



**THE HARBORSIDE**

**May 2022**

**Financial Analysis Summary Package**

**July 15, 2022**

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**A**

**The Harborside  
Financial Overview of Operations  
For the Five Months Ending May 31, 2022  
UNAUDITED**

	May 2022			Year-To-Date		
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Total Operating Revenues	1,679,721	1,841,172	(161,452)	8,742,867	8,940,901	(198,034)
Total Operating Expenses	(1,713,719)	(1,869,929)	156,209	(8,615,395)	(9,327,256)	711,862
Net Operating Income (Loss)	(33,999)	(28,756)	(5,243)	127,472	(386,355)	513,827
Investment Income	9,991	30,881	(20,890)	48,077	154,454	(106,377)
Contribution	-	-	-	-	-	-
Debt Modification Fees	29,309	-	29,309	(287,630)	-	(287,630)
Long-Term Debt Expenses	(837,105)	(837,180)	75	(4,185,525)	(4,185,900)	375
Gain/Loss on Disposed Fixed Assets	-	-	-	(3,251)	-	(3,251)
Net Income (Loss) Before Non-Cash Items	(831,803)	(835,055)	3,252	(4,300,857)	(4,417,801)	116,944
Non-Cash and Other Items:						
Deferred/Accreted Interest Exp - Series 2014C	-	-	-	-	-	-
Subordinated Loan Deferred Interest Expense	(15,625)	(19,750)	4,125	(78,125)	(98,750)	20,625
Write off Deferred Financing Costs 2014	-	-	-	-	-	-
Extinguishment of Debt - Gain/Loss	-	-	-	1,165,137	-	1,165,137
Unrealized Gain/(Loss) on Investments	(9,051)	-	(9,051)	(117,449)	-	(117,449)
Earned Resident Entrance Fees	394,320	394,320	-	1,949,170	1,949,170	-
Amortization on Deferred Financing Costs	-	-	-	-	-	-
Depreciation/Amortization	(565,019)	(551,348)	(13,671)	(2,760,466)	(2,756,740)	(3,726)
Net Income (Loss) After Non-Cash Items	(1,027,178)	(1,011,833)	(15,345)	(4,142,591)	(5,324,121)	1,181,530

**Operating Revenues**

Operating Revenues in May 2022 had an overall negative variance of (\$161,000) due to the following:

- IL Monthly Service Fees of (\$100,000) due to lower average occupancy of 19.1 apartments (11%).
- SN Room & Board Per Diems of (\$34,000) due to lower average occupancy of 2.4 beds (11.7%)
- SN Ancillary & Therapy Revenues of (\$23,000) due to lower than budgeted therapy revenues for Medicare Part A resulting from lower census.
- Lifecare Credits of (\$18,000) primarily due to higher first-person transfers to SN and Lifecare coinsurance write-offs during the month.

These negative variances were partially offset by positive variances in the following:

- Other Revenue of \$22,000 due to court awarded guardianship fees in May.
- EH Monthly Service Fees of \$11,000 due to higher average occupancy in EH of 3.2 apartments (17.6%) partially offset by lower average occupancy in MS of 2.0 apartments (12.3%).

**Operating Expenses**

Operating Expenses in May 2022 were positive to budget by \$156,000 primarily due to the following:

- Ancillary and Therapy of \$39,000 due to lower therapy costs, pharmacy supplies, and medical supplies resulting from lower Medicare census.
- Dining Services of \$37,000 due to lower raw food cost and labor cost due to lower census, small equipment and linens/laundry expense partially offset by higher paper and plastic.
- Administrative Services of \$22,000 due to timing of audit.
- Skilled Nursing of \$21,000 due to lower staffing during the month.
- Enriched Housing of \$19,000 primarily due to labor costs due to lower CNAs during the month and vacant Case Manager position which was filled subsequently.
- Transportation Services of \$17,000 primarily due to salaries and wages resulting from two vacant positions and lower than budgeted contract services.

- Utilities of \$8,650 due to lower than budgeted expenses for electricity of \$8,103 during the month.
- Housekeeping Services of \$7,600 due to labor costs resulting from 3.5 lower FTEs than budgeted.

These positive variances were partially offset by negative variances in the following:

- Building Maintenance Services of (\$13,000) primarily due to higher HVAC repairs and maintenance during the month.
- Marketing Services of (\$6,000) due to higher expenses for marketing audit, employee travel and higher mailing expense for two events. These negative variances were partially offset by lower than budgeted commissions and salaries during the month.
- Employee Benefits of (\$4,500) primarily due to workman's compensation audit of (\$35,171) partially offset by lower than budgeted health insurance premiums and FICA expense due to lower FTEs than budget.

Please see Tab B for more detailed explanations.

### **Occupancy**

During May there were two move-ins, two move-outs and one transfer resulting in 155 units occupied in IL (68%). There were two sales and no cancellations during the month resulting in 156 units occupied and reserved in IL (68%). There were 21 units occupied in Enriched Housing (81%), 14 units occupied in Memory Support (78%), and 40 beds occupied in Skilled Nursing (71%). For the month of May average occupancy in IL was 155.2 units (68%), EH (including Memory Support) was 35.2 units (80%), and Skilled Nursing was 43.6 beds (78%).

During June there were two move-ins, three move-outs and no transfers resulting in 154 units occupied in IL (67%). There were two sales and no cancellations during the month resulting in 155 units occupied and reserved in IL (67.7%). There were 22 units occupied in Enriched Housing (85%), 16 units occupied in Memory Support (89%), and 41 beds occupied in Skilled Nursing (73%). For the month of June average occupancy in IL was 153.9 units (67%), EH (including Memory Support) was 35.8 units (81%), and Skilled Nursing was 39.7 beds (71%).

### **Sales**

There was one depositor as of June 30, 2022 with a projected move-in date of July.

### **Investment Income**

Investment Income had a negative variance of (\$21,000) due to lower investment income on the trustee held accounts.

### **Debt Modification Fees**

Debt Modification Fees was positive \$29,000 during the month due to an accrual adjustment.

### **Long Term Debt Expense**

Long Term Debt Expense had no variance to budget.

### **Deferred Entrance Fees**

Deferred Entrance Fees were \$0 as of May 31, 2022.

### **Debt Service Coverage Ratio**

Pursuant to Section 8.5(b) of the Installment Sale Agreement dated September 1, 2021, the first testing date of the Debt Service Coverage Ratio is September 30, 2022 with a covenant requirement of 1.10x.

### **Days Cash on Hand**

As of May 31, 2022, there are 100 Days Cash on Hand. The first testing date is June 30, 2022 and the covenant is 175 days.

### **Comparison to Corresponding Month of Prior Year**

Pursuant to Section 8.9(a) of the Installment Sale Agreement dated September 1, 2021, a comparison of current month operations to the corresponding month of the preceding fiscal year has been included behind tab C.

### **Minimum Liquid Reserve Requirement**

Under New York law, continuing care retirement communities are required to maintain liquid assets supporting reserve funds once the community becomes operational. The requirement has two components: the minimum liquid operating reserve requirement and the minimum liquid debt service requirement.

As of March 31, 2022, the minimum liquid operating reserve requirement is \$13.8 million and total funds available are \$10.9 million, a shortfall of \$2.9 million. As of March 31, 2022, based on annual principal and interest payments coming due in the next 12 months for The Harborside, the minimum liquid debt service requirement is \$10.0 million, and the current balance of funds available to meet the minimum liquid debt service requirement total \$14.4 million, a surplus of \$4.4 million. As of March 31, 2022, aggregate of the minimum liquid operating reserve requirement and the minimum liquid debt service requirement is \$23.8 million and there is an aggregate of \$25.3 million of aggregate available funds.

### **Considerations Surrounding Coronavirus Disease 2019 (“COVID-19”)**

The Harborside implemented an emergency management team and is proactively working internally and with trade associations and regulators to obtain the most up to date information and evaluate and implement the most effective prevention and control protocols. The Harborside is continually evaluating and implementing recommended guidance, policies, practices and procedures, including those provided by the Centers for Medicare & Medicaid Services (“CMS”), the Centers for Disease Control and Prevention (“CDC”) and the New York State and Nassau County Departments of Health. The Harborside has experienced positive cases within the community. The potential impact to ongoing operating and marketing efforts cannot yet be determined. Existing and future updates on cases and The Harborside’s response will be posted on the community’s website at <https://theharborside.org>.

Between April 2020 and May 2020, The Harborside received a grant under the CARES Act HHS Relief Fund from the Department of Health and Human Services totaling approximately \$616,000. Additionally, in August 2020, The Harborside received an additional \$91,200. In November 2020, The Harborside received \$8,414. In December 2020, The Harborside received \$14,969. \$730,000 was recorded to Other Revenue through December 2020.

In January 2021, The Harborside received \$38,760. In February 2021, The Harborside received \$52,576. In November 2021, The Harborside received \$500. In December 2021, The Harborside received

\$13,563.99. As of December 31, 2021, \$38,080 has been recorded to Other Revenue in 2021. The remaining balance is recorded to Deferred Revenue.

On March 31, 2021, The Harborside received a Paycheck Protection Program (PPP) Loan of \$1,156,272. In March 2022, The Harborside received notification from the SBA that the PPP Loan had been forgiven. Forgiveness was recognized as a gain on extinguishment of debt in March 2022.

**The Harborside  
Occupancy Overview  
May 2022  
UNAUDITED**

**Average Occupancy:**

	Actual Average Occupancy	Budget Average Occupancy	Unit Variance
<b>Primary Resident Occupancy:</b>			
Independent Living	155.2	174.3	(19.1)
Enriched Housing	21.2	18.0	3.2
Memory Support	14.0	16.0	(2.0)
Skilled Nursing	43.6	46.0	(2.4)
Total	<u>234.0</u>	<u>254.3</u>	<u>(20.3)</u>
<b>Secondary Resident Occupancy:</b>			
Independent Living	26.2	31.5	(5.3)
Enriched Housing	-	1.1	(1.1)
Total	<u>26.2</u>	<u>32.5</u>	<u>(6.3)</u>
Total Residents	<u>260.2</u>		

**Average Skilled Nursing Census by Payor Type:**

	Actual Average Occupancy	Budget Average Occupancy
Private Pay/Private Residential Hospice	5.2	4.0
Private Pay-IL Permanent Transfer	21.3	20.0
Private Pay-IL Temporary Transfer	-	1.0
Medicare Part A	11.9	16.0
Medicare HMO/Insurance	1.0	1.0
Hospice (In-Patient)	0.3	1.0
Medicaid/Medicaid Pending/Hospice Mcd	4.0	4.0
Total	<u>43.6</u>	<u>47.0</u>

**Occupancy at May 31, 2022**

	5/1/2022 Beginning Occupied Units	Current Month Move-ins	Current Month Move-Outs & Transfers	5/31/2022 Ending Occupied Units	Available Units	% Occupancy
Occupancy						
Independent Living	156	2	(3)	155	229	68%
Enriched Housing	22	-	(1)	21	26	81%
Memory Support	14	1	(1)	14	18	78%
Skilled Nursing	50	12	(22)	40	56	71%
Total Occupied Units	<u>242</u>	<u>15</u>	<u>(27)</u>	<u>230</u>	<u>329</u>	<u>70%</u>

**Lifecare Transfers:**

	Avg Permanent Lifecare Transfers	Avg Budget Permanent Lifecare	(Over)/Under Budget Variance
<b>First Person Transfers To:</b>			
Enriched Housing	19.2	14.4	(4.8)
Memory Support	9.0	7.0	(2.0)
Skilled Nursing	18.3	14.0	(4.3)
Total	<u>46.5</u>	<u>35.4</u>	<u>(11.1)</u>
<b>Second Person Transfers To:</b>			
Enriched Housing	-	1.6	1.6
Memory Support	1.0	3.0	2.0
Skilled Nursing	3.0	6.0	3.0
Total	<u>4.0</u>	<u>10.6</u>	<u>6.6</u>
Total Residents Transferred	<u>50.5</u>	<u>46.0</u>	<u>(4.5)</u>



**The Harborside  
Sales and Occupancy Rollforward**

<b>Independent Living - Reservations FYE 2020 and FYE 2021</b>															
	May 2021	Jun 2021	Jul 2021	Aug 2021	Sep 2021	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	*
<b>Beginning Reservations</b>	2	0	0	2	2	1	1	1	1	1	0	0	1	1	
<b>New Reservations</b>	0	0	2	0	0	1	1	1	0	0	0	1	2	2	
<b>Move-Ins</b>	(2)	0	0	0	(1)	(1)	(1)	(1)	0	(1)	0	0	(2)	(2)	
<b>Cancellations</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Ending Reservations</b>	0	0	2	2	1	1	1	1	1	0	0	1	1	1	

<b>Independent Living - Occupancy FYE 2020 and FYE 2021</b>															
	May 2021	Jun 2021	Jul 2021	Aug 2021	Sep 2021	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	*
<b>End of Month IL Occupancy</b>	183	181	180	179	178	177	176	175	173	173	174	174	175	175	
<b>Budget</b>	183	181	180	179	178	177	176	175	173	173	174	174	175	175	
<b>Actual IL Occupancy Rollforward</b>															
<b>Beg Occupancy</b>	178	177	177	173	171	170	170	170	168	165	163	161	156	155	
<b>Move-Ins</b>	2	0	0	0	1	1	1	1	0	1	0	0	2	2	
<b>AL Transfers</b>	(1)	0	(3)	(1)	0	(1)	(1)	(2)	(1)	(2)	(2)	(3)	(1)	0	
<b>SN Transfers</b>	0	0	0	0	0	0	0	0	(1)	(1)	0	(1)	0	0	
<b>Move Outs/Deaths</b>	(2)	0	(1)	(1)	(2)	0	0	(1)	(1)	0	0	(1)	(2)	(3)	
<b>Ending Occupancy</b>	177	177	173	171	170	170	170	168	165	163	161	156	155	154	
<b>% Occupied</b>	77%	77%	76%	75%	74%	74%	74%	73%	72%	71%	70%	68%	68%	67%	
<b>Variance to Budget</b>	(6)	(4)	(7)	(8)	(8)	(7)	(6)	(7)	(8)	(10)	(13)	(18)	(20)	(21)	
<b>Bond Covenant Minimum Occupancy Rqmt (QTR)</b>	-	-	-	-	-	-	-	-	-	-	169	-	-	169	
<b>Variance Actual vs. Required</b>	-	-	-	-	-	-	-	-	-	-	(8)	-	-	(15)	

<b>Independent Living - Total Entrance Fees and 10% Deposit Reservations FYE 2020 and FYE 2021</b>															
	May 2021	Jun 2021	Jul 2021	Aug 2021	Sep 2021	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	*
<b>End of Month Reservations</b>	0	0	2	2	1	1	1	1	1	0	0	1	1	1	
<b>Occupancy</b>	177	177	173	171	170	170	170	168	165	163	161	156	155	154	
<b>Total Occupied and Reserved</b>	177	177	175	173	171	171	171	169	166	163	161	157	156	155	
<b>1<sup>st</sup> Person Healthcare Transfers</b>	35	34	36	37	36	37	38	40	41	42	44	48	48	43	
<b>Total Reservations &amp; Entrance Fees</b>	212	211	211	210	207	208	209	209	207	205	205	205	204	198	
<b>Bond Covenant Required Reserved Units (QTR)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Variance Actual vs. Required</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

\* As of June 30, 2022

**The Harborside  
Sales Results by Unit Type  
As of June 30, 2022**

Unit Style	Square Footage	# of Units	# Deposits	% Deposits	# Occupied	% Occupied	# Available	% Available	1/1/2022	
									Plan Monthly Service Fee	1/1/22 EF Prices
Clipper	753	35	1	3%	22	63%	12	34%	\$ 4,013	\$ 810,916
Ensign	1,081	2	-	0%	1	50%	1	50%	5,187	1,071,029
Spinnaker	1,149	9	-	0%	9	100%	-	0%	4,672	1,047,074
Regatta	1,152	92	-	0%	57	62%	35	38%	5,507	1,078,300
Outrigger	1,219	2	-	0%	2	100%	-	0%	5,625	1,200,704
Mariner	1,319	36	-	0%	22	61%	14	39%	6,286	1,218,772
Meridian	1,359	3	-	0%	2	67%	1	33%	6,406	1,464,961
Catalina	1,381	12	-	0%	8	67%	4	33%	6,623	1,312,543
Northstar	1,518	5	-	0%	4	80%	1	20%	7,002	1,605,123
Catamaran	1,672	3	-	0%	2	67%	1	33%	7,225	1,745,302
Zephyr	1,709	22	-	0%	18	82%	4	18%	7,897	1,426,217
Navigator	1,943	4	-	0%	4	100%	-	0%	8,452	1,948,426
Commodore	2,398	4	-	0%	3	75%	1	25%	8,452	2,200,969
<b>Total/Average</b>	<b>1,236</b>	<b>229</b>	<b>1</b>	<b>0%</b>	<b>154</b>	<b>67%</b>	<b>74</b>	<b>32%</b>	<b>\$ 5,824</b>	<b>\$ 1,165,109</b>

Effective January 1, 2022, the State approved a 3% increase to Entrance Fees and a 4.5% increase to Monthly Service Fees.

Status of Depositors:

- 1 depositor move-in scheduled July

**Tuttle Center  
Amsterdam at Harborside  
Sales / Occupancy / Move-ins**

**The Harborside  
FYE 2021 and FYE 2022**

	Jun 2021	Jul 2021	Aug 2021	Sep 2021	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	*
<b>Enriched Housing Occupancy (end of month)</b>														
Budgeted - Non-Memory Support	19	19	19	20	20	20	23	17	17	18	18	18	19	
Budgeted - Memory Support	16	16	16	16	16	16	16	16	16	16	16	16	16	
<b>Budget - Total</b>	<b>35</b>	<b>35</b>	<b>35</b>	<b>36</b>	<b>36</b>	<b>36</b>	<b>39</b>	<b>33</b>	<b>33</b>	<b>34</b>	<b>34</b>	<b>34</b>	<b>35</b>	
Actual - EH Non-Memory Support	19	21	19	18	17	15	18	18	19	23	22	21	22	
Actual - EH Memory Support	16	16	16	16	17	17	15	14	13	13	14	14	16	
<b>Actual - Total</b>	<b>35</b>	<b>37</b>	<b>35</b>	<b>34</b>	<b>34</b>	<b>32</b>	<b>33</b>	<b>32</b>	<b>32</b>	<b>36</b>	<b>36</b>	<b>35</b>	<b>38</b>	
Variance to Budget	-	2	-	(2)	(2)	(4)	(6)	(1)	(1)	2	2	1	3	
% Occupied	80%	84%	80%	77%	77%	73%	75%	73%	73%	82%	82%	80%	86%	
<b>SNF Occupancy (end of month)</b>														
Budgeted	47	46	47	47	48	48	50	44	45	45	46	46	47	
Actual - Private Pay	4	3	6	6	4	3	4	3	6	6	6	5	5	
Actual - Private Pay Lifecare	17	18	17	16	19	20	23	23	19	21	21	22	20	
Actual - Medicare	21	12	15	14	13	19	14	12	18	16	16	8	11	
Actual - Medicaid/Medicaid Pending	4	5	4	4	4	4	3	4	4	4	4	4	4	
Actual - Hospice	-	-	-	1	-	-	-	-	-	-	1	-	-	
Actual - Other	1	1	-	1	-	-	-	-	-	1	2	1	1	
<b>Actual - Total</b>	<b>47</b>	<b>39</b>	<b>42</b>	<b>42</b>	<b>40</b>	<b>46</b>	<b>44</b>	<b>42</b>	<b>47</b>	<b>48</b>	<b>50</b>	<b>40</b>	<b>41</b>	
Variance to Budget	-	(7)	(5)	(5)	(8)	(2)	(6)	(2)	2	3	4	(6)	(6)	
% Occupied	84%	70%	75%	75%	71%	82%	79%	75%	84%	86%	89%	71%	73%	
	Jun 2021	Jul 2021	Aug 2021	Sep 2021	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	*
Beginning Occupancy	18	19	21	19	18	17	15	18	18	19	23	22	21	
EH Move-Ins	1	2	1	-	1	1	3	-	2	4	3	-	1	
EH Move-Outs	-	-	(3)	(1)	(2)	(3)	-	-	(1)	-	(4)	(1)	-	
<b>Net AL Occupancy</b>	<b>19</b>	<b>21</b>	<b>19</b>	<b>18</b>	<b>17</b>	<b>15</b>	<b>18</b>	<b>18</b>	<b>19</b>	<b>23</b>	<b>22</b>	<b>21</b>	<b>22</b>	
Beginning Occupancy	16	16	16	16	16	17	17	15	14	13	13	14	14	
EH MS Move-Ins	-	1	-	1	2	1	-	-	-	-	1	1	2	
EH MS Move-Outs	-	(1)	-	(1)	(1)	(1)	(2)	(1)	(1)	-	-	(1)	-	
<b>Net AL MS Occupancy</b>	<b>16</b>	<b>16</b>	<b>16</b>	<b>16</b>	<b>17</b>	<b>17</b>	<b>15</b>	<b>14</b>	<b>13</b>	<b>13</b>	<b>14</b>	<b>14</b>	<b>16</b>	
<b>Total AL Occupancy</b>	<b>35</b>	<b>37</b>	<b>35</b>	<b>34</b>	<b>34</b>	<b>32</b>	<b>33</b>	<b>32</b>	<b>32</b>	<b>36</b>	<b>36</b>	<b>35</b>	<b>38</b>	
Beg. Occupancy - Private Pay	24	21	21	23	22	23	23	27	26	25	27	27	27	
SNF Move-Ins	-	3	5	3	6	6	9	3	5	6	6	4	5	
SNF Move-Outs	(3)	(3)	(3)	(4)	(5)	(6)	(5)	(4)	(6)	(4)	(6)	(4)	(7)	
<b>Net SNF Occupancy - Private Pay</b>	<b>21</b>	<b>21</b>	<b>23</b>	<b>22</b>	<b>23</b>	<b>23</b>	<b>27</b>	<b>26</b>	<b>25</b>	<b>27</b>	<b>27</b>	<b>27</b>	<b>25</b>	
Beg. Occupancy - Medicare	13	21	12	15	14	13	19	14	12	18	16	16	8	
SNF Move-Ins	19	13	13	10	14	14	16	12	13	18	13	7	7	
SNF Move-Outs	(11)	(22)	(10)	(11)	(15)	(8)	(21)	(14)	(7)	(20)	(13)	(15)	(4)	
<b>Net SNF Occupancy - Medicare</b>	<b>21</b>	<b>12</b>	<b>15</b>	<b>14</b>	<b>13</b>	<b>19</b>	<b>14</b>	<b>12</b>	<b>18</b>	<b>16</b>	<b>16</b>	<b>8</b>	<b>11</b>	
Beg. Occupancy - Medicaid, Mcd Pending, Hosp Med	4	4	5	4	4	4	4	3	4	4	4	4	4	
SNF Move-Ins	-	1	-	-	-	-	-	2	-	-	-	-	-	
SNF Move-Outs	-	-	(1)	-	-	-	(1)	(1)	-	-	-	-	-	
<b>Net SNF Occupancy - Medicaid</b>	<b>4</b>	<b>5</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	
Beg. Occupancy - Hospice	-	-	-	-	1	-	-	-	-	-	-	1	-	
SNF Move-Ins	-	1	-	4	2	-	-	1	2	-	2	-	-	
SNF Move-Outs	-	(1)	-	(3)	(3)	-	-	(1)	(2)	-	(1)	(1)	-	
<b>Net SNF Occupancy - Hospice</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	
Beg. Occupancy - Other Insurance	1	1	1	-	1	-	-	-	-	-	1	2	1	
SNF Move-Ins	1	2	-	1	-	-	-	-	1	2	2	1	-	
SNF Move-Outs	(1)	(2)	(1)	-	(1)	-	-	-	(1)	(1)	(1)	(2)	-	
<b>Net SNF Occupancy - Other Insurance</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>1</b>	
<b>Net Skilled Nursing Occupancy**</b>	<b>47</b>	<b>39</b>	<b>42</b>	<b>42</b>	<b>40</b>	<b>46</b>	<b>44</b>	<b>42</b>	<b>47</b>	<b>48</b>	<b>50</b>	<b>40</b>	<b>41</b>	

\* As of June 30, 2022

\*\* Does not include expirations

**The Harborside  
Entrance Fee Summary  
For the Five Months Ending May 31, 2022  
UNAUDITED**

	Current Month			Year-to-Date		
	Actual	Budget	Variance	Actual	Budget	Variance
Receipt of Partial Payment - 2021 Move-ins	-	-	-	-	-	-
Receipt of Final Payment - 2021 Move-ins	-	-	-	415,599	-	415,599
Receipt of Partial Payment - 2022 Move-ins	-	-	-	-	-	-
Receipt of Final Payment - 2022 Move-ins	-	-	-	-	-	-
Total Receipts of Partial Payments	-	-	-	415,599	-	415,599
Turnover Entr Fee Move-ins	2.00	2.7	(0.71)	3.00	10.83	(7.83)
Avg/Move-in	1,077,911	908,640	169,271	1,132,054	908,640	223,414
Turnover Entr Fee Receipts	2,155,822	2,460,899	(305,077)	3,396,161	9,843,596	(6,447,435)
Refunds Paid	-	2.31	(2.31)	5.00	9.22	(4.22)
Avg/Refund	-	(600,538)	600,538	(665,618)	(600,538)	(65,080)
Refunds Issued and Paid	-	(1,384,240)	1,384,240	(3,328,090)	(5,536,959)	2,208,869
Refunds Due and Unpaid	-	-	-	-	-	-
Avg/Refund	-	-	-	-	-	-
Refunds Due and Unpaid	-	-	-	-	-	-
Net Turnover Entrance Fees	<u>\$ 2,155,822</u>	<u>\$ 1,076,659</u>	<u>\$ 1,079,163</u>	<u>\$ 483,670</u>	<u>\$ 4,306,637</u>	<u>\$ (3,822,967)</u>

Deferred Entrance Fees as of May 31, 2022:

	Move-In Date	Total EF	EF Received	EF Deferred
Total		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**The Harborside  
Ending Cash Balances  
As of May 31, 2022  
UNAUDITED**

	As of May 31, 2022	Approximate Days Cash on Hand
Operating Reserve (3)	\$ 5,507,206	64 days
Operating Accounts* (2)	1,297,059	15 days
Revenue Fund (1)	1,752,000	20 days
	\$ 8,556,265	100 days
Entrance Fee Fund (2)	2,003,965	
Less: Pending Refunds	-	
	\$ 2,003,965	
Pending Transfers from Entrance Fee Escrow	-	
Debt Service Reserve Fund	\$ 14,382,266	

(1) In accordance with Section 5.08 of the Indenture of Trust dated September 1, 2021, on the first business day of the month, the Trustee shall transfer amounts in the Revenue Fund in the following order of priority:

- First, to pay anticipated Operating Expenses for the upcoming month and fund the Operating Account up to 45 days (approx. \$4.1 million);
- Second, to pay interest on Series 2021A;
- Third, to pay interest on Series 2021B;
- Fourth, to pay principal on 2021A;
- Fifth, to pay principal on 2021B;
- Sixth, to replenish the balance of Operating Reserve Fund to the MLR Requirement of approx. 200 days (approx. \$18.2 million);
- Seventh, to replenish any deficiency in the Debt Service Reserve Fund (if necessary);
- Eighth,
- Early repayment of Series 2021A and B Bonds if Days Cash on Hand is 150 days above the MLR Requirement (approximately \$31.2 million total);
- Then, to Operating Reserve Fund.

(2) On the first business day of the month, monies in the Entrance Fee Fund are transferred as follows:

- First, to pay refunds;
- Second, to the Revenue Fund.

(3) The Operating Reserve Fund is funded up to the MLR Requirement of approx 200 days (approximately \$18.2 million)

(4) The Unrestricted Reserve Amount is 45 Days Cash on Hand (approximately \$4.1 million)

June 1, 2022 Revenue Fund Transfers:

	Amount Transferred
Fund Operating Account to 45 days	\$ 1,752,000
Fund partial Interest Expense	-
Revenue Fund Transfers	1,752,000

June 1, 2022 Entrance Fee Fund Transfers:

Pay Refunds	1,345,842 *
Transfer to Revenue Fund	658,122
Entrance Fee Fund Transfers	2,003,964

\*This dollar amount reflects resident refunds that will come due in June 2022 due to one year since termination.

**The Harborside**  
**Debt Service Coverage Ratio**  
**As of May 31, 2022**  
**UNAUDITED**

**Debt Service Coverage Ratio:**

Requirements:

Pursuant to Section 8.5(b) of the Installment Sale Agreement dated September 1, 2021, the Corporation shall maintain a Debt Service Coverage Ratio as follows:

- 1.10 as of each fiscal quarter commencing with fiscal quarter ended September 30, 2022 through June 30, 2023
- 1.20 as of each fiscal quarter commencing with fiscal quarter ended September 30, 2023 through Stabilization.
- From and after Stabilization, compliance with the DSCR is tested annually based on the audited financial statements.

DSCR is tested quarterly on the basis of the unaudited financials for the preceding 12-month period, except for the fourth quarter, which shall be on the basis of the audited financials, provided however that the September 30, 2022 Testing Date is calculated based on a rolling 9 months.

	May 2022	YTD Actual 2022	YTD Budget 2022
Operating Revenue	\$ 1,679,721	\$ 8,742,867	\$ 8,940,901
Operating Expense	<u>(1,713,719)</u>	<u>(8,615,395)</u>	<u>(9,327,256)</u>
Net Operating Income	(33,999)	127,472	(386,355)
Investment Income	9,991	48,077	154,454
Debt Modification Fees	29,309	(287,630)	0
Trustee Fees/Other Fees	(1,250)	(6,250)	(6,625)
Net Entrance Fee Turnover	<u>2,155,822</u>	<u>483,670</u>	<u>4,306,637</u>
Funds Available for Debt Service (a)	\$ 2,159,874	\$ 365,339	\$ 4,068,111
Max Annual Debt Service Requirement (b)	\$ 835,855	\$ 4,179,275	\$ 4,179,275
Debt Service Coverage Ratio (a) / (b)	<u>2.58</u>	<u>0.09</u>	<u>0.97</u>

**The Harborside  
Liquidity Covenant Calculation  
As of May 31, 2022  
UNAUDITED**

**Liquidity Covenant (Days Cash on Hand):**

Requirements:

Pursuant to Section 8.5(c) of the Installment Sale Agreement dated September 1, 2021, Days' Cash on Hand is tested semi-annually each June 30 and December 31 beginning June 30, 2022.

Commencing June 30, 2022, 175 Days' Cash on Hand is required as of each June 30, 2022 and December 31, 2022 and 200 days as of each June 30, 2023 and thereafter.

Days Cash Calculation - Total Available Cash divided by the sum of Operating Expenses, Interest for the three (3) months preceding the measurement date multiplied by four, divided by 365

	<u>Mar-22</u>	<u>Apr-22</u>	<u>May-22</u>	<u>Three Months Ending May 31, 2022</u>
Operating Reserve and Operating Accounts*	\$ 9,192,066	\$ 7,594,488	\$ 6,804,265	\$ 6,804,265
Revenue Fund	<u>1,710,000</u>	<u>1,830,000</u>	<u>1,752,000</u>	<u>1,752,000</u>
Total Available Cash (a)	<u>\$ 10,902,066</u>	<u>\$ 9,424,488</u>	<u>\$ 8,556,265</u>	<u>\$ 8,556,265</u>
Operating Expenses	1,831,518	1,778,012	1,713,719	5,323,249
Interest and Related Cash Expenses**	<u>837,105</u>	<u>837,105</u>	<u>837,105</u>	<u>2,511,315</u>
Cash Expenses	<u>\$ 2,668,623</u>	<u>\$ 2,615,117</u>	<u>\$ 2,550,824</u>	<u>\$ 7,834,564</u>
Avg Daily Expenses Including Interest (b)	\$ 86,085	\$ 87,171	\$ 82,285	\$ 85,858
Days Cash on Hand (a) / (b)				<u><u>100</u></u>

\*Operating Reserve and Operating Accounts (Operating/Depository and Disbursements) less unfunded accrued Series A/B interest expense.

**The Harborside  
Occupancy Covenants  
As of May 31, 2022**

**Independent Living Occupancy Covenant**

*Pursuant to Section 8.6(a) of the Installment Sale Agreement dated September 1, 2021, commencing with the first fiscal quarter ended March 31, 2022, the percentage of Residential Units which are occupied or entitled to be occupied, is at least equal to the Residential Unit Occupancy Target set forth below:*

	Actual IL			Actual IL Average Occupied Units (By Month)	Actual Average IL Percent Occupied
	Occupied Units (End of Month)	IL Occupancy Target	Variance		
September 30, 2021	74%	-	-	171	75%
October 31, 2021	74%	-	-	170	74%
November 30, 2021	74%	-	-	169	74%
December 31, 2021	73%	-	-	168	74%
January 31, 2022	72%	-	-	167	73%
February 28, 2022	71%	-	-	164	72%
March 31, 2022	70%	74%	-4%	162	71%
April 30, 2022	68%	-	-	158	69%
May 31, 2022	68%	-	-	155	68%
June 30, 2022	67%	74%	-7%	154	67%
September 30, 2022		74%			
December 31, 2022		74%			
March 31, 2023		76%			
June 30, 2023		76%			
September 30, 2023		76%			
December 31, 2023		76%			
March 31, 2024		78%			
June 30, 2024		78%			
September 30, 2024		78%			
December 31, 2024		78%			
March 31, 2025		80%			
June 30, 2025		80%			
September 30, 2025		80%			
December 31, 2025		80%			
March 31, 2026		85%			
June 30, 2026		85%			
September 30, 2026		85%			
December 31, 2026		85%			
March 31, 2027		88%			
June 30, 2027		88%			
September 30, 2027		88%			
December 31, 2027		88%			
March 31, 2028 and thereafter		90%			

**Enriched Housing and Skilled Nursing Covenant**

*Pursuant to Section 8.6(b) of the Installment Sale Agreement dated September 1, 2021, commencing with the first fiscal quarter after the Closing, the average percentage of Enriched Housing Units and Skilled Nursing Units which are occupied is at least equal to the occupancy targets set forth below.*

	Actual Average			Actual Average		
	EH Occupied Units	EH Occupancy Covenant	Variance	SN Occupied Units	SN Occupancy Covenant	Variance
September 30, 2021	77%	-	-	75%	-	-
October 31, 2021	76%	-	-	72%	-	-
November 30, 2021	76%	-	-	76%	-	-
December 31, 2021	74%	-	-	81%	-	-
January 31, 2022	73%	-	-	77%	-	-
February 28, 2022	74%	-	-	76%	-	-
March 31, 2022	79%	-	-	88%	-	-
<b>Q1 2022 Average</b>	75%	75%	0%	80%	75%	5%
April 30, 2022	84%	-	-	91%	-	-
May 31, 2022	80%	-	-	78%	-	-
June 30, 2022	81%	-	-	71%	-	-
<b>Q1 2022 Average</b>	82%	75%	7%	80%	75%	5%
September 30, 2022		80%			80%	
December 31, 2022		80%			80%	
March 31, 2023 and thereafter		85%			85%	



## The Harborside Per Patient Day Margin Analysis

May 2022

Payor Type	Room & Board	Therapy Revenue	Ancillary Revenue	Contractual Adjustments	Net Revenue	% Of Total	Net Revenue Per Pat. Day	Total Bed Days
Private Pay	521,129	207	-	-	521,336	62.79%	635	821
Medicare A	231,384	55,806	10,054	(32,262)	264,982	31.91%	718	369
Medicare B	-	1,394	-	(33)	1,361	0.16%	-	-
HMO/Insurance	18,660	4,574	-	(8,769)	14,464	1.74%	482	30
Medicaid/MCD Pending/Hospice MCD	57,846	-	-	(42,488)	15,358	1.85%	124	124
Hospice	24,258	-	496	(11,957)	12,797	1.54%	1,600	8
Total	\$ 853,277	\$ 61,980	\$ 10,550	\$ (95,509)	\$ 830,298	100.00%	\$ 614	1,352

Payor Type	Direct			Total Direct		Per Patient Day (PPD)		
	Room & Board Expenses	Therapy Expense	Ancillary Expense	Operating Expenses	Margin	% Of Total	Operating Exp.	Margin
Private Pay	213,013	88	7,374	220,475	300,860	68.24%	269	366
Medicare A	95,739	23,673	3,314	122,726	142,256	32.27%	333	386
Medicare B	-	591	-	591	770	0.17%	-	-
HMO/Insurance	7,784	1,940	269	9,993	4,471	1.01%	333	149
Medicaid/MCD Pending/Hospice MCD	32,173	-	1,114	33,286	(17,928)	-4.07%	268	(145)
Hospice	2,076	-	297	2,373	10,425	2.36%	297	1,303
Total	\$ 350,784	\$ 26,292	\$ 12,369	\$ 389,445	\$ 440,853	100.00%	\$ 288	\$ 326

- 1) Assumes that room and board expenses are allocated in proportion to bed days by payor type except for a fixed amount which is added to the estimated Hospice cost to account for higher RN staffing.
- 2) Assumes total therapy expenses are allocated in proportion to therapy revenue by payor type
- 3) Assumes identifiable direct ancillary expenses are allocated in proportion to ancillary revenue
- 4) Assumes non-billable ancillary expenses are allocated in proportion to bed days by payor type
- 5) Includes only direct care expenses and no allocated expenses such as dietary, housekeeping/laundry, maintenance, and other overhead

**The Harborside  
Per Patient Day Margin Analysis**

For the Five Months Ending May 31, 2022

Payor Type	Room & Board	Therapy Revenue	Ancillary Revenue	Contractual Adjustments	Net Revenue	% Of Total	Net Revenue Per Pat. Day	Total Bed Days
Private Pay	2,499,980	1,499	-	-	2,501,479	57.94%	632	3,955
Medicare A	1,358,448	313,266	53,964	(143,620)	1,582,058	36.65%	726	2,180
Medicare B	-	15,579	-	(1,666)	13,912	0.32%	-	-
HMO/Insurance	103,874	23,872	-	(61,306)	66,440	1.54%	446	149
Medicaid/MCD Pending/Hospice MCD	348,320	-	-	(228,721)	119,599	2.77%	195	614
Hospice	44,162	-	680	(11,279)	33,563	0.78%	932	36
Total	\$ 4,354,784	\$ 354,215	\$ 54,644	\$ (446,592)	\$ 4,317,051	100.00%	\$ 623	6,934

Payor Type	Direct Room & Board Expenses	Therapy Expense	Ancillary Expense	Total Direct Operating Expenses	Margin	% Of Total	Per Patient Day (PPD) Direct	
							Operating Exp.	Margin
Private Pay	966,285	853	57,407	1,024,545	1,476,934	64.12%	259	373
Medicare A	532,617	178,269	44,193	755,080	826,978	35.90%	346	379
Medicare B	-	8,865	-	8,865	5,047	0.22%	-	-
HMO/Insurance	36,404	13,585	2,163	52,151	14,289	0.62%	350	96
Medicaid/MCD Pending/Hospice MCD	150,012	-	8,912	158,925	(39,326)	-1.71%	259	(64)
Hospice	8,796	-	5,200	13,995	19,568	0.85%	389	544
Total	\$ 1,694,114	\$ 201,572	\$ 117,874	\$ 2,013,561	\$ 2,303,490	100.00%	290	332

- 1) Assumes that room and board expenses are allocated in proportion to bed days by payor type except for a fixed amount which is added to the estimated Hospice cost to account for higher RN staffing.
- 2) Assumes total therapy expenses are allocated in proportion to therapy revenue by payor type
- 3) Assumes identifiable direct ancillary expenses are allocated in proportion to ancillary revenue
- 4) Assumes non-billable ancillary expenses are allocated in proportion to bed days by payor type
- 5) Includes only direct care expenses and no allocated expenses such as dietary, housekeeping/laundry, maintenance, and other overhead

**The Harborside**  
**Consolidated Statement of Cash Flows**  
**For the Five Months Ending May 31, 2022**  
**UNAUDITED**

	<u>Current Month</u>	<u>Year-To-Date</u>
<b>Cash flows from Operating Activities</b>		
Increase (decrease) in net assets	(1,027,178)	(4,142,591)
Adjustments to reconcile change in net assets to cash provided by operating activities:		
Depreciation	555,532	2,709,854
Amortization of Capitalized Mktg	-	-
Amortization of DFC 2021	9,486	47,432
Amortization of Entrance Fees	(394,320)	(1,949,170)
Turnover entrance fees received (net)	2,155,822	483,670
Changes in operating assets & liabilities:		
(Increase) decrease in:		
Accounts receivable	101,279	(98,902)
Other receivables	2,651	(25,657)
Other current assets	85,496	(116,114)
Increase (Decrease) in:		
Accounts payable	435,496	116,023
Accrued liabilities	(37,075)	(595,297)
Accrued Bond Interest Expense	835,855	1,030,888
Pending Entrance Fee Refunds	(622,965)	-
Resident liabilities	2,200	145,351
Deferred CARES Act Revenue	-	-
<b>Net Cash Provided by Operating Activities</b>	<b>2,102,279</b>	<b>(2,394,513)</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of property & equipment	(113,462)	(339,300)
(Increase) decrease in capitalized marketing	-	-
(Increase) decrease in assets limited to use	(1,950,244)	3,054,564
<b>Net Cash Used by Investing Activities</b>	<b>(2,063,706)</b>	<b>2,715,264</b>
<b>Cash Flows from Financing Activities</b>		
Deferred financing costs	-	-
Proceeds from borrowing	-	-
Principal payments on debt	-	-
Paycheck Protection Program	-	(1,156,272)
<b>Net Cash Provided by Financing Activities</b>	<b>-</b>	<b>(1,156,272)</b>
<b>Change in Cash</b>	<b>38,573</b>	<b>(835,521)</b>
Cash & Equivalents at Beginning of Period	1,564,395	2,438,489
<b>Cash &amp; Equivalents at the end of the Period</b>	<b>1,602,968</b>	<b>1,602,968</b>

**The Harborside**  
**Statement of Financial Position**  
**As of May 31, 2022**  
**UNAUDITED**

	<u>Current Month</u>	<u>Prior Month</u>	<u>Variance</u>
<b><u>ASSETS</u></b>			
Cash and Cash Equivalents	1,602,968	1,564,395	38,573
Escrow Entrance Fees and Reservation Deposits	1,369,448	1,217,579	151,869
Net A/R Residents	975,298	1,076,577	(101,279)
Other Receivables	25,654	28,306	(2,651)
Inventory	42,414	43,216	(802)
Deposits	3,391	3,391	-
Prepaid Expenses	352,746	437,440	(84,693)
<b>Total Current Assets</b>	<b>4,371,920</b>	<b>4,370,904</b>	<b>1,016</b>
CIP	979,881	866,419	113,462
Fixed Assets	260,568,846	260,568,846	-
Accumulated Depreciation	(76,871,080)	(76,315,548)	(555,532)
Capitalized Marketing	12,212,841	12,212,841	-
Accumulated Amortization	(12,005,171)	(12,005,171)	-
Restricted Assets	28,038,360	26,239,985	1,798,375
<b>TOTAL ASSETS</b>	<b>217,295,596</b>	<b>215,938,276</b>	<b>1,357,321</b>
<b><u>LIABILITIES</u></b>			
Accounts Payable	1,559,665	1,124,170	435,496
Payroll Related Current Liabilities	585,191	524,963	60,228
Accrued Operating Expenses	477,699	590,627	(112,928)
Deferred CARES Act Revenue	-	-	-
Resident Current Liabilities	368,860	989,625	(620,765)
Accrued Bond Interest Exp. - Series 2021	4,179,237	3,343,382	835,855
<b>Total Current Liabilities</b>	<b>7,170,653</b>	<b>6,572,768</b>	<b>597,885</b>
Entrance Fee Liability	154,878,911	153,117,409	1,761,502
Long Term Debt (net of Deferred financing costs)	166,540,384	166,530,898	9,486
Subordinated Loan	3,000,000	3,000,000	-
Accrued Interest on Subordinated Loan	4,052,989	4,037,364	15,625
Future Services Obligation Liability	20,367,000	20,367,000	-
Paycheck Protection Program Loan	-	-	-
<b>TOTAL LIABILITIES</b>	<b>356,009,937</b>	<b>353,625,438</b>	<b>2,384,498</b>
<b><u>EQUITY</u></b>			
Fund Balance (Deficit)	(134,571,749)	(134,571,749)	-
Net Income (Loss)	(4,142,591)	(3,115,413)	(1,027,178)
<b>TOTAL EQUITY</b>	<b>(138,714,340)</b>	<b>(137,687,162)</b>	<b>(1,027,178)</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>217,295,596</b>	<b>215,938,276</b>	<b>1,357,321</b>

**B**

**The Harborside**  
**Actual vs. Budget Consolidated Summary Income Statement**  
**For the Five Months Ending May 31, 2022**  
**UNAUDITED**

	Current Period			Year-To-Date		
	Actual	Budget	Variance	Actual	Budget	Variance
<b>Operating Revenue</b>						
IL Monthly Service Fees	910,317	1,010,716	(100,399) (A)	4,725,453	5,033,919	(308,466)
EH Monthly Service Fees	336,879	326,101	10,778 (B)	1,657,579	1,607,476	50,103
Second Person Fees	43,507	55,094	(11,587) (C)	230,527	273,583	(43,057)
SN Room & Board Per Diems	853,277	886,972	(33,695) (D)	4,354,784	4,217,471	137,313
Contractual Adjustments	(95,509)	(94,975)	(534) (E)	(446,592)	(461,313)	14,721
SN Ancillary & Therapy Revenue	72,530	95,621	(23,091) (F)	408,859	462,210	(53,351)
Life Care Credits	(441,458)	(423,635)	(17,823) (G)	(2,196,043)	(2,103,843)	(92,200)
Monthly Service Fee Credits	(35,418)	(28,698)	(6,720) (H)	(149,121)	(158,490)	9,370
Other Revenue	35,595	13,978	21,617 (I)	157,421	69,889	87,532
<b>Total Operating Revenue</b>	<b>1,679,721</b>	<b>1,841,172</b>	<b>(161,452)</b>	<b>8,742,867</b>	<b>8,940,901</b>	<b>(198,034)</b>
<b>Departmental Expenses</b>						
Administrative Services	112,060	134,452	22,392 (J)	622,955	651,349	28,394
Employee Benefits	248,799	244,309	(4,490) (K)	1,112,075	1,211,747	99,672
Human Resources	12,785	12,383	(402) (L)	62,731	63,201	470
Resident Services	60,587	58,910	(1,676) (M)	275,170	291,573	16,403
Resident Services - Skilled Nursing	5,456	4,981	(475) (N)	21,797	24,505	2,708
Enriched Housing	96,084	115,375	19,291 (O)	454,485	565,785	111,300
Building Maintenance Services	83,028	70,103	(12,925) (P)	359,516	408,714	49,198
Dining Services	251,520	288,718	37,198 (Q)	1,291,210	1,397,924	106,713
Emergency System Services	10,702	11,848	1,146 (R)	52,906	63,545	10,639
Grounds Maintenance Services	6,625	10,210	3,585 (S)	42,193	57,295	15,102
Housekeeping Services	56,535	64,134	7,599 (T)	284,084	337,373	53,290
Marketing Services	100,989	94,567	(6,422) (U)	556,511	523,494	(33,017)
Skilled Nursing	350,784	371,594	20,810 (V)	1,694,114	1,790,878	96,763
Ancillary and Therapy	38,661	77,329	38,668 (W)	319,446	375,078	55,632
Transportation Services	9,801	26,442	16,641 (X)	73,497	119,045	45,548
Extraordinary Expenses	-	-	- (Y)	8,930	-	(8,930)
<b>Total Departmental Expenses</b>	<b>1,444,416</b>	<b>1,585,357</b>	<b>140,941</b>	<b>7,231,621</b>	<b>7,881,506</b>	<b>649,885</b>
<b>Other Operating Expenses</b>						
Utilities	110,204	118,854	8,650 (Z)	631,278	617,309	(13,969)
Insurance	69,351	69,497	146 (AA)	346,753	347,339	586
Taxes & HOA Fees	56,486	58,353	1,868 (BB)	283,249	291,766	8,517
Management and Marketing Fees	33,263	37,867	4,604 (CC)	122,495	189,337	66,843
<b>Total Other Operating Expenses</b>	<b>269,303</b>	<b>284,571</b>	<b>15,268</b>	<b>1,383,774</b>	<b>1,445,750</b>	<b>61,976</b>
<b>Total Operating Expenses</b>	<b>1,713,719</b>	<b>1,869,929</b>	<b>156,209</b>	<b>8,615,395</b>	<b>9,327,256</b>	<b>711,862</b>
<b>Net Operating Income (Loss)</b>	<b>(33,999)</b>	<b>(28,756)</b>	<b>(5,243)</b>	<b>127,472</b>	<b>(386,355)</b>	<b>513,827</b>
Contribution	-	-	-	-	-	-
Investment Income	9,991	30,881	(20,890) (DD)	48,077	154,454	(106,377)
<b>NI (Loss) Before LT Debt &amp; Noncash Items</b>	<b>(24,008)</b>	<b>2,125</b>	<b>(26,133)</b>	<b>175,549</b>	<b>(231,901)</b>	<b>407,450</b>
Long Term Debt Expenses	(837,105)	(837,180)	75 (EE)	(4,185,525)	(4,185,900)	375
Debt Modification Costs	29,309	-	29,309 (FF)	(287,630)	-	(287,630)
Gain/Loss on Disposal of Fixed Assets	-	-	-	(3,251)	-	(3,251)
<b>NI (Loss) Before Noncash Items</b>	<b>(831,803)</b>	<b>(835,055)</b>	<b>3,252</b>	<b>(4,300,857)</b>	<b>(4,417,801)</b>	<b>116,944</b>
<b>Non-cash and Other Items</b>						
Deferred/Accreted Interest Exp - Series 2014C	-	-	-	-	-	-
Subordinated Loan Deferred Interest Expense	(15,625)	(19,750)	4,125	(78,125)	(98,750)	20,625
Future Services Obligation	-	-	-	-	-	-
Write off Deferred Financing Costs 2014	-	-	-	-	-	-
Extinguishment of Debt - SBA Paycheck Protection Program	-	-	-	1,165,137	-	1,165,137
Unrealized Gain/(loss) on Investments	(9,051)	-	(9,051) (GG)	(117,449)	-	(117,449)
Earned Non-refundable Entrance Fees	394,320	394,320	-	1,949,170	1,949,170	-
Amortization of Deferred Financing Costs	-	-	-	-	-	-
Depreciation/Amortization	(565,019)	(551,348)	(13,671) (HH)	(2,760,466)	(2,756,740)	(3,726)
<b>Total Noncash Items</b>	<b>(195,375)</b>	<b>(176,778)</b>	<b>(18,597)</b>	<b>158,266</b>	<b>(906,320)</b>	<b>1,064,586</b>
<b>Net Income (Loss)</b>	<b>(1,027,178)</b>	<b>(1,011,833)</b>	<b>(15,345)</b>	<b>(4,142,591)</b>	<b>(5,324,121)</b>	<b>1,181,530</b>

**The Harborside**  
**Income Statement Summary Explanations**  
**May 2022**

OPERATING REVENUES BUDGET COMPARISON:

- A. **IL Monthly Service Fees** had a negative variance of (\$100,399) due to lower average occupancy of 19.1 apartments (11%).
- B. **EH Monthly Service Fees** had a positive variance to budget of \$10,778 due to higher average occupancy in EH of 3.2 apartments (17.6%) partially offset by lower average occupancy in MS of 2.0 apartments (12.3%).
- C. **Second Person Fees** had a negative variance of (\$11,587) due to IL second person occupancy being 5.3 persons (17%) lower than budget.
- D. **SN Room & Board Per Diems** had a negative variance of (\$33,695) due to lower average occupancy of 2.4 beds (11.7%)
- E. **Contractual Adjustments** did not have a significant variance to budget.
- F. **SN Ancillary & Therapy Revenues** had a negative variance of (\$23,091) due to lower than budgeted therapy revenues for Medicare Part A resulting from lower census.
- G. **Lifecare Credits** had a negative variance of (\$17,823) primarily due to higher first-person transfers to SN and Lifecare coinsurance write-offs during the month.
- H. **Monthly Service Fee Credits** had a negative variance of (\$6,720) due to higher than budgeted marketing incentive credits.
- I. **Other Revenue** had a positive variance of \$21,617 due to miscellaneous income for court awarded fees in May.

DEPARTMENTAL EXPENSES BUDGET COMPARISON:

- J. **Administrative Services** had a positive variance to budget of \$22,392 due to timing of audit.
- K. **Employee Benefits** had a negative variance to budget of (\$4,490) primarily due to workman's compensation audit of (\$35,171) partially offset by lower than budgeted health insurance premiums and FICA expense due to lower FTEs than budget.
- L. **Human Resources** did not have a significant variance to budget.
- M. **Resident Services** had a negative variance to budget of (\$1,676) due to higher salaries and wages.
- N. **Resident Services - Skilled Nursing** did not have a significant variance to budget.
- O. **Enriched Housing** had a positive variance to budget of \$19,291 primarily due to labor costs due to lower CNAs during the month and vacant Case Manager position which was filled subsequently.
- P. **Building Maintenance Services** had a negative variance of (\$12,925) primarily due to higher HVAC repairs and maintenance during the month.

**The Harborside**  
**Income Statement Summary Explanations**  
**May 2022**

- Q. Dining Services** had a positive variance of \$37,198 due to lower raw food cost and labor cost due to lower census, small equipment and linens/laundry expense partially offset by higher paper and plastic.
- R. Emergency System Services** had a positive variance to budget of \$1,146 due to lower than budgeted call system maintenance.
- S. Grounds Maintenance** had a positive variance of \$3,585 due to postponing sidewalk and asphalt repairs.
- T. Housekeeping Services** had a positive variance to budget of \$7,599 due to labor costs resulting from 3.5 lower FTEs than budgeted.
- U. Marketing Services** had a negative variance to budget of (\$6,422) due to higher expenses for marketing audit, employee travel and higher mailing expense for two events. These negative variances were partially offset by lower than lower than budgeted commissions and salaries during the month.
- V. Skilled Nursing** had a positive variance to budget of \$20,810 due to lower staffing during the month.
- W. Ancillary and Therapy** had a positive variance of \$38,688 due to lower therapy costs of \$26,286, pharmacy supplies of \$4,030, medical supplies of \$6,191 resulting from lower Medicare census.
- X. Transportation Services** had a positive variance to budget of \$16,641 primarily due to salaries and wages resulting from two vacant positions and lower than budgeted contract services.
- Y. Extraordinary Expenses** were \$0 during the month.

OTHER OPERATING EXPENSES BUDGET COMPARISON:

- Z. Utilities** had a positive variance of \$8,650 due to lower than budgeted expenses for electricity of \$8,103 during the month.
- AA. Insurance** did not have a significant variance during the month
- BB. Taxes & HOA** had a positive variance of \$1,868 due to lower than budgeted ad valorem taxes and slightly lower HOA dues.
- CC. Management and Marketing Fees** had a positive variance to budget of \$4,604 due to lower than budgeted Marketing fees resulting from two move-ins during the month compared to 2.71 budgeted.

OTHER INCOME, EXPENSE AND NON-CASH ITEMS

- DD. Investment Income** had a negative variance of (\$20,890) due to lower investment income on the trustee held accounts and timing of investment manager fees.
- EE. Long Term Debt Expenses** did not have a significant variance during the month.



**The Harborside**  
**Income Statement Summary Explanations**  
**May 2022**

- FF. Debt Modification Fees** were positive \$29,309 due to accrual adjustment.
- GG. Unrealized Gain/(Loss) on Investments** was a (\$9,051) loss during the month.
- HH. Depreciation/Amortization** had a negative variance to budget of (\$13,671) due to timing of capital expenditures.

**C**

**The Harborside  
Financial Overview of Operations  
May 2022 vs. May 2021  
UNAUDITED**

	<u>Month-To-Date</u>			<u>Year-To-Date</u>		
	<u>May 2022</u>	<u>May 2021</u>	<u>Variance</u>	<u>YTD 2022</u>	<u>YTD 2021</u>	<u>Variance</u>
Total Operating Revenues	1,679,721	1,776,464	(96,743)	8,742,867	9,066,166	(323,299)
Total Operating Expenses	(1,713,719)	(1,481,204)	(232,516)	(8,615,395)	(8,123,233)	(492,161)
Net Operating Income (Loss)	(33,999)	295,260	(329,259)	127,472	942,932	(815,460)
Contribution	-	-	-	-	-	-
Investment Income	9,991	7,685	2,306	48,077	33,752	14,325
Debt Modification Costs	29,309	(786,088)	815,397	(287,630)	(1,325,119)	1,037,489
Long-Term Debt Expenses	(837,105)	(773,816)	(63,289)	(4,185,525)	(3,868,014)	(317,511)
Gain/Loss on Disposed Fixed Assets	-	-	-	(3,251)	(3,340)	89
Net Income (Loss) Before Non-Cash Items	(831,803)	(1,256,958)	425,155	(4,300,857)	(4,219,789)	(81,068)
Non-Cash and Other Items:						
Deferred/Accreted Interest Exp - Series 2014C	-	(112,112)	112,112	-	(560,560)	560,560
Subordinated Loan Deferred Interest Expense	(15,625)	(15,625)	-	(78,125)	(78,125)	-
Future Services Obligation	-	-	-	-	-	-
Write off Deferred Financing Costs 2014	-	-	-	-	-	-
Extinguishment of Debt - Gain/Loss	-	-	-	1,165,137	-	1,165,137
Unrealized Gain/(Loss) on Investments	(9,051)	(4,640)	(4,411)	(117,449)	(43,544)	(73,906)
Earned Resident Entrance Fees	394,320	411,593	(17,273)	1,949,170	2,056,466	(107,296)
Amortization of Deferred Financing Costs	-	(18,721)	18,721	-	(93,604)	93,604
Depreciation/Amortization	(565,019)	(553,919)	(11,100)	(2,760,466)	(2,702,479)	(57,988)
Net Income (Loss) After Non-Cash Items	(1,027,178)	(1,550,381)	523,203	(4,142,591)	(5,641,633)	1,499,042

**Comparison to Corresponding Month of Prior Year**

Pursuant to Section 8.9(a) of the Installment Sale Agreement, a comparison of current month operations to the corresponding month of the preceding fiscal year has been included. Departmental comparisons are provided on the next page.

For the month of May 2022, Net Operating Income was \$34,000 which was a decrease of (\$329,000) compared to prior year May 2021. Operating Revenues were (\$96,000) lower and Operating Expenses were (\$233,000) higher.

**Operating Revenues**

Operating Revenues were (\$96,000) lower in May 2022 compared to prior year May primarily due to negative variances in the following:

- IL Monthly Service Fees decreased by (\$90,000) due to lower census of 23 apartments.
- Life Care Credits increased by (\$46,000) due to higher LC transfers in May 2022 compared to May 2021.
- Contractual Adjustments increased by (\$26,000) due to lower average reimbursement in May 2022 compared to May 2021.
- SN Ancillary & Therapy Revenue decreased by (\$19,000) due to lower Medicare census of 1.9 in May 2022 compared to May 2021.
- Second Person Fees decreased by (\$11,000) due to lower second persons by 6.8 second persons.

The negative variances were partially offset by the following positive variances:

- SN Room & Board Per Diems increased by \$58,000 due to higher census of .6 beds and room and board increase on 7/1/21.
- Other Revenue increased by \$28,000 due to court awarded fees and cable revenue in May 2022.
- EH Monthly Service Fees increased by \$17,000 due to higher census of 1.4 apts.

**Operating Expenses**

Operating Expenses were (\$233,000) higher in May 2022 compared to prior year May due to negative variances in the following:

- Employee Benefits increased by (\$173,000) due to negative work comp audit in May 22; positive work comp and SUTA adj. in May 2021
- Skilled Nursing increased by (\$41,000) due to higher labor costs due to higher census in May 2022.
- Marketing Services increased by (\$32,000) due to ramping up marketing efforts after restructuring.
- Administrative Services increased by (\$24,000) due to higher salaries in May 2022.
- Dining Services increased by (\$17,000) due to higher raw food costs.
- Resident Services increased by (\$13,000) due to higher payroll costs.

The negative variances were partially offset by the following positive variances:

- Ancillary and Therapy decreased by \$40,000 due to lower therapy costs in May 2022.
- Management and Marketing Fees decreased by \$26,000 due to no Amsterdam management fees in May 2022.
- Housekeeping Services decreased by \$10,000 due to lower labor costs in May 2022.

**Investment Income:**

Investment Income increased by \$2,000 due to higher cash balances.

**Long-Term Debt Expenses:**

Long Term Debt Expenses increased by (\$63,000) due to higher interest expense on Series 2021 A and B Bonds.

**The Harborside**  
**Actual vs. Budget Consolidated Summary Income Statement**  
**May 2022 vs. May 2021**  
**UNAUDITED**

	Month-To-Date			Year-To-Date		
	May 2022	May 2021	Variance	YTD 2022	YTD 2021	Variance
<b>Operating Revenue</b>						
IL Monthly Service Fees	910,317	999,843	(89,526)	4,725,453	5,129,526	(404,073)
EH Monthly Service Fees	336,879	319,413	17,466	1,657,579	1,600,817	56,763
Second Person Fees	43,507	54,885	(11,378)	230,527	286,947	(56,420)
SN Room & Board Per Diems	853,277	795,051	58,226	4,354,784	3,857,158	497,626
Contractual Adjustments	(95,509)	(69,705)	(25,803)	(446,592)	(403,965)	(42,627)
SN Ancillary & Therapy Revenue	72,530	91,902	(19,372)	408,859	469,552	(60,693)
Life Care Credits	(441,458)	(395,926)	(45,532)	(2,196,043)	(1,837,253)	(358,790)
Monthly Service Fee Credits	(35,418)	(26,209)	(9,209)	(149,121)	(120,610)	(28,511)
Other Revenue	35,595	7,209	28,386	157,421	83,994	73,427
<b>Total Operating Revenue</b>	<b>1,679,721</b>	<b>1,776,464</b>	<b>(96,743)</b>	<b>8,742,867</b>	<b>9,066,166</b>	<b>(323,299)</b>
<b>Departmental Expenses</b>						
Administrative Services	112,060	87,716	(24,344)	622,955	513,018	(109,937)
Employee Benefits	248,799	75,950	(172,849)	1,112,075	886,377	(225,698)
Human Resources	12,785	10,776	(2,010)	62,731	44,522	(18,209)
Resident Services	60,587	47,812	(12,775)	275,170	233,234	(41,936)
Resident Services - Skilled Nursing	5,456	3,834	(1,622)	21,797	11,777	(10,021)
Enriched Housing	96,084	97,779	1,695	454,485	464,338	9,854
Building Maintenance Services	83,028	74,057	(8,971)	359,516	338,964	(20,552)
Dining Services	251,520	234,278	(17,242)	1,291,210	1,236,506	(54,705)
Emergency System Services	10,702	12,673	1,971	52,906	68,368	15,462
Grounds Maintenance Services	6,625	7,803	1,178	42,193	43,187	993
Housekeeping Services	56,535	66,568	10,033	284,084	341,267	57,184
Marketing Services	100,989	69,125	(31,864)	556,511	248,936	(307,575)
Skilled Nursing	350,784	309,848	(40,936)	1,694,114	1,643,239	(50,875)
Ancillary and Therapy	38,661	78,164	39,504	319,446	384,160	64,714
Transportation Services	9,801	15,904	6,104	73,497	72,535	(962)
Extraordinary Expenses - COVID-19	-	(1,233)	(1,233)	8,930	149,783	140,853
<b>Total Departmental Expenses</b>	<b>1,444,416</b>	<b>1,191,052</b>	<b>(253,364)</b>	<b>7,231,621</b>	<b>6,680,210</b>	<b>(551,410)</b>
<b>Other Operating Expenses</b>						
Utilities	110,204	108,764	(1,440)	631,278	583,616	(47,661)
Insurance	69,351	60,655	(8,696)	346,753	287,154	(59,599)
Taxes & HOA Fees	56,486	61,622	5,136	283,249	309,689	26,441
Management and Marketing Fees	33,263	59,111	25,848	122,495	262,564	140,069
<b>Total Other Operating Expenses</b>	<b>269,303</b>	<b>290,151</b>	<b>20,848</b>	<b>1,383,774</b>	<b>1,443,023</b>	<b>59,249</b>
<b>Total Operating Expenses</b>	<b>1,713,719</b>	<b>1,481,204</b>	<b>(232,516)</b>	<b>8,615,395</b>	<b>8,123,233</b>	<b>(492,161)</b>
<b>Net Operating Income (Loss)</b>	<b>(33,999)</b>	<b>295,260</b>	<b>(329,259)</b>	<b>127,472</b>	<b>942,932</b>	<b>(815,460)</b>
Contribution	-	-	-	-	-	-
Investment Income	9,991	7,685	2,306	48,077	33,752	14,325
<b>NI (Loss) Before LT Debt &amp; Noncash Items</b>	<b>(24,008)</b>	<b>302,945</b>	<b>(326,953)</b>	<b>175,549</b>	<b>976,684</b>	<b>(801,135)</b>
Long Term Debt Expenses	(837,105)	(773,816)	(63,289)	(4,185,525)	(3,868,014)	(317,511)
Debt Modification Costs	29,309	(786,088)	815,397	(287,630)	(1,325,119)	1,037,489
Gain/Loss on Disposal of Fixed Assets	-	-	-	(3,251)	(3,340)	89
<b>NI (Loss) Before Noncash Items</b>	<b>(831,803)</b>	<b>(1,256,958)</b>	<b>425,155</b>	<b>(4,300,857)</b>	<b>(4,219,789)</b>	<b>(81,068)</b>
<b>Non-cash and Other Items</b>						
Deferred/Accreted Interest Exp - Series 2014C	-	(112,112)	112,112	-	(560,560)	560,560
Subordinated Loan Deferred Interest Expense	(15,625)	(15,625)	-	(78,125)	(78,125)	-
Future Services Obligation	-	-	-	-	-	-
Write off Deferred Financing Costs 2014	-	-	-	-	-	-
Extinguishment of Debt - Gain/Loss	-	-	-	1,165,137	-	1,165,137
Unrealized Gain/(loss) on Investments	(9,051)	(4,640)	(4,411)	(117,449)	(43,544)	(73,906)
Earned Non-refundable Entrance Fees	394,320	411,593	(17,273)	1,949,170	2,056,466	(107,296)
Amortization of Deferred Financing Costs	(9,486)	(18,721)	9,234	-	(93,604)	93,604
Depreciation/Amortization	(555,532)	(553,919)	(1,614)	(2,760,466)	(2,702,479)	(57,988)
<b>Total Noncash Items</b>	<b>(195,375)</b>	<b>(293,423)</b>	<b>98,048</b>	<b>158,266</b>	<b>(1,421,845)</b>	<b>1,580,111</b>
<b>Net Income (Loss)</b>	<b>(1,027,178)</b>	<b>(1,550,381)</b>	<b>523,203</b>	<b>(4,142,591)</b>	<b>(5,641,633)</b>	<b>1,499,042</b>

**D**

**The Harborside  
Comparative Balance Sheet  
As of May 31, 2022  
UNAUDITED**

	<u>Current Month</u>	<u>Prior Month</u>	<u>Variance</u>
<b>Cash</b>			
Petty Cash	1,200	1,200	-
Utilities Holding Account - Roslyn	-	-	-
Operating Account - Roslyn	45,276	8,552	36,724
Cash - Employee Appreciation	30	30	-
Cash - Employee Benefits Debit	1,891	8,659	(6,768)
Disbursements Account - Roslyn	1,251,450	1,242,900	8,550
Cash - Security Deposits	299,829	299,813	16
Cash - Resident Trust Acct	3,291	3,241	50
<b>Total Cash and Cash Deposits</b>	<u>1,602,968</u>	<u>1,564,395</u>	<u>38,573</u>
<b>A/R Residents</b>			
Accounts Receivable	529,140	515,916	13,224
Allowance for Doubtful Accounts	(247,874)	(242,041)	(5,833)
Accounts Receivable - SN Private Pay	88,889	94,161	(5,272)
Accounts Receivable - Med A	295,338	380,516	(85,178)
Accounts Receivable - Med B	9,465	9,119	346
Accounts Receivable - Medicaid	40,757	43,898	(3,141)
Accounts Receivable - Medicaid Pending	-	-	-
Accounts Receivable - HMO/Insurance	209,124	231,515	(22,391)
Accounts Receivable - Hospice	11,595	4,629	6,966
Accounts Receivable - CoInsurance	38,905	38,905	-
Accounts Receivable - Gov't Receivable	-	-	-
Due From (To) Medicare	(41)	(41)	-
<b>Net A/R Residents</b>	<u>975,298</u>	<u>1,076,577</u>	<u>(101,279)</u>
<b>Other Receivables</b>			
Accounts Receivable - Other	-	-	-
Accounts Receivable - Entrance Fee Due F	(2)	(2)	-
Accounts Receivable - COBRA	-	-	-
Accounts Receivable Coinsurance Clearing	-	-	-
Accrued Int Receivable - 2021A DSRF	22,307	17,757	4,549
Accrued Int Receivable - 2021B DSRF	3,350	10,551	(7,201)
Accrued Int Receivable - 2021 Op Reserve	-	-	-
Accrued Int Receivable - 2021 COI	-	-	-
Accrued Int Receivable - 2021 EF Fund	-	-	-
Accrued Int. - 2014 DSR Fund	-	-	-
Accrued Int. - 2014 Op Reserve	-	-	-
Accrued Int. - 2014 Revenue Fund	-	-	-
<b>Total Other Receivables</b>	<u>25,654</u>	<u>28,306</u>	<u>(2,651)</u>
<b>Total Receivables</b>	<u>1,000,952</u>	<u>1,104,882</u>	<u>(103,930)</u>
<b>Inventory</b>			
Inventory	42,414	43,216	(802)
Inventory - Convenience Store	-	-	-
<b>Total Inventory</b>	<u>42,414</u>	<u>43,216</u>	<u>(802)</u>
<b>Deposits</b>			
Deposit - Utilities	3,391	3,391	-
<b>Total Deposits</b>	<u>3,391</u>	<u>3,391</u>	<u>-</u>
<b>Prepaid Expenses</b>			
Security Deposits	-	-	-
Prepaid Expense	47,118	49,056	(1,938)
Prepaid - Insurance	270,311	318,098	(47,787)
Prepaid Payroll	-	-	-
Prepaid Taxes	35,317	70,286	(34,969)
<b>Total Prepaid Expenses</b>	<u>352,746</u>	<u>437,440</u>	<u>(84,693)</u>
<b>Total Current Assets</b>	<u>3,002,471</u>	<u>3,153,324</u>	<u>(150,853)</u>

**The Harborside  
Comparative Balance Sheet  
As of May 31, 2022  
UNAUDITED**

	<u>Current Month</u>	<u>Prior Month</u>	<u>Variance</u>
Fixed Assets			-
Construction In Progress	337,633	224,171	113,462
CIP - Deferred Financing Cost 2021 Restr	-	-	-
CIP Unit Renov	-	-	-
CIP Expansion Project-Architect	253,016	253,016	-
CIP Expansion Project-Legal	29,896	29,896	-
CIP Expansion Project-Owner's Rep	290,424	290,424	-
CIP Expansion Project-Engineering	58,841	58,841	-
CIP Expansion Project-Greystone	356	356	-
CIP Expansion Project	9,715	9,715	-
Total Construction in Progress	979,881	866,419	113,462
Land	19,058,908	19,058,908	-
Land - EH	1,767,825	1,767,825	-
Land - SN	1,527,162	1,527,162	-
Land Improvements	7,368,027	7,368,027	-
Land Improvements - EH	671,590	671,590	-
Land Improvements - SN	580,163	580,163	-
Buildings	193,490,848	193,490,848	-
Buildings - EH	13,793,679	13,793,679	-
Buildings - SN	11,931,203	11,931,203	-
Building Improvements	1,583,936	1,583,936	-
Building Improvements - EH	459,336	459,336	-
Building Improvements - SN	259,947	259,947	-
Equipment - Fixed	1,264,166	1,264,166	-
Equipment - Fixed - EH	84,127	84,127	-
Equipment - Fixed - SN	90,829	90,829	-
Equipment - Movable	1,075,801	1,075,801	-
Equipment - Movable - EH	92,187	92,187	-
Equipment - Movable - SN	206,652	206,652	-
IL Unit Upgrades	1,125,918	1,125,918	-
Computers - Hardware & Software	527,883	527,883	-
Computers - Hardware & Software	48,162	48,162	-
Computers - Hardware & Software - SN	117,154	117,154	-
Furniture & Fixtures	2,325,608	2,325,608	-
Furniture & Fixtures - EH	396,149	396,149	-
Furniture & Fixtures - SN	490,619	490,619	-
Vehicles	200,781	200,781	-
Vehicles - EH	13,282	13,282	-
Vehicles - SN	16,904	16,904	-
Total Fixed Assets	260,568,846	260,568,846	-
Accumulated Depreciation	(76,871,080)	(76,315,548)	(555,532)
Net Fixed Assets and CIP	184,677,647	185,119,717	(442,070)
Intangible Assets			
Capitalized Marketing	12,212,841	12,212,841	-
Total Intangible Assets	12,212,841	12,212,841	-
Accum Amort - Captzld Marketing	(12,005,171)	(12,005,171)	-
Total Accumulated Amortization	(12,005,171)	(12,005,171)	-
Net Intangible Assets	207,669	207,669	-
Restricted Assets			
Cash - Restricted Funds	2,055	2,055	-
Cash - Funds for Held Checks	-	-	-
Cash - Escrow Entrance Fees	1,369,448	1,217,579	151,869
Cash - Legacy Fund	23,629	23,444	185
Professional Fee Escrow - KCC	160,023	293,887	(133,863)
2014 Series A Debt Service	-	-	-
2014 Series A Redemption	2	2	-
2014 Series B Debt Service	-	-	-
2014 Series B Redemption	-	-	-
2014 Series C Debt Service	-	-	-
2014 Series C Redemption	-	-	-
2014 Project Fund	-	-	-
2014 Revenue Fund	3,321	3,321	-
2014 Debt Service Reserve Fund	4,213	4,213	0
2014 Operating Reserve	8	8	-
2014 Entrance Fee Fund	-	-	-
2021 Revenue Fund	1,752,000	1,830,000	(78,000)
2021 Series A Debt Serv	1,526,719	1,221,361	305,358
2021 Series A Redemption	-	-	-
2021 Series B Debt Serv	2,652,851	2,122,243	530,608
2021 Series B Redemption	-	-	-
2021 A Debt Service Reserve Fund	5,031,530	5,034,834	(3,304)
2021 B Debt Service Reserve Fund	9,350,736	9,341,700	9,036
2021 Operating Reserve Fund	5,507,206	6,342,815	(835,608)
2021 Project Construction	-	-	-
2021 Insurance Proceeds	-	-	-
2021 Costs of Issuance	20,100	20,099	1
2021 Entrance Fee Fund	2,003,964.89	3	2,003,962
2021 Rebate Fund	-	-	-
Total Restricted Assets	29,407,809	27,457,565	1,950,244
Total Assets	217,295,596	215,938,276	1,357,321

**The Harborside  
Comparative Balance Sheet  
As of May 31, 2022  
UNAUDITED**

	<u>Current Month</u>	<u>Prior Month</u>	<u>Variance</u>
Accounts Payable			
Accounts Payable - Trade	1,547,219	1,110,999	436,220
Resident Events	-	(48)	48
Due to/from Amsterdam Consulting	(8,268)	(7,310)	(958)
Expansion due to/from Amsterdam	-	-	-
Employee Appreciation Fund Pay	30	30	-
Security Deposit - Non-Resident	2,000	2,000	-
State Sales Tax	-	-	-
Restricted Funds-FILA	2,055	2,055	-
Restricted Funds - Legacy Fund	16,629	16,444	185
Deferred CARES Act Revenue	-	-	-
<b>Total Accounts Payable</b>	<b>1,559,665</b>	<b>1,124,170</b>	<b>435,496</b>
<b>Resident Current Liabilities</b>			
Refund Checks Funded and Held	-	-	-
Pending Refunds Liability	-	622,965	(622,965)
Resident Refunds Due	(15,391)	(17,515)	2,125
Short Term EF Liability	-	-	-
Escrow 10% Deposit Liability	109,337	109,337	-
Escrow 10% Deposit Interest Accrual	(76.81)	(77)	-
IL Wait List Deposit Liability	30,000	30,000	-
IL Wait List Deposit Interest Accrual	1,747	1,737	9
Security Deposit Interest Accrual	1,497	1,481	16
Resident Trust Interest Liability	12	12	0
Resident Trust Account Liability	3,279	3,229	50
Refundable SN Deposit Liability	238,456	238,456	-
<b>Total Resident Current Liabilities</b>	<b>368,860</b>	<b>989,625</b>	<b>(620,765)</b>
<b>Payroll Related Current Liabilities</b>			
Accrued Payroll Costs	159,573	118,824	40,749
Accrued Employer Payroll Taxes	-	-	-
Accrued Employee Deductions	(7,085)	(8,988)	1,902
Accrued Pension Costs	148,750	140,000	8,750
FICA Tax Liability	127,669	124,472	3,197
FMLA Liability	(0)	3,419	(3,419)
Abandoned Property Liability	23,709	23,709	-
Accrued Flex Benefits	(9,868)	(9,627)	(240)
Accrued PTO	142,443	133,155	9,288
Accrued Bonuses	-	-	-
<b>Total Payroll Related Current Liabilities</b>	<b>585,191</b>	<b>524,963</b>	<b>60,228</b>
<b>Accrued Expenses</b>			
Accrued Development Fee	41,667	41,667	-
Accrued Bond Interest Expense - 2021A	1,526,625	1,221,300	305,325
Accrued Bond Interest Expense - 2021B	2,652,612	2,122,082	530,530
Accrued Subordinated Loan Int	4,052,989	4,037,364	15,625
Accrued Operating Expenses	436,032	548,960	(112,928)
Accrued Audit Fees	-	-	-
Accrued Amsterdam Mgmt Fee	-	-	-
Accrued PPP Loan Interest Expense	-	-	-
<b>Total Accrued Expenses</b>	<b>8,709,925</b>	<b>7,971,373</b>	<b>738,552</b>
<b>Total Current Liabilities</b>	<b>11,223,642</b>	<b>10,610,132</b>	<b>613,510</b>
<b>Entrance Fee Liability</b>			
Refundable Resident Deposit Liability	133,894,441	132,277,575	1,616,867
Non-refundable Entrance Fees	66,051,979	65,513,024	538,956
Acc. Amort. Non-refundable Ent. Fees	(45,067,509)	(44,673,189)	(394,320)
<b>Total Entrance Fee Liability</b>	<b>154,878,911</b>	<b>153,117,409</b>	<b>1,761,502</b>
<b>Future Services Obligation Liability</b>	<b>20,367,000</b>	<b>20,367,000</b>	<b>-</b>
<b>Long Term Debt</b>			
Long Term Debt - Subordinated Note	3,000,000	3,000,000	-
Bonds Payable - 2021A	40,710,000	40,710,000	-
Bonds Payable - 2021B	127,327,200	127,327,200	-
Deferred Financing Costs 2021	(1,582,510)	(1,582,510)	-
Accum Amort - DFC 2021	85,694	76,207	9,486
Paycheck Protection Program Loan	-	-	-
<b>Total Long Term Debt</b>	<b>169,540,384</b>	<b>169,530,898</b>	<b>9,486</b>
<b>Total Liabilities</b>	<b>356,009,937</b>	<b>353,625,438</b>	<b>2,384,499</b>
<b>Equity</b>			
Equity - Cash	2,500	2,500	-
Net Assets	(134,574,249)	(134,574,249)	-
Net Income	(4,142,591)	(3,115,413)	(1,027,178)
<b>Total Equity</b>	<b>(138,714,340)</b>	<b>(137,687,162)</b>	<b>(1,027,178)</b>
<b>Total Liabilities &amp; Equity</b>	<b>217,295,596</b>	<b>215,938,276</b>	<b>1,357,321</b>