



CAPITAL TRUST AGENCY

\$219,415,000

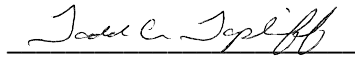
Senior Living Revenue Bonds

(American Eagle Portfolio Project) Series 2018

Year ending December 31, 2020



I, as an authorized representative of American Eagle Delaware Holding Company LLC, have enclosed an unaudited annual report certify that to the best of my knowledge it is materially correct and in accordance with GAAP.

A handwritten signature in cursive script, reading "Todd C. Topliff", is positioned above a horizontal line.

Todd Topliff, Authorized Representative

Introduction

Enclosed are the unaudited 2020 financial statements presented in a format consistent with the Budget and in accordance with GAAP. The audit is not yet complete and will be posted when it is finished.

Management Discussion

Eagle Senior Living had a Net Operating Income of \$11,030,111 for the year ending December 31, 2020. Revenue for the year was \$51,291,552.

Total operating expenses before management fees and asset management fees for the year were \$13,713,558. Total net income for the year was negative \$7,819,653

We have proactively planned for any suspected or confirmed cases of COVID-19 and take very seriously the health and safety of our residents and our associates.

Extensive infection control procedures were initially implemented across the portfolio on February 27, 2020. These protocols are updated as changing developments are announced by the President, the CDC, CMS, State Departments of Health, and Assisted Living Associations.

Occupancy ending December 31, 2020 was 1,013 units compared to the budget of 1,191 units resulting in an unfavorable variance of 178 units.

Income Statement for the year ending December 31, 2020

Revenues:	2020
Assisted living and memory care	39,334,819
Independent living	12,491,202
Discounts and incentives	(3,328,016)
Other revenues	2,768,156
Investment income	25,391
Total Revenues	51,291,552

Expenses:	
Salaries	18,883,756
Benefits & taxes	4,087,872
Utilities	2,931,291
Culinary	2,734,867
General and administration	2,395,487
Maintenance	1,322,929
Property taxes	299,617
Insurance	1,657,385
Other operating expenses	637,877
Marketing	1,758,703
Activities	52,846
Bad Debt	815,364
Operating Expenses	37,577,994

EBITDAM	13,713,558
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Management fee	2,420,082
Asset management fee	263,365

Net Operating Income	11,030,111
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Depreciation	2,404,800
COVID-19 Expenses	1,148,999
Interest Expense	13,373,579
Restructuring & Professional Fees	1,922,386
Net Income	(7,819,653)

Financial Information – Balance Sheet as of December 31, 2020

Balance Sheet	As of Dec 31, 2020
Cash and Cash Equivalents	5,561,331
Cash Restricted Bond Fund Accounts Restricted Bond Fund Accounts	4,973,620
Accounts Receivable	2,223,043
Inventory	49,107
Other Current Assets	13,834
Prepaid Expenses	604,803
Refundable Deposits	89,973
Total Current Assets	13,515,711
Fixed Assets(Net of Accumulated Depreciation and Amortization)	266,174,758
Total Non-Current Assets	266,174,758
Total Assets	279,690,469
Accounts Payable	2,876,032
Accrued Distributions	262,501
Accrued Interest	6,680,592
Accrued Operating Expenses	102,276
Accrued Payroll	613,744
Accrued PTO	372,117
Accrued Real Estate Taxes	261,764
Other Current Liabilities	469,120
Deferred Revenue	335,775
Total Current Liabilities	11,973,921
Bonds Payable	218,240,000
Obligation Under Capital Lease - Other LT	521,355
Other Payable	689,194
Seller Note Payable	10,000,000
Loan from Parent Company	3,867,600
Total Non-Current Liabilities	233,318,149
Total Liabilities	245,292,070
Total Equity	34,398,399
Total Equity and Liabilities	279,690,469

Financial Information – Trustee Balances as of December 31, 2020

Bonds	31 Dec 2020
2018 2nd Tier Int Acct (149160.5)	1
2018 3rd Tier Principal Bond (149160.8)	1
2018 Admin Fund (149160.20)	6,081
2018 Ins & Tax Escrow Fund (149160.16)	0
2018 Operating Fund (149160.14)	0
2018 Revenue Fund (149160.12)	381,066
2018 Senior Int Acct (149160.2)	39
2018 Senior Principal Bond (149160.1)	476,570
2nd Tier Principal Bond (149160.4)	60,045
Bond - Property Tax Fund (149160.17)	4
Bond - Repair and Replacement Fund (149160.18)	1
Debt Service Reserve - 2nd Tier (149160.7)	611,166
Debt Service Reserve - 3rd Tier (149160.11)	185,624
Forbearance Agreement (149160.24)	2,895,760
Forbearance Agreement Funds 2 (149160.25)	357,260
Operations and Maintenance Reserve Fund (149160.15)	2

Financial Information – Days Cash on Hand Calculation December 31, 2020

Days Cash on Hand	
Estimated Daily Expenses	155,387
Operating & Deposit Account	5,561,331
O&M Reserve & Ops (149160.14 & 149169.15)	2
Total	5,561,333
Days Cash on Hand	35.8

Financial Information – Debt Service Coverage Ratio

Debt Service Coverage Ratio Calculation		
	Q4	Rolling 4 Quarter
Net Income	(2,324,560)	(7,819,653)
Add back Extraordinary Expenses (COVID-19)	400,992	1,148,999
Add Back Insurance and Tax (Funded by Tax Escrow Fund)	-	134,443
Add Back Interest Expense	3,347,477	13,373,579
Add Back Depreciation	597,249	2,404,800
Funds Available For Debt Service	2,021,158	9,649,850
Scheduled Debt Service A Bonds ⁽¹⁾	2,730,250	10,921,000
Scheduled Debt Service AB&C ⁽¹⁾	3,789,500	15,158,000
Senior Debt Service Coverage Ratio	0.74	0.88
Debt Service Coverage Ratio AB&C	0.53	0.64
⁽¹⁾ Q4 information is based upon 3/12 scheduled Annual Debt Service		

Financial Information – Trade Payable Covenant

Trade Payable as of December 31, 2020	
Total Trade Payable	2,876,032
Trade Payable under 60 Days	44%
Requirement	80%
Covenant Compliance	No

End of Year Occupancy – December 31, 2020

Community	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total Units	Occupancy %
Monarch Place	46	45	45	45	44	43	45	43	45	46	45	42	47	89%
Lark Springs	57	51	49	49	47	48	46	38	39	42	42	42	60	70%
Vista Lake	51	51	47	45	46	44	43	42	39	40	39	38	73	52%
Maris Pointe	34	32	33	34	31	32	34	34	32	33	34	35	42	83%
Crescent Wood	119	121	117	116	114	111	107	102	101	101	102	99	124	80%
Greenwood Place	71	71	71	66	62	64	66	68	69	67	66	65	72	90%
Cascade Heights	257	261	255	253	247	245	240	238	232	228	228	228	267	85%
Palmetto Landing	62	59	59	60	61	62	62	60	58	61	60	59	64	92%
Aldea Green	76	79	79	81	79	78	83	83	78	76	76	73	88	83%
Timberdale Trace	38	38	42	38	40	38	37	38	37	35	34	31	43	72%
Hearth Brook	42	42	42	40	38	35	36	37	38	38	37	38	42	90%
Vista Veranda	46	49	46	43	43	40	40	39	38	36	35	28	50	56%
Sycamore Trace	39	39	39	39	39	39	39	39	39	39	39	39	39	100%
Red Cedar Glen	134	131	129	129	128	128	122	116	114	110	103	98	136	72%
Ventura Hills	50	52	51	53	51	52	53	53	54	54	53	53	97	55%
Robin Way	47	48	45	45	45	45	46	44	47	46	48	45	48	94%
Total	1169	1169	1149	1136	1115	1104	1099	1074	1060	1052	1041	1013	1292	78%