

**UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEARS ENDED DECEMBER 31, 2024 AND 2023**



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## INDEPENDENT AUDITORS' REPORT

Members  
University Village Thousand Oaks CCRC, LLC  
Thousand Oaks, California

### Report on the Audit of the Financial Statements

#### ***Opinion***

We have audited the accompanying financial statements of University Village Thousand Oaks CCRC, LLC (a Delaware limited liability company) (the Company), which comprise the balance sheets as of December 31, 2024 and 2023, and the related statements of operations, changes in members' deficit, and cash flows for the years then ended, and the related notes to the financial statements.

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

#### ***Basis for Opinion***

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

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

***Auditors' Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS, we:

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

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



**CliftonLarsonAllen LLP**

Irvine, California  
April 11, 2025

**UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC**  
**BALANCE SHEETS**  
**DECEMBER 31, 2024 AND 2023**

<b>ASSETS</b>	<u>2024</u>	<u>2023</u>
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 4,722,921	\$ 4,315,881
Marketable Securities	5,688,364	5,045,908
Accounts Receivable	155,968	48,434
Deferred Entrance Fees Receivable on Terminated Contracts	148,988	338,757
Other Receivable	7,878,892	-
Inventories	79,435	84,086
Prepaid Expenses and Other Current Assets	577,199	663,561
Total Current Assets	<u>19,251,767</u>	<u>10,496,627</u>
<b>PROPERTY AND EQUIPMENT</b>		
Land	10,508,648	10,508,648
Land Improvements	34,473,346	34,473,346
Buildings and Improvements	103,013,971	103,013,971
Furniture, Fixtures, and Equipment	35,188,090	33,394,811
Computer Equipment and Systems	4,969,432	4,122,092
Construction in Progress	1,134,745	794,267
Total Property and Equipment, at Cost	<u>189,288,232</u>	<u>186,307,135</u>
Less: Accumulated Depreciation	(101,255,294)	(94,828,132)
Property and Equipment, at Net Book Value	<u>88,032,938</u>	<u>91,479,003</u>
<b>OTHER ASSETS</b>		
Accounts Receivable, Long-Term	2,219,462	2,361,004
Costs of Acquiring Contracts, Net	938,946	852,491
Deferred Entrance Fees Receivable	28,347,685	25,587,909
Other Assets	117,681	98,176
Total Other Assets	<u>31,623,774</u>	<u>28,899,580</u>
 Total Assets	 <u><u>\$ 138,908,479</u></u>	 <u><u>\$ 130,875,210</u></u>

See accompanying Notes to Financial Statements.

**UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC**  
**BALANCE SHEETS (CONTINUED)**  
**DECEMBER 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<b>LIABILITIES AND MEMBERS' DEFICIT</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 1,364,492	\$ 1,155,993
Accrued Expenses	562,830	486,829
Deposits on Future Occupancy	2,708,546	2,278,776
Current Portion of Note Payable to Master Trust	<u>7,433,771</u>	<u>7,169,124</u>
Total Current Liabilities	12,069,639	11,090,722
<b>LONG-TERM LIABILITIES</b>		
Note Payable to Master Trust, Net of Current Portion	290,917,069	279,595,840
Deferred Revenue from Unamortized Deferred Entrance Fees, Net	30,713,872	27,958,861
Deposits from Residents	<u>185,828</u>	<u>102,826</u>
Total Long-Term Liabilities	<u>321,816,769</u>	<u>307,657,527</u>
Total Liabilities	333,886,408	318,748,249
<b>MEMBERS' DEFICIT</b>	<u>(194,977,929)</u>	<u>(187,873,039)</u>
Total Liabilities and Members' Deficit	<u>\$ 138,908,479</u>	<u>\$ 130,875,210</u>

See accompanying Notes to Financial Statements.

**UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC**  
**STATEMENTS OF OPERATIONS**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<b>REVENUES</b>		
Resident Services	\$ 36,814,325	\$ 35,214,933
Amortization of Deferred Entrance Fees	6,644,532	6,227,077
Deferred Entrance Fees on Terminated Contracts	1,458,719	1,355,522
Nonresident Services	140,785	149,838
Total Revenues	<u>45,058,361</u>	<u>42,947,370</u>
<b>OPERATING EXPENSES</b>		
Resident Care	14,359,884	13,082,577
Food and Beverage Services	5,173,834	5,096,950
Environmental Services	1,605,453	1,649,010
Plant Facility Operating Costs	4,958,070	5,020,659
General and Administrative Expenses	9,095,519	8,065,322
Depreciation and Amortization	6,573,807	6,400,477
Total Operating Expenses	<u>41,766,567</u>	<u>39,314,995</u>
<b>INCOME FROM OPERATIONS</b>	3,291,794	3,632,375
<b>OTHER INCOME (LOSS)</b>		
Net Realized Loss on Sale of Marketable Securities	(5,606)	(18,105)
Net Unrealized Gain on Marketable Securities	328,026	164,476
Interest and Dividend Income	255,384	164,005
Legal Settlement	8,000,000	-
Other Income	25,512	-
Total Other Income	<u>8,603,316</u>	<u>310,376</u>
<b>NET INCOME</b>	<u><u>\$ 11,895,110</u></u>	<u><u>\$ 3,942,751</u></u>

See accompanying Notes to Financial Statements.

**UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC**  
**STATEMENTS OF CHANGES IN MEMBERS' DEFICIT**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

	Capital		Accumulated Equity	Total Members' Deficit
	Class A	Class B		
<b>BALANCE - DECEMBER 31, 2022</b>	\$ (167,318,493)	\$ (33,445,086)	\$ 32,947,789	\$ (167,815,790)
Distributions	(19,200,000)	(4,800,000)	-	(24,000,000)
Net Income	-	-	3,942,751	3,942,751
<b>BALANCE - DECEMBER 31, 2023</b>	(186,518,493)	(38,245,086)	36,890,540	(187,873,039)
Distributions	(15,200,000)	(3,800,000)	-	(19,000,000)
Net Income	-	-	11,895,110	11,895,110
<b>BALANCE - DECEMBER 31, 2024</b>	<u>\$ (201,718,493)</u>	<u>\$ (42,045,086)</u>	<u>\$ 48,785,650</u>	<u>\$ (194,977,929)</u>

See accompanying Notes to Financial Statements.

**UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Residents	\$ 37,770,468	\$ 39,931,223
Interest and Dividend Income	255,384	164,005
Reimbursements for Services to Nonresidents	140,785	149,838
Legal Settlement	8,000,000	-
Other Income	25,512	-
Cash Paid to Suppliers and Employees	<u>(35,062,547)</u>	<u>(33,231,100)</u>
Net Cash and Cash Equivalents Provided by Operating Activities	11,129,602	7,013,966
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments Made on Purchases of Property and Equipment	(2,981,097)	(3,569,443)
Purchases of Marketable Securities	(401,955)	(577,216)
Proceeds from Redemption of Marketable Securities	<u>74,614</u>	<u>91,283</u>
Net Cash and Cash Equivalents Used by Investing Activities	(3,308,438)	(4,055,376)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Note Payable to Master Trust	18,755,000	28,000,000
Payments on Note Payable to Master Trust	(7,169,124)	(5,247,446)
Distributions to Members	<u>(19,000,000)</u>	<u>(24,000,000)</u>
Net Cash and Cash Equivalents Used by Financing Activities	<u>(7,414,124)</u>	<u>(1,247,446)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	407,040	1,711,144
Cash and Cash Equivalents - Beginning of Year	<u>4,315,881</u>	<u>2,604,737</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u><u>\$ 4,722,921</u></u>	<u><u>\$ 4,315,881</u></u>

See accompanying Notes to Financial Statements.

**UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC**  
**STATEMENTS OF CASH FLOWS (CONTINUED)**  
**YEARS ENDED DECEMBER 31, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<b>RECONCILIATION OF NET INCOME TO NET CASH AND CASH EQUIVALENTS PROVIDED BY OPERATING ACTIVITIES</b>		
Net Income	\$ 11,895,110	\$ 3,942,751
Noncash Items Included in Net Income		
Depreciation	6,427,162	6,253,857
Amortization of Costs of Acquiring Contracts	146,645	146,620
Amortization of Deferred Entrance Fees	(6,644,532)	(6,227,077)
Deferred Entrance Fees on Terminated Contracts	(1,458,719)	(1,355,522)
Net Realized Loss on Sale of Marketable Securities	5,606	18,105
Net Unrealized Gain on Marketable Securities	(328,026)	(164,476)
Changes in:		
Accounts Receivable	34,008	(781,005)
Deferred Entrance Fees Receivable on Terminated Contracts	189,769	(231,259)
Other Receivable	(7,878,892)	-
Inventories	4,651	3,037
Prepaid Expenses and Other Current Assets	86,362	(151,178)
Costs of Acquiring Contracts	(233,100)	(224,210)
Deferred Entrance Fees Receivable	8,098,486	6,197,298
Other Assets	(12,200)	(19,362)
Accounts Payable	208,499	281,314
Accrued Expenses	76,001	(206,183)
Deposits on Future Occupancy	429,770	(516,570)
Deposits from Residents	83,002	47,826
Net Cash and Cash Equivalents Provided by Operating Activities	<u>\$ 11,129,602</u>	<u>\$ 7,013,966</u>
<b>SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES</b>		
Deferred Entrance Fees Receivable and Deferred Revenue from Unamortized Deferred Entrance Fees Recorded to Reflect Additional Amounts Due from Resident Contributions	<u>\$ 10,858,262</u>	<u>\$ 9,699,659</u>

See accompanying Notes to Financial Statements.

**UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 1 NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Business**

University Village Thousand Oaks CCRC, LLC (the Company) owns and operates a multiuse continuing care retirement community (CCRC) located in Thousand Oaks, California. The Company operates under the continuing care concept whereby residents enter into agreements that require payment of a onetime entrance fee and a monthly charge. Generally, these payments will entitle residents to the use and privileges of the facility for life.

**Limited Liability Company Operating Agreement**

The rights and obligations of the members of the Company are governed by the Second Amended and Restated Limited Liability Company Agreement (the Operating Agreement) of the Company dated October 3, 2013. The following represents a summary of significant financial terms of the Operating Agreement.

The Company has two types of members – Class A and Class B – and one appointed manager who is responsible for the management of the day-to-day business and affairs of the Company. The manager is granted the authority to act on behalf of the Company, except for those actions requiring a Class A majority interest vote or the unanimous approval of the Class A members, as designated in the Company's Operating Agreement. Class A members also have the authority to remove or replace the manager.

One of the Class A members is designated as the financing member. No member other than the financing member is required to contribute capital to the Company at any time. As of December 31, 2024 and 2023, 80% of the Company is owned by Class A members and 20% of the Company is owned by Class B members.

The members' liability to general creditors is limited to their investments in the Company. The Company will continue until dissolved pursuant to the terms of the Operating Agreement.

Profits and losses for financial statement purposes, distributable cash from operations, and profits and losses for tax purposes are allocated and distributed to the members in accordance with the Operating Agreement. The Operating Agreement also provides for priority distributions, plus an allowance for interest.

**Basis of Presentation**

The accompanying financial statements are presented using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). References to the "ASC" hereafter refer to the Accounting Standards Codification established by the Financial Accounting Standards Board (FASB) as the source of authoritative U.S. GAAP.

**UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 1 NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Cash and Cash Equivalents**

For purposes of the statements of cash flows, cash and cash equivalents include the operating cash account of the Company, money market accounts, time deposits, certificates of deposit, and all highly liquid debt instruments with original maturities of three months or less.

**Marketable Securities**

The Company accounts for its investments in equity securities in accordance with FASB ASC 321-10, *Investments - Equity Securities*. Marketable securities held by the Company have readily determinable fair values and are reported at fair value, with realized and unrealized gains and losses included in earnings. Any dividends received are recorded in interest income.

**Accounts Receivable**

Accounts receivable consist of amounts due from residents for which the Company has an unconditional right to receive payment and are primarily composed of receivables for monthly service fees and other ancillary services, as well as amounts due from residents for obligations related to independent unit renovations. Receivables for monthly service fees are primarily due upon receipt of invoice, and they are reviewed weekly and are considered past due 14 days after the issuance of monthly statements. Accounts for which no payments have been received for 30 days are considered delinquent, and customary collection efforts are initiated. Uncollectible accounts are written off at the advice of a collection attorney and with the approval of ownership. Receivables for resident obligations are generally collected upon cancellation of contracts, which is estimated to occur long term.

The Company provides an allowance for credit losses, as needed, to present the net amount of accounts receivable expected to be collected. The allowance represents the estimate of expected credit losses based on historical experience, current economic conditions, and certain forward-looking information. No allowance was necessary at December 31, 2024 and 2023.

**Inventories**

Inventories consist of food and supplies used in operations and are valued at the lower of cost or net realizable value on a first-in, first-out basis.

**Property and Equipment**

Property and equipment are stated at cost. Major improvements and betterments are capitalized. Maintenance and repairs are expensed as incurred. Property and equipment are depreciated over the estimated useful lives of the respective assets. Depreciation for property and equipment is computed on the straight-line method for book purposes.

**UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 1 NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Property and Equipment (Continued)**

The estimated useful lives of the related assets are as follows:

Land Improvements	15 to 20 Years
Buildings and Improvements	10 to 40 Years
Furniture, Fixtures, and Equipment	5 to 10 Years
Computer Equipment and Systems	5 Years

Depreciation expense for the years ended December 31, 2024 and 2023, totaled \$6,427,162 and \$6,253,857, respectively. At December 31, 2024 and 2023, fully depreciated property and equipment still in use totaled \$20,167,361 and \$19,174,676, respectively.

**Long-Lived Assets**

The Company accounts for impairment and disposition of long-lived assets in accordance with FASB ASC 360-10, *Property, Plant, and Equipment*. FASB ASC 360-10 requires impairment losses to be recognized for long-lived assets used in operations when indicators of impairment are present and the undiscounted future cash flows are not sufficient to recover the assets' carrying amounts. There was no impairment of value of such assets for the years ended December 31, 2024 and 2023.

**Revenue Recognition from Contracts with Customers**

The Company recognizes revenue for residency in accordance with the provisions of FASB ASC 606, *Revenue from Contracts with Customers (Topic 606)*. The Company enters into continuing care residency contracts with its customers. The form of the agreement is in conformity with the statutes of the State of California Department of Social Services Continuing Care Contracts Branch. Prior to actual occupancy by the resident, a contribution is required to be deposited with the Master Trust (as defined in Note 4) pursuant to a Residence and Care Agreement (the Residence Agreement). The provisions of the Residence Agreement include, but are not limited to, such items as the unit to be occupied, initial monthly fee, amount of contribution to the Master Trust, and methods of cancellation and refunds or contingent repayments subject to resale of the units. Generally, the Company is deemed to have Type A life care contracts that are all-inclusive continuing care contracts that include residential facilities, other amenities, and access to health care services, primarily assisted living and nursing care. Type A contracts are deemed to have one performance obligation – to provide each resident the ability to live in the CCRC and access the appropriate level of care based on his or her needs. A Type A contract also allows a resident the ability to cancel the Residence Agreement at any time, and thus, because of this provision, the resident agreement for a Type A life care CCRC resident is generally deemed to be a monthly contract with the option to renew.

**UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 1 NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Revenue Recognition from Contracts with Customers (Continued)**

Contract Revenues

The following is a description of the services provided and the accounting policies related to the contracted services.

*Entrance Fees* – The contract provides a material right to occupy an appropriate-level living unit for life and to receive certain services for which residents are required to pay an entrance fee. Generally, the entrance fee is payable on or before occupancy by the resident. Residents may cancel their Residence Agreement at any time, and, upon cancellation, the contribution received will be repayable under the following terms and conditions:

- (1) Cancellation During the Trial Residence Period – Under California law, there is a probationary period of 90 days after the date of the signed agreement during which either the Company or the resident may cancel the agreement with or without cause. Death of the resident during the period will cancel the agreement. In the event of cancellation, the resident shall be entitled to a refund in accordance with California law, which states that the Company may deduct from the contribution amount a reasonable fee to cover costs and any charges incurred but not paid.
- (2) Cancellation After 90 Days – A resident may cancel his or her agreement at any time after the trial residence period for any reason by giving the Company 90 days' written notice. Death of the resident will cancel the agreement. However, if an agreement applies to more than one resident, it will remain in effect after the death of one of the residents and be adjusted as described in the agreement. The Company may cancel the agreement at any time after the trial residence period for good cause upon 90 days' written notice to the resident. Examples of good cause are defined in the Residence Agreement.

Further, upon termination of the Residence Agreement, the resident or his or her estate will be entitled to a repayment of the contribution less a predetermined percentage and any charges incurred but not paid, as determined by the terms and conditions of the individual agreements. In addition, upon termination of the Residence Agreement after the probationary period of 90 days, the Company may be entitled to a Deferred Entrance Fee (a percentage of the resident's contribution amount), as defined in each resident's Residence Agreement.

*Resident Fees* – Resident living service fees, which are for basic support services, are paid on a monthly basis. Monthly fees are established at the inception of occupancy and may be increased by the Company with appropriate notice as specified in the individual agreements, generally based on increases in operating costs or inflationary increases. Revenue for resident fees is recognized as the Company satisfies the performance obligation, which is monthly.

*Nonresident Services* – Nonresident services are revenues recognized at a point in time primarily for nonresident guest meals and short-term guest accommodations.

**UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 1 NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
**(CONTINUED)**

**Revenue Recognition from Contracts with Customers (Continued)**

**Contract Assets and Contract Liabilities**

The following are assets and liabilities resulting from contracts with customers:

*Deferred Entrance Fees Receivable on Terminated Contracts* – Deferred entrance fees receivable on terminated contracts represent the portion of the entrance fees that are payable to the Company following the current year terminations of Residence Agreements, based on the specific terms of each resident contract, which are currently due from the Master Trust (see Note 4).

*Deferred Entrance Fees Receivable* – Deferred entrance fees receivable represent that portion of the entrance fees that would be payable to the Company upon termination of the existing Residence Agreements, based on the specific terms of each resident contract, which are due from the Master Trust (see Note 4).

*Deposits on Future Occupancy* – Deposits on future occupancy represent deposits on future contracts from prospective residents that are fully refundable upon demand.

*Deposits from Residents* – Deposits from residents represent deposits to cover potential refurbishment costs from residents who enter under 0% repayable contracts.

*Deferred Revenue from Unamortized Entrance Fees* – Deferred revenue from unamortized entrance fees represents the total amount of the entrance fees that have become nonrepayable to the residents, based on the specific terms of each resident contract, which are recorded as deferred revenue from entrance fees and are amortized to income over time using the straight-line method over the remaining life expectancy of the resident. The period of amortization is adjusted annually based on the actuarially determined estimated remaining life expectancy of each individual or joint and last survivor life expectancy of each pair of residents occupying the same unit.

**Costs of Acquiring Contracts**

*Costs of Acquiring Contracts* – Costs of acquiring contracts are the unamortized incremental costs of acquiring contracts, which primarily consist of commissions paid to salespeople. These assets are amortized on a straight-line basis over the duration of the contract. During the years ended December 31, 2024 and 2023, the Company recognized amortization expense of these assets totaling \$146,645 and \$146,620, respectively.

**Income Taxes**

The Company is taxed as a partnership for federal tax purposes and, accordingly, pays no federal taxes. For California purposes, the Company pays an \$800 limited liability company tax plus a fee based on its total revenue. The taxable income or loss is recognized on the individual income tax returns of the members.

**UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 1 NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Advertising and Promotional Costs**

Advertising and promotional costs are charged to operations when incurred. For the years ended December 31, 2024 and 2023, advertising and promotional costs totaled \$978,983 and \$837,930, respectively, and are included in general and administrative expenses in the accompanying statements of operations.

**Use of Estimates**

The process of preparing financial statements in accordance with U.S. GAAP requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

**NOTE 2 REVENUE FROM CONTRACTS WITH CUSTOMERS**

The following table presents the Company's revenue disaggregated by service for the years ended December 31:

	<u>2024</u>	<u>2023</u>
Revenue from Contracts with Customers:		
Entrance Fees, Amortized and on Terminated Contracts (Over Time)	\$ 8,103,251	\$ 7,582,599
Monthly Resident Fees and Ancillary Charges (Over Time)	36,814,325	35,214,933
Nonresident Services (Point in Time)	140,785	149,838
Total Revenue from Contracts with Customers	<u>\$ 45,058,361</u>	<u>\$ 42,947,370</u>

**UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 2 REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)**

The beginning and end of year balances of the Company's various contract-related balances were as follows:

	December 31, 2022	December 31, 2023	December 31, 2024
Accounts Receivable	<u>\$ 1,628,433</u>	<u>\$ 2,409,438</u>	<u>\$ 2,375,430</u>
Deferred Entrance Fees Receivable on Terminated Contracts	<u>\$ 107,498</u>	<u>\$ 338,757</u>	<u>\$ 148,988</u>
Costs of Acquiring Contracts	<u>\$ 774,901</u>	<u>\$ 852,491</u>	<u>\$ 938,946</u>
Deferred Entrance Fees Receivable	<u>\$ 22,085,548</u>	<u>\$ 25,587,909</u>	<u>\$ 28,347,685</u>
Deposits on Future Occupancy	<u>\$ 2,795,346</u>	<u>\$ 2,278,776</u>	<u>\$ 2,708,546</u>
Deferred Revenue from Unamortized Entrance Fees	<u>\$ 25,841,801</u>	<u>\$ 27,958,861</u>	<u>\$ 30,713,872</u>
Deposits from Residents	<u>\$ 55,000</u>	<u>\$ 102,826</u>	<u>\$ 185,828</u>

**NOTE 3 CONCENTRATIONS, RISKS, AND UNCERTAINTIES**

The Company maintains cash balances with one financial institution. At December 31, 2024 and 2023, accounts at this institution are insured by the Federal Deposit Insurance Corporation (FDIC) for up to \$250,000. The Company's deposits in these financial institutions at times exceeded the amount insured by the FDIC. The risk is managed by maintaining deposits in high-quality financial institutions.

At December 31, 2024 and 2023, the Company also maintains its money market funds and investments in equity securities at brokerage firms that are not FDIC insured. The firms are insured by the Securities Investor Protection Corporation for up to \$500,000.

**NOTE 4 NOTE PAYABLE TO MASTER TRUST AND TRUST AGREEMENT**

The University Village Thousand Oaks Master Trust (the Master Trust) was established to provide protection to the residents of the community by providing them with a vehicle through which they obtain a secured interest in the real property of the Company. New residents join in and become grantors under the trust agreement. At December 31, 2024 and 2023, the balance outstanding on the Master Trust note payable was \$298,350,840 and \$286,764,964, respectively.

**UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 4 NOTE PAYABLE TO MASTER TRUST AND TRUST AGREEMENT (CONTINUED)**

A contribution amount, as specified in the Residence Agreement, is made to the Master Trust by the grantor (see Note 1). The trustee of the Master Trust is directed to invest virtually all the funds in the form of an interest-free loan to the Company. The loan, which currently may not exceed \$408,600,000, is secured by the following:

- (1) A first priority deed of trust on the Company's real property and improvements thereon.
- (2) Security agreement creating a first security interest in the Company's current and hereafter acquired equity in all of the improvements, fixtures, personal property, and intangible property associated and used in connection with the real property described in the deed of trust.
- (3) First priority assignment of contracts including, but not limited to, any residence and care agreement and any management agreement entered into in conjunction with the operation of University Village Thousand Oaks.

The security also includes any income generated from and any insurance proceeds recovered from the loss of any property serving as collateral for this loan.

Repayments of principal will be made in annual amounts for a period of 40 years with a final payment due December 31, 2050. Each annual payment or series of payments made during the year shall be equal to or greater than the amount of principal advanced on December 15 next preceding the payment due date divided by 40 years.

Principal payments of the current outstanding Master Trust loan are estimated to mature as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2025	\$ 7,433,771
2026	7,272,927
2027	7,091,104
2028	6,913,826
2029	6,740,980
Thereafter	262,898,232
Total	<u>\$ 298,350,840</u>

In addition to the annual principal payment, the Company provides the Master Trust with temporary loans to fund grantor distributions when necessary. These temporary loans are refunded to the Company upon subsequent sale of a unit or when the Master Trust has excess liquidity.

**UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 5 COMMITMENTS AND CONTINGENCIES**

**Obligation to Provide Future Services**

The Company annually calculates the present value of the net cost of future services and use of facilities to be provided to current residents and compares that amount with the present value of monthly service fees and the unamortized deferred revenue from deferred entrance fees. If the present value of the net cost of future services and use of facilities exceeds the monthly service fees and deferred revenue from deferred entrance fees, a liability is recorded. Using a discount rate of 5.5% at both December 31, 2024 and 2023, the anticipated revenues are estimated to exceed the cost of future services for both years and therefore, no liability was accrued.

**Reservations and Designations**

At December 31, 2024 and 2023, the Company maintains cash reserves in the amount of \$7,202,475 and \$6,732,468, respectively, for operating expense contingencies in accordance with the requirements of the California Health and Safety Code under the State of California Department of Social Services. These reserves are included in cash and cash equivalents and marketable securities in the accompanying balance sheets.

**Litigation**

The Company experiences routine litigation in the normal course of its business. Management does not believe that any pending or threatened litigation will have a material adverse effect on its financial statements.

In 2016, the Company filed a legal dispute against a contractor alleging construction defects and property damages affecting the retirement community campus. On August 2, 2024, the Company reached a settlement agreement with the opposing party resulting in a gain from legal settlement totaling \$8,000,000. As of December 31, 2024, the Company has recorded an other receivable of \$7,878,792, reflecting the finalized settlement amount net of legal fees, that was received subsequent to year-end.

**NOTE 6 RELATED-PARTY TRANSACTIONS**

Pursuant to the provisions of FASB Accounting Standards Update (ASU) 2018-17, *Consolidation (Topic 810)*, the Company has elected to not apply variable interest entity guidance to legal entities under common control. The Company is not aware of any exposure to loss as a result of its involvement with these entities.

At December 31, 2024 and 2023, the Company has a formal service agreement with a related company concerning the provision of administrative and operational oversight services, including use of brand, transaction processing, and benefit and insurance administration, among others. The service agreement calls for annual service fees payable in equal monthly installments, and the agreement renews annually unless canceled. For the years ended December 31, 2024 and 2023, service fees paid under this agreement totaled \$822,108 and \$773,580, respectively. The service agreement also provides for additional fees for supplemental services and out-of-pocket expenses, as needed. For the years ended December 31, 2024 and 2023, the additional fees paid under this agreement totaled \$748,312 and \$647,304, respectively.

**UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 6 RELATED PARTY TRANSACTIONS (CONTINUED)**

Furthermore, the service agreement also provides for insurance premiums to be paid to a related company. Insurance premiums paid under this agreement for the years ended December 31, 2024 and 2023 totaled \$307,076 and \$312,487, respectively.

During both years ended December 31, 2024 and 2023, the Company paid \$25,000 for management services provided by an affiliated entity owned by the financing member. These expenses are included in general and administrative expenses in the accompanying statements of operations.

During the years ended December 31, 2024 and 2023, the Company paid \$90,000 each year for consulting services provided by an affiliated entity owned by a member. These expenses are included in general and administrative expenses in the accompanying statements of operations.

The Company has an agreement for purchased health care costs with Oakview HC, LLC, an affiliated entity. The health care costs paid to this entity during the years ended December 31, 2024 and 2023, were \$13,019,327 and \$11,821,919, respectively, and are included in resident care expenses in the accompanying statements of operations. In addition, the Company had payables for accrued health care costs totaling \$530,120 and \$508,804 at December 31, 2024 and 2023, respectively, which are included in accounts payable in the accompanying balance sheets.

**NOTE 7 EMPLOYEE BENEFIT PLAN**

The Company sponsors a qualified 401(k) plan (the Plan) for all eligible employees. Employees may contribute up to 80% of their yearly compensation for up to the maximum amount prescribed by law. The Company makes a safe harbor matching contribution equal to 100% of the first 3% of the participant's compensation and 50% of the next 2% of the participant's compensation, which is deferred as an elective deferral. For the years ended December 31, 2024 and 2023, employer contributions to the Plan totaled \$206,410 and \$162,856, respectively, which have been included in operating expenses in the accompanying statements of operations.

**NOTE 8 FAIR VALUE MEASUREMENTS**

FASB ASC 820-10 defines fair value, establishes a framework for measuring fair value, and requires enhanced disclosures about fair value measurements. FASB ASC 820 establishes a three-level valuation hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs in the valuation of an asset as of the measurement date.

**UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 8 FAIR VALUE MEASUREMENTS (CONTINUED)**

The three levels are defined as follows:

*Level 1* – Quoted market prices in active markets for identical assets or liabilities.

*Level 2* – Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

*Level 3* – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

Fair value is a market-based measurement considered from the perspective of a market participant rather than an entity-specific measurement. Therefore, even when market assumptions are not readily available, the Company's own assumptions are set to reflect those that market participants would use in pricing the asset or liability at the measurement date.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The following table provides fair value measurement for financial assets measured at fair value on a recurring basis as of December 31, 2024:

	Level 1	Level 2	Level 3
Equities:			
Large Value	\$ 4,450,973	\$ -	\$ -
Large Growth	335,733	-	-
Large Core	392,557	-	-
Mid Value	127,330	-	-
Mid Core	381,771	-	-
Total Assets at Fair Value	<u>\$ 5,688,364</u>	<u>\$ -</u>	<u>\$ -</u>

The following table provides fair value measurement for financial assets measured at fair value on a recurring basis as of December 31, 2023:

	Level 1	Level 2	Level 3
Equities:			
Large Value	\$ 4,050,929	\$ -	\$ -
Large Growth	176,800	-	-
Large Core	363,026	-	-
Mid Value	146,972	-	-
Mid Core	308,181	-	-
Total Assets at Fair Value	<u>\$ 5,045,908</u>	<u>\$ -</u>	<u>\$ -</u>

Certain reclassifications have been made to the 2023 fair value measurement disclosure above to conform to the current-year presentation.

**UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024 AND 2023**

**NOTE 9    EMPLOYEE RETENTION CREDITS**

The Employee Retention Credit (ERC) is a refundable tax credit against certain employment taxes equal to 50% of the qualified wages an eligible employer pays to employees after March 12, 2020, and before January 1, 2021. On December 27, 2020, the Consolidated Appropriations Act (CAA) was signed into law. Among other provisions, the CAA expanded the eligibility for ERC to include more entities as well as extending ERC into calendar year 2021 including the first, second and third calendar quarters. Furthermore, the refundable tax credit for the calendar year 2021 was expanded to 70% of the qualified wages. CAA provided these entities the ability to retroactively recover payroll taxes from earlier in 2020 during which they were previously ineligible. This is done by retroactively applying for the credit.

Employers, including tax-exempt organizations, are eligible for the credit if they operate a trade or business during calendar year 2020 and 2021 and experience either the full or partial suspension of the operation of their trade or business during any calendar quarter due to a significant decline in gross receipts or because of governmental orders limiting commerce, travel or group meetings due to COVID-19. The credit applies to qualified wages (including certain health plan expenses) paid during this period or any calendar quarter in which eligibility requirements were met.

Grants from the government are recognized when all conditions of such grants are fulfilled or there is reasonable assurance that they will be fulfilled. The Company determined it met the compliance requirements and conditions of the ERC program and during the year ended December 31, 2024 recognized ERC credits totaling \$30,014 for the quarters ended March 31, 2020 and June 30, 2020. The revenue related to these credits, net of professional fees, is included in other income on the accompanying statements of operations. There were no ERC credits recognized during the year ended December 31, 2023.

There is a possibility that upon subsequent review the Internal Revenue Service (IRS) could reach a different conclusion regarding the Company's eligibility to retain the ERC credits received, which could result in repayment of the credits, interest, and potential penalties. The amount of liability, if any, from potential ineligibility cannot be determined with certainty.

**NOTE 10    SUBSEQUENT EVENTS**

Events occurring after December 31, 2024 have been evaluated for possible adjustment to the financial statements or disclosure as of April 11, 2025, which is the date the financial statements were available to be issued. There were no adjustments to the financial statements or additional disclosures as a result of this evaluation.



## INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

Members  
University Village Thousand Oaks CCRC, LLC  
Thousand Oaks, California

We have audited the financial statements of University Village Thousand Oaks CCRC, LLC (the Company) as of and for the year ended December 31, 2024, and our report thereon dated April 11, 2025, which expressed an unmodified opinion on those financial statements, appears on pages 1 and 2. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The 2024 schedules of Form 5-1 through Form 5-5 and Form 7-1 are prepared for filing with the State of California, Department of Social Services, in accordance with Section 1792 of the California Health and Safety Code, and are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

This report is intended solely for the information and use of the members and management of the Company and for filing with the State of California Department of Social Services and is not intended to be, and should not be, used by another other than those specified parties. However, this report is a matter of public record, and its distribution is not limited.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Irvine, California  
April 11, 2025

**FORM 5-1: LONG-TERM DEBT INCURRED IN A PRIOR FISCAL YEAR (INCLUDING BALLOON DEBT)**

Long-Term Debt Obligation	(a) Date Incurred	(b) Principal Paid During Fiscal Year	(c) Interest Paid During Fiscal Year	(d) Credit Enhancement Premiums Paid in Fiscal Year	(e) Total Paid (columns (b) + (c) + (d))
1					
2					
3					
4					
5					
6					
7					
8					
<b>TOTAL:</b>			0	0	0

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

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

**PROVIDER:** University Village Thousand Oaks CCRC, LLC

**FORM 5-1**  
**LONG-TERM DEBT INCURRED IN A PRIOR FISCAL YEAR**  
**Supporting Calculation for Line 1(b)**

Line 1(b) Debt Service Reserve is waived as per the attached letter.

**PROVIDER:** University Village Thousand Oaks CCRC, LLC  
**COMMUNITY:** University Village Thousand Oaks



JOHN A. WAGNER  
DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY  
**DEPARTMENT OF SOCIAL SERVICES**  
744 P Street • Sacramento, CA 95814 • [www.cdss.ca.gov](http://www.cdss.ca.gov)



ARNOLD SCHWARZENEGGER  
GOVERNOR

November 18, 2009

Mr. Warren Spieker  
Vice President  
Continuing Life Communities LLC  
1940 Levante Street  
Carlsbad, California 92009

Dear Mr. Spieker:

SUBJECT: CONTINUING LIFE COMMUNITIES THOUSAND OAKS LLC DBA  
UNIVERSITY VILLAGE THOUSAND OAKS  
LONG-TERM DEBT RESERVE REQUIREMENT WAIVER

This is in response to your November 6, 2009, request for approval to waive the long-term debt reserve requirement as it applies to the debt held by the University Village Thousand Oaks (UVTO) Master Trust. Pursuant to the November 5, 2009, letter from Bank of America, the Syndicated Construction Loan to Continuing Life Communities Thousand Oaks LLC (CLCTO) has been paid in full. Therefore, as provided for in Health and Safety Code (H&SC) section 1792.3(c), the Department has agreed to waive the debt service reserve for CLCTO.

Please note that CLCTO is required to notify the Department and obtain its approval prior to closing any transaction that results in an encumbrance or lien on the UVTO property. At which time, CLC will be required to comply with the debt service reserve requirement for the new debt.

If you have any questions, you may contact Allison Nakatomi at (916) 657-2592 or [allison.nakatomi@dss.ca.gov](mailto:allison.nakatomi@dss.ca.gov).

Sincerely,

JOHN R. RODRIQUEZ, Chief  
Continuing Care Contracts Branch

c: Robert Thompson

**FORM 5-2: LONG-TERM DEBT INCURRED DURING FISCAL YEAR (INCLUDING BALLOON DEBT)**

Long-Term Debt Obligation	(a) Date Incurred	(b) Total Interest Paid During Fiscal Year	(c) Amount of Most Recent Payment on the Debt	(d) Number of Payments Over Next 12 Months	(e) Reserve Requirement (see instruction Part 5) (columns (c) x (d))
1					
2					
3					
4					
5					
6					
7					
8					
<b>TOTAL:</b>		0	0	0	0

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

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

**PROVIDER:** University Village Thousand Oaks CCRC, LLC

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

Line	TOTAL
1	Total from Form 5-1 bottom of Column (e) 0
2	Total from Form 5-2 bottom of Column (e) 0
3	Facility leasehold or rental payment paid by provider during fiscal year (including related payments such as lease insurance) 0
4	TOTAL AMOUNT REQUIRED FOR LONG-TERM DEBT RESERVE: 0

PROVIDER: University Village Thousand Oaks CCRC, LLC

**FORM 5-4: CALCULATION OF NET OPERATING EXPENSES**

Line	Description	Amounts	TOTAL
1	Total operating expenses from financial statements		41,766,567
2	Deductions:		
a.	Interest paid on long-term debt (see instructions)	0	
b.	Credit enhancement premiums paid for long-term debt (see instructions)	0	
c.	Depreciation	6,427,162	
d.	Amortization	146,645	
e.	Revenues received during the fiscal year for services to persons who did not have a continuing care contract	140,785	
f.	Extraordinary expenses approved by the Department	0	
3	Total Deductions		6,714,592
4	Net Operating Expenses		35,051,975
5	Divide Line 4 by 365 and enter the result		96,033
6	<b>Multiply Line 5 by 75 and enter the result.</b> This is the provider's operating expense reserve amount		7,202,475

**PROVIDER:** University Village Thousand Oaks CCRC, LLC
**COMMUNITY:** University Village Thousand Oaks

**FORM 5-4**  
**CALCULATION OF NET OPERATING EXPENSES**  
**Supporting Explanation for Line 2e**

Line 2(e) is made up of the following line from the audited statement of cash flows

Reimbursements for services to non-residents	<u>\$ 140,785</u>
--	-------------------

Categories included in the above revenues:

\$	24,998	Guest Meals
	4,265	Employee Meals
	11,642	Catering
	99,880	Guest Room
	<u>140,785</u>	
\$	<u>140,785</u>	

**PROVIDER:** University Village Thousand Oaks CCRC, LLC

**COMMUNITY:** University Village Thousand Oaks

## FORM 5-5: ANNUAL RESERVE CERTIFICATION

Provider Name: University Village Thousand Oaks CCRC, LLC

Fiscal Year Ended: 12/31/2024

We have reviewed our debt service reserve and operating expense reserve requirements as of, and for the period ended.

12/31/2024

and are in compliance with those requirements.

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

	<u>Amount</u>
[1] Debt Service Reserve Amount	<u>0</u>
[2] Operating Expense Reserve Amount	<u>7,202,475</u>
[3] Total Liquid Reserve Amount:	<u>7,202,475</u>

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

Qualifying Asset Description	Debt Service Reserve	Operating Reserve
[4] Cash and Cash Equivalents		4,722,921
[5] Investment Securities		5,688,364
[6] Equity Securities		
[7] Unused/Available Lines of Credit		
[8] Unused/Available Letters of Credit		
[9] Debt Service Reserve		(not applicable)
[10] Other:		

Qualifying assets used in these reserves are described as follow:

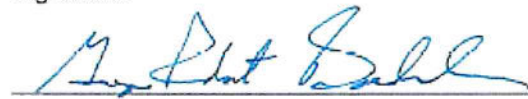
Total Amount of Qualifying Assets

Listed for Reserve Obligation: [11] \_\_\_\_\_ [12] 10,411,285

Reserve Obligation Amount: [13] \_\_\_\_\_ [14] 7,202,475

Surplus/(Deficiency): [15] \_\_\_\_\_ [16] 3,208,810

Signature:



Date: 03/17/2025

(Authorized Representative)

Chief Executive Officer

(Title)

**FORM 5-5**  
**Description of Reserves Under SB 1212**

**Total Qualifying Assets as Filed:**

Cash and Cash Equivalents	\$	4,722,921
Investment Securities	\$	5,688,364
Total Qualifying Assets as Filed	\$	10,411,285

**Reservations and Designations:**

Reserved for Debt Service	\$	-
Reserved for Operating Expenses	\$	7,202,475
Total Reservations and Designations	\$	7,202,475
Remaining Liquid Reserves	\$	3,208,810

---

**Per Capita Cost of Operations**

	<u>12 Months</u> <u>Ending 12/31/24</u>
Operating Expenses (Form 5-4 line #1)	\$ 41,766,567
Mean # of CCRC Residents (Form 1-1 line 10)	562
Per Capita Cost of Operations	\$ 74,318

**NOTE:** Operating expenses shown above are for the period of January 1, 2024  
to December 31, 2024

<b>PROVIDER:</b>	<u>University Village Thousand Oaks CCRC, LLC</u>
<b>COMMUNITY:</b>	<u>University Village Thousand Oaks</u>

## FORM 7-1

**REPORT ON CCRC MONTHLY CARE FEES**

	RESIDENTIAL LIVING	ASSISTED LIVING	MEMORY CARE	SKILLED NURSING
1. Monthly Care Fees at beginning of reporting period: (indicate range, if applicable)	5,160-7,857			
2. Indicate percentage of increase in fees imposed during reporting period: (indicate range, if applicable)	4.8%			

1. Monthly Care Fees at beginning of reporting period: (indicate range, if applicable)

2. Indicate percentage of increase in fees imposed during reporting period: (indicate range, if applicable)

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

3. Indicate the date the fee increase was implemented: January 1, 2024  
(If more than one (1) increase was implemented, indicate the dates for each increase.)

4. Check each of the appropriate boxes:

☒ Each fee increase is based on the Provider's projected costs, prior year per capita costs, and economic indicators.

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

Date of Notice: October 20, 2023 Method of Notice: Letters

☒ At least 30 days prior to the increase in fees, the designated representative of the Provider convened a meeting that all residents were invited to attend. Date of Meeting: November 9, 2023

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

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

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

☒ Placed hard copies in resident cubby

☒ Placed hard copies at designated locations

☒ Provided hard copies to residents upon request, and/or

☒ Other: [please describe] posted on portal

☒ Date of Notice: October 20, 2023

- ☒ The Provider provided residents with at least 14 days advance notice of each meeting held to discuss the fee increases.  
**Date of Notice:** October 20, 2023

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

**Date of Posting:** October 20, 2023 **Location of Posting:** Community Mail Room

- ☒ Providers evaluated the effectiveness of consultations during the annual budget planning process at a minimum of every two years by the continuing care retirement community administration. The evaluation, including any policies adopted relating to cooperation with residents was made available to the resident association or its governing body, or, if neither exists, to a committee of residents at least 14 days prior to the next semiannual meeting of residents and the Provider's governing body and posted a copy of that evaluation in a conspicuous location at each facility.

**Date of Posting:** December 10, 2024 **Location of Posting:** Community Mail Room

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

**PROVIDER:** University Village TO CCRC LLC **COMMUNITY:** University Village Thousand Oaks

**FORM 7-1**  
**REPORT ON CCRC MONTHLY SERVICE FEES**  
**Supporting Explanation for Line 5**

The monthly fee increase for 2024 is reflected at 4.8%. The cost drivers for this increase are: wage adjustments, raw food cost increase of 5%, Employee Health Insurance Increase of 15%; General Insurance increase of 7%, Property Insurance increase of 25%, and Workers Comp. Ancillary expenses – ranges of 3.5%; Purchased Health Care (driven by 6% increase in cost). These figures were arrived at by using economic indicators and estimating future cost increases, with information derived from suppliers, government mandates, and industry periodicals. The budgeted NOI, which is basically flat with the prior year's budget, does not include capital expenditures, which are estimated at \$3.6 million. Economic indicators driving these capital projects include the updating of residences that turnover to keep current with market expectations. Other capital projects include: pendant system upgrade, guest room upgrades, and other IT projects. These projects, and future projects that economic indicators may require, will be paid from future cash flow. NOI surplus will also be used as a return to owners for the risk of operating the community.

**FORM 7-1 ATTACHMENT  
MONTHLY CARE FEE INCREASE  
Annual Reporting Fiscal Year 2024**

Line	Fiscal Years	2022	2023	2024
1	F/Y 2022 Operating Expenses (less depreciation and amortization)	(29,370,114)		
2	F/Y 2023 Operating Expenses (less depreciation and amortization)		(32,914,518)	
3	Projected F/Y 2024 Results of Operations (budgeted expenses)			(32,610,342)
4	F/Y 2024 Anticipated MCF Revenue Based on Current and Projected Occupancy and Other WITHOUT MCFI			34,304,926
5	Projected F/Y 2024 (Net) Operating Results without MCFI (Line 3 plus Line 4)			1,694,584
6	Projected F/Y 2024 Anticipated Revenue Based on Current and Projected Occupancy and Other with MCFI			37,146,183
7	Grand Total - Projected FY 2024 Net Operating Activity After 7.6% MCFI (Line 3 plus Line 6)			4,535,841

**Monthly Care Fee Increase                      4.80%**

**Adjustment Explained:**

Non-cash expenses of depreciation and amortization have been removed for all fiscal years presented.

**F/Y 2024**

Wage adjustments, raw food cost and ancillary expenses increased by 3.5%

Employee health insurance increased by 15%

General liability insurance increased by 7%

Property insurance increased by 25%

Purchased health care increased by 6%

# FORM 13 ANNUAL REPORT

Item	Amount	Amount	Amount
1. Net income			
2. Depreciation and amortization			
3. Other non-deductible expenses			
4. Charitable contributions			
5. Other adjustments			
6. Total			
7. Taxable income			
8. Tax liability			
9. Tax credits			
10. Other adjustments			
11. Total			
12. Net income			
13. Depreciation and amortization			
14. Other non-deductible expenses			
15. Charitable contributions			
16. Other adjustments			
17. Total			
18. Taxable income			
19. Tax liability			
20. Tax credits			
21. Other adjustments			
22. Total			
23. Net income			
24. Depreciation and amortization			
25. Other non-deductible expenses			
26. Charitable contributions			
27. Other adjustments			
28. Total			
29. Taxable income			
30. Tax liability			
31. Tax credits			
32. Other adjustments			
33. Total			
34. Net income			
35. Depreciation and amortization			
36. Other non-deductible expenses			
37. Charitable contributions			
38. Other adjustments			
39. Total			
40. Taxable income			
41. Tax liability			
42. Tax credits			
43. Other adjustments			
44. Total			
45. Net income			
46. Depreciation and amortization			
47. Other non-deductible expenses			
48. Charitable contributions			
49. Other adjustments			
50. Total			
51. Taxable income			
52. Tax liability			
53. Tax credits			
54. Other adjustments			
55. Total			
56. Net income			
57. Depreciation and amortization			
58. Other non-deductible expenses			
59. Charitable contributions			
60. Other adjustments			
61. Total			
62. Taxable income			
63. Tax liability			
64. Tax credits			
65. Other adjustments			
66. Total			
67. Net income			
68. Depreciation and amortization			
69. Other non-deductible expenses			
70. Charitable contributions			
71. Other adjustments			
72. Total			
73. Taxable income			
74. Tax liability			
75. Tax credits			
76. Other adjustments			
77. Total			
78. Net income			
79. Depreciation and amortization			
80. Other non-deductible expenses			
81. Charitable contributions			
82. Other adjustments			
83. Total			
84. Taxable income			
85. Tax liability			
86. Tax credits			
87. Other adjustments			
88. Total			
89. Net income			
90. Depreciation and amortization			
91. Other non-deductible expenses			
92. Charitable contributions			
93. Other adjustments			
94. Total			
95. Taxable income			
96. Tax liability			
97. Tax credits			
98. Other adjustments			
99. Total			
100. Net income			

April 07, 2025

Key Indicators Report  
University Village Thousand Oaks CCRC LLC  
2024 Trends and Variances

2009 Completion of move in phase  
2011 Commence annual debt payment

A handwritten signature in black ink, appearing to read 'Bob Bouchard', with a long, sweeping horizontal line extending to the right.

Bob Bouchard  
Chief Executive Officer



# CONTINUING CARE RETIREMENT COMMUNITY DISCLOSURE STATEMENT

Date Prepared: 03/17/2025

Facility Name: University Village Thousand Oaks CCRC, LLC

Address: 3415 Campus Drive

Zip Code: 91360

Phone: 805-241-3000

Provider Name:

University Village Thousand Oaks CCRC, LLC

Facility Operator: University Village Thousand Oaks CCRC, LLC

Religious Affiliation: N/A

Year Opened: 2007 # of Acres: 65 Miles to Shopping Center: .50 Miles to Hospital: 2.1

☒ Single Story
 ☒ Multi-Story
 ☐ Other:

Number of Units: 367

Residential Living	Number of Units	Health Care	Number of Units
Apartments – Studio:	0	Assisted Living:	
Apartments – 1 Bdrm:	120	Skilled Nursing:	
Apartments – 2 Bdrm:	127	Special Care:	
Cottages/Houses:	120	Description:	

RLU Occupancy (%) at Year End: 97.25%

 Type of Ownership:
 ☐ Not for Profit
 ☒ For Profit

 Accredited?
 ☐ Yes By:
 ☒ No

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

 Refund Provisions:
 ☐ Refundable
 ☐ 90%
 ☒ 50%  
 (Check all that apply)
 ☒ Repayable
 ☒ 75%
 ☒ Other: 25%

Range of Entrance Fees: \$ 620,000 - \$ 2,536,000

Long-Term Care Insurance Required? ☐ Yes ☒ No

Health Care Benefits Included in Contract: Assisted Living, Skilled Nursing, &amp; Memory Care

Entry Requirements: Min Age: 60 Prior Profession: Other:

## Resident Representative(s) to, and Resident Members on, the Board:

(briefly describe provider's compliance and residents' roles): Two Residents representation from Resident Council(RC) are involved in the monthly management meetings to serve as liaison between RC and management & provide input & suggestions to management & ownership.

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

### Facility Services and Amenities

Common Area Amenities	Available	Fee for Service	Services Available	Included in Fee	For Extra Charge
Beauty/Barber Shop	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Housekeeping ( <u>2</u> Times/	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Billiard Room	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Month at \$_____each)		
Bowling Green	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Meals ( <u>1</u> /Day)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Card Rooms	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Special Diets Available	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Chapel	<input type="checkbox"/>	<input type="checkbox"/>			
Coffee Shop	<input type="checkbox"/>	<input type="checkbox"/>	24-Hour Emergency Response	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Craft Rooms	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Activities Program	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Exercise Room	<input checked="" type="checkbox"/>	<input type="checkbox"/>	All Utilities Except Phone	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Golf Course Access	<input type="checkbox"/>	<input type="checkbox"/>	Apartment Maintenance	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Library	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Cable TV	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Putting Green	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Linens Furnished	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Shuffleboard	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Linens Laundered	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Spa	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Medication Management	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Swimming Pool –	<input type="checkbox"/>	<input type="checkbox"/>	Nursing/Wellness Clinic	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Indoor			Personal Home Care	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Swimming Pool –	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Transportation – Personal	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Outdoor			Transportation – Prearranged	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Tennis Court	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Other: _____	<input type="checkbox"/>	<input type="checkbox"/>
Workshop	<input checked="" type="checkbox"/>	<input type="checkbox"/>			
Other: _____	<input type="checkbox"/>	<input type="checkbox"/>			

**Provider Name:** University Village Thousand Oaks CCRC, LLC

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

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

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

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

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

**Provider Name:** University Village Thousand Oaks CCRC, LLC

Income and Expenses [Year]	2021	2022	2023	2024
<b>Income from Ongoing Operations</b>				
<b>Operating Income</b> (Excluding amortization of entrance fee income)	31,678,499	33,816,681	36,720,293	38,413,829
<b>Less Operating Expenses</b> (Excluding depreciation, amortization, and interest)	27,232,041	29,370,114	32,914,517	35,192,760
<b>Net Income From Operations</b>	4,446,458	4,446,567	3,805,776	3,221,069
<b>Less Interest Expense</b>				
<b>Plus Contributions</b>				
<b>Plus Non-Operating Income (Expenses)</b> (Excluding extraordinary items)	1,583,427	-463,775	310,376	8,603,316
<b>Net Income (Loss) Before Entrance Fees, Depreciation And Amortization</b>	6,029,885	3,982,792	4,116,152	11,824,385
<b>Net Cash Flow From Entrance Fees</b> (Total Deposits Less Refunds)	18,593,099	21,609,070	28,913,286	17,633,121

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

Lender	Outstanding Balance	Interest Rate	Date of Origination	Date of Maturity	Amortization Period
UVTO Master Trust	298,350,840	0%	11/16/2001	12/31/2050	40 Years

**Financial Ratios** (see last page for ratio formulas)

Financial Ratios [Year]	CCAC Medians 50th Percentile (optional)	2022	2023	2024
<b>Debt to Asset Ratio</b>		0%	0%	0%
<b>Operating Ratio</b>		86.85%	89.64%	91.61%
<b>Debt Service Coverage Ratio</b>		0%	0%	0%
<b>Days Cash On Hand Ratio</b>		87.36	103.82	107.98

**Provider Name:** University Village Thousand Oaks CCRC, LLC

**Historical Monthly Service Fees (Average Fee and Change Percentage)**

<b>Residence/Service [Year]</b>	<b>2021</b>	<b>%</b>	<b>2022</b>	<b>%</b>	<b>2023</b>	<b>%</b>	<b>2024</b>	<b>%</b>
Studio								
One Bedroom	4,301	3.5	4,576	6.4	4,924	7.6	5,160	4.8
Two Bedroom								
Cottage/House	6,548	3.5	6,967	6.4	7,497	7.6	7,857	4.8
Assisted Living								
Skilled Living								
Special Care								

**Comments from Provider:**

UVTO MT has a first priority deed of trust against UVTO which provides the residents collateral protection. The 298,350,840 recorded on the books as a note payable to the MT is repayable to the resident or their estate upon termination of their contracts and resale of their units, per the contracts.

**Financial Ratio Formulas**

**Long-Term Debt to Total Assets Ratio**

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

**Operating Ratio**

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

**Debt Service Coverage Ratio**

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

**Days Cash On Hand Ratio**

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

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

# KEY INDICATORS REPORT

## University Village Thousand Oaks CCRC LLC dba University Village Thousand Oaks

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



Chief Executive Officer Signature

	Historical Data					Projected 2025	Forecast				Preferred Trend Indicator
	2020	2021	2022	2023	2024		2026	2027	2028	2029	
OPERATIONAL STATISTICS											
1. Average Annual Occupancy by Site (%)	97.66%	97.18%	97.60%	98.28%	97.25%	98.00%	98.00%	98.00%	98.00%	98.00%	N/A
MARGIN (PROFITABILITY) INDICATORS											
2. Net Operating Margin (%)	12.15%	14.04%	13.15%	10.36%	8.39%	10.81%	14.16%	14.40%	14.71%	14.93%	⬆️
3. Net Operating Margin - Adjusted (%)	37.34%	45.83%	47.01%	49.85%	37.21%	40.05%	41.67%	41.87%	42.10%	42.29%	⬇️
LIQUIDITY INDICATORS											
4. Unrestricted Cash and Investments (\$000)	\$6,641	\$7,768	\$7,030	\$9,362	\$10,411	\$11,034	\$11,283	\$11,537	\$11,800	\$12,074	⬆️
5. Days Cash on Hand (Unrestricted)	89.4	104.1	87.4	103.8	108.0	117.7	116.2	114.8	113.5	112.2	⬆️
CAPITAL STRUCTURE INDICATORS											
6. Deferred Revenue from Entrance Fees (\$000)	\$4,668	\$4,849	\$5,403	\$6,227	\$6,645	\$6,911	\$7,187	\$7,475	\$7,774	\$8,085	N/A
7. Net Annual E/F proceeds (\$000)	\$12,408	\$18,593	\$21,609	\$28,913	\$17,633	\$18,720	\$19,469	\$20,247	\$21,057	\$21,899	N/A
8. Unrestricted Net Assets (\$000)	\$131,865	\$129,081	\$126,457	\$130,875	\$138,908	\$141,964	\$144,683	\$145,387	\$146,075	\$148,279	N/A
9. Annual Capital Asset Expenditure (\$000)	\$4,750	\$2,016	\$3,429	\$3,569	\$2,981	\$3,056	\$2,719	\$703	\$689	\$2,204	N/A
10. Annual Debt Service Coverage Revenue Basis (x)	0.80	3.89	4.21	4.99	2.91	3.08	3.48	3.73	3.99	4.27	⬆️
11. Annual Debt Service Coverage (x)	0	0	0	0	0	0	0	0	0	0	⬆️
12. Annual Debt Service/Revenue (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	⬇️
13. Average Annual Effective Interest Rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	⬇️
14. Unrestricted Cash & Investments/ Long-Term Debt (%)	2.87%	3.22%	2.72%	3.35%	3.58%	3.65%	3.59%	3.52%	3.45%	3.38%	⬆️
15. Average Age of Facility (years)	13.62	14.26	14.82	15.16	15.75	16.69	17.63	18.61	19.59	20.53	⬇️