-	59	-	59
Change in fair value of interest rate caps and swap	3,647	523	-	4,170
Contributions from noncontrolling interest	-	7,556	-	7,556
Forgiveness of affiliate indebtedness	(2,000)	3,809	(1,809)	-
	<u>30,028</u>	<u>13,279</u>	<u>(12,966)</u>	<u>30,341</u>
Change in net assets without donor restrictions				
Net Assets With Donor Restrictions				
Dividend and interest income	909	403	-	1,312
Unrealized gains on investments with donor restrictions, net	1,323	2,003	-	3,326
Contributions	5,858	693	-	6,551
Net assets released from restrictions for benevolence	(169)	(1,150)	-	(1,319)
Contractual payments to beneficiaries	(1,328)	-	-	(1,328)
Realized gains on investments, net	1,205	938	-	2,143
Contractual liability adjustments	(283)	-	-	(283)
Net assets released from restrictions for special project funds Community Development Financial Institutions Fund grant with donor restrictions	(4,239)	(112)	391	(3,960)
	<u>-</u>	<u>2,900</u>	<u>-</u>	<u>2,900</u>
Change in net assets with donor restrictions	<u>3,276</u>	<u>5,675</u>	<u>391</u>	<u>9,342</u>
Change in net assets	<u>33,304</u>	<u>18,954</u>	<u>(12,575)</u>	<u>39,683</u>
Net Assets, Beginning	<u>131,398</u>	<u>70,940</u>	<u>18,931</u>	<u>221,269</u>
Net Assets, Ending	<u>\$ 164,702</u>	<u>\$ 89,894</u>	<u>\$ 6,356</u>	<u>\$ 260,952</u>

HumanGood

Consolidating Statement of Cash Flows Schedule
Year Ended December 31, 2021
(In Thousands)

	HumanGood California Obligated Group and Foundation Affiliates	HumanGood Cornerstone and Affiliates	Eliminations	HumanGood
Cash Flows From Operating Activities				
Cash received for resident services	\$ 253,795	\$ 141,419	\$ -	\$ 395,214
Cash received from nonrebatable entrance fees from reoccupancy	66,418	22,887	-	89,305
Cash received from advances subject to refund	21,060	10,420	-	31,480
Cash received from COVID relief funding	1,023	735	-	1,758
Cash received from other operating activities	6,403	71,145	(2,672)	74,876
Cash received from bequests and trust maturities	811	1,605	-	2,416
Cash earnings realized from investments	5,598	2,499	(398)	7,699
Cash paid for employee salaries	(126,298)	(74,672)	-	(200,970)
Cash paid for employee benefits	(33,660)	(19,625)	-	(53,285)
Cash paid for temporary labor	(11,250)	(11,182)	-	(22,432)
Cash paid to vendors	(88,070)	(84,091)	6,457	(165,704)
Cash paid for interest	(10,872)	(24,622)	330	(35,164)
Net cash provided by operating activities	<u>84,958</u>	<u>36,518</u>	<u>3,717</u>	<u>125,193</u>
Cash Flows From Investing Activities				
Acquisition of land, buildings and equipment	(37,589)	(146,618)	-	(184,207)
Proceeds from sale of fixed assets	6,216	-	-	6,216
Net (purchases) sales of unrestricted investments	(6,639)	4,495	-	(2,144)
Change in restricted investments	(4,461)	6,142	-	1,681
Cash used in intercompany and affiliate transactions	(969)	-	969	-
Net cash used in investing activities	<u>(43,442)</u>	<u>(135,981)</u>	<u>969</u>	<u>(178,454)</u>
Cash Flows From Financing Activities				
Cash received from initial entrance fees and deposits	-	19,470	-	19,470
Proceeds from rebatable entrance fees	12,991	24,281	-	37,272
Refunds of deposits and entrance fees	(23,845)	(25,764)	-	(49,609)
Proceeds from issuance of notes and bonds payable	133,481	119,189	-	252,670
Principal payments on notes and bonds payable	(9,149)	(53,907)	1,466	(61,590)
Proceeds from Community Development Financial Institutions Fund Grant	-	5,250	-	5,250
Proceeds from subordinated affiliate debt	-	6,500	(6,500)	-
Cash used in intercompany and affiliate transactions	-	(348)	348	-
Cash paid for deferred debt issuance costs	(1,464)	(2,505)	-	(3,969)
Cash paid from other trust activity	(3,475)	141	450	(2,884)
Capital contributions	(4,241)	5,218	(450)	527
Contributions from noncontrolling interest	-	7,556	-	7,556
Cash received from restricted contributions	5,858	693	-	6,551
Net cash provided by financing activities	<u>110,156</u>	<u>105,774</u>	<u>(4,686)</u>	<u>211,244</u>
Increase in cash, cash equivalents and restricted cash	151,672	6,311	-	157,983
Cash, Cash Equivalents and Restricted Cash, Beginning	<u>68,501</u>	<u>118,338</u>	<u>-</u>	<u>186,839</u>
Cash, Cash Equivalents and Restricted Cash, Ending	<u>\$ 220,173</u>	<u>\$ 124,649</u>	<u>\$ -</u>	<u>\$ 344,822</u>

HumanGood

Consolidating Statement of Cash Flows Schedule
Year Ended December 31, 2021
(In Thousands)

	<u>HumanGood California Obligated Group and Foundation Affiliates</u>	<u>HumanGood Cornerstone and Affiliates</u>	<u>Eliminations</u>	<u>HumanGood</u>
Noncash Disclosures				
Obligations incurred for the acquisition of land, buildings and equipment	<u>\$ -</u>	<u>\$ 32,495</u>	<u>\$ -</u>	<u>\$ 32,495</u>
Compounding of accrued interest on HumanGood Nevada Series 2012 B bonds to Series 2012 B bonds principal	<u>\$ -</u>	<u>\$ 371</u>	<u>\$ -</u>	<u>\$ 371</u>
Gain on early retirement of debt	<u>\$ -</u>	<u>\$ 7,230</u>	<u>\$ -</u>	<u>\$ 7,230</u>
Long-term HumanGood Nevada debt repaid with proceeds from Series 2021 affiliate bonds	<u>\$ -</u>	<u>\$ 43,819</u>	<u>\$ (43,819)</u>	<u>\$ -</u>
HumanGood Idaho senior external debt refinanced	<u>\$ -</u>	<u>\$ 79,215</u>	<u>\$ -</u>	<u>\$ 79,215</u>
Forgiveness of indebtedness to affiliate	<u>\$ (2,000)</u>	<u>\$ 3,809</u>	<u>\$ (1,809)</u>	<u>\$ -</u>
Reconciliation of Cash, Cash Equivalents and Restricted Cash to Consolidated Balance Sheet				
Cash and cash equivalents	<u>\$ 52,624</u>	<u>\$ 57,685</u>	<u>\$ -</u>	<u>\$ 110,309</u>
Restricted cash included in restricted investments	<u>162,443</u>	<u>9,834</u>	<u>-</u>	<u>172,277</u>
Restricted cash	<u>5,106</u>	<u>57,130</u>	<u>-</u>	<u>62,236</u>
Total cash, cash equivalents and restricted cash	<u>\$ 220,173</u>	<u>\$ 124,649</u>	<u>\$ -</u>	<u>\$ 344,822</u>

HumanGood California Obligated Group and Foundation Affiliates (Members of HumanGood)

 Combining Balance Sheet Schedule
 December 31, 2021
 (In Thousands)

	HumanGood NorCal	HumanGood SoCal	HumanGood Fresno	Eliminations	HumanGood California Obligated Group	HumanGood Foundation West	HumanGood Foundation South	Combined Foundations	Eliminations	HumanGood California Obligated Group and Foundation Affiliates
Assets										
Current Assets										
Cash and cash equivalents	\$ 42,226	\$ 3,367	\$ 5,269	\$ -	\$ 50,862	\$ 917	\$ 845	\$ 1,762	\$ -	\$ 52,624
Resident accounts receivable, net	7,954	4,227	836	-	13,017	-	-	-	-	13,017
Other receivables	3,477	6,485	-	-	9,962	632	-	632	-	10,594
Current portion of restricted investments	4,728	-	-	-	4,728	-	-	-	-	4,728
Intercompany advances due	31,807	(5,513)	(17,421)	-	8,873	(337)	108	(229)	-	8,644
Prepaid expenses, deposits and other assets	5,823	1,394	278	-	7,495	-	-	-	-	7,495
Total current assets	96,015	9,960	(11,038)	-	94,937	1,212	953	2,165	-	97,102
Restricted Cash	-	5,106	-	-	5,106	-	-	-	-	5,106
Investments	77,799	107,481	15,853	-	201,133	-	10,659	10,659	-	211,792
Designated Investments	51,192	13,936	-	-	65,128	65,829	-	65,829	-	130,957
Investments in HumanGood Nevada Bonds	43,819	-	-	-	43,819	-	-	-	-	43,819
Restricted Investments	158,453	-	4	-	158,457	13,587	29,286	42,873	-	201,330
Subordinated Notes Receivable, Net	15,607	-	-	-	15,607	-	-	-	-	15,607
Land, Buildings and Equipment, Net	228,822	160,374	77,665	-	466,861	-	-	-	-	466,861
Interest and Management Fees Due From Affiliates	477	-	-	-	477	-	-	-	-	477
Other Noncurrent Assets	6,761	3,678	53	-	10,492	-	-	-	-	10,492
Total assets	\$ 678,945	\$ 300,535	\$ 82,537	\$ -	\$ 1,062,017	\$ 80,628	\$ 40,898	\$ 121,526	\$ -	\$ 1,183,543

HumanGood California Obligated Group and Foundation Affiliates (Members of HumanGood)

 Combining Balance Sheet Schedule
 December 31, 2021
 (In Thousands)

	HumanGood NorCal	HumanGood SoCal	HumanGood Fresno	Eliminations	HumanGood California Obligated Group	HumanGood Foundation West	HumanGood Foundation South	Combined Foundations	Eliminations	HumanGood California Obligated Group and Foundation Affiliates
Liabilities and Net Assets (Deficit)										
Current Liabilities										
Accounts payable and accrued expenses	\$ 29,415	\$ 6,722	\$ 1,561	\$ -	\$ 37,698	\$ 66	\$ 81	\$ 147	\$ -	\$ 37,845
Deposits	1,695	1,368	94	-	3,157	-	-	-	-	3,157
Accrued interest	3,394	115	-	-	3,509	-	-	-	-	3,509
Current portion of long-term debt	3,378	4,035	2,111	-	9,524	-	-	-	-	9,524
Entrance fee rebates payable	84	-	131	-	215	-	-	-	-	215
Total current liabilities	37,966	12,240	3,897	-	54,103	66	81	147	-	54,250
Notes and Bonds Payable, Net	297,348	102,110	61,270	-	460,728	-	-	-	-	460,728
Rebatable Entrance Fees Due	98,002	45,673	30,817	-	174,492	-	-	-	-	174,492
Entrance Fees Subject to Refund	38,865	34,607	6,502	-	79,974	-	-	-	-	79,974
Entrance Fees Nonrefundable	118,288	63,170	18,148	-	199,606	-	-	-	-	199,606
Revocable Trusts	-	-	-	-	-	251	-	251	-	251
Obligations Under Annuity Agreements	-	-	-	-	-	2,170	1,684	3,854	-	3,854
Retirement Liabilities	2,899	1,726	-	-	4,625	-	-	-	-	4,625
Workers' Compensation Liability	9,061	9,025	-	-	18,086	-	-	-	-	18,086
Advances Subject to Refund	10,000	9,246	1,814	-	21,060	-	-	-	-	21,060
Other Liabilities	1,871	1	43	-	1,915	-	-	-	-	1,915
Total liabilities	614,300	277,798	122,491	-	1,014,589	2,487	1,765	4,252	-	1,018,841
Net Assets (Deficit)										
Without donor restrictions of the controlling interest	64,645	22,737	(39,954)	-	47,428	65,481	10,908	76,389	-	123,817
With donor restrictions	-	-	-	-	-	12,660	28,225	40,885	-	40,885
Total net assets (deficit)	64,645	22,737	(39,954)	-	47,428	78,141	39,133	117,274	-	164,702
Total liabilities and net assets (deficit)	\$ 678,945	\$ 300,535	\$ 82,537	\$ -	\$ 1,062,017	\$ 80,628	\$ 40,898	\$ 121,526	\$ -	\$ 1,183,543

HumanGood California Obligated Group and Foundation Affiliates (Members of HumanGood)

Combining Statement of Operations and Changes in Net Assets (Deficit) Schedule

Year Ended December 31, 2021

(In Thousands)

	HumanGood NorCal	HumanGood SoCal	HumanGood Fresno	Eliminations	HumanGood California Obligated Group	HumanGood Foundation West	HumanGood Foundation South	Combined Foundations	Eliminations	HumanGood California Obligated Group and Foundation Affiliates
Operating Revenues										
Residential living	\$ 57,488	\$ 41,021	\$ 11,454	\$ -	\$ 109,963	\$ -	\$ -	\$ -	\$ -	\$ 109,963
Assisted living	16,900	14,106	3,937	-	34,943	-	-	-	-	34,943
Health center	55,865	28,448	8,074	-	92,387	-	-	-	-	92,387
Memory care	9,420	3,065	2,072	-	14,557	-	-	-	-	14,557
Other residential services	1,697	2,189	78	-	3,964	-	-	-	-	3,964
Amortization of entrance fees	24,016	14,663	4,355	-	43,034	-	-	-	-	43,034
COVID relief funding	699	365	110	-	1,174	-	-	-	-	1,174
Other operating revenues	17,520	1,126	302	(8,479)	10,469	-	-	-	-	10,469
Net assets released from restrictions	-	-	-	-	-	2,534	1,874	4,408	-	4,408
Unrestricted contributions	-	-	-	-	-	811	-	811	-	811
Foundation community benefit	699	185	258	-	1,142	-	-	-	(1,142)	-
Total operating revenues	184,304	105,168	30,640	(8,479)	311,633	3,345	1,874	5,219	(1,142)	315,710
Operating Expenses										
Salaries and wages	77,525	50,046	9,872	-	137,443	259	235	494	-	137,937
Employee benefits	19,606	13,100	2,492	-	35,198	45	52	97	-	35,295
Supplies	12,024	8,715	2,598	-	23,337	3	-	3	-	23,340
Ancillary services	8,087	3,504	1,316	-	12,907	-	-	-	-	12,907
Repairs and maintenance	2,401	1,974	399	-	4,774	3	-	3	-	4,777
Marketing and advertising	1,865	1,850	652	-	4,367	-	-	-	-	4,367
Purchased services	7,905	6,629	886	-	15,420	39	18	57	-	15,477
Management fees	-	-	2,084	(2,084)	-	-	-	-	-	-
Utilities	6,324	5,191	1,540	-	13,055	1	1	2	-	13,057
Travel and related	772	444	98	-	1,314	12	9	21	-	1,335
Leases and rents	1,149	482	127	-	1,758	-	-	-	-	1,758
Insurance	2,379	1,949	414	-	4,742	-	-	-	-	4,742
Foundation community distribution	-	-	-	-	-	957	185	1,142	(1,142)	-
Other operating expenses	3,852	2,034	741	-	6,627	2,394	1,375	3,769	-	10,396
Total operating expenses	143,889	95,918	23,219	(2,084)	260,942	3,713	1,875	5,588	(1,142)	265,388
Income (loss) before other operating income (expense)	40,415	9,250	7,421	(6,395)	50,691	(368)	(1)	(369)	-	50,322
Other Operating Income (Expense)										
Realized gains on investments, net	5,294	6,263	49	-	11,606	2,217	375	2,592	-	14,198
Realized gain on investment in HumanGood Nevada Bonds	8,834	-	-	-	8,834	-	-	-	-	8,834
Change in unrealized (losses) gains on investments, net	(2,041)	248	(177)	-	(1,970)	3,305	560	3,865	-	1,895
Investment income, net	4,357	1,980	80	(2,172)	4,245	1,159	194	1,353	-	5,598
Mortgage interest	(7,332)	(3,207)	(2,116)	1,367	(11,288)	-	-	-	-	(11,288)
Depreciation and amortization	(19,823)	(17,225)	(4,712)	-	(41,760)	-	-	-	-	(41,760)
(Losses) gains on disposals of fixed assets	(100)	5,027	-	-	4,927	-	-	-	-	4,927
Income (loss) from operations	29,604	2,336	545	(7,200)	25,285	6,313	1,128	7,441	-	32,726

HumanGood California Obligated Group and Foundation Affiliates (Members of HumanGood)

Combining Statement of Operations and Changes in Net Assets (Deficit) Schedule

Year Ended December 31, 2021

(In Thousands)

	HumanGood NorCal	HumanGood SoCal	HumanGood Fresno	Eliminations	HumanGood California Obligated Group	HumanGood Foundation West	HumanGood Foundation South	Combined Foundations	Eliminations	HumanGood California Obligated Group and Foundation Affiliates
Other Changes in Net Assets (Deficit) Without Donor Restrictions										
Change in minimum pension liability	\$ -	\$ (104)	\$ -	\$ -	\$ (104)	\$ -	\$ -	\$ -	\$ -	\$ (104)
Capital contributions	(4,872)	610	21	-	(4,241)	-	-	-	-	(4,241)
Forgiveness of affiliate indebtedness	(2,000)	-	-	-	(2,000)	-	-	-	-	(2,000)
Change in fair value of interest rate caps and swap	3,625	22	-	-	3,647	-	-	-	-	3,647
Change in net assets (deficit) without donor restrictions	26,357	2,864	566	(7,200)	22,587	6,313	1,128	7,441	-	30,028
Net Assets With Donor Restrictions										
Dividend and interest income	-	-	-	-	-	211	698	909	-	909
Unrealized gains on investments with donor restrictions, net	-	-	-	-	-	236	1,087	1,323	-	1,323
Contributions	-	-	-	-	-	3,208	2,650	5,858	-	5,858
Net assets released from restrictions for benevolence	-	-	-	-	-	-	(169)	(169)	-	(169)
Contractual payments to beneficiaries	-	-	-	-	-	(370)	(958)	(1,328)	-	(1,328)
Realized gains on investments, net	-	-	-	-	-	391	814	1,205	-	1,205
Contractual liability adjustments	-	-	-	-	-	(228)	(55)	(283)	-	(283)
Net assets released from restrictions for special project funds	-	-	-	-	-	(2,534)	(1,705)	(4,239)	-	(4,239)
Change in net assets with donor restrictions	-	-	-	-	-	914	2,362	3,276	-	3,276
Change in net assets (deficit)	26,357	2,864	566	(7,200)	22,587	7,227	3,490	10,717	-	33,304
Net Assets (Deficit), Beginning	38,288	19,873	(40,520)	7,200	24,841	70,914	35,643	106,557	-	131,398
Net Assets (Deficit), Ending	\$ 64,645	\$ 22,737	\$ (39,954)	\$ -	\$ 47,428	\$ 78,141	\$ 39,133	\$ 117,274	\$ -	\$ 164,702

HumanGood California Obligated Group and Foundation Affiliates (Members of HumanGood)

Combining Statement of Cash Flows Schedule

Year Ended December 31, 2021

(In Thousands)

	HumanGood NorCal	HumanGood SoCal	HumanGood Fresno	Eliminations	HumanGood California Obligated Group	HumanGood Foundation West	HumanGood Foundation South	Combined Foundations	Eliminations	HumanGood California Obligated Group and Foundation Affiliates
Cash Flows From Operating Activities										
Cash received for resident services	\$ 139,642	\$ 88,958	\$ 25,195	\$ -	\$ 253,795	\$ -	\$ -	\$ -	\$ -	\$ 253,795
Cash received from nonrebatable entrance fees from reoccupancy	37,040	23,710	5,668	-	66,418	-	-	-	-	66,418
Cash received from advances subject to refund	10,000	9,246	1,814	-	21,060	-	-	-	-	21,060
Cash received from COVID relief funding	699	214	110	-	1,023	-	-	-	-	1,023
Cash received from other operating activities	41,468	1,328	560	(36,074)	7,282	5	-	5	(884)	6,403
Cash received from bequests and trust maturities	-	-	-	-	-	811	-	811	-	811
Cash earnings realized from investments	4,357	1,980	80	(2,172)	4,245	1,159	194	1,353	-	5,598
Cash paid for employee salaries	(70,718)	(45,901)	(9,271)	-	(125,890)	(228)	(180)	(408)	-	(126,298)
Cash paid for employee benefits	(18,101)	(12,970)	(2,492)	-	(33,563)	(45)	(52)	(97)	-	(33,660)
Cash paid for temporary labor	(5,878)	(4,745)	(627)	-	(11,250)	-	-	-	-	(11,250)
Cash paid to vendors	(47,482)	(32,955)	(16,614)	8,738	(88,313)	(923)	282	(641)	884	(88,070)
Cash paid for interest	(5,916)	(3,464)	(2,859)	1,367	(10,872)	-	-	-	-	(10,872)
Net cash provided by (used in) operating activities	85,111	25,401	1,564	(28,141)	83,935	779	244	1,023	-	84,958
Cash Flows From Investing Activities										
Acquisition of land, buildings and equipment	(18,054)	(17,212)	(2,323)	-	(37,589)	-	-	-	-	(37,589)
Proceeds from sale of fixed assets	-	6,216	-	-	6,216	-	-	-	-	6,216
Net purchases of unrestricted investments	(3,318)	(1,812)	(93)	-	(5,223)	(1,293)	(123)	(1,416)	-	(6,639)
Change in restricted investments	(27)	(114)	-	-	(141)	(631)	(3,689)	(4,320)	-	(4,461)
Cash (used in) provided by intercompany and affiliate transactions	(34,850)	(1,112)	6,810	28,141	(1,011)	169	(127)	42	-	(969)
Net cash (used in) provided by investing activities	(56,249)	(14,034)	4,394	28,141	(37,748)	(1,755)	(3,939)	(5,694)	-	(43,442)
Cash Flows From Financing Activities										
Proceeds from rebatable entrance fees	9,059	1,829	2,103	-	12,991	-	-	-	-	12,991
Refunds of deposits and entrance fees	(9,559)	(9,605)	(4,681)	-	(23,845)	-	-	-	-	(23,845)
Proceeds from issuance of notes and bonds payable	133,481	-	-	-	133,481	-	-	-	-	133,481
Principal payments on notes and bonds payable	(6,513)	(2,620)	(16)	-	(9,149)	-	-	-	-	(9,149)
Cash paid for deferred debt issuance costs	(1,464)	-	-	-	(1,464)	-	-	-	-	(1,464)
Cash paid from other trust activity	-	-	-	-	-	(2,156)	(1,319)	(3,475)	-	(3,475)
Capital contributions	(4,872)	610	21	-	(4,241)	-	-	-	-	(4,241)
Cash received from restricted contributions	-	-	-	-	-	3,209	2,649	5,858	-	5,858
Net cash provided by (used in) financing activities	120,132	(9,786)	(2,573)	-	107,773	1,053	1,330	2,383	-	110,156
Increase (decrease) in cash, cash equivalents and restricted cash	148,994	1,581	3,385	-	153,960	77	(2,365)	(2,288)	-	151,672
Cash, Cash Equivalents and Restricted Cash, Beginning	53,377	6,892	1,888	-	62,157	2,287	4,057	6,344	-	68,501
Cash, Cash Equivalents and Restricted Cash, Ending	\$ 202,371	\$ 8,473	\$ 5,273	\$ -	\$ 216,117	\$ 2,364	\$ 1,692	\$ 4,056	\$ -	\$ 220,173
Noncash Disclosures										
Forgiveness of indebtedness to affiliate	\$ (2,000)	\$ -	\$ -	\$ -	\$ (2,000)	\$ -	\$ -	\$ -	\$ -	\$ (2,000)
Reconciliation of Cash, Cash Equivalents and Restricted Cash to Combining Balance Sheet Schedule										
Cash and cash equivalents	\$ 42,226	\$ 3,367	\$ 5,269	\$ -	\$ 50,862	\$ 917	\$ 845	\$ 1,762	\$ -	\$ 52,624
Restricted cash included in restricted investments	160,145	-	4	-	160,149	1,447	847	2,294	-	162,443
Restricted cash	-	5,106	-	-	5,106	-	-	-	-	5,106
Total cash, cash equivalents and restricted cash	\$ 202,371	\$ 8,473	\$ 5,273	\$ -	\$ 216,117	\$ 2,364	\$ 1,692	\$ 4,056	\$ -	\$ 220,173

HumanGood Cornerstone and Affiliates (Members of HumanGood)

Consolidating Balance Sheet Schedule
 December 31, 2021
 (In Thousands)

	<u>National Obligated Group</u>	<u>HumanGood Nevada</u>	<u>HumanGood Idaho</u>	<u>HumanGood Properties</u>	<u>HumanGood Cornerstone</u>	<u>HumanGood Affordable Housing</u>	<u>HumanGood East</u>	<u>HumanGood Cornerstone Eliminations</u>	<u>HumanGood Cornerstone and Affiliates</u>
Assets									
Current Assets									
Cash and cash equivalents	\$ 5,947	\$ 2,886	\$ 8,681	\$ -	\$ 690	\$ 26,600	\$ 12,881	\$ -	\$ 57,685
Current portion of restricted cash	-	-	-	-	-	30,548	-	-	30,548
Resident accounts receivable, net	1,797	1,502	537	-	-	616	3,617	-	8,069
Other receivables	201	276	-	-	-	4,387	5,845	-	10,709
Current portion of restricted investments	1,154	-	1,377	-	-	-	-	-	2,531
Intercompany advances due	-	-	-	112	5	-	-	-	117
Prepaid expenses, deposits and other assets	434	357	104	-	20	383	1,445	-	2,743
Total current assets	9,533	5,021	10,699	112	715	62,534	23,788	-	112,402
Restricted Cash	-	-	424	-	-	-	26,158	-	26,582
Investments	21,388	797	-	-	-	9,950	132,075	-	164,210
Restricted Investments	2,399	-	4,904	-	-	-	26,106	-	33,409
Beneficial Interest in Split Interest Agreements and Perpetual Trusts	-	-	-	-	-	-	9,865	-	9,865
Land, Buildings and Equipment, Net	68,507	64,219	76,186	-	-	671,201	271,335	-	1,151,448
Other Noncurrent Assets	177	102	84	427	3,785	7,871	2,776	-	15,222
Total assets	<u>\$ 102,004</u>	<u>\$ 70,139</u>	<u>\$ 92,297</u>	<u>\$ 539</u>	<u>\$ 4,500</u>	<u>\$ 751,556</u>	<u>\$ 492,103</u>	<u>\$ -</u>	<u>\$ 1,513,138</u>

HumanGood Cornerstone and Affiliates (Members of HumanGood)

Consolidating Balance Sheet Schedule
 December 31, 2021
 (In Thousands)

	<u>National Obligated Group</u>	<u>HumanGood Nevada</u>	<u>HumanGood Idaho</u>	<u>HumanGood Properties</u>	<u>HumanGood Cornerstone</u>	<u>HumanGood Affordable Housing</u>	<u>HumanGood East</u>	<u>HumanGood Cornerstone Eliminations</u>	<u>HumanGood Cornerstone and Affiliates</u>
Liabilities and Net (Deficit) Assets									
Current Liabilities									
Accounts payable and accrued expenses	\$ 2,033	\$ 1,496	\$ 1,303	\$ -	\$ 798	\$ 34,617	\$ 12,622	\$ -	\$ 52,869
Deferred management fees	-	-	416	-	-	-	-	-	416
Payable to affiliates	2,492	320	214	-	-	4,740	901	-	8,667
Deposits	153	88	387	-	-	1,562	1,599	-	3,789
Accrued interest	876	77	901	-	-	652	1,087	-	3,593
Current portion of long-term debt	1,552	200	-	-	-	17,459	2,475	-	21,686
Entrance fee rebates payable	-	312	-	-	-	-	136	-	448
Total current liabilities	7,106	2,493	3,221	-	798	59,030	18,820	-	91,468
Notes and Bonds Payable, Net	66,624	-	77,769	-	-	226,730	150,070	-	521,193
Subordinated Notes Held by Affiliates	12,000	43,619	8,750	-	-	1,430	-	-	65,799
Subordinated External Debt	-	-	2,900	-	-	-	-	-	2,900
Notes and Bonds Payable, Net - Non-Servicing Debt	-	-	-	-	-	343,680	75,229	-	418,909
Rebatable Entrance Fees Due	54,210	20,915	34,860	-	-	-	83,931	-	193,916
Entrance Fees Subject to Refund	5,359	3,566	4,227	-	-	-	13,854	-	27,006
Entrance Fees Nonrefundable	18,561	13,132	12,214	-	-	-	24,795	-	68,702
Retirement Liabilities	-	-	-	-	-	-	200	-	200
Workers' Compensation Liability	-	-	-	-	-	-	382	-	382
Advances Subject to Refund	3,821	1,708	1,077	-	-	-	3,814	-	10,420
Other Liabilities	299	64	-	-	43	21,615	328	-	22,349
Total liabilities	167,980	85,497	145,018	-	841	652,485	371,423	-	1,423,244
Net (Deficit) Assets									
Without donor restrictions of the controlling interest	(65,976)	(15,358)	(52,721)	539	3,659	(10,363)	73,010	-	(67,210)
Without donor restrictions of the noncontrolling interest	-	-	-	-	-	105,109	16,569	-	121,678
With donor restrictions	-	-	-	-	-	4,325	31,101	-	35,426
Total net (deficit) assets	(65,976)	(15,358)	(52,721)	539	3,659	99,071	120,680	-	89,894
Total liabilities and net (deficit) assets	\$ 102,004	\$ 70,139	\$ 92,297	\$ 539	\$ 4,500	\$ 751,556	\$ 492,103	\$ -	\$ 1,513,138

HumanGood Cornerstone and Affiliates (Members of HumanGood)

Consolidating Statement of Operations and Changes in Net (Deficit) Assets Schedule

Year Ended December 31, 2021

(In Thousands)

	National Obligated Group	HumanGood Nevada	HumanGood Idaho	HumanGood Properties	HumanGood Cornerstone	HumanGood Affordable Housing	HumanGood East	HumanGood Cornerstone Eliminations	HumanGood Cornerstone and Affiliates
Operating Revenues									
Residential living	\$ 16,587	\$ 9,526	\$ 7,283	\$ -	\$ -	\$ -	\$ 21,709	\$ -	\$ 55,105
Assisted living	6,018	3,204	2,531	-	-	-	-	-	11,753
Health center	16,786	9,731	4,215	-	-	-	12,890	-	43,622
Memory care	3,515	1,098	1,344	-	-	-	-	-	5,957
Personal care	-	-	-	-	-	-	11,275	-	11,275
Other residential services	371	-	-	-	-	-	-	-	371
Amortization of entrance fees	3,954	3,323	2,267	-	-	-	5,809	-	15,353
COVID relief funding	251	20	89	-	-	-	480	-	840
Other operating revenue	651	100	111	-	-	6,563	1,814	-	9,239
Affordable housing fees	-	-	-	-	-	57,490	17,585	-	75,075
Net assets released from restrictions	-	-	-	-	-	53	1,150	-	1,203
Unrestricted contributions	-	-	-	-	-	315	455	-	770
Change in future service obligations	-	-	11,895	-	-	-	-	-	11,895
Total operating revenues	48,133	27,002	29,735	-	-	64,421	73,167	-	242,458
Operating Expenses									
Salaries and wages	21,530	9,416	6,968	-	151	16,335	30,081	-	84,481
Employee benefits	4,796	2,123	1,662	-	32	4,477	6,135	-	19,225
Supplies	4,109	2,226	1,347	-	3	1,583	4,907	-	14,175
Ancillary services	2,190	1,788	734	-	-	-	2,106	-	6,818
Repairs and maintenance	425	468	198	-	-	3,875	2,687	-	7,653
Marketing and advertising	731	419	293	-	-	209	1,291	-	2,943
Purchased services	1,987	1,399	623	-	3,349	4,547	5,573	-	17,478
Management fees	3,683	540	726	-	-	-	-	-	4,949
Utilities	1,892	912	477	-	18	4,566	3,498	-	11,363
Travel and related	122	92	35	-	31	752	177	-	1,209
Leases and rents	315	77	20	-	-	455	266	-	1,133
Insurance	744	331	199	-	-	1,442	1,757	-	4,473
Other operating expenses	1,279	1,465	1,016	2	346	3,236	4,087	-	11,431
Total operating expenses	43,803	21,256	14,298	2	3,930	41,477	62,565	-	187,331
Income (loss) before other operating income (expense)	4,330	5,746	15,437	(2)	(3,930)	22,944	10,602	-	55,127
Other Operating Income (Expense)									
Realized gains on investments, net	377	-	-	-	-	-	10,497	-	10,874
Change in unrealized (losses) gains on investments, net	(620)	(14)	(129)	-	-	(336)	3,596	-	2,497
Investment income, net	152	20	138	-	-	398	2,189	-	2,897
Mortgage interest	(2,305)	(2,365)	(5,737)	-	-	(6,839)	(6,140)	-	(23,386)
Interest expense - non-servicing debt	-	-	-	-	-	(3,482)	(56)	-	(3,538)
Depreciation and amortization	(5,195)	(2,889)	(2,210)	-	-	(23,151)	(17,015)	-	(50,460)
Bond negotiation expenses	-	-	(766)	-	-	-	-	-	(766)
Gain (loss) on early retirement of debt, net	-	6,049	(3,754)	-	-	-	-	-	2,295
Community Development Financial Institutions Fund grant without donor restrictions	-	-	-	-	-	1,113	-	-	1,113
Other income/expense, net	-	-	-	-	-	-	(419)	-	(419)
Losses on disposals of fixed assets	-	-	-	-	-	-	(18)	-	(18)
(Loss) income from operations	(3,261)	6,547	2,979	(2)	(3,930)	(9,353)	3,236	-	(3,784)

HumanGood Cornerstone and Affiliates (Members of HumanGood)

Consolidating Statement of Operations and Changes in Net (Deficit) Assets Schedule

Year Ended December 31, 2021

(In Thousands)

	National Obligated Group	HumanGood Nevada	HumanGood Idaho	HumanGood Properties	HumanGood Cornerstone	HumanGood Affordable Housing	HumanGood East	HumanGood Cornerstone Eliminations	HumanGood Cornerstone and Affiliates
Other Changes in Net (Deficit) Assets Without Donor Restrictions									
Capital contributions	\$ 66	\$ -	\$ -	\$ -	\$ 5,050	\$ -	\$ -	\$ -	\$ 5,116
Net assets released from restrictions used for property and equipment	-	-	-	-	-	-	59	-	59
Change in fair value of interest rate caps and swap	25	-	-	-	-	498	-	-	523
Contributions from noncontrolling interest	-	-	-	-	-	6,356	1,200	-	7,556
Forgiveness of affiliate indebtedness	-	-	3,809	-	-	-	-	-	3,809
Change in net (deficit) assets without donor restrictions	(3,170)	6,547	6,788	(2)	1,120	(2,499)	4,495	-	13,279
Net (Deficit) Assets With Donor Restrictions									
Dividend and interest income	-	-	-	-	-	-	403	-	403
Unrealized gains on investments with donor restrictions, net	-	-	-	-	-	-	2,003	-	2,003
Contributions	-	-	-	-	-	-	693	-	693
Net assets released from restrictions for benevolence	-	-	-	-	-	-	(1,150)	-	(1,150)
Contractual payments to beneficiaries	-	-	-	-	-	-	-	-	-
Realized gains on investments, net	-	-	-	-	-	-	938	-	938
Net assets released from restrictions for special project funds Community Development Financial Institutions Fund grant with donor restrictions	-	-	-	-	-	(53)	(59)	-	(112)
Change in net (deficit) assets with donor restrictions	-	-	-	-	-	2,900	-	-	2,900
Change in net (deficit) assets	(3,170)	6,547	6,788	(2)	1,120	348	7,323	-	18,954
Net (Deficit) Assets, Beginning	(62,806)	(21,905)	(59,509)	541	2,539	98,723	113,357	-	70,940
Net (Deficit) Assets, Ending	\$ (65,976)	\$ (15,358)	\$ (52,721)	\$ 539	\$ 3,659	\$ 99,071	\$ 120,680	\$ -	\$ 89,894

HumanGood Cornerstone and Affiliates (Members of HumanGood)

Consolidating Statement of Cash Flows Schedule
Year Ended December 31, 2021
(In Thousands)

	<u>National Obligated Group</u>	<u>HumanGood Nevada</u>	<u>HumanGood Idaho</u>	<u>HumanGood Properties</u>	<u>HumanGood Cornerstone</u>	<u>HumanGood Affordable Housing</u>	<u>HumanGood East</u>	<u>HumanGood Cornerstone Eliminations</u>	<u>HumanGood Cornerstone and Affiliates</u>
Cash Flows From Operating Activities									
Cash received for resident services	\$ 42,934	\$ 22,805	\$ 14,950	\$ -	\$ -	\$ -	\$ 60,730	\$ -	\$ 141,419
Cash received from nonrebatable entrance fees from reoccupancy	7,760	4,502	4,030	-	-	-	6,595	-	22,887
Cash received from advances subject to refund	3,821	1,708	1,077	-	-	-	3,814	-	10,420
Cash received from COVID relief funding	251	20	89	-	-	-	375	-	735
Cash received from other operating activities	626	116	111	-	-	64,568	5,724	-	71,145
Cash received from bequests and trust maturities	-	-	-	-	-	315	1,290	-	1,605
Cash earnings realized from investments	152	20	138	-	-	-	2,189	-	2,499
Cash paid for employee salaries	(18,793)	(8,596)	(6,198)	-	(158)	(15,972)	(24,955)	-	(74,672)
Cash paid for employee benefits	(4,596)	(2,123)	(1,662)	-	(32)	(4,477)	(6,735)	-	(19,625)
Cash paid for temporary labor	(2,958)	(888)	(784)	-	-	-	(6,552)	-	(11,182)
Cash paid to vendors	(17,117)	(11,515)	(6,450)	(2)	(3,715)	(18,698)	(26,594)	-	(84,091)
Cash paid for interest	(2,284)	(2,949)	(6,361)	-	-	(7,232)	(5,796)	-	(24,622)
Net cash provided by (used in) operating activities	<u>9,796</u>	<u>3,100</u>	<u>(1,060)</u>	<u>(2)</u>	<u>(3,905)</u>	<u>18,504</u>	<u>10,085</u>	<u>-</u>	<u>36,518</u>
Cash Flows From Investing Activities									
Acquisition of land, buildings and equipment	(4,108)	(2,566)	(527)	-	-	(105,142)	(34,275)	-	(146,618)
Net (purchases) sales of unrestricted investments	(181)	2,428	-	50	(1,198)	(1,532)	4,928	-	4,495
Change in restricted investments	-	-	6,912	-	-	-	(770)	-	6,142
Net cash (used in) provided by investing activities	<u>(4,289)</u>	<u>(138)</u>	<u>6,385</u>	<u>50</u>	<u>(1,198)</u>	<u>(106,674)</u>	<u>(30,117)</u>	<u>-</u>	<u>(135,981)</u>
Cash Flows From Financing Activities									
Cash received from initial entrance fees and deposits	-	-	-	-	-	-	19,470	-	19,470
Proceeds from rebatable entrance fees	6,426	3,842	4,350	-	-	-	9,663	-	24,281
Refunds of deposits and entrance fees	(8,550)	(3,633)	(4,294)	-	-	-	(9,287)	-	(25,764)
Proceeds from issuance of notes and bonds payable	-	-	-	-	-	99,656	19,533	-	119,189
Principal payments on notes and bonds payable	(1,498)	(8,637)	-	-	-	(14,601)	(29,171)	-	(53,907)
Proceeds from Community Development Financial Institutions Fund Grant	-	-	-	-	-	5,250	-	-	5,250
Proceeds from subordinated affiliate debt	-	-	6,500	-	-	-	-	-	6,500
Cash (used in) provided by intercompany and affiliate transactions	(497)	(435)	138	(48)	(118)	-	612	-	(348)
Cash paid for deferred debt issuance costs	-	-	(1,456)	-	-	(1,049)	-	-	(2,505)
Cash paid from other trust activity	-	-	-	-	-	-	141	-	141
Capital contributions	66	-	43	-	5,050	-	59	-	5,218
Contributions from noncontrolling interest	-	-	-	-	-	6,356	1,200	-	7,556
Cash received from restricted contributions	-	-	-	-	-	-	693	-	693
Net cash (used in) provided by financing activities	<u>(4,053)</u>	<u>(8,863)</u>	<u>5,281</u>	<u>(48)</u>	<u>4,932</u>	<u>95,612</u>	<u>12,913</u>	<u>-</u>	<u>105,774</u>
Increase (decrease) in cash, cash equivalents and restricted cash	1,454	(5,901)	10,606	-	(171)	7,442	(7,119)	-	6,311
Cash, Cash Equivalents and Restricted Cash, Beginning	<u>8,046</u>	<u>8,787</u>	<u>4,780</u>	<u>-</u>	<u>861</u>	<u>49,706</u>	<u>46,158</u>	<u>-</u>	<u>118,338</u>
Cash, Cash Equivalents and Restricted Cash, Ending	<u>\$ 9,500</u>	<u>\$ 2,886</u>	<u>\$ 15,386</u>	<u>\$ -</u>	<u>\$ 690</u>	<u>\$ 57,148</u>	<u>\$ 39,039</u>	<u>\$ -</u>	<u>\$ 124,649</u>

HumanGood Cornerstone and Affiliates (Members of HumanGood)

Consolidating Statement of Cash Flows Schedule
Year Ended December 31, 2021
(In Thousands)

	<u>National Obligated Group</u>	<u>HumanGood Nevada</u>	<u>HumanGood Idaho</u>	<u>HumanGood Properties</u>	<u>HumanGood Cornerstone</u>	<u>HumanGood Affordable Housing</u>	<u>HumanGood East</u>	<u>HumanGood Cornerstone Eliminations</u>	<u>HumanGood Cornerstone and Affiliates</u>
Noncash Disclosures									
Obligations incurred for the acquisition of land, buildings and equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,777	\$ 4,718	\$ -	\$ 32,495
Compounding of accrued interest on HumanGood Nevada Series 2012 B bonds to Series 2012 B bonds principal	\$ -	\$ 371	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 371
Gain on early retirement of debt	\$ -	\$ 7,230	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,230
Long-term HumanGood Nevada debt repaid with proceeds from Series 2021 affiliate bonds	\$ -	\$ 43,819	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,819
HumanGood Idaho senior external debt refinanced	\$ -	\$ -	\$ 79,215	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 79,215
Forgiveness of indebtedness to affiliate	\$ -	\$ -	\$ 3,809	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,809
Reconciliation of Cash, Cash Equivalents and Restricted Cash to Consolidating Balance Sheet Schedule									
Cash and cash equivalents	\$ 5,947	\$ 2,886	\$ 8,681	\$ -	\$ 690	\$ 26,600	\$ 12,881	\$ -	\$ 57,685
Restricted cash included in restricted investments	3,553	-	6,281	-	-	-	-	-	9,834
Restricted cash	-	-	424	-	-	30,548	26,158	-	57,130
Total cash, cash equivalents and restricted cash	\$ 9,500	\$ 2,886	\$ 15,386	\$ -	\$ 690	\$ 57,148	\$ 39,039	\$ -	\$ 124,649