

Brio Living Services, Inc. Obligated Group  
2<sup>nd</sup> Quarter 2026 Management Discussion of Financial Performance and Position

The following is a brief Management Discussion of the Brio Living Services, Inc Obligated Group's (OG) financial activities, performance, and position **as of and for the second quarter ended December 31, 2025.**

*Disclaimer: This release contains forward-looking statements that involve risks, uncertainties, and assumptions. If such risks or uncertainties materialize or such assumptions prove incorrect, the results of this organization could differ materially from those expressed or implied by such forward-looking statements and assumptions. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including but not limited to statements of the plans, strategies and objectives of management for future operations; any statements concerning expected development, performance or market share relating to products and services; anticipated operational and financial results; any statements of expectation or belief; and any statements of assumptions underlying any of the foregoing. Risks, uncertainties, and assumptions include the achievement of expected results and other risks that are described from time to time in quarterly reports. This organization assumes no obligation and does not intend to update these forward-looking statements.*

**Organization Overview**

United Methodist Retirement Communities, Inc. (UMRC) is a Michigan nonprofit organization governed by a board of trustees that provides housing, healthcare, and other related senior services. The Obligated Group (OG) special purpose combined financials statements are prepared for the combined entities for the purpose of complying with the reporting requirements set forth in the master trust indenture agreements between U.S. Bank, National Association and UMRC.

On March 1, 2019, United Methodist Retirement Communities, Inc. ("UMRC") entered into an Affiliation Agreement with Porter Hills Presbyterian Villages, Inc. ("Porter Hills") and its sole shareholder, Westminster Presbyterian Church. The Affiliation Agreement is an agreement providing for an affiliation relationship between UMRC and Porter Hills (called the "Affiliation" below). In a closing on March 1, 2019, pursuant to the Affiliation Agreement, Westminster Presbyterian Church transferred to UMRC the single outstanding share of stock of Porter Hills, and UMRC thereby became and now is the sole shareholder of Porter Hills.

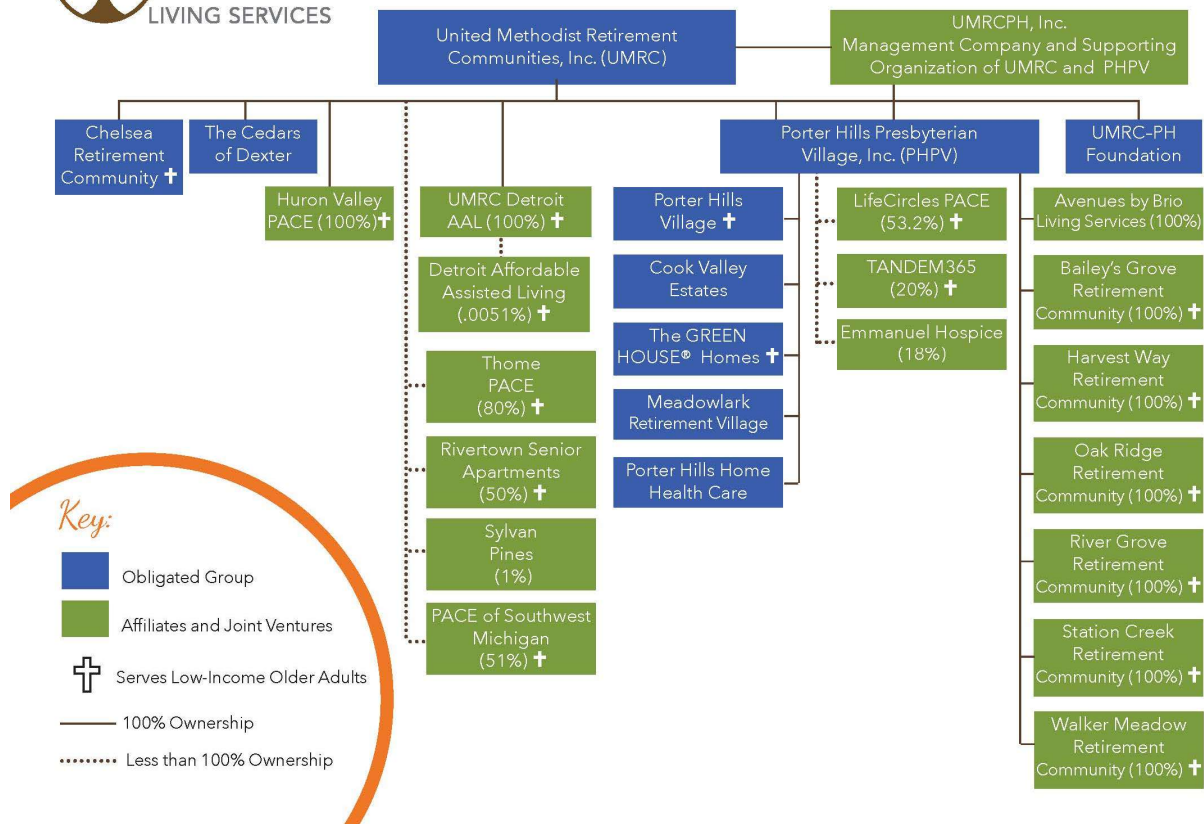
In September 2020, the Obligated Group issued supplemental trust indentures as part of a bond issuance, which added the former Porter Hills Presbyterian Village, Inc. Obligated Group previously reported separately. These new Obligated Group members have been added to the listing below.

In March 2022, UMRC and Porter Hills filed for a new Assumed Name (DBA) of Brio Living Services Inc (Brio) by which it will be referenced going forward in this document.

Brio Living Services, Inc. Obligated Group  
2<sup>nd</sup> Quarter 2026 Management Discussion of Financial Performance and Position



Entity Organizational Chart



The Obligated Group consists of the following entities

- Chelsea Retirement Community is a life plan community in Chelsea, Michigan that includes skilled nursing, dementia care, assisted living and independent living services.
- Cedars of Dexter, located in Dexter, Michigan, includes independent living cottages.
- UMRC Foundation and Porter Hills Foundation merged into UMRC-Porter Hills Foundation on July 1, 2021. UMRC is the sole corporate member. The foundations were established to raise funds, invest assets, and monitor growth to ensure the operating entities can continue as in-depth, innovative, and inclusive senior living and services resource.
- Brio Corporate Office provides the leadership and administrative oversight and support services for the Brio Living Services Obligated Group. Additionally, the Brio Corporate Office provides leadership and administrative oversight to related or affiliated entities outside of the obligated group with management and/or development fees charged for services provided.
- Porter Hills Presbyterian Village, Inc. (Porter Hills) is a life plan community located in Grand Rapids, Michigan that includes skilled nursing, dementia care, assisted living and independent living services.
- Porter Hills Home Health Services West was established to provide skilled home care services to the residents of the Western Michigan area.
- Cook Valley Estates was established to provide independent housing for the elderly in Grand Rapids, MI. Cook Valley Estates functions under Porter Hills Presbyterian Village, Inc.'s federal ID.
- Meadowlark Retirement Community provides assisted living and independent living for the elderly in Sparta, Michigan.

Brio Living Services, Inc. Obligated Group  
2<sup>nd</sup> Quarter 2026 Management Discussion of Financial Performance and Position

The following entities would typically be consolidated in accordance with generally accepted accounting principles but are excluded from the Obligated Group according to the Master Trust Indenture:

- Brio is the sole stockholder in UMRC Detroit AAL, Inc., which holds a .051 % general partner interest in Detroit Affordable Assisted Living Limited Dividend Housing Association Limited Partnership (DAAL). DAAL is an 80-unit elderly affordable assisted-living facility in Detroit, Michigan under the low-income housing tax credit program. The investment in this entity is accounted for under the equity method.
- Brio is a 50% sponsor of Rivertown Neighborhood Senior Non-profit Housing Corporation (Rivertown Senior Apartments) which is a HUD 202 low income housing project with 50 independent living apartments.
- Brio is a 1% member of Sylvan Pines Limited Dividend Housing Associated, LLC (Sylvan Pines), an affordable housing project in Chelsea, Michigan with which Brio has a management agreement and is accounted for under the equity method.
- Brio is involved in four PACE programs. These programs operate as Programs of All-inclusive Care for the Elderly (PACE). Once an individual has been enrolled in the PACE program, all of the participant's medical needs must be provided, according to the participant plan, through the staff of the PACE and its network of providers. The PACE programs Brio is involved with, and accounts for under the equity method, include:
  - Brio has a 100% controlling financial interest, as of September 1, 2017, in Washtenaw PACE, Inc. d/b/a Huron Valley PACE that is located in Ypsilanti, Michigan. Prior to that date Brio had an 80% controlling interest. Huron Valley PACE serves Washtenaw and Monroe Counties as well as parts of Oakland, Wayne, and Livingston Counties.
  - LifeCircles – a PACE program in which Brio owns 53.2% of with two other unrelated partners.
  - Brio has an 80% controlling financial interest in The Cascade PACE, Inc. d/b/a Thome PACE that is located in Jackson, Michigan. Thome PACE operates a PACE program serving in Jackson, Lenawee and Hillsdale Counties and opened March 2016.
  - As of June 30, 2024, Brio no longer has a 20% financial interest in Senior CommUnity Care of Michigan ("SCCMI"), located in Lansing, MI. Brio transferred/assigned its interest in Senior CommUnity Care of Michigan to an unrelated party. Brio has an unsecured note of approximately \$299K due from SCCMI. SCCMI will continue to make payments on this note, so long as SCCMI maintains certain financial guardrails. The note is due in full by December 2026.
  - Effective April 1, 2025, Brio finalized a partnership with Region IV Area Agency on Aging, becoming 51% owners of PACE of Southwest Michigan in St. Joseph, Michigan. Southwest Michigan PACE operates a PACE program serving in Berrien, Cass, or Van Buren Counties and opened September 2012.
- Outside of the Brio Living Services Obligated Group, Brio wholly owns six entities that operate affordable housing communities in metropolitan Grand Rapids:
  - Bailey's Grove Retirement Community, Inc.
  - Sparta Retirement Community, Inc. (d/b/a Harvest Way Retirement Community)
  - Senora Woods Retirement Community, Inc. (d/b/a Oak Ridge Retirement Community)
  - River Grove Retirement Community, Inc.
  - Station Creek Retirement Community, Inc.
  - Walker Meadow Retirement Community, Inc.
- In addition, Brio has the following ownership in entities that are outside of the Brio Living Services Obligated Group:
  - Avenues by Porter Hills – a life-plan community without walls wholly owned by Brio.
  - Emmanuel Hospice – A hospice program partnership among Brio and several other unrelated retirement communities. Brio owns a minority interest in Emmanuel Hospice.
  - Tandem 365 - A PACE-like coordination agency partnership among Brio and several other unrelated organizations. Brio owns a minority interest in Tandem 365.

Brio Living Services, Inc. Obligated Group  
2<sup>nd</sup> Quarter 2026 Management Discussion of Financial Performance and Position

**Census**

	Fiscal Year Ended			
	6/30/2023	6/30/2024	6/30/2025	12/31/2025
<b>Independent Living</b>				
Chelsea Retirement Community				
Available Units	172	172	173	173
Average Occupancy	160	156	164	166
Percentage Occupancy	93.0%	90.8%	94.8%	96.0%
Porter Hills Village				
Available Units	174	163	166	166
Average Occupancy	154	153	150	147
Percentage Occupancy	88.5%	93.9%	90.4%	88.6%
The Ravines***				
Available Units	0	0	26	26
Average Occupancy	0	0	7	18
Percentage Occupancy	0.0%	0.0%	26.9%	69.2%
Cook Valley				
Available Units	134	134	134	134
Average Occupancy	129	127	127	130
Percentage Occupancy	96.3%	94.8%	94.5%	96.8%
Meadowlark				
Available Units	26	26	26	26
Average Occupancy	23	23	21	18
Percentage Occupancy	88.5%	87.2%	80.8%	69.2%
Cedars of Dexter				
Available Units	60	60	60	60
Average Occupancy	59	57	58	58
Percentage Occupancy	98.3%	95.5%	97.3%	96.7%
<b>Assisted Living</b>				
Glazier Commons**				
Available Units	84	84	66	66
Average Occupancy	60	62	63	65
Percentage Occupancy	71.4%	73.4%	95.5%	98.5%
Porter Hills Village				
Available Units	67	67	67	66
Average Occupancy	61	55	50	54
Percentage Occupancy	91.0%	82.2%	74.6%	81.8%
Meadowlark				
Available Units	20	20	20	20
Average Occupancy	19	19	17	18
Percentage Occupancy	95.0%	94.4%	85.0%	90.0%
<b>Memory Care</b>				
Towsley Village				
Available Units	68	68	68	68
Average Occupancy	64	65	63	64
Percentage Occupancy	94.1%	95.2%	92.6%	94.1%
Porter Hills Village				
Available Units	34	34	33	33
Average Occupancy	29	28	26	24
Percentage Occupancy	85.3%	83.4%	78.8%	72.7%
Meadowlark				
Available Units	10	10	10	10
Average Occupancy	9	10	9	8
Percentage Occupancy	90.0%	95.7%	90.0%	80.0%

Brio Living Services, Inc. Obligated Group  
2<sup>nd</sup> Quarter 2026 Management Discussion of Financial Performance and Position

		<u>Fiscal Year Ended</u>			
		<u>6/30/2023</u>	<u>6/30/2024</u>	<u>6/30/2025</u>	<u>12/31/2025</u>
<b>Skilled Nursing</b>					
Kresge					
Available Units	85	85	85	85	
Average Occupancy	79	81	82	83	
Percentage Occupancy	92.9%	95.4%	96.1%	97.6%	
Village HRC*					
Available Units	61/39	39	39	39	
Average Occupancy	40	37	38	37	
Percentage Occupancy	80%	95.1%	96.9%	93.8%	
Green House Homes					
Available Units	20	20	20	20	
Average Occupancy	19	18	19	19	
Percentage Occupancy	95.0%	89.3%	95.0%	95.0%	
<b>Total</b>					
Available Units	984	982	993	992	
Percentage Occupancy	92.0%	90.7%	90.0%	91.6%	
<b>Home Care</b>					
Episodes and Visits	1,553	1,720	1,458	684	

\*HRC reduced available beds from 61 to 39 during FY23  
\*\*18 of the licensed units are not in service at Glazier Commons. Without these units, occupancy would be 93% in FY24 and 91% in FY23  
\*\*\*See note at the end of the MD&A discussing the Ravines

<b>Kresge Skilled Nursing Facility Payor Mix</b>					
		<u>Fiscal Year Ended</u>			
		<u>6/30/2023</u>	<u>6/30/2024</u>	<u>6/30/2025</u>	<u>12/31/2025</u>
Medicare & Medicare Advantage	38%	38%	42%	40%	
Medicaid	44%	41%	42%	39%	
Private & Other	18%	21%	16%	20%	

<b>Porter Hills Village Skilled Nursing Payor Mix</b>					
		<u>Fiscal Year Ended</u>			
		<u>6/30/2023</u>	<u>6/30/2024</u>	<u>6/30/2025</u>	<u>12/31/2025</u>
Medicare/Medicare Advantage	0.5%	0.0%	0.0%	0.0%	
Medicaid	62.0%	63.7%	69.9%	65.8%	
Private & Other	37.5%	36.3%	30.1%	34.2%	

As of December 31, 2022, Village HRC completed the transition to reduce licensed beds from 81 to 39.

Brio Living Services, Inc. Obligated Group  
2<sup>nd</sup> Quarter 2026 Management Discussion of Financial Performance and Position

**Operating Results**

The interim financial statements are prepared under the same methodology as the audited year-end financial statements. However, certain items in the interim financial statements may be recorded in different sections of the income statement.

Summary Statement of Activities	Fiscal Year-end			Fiscal Year to Date 12/31/2025		
	6/30/2023	6/30/2024	6/30/2025	Actual	Budget	Variance
Net Service Revenue	64,846,215	69,058,000	71,267,000	38,185,000	37,123,000	1,062,000
Net investment income	1,576,721	2,017,000	3,822,000	3,258,000	1,454,000	1,804,000
Contributions	400,874	836,000	733,000	165,000	250,000	(85,000)
Other	10,740,816	10,876,000	12,030,000	9,314,000	5,202,000	4,112,000
Total Operating Revenue	77,564,626	82,787,000	87,852,000	50,922,000	44,029,000	6,893,000
Operating Expenses	69,265,253	71,840,000	74,161,000	40,519,000	38,132,000	(2,387,000)
Interest Expense	3,551,716	3,510,000	3,270,000	2,110,000	2,252,000	142,000
Depreciation*	13,193,024	13,152,000	12,953,000	6,567,000	6,806,000	239,000
Total Operating Expenses	86,009,993	88,502,000	90,384,000	49,196,000	47,190,000	(2,006,000)
<b>Operating Income (Loss)</b>	<b>(8,445,367)</b>	<b>(5,715,000)</b>	<b>(2,532,000)</b>	<b>1,726,000</b>	<b>(3,161,000)</b>	<b>4,887,000</b>
Change in fair value of interest rate swap	117,262	(259,000)	(244,000)	(268,000)	-	(268,000)
Gain (loss) from investment in joint ventures	8,494,816	4,063,000	6,665,000	1,285,000	1,423,000	(138,000)
Net assets released from restriction for capital	1,429,572	1,852,000	1,500,000	1,335,000	2,500,000	(1,165,000)
Other	805,202	2,042,200	270,000	30,000	(50,000)	80,000
Total Other Changes to Net Assets Without Donor Restrictions	10,846,852	7,698,200	8,191,000	2,382,000	3,873,000	(1,491,000)
<b>Increase (Decrease) in Net Assets Without Donor Restrictions</b>	<b>2,401,485</b>	<b>1,983,200</b>	<b>5,659,000</b>	<b>4,108,000</b>	<b>712,000</b>	<b>3,396,000</b>

\* Includes Affiliation Accounting Appraisal - Fair Market Value Depreciation relates to the increase (\$50M+) in the value of the Village, Cook Valley and Meadowlark building values as part of the affiliation accounting. The increase in value results in an increase in non-cash depreciation. Depreciation amount as of 6/30/23, 6/30/24 and 6/30/25 is \$3M and \$1.5M FYTD 12/31/25.

**YTD Operating Income \$4.8 million favorable to budget:**

- Operating expenses include a \$3M litigation settlement which was directly reimbursed by insurance proceeds, which are reflected in operating revenue. The litigation revenue fully offsets the litigation expense.
- Operating revenues are favorable to budget primarily due to net service revenue, investment income, and net assets released from restriction. Net assets released include \$550K of unrestricted pledge payments that were received during the quarter.
- Operating expenses are favorable to budget due to depreciation, interest, and savings in operating supplies.

**Non-Operating (Unrestricted) Results**

Non-operating activity is unfavorable to budget \$1.5 million primarily related to timing of net assets released from restriction for capital.

**Restricted Results**

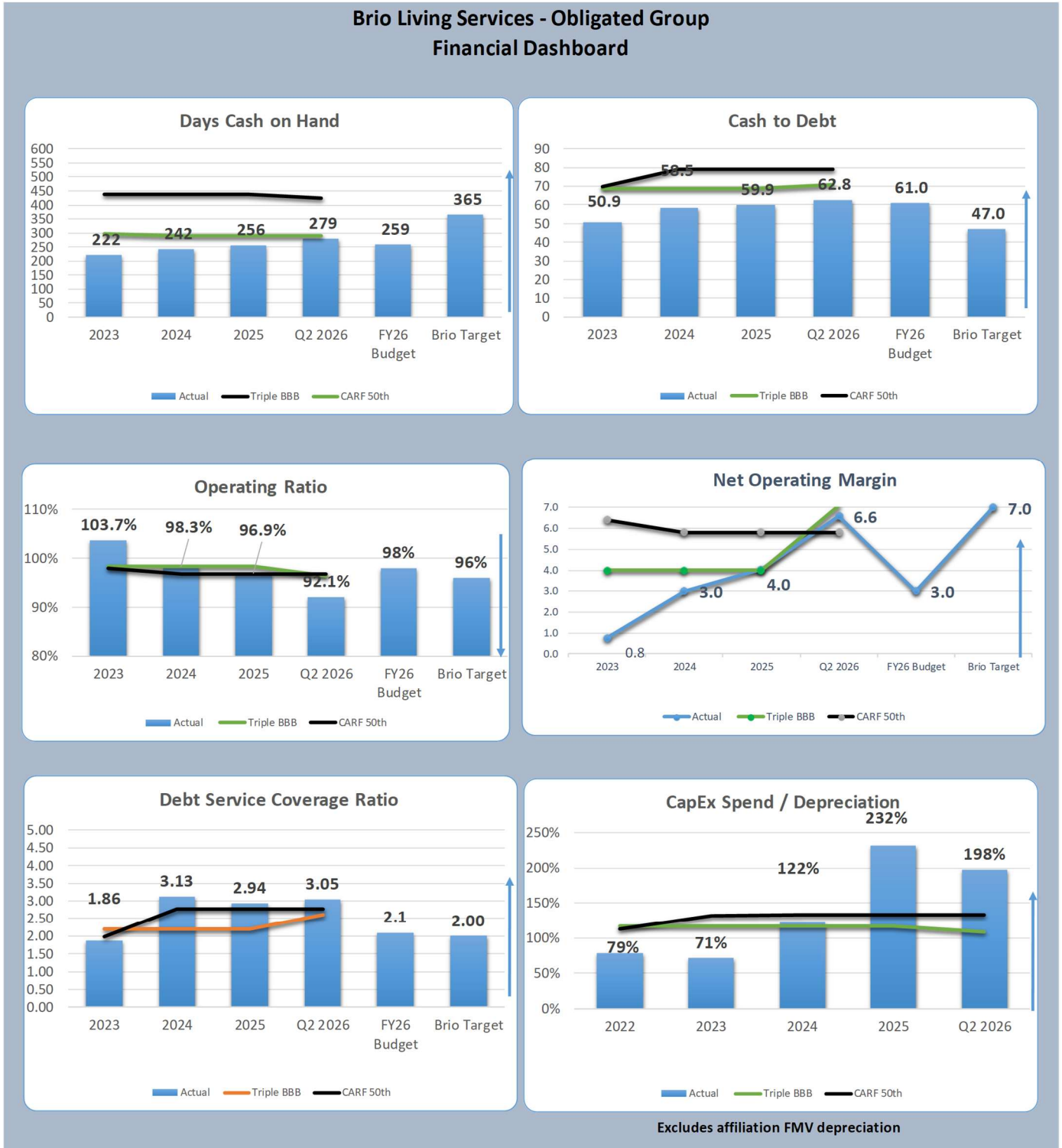
Restricted net assets increased approximately \$747K during the second quarter from investment income and contributions. See the statement of activities for more information.

# Brio Living Services, Inc. Obligated Group

## 2<sup>nd</sup> Quarter 2026 Management Discussion of Financial Performance and Position

### Financial Position

The following summary includes the results of the co-obligated group of Brio Living Services:



\*Note Debt Service Coverage Ratio is calculated using a rolling 12 months, consistent with covenant requirements.

Brio Living Services, Inc. Obligated Group  
2<sup>nd</sup> Quarter 2026 Management Discussion of Financial Performance and Position

Key ratios show the following:

- Net Operating Margin is favorable to budget primarily from favorable occupancy and expense savings in operating supplies.
- Days Cash on Hand ratio is strong due to positive investment results and from the receipt of entrance fee proceeds from the new Ravines building that opened at Porter Hills Village.
- Debt service coverage ratio is favorable from realized investment income/gains.

**Questions are welcome and can be directed to:**

Kalen Carlson, CFO - 616-202-1591 or [kcarlson@mybrio.org](mailto:kcarlson@mybrio.org)

Attached are financial statements as of and YTD through December 31, 2025.

**Capital Financing Arrangements in Place as of December 31, 2025**

Brio OG has the following financing arrangements:

- Brio Series 2012 limited obligation revenue bonds with an original issuance of \$10M, with monthly principal and interest payments through the maturity date of November 15, 2027. These are variable rate bonds issued through the Economic Development Corporation of the Village of Chelsea and concurrently acquired by a financial institution as part of a bond purchase agreement. The bond purchase agreement has a mandatory tender date of November 1, 2019 that was extended to November 15, 2027 as of December 29, 2017. These bonds carry a variable interest rate of 65% of the combined one-month SOFR and 115 basis points through November 15, 2017, increasing to a variable interest rate of 65% of the combined one-month SOFR and 153 basis points thereafter. An interest rate swap was entered into that essentially fixes the interest rate at 2.2% on 50 percent of the outstanding principal balance. The interest rate swap expires on November 15, 2027, that essentially fixes the interest rate at 2.83% on 50 percent of the outstanding principal amount.
- Brio Series 2013 limited obligation revenue bonds with an original issuance of \$11M with annual principal payments and semi-annual interest payments through the maturity date of November 15, 2043. These are fixed rate bonds issued through the Michigan Strategic Fund. These bonds carry an average fixed interest rate of 6.02%. As noted below, on June 26, 2019, Brio refinanced approximately \$4.4M of the 2013 limited obligation revenue bonds.
- Brio Series 2014 limited obligation revenue bonds with an original issuance of \$11.5M that were used to partially fund the construction of the Cedars of Dexter. The updated bond purchase agreement has a mandatory tender date of December 2034. The Series 2014 bonds carry a variable interest rate of 79% of one-month SOFR plus 1.58% payable in monthly installments of principal and interest with a maturity date of January 1, 2041. The debt is hedged 50%; the hedged interest rate is 4.662%. The interest rate swap expires December 2034.
- In 2014 Thome PACE closed on a \$4M loan to fund construction of the building. This borrowing is recorded on the Thome PACE financials but is guaranteed by the Brio OG. The balance in this line of credit is \$1.4M as of June 30, 2025.
- In 2018 Huron Valley PACE closed on a \$5.5M loan to fund construction of an expansion to the existing PACE building. This borrowing will be recorded on the Huron Valley PACE financials but is guaranteed by the Brio OG. The balance in this line of credit is \$3.8M as of June 30, 2025.
- On June 26, 2019 Brio closed on \$17.2M of Limited Obligation Revenue and Revenue Refunding Bonds, with annual principal payments and semi-annual interest payments through the maturity date of November 2049. These are fixed rate bonds issued through the Michigan Strategic Fund, with a fixed interest rate of 4.05%. The

## Brio Living Services, Inc. Obligated Group

### 2<sup>nd</sup> Quarter 2026 Management Discussion of Financial Performance and Position

proceeds were utilized to create a project fund to fund the remaining Kresge Skilled Nursing construction, refinance a portion of existing revolving loan agreement and refinance a portion of the 2013 limited obligation revenue bonds.

- In September 2020, the Obligated Group issued Series 2020 bonds in the par amount of \$47,145,000 to refinance the Brio Series 2013 MSF Bonds, the Series 2013 EDC Bonds, the Series 2014 EDC Bonds, and the Series 2015 EDC Bonds. The Obligated Group also obtained a \$4M term loan from a bank as part of this refinancing to pay off two of the interest rate swaps related to refinanced debt. The Obligated Group also obtained a \$10M revolving loan from a bank, again as part of this refinancing, to pay off the outstanding construction revolver and an operating line of credit.
- In May 2024, the Obligated Group issued direct purchase draw-down tax exempt bonds of \$15M for a new 26-unit independent living project at Porter Hills Village. The bonds are variable rate, with 50% of the notional amount hedged with a swap. The floating rate interest is 79% of (1M SOFR plus 2%). The hedged/fixed rate is 4.95%. The first principal payment is due June 1, 2026. The bonds have a mandatory tender date in 10 years from date of closing. The final maturity date is April 1, 2050.
- In December 2024, Huron Valley Pace closed on one taxable loan and one tax exempt loan. The combined \$4M of loan proceeds will be used towards the purchase and improvement of a new building in Monroe, Michigan. The new site will operate as a second day center for PACE residents. This debt is guaranteed by the Obligated Group of Brio.
- In October 2025, the Obligated Group closed on Series 2025 tax-exempt bank draw-down bonds of up to \$113.5M for Phase I of a multi-phase repositioning project at Porter Hills Village. The bonds are variable rate, with 75% of the notional amount hedged with a swap. The floating rate interest is 79% of (1M SOFR plus 1.45%). The hedged/fixed rate is 4.178%. The first principal payment is due May 1, 2030. The bonds have a mandatory tender date in 10 years from date of closing. The final maturity date is May 2050.

The bonds and revolving loan agreement are collateralized by a mortgage on certain real estate and related buildings and land of Brio and guaranteed by the UMRC-Porter Hills Foundation. Under the terms of the limited obligation revenue bond agreements, revolving loan agreement and master trust indenture, Brio is limited in additional borrowings and is required to satisfy certain measures of financial performance as long as the bonds are outstanding, including minimum liquidity and minimum debt service coverage.

#### **New Independent Living Project at Porter Hills Village- The Ravines**

Brio Living Services Obligated Group has completed construction of a new building consisting of 26 IL units on the existing campus of Porter Hills Village. The new project/build is called "The Ravines". Each of the IL units are life lease units. The type of life leases being offered are 50%, 65% and 90% refundable. The Ravines building replaced townhomes that have previously been demolished and taken out of inventory. Construction of the new building commenced in May 2024, and the certificate of occupancy was received in April 2025. As of December 31, 2025, 24 units have been occupied, with an additional 2 depositors awaiting move in. See above regarding financing of project.

**Brio Living Services**  
**Balance Sheet - Obligated Group**  
**As of December 31, 2025**

	Cook Valley	Cedars of Dexter	Porter Hills Village	Chelsea Retirement Community	Meadowlark	UMRCPH Foundation	Home Health - West	Eliminations	Total	Audited
	12/31/2025	12/31/2025	12/31/2025	12/31/2025	12/31/2025	12/31/2025	12/31/2025		12/31/2025	6/30/2025
<b>*Prior FY End</b>										
<b>ASSETS</b>										
Current Assets										
Cash and cash equivalents	(130,213)	(20,298)	(116,180)	22,211,809	(7,207)	2,325,485	17,836		24,281,232	18,496,983
Accounts receivable - residents	39,840	424	530,880	1,872,977	10,543	-	374,833		2,829,497	4,179,539
Prepaid expenses and other assets	28,902	363,437	449,953	1,503,868	37,554	6,801	11,401		2,401,916	1,123,146
AR / (AP) Intercompany	5,422,345	6,305,032	877,836	1,759,782	(3,044,173)	(463,728)	(8,621,234)		2,235,860	1,716,022
<b>Total Current Assets</b>	<b>5,360,874</b>	<b>6,648,595</b>	<b>1,742,489</b>	<b>27,348,436</b>	<b>(3,003,283)</b>	<b>1,868,558</b>	<b>(8,217,164)</b>		<b>31,748,505</b>	<b>25,515,690</b>
Investments										
Assets limited as to use	2,868,393	160,898	2,447,967	2,836,068	241,583	80,877,816	-		89,432,725	85,577,972
Property and equipment, net	25,362,055	13,376,750	74,946,697	62,255,349	5,293,148	642,096	45,099		181,921,194	178,084,893
Investment in and notes receivable from aff	-	-	14,505,002	25,496,020	-	-	-	15,982,432	55,983,454	54,512,800
<b>Total Investments</b>	<b>28,230,448</b>	<b>13,537,648</b>	<b>91,899,666</b>	<b>90,587,437</b>	<b>5,534,731</b>	<b>81,519,912</b>	<b>45,099</b>	<b>15,982,432</b>	<b>327,337,373</b>	<b>318,175,665</b>
<b>Total Assets</b>	<b>33,591,322</b>	<b>20,186,243</b>	<b>93,642,155</b>	<b>117,935,873</b>	<b>2,531,448</b>	<b>83,388,470</b>	<b>(8,172,065)</b>	<b>15,982,432</b>	<b>359,085,878</b>	<b>343,691,355</b>
<b>Total Liabilities and Net Assets</b>										
LIABILITIES										
Current Liabilities										
Accounts Payable	33,761	21,750	70,614	30,528	14,803	(287,307)	16,757		(99,094)	1,853,102
Current portion of long-term debt	751,643	406,849	346,638	1,045,000	41,721	-	-		2,591,851	2,591,850
Accrued liabilities and other	178,462	65,932	702,209	1,428,536	195,715	62,181	75,908		2,708,943	3,691,631
<b>Total Current Liabilities</b>	<b>963,866</b>	<b>494,531</b>	<b>1,119,461</b>	<b>2,504,064</b>	<b>252,239</b>	<b>(225,126)</b>	<b>92,665</b>		<b>5,201,700</b>	<b>8,136,583</b>
Long Term Liabilities										
Long-term debt - net of current portion	24,136,078	7,280,841	41,644,239	23,920,047	2,215,625	-	-	(976,044)	98,220,786	93,623,366
Deferred revenue from entrance fees	13,894,132	4,283,675	13,110,235	3,086,478	-	-	-		34,374,520	31,778,461
Refundable entrance fees	23,310,074	9,740,373	20,540,885	12,103,715	-	-	-		65,695,047	59,656,747
Fair value of interest rate swap	-	52,943	571,468	(3,171)	-	-	-		621,240	378,286
<b>Total Long Term Liabilities</b>	<b>61,340,284</b>	<b>21,357,832</b>	<b>75,866,827</b>	<b>39,107,069</b>	<b>2,215,625</b>	<b>-</b>	<b>-</b>	<b>(976,044)</b>	<b>198,911,593</b>	<b>185,436,860</b>
<b>Total Liabilities</b>	<b>62,304,150</b>	<b>21,852,363</b>	<b>76,986,288</b>	<b>41,611,133</b>	<b>2,467,864</b>	<b>(225,126)</b>	<b>92,665</b>	<b>(976,044)</b>	<b>204,113,293</b>	<b>193,573,443</b>
NET ASSETS										
Unrestricted	(28,636,688)	(1,960,278)	19,315,208	72,935,882	422,418	37,041,650	(8,059,410)	16,958,476	108,017,258	102,358,661
Current year earnings	(76,140)	294,158	(2,659,341)	3,314,310	(358,834)	3,799,190	(205,320)		4,108,023	5,658,595
Current year earnings - restricted	-	-	-	-	-	746,648	-		746,648	5,890,220
Restricted	-	-	-	74,548	-	42,026,108	-		42,100,656	36,210,436
<b>Total Net Assets</b>	<b>(28,712,828)</b>	<b>(1,666,120)</b>	<b>16,655,867</b>	<b>76,324,740</b>	<b>63,584</b>	<b>83,613,596</b>	<b>(8,264,730)</b>	<b>16,958,476</b>	<b>154,972,585</b>	<b>150,117,912</b>
<b>Total Liabilities and Net Assets</b>	<b>33,591,322</b>	<b>20,186,243</b>	<b>93,642,155</b>	<b>117,935,873</b>	<b>2,531,448</b>	<b>83,388,470</b>	<b>(8,172,065)</b>	<b>15,982,432</b>	<b>359,085,878</b>	<b>343,691,355</b>

\* Certain classifications vary from actual audit report.

**Brio Living Services**  
**Statement of Activities - Obligated Group**  
**Fiscal Year to Date Ending December 31, 2025**

	Chelsea Retirement									
	Cook Valley	Cedars of Dexter	Porter Hills Village	Community	Meadowlark	UMRCPH Foundation	Home Health - West	Total	Budget	Variance
<b>Operating Revenue</b>										
Net Service Revenue	2,567,114	1,460,422	10,675,938	20,658,066	1,384,025	-	1,439,336	38,184,901	37,123,201	1,061,701
Investment Income - unrestricted	774	-	2,422	330,802	638	2,923,732	-	3,258,368	1,453,721	1,804,648
Entrance Fee Amortization	992,090	327,686	933,693	294,496	-	-	-	2,547,965	2,351,062	196,901
Contributions	-	-	-	-	-	164,849	-	164,849	250,002	(85,153)
COVID Funding	-	-	217,629	298,747	-	-	-	516,376	434,283	82,093
Supplemental charges and misc revenue	176,325	84,044	3,940,105	482,508	14,727	700	1,315	4,699,724	1,816,558	2,883,167
Net assets released from restriction used in operations	-	-	-	-	-	1,549,427	-	1,549,427	600,000	949,427
<b>Total Operating Revenue</b>	<b>3,736,303</b>	<b>1,872,152</b>	<b>15,769,787</b>	<b>22,064,619</b>	<b>1,399,390</b>	<b>4,638,708</b>	<b>1,440,651</b>	<b>50,921,610</b>	<b>44,028,827</b>	<b>6,892,784</b>
<b>Operating Expenses</b>										
Salaries and wages	721,757	272,170	5,888,333	9,748,336	758,160	571,453	1,102,618	19,062,827	19,019,708	(43,120)
Employee Benefits	117,377	67,526	1,114,861	1,868,672	132,208	98,946	195,094	3,594,684	3,802,875	208,191
Operating supplies & expenses	163,783	82,501	867,855	1,638,656	87,667	23,950	31,754	2,896,166	3,067,650	171,483
Professional Services & Consultant Fees	56,118	41,599	371,475	336,858	43,760	126,699	27,545	1,004,054	1,102,181	98,128
Repairs & maintenance	224,162	140,037	264,921	373,775	31,004	-	-	1,033,899	1,062,654	28,755
Utilities	309,250	80,136	589,804	478,235	48,878	-	-	1,506,303	1,505,648	(654)
Depreciation and Amortization	1,030,569	287,444	1,562,822	2,034,528	147,215	12,920	2,384	5,077,882	5,317,498	239,615
Interest	523,904	200,327	774,400	562,469	49,353	-	-	2,110,453	2,251,673	141,219
Real Estate Taxes	206,288	157,253	209,692	376,907	32,916	-	-	983,056	1,039,512	56,456
Quality assurance assessment	-	-	24,637	350,825	-	-	-	375,462	382,681	7,219
Other	61,237	12,242	3,346,363	99,540	15,379	136,052	55,162	3,725,975	821,470	(2,904,502)
Management Fees	548,172	248,844	1,980,450	2,804,610	227,040	180,552	231,414	6,221,082	6,219,602	(1,480)
Grant Expenses	-	-	5,252	178	-	110,128	-	115,558	107,500	(8,059)
<b>Total Operating Expenses</b>	<b>3,962,617</b>	<b>1,590,079</b>	<b>17,000,865</b>	<b>20,673,589</b>	<b>1,573,580</b>	<b>1,260,700</b>	<b>1,645,971</b>	<b>47,707,401</b>	<b>45,700,652</b>	<b>(2,006,749)</b>
<b>Sub-total</b>	<b>(226,314)</b>	<b>282,073</b>	<b>(1,231,078)</b>	<b>1,391,030</b>	<b>(174,190)</b>	<b>3,378,008</b>	<b>(205,320)</b>	<b>3,214,209</b>	<b>(1,671,825)</b>	<b>4,886,034</b>
Affiliation Acct Appraisal - FMV Depreciation	(143,357)	-	1,447,417	-	184,644	-	-	1,488,704	1,488,703	(1)
<b>Total Operating Income</b>	<b>(82,957)</b>	<b>282,073</b>	<b>(2,678,495)</b>	<b>1,391,030</b>	<b>(358,834)</b>	<b>3,378,008</b>	<b>(205,320)</b>	<b>1,725,505</b>	<b>(3,160,528)</b>	<b>4,886,035</b>
<b>Non-Operating Income (Loss)</b>										
Net unrealized gain / loss on investments	-	-	-	-	-	58,086	-	58,086	-	58,087
Change in fair value of interest rate swap agreements	-	12,085	(276,494)	(3,601)	-	-	-	(268,010)	-	(268,010)
Net gain on joint ventures	-	-	161,863	1,123,083	-	-	-	1,284,946	1,423,298	(138,353)
<b>Non-Operating Income (Loss)</b>	<b>-</b>	<b>12,085</b>	<b>(114,631)</b>	<b>1,119,482</b>	<b>-</b>	<b>58,086</b>	<b>-</b>	<b>1,075,022</b>	<b>1,423,298</b>	<b>(348,276)</b>
Net transfers (to) from affiliates	6,817	-	133,784	803,798	-	(972,401)	-	(28,002)	(50,663)	22,661
Net assets released from restriction for capital	-	-	-	-	-	1,335,496	-	1,335,496	2,500,000	(1,164,504)
<b>Net Income (loss)</b>	<b>(76,140)</b>	<b>294,158</b>	<b>(2,659,342)</b>	<b>3,314,310</b>	<b>(358,834)</b>	<b>3,799,189</b>	<b>(205,320)</b>	<b>4,108,021</b>	<b>712,107</b>	<b>3,395,916</b>
<b>Temporarily Restricted net Assets</b>										
Restricted Contributions	-	-	-	-	-	1,638,549	-	1,638,549	2,749,998	(1,111,450)
Restricted investment income	-	-	-	-	-	1,993,023	-	1,993,023	-	1,993,023
Change in pledges bad debt	-	-	-	-	-	-	-	-	-	-
Change in interest and present value of charitable rema	-	-	-	-	-	-	-	-	-	-
Net assets released from restriction	-	-	-	-	-	(2,884,923)	-	(2,884,923)	(3,100,000)	215,077
Increase / (Decrease) in temporarily restricted net assets	-	-	-	-	-	746,649	-	746,649	(350,002)	1,096,650
<b>Change in Net Assets</b>	<b>(76,140)</b>	<b>294,158</b>	<b>(2,659,342)</b>	<b>3,314,310</b>	<b>(358,834)</b>	<b>4,545,838</b>	<b>(205,320)</b>	<b>4,854,670</b>	<b>362,105</b>	<b>4,492,566</b>

**Brio Living Services, Inc**  
**Obligated Group**  
**Statement of Cash Flows**  
**YTD as of December 31, 2025**

***Cash Flow from Operating Activities***

Increase (decrease) in net assets:	\$ 4,854,670
Adjustments to reconcile increase in net assets to net cash from operating activities:	
Depreciation	6,566,586
Amortization of deferred life lease revenue	(2,547,965)
Realized and unrealized (gains)/loss on investments	(5,309,477)
Gain from investments in joint ventures	(1,284,946)
Provision for bad debts	(15,065)
Decrease (increase) in operating assets:	
Accounts receivable	1,365,107
Accounts receivable - affiliates	(519,838)
Pledges receivable	1,312,892
Prepaid expenses and other current assets	(1,278,770)
Increase (decrease) in operating liabilities:	
Accounts payable	(1,952,196)
Accrued and other liabilities	(982,688)
Interest rate swap	268,010
Net cash provided by operating activities*	<u>\$ 476,320</u>

***Cash flow from investing activities***

Additions to property and equipment	(10,402,887)
Net investment activity (purchase/sales)	769,266
Payments on notes receivable	46,821
Net cash used in investing activities	<u>\$ (9,586,800)</u>

***Cash flows from financing activities***

Change in line of credit	1,033,731
Proceeds from construction loan	6,980,311
Proceeds from life lease obligations*	13,056,417
Refund of life lease obligations*	(1,809,599)
Principal payments on long term debt	(4,366,130)
Net cash provided by (used in) financing activities	<u>\$ 14,894,729</u>

<b>Net increase (decrease) in cash and cash equivalents</b>	5,784,249
<b>Cash and Cash equivalents beginning of year</b>	18,496,983
<b>Cash and restricted cash - end of year</b>	<u><u>\$ 24,281,232</u></u>

\* A portion of the proceeds & refunds relates to operating activities

**Brio Living Services Inc**  
**Census Report - 2025-26 Fiscal Year**

		31	31	30	31	30	31	184			
	Capacity	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	FYTD	Budget	Payer Mix	Payer Mix Budget
<b>Skilled Nursing</b>											
<b>Kresge</b>	85										
Census		83	82	84	84	83	82	82.97	82		
Occupancy %		97.7%	96.6%	98.8%	98.8%	97.5%	96.3%	97.6%	96.5%		
Budget Occupancy %		96.5%	96.5%	96.5%	96.5%	96.5%	96.5%				
Resident Days		2,574	2,546	2,519	2,604	2,485	2,538	15,266	15,088		
Private Pay		553	462	401	525	365	447	2,753	2,024	18.03%	13.4%
Medicaid		930	1,048	1,043	1,035	1,001	968	6,025	6,440	39.47%	42.7%
Medicare		577	489	459	525	493	574	3,117	3,128	20.42%	20.7%
Medicare HMO		511	505	526	511	549	441	3,043	3,128	19.93%	20.7%
Commercial Ins		3	42	90	8	77	108	328	368	2.15%	2.4%
<b>Village HRC</b>	39										
Census		38	36	35	37	38	36	36.6	38		
Occupancy %		98.3%	92.2%	90.1%	94.5%	96.2%	92.4%	94.0%	97.4%		
Budget Occupancy %		97.4%	97.4%	97.4%	97.4%	97.4%	97.4%				
Resident Days		1,188	1,115	1,054	1,142	1,126	1,117	6,742	6,992		
Private Pay		510	316	362	416	513	507	2,624	2,024	38.9%	28.9%
Medicaid		678	799	692	726	613	610	4,118	4,968	61.1%	71.1%
Medicare		-	-	-	-	-	-	-	-	0.0%	0.0%
Commercial Ins		-	-	-	-	-	-	-	-	0.0%	0.0%
<b>Green House</b>	20										
Census		20	19	20	20	20	18	19	19		
Occupancy %		98.1%	95.0%	98.2%	100.0%	99.5%	90.6%	96.9%	93.0%		
Budget Occupancy %		93.0%	93.0%	93.0%	93.0%	93.0%	93.0%				
Resident Days		608	589	589	620	597	562	3,565	3,422		
Private Pay		124	124	139	155	208	155	905	1,159	25.4%	33.9%
Medicaid		484	465	450	465	389	407	2,660	2,263	74.6%	66.1%
Medicare		-	-	-	-	-	-	-	-	0.0%	0.0%
Commercial Ins		-	-	-	-	-	-	-	-	0.0%	0.0%
<b>Assisted Living</b>											
<b>Glazier Commons AL</b>	66										
Census		65	66	65	63	63	65	65	63		
Occupancy %		98.9%	100.0%	99.2%	96.1%	95.6%	98.5%	98.0%	95.5%		
Budget Occupancy %		95.5%	95.5%	95.5%	95.5%	95.5%	95.5%				
Resident Days	66	2,023	2,047	1,964	1,966	1,892	2,015	11,907	11,592		
<b>Village AL</b>	67 (66 as of Nov)										
Census		51	52	55	58	55	53	54	52		
Occupancy %		76.1%	78.1%	82.2%	86.8%	82.9%	80.1%	81.4%	76.9%		
Budget Occupancy %		76.9%	76.9%	76.9%	76.9%	78.1%	78.1%				
Resident Days		1,581	1,623	1,652	1,802	1,641	1,638	9,937	9,483		
<b>Meadowlark AL</b>	20										
Census		16	16	16	19	19	20	18	19		
Occupancy %		78.1%	80.0%	82.2%	93.1%	95.0%	99.4%	87.9%	95.0%		
Budget Occupancy %		95.0%	95.0%	95.0%	95.0%	95.0%	95.0%				
Resident Days		484	496	493	577	570	616	3,236	3,496		

**Brio Living Services Inc**  
**Census Report - 2025-26 Fiscal Year**

		31	31	30	31	30	31	184			
	Capacity	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	FYTD	Budget	Payer Mix	Payer Mix Budget
<b>Memory Care</b>											
<b>Towsley Village MC</b>	68										
Census		65	65	64	64	63	64	64	64		64
Occupancy %		95.3%	96.0%	94.5%	94.1%	92.4%	94.1%	94.4%	94.1%		94.1%
Budget Occupancy %		94.1%	94.1%	94.1%	94.1%	94.1%	94.1%				
Resident Days		2,008	2,023	1,928	1,984	1,884	1,984	11,811			11,774
<b>Village MC</b>	33										
Census		27	24	20	23	23	24	24	27		27
Occupancy %		80.6%	72.7%	61.8%	71.2%	71.1%	74.2%	72.0%	83.2%		83.2%
Budget Occupancy %		83.2%	83.2%	83.2%	83.2%	83.2%	83.2%				
Resident Days		825	744	612	728	704	759	4,372			5,051
<b>Meadowlark MC</b>	10										
Census		8	8	8	7	7	8	8	10		10
Occupancy %		79.4%	80.0%	80.0%	73.2%	70.0%	79.0%	77.0%	95.0%		95.0%
Budget Occupancy %		95.0%	95.0%	95.0%	95.0%	95.0%	95.0%				
Resident Days		246	248	240	227	210	245	1,416			1,748
<b>Independent Living</b>											
<b>Life Lease Move Ins</b>											
Actual		3	2	4	3	2	1	15			
Budget		3	3	3	3	2	2	32			
<b>Life Lease Move Outs</b>											
Actual		3	2	4	2	0	1	12			
Budget		3	3	3	3	2	2	32			
<b>Ravines Life Lease Move Ins</b>											
Actual		2	4	3	1	2	2	14			
Budget		4	4	4	4	1	1	20			
<b>CRC IL</b>	173										
Census		169	165	164	167	168	166	166	160		160
Occupancy %		97.7%	95.2%	94.7%	96.3%	97.3%	96.0%	96.2%	92.5%		92.5%
Budget Occupancy %		92.5%	92.5%	92.5%	92.5%	92.5%	92.5%				
Resident Days		5,241	5,107	4,916	5,167	5,052	5,146	30,629			29,446
<b>Village Center Rental</b>	50										
Census		38	39	38	36	35	35	37	37		37
Occupancy %		77.0%	78.0%	76.5%	72.3%	69.2%	69.8%	73.8%	74.0%		74.0%
Budget Occupancy %		74.0%	74.0%	74.0%	74.0%	74.0%	74.0%				
Resident Days		1,193	1,209	1,147	1,121	1,038	1,082	6,790			6,808
<b>Garden Apartments IL</b>											
Census	103	97	98	98	97	98	99	98.0	99		99
Occupancy %		94.4%	95.1%	95.4%	94.5%	95.1%	96.0%	95.1%	96.1%		96.1%
Budget Occupancy %		96.1%	96.1%	96.1%	96.1%	96.1%	96.1%				
Resident Days		3,015	3,038	2,948	3,018	2,940	3,066	18,025			18,212

**Brio Living Services Inc**  
**Census Report - 2025-26 Fiscal Year**

		31	31	30	31	30	31	184			
	Capacity	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	FYTD	Budget	Payer Mix	Payer Mix Budget
<b>Village Town Homes IL</b>											
Census	13	13	13	13	12	12	12	13	12		
Occupancy %		100.0%	100.0%	100.0%	92.3%	92.3%	92.3%	96.2%	95.0%		
Budget Occupancy %		95.0%	95.0%	95.0%	95.0%	95.0%	95.0%				
Resident Days		403	403	390	372	360	372	2,300	2,272		
<b>Village Ravines IL</b>											
Census	26	11	15	18	20	21	23	18	19		
Occupancy %		42.4%	56.8%	68.5%	76.3%	79.9%	89.7%	68.9%	73.6%		
Budget Occupancy %		53.8%	53.8%	69.2%	84.6%	88.5%	92.3%				
Resident Days		342	458	534	615	623	723	3,295	3,523		
<b>Cedars of Dexter IL</b>											
Census	60	58	59	58	58	59	58	58.4	58		
Occupancy %		97.0%	98.6%	96.9%	96.7%	98.1%	96.7%	97.3%	96.7%		
Budget Occupancy %		96.7%	96.7%	96.7%	96.7%	96.7%	96.7%				
Resident Days		1,805	1,834	1,745	1,798	1,766	1,798	10,746			
<b>Cook Valley IL</b>											
Census	134	129	129	131	130	130	130	129.9	130		
Occupancy %		96.5%	96.5%	97.4%	97.0%	97.0%	97.0%	96.9%	97.0%		
Budget Occupancy %		97.0%	97.0%	97.0%	97.0%	97.0%	97.0%				
Resident Days		4,008	4,009	3,917	4,030	3,900	4,030	23,894			
<b>Meadowlark IL</b>											
Census	26	19	18	18	18	18	18	18	23		
Occupancy %		73.1%	70.1%	69.2%	69.2%	69.2%	69.2%	70.0%	89%		
Budget Occupancy %		89.4%	89.4%	89.4%	89.4%	89.4%	89.4%				
Resident Days		589	565	540	558	540	558	3,350	4,276		
<b>Home Health</b>											
Episodes		100	111	118	134	105	116	684			
Budgeted Episodes		111	109	111	148	129	107		715		
Visits		27	28	28	21	17	13	134			
Budgeted Visits		34	34	34	34	34	34		203		

**Brio Living Services Inc**  
**Census Report - 2025-26 Fiscal Year**

		31	31	30	31	30	31	184			
	Capacity	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	FYTD	Budget	Payer Mix	Payer Mix Budget
<b>PACE</b>											
Life Circles Combined											
	Total Participants	466	462	462	470	476	479	469	479		
	Budget	463	467	469	473	475	479				
Huron Valley PACE											
	Total Participants	290	296	295	301	299	303	297	306		
	Budget	298	300	301	303	305	306				
Thome PACE											
	Total Participants	249	250	251	255	255	256	253	264		
	Budget	254	256	258	260	262	264				
Pace SW MI											
	Total Participants	240	242	246	245	246	248	245			
	Budget				250	254	258		258		
<b>Avenues</b>											
	Total Members	68	68	68	68	68	68	68	73		
	Budget	63	65	68	69	71	73				
<b>Emmanuel Hospice</b>											
	# of Days	5,171	5,273	5,535	5,934	5,546		27,459	33,566		
<b>Affordable Housing</b>											
Bailey's Grove 43											
	Census	41	41	40	40	40	40	40	40		
	Occupancy %	95.3%	95.3%	93.0%	93.0%	93.0%	93.0%	93.8%	93.0%		
Harvest Way 45											
	Census	43	42	42	43	43	43	43	42		
	Occupancy %	95.6%	93.3%	93.3%	95.6%	95.6%	95.6%	94.8%	93.3%		
Oak Ridge 45											
	Census	41	41	41	42	42	42	42	42		
	Occupancy %	91.1%	91.1%	91.1%	93.3%	93.3%	93.3%	92.2%	93.3%		
River Grove 46											
	Census	45	45	45	44	44	42	44	45		
	Occupancy %	97.8%	97.8%	97.8%	95.7%	95.7%	91.3%	96.0%	97.8%		
Station Creek 49											
	Census	49	49	49	48	48	48	49	46		
	Occupancy %	100.0%	100.0%	100.0%	98.0%	98.0%	98.0%	99.0%	93.9%		
Walker Meadow 42											
	Census	36	36	37	38	42	42	39	39		
	Occupancy %	85.7%	85.7%	88.1%	90.5%	100.0%	100.0%	91.7%	92.9%		
Rivertown 80											
	Census	72	71	71	73	72	71	72	70		
	Occupancy %	90.0%	88.8%	88.8%	91.3%	90.0%	88.8%	89.6%	87.5%		
Sylvan Pines 98											
	Census	96	96	96	96	95	92	95			
	Occupancy %	98.0%	98.0%	98.0%	98.0%	96.9%	93.9%	97.1%	96.9%		

**Brio Living Services, Inc. Obligated Group**  
**Days Cash on Hand - Liquidity Covenant**  
**Rolling 12 Months Ended December 31, 2025**

<b>Total Unrestricted Cash and Investments</b>	
Cash and cash equivalents	24,281,000
Assets limited as to use	89,433,000
Deduct Restricted Cash & Investments	
Life lease escrow	(593,000)
Assets limited as to use under indenture	(7,962,000)
Investment with donor restrictions	(42,847,000)
	<hr/>
<b>(A) Total Unrestricted Cash and Investments</b>	<b>62,312,000</b>
	<hr/> <hr/>
<b>Operating expenses, less certain noncash expenses</b>	
Operating expenses	95,087,000
Deduct:	
Depreciation expense	(13,185,000)
Provision for bad debts	(240,000)
	<hr/>
<b>(B) Operating expenses, less certain noncash expenses</b>	<b>81,662,000</b>
	<hr/> <hr/>
<b>Days Cash on Hand (A)/[(B)/365]</b>	<b>279</b>
	<hr/> <hr/>
<b>Required Days Cash on Hand</b>	<b>150</b>
	<hr/> <hr/>

**Brio Living Services, Inc. Obligated Group**  
**Historical Debt Service Coverage Ratio**  
**Rolling 12 Months Ended December 31, 2025**

**Total Funds Available for Debt Service**

Increase (Decrease) in net assets without donor restrictions	3,939,000
Add (deduct):	
Depreciation expense	13,185,000
Interest expense	3,697,000
Amortization of entrance fees	(5,031,000)
Proceeds from nonrefundable and refundable entrance fees - Turnover units	14,510,000
Refunds of nonrefundable and refundable entrance fees	(4,071,000)
Net unrealized (gain)/loss on investments	(2,245,000)
Net unrealized (gain)/loss on investment in joint ventures	(2,031,000)
Change in fair value of interest rate swap agreements	284,000
Net transfers to affiliates	68,000
Distribution from joint ventures	1,365,000
Net assets released from restriction for capital purchases	(1,904,000)

**(A) Income Available for Debt Services**

21,766,000

**(B) Debt Service Requirements**

7,161,000

**Historical Debt Service Coverage Ratio (A)/(B)**

3.0

**Required Historical Debt Service Coverage Ratio**

1.2

	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
<b>Chelsea Retirement Community</b>						
Independent Living:						
Entrance Fee	\$39,650-\$465,932	\$40,840-\$489,229	\$71,349-\$518,583	\$74,135-\$560,070	\$78,662-\$616,077	\$48,695-\$677,685
Monthly Fee (incl Rentals)	\$2,110-\$5,764	\$2,173-\$5,937	\$2,257-\$6,352	\$1,889-\$6,712	\$1,965-\$6,981	\$2,024-\$7,190
Assisted Living (daily rate)	\$249-\$301	\$249-\$301	\$288-\$312	\$299-\$324	\$312-\$339	\$323-\$351
Memory Care (daily rate)	\$302	\$302	\$314	\$329	\$344	\$356
Skilled Nursing Facility (daily rate)	\$356-\$423	\$433	\$449	\$471	\$499	\$519
<b>Porter Hills Village</b>						
Independent Living:						
Entrance Fee	\$177,458+	\$186,331+	\$200,306+	\$220,307-\$830,378	\$279,485-\$892,657	\$265,285-\$999,776
Monthly Fee (incl Rentals)	\$1,114-\$1,956	\$1,720-\$3,051	\$2,760-\$3,350	\$2,791-\$3,373	\$2,931-\$3,897	\$3,063-\$4,072
Assisted Living (daily rate)	\$159-\$207	\$162-\$212	\$170-\$316	\$176-\$393	\$182-\$402	\$182-\$402
Memory Care (daily rate)	\$222-\$227	\$226-\$316	\$237-\$332	\$246-\$344	\$255-\$356	\$255-\$356
Skilled Nursing Facility (daily rate)	\$324-\$490	\$332-\$515	\$342-\$530	\$424-\$555	\$445-\$578	\$458-\$592
<b>Cedars of Dexter</b>						
Independent Living:						
Entrance Fee	\$180,073-\$522,475	\$185,475-\$538,149	\$194,749-\$565,065	\$204,486-\$593,309	\$214,710-\$622,974	\$225,446-\$654,123
Monthly Fee	\$2,932-\$3,729	\$3,020-\$3,841	\$3,231-\$4,400	\$3,418-\$4,649	\$3,555-\$4,835	\$3,697-\$5,028
<b>Cook Valley Estates</b>						
Independent Living:						
Entrance Fee	\$267,189+	\$275,205+	\$283,461+	\$383,427-\$1,270,768	\$412,184-\$1,366,075	\$362,008-\$1,475,361
Monthly Fee	\$1,006-\$3,098	\$2,200-\$3,522	\$2,840-\$3,747	\$2,975-\$3,926	\$3,168-\$4,179	\$3,168-\$4,388
<b>Meadowlark Retirement Community</b>						
Independent Living:						
Monthly Fee	\$2,168-\$3,098	\$2,244-\$3,206	\$2,401-\$3,431	\$2,545-\$3,637	\$2,672-\$3,819	\$2,752-\$3,934
Assisted Living	\$4,233-\$5,163	\$4,381-\$5,344	\$4,688-\$5,718	\$4,969-\$6,061	\$5,217-\$6,364	\$5,478-\$6,682
Memory Care	\$6,298	\$6,518	\$6,975	\$7,392	\$7,762	\$8,150

As of December 31, 2025, the Chelsea Retirement Community has a wait list of 48 prospective residents who have escrowed deposits with the Corporation for independent living life lease units. There are also approximately 274 residents on the waitlist for rental units.

As of December 31, 2025, the Cedars of Dexter has a wait list of 87 prospective residents who have escrowed deposits with the Corporation for independent living units.

As of December 31, 2025, Porter Hills Village has a wait list of 121 prospective residents who have escrowed deposits with PHPV for independent living units.

As of December 31, 2025, Cook Valley Estates has a wait list of 115 prospective residents who have escrowed refundable deposits for independent living units.

BLOOMFIELD 60870-13 2379159v1

**Brio Living Services, Inc.**

**Active CUSIPS as of December 31, 2025**

<b>CUSIP</b>	<b>Series of Debt</b>
594698KZ4	Series 2013
594698LA8	Series 2013
594698LB6	Series 2013
594698LC4	Series 2013
594698LD2	Series 2013
594698LE0	Series 2013
594698LF7	Series 2013
594698QW5	Series 2019
594698QX3	Series 2019
594698QY1	Series 2019
594698QZ8	Series 2019
594698RA2	Series 2019
594698RB0	Series 2019
594698RC8	Series 2019
594698RD6	Series 2019
386211BB1	Series 2020
386211BC9	Series 2020
386211BD7	Series 2020
594698RQ7	Series 2020
594698RR5	Series 2020
594698RS3	Series 2020