



Friendship Village of Schaumburg (FVS)
Quarterly Investor Report
For the 12 Months Ending March 31, 2021

May 27, 2021

Table of Contents

<u>Introduction</u>	Page 3
<u>Marketing</u>	
Marketing and Sales Report.....	Page 3
<u>Financial Overview</u>	
Liquidity Ratio.....	Page 6
Debt Service Coverage Ratio.....	Page 7
Obligated Group Financial Overview.....	Page 8
Obligated Group Quarterly Census Summary and Reconciliation	Page 9
Management Discussion and Analysis related to Occupancy	Page 10
Healthcare Center (Briarwood) Daily Rates	Page 13
FVS Construction Update	Page 13
Principal Payments made by FVS on FSO Bonds	Page 13
Expected Future Principal Payments on FSO Bonds	Page 14
CMS 5-star Rating at 5/27/21	Page 15
Best Nursing Homes U.S. News & World Report	Page 16
FVS Officer's Certificate @ 3/31/21	Page 17
<u>Appendices</u>	
A. Obligated Group Unaudited Financials	Page 20
B. Obligated Group Census Summary Reports	Page 24
C. Consolidated Unaudited Financials	Page 26

Introduction

This report reflects marketing, sales activity and financial performance for the quarter ending March 2021.

Marketing and Sales Report - Quarterly Results

FY2021 Occupancy: Month end March 31, 2021

Neighborhood	Capacity	Actual Occupancy	Occupancy %
Bridgegate	354	233	65.8%
Bridgewater Place	170	130	76.5%
Crosswell Trace	28	28	100.0%
Total Independent Living	552	391	70.8%
Willows Assisted Living	109	92	84.4%
Briarwood Healthcare Center	199	146	73.4%
Total	860	629	73.1%

FY2021 Deposits: YTD March 31, 2021

Neighborhood	Current Quarter Gross Budgeted Deposits	Current Quarter Gross Actual Deposits	YTD FY2021 Gross Actual Deposits	YTD FY2020 Gross Actual Deposits
Bridgegate	21	10	21	68
Bridgewater Place	8	4	10	30
Crosswell Trace	1	1	1	6
Total Independent Living	30	15	32	104
Willows Assisted Living	5	2	9	14

FY2021 Cancellations: YTD March 31, 2021

Neighborhood	Current Quarter Budgeted Cancellations	Current Quarter Actual Cancellations	YTD FY2021 Actual Cancellations	YTD FY2020 Actual Cancellations
Bridgegate	3	2	11	19
Bridgewater Place	3	0	0	10
Crosswell Trace	0	0	1	1
Total Independent Living	6	2	12	30
Willows Assisted Living	1	2	5	5

FY2021 Cancellations: January, February, March 2021 (by month)

Neighborhood	January Cancellations	February Cancellations	March Cancellations	Current Quarter Cancellations
Bridgegate	1	0	1	2
Bridgewater Place	0	0	0	0
Crosswell Trace	0	0	0	0
Total Independent Living	1	0	1	2
Willows Assisted Living	0	0	2	2

FY2021 Move-ins: YTD March 31, 2021

Neighborhood	Current Quarter Budgeted Move-Ins	Current Quarter Actual Move-Ins	YTD FY2021 Actual Move-Ins	YTD FY2020 Actual Move-ins
Bridgegate	18	3	10	48
Bridgewater Place	9	3	7	26
Crosswell Trace	2	0	1	1
Total Independent Living	29	6	18	75
Willows Assisted Living	2	2	7	9

FY2021 Transitions: YTD March 31, 2021

Bridgegate	Assisted Living	Memory Support	Health care	Transfer to BWP	Transfer to BG	Expired	Moved Out	Total Transitions
Current quarter transitions	4	0	0	0	0	2	4	10
YTD FY2021	16	6	8	0	0	13	17	60
Avg. per month FY2021								5.0
FY2021 budget avg.								4.8
YTD FY2020	17	4	17	0	0	15	12	65
Avg. per month FY2020								5.4

Bridgewater Place	Assisted Living	Memory Support	Health care	Transfer to Bridgegate	Transfer to BWP	Expired	Moved Out	Total Transitions
Current quarter transitions	3	0	0	1	0	1	3	8
YTD FY2021	12	2	5	3	0	5	6	33
Avg. per month FY2021								2.8
FY2021 budget avg.								1.8
YTD FY2020	10	1	1	0	0	4	4	20
Avg. per month FY2020								1.7

Financial Overview

Financial Disclosure

The information provided in this quarterly financial report will briefly cover the unaudited financial results for the 4th quarter of Fiscal Year 2021, January 1, 2021 through March 31, 2021. There are two sets of unaudited financial reports: one covers the obligated group, Friendship Village of Schaumburg (FVS); the other reflects the consolidated financial report that combines Friendship Senior Options (FSO) with all of its subsidiary entities. We share this information with our investors and interested parties to disclose the financial status of the obligated community and the consolidated financial results of Friendship Senior Options, the parent company.

Liquidity Ratio

The Liquidity Ratio for the obligated group is based on the unaudited financials for the current quarter ending March 31, 2021 and the unaudited financials for the prior quarter ending December 31, 2020. The Days Cash on Hand ratio (DCOH) of 93.6 at March 31, 2021 is below the minimum covenant level of 150.0 Days. The table below presents the comparison of the year-to-date (YTD) actual Liquidity Ratios for the current quarter and the prior quarter to the covenant minimums, based on the definitions in the Master Trust Indenture (MTI). Average expense per day increased .59% or \$844 in the current quarter from \$143,862 to \$144,705 per day. The primary reason for the miss in covenant is due to lack of move-ins and the corresponding new entrance fees associated with the lifecare sale.

Liquidity Ratio (Days Cash on Hand)

Calculation of Days Cash on Hand (Year To Date)	03/31/21	12/31/21
	Current Month	Prior Quarter
	12 Months DCOH	9 Months DCOH
Friendship Village Obligated Group as of March 31, 2021		
Cash and Cash Equivalents	3,370,360	1,935,172
Adjustments:	-	-
Total Cash & Cash Equivalents	3,370,360	1,935,172
Unrestricted Long Term Investments	10,180,052	12,060,958
Less: Encumbered Investments (Credit Line)	-	-
Obligated Group's Total Cash & Investments used in DCOH	13,550,412	13,996,130
Expenses Used in DCOH	52,817,421	39,561,948
Number of Calendar Days	365	275
Average Expense per Day	144,705	143,862
Days Cash on Hand Ratio - MTI	93.6	97.3
Covenant Minimum Level	150.0	150.0
Testing Date (September 30th & March 31st)	Yes	No

Debt Service Coverage Ratio

March 2021's 12-month rolling average Debt Service Coverage Ratio (DSCR) of 0.00 is below the prior quarters 12-month average, and below the Covenant Limit of 1.20. The current quarter experienced a decrease of \$8.3M of funds available for debt service. Net Entrance Fee receipts were lower than the prior quarter by (\$6.8M) and Income from Operations available for Debt Service was lower by (\$1.5M). The decrease in entrance fees is in large part due to COVID19 and the slowed move-in rate caused by the global pandemic (note both quarters are computed on a rolling 12-month average). The March 31, 2021 "revenue only" DSCR was 0.33, a decrease from December's ratio of .51.

Calculation of Debt Service Coverage (12 month rolling average) Friendship Village Obligated Group as of March 31, 2021	03/31/21	12/31/21
	Current Month	Prior Quarter
	12 month DSCR	12 month DSCR
Income from Operations Available for Debt Service	2,778,465	4,316,605
Entrance Fees Received, Net of Refunds	(2,738,385)	4,028,407
Funds Available for Debt Service	40,080	8,345,011
Debt Service with LOC Fees	8,484,544	8,402,454
Funded Debt Service		
Obligated Group's Debt Service Requirement	8,484,544	8,402,454
YTD Debt Service Coverage Ratio - MTI	0.00	0.99
<i>Covenant Minimum Level</i>	1.20	1.20
<i>Testing Date (March 31st only)</i>	Yes	No
YTD Debt Service Coverage Ratio - Revenue Only	0.33	0.51

Obligated Group Unaudited Financial Results

The year-to-date (YTD) net results as of March 31, 2021 reflect a decrease in Net Assets of approximately (\$5.1M) compared to a budgeted loss of (\$3.9M). Compared to the same period a year ago (March 31, 2020), the loss for the current fiscal year improved by \$4.5M compared to the prior year (year-to-date) period which experienced a decrease in Net Assets of (\$9.7M).

Current Year-to-date Operating Revenue is unfavorable to budget by (\$5.2M) including Investment Income which is favorable to budget by \$786K year-to-date. Healthcare (HCC) Revenue is unfavorable to budget by (\$2.6M) year-to-date (YTD), Independent Living (IL) revenue is unfavorable by (\$1.5M) YTD, Home Health revenue is unfavorable by (\$81K) YTD, and Assisted Living (AL) revenue is unfavorable to budget by (\$450K) YTD.

Current Year-to-date Operating Expenses as of March 31, 2021 (excluding Interest and Depreciation) are favorable to budget by approximately \$924K or 1.91% and are \$3.2M or 6.4% less than operating expenses as of a year ago, March 2020 YTD. The decrease over the prior year can be contributed to several categories including Salaries, Supplies and other, Dietary, Repairs & Maintenance, Insurance, Real estate taxes, and bad debt expense. Current Year Labor expenses (Salaries and Benefits) are favorable to budget by 2.66% or \$672K. Non-labor expenses excluding interest and depreciation are favorable by 1.09% or \$251K YTD. Of the non-labor expenses, year-to-date variances are as follows: Supplies & Other expense is unfavorable to budget by (0.32%) or (\$22,425) YTD, Dietary is favorable by 10.00% or \$258K YTD, Professional Fees are unfavorable by (2.74%) or (\$211K) YTD, Repairs and Maintenance expenses is favorable to budget by 10.73% or \$173K and Insurance expense was unfavorable by (6.07%) or (\$59K). Lastly Utilities and Telephone expense is unfavorable by (1.99%) or (\$45K) YTD.

Friendship Village Census Summary & Reconciliation

Friendship Village of Schaumburg
Census Summary and Reconciliation
1/1/2021 - 3/31/2021

Level of Care / Location	1/1/2021	Move-Ins			Transitions	3/31/2021	Average Daily Census	Total Available Units	Occupancy
Independent Living:									
Bridgegate	240	3			10	233	235.11	354	66.42%
Bridgewater Place	136	3			9	130	132.40	170	77.88%
Garden Homes	28	0			0	28	28.00	28	100.00%
Total IL	404	6			19	391	395.51	552	71.65%
Assisted Living & Memory Support:		Internal	External	Total					
Assisted Living	81	9	0	9	16	74	75.19	85	88.46%
Memory Support	23	0	0	0	5	18	20.59	24	85.79%
Total Assited Living & Memory Support	104	9	0	9	21	92	95.78	109	87.87%
Healthcare Center:		Internal	External	Total					
Special Care - Private Pay	1	1	0	1	0	2			
General HCC - Private Pay	18	1	0	1	5	14			
Special Care	10	6			1	15	15.41	20	77.05%
General HCC	117	157			159	115	125.11	179	69.89%
Total Healthcare Center	146	165			165	146	140.52	199	70.61%
Total	654	180			205	629	631.81	860	73.47%

Management Discussion & Analysis related to Occupancy

Note that the discussion below compares year-to-date census as of March 31, 2021 (current quarter-end) to year-to-date census as of December 31, 2020 (prior quarter-end)

Independent Living

For all independent living (IL) combined, the average year-to-date (YTD) census for the quarter ending March 2021 was 424.96 units (77.0% of 552 total IL units) occupied, which was 31.79 units below budget of 456.73 units (82.7%). Compared to the prior quarter, the March YTD census was lower than the December YTD census by (9.82) units (1.8%).

For Bridgegate (IL), the average year-to-date (YTD) census was 253.69 units (71.7% of 354 units) occupied, which was (21.31) units below budget of 275 (77.7%). Compared to the prior quarter ended December 2020, the March 2021 YTD census for Bridgegate was lower by (6.19) units.

For Bridgewater Place (IL), the average year-to-date (YTD) census was 143.34 units (84.3% of 170 units) occupied, which was (10.41) units below budget of 153.75 (90.4%). Compared to the prior quarter, the March YTD census was lower than the prior quarter, December YTD census by (3.65) units (2.1%).

For Croswell Trace Garden Homes (IL), the average year-to-date (YTD) census was 27.92 units 99.7% of 28 units occupied, which was marginally lower than the budget of 28 (100%) units occupied. There are eleven waitlist depositors for the Garden Homes. The March YTD census was marginally higher .3 or .1% than the prior quarter December YTD of 28 units.

Assisted Living

For all of Assisted living (AL & MS) combined, the average year-to-date (YTD) census for the quarter ending March 2021 was 98.43 units (90.3% of 109 total AL units) occupied, which was (5.07) units (4.6%) below budget of 103.50 units (95%). Compared to the prior quarter (December 2020), the March YTD census was (0.88) units below the prior quarter (December YTD census) of 99.31 units occupied.

In the traditional Assisted Living (AL) unit, the average year-to-date (YTD) census was 77.46 units (91.1% of 85 units) occupied, which was (2.54) units below budget of 80.0 (94.1%). Compared to the prior quarter (December 2020), the March YTD census was lower by (.76) units (0.9%).

In the Memory Support (MS) unit within Assisted Living, the average year-to-date (YTD) census was 20.97 units (87.4% of 24 units) occupied, which was (2.53) units below budget of 23.50 (97.9%). Compared to the prior quarter, the March YTD census was lower by (.13) units (0.5%).

Healthcare Center (Skilled Nursing Unit)

For the Healthcare Center (HCC), the average year-to-date (YTD) census for the quarter ending March 2021 was 147.65 residents (74.2% of 199 total HCC residents) occupied, which was (18.85) residents below budget of 166.5 residents (83.7%). Compared to the prior quarter, the March YTD census was lower than the December YTD census by (2.38) residents (1.2%).

By payer, the Medicare Part A average year-to-date (YTD) census for the current quarter was 33.43 residents (22.6% payer mix) which is an increase of .71 residents from the prior quarter's average of 32.72 residents (21.8% payer mix), and was (6.57) residents below the YTD budget of 40.0 residents (24.0% payer mix) for the current quarter.

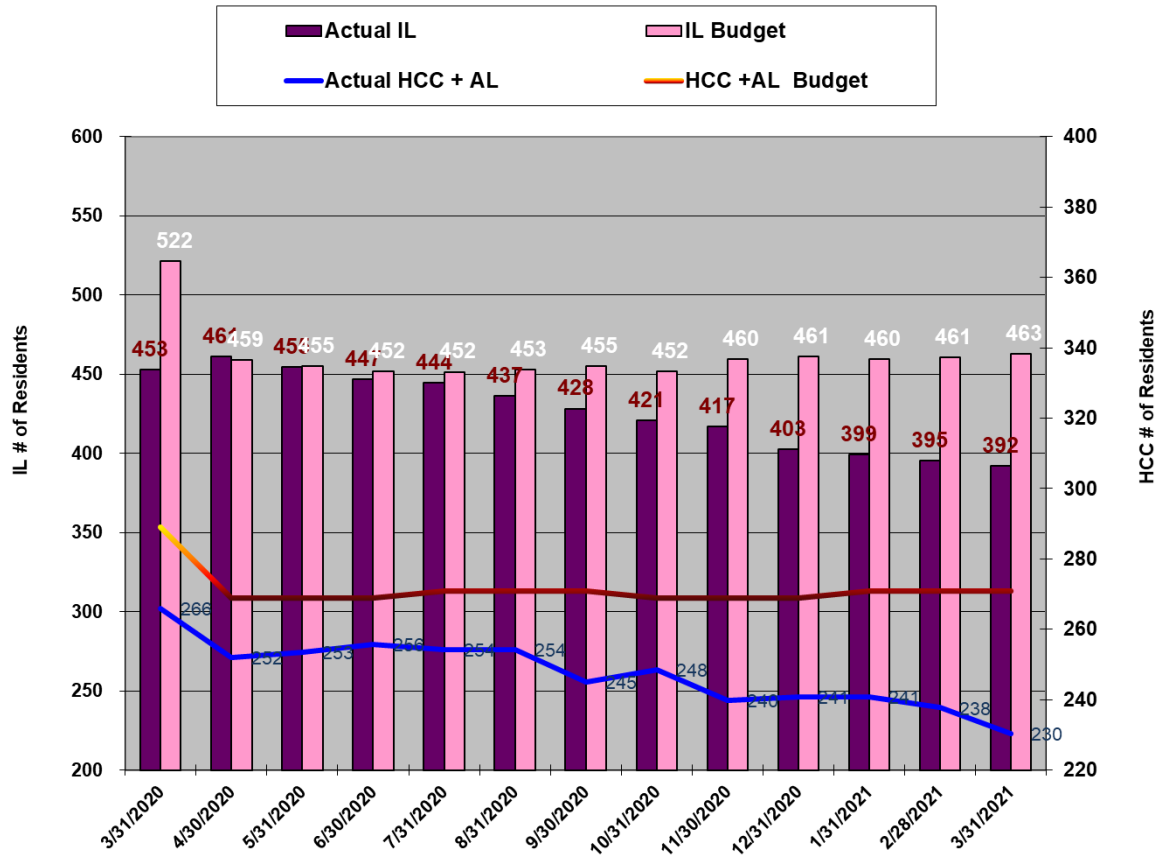
Medicaid average year-to-date (YTD) census for the current quarter was 29.98 residents (20.3% payer mix), (3.02) residents below the budget of 33 residents (19.8% payer mix). Compared to the prior quarter, Medicaid occupancy decreased (0.91) residents from the prior quarter's 30.89 residents (20.6% payer mix).

Contract, also known as Life Care, was below budget for the current quarter, with 68.10 residents (46.1% payer mix), (7.90) residents below a budget of 76 residents (45.6% payer mix). Compared to the prior quarter, Contract (Life Care) occupancy decreased (2.09) residents from the prior quarter's 70.19 residents (46.8% payer mix).

Private Pay, also known as Self Pay, was below budget for the current quarter, with 16.14 residents (10.9% payer mix), (1.36) residents below budget of 17.5 residents (10.5% payer mix). Compared to the prior quarter, Private Pay occupancy decreased (0.09) residents from the prior quarter's 16.23 residents (10.8% payer mix).

The graph on the following page provides a pictorial view of census over the past 13 months for the community:

Census Trends



**Friendship Village of Schaumburg
Briarwood Healthcare Daily Rates
FY 2021 Daily Rates**

Level of Care	Per Day	
	Semi-Private	Private
Health Care	\$ 444.00	\$ 528.00
Reflections Special Care	\$ 451.00	\$ 535.00

**Friendship Village of Schaumburg
Construction Updates
Quarter Ended March 31, 2021**

Friendship Village of Schaumburg has not constructed any new Facilities during this quarter. Note that monies borrowed under the December 2017 Bond Issuance were not obtained for the purpose of constructing new facilities.

**Friendship Village of Schaumburg
Summary of Principal Payments made on FSO Bonds
Quarter Ended March 31, 2021**

Friendship Village of Schaumburg has not made any Principal Payments on behalf of FSO Bonds during this quarter.

Friendship Village of Schaumburg
Summary of Expected Principal Payments on FSO Bonds
Quarter Ended March 31, 2021

Friendship Senior Options Debt

Original Borrowing **13,750,000**

	Required Paydown	O/S Bal		Projected Amount of Paydown	Additional Principal
		Per OS	Actual		
<i>Calendar Year</i>					
2018	130,000	13,750,000	10,660,000	3,090,000	2,960,000
2019	145,000	13,605,000	10,515,000	145,000	-
2020	155,000	13,450,000	10,360,000	155,000	-
2021	170,000	13,280,000	10,190,000	170,000	-
2022	7,770,000	5,510,000	5,380,000	4,810,000	-
2023	80,000	5,430,000	5,300,000	80,000	-

CMS 5-Star Rating as of May 27, 2021

Nursing home

Friendship Village-Schaumburg

Overall rating:
★★★★★

LOCATION
350 West Schaumburg Road
Schaumburg, IL 60194

PHONE NUMBER
(847) 884-5000

[Add to Favorites](#)

Ratings [Quality](#) [Details](#) [Location](#)

RATINGS

Overall rating

★★★★★
Much above average

The overall rating is based on a nursing home's performance on 3 sources: health inspections, staffing, and quality of resident care measures.
[Learn how Medicare calculates this rating](#)

Health inspections
★★★★☆
Above average

Staffing
★★★★☆
Above average

Quality of resident care
★★★★★
Much above average

[View Rating Details](#)

[View Rating Details](#)

[View Rating Details](#)

QUALITY

Choose a category to see how this nursing home scores:

[Fire safety](#) >

[Penalties](#) >

DETAILS


Number of certified beds 350	Participates in Medicare / Medicaid? Medicare and Medicaid	With a resident and family council? Both
Located within a hospital? No	Automatic sprinkler systems in all required areas? Yes	In a Continuing Care Retirement Community? Yes

Ownership type
Non profit - Corporation

[Ownership Details](#)

Legal business name
Evangelical Retirement Homes of Greater Chicago, Inc.

LOCATION



Friendship Village-Schaumburg
350 West Schaumburg Road
Schaumburg, IL 60194
(847) 884-5000

[Get Directions](#)

We've Got Big News to Share



Briarwood Healthcare Center at Friendship Village was recently named as one of *U.S. News and World Report's* 2020-2021 "Best Nursing Homes" for Long-Term Care and Short-Term Rehabilitation. This recognition is based on an evaluation of resident care, safety, health inspections, staffing, and the community's COVID response. This is the third time Friendship Village has received this honor.

Friendship Village is among just 4.5% of communities nationally to receive recognitions for both short-term rehabilitation and long-term care.



OTHER AWARDS AND ACCREDITATIONS:

- CARF Accredited Life Plan Community
- Named Top 5 Nursing Homes in Illinois 2020 by *Newsweek*
- "Best of the Best Retirement/Assisted Living Communities" and "The Best Place to Work" by the *Daily Herald* Readers' Choice Awards
- 2018 NuStep Silver Pinnacle Award for Excellence
- SeniorAdvisor.com's Best of 2018 Award for Independent Living, Assisted Living, Nursing Home and Alzheimer's Care
- 2019 Best of Schaumburg Award for Best Retirement Community



**Friendship Village of Schaumburg
Obligated Group
Officer's Certificate
March 31, 2021**



Jay Smith
Corporate Trust Specialist
Corporate Trust & Escrow Services
UMB Bank, N.A., as Bond Trustee
120 S 6th Street
Suite 1400
Minneapolis, MN 55402

Wells Fargo Bank, N.A.
Niango E. Bodi
CTS Account Associate
Corporate Trust Services
9062 Old Annapolis Road
MAC R1204-010
Columbia, MD 21045

**Re: Illinois Finance Authority Revenue Bonds, Series 2017 Revenue Bonds
Evangelical Retirement Homes of Greater Chicago, Incorporated *doing business as*
Friendship Village of Schaumburg (the "Obligated Group Representative")
Certificate of No Default for the Quarter Ending 3/31/2021**

The undersigned duly authorized officer of the Obligated Group Representative hereby certifies as follows to demonstrate compliance with certain provisions of the Master Trust Indenture dated as of July 15, 2005, as amended, between Wells Fargo Bank, National Association, as Master Trustee and the Obligated Group (the "Master Indenture"):

This Certificate is being delivered with respect to the following:

- Quarter ended March 31, 2021 (a "Testing Period")

Capitalized terms used but not defined in this Certificate shall have the meanings set forth in the Master Trust Indenture.

(Unless otherwise indicated, all calculations are made in accordance with accounting principles generally accepted in the United States of America.)

(a) **Historical Debt Service Coverage Ratio** *per Section 409 of the Master Indenture*

Net Revenues Available for Debt Service (A)...	<u>\$40,080</u>
Annual Debt Service (B)	<u>\$8,484,544</u>
Historical Debt Service Coverage Ratio (A/B)	<u>0.00</u>

Is the Historical Debt Service Coverage Ratio of the Borrower an amount at least equal to the Required Coverage Level for the applicable period?

_____ (Y) X (N)

In order to meet the Historical Debt Service Coverage Ratio requirement, did the Obligated Group receive any funds from the Guarantor or any other Affiliate during the Testing Period?

_____ (Y) X (N)

If yes, please identify the amount of such funds received and the entity that advanced such funds: \$ -0-

(b) **Days Cash on Hand** *Section 425 of the Master Indenture*

Total Cash & Investments Used in DCOH (A).....	<u>\$13,550,412</u>
Average Expense per Day (B)	<u>\$144,705</u>
Days Cash on Hand (A/B)	<u>93.6</u>

Is the Days' Cash on Hand of the Borrower an amount at least equal to the Days' Cash on Hand requirement for the applicable period?

_____ (Y) X (N)

In order to achieve the Days' Cash on Hand requirement, did the Borrower receive any funds from the Sole Member?

_____ (Y) X (N)

If yes, please identify the amount of such funds received from the Sole Member:

\$ -0-

In order to achieve the Days' Cash on Hand requirement, did the Borrower defer any Management Fees due to the Sole Member?

_____ (Y) X (N)

If yes, please identify the amount of such funds deferral: \$ -0-

(c) Certifications: To the best of the undersigned's knowledge, (1) the financial statements provided to the Trustee with this Certificate fairly set forth the financial position and results of operations of the Obligated Group as of the date and for the period covered by such financial statements, (2) the Obligated Group is in compliance with the terms, provisions and conditions of the Master Indenture and complies with all of the applicable requirements of Section 3 of the Continuing Disclosure Agreement.

IN WITNESS WHEREOF, I have hereunto set my hand, this 26th day of May, 2021.

EVANGELICAL RETIREMENT HOMES OF GREATER
CHICAGO, INCORPORATED, as Obligated Group Representative

By: Michael A. Flynn
Name: Michael A. Flynn
Title Chief Financial Officer

Appendix A
Friendship Village of Schaumburg
Obligated Group Financials
March 31, 2021
Unaudited

Friendship Village
Obligated Group Statement of Financial Position
ASSETS

	3/31/2021	3/31/2020	Change
Current Assets			
Cash and cash equivalents	3,370,360	8,877,067	(5,506,707)
Assets whose use is limited or restricted - required for current liabilities	3,419,172	3,315,464	103,708
Receivables less allowance for doubtful accounts	2,608,432	3,941,710	(1,333,277)
Entrance fees receivable	450,000	439,600	10,400
Other receivables	(61,004)	(65,083)	4,079
Inventories	148,086	186,026	(37,940)
Prepaid expenses	112,060	91,217	20,843
Total Current Assets	10,047,107	16,786,001	(6,738,894)
Assets whose use is limited or restricted, net of amounts required for current liabilities:			
Held by trustee under bond indenture agreement	3,974,675	6,588,312	(2,613,637)
Donor restricted investments	-	-	-
Total noncurrent assets whose use is limited or restricted	3,974,675	6,588,312	(2,613,637)
Land, buildings and equipment, net of accumulated depreciation	99,282,514	100,894,869	(1,612,355)
Long-term investments	10,180,052	13,773,914	(3,593,862)
Due from Affiliates	2,486,996	4,893,644	(2,406,648)
Total assets	125,971,344	142,936,741	(16,965,397)
LIABILITIES AND NET ASSETS			
Current Liabilities			
Current installments of long-term debt	2,680,000	2,555,000	125,000
Accounts payable	2,492,027	3,872,342	(1,380,315)
Accrued expenses:			
Payroll and employee benefits	1,324,735	1,293,304	31,432
Property taxes	733,075	634,649	98,426
Interest	744,140	760,464	(16,324)
Other	340,373	456,299	(115,926)
Entrance fee refunds	10,600,415	6,881,443	3,718,972
Entrance fee deposits	1,599,451	1,714,844	(115,393)
Total Current Liabilities	20,514,217	18,168,344	2,345,873
Long-Term Debt, less current installments and unamortized bond discount	109,836,577	112,328,689	(2,492,112)
Due to Affiliates	2,560,249	2,885,417	(325,167)
Entrance Fees			
Deferred revenue from nonrefundable entrance fees	(8,267,468)	(7,657,352)	(610,116)
Refundable entrance fees	105,857,755	116,641,943	(10,784,188)
Total Long Term Liabilities	209,987,114	224,198,697	(14,211,583)
Total Liabilities	230,501,330	242,367,041	(11,865,711)
Net assets (deficit)			
Unrestricted	(104,529,987)	(99,430,300)	(5,099,686)
Total net assets (deficit)	(104,529,987)	(99,430,300)	(5,099,686)
Total Liabilities and Net Assets (Deficit)	125,971,344	142,936,741	(16,965,397)

Friendship Village
Obligated Group Statement of Operations
March 31, 2021

	FY 21 MTD Actual 03/31/21	FY 21 MTD Budget 03/31/21	\$ Variance MTD from Budget	FY 21 YTD Actual Thru 03/31/21	FY 21 YTD Budget Thru 03/31/21	Last Year Actual Thru 03/31/20	\$ Variance YTD from Budget	% Variance YTD from Budget	\$ Variance YTD from Prior Year	% Variance YTD from Prior Year	FY 21 Annual Budget
Revenue, gains and other support:											
Net independent service revenue	1,363,649	1,640,747	(277,098)	17,871,690	19,407,280	18,588,199	(1,535,590)	-7.91%	(716,508)	-3.85%	19,407,280
Net assisted living service revenue	597,414	679,626	(82,212)	7,621,372	8,071,812	7,349,174	(450,440)	-5.58%	272,198	3.70%	8,071,812
Net health care service revenue	1,277,453	1,875,788	(598,335)	19,291,933	21,975,274	21,162,627	(2,683,341)	-12.21%	(1,870,694)	-8.84%	21,975,274
Home Health	75,422	94,082	(18,660)	893,459	974,826	777,095	(81,367)	-8.35%	116,364	14.97%	974,826
Amortization of entrance fees	693,925	500,183	193,742	4,947,347	6,002,223	5,449,620	(1,054,875)	-17.57%	(502,273)	-9.22%	6,002,223
Contributions	-	16,068	(16,068)	201,682	16,068	100,000	185,614	1155.18%	101,682	101.68%	16,068
Investment income	36,610	70,964	(34,355)	1,637,600	851,568	2,164,400	786,033	92.30%	(526,800)	-24.34%	851,568
Net assets released from restrictions used for operations	-	-	-	-	-	-	-	-	-	-	-
Other revenue	95,497	116,633	(21,137)	1,010,622	1,398,406	1,150,763	(387,784)	-27.73%	(140,141)	-12.18%	1,398,406
Total revenue, gains and other support	4,139,969	4,994,091	(854,122)	53,475,707	58,697,457	56,741,878	(5,221,750)	-8.90%	(3,266,171)	-5.76%	58,697,457
Total Revenue, excluding investment income -->	4,103,359	4,923,127	(819,768)	51,838,106	57,845,889	54,577,477	(6,007,782)	-10.39%	(2,739,371)	-5.02%	57,845,889
Operating expenses											
Salaries and benefits	2,076,098	2,367,929	291,831	24,585,485	25,258,197	25,850,866	672,713	2.66%	1,265,381	4.89%	25,258,197
Supplies and other	556,369	595,537	39,167	6,953,898	6,931,472	8,129,056	(22,425)	-0.32%	1,175,159	14.46%	6,931,472
Dietary	204,561	216,669	12,108	2,324,138	2,582,323	2,795,907	258,186	10.00%	471,769	16.87%	2,582,323
Professional fees	853,273	642,358	(210,915)	7,917,169	7,705,706	7,860,173	(211,463)	-2.74%	(56,996)	-0.73%	7,705,706
Repairs and maintenance	152,492	128,797	(23,695)	1,442,369	1,615,713	1,669,780	173,344	10.73%	227,411	13.62%	1,615,713
Utilities and telephone	278,985	223,409	(55,576)	2,357,036	2,311,157	2,133,927	(45,879)	-1.99%	(223,109)	-10.46%	2,311,157
Insurance	143,444	81,539	(61,905)	1,043,715	983,976	1,061,699	(59,740)	-6.07%	17,984	1.69%	983,976
Real estate taxes	(222,560)	46,350	268,910	258,479	556,200	537,230	297,721	53.53%	278,751	51.89%	556,200
Interest	490,277	485,309	(4,968)	5,935,133	5,940,814	6,055,140	5,681	0.10%	120,007	1.98%	5,940,814
Depreciation and amortization	1,044,989	698,548	(346,441)	8,392,894	8,351,140	8,021,561	(41,754)	-0.50%	(371,333)	-4.63%	8,351,140
Provision for bad debts	168,281	30,098	(138,183)	499,351	361,170	581,755	(138,182)	-38.26%	82,403	14.16%	361,170
Total operating expenses	5,746,208	5,516,541	(229,667)	61,709,666	62,597,869	64,697,093	888,203	1.42%	2,987,427	4.62%	62,597,869
Total operating expenses, excluding Interest & depreciation	4,210,942	4,332,684	121,742	47,381,640	48,305,915	50,620,393	924,275	1.91%	3,238,753	6.40%	48,305,915
Non-Salary expenses, excluding interest & depreciation -->	2,134,844	1,964,756	(170,089)	22,796,155	23,047,717	24,769,527	251,562	1.09%	1,973,372	7.97%	23,047,717
Operating income (loss)	(1,606,240)	(522,450)	(1,083,789)	(8,233,959)	(3,900,412)	(7,955,215)	(4,333,547)	-111.10%	(278,744)	-3.50%	(3,900,412)
Other changes in unrestricted net assets:											
Change in net unrealized gains and losses	(25,952)	-	(25,952)	1,958,681	-	(1,840,288)	1,958,681		3,798,969		-
31 Gain/(Loss) from Insurance Claims	-	-	-	1,175,592	-	111,303	1,175,592		1,064,290	10	-
Increase (decrease) in unrestricted net assets	(1,632,192)	(522,450)	(1,109,742)	(5,099,686)	(3,900,412)	(9,684,201)	(1,199,274)	-30.75%	4,584,515	47.34%	(3,900,412)

Note A: Investment Income includes realized gains of \$1,272,722 and Interest & dividend income of \$364,878

Obligated Group: Friendship Village
Statements of Cash Flows
Fiscal Year to Date Ended March 31, 2021 and 2020

	Actual 03/31/21	Actual 03/31/20
Cash Flows from Operating Activities		
Net Profit/(loss)	(5,099,686)	(9,684,201)
Increase (decrease) in temporarily restricted net assets	-	-
Increase (decrease) in permanently restricted net assets		
Change in net assets (defecit)	<u>(5,099,686)</u>	<u>(9,684,201)</u>
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	8,205,006	7,829,724
Amortization of bond discount	187,888	191,837
Amortization of entrance fees	(4,947,347)	(5,449,620)
Provision for bad debts	499,351	581,755
Change in unrealized (gains) and losses	(1,958,681)	1,840,288
(Gain)/Loss from Insurance Claims	-	(111,303)
Changes in assets and liabilities:		
Resident accounts receivable & Other Receivables	3,240,574	408,790
Inventory of supplies, prepaid expenses	13,018	62,206
Accounts payable & Other Payables	(1,820,875)	1,742,435
Accrued expenses	(2,392)	28,274
Net cash provided by (used in) operating activities	<u>(1,683,144)</u>	<u>(2,559,815)</u>
Cash Flows from Investing Activities		
Net sales (purchases) of assets whose use is limited or restricted	2,509,929	1,645,177
Net sales (purchases) of long-term investments	5,552,543	3,262,258
Acquisition of land, buildings and equipment, net	(6,592,650)	(13,040,091)
Net cash provided by (used in) investing activities	<u>1,469,821</u>	<u>(8,132,656)</u>
Cash Flows from Financing Activities		
Proceeds from refundable entrance fees	6,992,081	18,598,626
Refunds paid on entrance fees	(9,730,466)	(8,242,086)
Net cash provided by (used in) financing activities	<u>(5,293,385)</u>	<u>7,901,540</u>
Net (decrease) increase in cash and cash equivalents	(5,506,707)	(2,790,931)
Cash and cash equivalents at beginning of year	<u>8,877,067</u>	<u>11,667,999</u>
Cash and cash equivalents at end of year (end of current period)	<u>3,370,360</u>	<u>8,877,067</u>

Appendix B
Friendship Village of Schaumburg
Obligated Group
Census Indicators
March 31, 2021
Unaudited

Friendship Village of Schaumburg
Census Summary
Quarters Ending March 31, 2021 and December 31, 2020

Quarter Census:

	12/31/2020	3/31/2021	Payer Mix	Occ %	Current Qtr Avg. Budget	Payer Mix	Occ %	Unit Capacity
	Prior Qtr Avg. Actual	Current Qtr Avg. Actual						
Total Census	656.58	631.81		73.5%	732.00		85.1%	860
Garden Homes	27.69	28.00		100.0%	28.00		100.0%	28
Independent Living - BG	247.70	235.11		66.4%	277.00		78.2%	354
Independent Living - BWP (Note A)	138.14	132.40		77.9%	156.00		91.8%	170
	385.84	367.50		70.1%	433.00		82.6%	524
Independent Living Sub-Total	413.53	395.50		71.6%	461.00		83.5%	552
Assisted Living								
Assisted Living Unit	78.72	75.19		88.5%	80.50		94.7%	85
Memory Support Unit (See Note B)	23.12	20.59		85.8%	24.00		100.0%	24
	101.84	95.78		87.9%	104.50		95.9%	109
Health Care Center								
Medicare	33.02	35.57	25.3%		40.00	24.0%		
Medicaid	28.23	27.25	19.4%		33.00	19.8%		
Contract	64.51	61.83	44.0%		76.00	45.6%		
Private Pay	15.45	15.87	11.3%		17.50	10.5%		
Total	141.21	140.52	100.0%	70.6%	166.50	100.0%	83.7%	199

Year-to-Date Census:

	12/31/2020	3/31/2021	Payer Mix	Occ %	YTD Budget	Payer Mix	Occ %	Unit Capacity
	Prior Qtr YTD Actual	Current Qtr YTD Actual						
					Mar-21			
Total Census	684.12	671.04		78.0%	726.75		84.5%	860
Garden Homes	27.90	27.92		99.7%	28.00		100.0%	28
Independent Living - BG	259.89	253.69		71.7%	275.00		77.7%	354
Independent Living - BWP (Note A)	146.99	143.34		84.3%	153.75		90.4%	170
	406.88	397.03		75.8%	428.75		81.8%	524
Independent Living Sub-Total	434.77	424.96		77.0%	456.75		82.7%	552
Assisted Living								
Assisted Living Unit (See Note B)	78.22	77.46		91.1%	80.00		94.1%	85
Memory Support Unit (See Note B)	21.09	20.97		87.4%	23.50		97.9%	24
	99.31	98.43		90.3%	103.50		95.0%	109
Health Care Center								
Medicare	32.72	33.43	22.6%		40.00	24.0%		
Medicaid	30.89	29.98	20.3%		33.00	19.8%		
Contract	70.19	68.10	46.1%		76.00	45.6%		
Private Pay	16.23	16.14	10.9%		17.50	10.5%		
Total	150.03	147.65	100.0%	74.2%	166.50	100.0%	83.7%	199

Note A: Bridgewater Place (BWP) opened mid-June 2007

Note B: Memory support unit opened May 2005

Appendix C
Friendship Senior Options
Consolidated Financials
March 31, 2021
Unaudited

**Consolidated Friendship Senior Options
Statements of Financial Position
ASSETS**

	3/31/2021	3/31/2020	Change
Current Assets			
Cash and cash equivalents	5,944,464	15,328,147	(9,383,684)
Assets whose use is limited or restricted - required for current liabilities	6,349,990	6,211,727	138,263
Receivables less allowance for doubtful accounts	3,241,448	4,465,099	(1,223,651)
Entrance fees receivable	598,000	514,600	83,400
Other receivables	(96,477)	(60,105)	(36,372)
Inventories	171,231	208,860	(37,629)
Prepaid expenses	667,921	904,462	(236,541)
Total Current Assets	16,876,576	27,572,790	(10,696,214)
Assets whose use is limited or restricted, net of amounts required for current liabilities:			
Held by trustee under bond indenture agreement	16,788,422	21,619,215	(4,830,792)
Total noncurrent assets whose use is limited or restricted	16,788,422	21,619,215	(4,830,792)
Land, buildings and equipment, net of accumulated depreciation	170,423,622	174,121,274	(3,697,652)
Investment in insurance captive	216,085	216,085	-
Investment in Affiliate	-	-	-
Long-term investments	10,305,161	13,864,392	(3,559,232)
Notes Receivable from Affiliate	3,151,744	3,061,134	90,611
Total assets	217,761,610	240,454,890	(22,693,280)
LIABILITIES AND NET ASSETS			
Current Liabilities			
Current installments of long-term debt	3,425,000	3,245,000	180,000
Line of Credit Payable	-	1,000,000	(1,000,000)
Accounts payable	4,649,340	7,176,221	(2,526,881)
Accrued expenses:			
Payroll and employee benefits	2,473,189	2,379,479	93,710
Property taxes	1,226,580	1,117,138	109,441
Interest	2,929,958	2,966,727	(36,769)
Other	6,467,396	1,000,292	5,467,104
Entrance fee refunds	13,447,135	8,248,007	5,199,128
Entrance fee deposits	2,395,542	2,558,015	(162,473)
Total Current Liabilities	37,014,140	29,690,879	7,323,260
Long-Term Debt, less current installments and unamortized bond discount	180,007,032	183,061,899	(3,054,867)
Due to Affiliates	2,560,249	2,885,417	(325,167)
Notes Payable to Affiliate	-	-	-
Entrance Fees			
Deferred revenue from nonrefundable entrance fees	(9,371,006)	(8,189,567)	(1,181,439)
Refundable entrance fees	157,043,344	172,232,242	(15,188,897)
Total Long Term Liabilities	330,239,620	349,989,991	(19,750,371)
Total Liabilities	367,253,759	379,680,870	(12,427,111)
Net assets (deficit)			
Unrestricted	(149,532,859)	(139,287,960)	(10,244,898)
Temporarily restricted	40,709	61,981	(21,271)
Permanently restricted	-	-	-
Total net assets (deficit)	(149,492,149)	(139,225,980)	(10,266,170)
Total Liabilities and Net Assets (Deficit)	217,761,610	240,454,890	(22,693,280)

Friendship Senior Options
Consolidated Statements of Operations
March 31, 2021

	FY 21 MTD Actual 03/31/21	FY 21 MTD Budget 03/31/21	\$ Variance MTD from Budget	FY 21 YTD Actual Thru 03/31/21	FY 21 YTD Budget Thru 03/31/21	Last Year Actual Thru 03/31/20	\$ Variance YTD from Budget	% Variance YTD from Budget	\$ Variance YTD from Prior Year	% Variance YTD from Prior Year	FY 21 Annual Budget
Revenue, gains and other support:											
Net independent service revenue	1,681,545	2,184,273	(502,728)	23,909,717	25,953,742	24,777,200	(2,044,025)	-7.88%	(867,484)	-3.50%	25,953,742
Net assisted living service revenue	617,361	1,110,379	(493,018)	11,841,529	13,078,569	11,346,034	(1,237,040)	-9.46%	495,495	4.37%	13,078,569
Net health care service revenue	1,612,808	2,461,913	(849,105)	24,595,737	28,787,764	27,233,117	(4,192,027)	-14.56%	(2,637,380)	-9.68%	28,787,764
Home Health	75,422	94,082	(18,660)	893,459	974,826	777,095	(81,367)	-8.35%	116,364	14.97%	974,826
Amortization of entrance fees	1,633,169	602,492	1,030,677	7,458,985	7,229,931	6,895,074	229,054	3.17%	563,911	8.18%	7,229,931
Contributions	12,307	34,818	(22,511)	598,059	441,068	477,935	156,991	35.59%	120,124	25.13%	441,068
Investment income	168,337	112,456	55,881	2,095,129	1,422,532	2,911,514	672,597	47.28%	(816,386)	-28.04%	1,422,532
Net assets released from restrictions used for operations	14,444	-	14,444	14,444	-	-	14,444		14,444		-
Other revenue	119,284	142,976	(23,692)	1,268,646	1,704,311	1,452,847	(435,665)	-25.56%	(184,201)	-12.68%	1,704,311
Total revenue, gains and other support	5,934,676	6,743,389	(808,713)	72,675,704	79,592,742	75,870,817	(6,917,038)	-8.69%	(3,195,113)	-4.21%	79,592,742
Operating expenses											
Salaries and benefits	2,464,969	3,618,980	1,154,011	37,156,270	38,271,578	39,135,645	1,115,307	2.91%	1,979,375	5.06%	38,271,578
Supplies and other	751,083	890,111	139,028	9,940,722	10,516,202	12,039,583	575,481	5.47%	2,098,861	17.43%	10,516,202
Dietary	287,344	307,781	20,437	3,289,539	3,691,157	3,998,947	401,618	10.88%	709,407	17.74%	3,691,157
Professional fees	557,403	288,981	(268,422)	3,947,816	3,541,015	3,642,476	(406,801)	-11.49%	(305,340)	-8.38%	3,541,015
Repairs and maintenance	228,137	250,685	22,549	3,351,695	3,064,871	3,318,576	(286,824)	-9.36%	(33,119)	-1.00%	3,064,871
Utilities and telephone	380,927	322,002	(58,925)	3,197,134	3,192,671	2,959,121	(4,463)	-0.14%	(238,013)	-8.04%	3,192,671
Insurance	360,605	112,152	(248,453)	1,610,649	1,352,351	1,363,364	(258,298)	-19.10%	(247,285)	-18.14%	1,352,351
Real estate taxes	(189,002)	80,006	269,008	662,334	958,897	923,821	296,563	30.93%	261,487	28.30%	958,897
Interest	927,440	925,421	(2,019)	11,231,207	11,258,922	11,412,888	27,716	0.25%	181,682	1.59%	11,258,922
Depreciation and amortization	1,035,943	935,530	(100,413)	10,991,385	11,194,929	10,715,323	203,543	1.82%	(276,062)	-2.58%	11,194,929
Provision for bad debts	171,752	33,569	(138,183)	541,003	402,823	600,783	(138,181)	-34.30%	59,779	9.95%	402,823
Total operating expenses	6,976,603	7,765,219	788,617	85,919,754	87,445,416	90,110,528	1,525,662	1.74%	4,190,774	4.65%	87,445,416
Operating income (loss)	(1,041,926)	(1,021,830)	(20,096)	(13,244,050)	(7,852,675)	(14,239,711)	(5,391,375)	-68.66%	995,661	6.99%	(7,852,675)
Other changes in unrestricted net assets:											
Change in net unrealized gains and losses	(49,268)	-	(49,268)	1,816,732	-	(1,650,019)	1,816,732		3,466,751		-
27 Equity Contribution	-	-	-	-	-	-	-		-		-
31 Gain/(Loss) from Insurance Claims	-	-	-	1,175,592	-	111,303	1,175,592		1,064,290	10	-
Increase (decrease) in unrestricted net assets	(1,105,638)	(1,021,830)	(83,807)	(10,266,170)	(7,852,675)	(15,778,427)	(2,413,495)	-30.73%	5,512,257	34.94%	(7,852,675)

Note A: Investment Income includes realized gains of \$1,351,743 and Interest & dividend income of \$743,386

Consolidated Friendship Senior Options
Statements of Cash Flows
Fiscal Year to Date Ended March 31, 2021 and 2020

	<u>Actual</u> <u>03/31/21</u>	<u>Actual</u> <u>03/31/20</u>
Cash Flows from Operating Activities		
Net Profit/(loss)	(10,266,170)	(15,978,427)
Increase (decrease) in temporarily restricted net assets	-	-
Increase (decrease) in permanently restricted net assets		
Change in net assets (defecit)	<u>(10,266,170)</u>	<u>(15,978,427)</u>
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	10,621,252	10,339,555
Amortization of bond discount	370,133	375,768
Amortization of entrance fees	(7,458,985)	(6,895,074)
Provision for bad debts	541,003	600,783
Change in unrealized (gains) and losses	(1,816,732)	1,850,019
(Gain)/Loss from Insurance Claims	-	(111,303)
Changes in assets and liabilities:		
Resident accounts receivable & Other Receivables	592,037	68,376
Inventory of supplies, prepaid expenses	310,542	(6,345)
Accounts payable & Other Payables	(4,014,521)	3,065,699
Accrued expenses	5,633,486	(188,556)
Net cash provided by (used in) operating activities	<u>(5,487,954)</u>	<u>(6,879,505)</u>
Cash Flows from Investing Activities		
Net sales (purchases) of assets whose use is limited or restricted	4,692,530	4,934,903
Net sales (purchases) of long-term investments	5,375,963	3,460,500
Acquisition of land, buildings and equipment, net	<u>(6,923,600)</u>	<u>(13,404,500)</u>
Net cash provided by (used in) investing activities	<u>3,144,893</u>	<u>(5,009,096)</u>
Cash Flows from Financing Activities		
Proceeds / repayments - Line of credit		
Repayment of long-term debt	(3,245,000)	(3,100,000)
Proceeds from refundable entrance fees	11,093,579	26,729,827
Refunds paid on entrance fees	<u>(14,889,202)</u>	<u>(12,816,901)</u>
Current Net cash provided by (used in) financing activities	<u>(7,040,623)</u>	<u>10,812,927</u>
Net (decrease) increase in cash and cash equivalents	(9,383,684)	(1,075,675)
Cash and cash equivalents at beginning of year	<u>15,328,148</u>	<u>16,403,823</u>
Cash and cash equivalents at end of year (end of current period)	<u>5,944,464</u>	<u>15,328,148</u>



Wells Fargo Bank, N.A.
Niango E. Bodi
CTS Account Associate
Corporate Trust Services
9062 Old Annapolis Road
MAC R1204-010
Columbia, MD 21045

**Re: Illinois Finance Authority Revenue Bonds, Series 2017A, 2017B and Series 2017C
(Friendship Village of Schaumburg)
*No Default Certificate for the Fiscal Year Ending 3/31/2021***

Pursuant to Section 414(b)(v) of that certain Master Trust Indenture dated July 15, 2005 among Evangelical Retirement Homes of Greater Chicago, Incorporated, d/b/a Friendship Village of Schaumburg and Wells Fargo Bank, National Association, as Master Trustee, the undersigned Authorized Officer of the Obligated Group hereby certifies the following:

The Obligated Group Representative has made a review of the Obligated Group's activities for the Fiscal Year ended March 31, 2021, for the purpose of determining whether or not the Obligated Group has complied with all of the terms, provisions and conditions of the Master Trust Indenture. To the best knowledge of the undersigned and subject to year-end adjustment, the Obligated Group was in compliance with all of the terms, provisions, and conditions of the Master Trust Indenture.

**EVANGELICAL RETIREMENT HOMES OF
GREATER CHICAGO, INCORPORATED, d/b/a
FRIENDSHIP VILLAGE OF SCHAUMBURG**

By: Michael A. Flynn

Its: Chief Financial Officer

Signed: Michael A. Flynn

Dated: 5/26/2021



May 26, 2021

Wells Fargo Bank, N.A.
Niango E. Bodi
CTS Account Associate
Corporate Trust Services
9062 Old Annapolis Road
MAC R1204-010
Columbia, MD 21045

Re: Illinois Finance Authority Revenue Bonds,
Series 2017 Bonds
(Friendship Village of Schaumburg)
Obligor's Certificate of Insurance for the Fiscal Year Ending 3/31/2021

Dear Niango,

The management at Friendship Village of Schaumburg affirms the opinion of our insurance consultants (Caring Communities Shared Insurance-CCIC) that adequate insurance coverage exists for Friendship Village of Schaumburg as of March 31, 2020 and the Community is in compliance with Section 407 of the Master Trust Indenture. While we are not experts in the area of insurance coverage and risk management, we have worked with our agent/broker to ensure adequate insurance coverage.

Sincerely,

A handwritten signature in black ink that reads "Michael A. Flynn". The signature is written in a cursive style with a large, stylized "M" and "F".

Michael A. Flynn
Chief Financial Officer
Friendship Senior Options