



*Reports of Independent Auditors on Supplementary Information and
Continuing Care Liquid Reserve Schedules with
Supplementary Schedules*

Sequoia Living, Inc.

For the Year Ended December 31, 2023

Table of Contents

REPORT OF INDEPENDENT AUDITORS ON SUPPLEMENTARY INFORMATION	1
--	----------

FINANCIAL STATEMENTS

Details of Operations Sequoias – San Francisco	3
Details of Operations Sequoias – Portola Valley	4
Details of Operations Sequoias – Tamalpais	5

REPORT OF INDEPENDENT AUDITORS	6
---	----------

Form 5-1 Long-Term Debt Incurred In A Prior Fiscal Year (Including Balloon Debt)	9
Form 5-2 Long-Term Debt Incurred During Fiscal Year (Including Balloon Debt).....	10
Form 5-3 Calculation of Long-Term Debt Reserve Amount	11
Form 5-4 Calculation of Net Operating Expenses	12
Form 5-5 Annual Reserve Certification	15

SUPPLEMENTARY SCHEDULES

Supplementary Schedule to Form 5-1: Reconciliation to Audit Report	17
Supplementary Schedule to Form 5-4: Required Disclosure Under Section 1790 (a)(2).....	18
Supplementary Schedule to Form 5-4: Reconciliation to Audit Report	19
Supplementary Schedule to Form 5-5: Reconciliation to Audit Report	20
Additional Disclosures (Unaudited).....	21
Note 1 to the Continuing Care Reserve Report	23

Report of Independent Auditors on Supplementary Information

To the Board of Directors
Sequoia Living, Inc.

We have audited the consolidated financial statements of Sequoia Living, Inc. (the Organization), not presented herein, as of and for the year ended December 31, 2023, and issued our report thereon dated April 30, 2024, in which we indicated the extent of our reliance on the report of other auditors.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary financial information on pages 3 through 5 is presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting, and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary financial information is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.



San Francisco, California
April 30, 2024

Financial Statements

Sequoia Living, Inc.
Details of Operations Sequoias – San Francisco
For the Year Ended December 31, 2023 (dollars in thousands)

	<u>2023</u>
Operating revenues and other income	
Resident fees	\$ 23,506
Amortization of entrance fees	7,686
Fees for services and other income	<u>3,972</u>
Total operating revenues, other income, and support	<u>35,164</u>
Expenses	
Compensation and benefits	12,553
Purchased services	6,913
Medical services	754
Supplies	650
Repairs and maintenance	1,643
Utilities	1,720
Professional fees	353
Depreciation	4,189
Interest	942
Other operating	<u>3,848</u>
Total expenses	<u>33,565</u>
Excess of operating revenues, other income, and support over expenses	1,599
Other changes	
Grants used for programs and facilities	<u>385</u>
Change in net assets without donor restrictions	<u>\$ 1,984</u>

Sequoia Living, Inc.
Details of Operations Sequoias – Portola Valley
For the Year Ended December 31, 2023 (dollars in thousands)

	2023
Operating revenues and other income	
Resident fees	\$ 21,744
Amortization of entrance fees	6,721
Fees for services and other income	4,255
Total operating revenues, other income, and support	32,720
Expenses	
Compensation and benefits	9,475
Purchased services	10,761
Medical services	902
Supplies	494
Repairs and maintenance	678
Utilities	1,527
Professional fees	345
Depreciation	3,804
Interest	601
Other operating	3,718
Total expenses	32,305
Excess of operating revenues, other income, and support over expenses	415
Other changes	
Grants used for programs and facilities	235
Change in net assets without donor restrictions	\$ 650

Sequoia Living, Inc.
Details of Operations Sequoias – Tamalpais
For the Year Ended December 31, 2023 (dollars in thousands)

	<u>2023</u>
Operating revenues and other income	
Resident fees	\$ 18,756
Amortization of entrance fees	7,301
Fees for services and other income	<u>1,777</u>
Total operating revenues, other income, and support	<u>27,834</u>
Expenses	
Compensation and benefits	11,032
Purchased services	6,718
Medical services	566
Supplies	566
Repairs and maintenance	934
Utilities	1,424
Professional fees	535
Depreciation	3,696
Interest	724
Other operating	<u>3,042</u>
Total expenses	<u>29,237</u>
Deficiency of operating revenues, other income, and support over expenses	(1,403)
Other changes	
Grants used for programs and facilities	<u>326</u>
Change in net assets without donor restrictions	<u>\$ (1,077)</u>

Report of Independent Auditors

The Board of Directors
Sequoia Living, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Sequoia Living, Inc., which comprise the continuing care liquid reserve schedules, Form 5-1 through Form 5-5, as of and for the year ended December 31, 2023, and the related note to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the continuing care liquid reserve schedules Form 5-1 through Form 5-5 of Sequoia Living, Inc. as of and for the year ended December 31, 2023, in conformity with the liquid reserve requirements of California Health and Safety Code Section 1792.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Sequoia Living, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether these financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on these financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Sequoia Living, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Sequoia Living, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Supplementary Schedule to Form 5-1: Reconciliation to Audit Report, Supplementary Schedule to Form 5-4: Required Disclosure Under Section 1790 (a)(2), Supplementary Schedule to Form 5-4: Reconciliation to Audit Report, and Supplementary Schedule to Form 5-5: Reconciliation to Audit Report, presented as supplementary schedules, are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements, or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements, taken as a whole.

The Supplementary Schedule – Additional Disclosures (Unaudited) for the year ended December 31, 2023, is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

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

Other Information

Management is responsible for the other information included in the California Department of Social Services Annual Report. The other information comprises the Forms 1-1, 1-2, and 7-1, but does not include the financial statements and our auditor’s report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

A handwritten signature in cursive script that reads "Moss Adams LLP".

San Francisco, California
April 30, 2024

**Long-Term Debt Incurred In A Prior Fiscal Year (Including Balloon Debt)
Year Ended December 31, 2023**

	(a)	(b)	(c)	(d)	(e)
Long-Term Debt Obligation	Date Incurred	Principal Paid During Fiscal Year	Interest Paid During Fiscal Year	Credit Enhancement Premiums Paid in Fiscal Year	Total Paid (columns (b) + (c) + (d))
1	4/15/2015	\$1,470,000	\$2,592,304	\$0	\$4,062,304
2	6/12/2015	\$211,168	\$819,719	\$0	\$1,030,887
3	10/1/2017	\$352,977	\$936,173	\$0	\$1,289,150
4	12/19/2019	\$0	\$1,190,109	\$0	\$1,190,109
5					
6					
7					
8					
	TOTAL:	\$2,034,145	\$5,538,305	\$0	\$7,572,450

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

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

Sequoia Living, Inc.

Form 5-2

Long-Term Debt Incurred During Fiscal Year (Including Balloon Debt)

Year Ended December 31, 2023

	(a)	(b)	(c)	(d)	(e)
Long-Term Debt Obligation	Date Incurred	Total Interest Paid During Fiscal Year	Amount of Most Recent Payment on the Debt	Number of Payments over next 12 months	Reserve Requirement (see instruction 5) (columns (c) x (d))
1	4/1/2023	\$1,784,695	\$68,600	12	\$823,200
2					
3					
4					
5					
6					
7					
8					
	TOTAL:				\$823,200

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

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

Sequoia Living, Inc.
Form 5-3
Calculation of Long-Term Debt Reserve Amount
Year Ended December 31, 2023

Line		TOTAL
1	Total from Form 5-1 bottom of Column (e)	<u>\$ 7,572,450</u>
2	Total from Form 5-2 bottom of Column (e)	<u>\$ 823,200</u>
3	Facility leasehold or rental payment paid by provider during fiscal year (including related payments such as lease insurance)	<u>\$ -</u>
4	TOTAL AMOUNT REQUIRED FOR LONG-TERM DEBT RESERVE:	<u><u>\$ 8,395,650</u></u>

Sequoia Living, Inc.
Form 5-4
Calculation of Net Operating Expenses
Year Ended December 31, 2023

FORM 5-4
CALCULATION OF NET OPERATING EXPENSES

Line		Amounts	TOTAL
1	Total operating expenses from financial statements		<u>\$ 33,565,000</u>
2	Deductions:		
	a. Interest paid on long-term debt (see instructions)	<u>\$ 1,077,000</u>	
	b. Credit enhancement premiums paid for long-term debt (see instructions)	<u>\$ -</u>	
	c. Depreciation	<u>\$ 4,189,000</u>	
	d. Amortization	<u>\$ -</u>	
	e. Revenues received during the fiscal year for services to persons who did not have a continuing care contract	<u>\$ 1,731,136</u>	
	f. Extraordinary expenses approved by the Department	<u>\$ -</u>	
3	Total Deductions		<u>\$ 6,997,136</u>
4	Net Operating Expenses		<u>\$ 26,567,864</u>
5	Divide Line 4 by 365 and enter the result.		<u>\$ 72,789</u>
6	Multiply Line 5 by 75 and enter the result. This is the provider's operating expense reserve amount.		<u><u>\$ 5,459,175</u></u>

PROVIDER: Sequoia Living, Inc.
COMMUNITY: Sequoias - San Francisco

Sequoia Living, Inc.
Form 5-4
Calculation of Net Operating Expenses
Year Ended December 31, 2023

FORM 5-4
CALCULATION OF NET OPERATING EXPENSES

Line		Amounts	TOTAL
1	Total operating expenses from financial statements		<u>\$ 32,305,000</u>
2	Deductions:		
	a. Interest paid on long-term debt (see instructions)	<u>\$ 687,000</u>	
	b. Credit enhancement premiums paid for long-term debt (see instructions)	<u>\$ -</u>	
	c. Depreciation	<u>\$ 3,804,000</u>	
	d. Amortization	<u>\$ -</u>	
	e. Revenues received during the fiscal year for services to persons who did not have a continuing care contract	<u>\$ 2,491,556</u>	
	f. Extraordinary expenses approved by the Department	<u>\$ -</u>	
3	Total Deductions		<u>\$ 6,982,556</u>
4	Net Operating Expenses		<u>\$ 25,322,444</u>
5	Divide Line 4 by 365 and enter the result.		<u>\$ 69,377</u>
6	Multiply Line 5 by 75 and enter the result. This is the provider's operating expense reserve amount.		<u><u>\$ 5,203,275</u></u>

PROVIDER: Sequoia Living, Inc.
COMMUNITY: Sequoias - Portola Valley

Sequoia Living, Inc.
Form 5-4
Calculation of Net Operating Expenses
Year Ended December 31, 2023

FORM 5-4
CALCULATION OF NET OPERATING EXPENSES

Line		Amounts	TOTAL
1	Total operating expenses from financial statements		<u>\$ 29,237,000</u>
2	Deductions:		
	a. Interest paid on long-term debt (see instructions)	<u>\$ 828,000</u>	
	b. Credit enhancement premiums paid for long-term debt (see instructions)	<u>\$ -</u>	
	c. Depreciation	<u>\$ 3,696,000</u>	
	d. Amortization	<u>\$ -</u>	
	e. Revenues received during the fiscal year for services to persons who did not have a continuing care contract	<u>\$ 689,912</u>	
	f. Extraordinary expenses approved by the Department	<u>\$ -</u>	
3	Total Deductions		<u>\$ 5,213,912</u>
4	Net Operating Expenses		<u>\$ 24,023,088</u>
5	Divide Line 4 by 365 and enter the result.		<u>\$ 65,817</u>
6	Multiply Line 5 by 75 and enter the result. This is the provider's operating expense reserve amount.		<u><u>\$ 4,936,275</u></u>

PROVIDER: Sequoia Living, Inc.
COMMUNITY: Tamalpais

Sequoia Living, Inc.
Form 5-5
Annual Reserve Certification
Year Ended December 31, 2023

FORM 5-5: ANNUAL RESERVE CERTIFICATION

Provider Name: Sequoia Living, Inc.
 Fiscal Year Ended: 12/31/2023

We have reviewed our debt service reserve and operating expense reserve requirements as of, and for the period ended 12/31/2023 and are in compliance with those requirements.

Our liquid reserve requirements, computed using the audited financial statements for the fiscal year are as follows:

	<u>Amount</u>
[1] Debt Service Reserve Amount	\$ <u>8,395,650</u>
[2] Operating Expense Reserve Amount	\$ <u>15,598,725</u>
[3] Total Liquid Reserve Amount:	\$ <u>23,994,375</u>

Qualifying assets sufficient to fulfill the operating reserve and debt service requirements, based on market value at end of fiscal year where applicable, are held as follows:

<u>Qualifying Asset Description</u>	<u>Debt Service Reserve</u>	<u>Operating Reserve</u>
[4] Cash and Cash Equivalents	\$ <u>8,395,650</u>	\$ <u>13,965,350</u>
[5] Investment Securities	\$ <u>-</u>	\$ <u>299,000</u>
[6] Equity Securities	\$ <u>-</u>	\$ <u>99,637,000</u>
[7] Unused/Available Lines of Credit	\$ <u>-</u>	\$ <u>-</u>
[8] Unused/Available Letters of Credit	\$ <u>-</u>	\$ <u>-</u>
[9] Debt Service Reserve	\$ <u>-</u>	<u>(not applicable)</u>
[10] Other:	\$ <u>-</u>	\$ <u>-</u>

Qualifying assets used in these reserves are described as follows:

Total Amount of Qualifying Assets

Listed for Reserve Obligation:	[11]	\$ <u>8,395,650</u>	[12]	\$ <u>113,901,350</u>
Reserve Obligation Amount:	[13]	\$ <u>8,395,650</u>	[14]	\$ <u>15,598,725</u>
Surplus/(Deficiency):	[15]	\$ <u>-</u>	[16]	\$ <u>98,302,625</u>

Signature: 

 (Authorized Representative)

Date: 4/30/2024

CFO

 (Title)

Supplementary Schedules

Sequoia Living, Inc.
Supplementary Schedule to Form 5-1: Reconciliation to Audit Report
Year Ended December 31, 2023

Form 5-1 Reconciliation

Column (b) PRINCIPAL PAID DURING FISCAL YEAR

Payment of long-term debt and notes payable per audited financials	\$ 87,452,000
JPMorgan Chase Bank, N.A. voluntary construction loan payoff	84,840,000
Principal paid in FY 2023 related to Form 5-2 debt	<u>578,000</u>
Total principal paid during fiscal year - Form 5-1 column b	<u><u>\$ 2,034,000</u></u>

Sequoia Living, Inc.

Supplementary Schedule to Form 5-4: Required Disclosure Under Section 1790 (a)(2)
Year Ended December 31, 2023

Description	Sequoias - San Francisco	Sequoias - Portola Valley	Tamalpais
Total operating expenses (Form 5-4, Line 1)	\$ 33,565,000	\$ 32,305,000	\$ 29,237,000
Mean number of all residents (Form 1-1, Line 10)	319	286	251
Per capita cost of operations	\$ 105,219	\$ 112,955	\$ 116,482

Sequoia Living, Inc.
Supplementary Schedule to Form 5-4: Reconciliation to Audit Report
Year Ended December 31, 2023

Form 5-4 Reconciliation

Reconciliation to Audited Financial Statements

Cash received from services and other income	\$ 15,339,000
Less other revenues	<u>(10,426,396)</u>
	<u>\$ 4,912,604</u>

Revenues received during the fiscal year for services to persons who did not have a continuing care contract

Form 5-4 Sequoias - San Francisco	\$ 1,731,136
Form 5-4 Sequoias - Portola Valley	2,491,556
Form 5-4 Tamalpais	<u>689,912</u>
	<u>\$ 4,912,604</u>

Sequoia Living, Inc.
Supplementary Schedule to Form 5-5: Reconciliation to Audit Report
Year Ended December 31, 2023

Financial Statements and Footnotes Description		Qualifying Asset Description (Form 5-5)
Cash and cash equivalents - Sequoia Living	\$ 3,741,350	
Cash and cash equivalents - Senior Services for Northern California	1,737,000	
Marketable securities - money market funds	4,445,000	
Limited use assets - debt service reserve fund - Revenue Bond Series 2015	4,040,000	
Limited use assets - principal and interest fund - Revenue Bond Series 2015	2,000	
	13,965,350	Cash and cash equivalents -
Marketable securities - corporate fixed income securities	299,000	Investment securities
Marketable securities - common stock	9,299,000	
Marketable securities - equity mutual funds	54,973,000	
Marketable securities - fixed income mutual funds	35,365,000	
	99,637,000	Equity securities
Total qualifying assets as filed for operating reserve	\$ 113,901,350	
Cash and cash equivalents - Sequoia Living	\$ 8,395,650	
Total qualifying assets as filed for debt service reserve	\$ 8,395,650	Debt service reserves
Reconciliation to Audited Financial Statements		
Cash and cash equivalents	\$ 44,557,000	
Marketable securities	104,381,000	
Investments, other	9,569,000	
Limited use assets, current portion	4,142,000	
Limited use assets, noncurrent portion	10,395,000	
	173,044,000	
Less:		
Cash and cash equivalents - Viamonte Senior Living 1	(30,683,000)	
Marketable securities - investment in real estate fund	(9,569,000)	
Limited use assets - project fund - Revenue Bond Series 2015	(798,000)	
Limited use assets - revenue fund - Revenue Bond Series 2015	(2,143,000)	
Limited use assets - principal and interest fund - Revenue Bond Series 2018	(968,000)	
Limited use assets - debt service reserve fund - Revenue Bond Series 2018	(5,924,000)	
Limited use assets - project fund - Revenue Bond Series 2018	(420,000)	
Limited use assets - investments held by trustee for development	(177,000)	
Limited use assets - investments held by trustee for working capital	(54,000)	
Limited use assets - investments held by trustee for repayment of revenue bonds	(11,000)	
	\$ 122,297,000	
Total qualifying assets as filed for operating reserve	\$ 113,901,350	
Total qualifying assets as filed for debt service reserve	8,395,650	
	\$ 122,297,000	

Sequoia Living, Inc.
Additional Disclosures (Unaudited)
Year Ended December 31, 2023

Status Description and Amount of Reserves:

Sequoia Living, Inc.'s reserves consist of marketable securities, net of amounts designated for Foundation investments (restricted), of \$127,351,625. Sequoia Living, Inc. invests approximately 53% of its reserves in equity investments.

Funds accumulated for specific projects and/or contingencies

Sequoia Living, Inc.'s reserves have not been designated for specific needs or projects. They are available to respond to contingencies; provide funding for projects which are internally financed and support Sequoia Living, Inc.'s efforts to grow and serve more seniors consistent with its tax-exempt purpose.

In 2023, Sequoia Living, Inc.'s cash flow from operations including entrance fees was not sufficient to cover its activities, so accumulated cash and marketable securities were required to fund projects. Projects in excess of \$250,000 completed in 2023 were as follows:

Sequoias San Francisco:

Apartment renovations	\$	303,817
-----------------------	----	---------

Sequoias Portola Valley:

Apartment renovations	\$	17,867
-----------------------	----	--------

Tamalpais:

Contingency	\$	6,462
Health Center Makeover	\$	12,400
HC Beds	\$	233,477
Carpet - 1st Floor	\$	21,137
Apartment renovations	\$	757,967

Projects included in the 2024 capital budget which are greater than \$250,000 include the following:

Sequoias San Francisco:

HOME OFFICE IT INFRASTRUCTURE (SH RB EL) A	\$	416,000
Elevator Lobby Controls TABLET CONVERSION 9.2023 A	\$	257,500
Wanderguard system installation to be integrated with E call system for IL/AL	\$	291,800
HVAC HC and MCU HCAI (GG, JG, F and C, RB) 7.21 A (Phs: 2 yr)	\$	926,555
Apartment Renovations A	\$	2,000,000
HVAC for Kitchen Area Phase I (GG RB) A	\$	624,000
Men's Room Common Area Near Post St	\$	310,600
HVAC for Kitchen Area Phase II (GG RB) A	\$	587,600
Landscaping Project (GG RB GACHINA GATES DL) 10.23	\$	1,456,800
Normal replacement of built-up Tower Roof - (RB) (JM GARL) section 12.07 B	\$	287,872

Sequoia Living, Inc.
Additional Disclosures (Unaudited)
Year Ended December 31, 2023

Sequoias Portola Valley:

Equip - Chiller HC	\$	856,475
Install Fire Alarm Audible IL (RH, Gm, AE, RB) 9.21 A	\$	875,500
Apartment Renovations New Program (RH Gm AE RB) 9.21 A	\$	2,015,710
CARPORT ROOF	\$	415,965
Memory Care Unit Upgrades	\$	875,500
Replace swimming pool enclosure SF RB DL MASTER PLAN PHASE I	\$	1,167,400

Tamalpais:

Generator Quick Connect HC genset	\$	810,000
Apt Window Frames Exterior Paint; (DM) (JD) 4.18.11 (WJE) 5/01, C	\$	489,285
10 Year Refresh of Resident Rooms (PF SD RB) 8.22 A	\$	302,400
Residential apartments renovation capital improvements, SD RB	\$	2,160,000
Refresh of Clinic Paint, Counter, Lighting, Floor finish etc. (SD, SM, RB) 7.2021 B (Phs: 2	\$	262,085
Terrace Waterproofing Phase I (SD RB) A	\$	872,640

Sequoia Living, Inc.
Note 1 to the Continuing Care Reserve Report
For the Year Ended December 31, 2023

The continuing care reserve report included in Part 5 has been prepared in accordance with the report preparation provisions of the California Health and Welfare Code (the Code), Section 1792. The continuing care reserve report excludes the results of Viamonte Senior Living 1, Inc., which are included in a separate report.

Section 1792 of the Code indicates that Sequoia Living, Inc. should maintain at all times qualifying assets as a liquid reserve in an amount that equals or exceeds the sum of the following:

- The amount the provider is required to hold as a debt service reserve under Section 1792.3.
- The amount the provider must hold as an operating expense reserve under Section 1792.4.

In accordance with the Code, Sequoia Living, Inc. has computed its liquid reserve requirement as of and for the year ended December 31, 2023, Sequoia Living, Inc.'s most recent fiscal year end, and the reserve is based on audited financial statements for the period. On March 1, 2023, Eastern Park Apartments issued permanent debt financing with Bellweather Enterprise Mortgage Investments, Inc. The debt proceeds were used to retire, in full, the JPMorgan Chase Bank, N.A. construction loan issued on December 19, 2019. In accordance with the Code, Sequoia Living, Inc. has excluded these debt repayments made during the year ended December 31, 2023, from Form 5-1 as they were voluntary payments made to pay down principal.

The amount of the most recent debt service payment on the permanent debt financing of \$68,600 included on Form 5-2 represents the last monthly principal payment made as of December 31, 2023. Total principal payments made during the year ended December 31, 2023 were \$578,000.

ANNUAL REPORT CHECKLIST

FISCAL YEAR ENDED: 12/31/2023

PROVIDER(S):

Sequoia Living, Inc.

CCRC(S):

The Sequoias - San Francisco, The Sequoias - Portola Valley, & The Tamalpais

PROVIDER CONTACT PERSON:

Charlie Shoemake, CFO

TELEPHONE NUMBER:

415-202-7810

E-MAIL ADDRESS:

cshoemake@sequoialiving.org

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

- Annual Report Checklist.
- Annual Provider Fee in the amount of: \$79,239.00 _____
 - If applicable, late fee in the amount of: \$ _____
- Certification by the provider's **Chief Executive Officer** that:
 - The reports are correct to the best of his/her knowledge.
 - Each continuing care contract form in use or offered to new residents has been approved by the Department.
 - The provider is maintaining the required liquid reserves and, when applicable, the required refund reserve.
- Evidence of the provider's fidelity bond, as required by H&SC section 1789.8.
- Provider's audited financial statements, with an accompanying certified public accountant's opinion thereon.
- Provider's audited reserve reports (prepared on Department forms), with an accompanying certified public accountant's opinion thereon. (NOTE: Form 5-5 must be signed and have the required disclosures attached (H&SC section 1790(a)(2) and (3)).
- "Continuing Care Retirement Community Disclosure Statement" for **each** community.
- Form 7-1, "Report on CCRC Monthly Service Fees" for **each** community.
- Form 9-1, "Calculation of Refund Reserve Amount", if applicable.
- Key Indicators Report (signed by CEO or CFO (or by the authorized person who signed the provider's annual report)). The KIR may be submitted along with the annual report, but is not required until 30 days later.

FORM 1-1:RESIDENT POPULATION

Line	Continuing Care Residents	TOTAL
[1]	Number at beginning of fiscal year	309
[2]	Number at end of fiscal year	304
[3]	Total Lines 1 and 2	613
		x.50
[4]	Multiply Line 3 by “.50” and enter result on Line 5.	
[5]	Mean number of continuing care residents	307
All Residents		
[6]	Number at beginning of fiscal year	318
[7]	Number at end of fiscal year	320
[8]	Total Lines 6 and 7	638
		x.50
[9]	Multiply Line 8 by “.50” and enter result on Line 10.	
[10]	Mean number of <i>all</i> residents	319
[11]	Divide the mean number of continuing care residents (Line 5) by the mean number of <i>all</i> residents (Line 10) and enter the result (round to two decimal places).	1

FORM 1-1:RESIDENT POPULATION

Line	Continuing Care Residents	TOTAL
[1]	Number at beginning of fiscal year	<u>287</u>
[2]	Number at end of fiscal year	<u>278</u>
[3]	Total Lines 1 and 2	<u>565</u> x.50
[4]	Multiply Line 3 by “.50” and enter result on Line 5.	
[5]	Mean number of continuing care residents	<div style="border: 1px solid black; padding: 2px;">283</div>
All Residents		
[6]	Number at beginning of fiscal year	<u>292</u>
[7]	Number at end of fiscal year	<u>280</u>
[8]	Total Lines 6 and 7	<u>572</u> x.50
[9]	Multiply Line 8 by “.50” and enter result on Line 10.	
[10]	Mean number of <i>all</i> residents	<div style="border: 1px solid black; padding: 2px;">286</div>
[11]	Divide the mean number of continuing care residents (Line 5) by the mean number of <i>all</i> residents (Line 10) and enter the result (round to two decimal places).	<div style="border: 1px solid black; padding: 2px;">1</div>

FORM 1-1:RESIDENT POPULATION

Line	Continuing Care Residents	TOTAL
[1]	Number at beginning of fiscal year	<u>254</u>
[2]	Number at end of fiscal year	<u>237</u>
[3]	Total Lines 1 and 2	<u>491</u> x.50
[4]	Multiply Line 3 by “.50” and enter result on Line 5.	
[5]	Mean number of continuing care residents	<div style="border: 1px solid black; padding: 2px;">246</div>
All Residents		
[6]	Number at beginning of fiscal year	<u>256</u>
[7]	Number at end of fiscal year	<u>246</u>
[8]	Total Lines 6 and 7	<u>502</u> x.50
[9]	Multiply Line 8 by “.50” and enter result on Line 10.	
[10]	Mean number of <i>all</i> residents	<div style="border: 1px solid black; padding: 2px;">251</div>
[11]	Divide the mean number of continuing care residents (Line 5) by the mean number of <i>all</i> residents (Line 10) and enter the result (round to two decimal places).	<div style="border: 1px solid black; padding: 2px;">1</div>

FORM 1-2: ANNUAL PROVIDER FEE

Line	TOTAL
[1] Total Operating Expenses (including depreciation and debt service - interest only)	33,565,000.00
[a] Depreciation	4,188,846.00
[b] Debt Service (Interest Only)	942,014.00
[2] Subtotal (add Line 1a and 1b)	5,130,860.00
[3] Subtract Line 2 from Line 1 and enter result.	28,434,140.00
[4] Percentage allocated to continuing care residents (Form 1-1, Line 11)	0.96
[5] Total Operating Expense for Continuing Care Residents (multiply Line 3 by Line 4)	27,296,774.00
[6] Total Amount Due (multiply Line 5 by .001)	\$ 27,297.00

PROVIDER: Sequoia Living, Inc**COMMUNITY:** Sequoia - San Francisco

FORM 1-2: ANNUAL PROVIDER FEE

Line	TOTAL
[1] Total Operating Expenses (including depreciation and debt service - interest only)	32,305,000.00
[a] Depreciation	3,803,892.00
[b] Debt Service (Interest Only)	601,311.00
[2] Subtotal (add Line 1a and 1b)	4,405,203.00
[3] Subtract Line 2 from Line 1 and enter result.	27,899,797.00
[4] Percentage allocated to continuing care residents (Form 1-1, Line 11)	0.99
[5] Total Operating Expense for Continuing Care Residents (multiply Line 3 by Line 4)	27,620,799.00
[6] Total Amount Due (multiply Line 5 by .001)	\$ 27,621.00

PROVIDER: Sequoia Living, Inc**COMMUNITY:** Sequoia - Portola Valley

FORM 1-2: ANNUAL PROVIDER FEE

Line	TOTAL
[1] Total Operating Expenses (including depreciation and debt service - interest only)	29,237,000.00
[a] Depreciation	3,695,991.00
[b] Debt Service (Interest Only)	724,094.00
[2] Subtotal (add Line 1a and 1b)	4,420,085.00
[3] Subtract Line 2 from Line 1 and enter result.	24,816,915.00
[4] Percentage allocated to continuing care residents (Form 1-1, Line 11)	0.98
[5] Total Operating Expense for Continuing Care Residents (multiply Line 3 by Line 4)	24,320,577.00
[6] Total Amount Due (multiply Line 5 by .001)	\$ 24,321.00

PROVIDER: Sequoia Living, Inc

COMMUNITY: Tamalpais

**SEQUOIA LIVING, INC.
EVIDENCE OF FIDELITY BOND**

December 31, 2023

The annual report shall include evidence that a fidelity bond or insurance policy is in force for any agent or employee, who, in the course of his or her agency or employment, has access to any substantial amount of funds. This requirement is separate from the bonding requirements of the residential care facility for the elderly regulations.

Type: Employee Fidelity
Coverage: \$1,500,000
Carrier: Federal Insurance Company

DECLARATIONS

Policy Number: 8167-4988

FEDERAL INSURANCE COMPANY

A stock insurance company, incorporated under the laws of Indiana, herein called the Company

Capital Center, 251 North Illinois, Suite 1100
Indianapolis, IN 46204-1927

THE EXECUTIVE LIABILITY, ENTITY LIABILITY, AND EMPLOYMENT PRACTICES LIABILITY, FIDUCIARY LIABILITY, AND OUTSIDE DIRECTORSHIP LIABILITY COVERAGE SECTIONS (WHICHEVER ARE PURCHASED) PROVIDE CLAIMS MADE COVERAGE, WHICH APPLIES ONLY TO "CLAIMS" FIRST MADE DURING THE "POLICY PERIOD", OR ANY EXTENDED REPORTING PERIOD. THE APPLICABLE LIMIT(S) OF LIABILITY TO PAY "LOSS" WILL BE REDUCED, AND MAY BE EXHAUSTED, BY "DEFENSE COSTS" UNLESS OTHERWISE SPECIFIED HEREIN. "DEFENSE COSTS" WILL BE APPLIED AGAINST THE RETENTION. IN NO EVENT WILL THE COMPANY BE LIABLE FOR "DEFENSE COSTS" OR OTHER "LOSS" IN EXCESS OF THE APPLICABLE LIMIT(S) OF LIABILITY. READ THE ENTIRE POLICY CAREFULLY.

Item 1. **Parent Organization:** Sequoia Living, Inc.

Principal Address: 1525 Post Street
San Francisco, CA 94109

Item 2. **Policy Period:** From 12:01 A.M. on April 1, 2024
To 12:01 A.M. on March 5, 2025
Local time at the address shown in Item 1.

Item 3. **Coverage Summary**
Description of Coverage(s) purchased:

Executive Liability and:	X
Optional Entity Coverage	X
Optional Employment Practices Liability Coverage	X
Optional Third Party Liability Coverage	X
Outside Directorship Liability Coverage	
Fiduciary Liability Coverage	X
Crime Coverage	X
Kidnap/Ransom and Extortion Coverage	

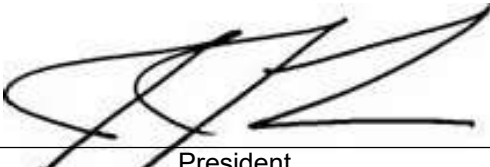
Item 4. **Termination of Prior Bonds or Policies:** 8167-4988 (Mar 5, 2023 - Apr 1, 2024)

In Witness Whereof, the Company issuing this policy has caused this policy to be signed by its Authorized Officers, but it shall not be valid unless also signed by a duly Authorized Representative of the Company.

FEDERAL INSURANCE COMPANY




Secretary



President

04/01/2024

Date



Authorized Representative

Part 6

CONTINUING CARE RETIREMENT COMMUNITY DISCLOSURE STATEMENT

Date Prepared: 3/22/2024

Facility Name: The Sequoias - San Francisco

Address: 1400 Geary Boulevard, San Francisco, CA 94118 | Zip Code: 94109

Phone: 415-922-9700

Provider Name:

The Sequoias - San Francisco

Facility Operator: Sequoia Living, Inc.

Religious Affiliation: None

Year Opened: 1969 # of Acres: 5 Miles to Shopping Center: >1 Miles to Hospital: 1

 Single Story Multi-Story Other:
Number of Units:

Residential Living	Number of Units	Health Care	Number of Units
Apartments – Studio:	53	Assisted Living:	18
Apartments – 1 Bdrm:	143	Skilled Nursing:	50
Apartments – 2 Bdrm:	65	Special Care:	19
Cottages/Houses:	3	Description:	Memory Care

RLU Occupancy (%) at Year End: 94.7%

Type of Ownership: Not for Profit For Profit**Accredited?** Yes By: CARF-CCAC No
Form of Contact: Continuing Care Life Care Entrance Fee Fee for Service
 (Check all that apply) Assignment of Assets Equity Membership Rental

Refund Provisions: Refundable 90% 50%
 (Check all that apply) Repayable 75% Other: Non Refundable
Range of Entrance Fees: \$176,000 - \$1,978,200**Long-Term Care Insurance Required?** Yes No**Health Care Benefits Included in Contract:** For Lifecare contracts, exclusions include Rx, dental,**Entry Requirements:** Min Age: 65 Prior Profession: N/A Other: N/A**Resident Representative(s) to, and Resident Members on, the Board:**

(briefly describe provider's compliance and residents' roles):

Per H&SC section 1771.8(i), there is one resident representative for each CCRC on the Sequoia Living board, in addition, each CCRC has a resident association.

All providers are required by Health and Safety Code section 1789.1 to provide this report to prospective residents before executing a deposit agreement or continuing care contract or receiving any payment. Many communities are part of multi-facility operations which may influence financial reporting. Consumers are encouraged to ask questions of the continuing care retirement community that they are considering and to seek advice from professional advisors.

Facility Services and Amenities

Common Area Amenities	Available	Fee for Service	Services Available	Included in Fee	For Extra Charge
Beauty/Barber Shop	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Housekeeping (<u>4</u> Times/	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Billiard Room	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Month at \$_____ each)		
Bowling Green	<input type="checkbox"/>	<input type="checkbox"/>	Meals (<u> </u> /Day)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Card Rooms	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Special Diets Available	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Chapel	<input checked="" type="checkbox"/>	<input type="checkbox"/>			
Coffee Shop	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	24-Hour Emergency Response	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Craft Rooms	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Activities Program	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Exercise Room	<input checked="" type="checkbox"/>	<input type="checkbox"/>	All Utilities Except Phone	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Golf Course Access	<input type="checkbox"/>	<input type="checkbox"/>	Apartment Maintenance	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Library	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Cable TV	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Putting Green	<input type="checkbox"/>	<input type="checkbox"/>	Linens Furnished	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Shuffleboard	<input type="checkbox"/>	<input type="checkbox"/>	Linens Laundered	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Spa	<input type="checkbox"/>	<input type="checkbox"/>	Medication Management	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Swimming Pool – Indoor	<input type="checkbox"/>	<input type="checkbox"/>	Nursing/Wellness Clinic	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Swimming Pool – Outdoor	<input type="checkbox"/>	<input type="checkbox"/>	Personal Home Care	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Tennis Court	<input type="checkbox"/>	<input type="checkbox"/>	Transportation – Personal	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workshop	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Transportation – Prearranged	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other: <u>Art Gallery</u>	<input type="checkbox"/>	<input type="checkbox"/>	<u>Other: <u>Medical Supplies</u></u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Provider Name: The Sequoias - San Francisco

Affiliated CCRCs	Location (city, state)	Phone (with area code)
Sequoias - Portola Valley	Portola Valley, California	650-851-1501
Tamalpais	Greenbrae, California	415-461-2300
Viamonte	Walnut Creek, California	925-621-6600

Multi-Level Retirement Communities	Location (city, state)	Phone (with area code)

Free-Standing Skilled Nursing	Location (city, state)	Phone (with area code)

Subsidized Senior Housing	Location (city, state)	Phone (with area code)
Western Park Apartments	San Francisco, California	415-922-5436
Eastern Park Apartments	San Francisco, California	415-776-0114
Town Park Towers	San Jose, California	408-288-8750

NOTE: Please indicate if the facility is a life care facility.

Provider Name: The Sequoias - San Francisco

Income and Expenses [Year]	2020	2021	2022	2023
Income from Ongoing Operations				
Operating Income (Excluding amortization of entrance fee income)	103,427	100,069	77,910	\$112,237
Less Operating Expenses (Excluding depreciation, amortization, and interest)	96,191	90,149	90,014	96,657
Net Income From Operations	7,236	9,920	(12,104)	15,580
Less Interest Expense	5,627	6,399	7,120	7,040
Plus Contributions	2,882	1,082	557	766
Plus Non-Operating Income (Expenses) (Excluding extraordinary items)	4,573	5,114	4,301	5,603
Net Income (Loss) Before Entrance Fees, Depreciation And Amortization	9,064	9,901	(14,366)	14,909
Net Cash Flow From Entrance Fees (Total Deposits Less Refunds)	12,922	23,378	27,589	18,590

Description of Secured Debt (as of most recent fiscal year end)

Lender	Outstanding Balance	Interest Rate	Date of Origination	Date of Maturity	Amortization Period
CHFFA	\$52,865,000	2% - 5%	2015	2044	30 Years
Citibank	\$14,010,961	5.81%	2015	2045	30 Years
Citibank	\$21,074,426	4.41%	2017	2034	15 Years
Chase	\$59,428,539	3.91%	2023	2039	15 Years

Financial Ratios (see last page for ratio formulas)

Financial Ratios [Year]	CCAC Medians 50th Percentile (optional)	2021	2022	2023
Debt to Asset Ratio	N/A	38.17%	38.50%	31.51%
Operating Ratio	N/A	90.23%	124.67%	91.8%
Debt Service Coverage Ratio	N/A	7.02	4.32	6.16
Days Cash On Hand Ratio	N/A	600	431	426

Provider Name: The Sequoias - San Francisco

Historical Monthly Service Fees (Average Fee and Change Percentage)

Residence/Service [Year]	2020	%	2021	%	2022	%	2023	%
Studio	\$ 4,479	5.0%	\$ 4,636	3.5%	\$ 4,903	5.75%	\$5,357	9.25%
One Bedroom	\$ 5,517	5.0%	\$ 5,710	3.5%	\$ 6,038	5.75%	\$6,597	9.25%
Cottage/House	\$ 9,939	5.0%	\$ 10,287	3.5%	\$10,186	5.75%	\$11,128	9.25%
Assisted Living								
Skilled Living								
Special Care								

Comments from Provider:

Financial Ratio Formulas

Long-Term Debt to Total Assets Ratio

$$\frac{\text{Long Term Debt, less Current portion}}{\text{Total Assets}}$$

Operating Ratio

$$\frac{\text{Total Operating Expenses - Depreciation Expense - Amortization Expense}}{\text{Total Operating Revenues - Amortization of Deferred Revenue}}$$

Debt Service Coverage Ratio

$$\frac{\text{Total Excess of Revenues Over Expenses + Interest, Depreciation, and Amortization Expenses + Amortization of Deferred Revenue + Net Proceeds from Entrance Fees}}{\text{Annual Debt Service}}$$

Days Cash On Hand Ratio

$$\frac{\text{Unrestricted Current Cash \& Investments + Unrestricted Non-Current Cash and Investments}}{(\text{Operating Expenses - Depreciation - Amortization})/365}$$

NOTE: These formulas are also used by the Continuing Care Accreditation Commission. For each formula, that organization also publishes annual median figures for certain continuing care retirement communities.

CONTINUING CARE RETIREMENT COMMUNITY DISCLOSURE STATEMENT

Date Prepared: 3/16/2024

Facility Name: he Sequoias - Portola Valley

Address: 501 Portola Road, Portola Val | Zip Code:94028

Phone: 650-851-1501

Provider Name:

The Sequoias - Portola Valley

Facility Operator: Sequoia Living, Inc.

Religious Affiliation: None

Year Opened: 1961

of Acres:42

Miles to Shopping Center:4

Miles to Hospital:6.2

 Single Story Multi-Story Other:**Number of Units:**Residential Living: 199 units

Health Care: 87 units & Beds

Residential Living**Number of Units****Health Care****Number of Units**Apartments – Studio: 21Assisted Living: 26Apartments – 1 Bdrm: 108Skilled Nursing: 43Apartments – 2 Bdrm: 68Special Care: 18Cottages/Houses: 2Description: Memory Care

RLU Occupancy (%) at Year End:96.5%

Type of Ownership: Not for Profit For Profit**Accredited?** Yes By:CARF-CCAC No**Form of Contact:** Continuing Care Life Care Entrance Fee Fee for Service(Check all that apply) Assignment of Assets Equity Membership Rental**Refund Provisions:** Refundable 90% 50%(Check all that apply) Repayable 75% Other:Non-refundable**Range of Entrance Fees:** \$125,900 - \$1,935,800**Long-Term Care Insurance Required?** Yes No**Health Care Benefits Included in Contract:**For Lifecare contracts, exclusions include Rx, dental,**Entry Requirements:** Min Age:65 Prior Profession:N/A Other:N/A**Resident Representative(s) to, and Resident Members on, the Board:**

(briefly describe provider's compliance and residents' roles):

Per H&SC section 1771.8(i), there is one resident representative for each CCRC on the Sequoia Living board, in addition, each CCRC has a resident association.

All providers are required by Health and Safety Code section 1789.1 to provide this report to prospective residents before executing a deposit agreement or continuing care contract or receiving any payment. Many communities are part of multi-facility operations which may influence financial reporting. Consumers are encouraged to ask questions of the continuing care retirement community that they are considering and to seek advice from professional advisors.

Facility Services and Amenities

Common Area Amenities	Available	Fee for Service	Services Available	Included in Fee	For Extra Charge
Beauty/Barber Shop	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Housekeeping (<u>4</u> Times/	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Billiard Room	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Month at \$ <u>N/A</u> each)		
Bowling Green	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Meals (<u>3</u> /Day)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Card Rooms	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Special Diets Available	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Chapel	<input type="checkbox"/>	<input type="checkbox"/>			
Coffee Shop	<input type="checkbox"/>	<input checked="" type="checkbox"/>	24-Hour Emergency Response	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Craft Rooms	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Activities Program	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Exercise Room	<input checked="" type="checkbox"/>	<input type="checkbox"/>	All Utilities Except Phone	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Golf Course Access	<input type="checkbox"/>	<input type="checkbox"/>	Apartment Maintenance	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Library	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Cable TV	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Putting Green	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Linens Furnished	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Shuffleboard	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Linens Laundered	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Spa	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Medication Management	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Swimming Pool – Indoor	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Nursing/Wellness Clinic	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Swimming Pool – Outdoor	<input type="checkbox"/>	<input type="checkbox"/>	Personal Home Care	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Tennis Court	<input type="checkbox"/>	<input type="checkbox"/>	Transportation – Personal	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workshop	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Transportation – Prearranged	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other: <u>Resident Garc</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Other: <u>Medical Supplies</u></u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Provider Name: The Sequoias - Portola Valley

Affiliated CCRCs	Location (city, state)	Phone (with area code)
Sequoias - San Francisco	San Francisco, California	415-922-9700
Tamalpais	Greenbrae, California	415-461-2300
Viamonte	Walnut Creek, California	925-621-6600

Multi-Level Retirement Communities	Location (city, state)	Phone (with area code)

Free-Standing Skilled Nursing	Location (city, state)	Phone (with area code)

Subsidized Senior Housing	Location (city, state)	Phone (with area code)
Western Park Apartments	San Francisco, California	415-922-5436
Eastern Park Apartments	San Francisco, California	415-776-0114
Town Park Towers	San Jose, California	408-288-8750

NOTE: Please indicate if the facility is a life care facility.

Provider Name: The Sequoias - Portola Valley

Income and Expenses [Year]	2020	2021	2022	2023
Income from Ongoing Operations				
Operating Income (Excluding amortization of entrance fee income)	\$103,427	\$99,909	\$77,910	\$112,237
Less Operating Expenses (Excluding depreciation, amortization, and interest)	96,191	90,150	90,014	96,657
Net Income From Operations	7,236	9,759	(12,104)	15,580
Less Interest Expense	5,627	6,399	7,120	7,040
Plus Contributions	2,882	1,082	557	766
Plus Non-Operating Income (Expenses) (Excluding extraordinary items)	4,573	5,114	4,301	5,603
Net Income (Loss) Before Entrance Fees, Depreciation And Amortization	9,064	9,556	(14,366)	14,909
Net Cash Flow From Entrance Fees (Total Deposits Less Refunds)	\$12,922	\$23,378	\$27,589	18,590

Description of Secured Debt (as of most recent fiscal year end)

Lender	Outstanding Balance	Interest Rate	Date of Origination	Date of Maturity	Amortization Period
CHFFA	\$52,865,000	2% - 5%	2015	2044	30 Years
Citibank	\$14,010,961	5.81%	2015	2045	30 Years
Citibank	\$21,074,426	4.41%	2017	2034	15 Years
Chase	\$59,428,539	3.91%	2023	2039	15 Years

Financial Ratios (see last page for ratio formulas)

Financial Ratios [Year]	CCAC Medians 50th Percentile (optional)	2021	2022	2023
Debt to Asset Ratio	N/A	38.17%	38.50%	31.51%
Operating Ratio	N/A	90.23%	124.67%	91.8%
Debt Service Coverage Ratio	N/A	7.02	4.32	6.16
Days Cash On Hand Ratio	N/A	600	431	426

Provider Name: The Sequoias - Portola Valley

Historical Monthly Service Fees (Average Fee and Change Percentage)

Residence/Service [Year]	2020	%	2021	%	2022	%	2023	%
Studio	\$4,531	5.0%	\$4,690	3.5%	\$4,960	5.75%	\$5,419	9.25%
One Bedroom	\$5,564	5.0%	\$5,759	3.5%	\$6,090	5.75%	\$6,653	9.25%
Cottage/House	\$12,098	5.0%	\$12,521	3.5%	\$12,119	5.75%	\$13,240	9.25%
Assisted Living								
Skilled Living								
Special Care								

Comments from Provider:

Financial Ratio Formulas

Long-Term Debt to Total Assets Ratio

$$\frac{\text{Long Term Debt, less Current portion}}{\text{Total Assets}}$$

Operating Ratio

$$\frac{\text{Total Operating Expenses - Depreciation Expense - Amortization Expense}}{\text{Total Operating Revenues - Amortization of Deferred Revenue}}$$

Debt Service Coverage Ratio

$$\frac{\text{Total Excess of Revenues Over Expenses + Interest, Depreciation, and Amortization Expenses + Amortization of Deferred Revenue + Net Proceeds from Entrance Fees}}{\text{Annual Debt Service}}$$

Days Cash On Hand Ratio

$$\frac{\text{Unrestricted Current Cash \& Investments + Unrestricted Non-Current Cash and Investments}}{(\text{Operating Expenses - Depreciation - Amortization})/365}$$

NOTE: These formulas are also used by the Continuing Care Accreditation Commission. For each formula, that organization also publishes annual median figures for certain continuing care retirement communities.

CONTINUING CARE RETIREMENT COMMUNITY DISCLOSURE STATEMENT

Date Prepared: _____

Facility Name: The Tamalpais

Address: 501 Via Casitas, Greenbrae, CA Zip Code: 94904 Phone: 415-461-2300

Provider Name:
The Tamalpais

Facility Operator: Sequoia Living, Inc.

Religious Affiliation: None

Year Opened: 1969 # of Acres: 6 Miles to Shopping Center: <1 Miles to Hospital: <1

Single Story Multi-Story Other:

Number of Units: Residential Living: 224 units

Health Care: 74 units & Beds

Residential Living	Number of Units	Health Care	Number of Units
Apartments – Studio:	_____	Assisted Living:	_____
Apartments – 1 Bdrm:	_____	Skilled Nursing:	_____
Apartments – 2 Bdrm:	_____	Special Care:	_____
Cottages/Houses:	_____	Description:	_____

RLU Occupancy (%) at Year End: 91.1%

Type of Ownership: Not for Profit
 For Profit

Accredited? Yes By: CARF-CCAC
 No

Form of Contact: Continuing Care Life Care Entrance Fee Fee for Service
(Check all that apply) Assignment of Assets Equity Membership Rental

Refund Provisions: Refundable 90% 50%
(Check all that apply) Repayable 75% Other: Non-Repayable

Range of Entrance Fees: \$117,900 - \$1,698,700

Long-Term Care Insurance Required? Yes No

Health Care Benefits Included in Contract: Lifecare contracts, exclusions include Rx, dental, gla:

Entry Requirements: Min Age: _____ Prior Profession: _____ Other: _____

Resident Representative(s) to, and Resident Members on, the Board:
(briefly describe provider's compliance and residents' roles):

All providers are required by Health and Safety Code section 1789.1 to provide this report to prospective residents before executing a deposit agreement or continuing care contract or receiving any payment. Many communities are part of multi-facility operations which may influence financial reporting. Consumers are encouraged to ask questions of the continuing care retirement community that they are considering and to seek advice from professional advisors.

Facility Services and Amenities

Common Area Amenities	Available	Fee for Service	Services Available	Included in Fee	For Extra Charge
Beauty/Barber Shop	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Housekeeping (<u>4</u> Times/	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Billiard Room	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Month at \$ <u>N/A</u> each)		
Bowling Green	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Meals (<u>3</u> /Day)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Card Rooms	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Special Diets Available	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Chapel	<input type="checkbox"/>	<input type="checkbox"/>			
Coffee Shop	<input type="checkbox"/>	<input checked="" type="checkbox"/>	24-Hour Emergency Response	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Craft Rooms	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Activities Program	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Exercise Room	<input checked="" type="checkbox"/>	<input type="checkbox"/>	All Utilities Except Phone	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Golf Course Access	<input type="checkbox"/>	<input type="checkbox"/>	Apartment Maintenance	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Library	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Cable TV	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Putting Green	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Linens Furnished	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Shuffleboard	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Linens Laundered	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Spa	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Medication Management	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Swimming Pool – Indoor	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Nursing/Wellness Clinic	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Swimming Pool – Outdoor	<input type="checkbox"/>	<input type="checkbox"/>	Personal Home Care	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Tennis Court	<input type="checkbox"/>	<input type="checkbox"/>	Transportation – Personal	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workshop	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Transportation – Prearranged	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other: <u>Resident Garc</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Other: <u>Medical supplies</u></u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Provider Name: The Tamalpais

Affiliated CCRCs	Location (city, state)	Phone (with area code)
Sequoias - San Francisco	San Francisco, California	415-922-9700
Sequoias - Portola Valley	Portola Valley, California	650-851-1501
Viamonte	Walnut Creek, California	925-621-6600

Multi-Level Retirement Communities	Location (city, state)	Phone (with area code)

Free-Standing Skilled Nursing	Location (city, state)	Phone (with area code)

Subsidized Senior Housing	Location (city, state)	Phone (with area code)
Western Park Apartments	San Francisco, California	415-922-5436
Eastern Park Apartments	San Francisco, California	415-776-0114
Town Park Towers	San Jose, California	408-288-8750

NOTE: Please indicate if the facility is a life care facility.

Provider Name: The Tamalpais

Income and Expenses [Year]	2020	2021	2022	2023
Income from Ongoing Operations				
Operating Income (Excluding amortization of entrance fee income)	\$103,427	\$ 99,909	\$ 77,910	\$112,237
Less Operating Expenses (Excluding depreciation, amortization, and interest)	96,191	90,150	90,014	96,657
Net Income From Operations	7,236	9,759	(12,104)	15,580
Less Interest Expense	5,627	6,399	7,120	7,040
Plus Contributions	2,882	1,082	557	766
Plus Non-Operating Income (Expenses) (Excluding extraordinary items)	4,573	5,114	4,301	5,603
Net Income (Loss) Before Entrance Fees, Depreciation And Amortization	9,064	9,556	(14,366)	14,909
Net Cash Flow From Entrance Fees (Total Deposits Less Refunds)	\$12,922	\$23,378	\$27,589	18,590

Description of Secured Debt (as of most recent fiscal year end)

Lender	Outstanding Balance	Interest Rate	Date of Origination	Date of Maturity	Amortization Period
CHFFA	\$52,865,000	2% - 5%	2015	2044	30 Years
Citibank	\$14,010,961	5.81%	2015	2045	30 Years
Citibank	\$21,074,426	4.41%	2017	2034	15 Years
Chase	\$59,428,539	3.91%	2023	2039	15 Years

Financial Ratios (see last page for ratio formulas)

Financial Ratios [Year]	CCAC Medians 50th Percentile (optional)	2021	2022	2023
Debt to Asset Ratio	N/A	38.17%	38.50%	31.51%
Operating Ratio	N/A	90.23%	124.67%	91.8%
Debt Service Coverage Ratio	N/A	7.02	4.32	6.16
Days Cash On Hand Ratio	N/A	600	431	426

Provider Name: The Tamalpais

Historical Monthly Service Fees (Average Fee and Change Percentage)

Residence/Service [Year]	2020	%	2021	%	2022	%	2023	%
Studio	\$4,457	5.0%	\$4,613	3.5%	\$4,878	5.75%	\$5,329	9.25%
One Bedroom	\$5,758	5.0%	\$5,960	3.5%	\$6,303	5.75%	\$6,886	9.25%
Cottage/House	\$9,939	5.0%	\$10,287	3.5%	\$10,878	5.75%	\$11,884	9.25%
Assisted Living								
Skilled Living								
Special Care								

Comments from Provider:

Financial Ratio Formulas

Long-Term Debt to Total Assets Ratio

$$\frac{\text{Long Term Debt, less Current portion}}{\text{Total Assets}}$$

Operating Ratio

$$\frac{\text{Total Operating Expenses - Depreciation Expense - Amortization Expense}}{\text{Total Operating Revenues - Amortization of Deferred Revenue}}$$

Debt Service Coverage Ratio

$$\frac{\text{Total Excess of Revenues Over Expenses + Interest, Depreciation, and Amortization Expenses + Amortization of Deferred Revenue + Net Proceeds from Entrance Fees}}{\text{Annual Debt Service}}$$

Days Cash On Hand Ratio

$$\frac{\text{Unrestricted Current Cash \& Investments + Unrestricted Non-Current Cash and Investments}}{(\text{Operating Expenses - Depreciation - Amortization})/365}$$

NOTE: These formulas are also used by the Continuing Care Accreditation Commission. For each formula, that organization also publishes annual median figures for certain continuing care retirement communities.

Part 7

FORM 7-1 REPORT ON CCRC MONTHLY CARE FEES

Complete **Form 7-1** to report the monthly care fee increase (MCFI) for **each** community operated by the Provider. If fee increases were made during the reporting period for a community, indicate by checking the box below **Line [2]**. Provide a separate Form 7-1 for each of their continuing care retirement communities.

1. On **Line 1**, enter the amount of monthly care fees for each level of care at the *beginning* of the reporting period.
2. On **Line 2**, indicate the percentage(s) of increase in fees implemented during the *reporting* period.
3. On **Line 3**, indicate the date the fee increase was implemented. If more than one (1) increase was implemented, indicate the date(s) for each increase.
4. Check *each* of the appropriate boxes.
5. Provide a detailed explanation for the increase in monthly care fees including the total dollar amount for each level of care and corresponding percentage increase for each level of care in compliance with the Health and Safety Code. The explanation shall set forth the reasons, by department cost centers, for any increase in monthly care fee. It must include a statement that the increase in monthly care fees is due to any actual or projected costs related to any other CCRC community or entity, including the provider or parent company.

The methodology used to budget future costs should align with one or more of the following factors: “projected future costs, per capita costs and economic indicators.” Describe the methodology used for single or multiple communities. If the increase is in percentages, i.e., by level of care, a separate explanation for each MCFI will be required.

Also, if there is a positive result of operations, the provider will need to explain how the funds will be used to maintain operations consistent with disclosures made in the applicable sections of the Continuing Care Contract.

This attachment should include the data used in the Monthly Care Fee Increase meeting presentation to the residents, which will also include actual results and an explanation of any variances.

NOTE: Providers shall retain all documents related to the development of adjusted fees at their respective offices for a period of at least three years, i.e., budgets, statements of operations, cost reports, used near the end of the prior reporting period for adjustments implemented in the current reporting period. These documents must be available for review upon request by the Department.

FORM 7-1
REPORT ON CCRC MONTHLY CARE FEES

	RESIDENTIAL LIVING	ASSISTED LIVING	MEMBER CARE
1. Monthly Care Fees at beginning of reporting period: (indicate range, if applicable)	\$4,285-15,043	\$4,285-11,993	\$4,285-
2. Indicate percentage of increase in fees imposed during reporting period: (indicate range, if applicable)	9.25%	5%-9.25%	5%-9.25%

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

3. Indicate the date the fee increase was implemented: 4/1/2023
(If more than one (1) increase was implemented, indicate the dates for each increase.)

4. Check each of the appropriate boxes:

- Each fee increase is based on the Provider’s projected costs, prior year per capita costs, and economic conditions.
- All affected residents were given written notice of this fee increase at least 30 days prior to its implementation.
Date of Notice: 2/15/2023 **Method of Notice:** Letter in residents cubby
- At least 30 days prior to the increase in fees, the designated representative of the Provider conveyed the reasons for the increase to residents. **Date of Meeting:** 1/15/2023
residents were invited to attend.
- At the meeting with residents, the Provider discussed and explained the reasons for the increase, the amount of the increase, and the data used for calculating the increase.
- The Provider distributed the documents to all residents by [Optional - check all that apply]:
 - Emailed the documents to those residents for whom the provider had email addresses on file
 - Placed hard copies in resident cubby
 - Placed hard copies at designated locations
 - Provided hard copies to residents upon request, and/or
 - Other: [please describe] Via US Mail
 - Date of Notice:** 2/15/2023

- The Provider provided residents with at least 14 days advance notice of each meeting held to discuss the budget for the coming year.
Date of Notice: 1/15/2023

- The governing body of the Provider, or the designated representative of the Provider posted the notice for the meeting in a conspicuous place in the community at least 14 days prior to the meeting.

Date of Posting: 1/15/2023 **Location of Posting:** Mail room

- Providers evaluated the effectiveness of consultations during the annual budget planning process every two years by the continuing care retirement community administration. The evaluation, including information relating to cooperation with residents was made available to the resident association or its governing body, if one exists, to a committee of residents at least 14 days prior to the next semiannual meeting of the resident association governing body and posted a copy of that evaluation in a conspicuous location at each facility.

Date of Posting: _____ **Location of Posting:** _____

5. On an attached page, provide a detailed explanation for the increase in monthly care fees including the impact on residents and compliance with the Health and Safety Code.

PROVIDER: Sequoia Living, Inc. **COMMUNITY:** Sequoia San Francisco

FORM 7-1 REPORT ON CCRC MONTHLY CARE FEES

Complete **Form 7-1** to report the monthly care fee increase (MCFI) for **each** community operated by the Provider. If fee increases were made during the reporting period for a community, indicate by checking the box below **Line [2]**. Provide a separate Form 7-1 for each of their continuing care retirement communities.

1. On **Line 1**, enter the amount of monthly care fees for each level of care at the *beginning* of the reporting period.
2. On **Line 2**, indicate the percentage(s) of increase in fees implemented during the *reporting* period.
3. On **Line 3**, indicate the date the fee increase was implemented. If more than one (1) increase was implemented, provide the date(s) for each increase.
4. Check *each* of the appropriate boxes.
5. Provide a detailed explanation for the increase in monthly care fees including the total dollar amount for each level of care and corresponding percentage increase for each level of care in compliance with the Health and Safety Code. The explanation shall set forth the reasons, by department cost centers, for any increase in monthly care fee. It must include a statement that the increase in monthly care fees is due to any actual or projected costs related to any other CCRC community or entity, including the provider or parent company.

The methodology used to budget future costs should align with one or more of the following factors: “projected future costs, per capita costs and economic indicators.” Describe the methodology used for single or multiple communities. If the increase is in percentages, i.e., by level of care, a separate explanation for each MCFI will be required.

Also, if there is a positive result of operations, the provider will need to explain how the funds will be used to maintain operations consistent with disclosures made in the applicable sections of the Continuing Care Contract.

This attachment should include the data used in the Monthly Care Fee Increase meeting presentation to the residents, which will also include actual results and an explanation of any variances.

NOTE: Providers shall retain all documents related to the development of adjusted fees at their respective offices for a period of at least three years, i.e., budgets, statements of operations, cost reports, used near the end of the prior reporting period for adjustments implemented in the current reporting period. These documents must be available for review upon request by the Department.

FORM 7-1
REPORT ON CCRC MONTHLY CARE FEES

	RESIDENTIAL LIVING	ASSISTED LIVING	MEMBER CARE
1. Monthly Care Fees at beginning of reporting period: (indicate range, if applicable)	<u>\$4,335-15,102</u>	<u>\$5,419-15,102</u>	<u>\$5,419</u>
2. Indicate percentage of increase in fees imposed during reporting period: (indicate range, if applicable)	<u>9.25%</u>	<u>5.1%-9.25%</u>	<u>5.1%-9.25%</u>
<input type="checkbox"/> Check here if monthly care fees at this community were <u>not</u> increased during the reporting period. (If checked, please skip down to the bottom of this form and specify the names of the provider and community.)			
3. Indicate the date the fee increase was implemented: <u>4/1/2023</u> (If more than one (1) increase was implemented, indicate the dates for each increase.)			
4. Check each of the appropriate boxes:			
<input checked="" type="checkbox"/> Each fee increase is based on the Provider's projected costs, prior year per capita costs, and economic conditions.			
<input checked="" type="checkbox"/> All affected residents were given written notice of this fee increase at least 30 days prior to its implementation. Date of Notice: <u>12/13/2022</u> Method of Notice: <u>Email</u>			
<input checked="" type="checkbox"/> At least 30 days prior to the increase in fees, the designated representative of the Provider conveyed the reasons for the increase to residents and residents were invited to attend. Date of Meeting: <u>2/17/2023</u>			
<input checked="" type="checkbox"/> At the meeting with residents, the Provider discussed and explained the reasons for the increase, the amount of the increase, and the data used for calculating the increase.			
<input checked="" type="checkbox"/> The Provider distributed the documents to all residents by [Optional - check all that apply]:			
<input checked="" type="checkbox"/> Emailed the documents to those residents for whom the provider had email addresses on file			
<input checked="" type="checkbox"/> Placed hard copies in resident cubby			
<input type="checkbox"/> Placed hard copies at designated locations			
<input checked="" type="checkbox"/> Provided hard copies to residents upon request, and/or			
<input checked="" type="checkbox"/> Other: [please describe] <u>Residents Cubby</u>			
<input checked="" type="checkbox"/> Date of Notice: <u>12/28/2022</u>			

The Provider provided residents with at least 14 days advance notice of each meeting held to discuss the budget for the coming year.
Date of Notice: 2/1/2023

The governing body of the Provider, or the designated representative of the Provider posted the meeting notice for the meeting in a conspicuous place in the community at least 14 days prior to the meeting.

Date of Posting: 2/17/2023 **Location of Posting:** Posted on front desk, mail room

Providers evaluated the effectiveness of consultations during the annual budget planning process every two years by the continuing care retirement community administration. The evaluation, including recommendations relating to cooperation with residents was made available to the resident association or its governing body. If a resident association exists, to a committee of residents at least 14 days prior to the next semiannual meeting of the resident association governing body and posted a copy of that evaluation in a conspicuous location at each facility.

Date of Posting: _____ **Location of Posting:** _____

5. On an attached page, provide a detailed explanation for the increase in monthly care fees including the impact on residents and compliance with the Health and Safety Code.

PROVIDER: Sequoia Living, Inc. **COMMUNITY:** Sequoia Portola Valley

FORM 7-1 REPORT ON CCRC MONTHLY CARE FEES

Complete **Form 7-1** to report the monthly care fee increase (MCFI) for **each** community operated by the Provider. If fee increases were made during the reporting period for a community, indicate by checking the box below **Line [2]**. Provide a separate Form 7-1 for each of their continuing care retirement communities.

1. On **Line 1**, enter the amount of monthly care fees for each level of care at the *beginning* of the reporting period.
2. On **Line 2**, indicate the percentage(s) of increase in fees implemented during the *reporting* period.
3. On **Line 3**, indicate the date the fee increase was implemented. If more than one (1) increase was implemented, indicate the date(s) for each increase.
4. Check *each* of the appropriate boxes.
5. Provide a detailed explanation for the increase in monthly care fees including the total dollar amount for each level of care and corresponding percentage increase for each level of care in compliance with the Health and Safety Code. The explanation shall set forth the reasons, by department cost centers, for any increase in monthly care fee. It must include a statement that the increase in monthly care fees is due to any actual or projected costs related to any other CCRC community or entity, including the provider or parent company.

The methodology used to budget future costs should align with one or more of the following factors: “projected future costs, per capita costs and economic indicators.” Describe the methodology used for single or multiple communities. If the increase is in percentages, i.e., by level of care, a separate explanation for each MCFI will be required.

Also, if there is a positive result of operations, the provider will need to explain how the funds will be used to maintain operations consistent with disclosures made in the applicable sections of the Continuing Care Contract.

This attachment should include the data used in the Monthly Care Fee Increase meeting presentation to the residents, which will also include actual results and an explanation of any variances.

NOTE: Providers shall retain all documents related to the development of adjusted fees at their respective offices for a period of at least three years, i.e., budgets, statements of operations, cost reports, used near the end of the prior reporting period for adjustments implemented in the current reporting period. These documents must be available for review upon request by the Department.

FORM 7-1
REPORT ON CCRC MONTHLY CARE FEES

	RESIDENTIAL LIVING	ASSISTED LIVING	MEM C
1. Monthly Care Fees at beginning of reporting period: (indicate range, if applicable)	<u>\$4,264-17,068</u>	<u>\$4,264-13,764</u>	<u>N/A</u>
2. Indicate percentage of increase in fees imposed during reporting period: (indicate range, if applicable)	<u>9.25%</u>	<u>9.25%-9.52%</u>	<u>N/A</u>

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

3. Indicate the date the fee increase was implemented: 4/1/2023
(If more than one (1) increase was implemented, indicate the dates for each increase.)

4. Check each of the appropriate boxes:

Each fee increase is based on the Provider’s projected costs, prior year per capita costs, and economic conditions.

All affected residents were given written notice of this fee increase at least 30 days prior to its implementation.
Date of Notice: 3/1/2023 **Method of Notice:** Letter

At least 30 days prior to the increase in fees, the designated representative of the Provider convened a meeting with residents and/or family members. **Date of Meeting:** 2/1/2023
residents were invited to attend.

At the meeting with residents, the Provider discussed and explained the reasons for the increase, the amount of the increase, and the data used for calculating the increase.

The Provider distributed the documents to all residents by [Optional - check all that apply]:

Emailed the documents to those residents for whom the provider had email addresses on file.

Placed hard copies in resident cubby

Placed hard copies at designated locations

Provided hard copies to residents upon request, and/or

Other: [please describe] Mail

Date of Notice: 3/1/2023

- The Provider provided residents with at least 14 days advance notice of each meeting held to discuss the budget for the coming year.
Date of Notice: 2/1/2023

- The governing body of the Provider, or the designated representative of the Provider posted the notice for the meeting in a conspicuous place in the community at least 14 days prior to the meeting.

Date of Posting: 2/1/2023 **Location of Posting:** Channel 994, Email, Resident Association Meeting

- Providers evaluated the effectiveness of consultations during the annual budget planning process every two years by the continuing care retirement community administration. The evaluation, including information relating to cooperation with residents was made available to the resident association or its governing body, if one exists, to a committee of residents at least 14 days prior to the next semiannual meeting of residents. The governing body and posted a copy of that evaluation in a conspicuous location at each facility.

Date of Posting: _____ **Location of Posting:** _____

5. On an attached page, provide a detailed explanation for the increase in monthly care fees including the impact on residents and compliance with the Health and Safety Code.

PROVIDER: Sequoia Living, Inc. **COMMUNITY:** The Tamalpais

Part 8

KEY INDICATORS REPORT

Date Prepared: 04/30/2024



Provider Name: Sequoia Living, Inc.

Chief Executive Officer Signature

Please attach an explanatory memo that summarizes significant trends or variances in the key operational indicators.

	2019	2020	2021	2022	2023	Projected 2024	Forecast			2028	Preferred Trend Indicator
							2025	2026	2027		
OPERATIONAL STATISTICS											
1. Average Annual Occupancy by Site (%)	96%	92%	87%	82%	85%	87%	87%	87%	87%	87%	N/A
MARGIN (PROFITABILITY) INDICATORS											
2. Net Operating Margin (%)	-6.87%	-4.91%	-6.76%	-2.47%	-5.77%	0.85%	0.85%	0.85%	0.85%	0.85%	↑
3. Net Operating Margin - Adjusted (%)	22.19%	26.72%	22.99%	38.56%	48.28%	34.51%	34.51%	34.51%	34.51%	34.51%	↓
LIQUIDITY INDICATORS											
4. Unrestricted Cash and Investments (\$000)	\$118,039	\$123,167	\$142,444	\$121,076	\$155,274	\$155,274	\$155,274	\$155,274	\$155,274	\$155,274	↑
5. Days Cash on Hand (Unrestricted)	478	481	564	391	452	452	452	452	452	452	↑
CAPITAL STRUCTURE INDICATORS											
6. Deferred Revenue from Entrance Fees (\$000)	\$141,409	\$192,255	\$155,506	\$173,838	\$178,978	\$184,168	\$184,168	\$184,168	\$184,168	\$184,168	N/A
7. Net Annual E/F proceeds (\$000)	\$19,821	\$30,997	\$36,520	\$66,111	\$58,816	\$43,500	\$43,500	\$43,500	\$43,500	\$43,500	N/A
8. Unrestricted Net Assets (\$000)	\$41,124	\$38,669	\$60,862	\$56,242	\$63,887	\$63,887	\$63,887	\$63,887	\$63,887	\$63,887	N/A
9. Annual Capital Asset Expenditure (\$000)	\$40,031	\$79,224	\$40,000	\$49,057	\$29,568	\$33,042	\$33,042	\$33,042	\$33,042	\$33,042	N/A
10. Annual Debt Service Coverage Revenue Basis (x)	1.54	1.13	2.64	-0.70	1.40	0.69	0.68	0.67	0.66	0.66	↑
11. Annual Debt Service Coverage (x)	5.88	5.64	5.45	4.22	5.94	4.12	4.05	3.99	3.93	3.93	↑
12. Annual Debt Service/Revenue (%)	4.53%	6.60%	10.28%	12.25%	8.39%	5.73%	5.73%	5.73%	5.73%	5.73%	↓
13. Average Annual Effective Interest Rate (%)	1.45%	2.07%	4.31%	4.11%	5.36%	4.61%	4.71%	4.82%	4.94%	4.94%	↓
14. Unrestricted Cash & Investments/ Long-Term Debt (%)	37.59%	37.09%	47.28%	47.97%	82.40%	84.19%	86.16%	88.32%	90.71%	90.71%	↑
15. Average Age of Facility (years)	13.27	13.63	11.26	13.02	12.31	11.25	12.15	13.12	14.17	15.15	↓