

CERTIFICATE

BLC Glenwood-Gardens AL-LH, LLC DBA Brookdale Riverwalk

State of TENNESSEE)

SS:

County of WILLIAMSON)

The enclosed Annual Report for BLC Glenwood-Gardens AL-LH, LLC DBA Brookdale Riverwalk and any amendments thereto are correct to the best of my knowledge and belief.

The continuing care contract form in use or offered to new residents at Brookdale Riverwalk has been approved by the Department.

As of the date of this certification, BLC Glenwood-Gardens AL-LH, LLC is maintaining the required liquid reserve.



Dawn Kussow
Executive Vice President

Sworn and subscribed to before me,
a Notary Public, this 29th day
of April, 2025

Linda B. DeVault
Notary

My commission expires: 9-22-27



FORM 1-1
RESIDENT POPULATION

Line	Continuing Care Residents	TOTAL
[1]	Number at beginning of fiscal year	220
[2]	Number at end of fiscal year	218
[3]	Total Lines 1 and 2	438
[4]	Multiply Line 3 by ".50" and enter result on Line 5.	x.50
[5]	Mean number of continuing care residents	219
All Residents		
[6]	Number at beginning of fiscal year	238
[7]	Number at end of fiscal year	245
[8]	Total Lines 6 and 7	483
[9]	Multiply Line 8 by ".50" and enter result on Line 10.	x.50
[10]	Mean number of all residents	241.5
[11]	Divide the mean number of continuing care residents (Line 5) by the mean number of all residents (Line 10) and enter the result (round to two decimal places).	90.68%

FORM 1-2
ANNUAL PROVIDER FEE

Line		TOTAL
[1]	Total Operating Expenses (including depreciation and debt service- interest only)	\$ 15,059,000
[a]	Depreciation	\$ 597,000
[b]	Debt Service (Interest Only)	\$ -
[2]	Subtotal (add Line 1a and 1b)	\$ 597,000
[3]	Subtract Line 2 from Line 1 and enter result.	\$ 14,462,000
[4]	Percentage allocated to continuing care residents (Form 1-1, Line 11)	90.68%
[5]	Total Operating Expense for Continuing Care Residents (multiply Line 3 by Line 4)	\$ 13,115,000
[6]	Total Amount Due (multiply Line 5 by .001)	x .001
		\$ 13,115

PROVIDER: BLC Glenwood Gardens AL-LH, LLC dba Brookdale Riverwalk
COMMUNITY: Brookdale Riverwalk



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
04/25/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Marsh USA LLC on Behalf of Willis Towers Watson Management (Cayman) Limited The White House (c/o Regus), 20 Genesis Close George Town, P.O. Box 30600 Grand Cayman KY1-1203 C	CONTACT NAME: Marsh U.S. Operations PHONE (A/C, No, Ext): 866-966-4664 E-MAIL ADDRESS: Chicago.CertRequest@marsh.com FAX (A/C, No): 212-948-0770														
INSURED Brookdale Senior Living, Inc. 105 Westwood Place, Suite 400 Brentwood, TN 37027	<table><tr><th>INSURER(S) AFFORDING COVERAGE</th><th>NAIC #</th></tr><tr><td>INSURER A : Senior Service Insurance Limited</td><td></td></tr><tr><td>INSURER B :</td><td></td></tr><tr><td>INSURER C :</td><td></td></tr><tr><td>INSURER D :</td><td></td></tr><tr><td>INSURER E :</td><td></td></tr><tr><td>INSURER F :</td><td></td></tr></table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Senior Service Insurance Limited		INSURER B :		INSURER C :		INSURER D :		INSURER E :		INSURER F :	
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INSURER E :															
INSURER F :															

COVERAGES

CERTIFICATE NUMBER:

CHI-010927104-01

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	COMMERCIAL GENERAL LIABILITY <input checked="" type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR Deductible: 750,000 GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:			SSIL-02-2025	12/31/2024	12/31/2025	EACH OCCURRENCE \$ 2,250,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ EXCLUDED PERSONAL & ADV INJURY \$ 2,250,000 GENERAL AGGREGATE \$ 10,000,000 PRODUCTS - COMP/OP AGG \$ 2,250,000 Policy Aggregate \$ 20,000,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB EXCESS LIAB DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A				PER STATUTE OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	PROFESSIONAL LIABILITY			SSIL-02-2025	12/31/2024	12/31/2025	EACH CLAIM \$ 2,250,000 EACH LOCATION AGG \$ 10,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Re: Insured Location(s): Brookdale Riverwalk IL_AL_MC (CA), 350 Calloway Drive, Bakersfield, CA 93312-2974.

\$2,250,000 xs \$750,000 is funded into the named insured's Captive as determined by an independent actuarial firm at the 75% Confidence interval.

CERTIFICATE HOLDER

CANCELLATION

Brookdale Riverwalk IL_AL_MC (CA) 350 Calloway Drive Bakersfield, CA 93312-2974	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE of Marsh USA LLC <i>John Thompson</i>
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AGENCY CUSTOMER ID: CN102607139

LOC #: Chicago



ADDITIONAL REMARKS SCHEDULE

Page 2 of 2

AGENCY Marsh USA LLC on Behalf of		NAMED INSURED Brookdale Senior Living, Inc. 105 Westwood Place, Suite 400 Brentwood, TN 37027	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE		

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
 FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance

EMPLOYEE BENEFITS LIABILITY
 \$2,250,000 Each Claim

Deductible:

Professional Liability - \$750,000 Each Claim
 General Liability - \$750,000 Each Claim
 Employee Benefits Liability - \$750,000 Each Claim

STANDALONE TERRORISM COVERAGE
 POLICY #: ZDB46C24ANSV
 CARRIER: Lloyds Of London (AFB)
 EFFECTIVE DATE: 12/31/2024
 EXPIRATION DATE: 12/31/2025
 LIMITS: \$55,000,000
 DEDUCTIBLE: \$25,000



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
01/05/2025

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	PHONE (A/C, No, Ext): 866-966-4664	E-MAIL ADDRESS: Chicago.CertRequest@marsh.com	
INSURED Brookdale Senior Living, Inc 105 Westwood Place, Suite 400 Brentwood, TN 37027	INSURER(S) AFFORDING COVERAGE		NAIC #
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	INSURER B:		
	INSURER C:		
	INSURER D:		
	INSURER E:		
INSURER F:			

COVERAGES

CERTIFICATE NUMBER:

CHI-010858621-01

REVISION NUMBER:

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AGENCY CUSTOMER ID: CN102607139

LOC #: Chicago



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Page 2 of 2

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EMPLOYEE BENEFITS LIABILITY

\$2,250,000 Each Claim

Deductible:

Professional Liability - \$750,000 Each Claim

General Liability - \$750,000 Each Claim

Employee Benefits Liability - \$750,000 Each Claim

STANDALONE TERRORISM COVERAGE

POLICY #: ZDB46C24ANSV

CARRIER: Lloyds Of London (AFB)

EFFECTIVE DATE: 12/31/2024

EXPIRATION DATE: 12/31/2025

LIMITS: \$55,000,000

DEDUCTIBLE: \$25,000

BLC GLENWOOD-GARDENS AL-LH, LLC
d/b/a BROOKDALE RIVERWALK

Financial Statements

December 31, 2024 and 2023

(With Independent Auditors' Report Thereon)

LBMC

**BLC Glenwood-Gardens AL-LH, LLC
d/b/a Brookdale Riverwalk**

Index to Financial Statements

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INDEPENDENT AUDITORS' REPORT

The Member
BLC Glenwood Gardens AL-LH, LLC:

Opinion

We have audited the accompanying financial statements of BLC Glenwood Gardens AL-LH, LLC d/b/a Brookdale Riverwalk (the "Company"), which comprise the balance sheets as of December 31, 2024 and 2023, and the related statements of operations, changes in member's equity and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis of Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditors' 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 generally accepted auditing standards 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period.

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.

LBM, PC

Brentwood, Tennessee
April 1, 2025

BLC GLENWOOD-GARDENS AL-LH, LLC
d/b/a BROOKDALE RIVERWALK
Balance Sheets
December 31, 2024 and 2023
(In thousands)

	<u>2024</u>	<u>2023</u>
Assets		
Current assets:		
Accounts receivable, net	\$ 14	\$ 1
Other current assets	<u>112</u>	<u>114</u>
Total current assets	126	115
Property and equipment, net	2,515	2,328
Deferred tax asset	<u>525</u>	<u>494</u>
Total assets	<u>\$ 3,166</u>	<u>\$ 2,937</u>
Liabilities and Member's Equity		
Current liabilities:		
Accounts payable	\$ 133	\$ 99
Accrued expenses	537	629
Refundable fees and deferred revenue	301	192
Tenant security deposits	<u>6</u>	<u>6</u>
Total current liabilities	977	926
Member's equity	<u>2,189</u>	<u>2,011</u>
Total liabilities and member's equity	<u>\$ 3,166</u>	<u>\$ 2,937</u>

See accompanying notes to financial statements.

BLC GLENWOOD-GARDENS AL-LH, LLC
d/b/a BROOKDALE RIVERWALK
Statements of Operations
For the years ended December 31, 2024 and 2023
(In thousands)

	<u>2024</u>	<u>2023</u>
Revenue:		
Resident services	\$ 14,593	\$ 13,698
Ancillary services	466	455
Other operating income	<u>—</u>	<u>3</u>
Total revenue	<u>15,059</u>	<u>14,156</u>
Expenses:		
Community operating expense	8,710	8,475
General and administrative	1,577	1,456
Facility lease expense	3,422	3,019
Depreciation	597	499
Management fee expense	<u>753</u>	<u>708</u>
Total operating expenses	<u>15,059</u>	<u>14,157</u>
Loss before income taxes	—	(1)
Income tax benefit	<u>—</u>	<u>1</u>
Net income	<u>\$ —</u>	<u>\$ —</u>

See accompanying notes to financial statements.

BLC GLENWOOD-GARDENS AL-LH, LLC
d/b/a BROOKDALE RIVERWALK
Statements of Changes in Member's Equity
For the years ended December 31, 2024 and 2023
(In thousands)

	Member's Equity
Balance at December 31, 2022	\$ 1,786
Member contributions	<u>225</u>
Balance at December 31, 2023	2,011
Member contributions	<u>178</u>
Balance at December 31, 2024	\$ <u><u>2,189</u></u>

See accompanying notes to financial statements.

BLC GLENWOOD-GARDENS AL-LH, LLC
d/b/a BROOKDALE RIVERWALK
Statements of Cash Flows
For the years ended December 31, 2024 and 2023
(In thousands)

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Cash received from residents	\$ 15,155	\$ 14,141
Cash received from government grants	—	3
Cash paid to suppliers and employees	(11,076)	(10,645)
Cash paid for facility lease	(3,422)	(3,019)
Cash paid for current income taxes	(51)	—
Net cash provided by operating activities	<u>606</u>	<u>480</u>
Cash flows used by investing activities - Purchases of property and equipment	<u>(784)</u>	<u>(705)</u>
Cash flows provided by financing activities - Member contributions	<u>178</u>	<u>225</u>
Net change in cash	—	—
Cash at beginning of year	—	—
Cash at end of year	\$ <u>—</u>	\$ <u>—</u>
Reconciliation of net income to net cash provided by operating activities:		
Net income	\$ —	\$ —
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	597	499
Deferred income tax benefit	(31)	(52)
Provision for credit losses	30	86
(Increase) decrease in:		
Accounts receivable	(43)	(71)
Other current assets	2	(66)
Increase (decrease) in:		
Accounts payable and accrued expenses	(58)	111
Refundable fees and deferred revenue	109	(27)
Net cash provided by operating activities	\$ <u>606</u>	\$ <u>480</u>

See accompanying notes to financial statements.

BLC GLENWOOD-GARDENS AL-LH, LLC
d/b/a BROOKDALE RIVERWALK
Notes to Financial Statements
December 31, 2024 and 2023
(amounts in thousands except as where otherwise stated)

1. Organization

BLC Glenwood-Gardens AL-LH, LLC d/b/a Brookdale Riverwalk (the "Company"), a wholly-owned subsidiary of Brookdale Senior Living Inc. ("Brookdale"), is an operator of a senior living community (the "Community") in Bakersfield, California. The Company is committed to providing senior living solutions through a property that is designed, purpose-built and operated to provide the highest quality service, care and living accommodations for residents. The Community offers a variety of living arrangements and services to accommodate many levels of physical ability and health. The Community has 19 independent living units, 227 assisted living units, and 27 memory care units on one campus.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The significant accounting policies have been summarized below.

The State of California (the "State"), under Health and Safety Code Chapter 10, requires the Company to provide financial statements, which include cash flows presented using the direct method. In accordance with this requirement, the Company has presented cash flows and related reconciliations of net income to cash flows provided by operating activities using the direct method for the years ended December 31, 2024 and 2023.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported and disclosures of contingent assets and liabilities in the financial statements and accompanying notes. Although these estimates are based on management's best knowledge of current events and actions that the Company may undertake in the future, actual results may differ from those estimates.

Revenue Recognition

Resident Fees

Resident fee revenue is reported at the amount that reflects the consideration the Company expects to receive in exchange for the services provided. These amounts are due from residents. Performance obligations are determined based on the nature of the services provided. Resident fee revenue is recognized as performance obligations are satisfied.

BLC GLENWOOD-GARDENS AL-LH, LLC
d/b/a BROOKDALE RIVERWALK
Notes to Financial Statements
December 31, 2024 and 2023
(amounts in thousands except as where otherwise stated)

Under the Company's senior living residency agreements the Company provides senior living services to residents for a stated monthly fee. The Company has elected the lessor practical expedient within Accounting Standards Codification ("ASC") 842, *Leases* ("ASC 842") and recognizes, measures, presents, and discloses the revenue for services under the Company's senior living residency agreements based upon the predominant component, either the lease or nonlease component, of the contracts. The Company has determined that the services included under the Company's independent living, assisted living and memory care residency agreements have the same timing and pattern of transfer and are performance obligations that are satisfied over time. The Company recognizes revenue under Accounting Standards Update ("ASU") 2014-09, *Revenue from Contracts with Customers* ("ASU 2014-09" or "ASC 606") for its independent living, assisted living and memory care residency agreements for which it has estimated that the nonlease components of such residency agreements are the predominant component of the contract.

Resident fee revenue is recorded when services are rendered and consists of fees for basic housing, support services and fees associated with additional services such as personalized health. Residency agreements are generally for a term of 30 days to one year, with resident fees billed monthly in advance. Revenue for certain ancillary charges is recognized as services are provided, and such fees are billed monthly in arrears. The Company had total monthly resident fees billed and received in advance included in refundable fees and deferred revenue on the balance sheets of \$294 and \$192 at December 31, 2024 and 2023, respectively. Monthly resident fees billed and received in advance as of January 1, 2023 was \$204.

Government Grants

The Company recognizes income for government grants on a systematic and rational basis over the periods in which the Company recognizes the related expenses or loss of revenue for which the grants are intended to compensate when there is reasonable assurance that the Company will comply with the applicable terms and conditions of the grant and there is reasonable assurance that the grant will be received.

Accounts Receivable

Accounts receivable are reported net of an allowance for credit losses to represent the Company's estimate of inherent losses at the balance sheet date. As of December 31, 2024 and 2023, the allowance for credit losses was \$18 and \$5, respectively. The adequacy of the Company's allowance for credit losses is reviewed on an ongoing basis, using historical payment trends, write-off experience, analyses of receivable portfolios by payor source and aging of receivables, a review of specific accounts, as well as expected future economic conditions and market trends, and adjustments are made to the allowance as necessary.

Property and Equipment

Property and equipment are recorded at cost. Renovations and improvements, which improve and/or extend the useful life of the asset, are capitalized and depreciated over their estimated useful life or the remaining lease term. Leasehold improvements are depreciated over the shorter

BLC GLENWOOD-GARDENS AL-LH, LLC
d/b/a BROOKDALE RIVERWALK
Notes to Financial Statements
December 31, 2024 and 2023
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of the estimated useful life of the assets or the remaining lease term, if acquired prior to January 1, 2024, or over three to twenty years if acquired after January 1, 2024 due to the adoption of ASU 2023-01. Furniture and equipment are depreciated between three to ten years. Depreciation is computed using the straight-line method over the estimated useful lives of the assets or the remaining lease term. Maintenance and repair expenditures that do not improve or extend the life of assets are expensed as incurred.

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of long-lived assets held for use are assessed by a comparison of the carrying amount of the asset to the estimated future undiscounted net cash flows expected to be generated by the asset. If estimated future undiscounted net cash flows are less than the carrying amount of the asset then the fair value of the asset is estimated. The impairment expense is determined by comparing the estimated fair value of the asset to its carrying value, with any amount in excess of fair value recognized as an expense in the current period. Undiscounted cash flow projections and estimates of fair value amounts are based on a number of assumptions such as revenue and expense growth rates, estimated holding periods and estimated capitalization rates.

Income Taxes

In 2011, the Company elected to be taxed as a corporation and file a consolidated federal income tax return with Brookdale. Prior to 2011, this entity was a single member LLC and income taxes were not provided in the financial statements. For the financial statement presentation, the separate-return method is used to allocate current and deferred tax expense (benefit) to the Company as if it were a separate taxpayer. Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are recorded using enacted tax rates expected to apply to taxable income in the year in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

The Company accounts for its uncertainty in income taxes under ASC 740, *Income Taxes*. Under ASC 740 a tax position is recognized as a benefit only if it is "more likely than not" that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur.

As of December 31, 2024 and 2023, the Company has accrued no interest and no penalties related to uncertain tax positions. It is the Company's policy to recognize interest and/or penalties related to income tax matters in income tax expense.

The Company will file a consolidated U.S. Federal and State of California income tax return with Brookdale for the 2024 tax year. There are currently no Federal or California income tax returns subject to examination. The tax returns for years 2020 through 2023 are subject to future examination by tax authorities.

BLC GLENWOOD-GARDENS AL-LH, LLC
d/b/a BROOKDALE RIVERWALK
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New Accounting Standard

The Company adopted ASU 2023-01, *Leases (Topic 842): Common Control Arrangements* effective January 1, 2024. The standard requires entities to amortize leasehold improvements associated with common control leases over the useful life to the common control group. The Company elected the transition option to apply the standard prospectively to any leasehold improvements acquired after January 1, 2024. The adoption of this standard did not have a material effect on the financial statements.

Subsequent Events

The Company has evaluated events subsequent to December 31, 2024 through the date that the financial statements were available to be issued, April 1, 2025, and determined that no events have occurred which would require additional disclosure.

3. Government Grant

During the year ended December 31, 2023, the Company recognized \$3 as other operating income from grants received and credits recognized related to the pandemic based upon its estimates of its satisfaction of the conditions of the grants and credits during such periods and the cash received for grants and credits has been presented within net cash provided by operating activities within the Company's statement of cash flows.

4. Property and Equipment

Net property and equipment as of December 31, 2024 and 2023 consisted of the following:

	2024		2023
Leasehold improvements	\$ 4,670	\$	4,288
Furniture and equipment	5,538		5,157
Construction in progress	31		10
	<u>10,239</u>		<u>9,455</u>
Accumulated depreciation	(7,724)		(7,127)
Property and equipment, net	\$ <u>2,515</u>	\$	<u>2,328</u>

During the years ended December 31, 2024 and 2023, the Company evaluated property and equipment for impairment. There was no impairment charge recorded in 2024 or 2023.

BLC GLENWOOD-GARDENS AL-LH, LLC
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5. Income Taxes

Total income tax expense (benefit) for the years ended December 31, 2024 and 2023 was comprised of:

	<u>2024</u>	<u>2023</u>
U.S. Federal:		
Current	\$ 21	\$ 35
Deferred	(31)	(52)
Total U.S. Federal	<u>(10)</u>	<u>(17)</u>
State:		
Current	<u>10</u>	<u>16</u>
Total State	<u>10</u>	<u>16</u>
Total income tax expense (benefit)	\$ <u>-</u>	\$ <u>(1)</u>

The tax effect of temporary differences that give rise to the net deferred tax asset at December 31, 2024 and 2023 consisted of:

	<u>2024</u>	<u>2023</u>
Deferred tax asset – property and equipment and accrued expenses	\$ 525	\$ 494

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will be realized. The ultimate realization of deferred tax assets related to deductible temporary differences is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. As of December 31, 2024 and 2023 the Company did not carry a valuation allowance against deferred tax assets.

6. Related Party Transactions

Community Lease

On April 28, 2006, the Company entered into a lease agreement (the "Lease") for use of the Community from BLC Glenwood Gardens AL, L.P. (the "Lessor"), a wholly-owned subsidiary of Brookdale. The term of the Lease was 10 years. In 2016, an amendment to the Lease was issued, extending the term of the Lease to December 31, 2030. The Lease requires the Company to pay rent to the Lessor in an amount equal to annual net income of the operations of the Community.

BLC GLENWOOD-GARDENS AL-LH, LLC
d/b/a BROOKDALE RIVERWALK
Notes to Financial Statements
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As there are no required future minimum lease payments, no right-of-use asset or lease liability was recorded on the balance sheets as of December 31, 2024 and 2023.

Management Agreement

On August 26, 2010, the Company entered into a management agreement with Brookdale Living Communities, Inc. (the "Manager"), a wholly-owned subsidiary of Brookdale. Under the terms of the agreement, the Manager receives a management fee of 5.0% of gross revenues (as defined by the terms of the agreement). Out-of-pocket expenses (as defined under the agreement) incurred on behalf of the Company by the Manager are subject to reimbursement to the Manager. The management agreement was amended per the Second Amendment to the Management Agreement dated December 20, 2016, extending the agreement. The management agreement expires on December 31, 2030. The amount incurred for management fees was \$753 and \$708 for the years ended December 31, 2024 and 2023, respectively.

7. Commitments and Contingencies

Minimum Liquid Reserve

The State under Health and Safety Code Chapter 10, requires a minimum liquid reserve ("MLR") balance be maintained based upon certain financial calculations. In May 2017, the Company received a Certificate of Authority issued by the State for BLC Glenwood-Gardens AL-LH, LLC and Brookdale Senior Living Inc. ("Providers") d/b/a Brookdale Riverwalk. In accordance with the Code, the Company has computed its liquid reserve requirement as of December 31, 2024 and 2023, and the reserve is maintained on Brookdale's consolidated audited financial statements. As of December 31, 2024 and 2023, the MLR funded by cash was approximately \$5.4 million and \$4.8 million, respectively. The MLR as of December 31, 2024 included \$3.4 million for debt service reserve and \$2.0 million for operating reserve, to cover operating expenses, and were included in the consolidated financial statements of Brookdale.

Litigation

The Company is subject to legal proceedings and claims that arise in the ordinary course of business.

Insurance

Through Brookdale, the Company currently maintains professional and general liability insurance. Brookdale's current policies provide for deductibles for each claim and as a result they are, in effect, self-insured for claims that are less than the deductible amounts. In addition, the Company participates in Brookdale's large-deductible workers compensation program and a self-insured employee medical program. Estimated costs related to the self-insurance program are accrued at Brookdale based on known claims and projected settlement of unasserted claims incurred but not reported to the Company. The Company records an allocated monthly fee for insurance costs. Subsequent changes in actual experience (including claim costs, claim frequency, and other factors) could result in additional costs to the Company.

BLC GLENWOOD-GARDENS AL-LH, LLC
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Health Care Regulations

The health care industry is subject to numerous laws and regulations of Federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government health care program participation requirements, reimbursement for patient services, fraud and abuse. Violations of these laws and regulations could result in expulsion from government health care programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Management believes that the Company is in compliance with fraud and abuse statutes as well as other applicable government laws and regulations. Compliance with such laws and regulations can be subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time.

**CONTINUING CARE
RESERVE REPORT
PART 5**

LBMC



INDEPENDENT AUDITORS' REPORT

The Member
BLC Glenwood-Gardens AL-LH, LLC:

Opinion

We have audited the accompanying continuing care reserve report Forms 5-1 through 5-5 (the "Reports") of BLC Glenwood-Gardens AL-LH, LLC d/b/a Brookdale Riverwalk (the "Company"), as of December 31, 2024. The Reports have been prepared by management using the report preparation provisions of California Health and Safety Code Section 1792.

In our opinion, the Reports referred to above present fairly, in all material respects, the liquid reserve requirements of the Company as of December 31, 2024, in accordance with the financial reporting provisions 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. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Information* section of our report. We are required to be independent of the Company 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.

Basis of Accounting

The accompanying Reports were prepared in accordance with the report preparation provisions of California Health and Safety Code Section 1792, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The Reports are not intended to be a complete presentation of the Company's assets, liabilities, revenues, and expenses. As a result, the Reports may not be suitable for another purpose. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Information

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

Auditors' Responsibilities for the Audit of the Financial Information

Our objectives are to obtain reasonable assurance about whether the Reports as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 generally accepted auditing standards 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 judgement made by a reasonable user based on the Reports.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the Reports, 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 Reports.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 evaluating the overall presentation of the Reports.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

Restriction on Use

Our report is intended solely for the information and use of the Company and for filing with the California Department of Social Services and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

L B M C, P C

Brentwood, Tennessee
April 24, 2025

FORM 5-1
LONG-TERM DEBT INCURRED IN A PRIOR FISCAL YEAR
(Including Balloon Debt)

Long-Term Debt Obligation	(a) Date Incurred	(b) Principal Paid During Fiscal Year	(c) Interest Paid During Fiscal Year	(d) Credit Enhancement Premiums Paid in Fiscal Year	(e) Total Paid (columns (b)+ (c)+ (d))
1					
2					
3					
4					
5					
6					
7					
8					
TOTAL:			\$0.00	\$0.00	\$0.00

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

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

PROVIDER: BLC Glenwood Gardens AL-LH, LLC dba Brookdale Riverwalk

FORM 5-2
LONG-TERM DEBT INCURRED DURING FISCAL YEAR
(Including Balloon Debt)

Long-Term Debt Obligation	(a) Date Incurred	(b) Total Interest Paid During Fiscal Year	(c) Amount of Most Recent Payment on the Debt	(d) Number of Payments over next 12 months	(e) Reserve Requirement (see instruction 5) (columns (c) x (d))
1					
2					
3					
4					
5					
6					
7					
8					
TOTAL:		\$0.00	\$0.00	\$0.00	\$0.00

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

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

PROVIDER: BLC Glenwood Gardens AL-IH, LLC dba Brookdale Riverwalk

FORM 5-3
CALCULATION OF LONG-TERM DEBT RESERVE AMOUNT

<u>Line</u>		<u>Total</u>
1	Total from Form 5-1 bottom of Column (e)	\$ -
2	Total from Form 5-2 bottom of Column (e)	\$ -
3	Facility leasehold or rental payment paid by provider during fiscal year. (including related payments such as lease insurance)	\$ 3,422,000
4	TOTAL AMOUNT REQUIRED FOR LONG-TERM DEBT RESERVE:	<u><u>\$ 3,422,000</u></u>

PROVIDER: BLC Glenwood Gardens AL-LH, LLC dba Brookdale Riverwalk

FORM 5-4
CALCULATION OF NET OPERATING EXPENSES

Line		Amounts	TOTAL
1	Total operating expenses from financial statements		\$ 15,059,000
2	Deductions		
a	Interest paid on long-term debt (see instructions)	\$ -	
b	Credit enhancement premiums paid for long-term debt (see instructions)	\$ -	
c	Depreciation	\$ 597,000	
d	Amortization	\$ -	
e	Revenues received during the fiscal year for services to persons who did not have a continuing care contract	\$ 1,412,000	
f	Extraordinary expenses approved by the Department	\$ 3,422,000	
3	Total Deductions		\$ 5,431,000
4	Net Operating Expenses		\$ 9,628,000
5	Divide Line 4 by 365 and enter the result.		\$ 26,378
6	Multiply Line 5 by 75 and enter the result. This is the provider's operating expense reserve		\$ 1,978,000

PROVIDER: BLC Glenwood Gardens AL-LH, LLC dba Brookdale Riverwalk

COMMUNITY: Brookdale Riverwalk

FORM 5-4 CALCULATION OF NET OPERATING EXPENSES RECONCILIATION OF LINE 2E**Brookdale Riverwalk**

Ratio of continuing care residents to total residents per Form 1-1

90.68%

Revenues received during the fiscal year for services to persons who did not have a continuing care contract (Line 2E)

\$ 1,412,000

Revenues received from continuing care residents

13,743,000

Cash received for "Resident Revenue"

\$ 15,155,000

Cash received for Resident Revenue is allocated between revenues received from residents and revenues received from persons who did not have a continuing care contract based on the weighted average determined on line 11 of Form 1-1.

Total Resident Revenue, per Income Statement

\$ 15,059,000

Less: Accounts Receivable at 12/31/24

(14,000)

Plus: Accounts Receivable at 12/31/23

1,000

Less: Change in Rents Received in Advance

109,000

Total Resident Revenue, cash basis

\$ 15,155,000

FORM 5-5
ANNUAL RESERVE CERTIFICATION

Provider Name: BLC Glenwood Gardens At-LH, LLC dba Brookdale Riverwalk

Fiscal Year Ended: December 31, 2024

We have reviewed our debt service reserve and operating expense reserve requirements as of, and for the period ended 12/31/24 and are in compliance with those requirements.

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

- [1] Debt Service Reserve Amount
[2] Operating Expense Reserve Amount

Amount	
\$	3,422,000
\$	1,978,000

- [3] Total Liquid Reserve Amount:

\$	5,400,000
----	-----------

Qualifying assets sufficient to fulfill the above requirements are held as follows

Amount
(market value at end of quarter)

Qualifying Asset Description

- [4] Cash and Cash Equivalents
[5] Investment Securities
[6] Equity Securities
[7] Unused/Available Lines of Credit
[8] Unused/Available Letters of Credit
[9] Debt Service Reserve
[10] Other _____

<u>Debt Service Reserve</u>	<u>Operating Reserve</u>
\$ 3,422,000	\$ 1,978,000
_____	_____
_____	_____
_____	_____
_____	(not applicable)
_____	_____

(describe qualifying asset)
See attached statement

Total Amount of Qualifying Assets
Listed for Liquid Reserve:
Total Amount Required:
Surplus/(Deficiency):

[11] \$	3,422,000	[12] \$	1,978,000
[13] \$	3,422,000	[14] \$	1,978,000
[15] \$	-	[16] \$	-

Signature


(Authorized Representative)

Date

4-28-25

Dawn Kussow Executive Vice President
(Title)

Note 1 to the Continuing Care Reserve Report (Part 5)

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.

Section 1792 of the Code indicates that the Company 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, the Company has computed its liquid reserve requirement as of December 31, 2024, its most recent fiscal year end, and the reserve is based on Brookdale Senior Living Inc.'s consolidated audited financial statements for that period.

Note 1 to the Continuing Care Reserve Report (Part 5)

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.

Section 1792 of the Code indicates that the Company should maintain at all times qualifying assets as a liquid reserve in an amount that equals 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 is required to hold as an operating expense reserve under Section 1792.4.

In accordance with the Code, the Company has computed its liquid reserve requirement as of December 31, 2023, its most recent fiscal year end, and the reserve is based on Brookdale Senior Living, Inc.'s consolidated audited financial statements for that period.

Emeritus Corporation, EmeriCare, Inc., Brookdale Senior Living, Inc.
d/b/a Brookdale Riverwalk
Reconciliation Schedule

Income Statement

Operating Expenses	14,462,000	
Debt Service	-	A
Depreciation	597,000	
Total operating expense	15,059,000	
All Other Brookdale Senior Living Communities	3,063,900,000	
Brookdale Senior Living Total Operating Expense	3,078,959,000	

A The master lease that governs these communities was signed in 2014. At the beginning of 2015, we exercised a purchase option on nine communities in the lease. The capital lease liability was reallocated among the remaining communities as a result of the purchase. Hence the difference between the amortized schedule and the IS.

The following is a copy of the selected financial information from Brookdale Senior Living Inc's Form 10-K which is available at https://s26.g4cdn.com/858530099/files/doc_earnings/2024/q4_filing/4Q24-Form-10-K.pdf

BROOKDALE SENIOR LIVING INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share data)

	For the Years Ended December 31,		
	2024	2023	2022
Resident fees	\$ 2,972,050	\$ 2,857,270	\$ 2,585,529
Management fees	10,521	10,161	12,020
Reimbursed costs incurred on behalf of managed communities	142,916	139,325	147,361
Other operating income	—	9,073	80,469
Total revenue and other operating income	3,125,487	3,015,829	2,825,379

Facility operating expense (excluding facility depreciation and amortization of \$330,664, \$317,581, and \$324,904, respectively)	2,183,261	2,129,800	2,083,605
General and administrative expense (including non-cash stock-based compensation expense of \$14,184, \$11,985, and \$14,466, respectively)	185,850	178,894	168,594
Facility operating lease expense	200,587	202,410	165,294
Depreciation and amortization	357,788	342,712	347,444
Asset impairment	8,557	40,572	29,618
Loss (gain) on sale of communities, net	—	(36,296)	(73,850)
Costs incurred on behalf of managed communities	142,916	139,325	147,361
Income (loss) from operations	46,528	18,412	(42,687)

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 no adjustments were made during the reporting period for a community, indicate by checking the box below **Line [2]**. Providers must complete 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 the community overall 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 if the change in monthly care fees is due to any actual or projected costs related to any other CCRC community or enterprise affiliated with the provider or parent company.

The methodology used to budget future costs should align with one or more of the following factors: "projected costs, prior year per capita costs and economic indicators." Describe the methodology used for single or multiple communities. If there are multiple MCFI 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 and/or distributed 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 provided to 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 communities for a period of at least three years, i.e., budgets, statements of operations, cost reports, used near the end of the prior fiscal year to develop 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	MEMORY CARE	SKILLED NURSING
1. Monthly Care Fees at beginning of reporting period: (indicate range, if applicable)	<u>\$5,220-7,037</u>	<u>\$3,185-6,577</u>	<u>6,560-11,144</u>	<u>\$398-469 day</u>
2. Indicate percentage of increase in fees imposed during reporting period: (indicate range, if applicable)	<u>9.26%</u>	<u>9.5%</u>	<u>9.5%</u>	<u>3%</u>

☐ Check here if monthly care fees at this community were not increased during the reporting period. (If you checked this box, 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: 1/1/2024
(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 indicators.

☒ All affected residents were given written notice of this fee increase at least 30 days prior to its implementation.

Date of Notice: 10/20/2023 Method of Notice: Mailed rent increase letter

☒ At least 30 days prior to the increase in fees, the designated representative of the Provider convened a meeting that all residents were invited to attend. Date of Meeting: 10/26/2023

☒ At the meeting with residents, the Provider discussed and explained the reasons for the increase, the basis for determining 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] _____

☒ Date of Notice: 10/12/2023

- ☒ The Provider provided residents with at least 14 days advance notice of each meeting held to discuss the fee increases.
Date of Notice: 10/12/2023
- ☒ The governing body of the Provider, or the designated representative of the Provider posted the notice of, and the agenda for, the meeting in a conspicuous place in the community at least 14 days prior to the meeting.
Date of Posting: 10/12/2023 Location of Posting: front desk and mail room
- ☒ Providers evaluated the effectiveness of consultations during the annual budget planning process at a minimum of every two years by the continuing care retirement community administration. The evaluation, including any policies adopted relating to cooperation with residents was made available to the resident association or its governing body, or, if neither exists, to a committee of residents at least 14 days prior to the next semiannual meeting of residents and the Provider's governing body and posted a copy of that evaluation in a conspicuous location at each facility.
Date of Posting: 4/30/2024 Location of Posting: front desk and mail room
5. On an attached page, provide a detailed explanation for the increase in monthly care fees including the amount of the increase and compliance with the Health and Safety Code.

PROVIDER: BLC Glenwood Gardens AL-LH, LLC COMMUNITY: Brookdale Riverwalk

Notes

Form 7-1

[5] Monthly service fees increased due to rate changes from annual increases from both billing and market rate adjustments of -.2% - 6.4%. Additional factors affecting average for the year include new or burning off incentives, resident turnover, and market evaluations.

FORM 7-1 MONTHLY CARE FEE INCREASE (MCFI)
ANNUAL REPORTING FISCAL YEAR (F/Y) 2024
BKD Riverwalk

Line	Fiscal Years	2022	2023	2024
1	F/Y 2022 Operating Expenses ¹		(\$13,170)	
2	F/Y 2023 Operating Expenses ² (Adjustments if any, Explained Below)		(\$14,157)	
3	Projected F/Y 2024 Results of Operations (Adjustments ³ Explained Below)			(\$16,281)
4	F/Y 2024 Anticipated MCF Revenue ² Based on Current and Projected Occupancy and Other ⁴ without a MCFI			\$14,498
5	Projected F/Y 2024 (Net) Operating Results ² without a MCFI (Line 3 plus Line 4)			(\$1,783)
6	Projected F/Y 2024 Anticipated Revenue Based on Current and Projected Occupancy and Other ⁴ with MCFI 6.0%			\$15,875
7	Grand Total - Projected FY 2024 Net Operating Activity After 15% MCFI (Line 3 plus Line 6)			(\$406)

Monthly Care Fee Increase: 9.5%

Adjustments Explained:

- 1 Enter to the total operating expenses from the independent audit of the Statement of Operations
- 2 Internal Accounting and Budget Records does not include entrance fees
- 3 "Adjustments" can include but not limited to reserves
- 4 "Other: can include but not limited to Contributions and Ancillary

BLC Glenwood-Gardens AL-LH, LLC
d/b/a Brookdale Riverwalk
Disclosures per H&SC section 1790(a)
December 31, 2024

- i The per capita costs of operation for BLC Glenwood Gardens AL-LH, LLC continuing care retirement community:

Form 1-2 1. Total Operating Expense	<u>\$15,059,000</u>
Form 1-1 7. Number at end of year	245

Total costs per resident	\$61,465
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- ii The construction in progress was funded through BLC Glenwood Gardens AL-LH, LLC own funds, no new financing were made in FY 2024 for construction. In addition, there were no funds set aside for future projects nor for any contingency amounts for BLC Glenwood Gardens AL-LH, LLC.

In accordance with the Code, BLC Glenwood-Gardens AL-LH, LLC, has computed its liquid reserve requirement as of December 31, 2024, its most recent fiscal year end, and the reserve is based on Brookdale Senior Living, Inc.'s consolidated audited financial statements for that period.

The restricted cash consists of reserve funds required by regulatory agencies for licensed continuing care retirement communities. As of December 31, 2024, the minimum liquid reserve ("MLR") funded by restricted cash was \$5.4 million. Of the \$5.4 million, \$3.4 million was for Debt Service Reserve, to service debt and \$2.0 million was for Operating Reserve, to cover operating expenses.

CONTINUING CARE RETIREMENT COMMUNITY DISCLOSURE STATEMENT

Date Prepared: 4/25/25

Facility Name: Brookdale Riverwalk

Address: 350 Calloway Drive, Bakersfi

Zip Code: 93312

Phone: (661) 587-0221

Provider Name:

BLC Glenwood-Gardens AL-LH, LLC

Facility Operator: BLC Glenwood-Gardens AL-LH, LLC

Religious Affiliation: None

Year Opened: 1998

of Acres: 21

Miles to Shopping Center: 2

Miles to Hospital: 1

☐ Single Story☐ Multi-Story☒ Other: Both**Number of Units:**

Residential Living	Number of Units	Health Care	Number of Units
Apartments – Studio:	0	Assisted Living:	227 beds
Apartments – 1 Bdrm:	0	Skilled Nursing:	120 beds
Apartments – 2 Bdrm:	0	Special Care:	27 beds
Cottages/Houses:	19	Description:	Dementia Care

RLU Occupancy (%) at Year End:

Type of Ownership: ☐ Not for Profit
☒ For Profit

Accredited? ☐ Yes By:
☒ 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:

Range of Entrance Fees: \$0 - \$0

Long-Term Care Insurance Required? ☐ Yes ☒ No

Health Care Benefits Included in Contract: None

Entry Requirements: Min Age: 60 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):

A resident representative meets with a representative of the governing body periodically to discuss budgeting and other resident matters.

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 (___Times/	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Billiard Room	<input type="checkbox"/>	<input type="checkbox"/>	Month at \$_____each)		
Bowling Green	<input type="checkbox"/>	<input type="checkbox"/>	Meals (___/Day)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Card Rooms	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Special Diets Available	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Chapel	<input type="checkbox"/>	<input type="checkbox"/>			
Coffee Shop	<input checked="" type="checkbox"/>	<input 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 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 type="checkbox"/>
Library	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Cable TV	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Putting Green	<input type="checkbox"/>	<input type="checkbox"/>	Linens Furnished	<input type="checkbox"/>	<input type="checkbox"/>
Shuffleboard	<input 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 type="checkbox"/>
Swimming Pool –	<input type="checkbox"/>	<input type="checkbox"/>	Nursing/Wellness Clinic	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Indoor			Personal Home Care	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Swimming Pool –	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Transportation – Personal	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Outdoor			Transportation – Prearranged	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Tennis Court	<input type="checkbox"/>	<input type="checkbox"/>	Other: _____	<input type="checkbox"/>	<input type="checkbox"/>
Workshop	<input type="checkbox"/>	<input type="checkbox"/>			
Other: <u>Lounge</u>	<input type="checkbox"/>	<input type="checkbox"/>			

Provider Name: BLC Glenwood-Gardens AL-LH, LLC

Affiliated CCRCs	Location (city, state)	Phone (with area code)
N/A		

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

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

Subsidized Senior Housing	Location (city, state)	Phone (with area code)
N/A		

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

Provider Name: BLC Glenwood-Gardens AL-LH, LLC

Income and Expenses [Year]	2021	2022	2023	2024
Income from Ongoing Operations				
Operating Income (Excluding amortization of entrance fee income)	11,386,000	13,170,000	14,156,000	15,059,000
Less Operating Expenses (Excluding depreciation, amortization, and interest)	11,015,000	12,727,000	13,658,000	14,462,000
Net Income From Operations	371,000	450,000	498,000	597,000
Less Interest Expense	-	-	-	-
Plus Contributions	(239,000)	(143,000)	(225,000)	(178,000)
Plus Non-Operating Income (Expenses) (Excluding extraordinary items)	-	-	-	-
Net Income (Loss) Before Entrance Fees, Depreciation And Amortization	132,000	307,000	273,000	419,000
Net Cash Flow From Entrance Fees (Total Deposits Less Refunds)	-	-	-	-

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

Lender	Outstanding Balance	Interest Rate	Date of Origination	Date of Maturity	Amortization Period

Financial Ratios (see last page for ratio formulas)

Financial Ratios [Year]	CCAC Medians 50th Percentile (optional)	2022	2023	2024
Debt to Asset Ratio		-	-	-
Operating Ratio		0.97	0.96	0.96
Debt Service Coverage Ratio		0.18	0.17	0.17
Days Cash On Hand Ratio				

Provider Name: BLC Glenwood-Gardens AL-LH, LLC**Historical Monthly Service Fees** (Average Fee and Change Percentage)

Residence/Service [Year]	2021	%	2022	%	2023	%	2024	%
Studio								
One Bedroom								
Two Bedroom								
Cottage/House	5,151	2.1%	5,392	4.7%	5,718	6.0%	5,707	-0.2%
Assisted Living	3,886	2.6%	4,255	9.5%	4,737	11.3%	5,033	6.3%
Skilled Living	-	-	-	0.0%	-	0.0%	-	-
Special Care	8,789	-6.6%	9,518	8.3%	10,382	9.1%	11,046	6.4%

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

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

Days Cash On Hand Ratio

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

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.

KEY INDICATORS REPORT

BLC Glenwood-Gardens AL-LH, LLC



Dawn Kassow, Executive Vice President

signature required

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

									Projected	Forecast			Preferred Trend Indicator
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	
OPERATIONAL STATISTICS													
1. Average Annual Occupancy by Site (%)	76.5%	82.7%	80.6%	74.3%	70.0%	75.8%	73.4%	73.4%	76.4%	76.4%	76.4%	76.4%	↑
MARGIN (PROFITABILITY) INDICATORS													
2. Net Operating Margin (%)	29%	37%	30%	-16%	23%	23%	25%	27%	29%	29%	29%	29%	↑
3. Net Operating Margin-Adjusted (%)	NA1	NA1	NA1	NA1	NA1	NA1	NA1	NA1	NA1	NA1	NA1	NA1	N/A
LIQUIDITY INDICATORS													
4. Unrestricted Cash and Investments (\$000)	NA3	NA3	NA3	NA3	NA3	NA3	NA3	NA3	NA3	NA3	NA3	NA3	N/A
5. Days Cash on Hand (Unrestricted)	NA3	NA3	NA3	NA3	NA3	NA3	NA3	NA3	NA3	NA3	NA3	NA3	N/A
CAPITAL STRUCTURE INDICATORS													
6. Deferred Revenue from Entrance Fees (\$000)	NA1	NA1	NA1	NA1	NA1	NA1	NA1	NA1	NA1	NA1	NA1	NA1	N/A
7. Net Annual E/F proceeds (\$000)	NA1	NA1	NA1	NA1	NA1	NA1	NA1	NA1	NA1	NA1	NA1	NA1	N/A
8. Unrestricted Net Assets (\$000)	NA3	NA3	NA3	NA3	NA3	NA3	NA3	NA3	NA3	NA3	NA3	NA3	N/A
9. Annual Capital Asset Expenditure (\$000)	\$575	\$200	\$453	\$152	\$703	\$726	\$705	\$783	\$783	\$783	\$783	\$783	↑
10. Annual Debt Service Coverage Revenue Basis (x)	NA2	NA2	NA2	NA2	NA2	NA2	NA2	NA2	NA2	NA2	NA2	NA2	N/A
11. Annual Debt Service Coverage (x)	NA2	NA2	NA2	NA2	NA2	NA2	NA2	NA2	NA2	NA2	NA2	NA2	N/A
12. Annual Debt Service/Revenue (%)	NA2	NA2	NA2	NA2	NA2	NA2	NA2	NA2	NA2	NA2	NA2	NA2	N/A
13. Average Annual Effective Interest Rate (%)	NA2	NA2	NA2	NA2	NA2	NA2	NA2	NA2	NA2	NA2	NA2	NA2	N/A
14. Unrestricted Cash & Investments/Long-Term Debt (%)	NA2	NA2	NA2	NA2	NA2	NA2	NA2	NA2	NA2	NA2	NA2	NA2	N/A
15. Average Age of Facility (years)	17.5	10.9	12.2	13.3	15.8	16.4	17.1	17.4	18.4	19.4	20.4	21.4	↑

NA1 Community does not charge Entrance Fees

NA2 The community does not hold any debt

NA3 BLC Glenwood-Gardens AL-LH, LLC d/b/a Brookdale Riverwalk, a wholly-owned subsidiary of Brookdale Senior Living Inc. is an operator of a senior living community. Therefore Brookdale Senior Living, Inc. holds all cash.