

UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEARS ENDED DECEMBER 31, 2025 AND 2024



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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 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, 2025 and 2024, 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 accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Members
University Village Thousand Oaks CCRC, LLC

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 10, 2026

UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC
BALANCE SHEETS
DECEMBER 31, 2025 AND 2024

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 12,548,128	\$ 4,722,921
Marketable Securities	6,749,011	5,688,364
Accounts Receivable	90,963	155,968
Deferred Entrance Fees Receivable on Terminated Contracts	248,568	148,988
Other Receivable	-	7,878,892
Inventories	65,373	79,435
Prepaid Expenses and Other Current Assets	2,429,240	577,199
Total Current Assets	22,131,283	19,251,767
PROPERTY AND EQUIPMENT		
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	37,393,119	35,188,090
Computer Equipment and Systems	5,255,913	4,969,432
Construction in Progress	3,778,219	1,134,745
Total Property and Equipment, at Cost	194,423,216	189,288,232
Less: Accumulated Depreciation	(107,821,062)	(101,255,294)
Property and Equipment, at Net Book Value	86,602,154	88,032,938
OTHER ASSETS		
Accounts Receivable, Long-Term	2,082,702	2,219,462
Costs of Acquiring Contracts, Net	970,181	938,946
Deferred Entrance Fees Receivable	32,183,612	28,347,685
Other Assets	260,047	117,681
Total Other Assets	35,496,542	31,623,774
 Total Assets	 \$ 144,229,979	 \$ 138,908,479

See accompanying Notes to Financial Statements.

UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC
BALANCE SHEETS (CONTINUED)
DECEMBER 31, 2025 AND 2024

	2025	2024
LIABILITIES AND MEMBERS' DEFICIT		
CURRENT LIABILITIES		
Accounts Payable	\$ 1,189,222	\$ 1,364,492
Accrued Expenses	594,851	562,830
Deposits on Future Occupancy	2,829,133	2,708,546
Current Portion of Note Payable to Master Trust	7,847,927	7,433,771
Total Current Liabilities	12,461,133	12,069,639
LONG-TERM LIABILITIES		
Note Payable to Master Trust, Net of Current Portion	306,069,142	290,917,069
Deferred Revenue from Unamortized Deferred Entrance Fees, Net	33,975,290	30,713,872
Deposits from Residents	321,897	185,828
Total Long-Term Liabilities	340,366,329	321,816,769
Total Liabilities	352,827,462	333,886,408
MEMBERS' DEFICIT		
	(208,597,483)	(194,977,929)
Total Liabilities and Members' Deficit	\$ 144,229,979	\$ 138,908,479

See accompanying Notes to Financial Statements.

UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC
STATEMENTS OF OPERATIONS
YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
REVENUES		
Resident Services	\$ 38,872,597	\$ 36,814,325
Amortization of Deferred Entrance Fees	7,613,690	6,644,532
Deferred Entrance Fees on Terminated Contracts	1,772,510	1,458,719
Nonresident Services	186,553	140,785
Total Revenues	48,445,350	45,058,361
OPERATING EXPENSES		
Resident Care	13,979,970	14,359,884
Food and Beverage Services	5,720,820	5,173,834
Environmental Services	1,695,807	1,605,453
Plant Facility Operating Costs	5,301,936	4,958,070
General and Administrative Expenses	7,665,732	9,095,519
Depreciation and Amortization	6,730,483	6,573,807
Total Operating Expenses	41,094,748	41,766,567
INCOME FROM OPERATIONS	7,350,602	3,291,794
OTHER INCOME (LOSS)		
Net Realized Loss on Sale of Marketable Securities	-	(5,606)
Net Unrealized Gain on Marketable Securities	925,387	328,026
Interest and Dividend Income	547,401	255,384
Legal Settlement	-	8,000,000
Other Income	57,056	25,512
Total Other Income	1,529,844	8,603,316
NET INCOME	\$ 8,880,446	\$ 11,895,110

See accompanying Notes to Financial Statements.

**UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC
STATEMENTS OF CHANGES IN MEMBERS' DEFICIT
YEARS ENDED DECEMBER 31, 2025 AND 2024**

	Capital		Accumulated Equity	Total Members' Deficit
	Class A	Class B		
BALANCE - DECEMBER 31, 2023	\$ (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
BALANCE - DECEMBER 31, 2024	(201,718,493)	(42,045,086)	48,785,650	(194,977,929)
Distributions	(18,000,000)	(4,500,000)	-	(22,500,000)
Net Income	-	-	8,880,446	8,880,446
BALANCE - DECEMBER 31, 2025	<u>\$ (219,718,493)</u>	<u>\$ (46,545,086)</u>	<u>\$ 57,666,096</u>	<u>\$ (208,597,483)</u>

See accompanying Notes to Financial Statements.

UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Residents	\$ 55,922,021	\$ 37,770,468
Interest and Dividend Income	547,401	255,384
Reimbursements for Services to Nonresidents	186,553	140,785
Legal Settlement	-	8,000,000
Other Income	57,056	25,512
Cash Paid to Suppliers and Employees	(36,661,543)	(35,062,547)
Net Cash and Cash Equivalents Provided by Operating Activities	20,051,488	11,129,602
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments Made on Purchases of Property and Equipment	(5,134,984)	(2,981,097)
Purchases of Marketable Securities	(157,526)	(401,955)
Proceeds from Redemption of Marketable Securities	-	74,614
Net Cash and Cash Equivalents Used by Investing Activities	(5,292,510)	(3,308,438)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Note Payable to Master Trust	23,000,000	18,755,000
Payments on Note Payable to Master Trust	(7,433,771)	(7,169,124)
Distributions to Members	(22,500,000)	(19,000,000)
Net Cash and Cash Equivalents Used by Financing Activities	(6,933,771)	(7,414,124)
NET INCREASE IN CASH AND CASH EQUIVALENTS	7,825,207	407,040
Cash and Cash Equivalents - Beginning of Year	4,722,921	4,315,881
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 12,548,128	\$ 4,722,921

See accompanying Notes to Financial Statements.

UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC
STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED DECEMBER 31, 2025 AND 2024

	2025	2024
RECONCILIATION OF NET INCOME TO NET CASH AND CASH EQUIVALENTS PROVIDED BY OPERATING ACTIVITIES		
Net Income	\$ 8,880,446	\$ 11,895,110
Noncash Items Included in Net Income		
Depreciation	6,565,768	6,427,162
Amortization of Costs of Acquiring Contracts	164,715	146,645
Amortization of Deferred Entrance Fees	(7,613,690)	(6,644,532)
Deferred Entrance Fees on Terminated Contracts	(1,772,510)	(1,458,719)
Net Realized Loss on Sale of Marketable Securities	-	5,606
Net Unrealized Gain on Marketable Securities	(925,387)	(328,026)
Changes in:		
Accounts Receivable	201,765	34,008
Deferred Entrance Fees Receivable on Terminated Contracts	(99,580)	189,769
Other Receivable	7,878,892	(7,878,892)
Inventories	14,062	4,651
Prepaid Expenses and Other Current Assets	(1,852,041)	86,362
Costs of Acquiring Contracts	(195,950)	(233,100)
Deferred Entrance Fees Receivable	8,811,691	8,098,486
Other Assets	(120,100)	(12,200)
Accounts Payable	(175,270)	208,499
Accrued Expenses	32,021	76,001
Deposits on Future Occupancy	120,587	429,770
Deposits from Residents	136,069	83,002
Net Cash and Cash Equivalents Provided by Operating Activities	\$ 20,051,488	\$ 11,129,602
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Deferred Entrance Fees Receivable and Deferred Revenue from Unamortized Deferred Entrance Fees Recorded to Reflect Additional Amounts Due from Resident Contributions	\$ 12,647,618	\$ 10,858,262

See accompanying Notes to Financial Statements.

UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

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 one-time 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, 2025 and 2024, 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, 2025 AND 2024

**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, 2025 and 2024.

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, 2025 AND 2024

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, 2025 and 2024, totaled \$6,565,768 and \$6,427,162, respectively. At December 31, 2025 and 2024, fully depreciated property and equipment still in use totaled \$20,524,343 and \$20,167,361, 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, 2025 and 2024.

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, 2025 AND 2024

**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, 2025 AND 2024

**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 and other 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, 2025 and 2024, the Company recognized amortization expense of these assets totaling \$164,715 and \$146,645, 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, 2025 AND 2024

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, 2025 and 2024, advertising and promotional costs totaled \$742,336 and \$978,983, 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>2025</u>	<u>2024</u>
Revenue from Contracts with Customers:		
Entrance Fees, Amortized and on Terminated Contracts (Over Time)	\$ 9,386,200	\$ 8,103,251
Monthly Resident Fees and Ancillary Charges (Over Time)	38,872,597	36,814,325
Nonresident Services (Point in Time)	186,553	140,785
Total Revenue from Contracts with Customers	<u>\$ 48,445,350</u>	<u>\$ 45,058,361</u>

UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

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, 2023	December 31, 2024	December 31, 2025
Accounts Receivable	<u>\$ 2,409,438</u>	<u>\$ 2,375,430</u>	<u>\$ 2,173,665</u>
Deferred Entrance Fees Receivable on Terminated Contracts	<u>\$ 338,757</u>	<u>\$ 148,988</u>	<u>\$ 248,568</u>
Costs of Acquiring Contracts	<u>\$ 852,491</u>	<u>\$ 938,946</u>	<u>\$ 970,181</u>
Deferred Entrance Fees Receivable	<u>\$ 25,587,909</u>	<u>\$ 28,347,685</u>	<u>\$ 32,183,612</u>
Deposits on Future Occupancy	<u>\$ 2,278,776</u>	<u>\$ 2,708,546</u>	<u>\$ 2,829,133</u>
Deferred Revenue from Unamortized Entrance Fees	<u>\$ 27,958,861</u>	<u>\$ 30,713,872</u>	<u>\$ 33,975,290</u>
Deposits from Residents	<u>\$ 102,826</u>	<u>\$ 185,828</u>	<u>\$ 321,897</u>

NOTE 3 CONCENTRATIONS, RISKS, AND UNCERTAINTIES

The Company maintains cash balances with one financial institution. At December 31, 2025 and 2024, 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, 2025 and 2024, 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, 2025 and 2024, the balance outstanding on the Master Trust note payable was \$313,917,069 and \$298,350,840, respectively.

UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

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. The next scheduled principal payment of \$7,847,927 was paid in January 2026.

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

<u>Year Ending December 31,</u>	<u>Amount</u>
2026	\$ 7,847,927
2027	7,651,729
2028	7,460,435
2029	7,273,924
2030	7,092,076
Thereafter	276,590,978
Total	<u>\$ 313,917,069</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. At December 31, 2025, temporary loans to the Master Trust totaled \$1,770,000 and are included in prepaid expenses and other current assets in the accompanying balance sheets.

UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

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, 2025 and 2024, 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, 2025 and 2024, the Company maintains cash reserves in the amount of \$7,022,850 and \$7,202,475, 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. The settlement amount was received in full in February 2025.

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, 2025 and 2024, 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, 2025 and 2024, service fees paid under this agreement totaled \$863,571 and \$822,108, 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, 2025 and 2024, the additional fees paid under this agreement totaled \$721,503 and \$748,312, respectively.

UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

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, 2025 and 2024 totaled \$403,495 and \$307,076, respectively.

During both years ended December 31, 2025 and 2024, 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, 2025 and 2024, 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, 2025 and 2024, were \$12,774,388 and \$13,019,327, 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 \$446,595 and \$530,120 at December 31, 2025 and 2024, 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, 2025 and 2024, employer contributions to the Plan totaled \$216,773 and \$206,410, 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, 2025 AND 2024

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, 2025:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Equities:			
Large Value	\$ 4,151,946	\$ -	\$ -
Large Growth	516,613	-	-
Large Core	1,356,712	-	-
Mid Value	453,527	-	-
Mid Core	270,213	-	-
Total Assets at Fair Value	<u>\$ 6,749,011</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, 2024:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
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>

UNIVERSITY VILLAGE THOUSAND OAKS CCRC, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

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, 2025 recognized ERC credits totaling \$67,124 for the quarters ended March 31, 2021 and June 30, 2021. The revenue related to these credits, net of professional fees, is included in other income on the accompanying statements of operations. During the year ended December 31, 2024, the Company recognized ERC credits totaling \$30,014 for the quarters ended March 31, 2020 and June 30, 2020. The related revenue, net of professional fees, is also included in other income in the accompanying statements of operations.

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, 2025 have been evaluated for possible adjustment to the financial statements or disclosure as of April 10, 2026, 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, 2025, and our report thereon dated April 10, 2026, 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 2025 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 10, 2026

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

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



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.

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					
TOTAL:		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 <u>Total from Form 5-1 bottom of Column (e)</u>	0
2 <u>Total from Form 5-2 bottom of Column (e)</u>	0
3 <u>Facility leasehold or rental payment paid by provider during fiscal year (including related payments such as lease insurance)</u>	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		<u>41,094,748</u>
2	Deductions:		
a.	Interest paid on long-term debt (see instructions)	<u>0</u>	
b.	Credit enhancement premiums paid for long-term debt (see instructions)	<u>0</u>	
c.	Depreciation	<u>6,565,768</u>	
d.	Amortization	<u>164,715</u>	
e.	Revenues received during the fiscal year for services to persons who did not have a continuing care contract	<u>186,553</u>	
f.	Extraordinary expenses approved by the Department	<u>0</u>	
3	Total Deductions		<u>6,917,036</u>
4	Net Operating Expenses		<u>34,177,712</u>
5	Divide Line 4 by 365 and enter the result		<u>93,638</u>
6	Multiply Line 5 by 75 and enter the result. This is the provider's operating expense reserve amount		<u>7,022,850</u>

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 \$ 186,553

Categories included in the above revenues:

\$	20,219	Guest Meals
	33,050	Employee Meals
	21,668	Catering
	<u>111,616</u>	<u>Guest Room</u>
\$	<u>186,553</u>	

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

Total Amount of Qualifying Assests

Listed for Reserve Obligation: [11] _____ [12] 19,297,139

Reserve Obligation Amount: [13] _____ [14] 7,022,850

Surplus/(Deficiency): [15] _____ [16] 12,274,289

Signature:



Date: 03/10/2026

(Authorized Representative)

Chief Executive Officer

(Title)

FORM 5-5
Description of Reserves Under SB 1212

Total Qualifying Assets as Filed:

Cash and Cash Equivalents	\$ 12,548,128
Investment Securities	\$ 6,749,011
Total Qualifying Assets as Filed	\$ 19,297,139

Reservations and Designations:

Reserved for Debt Service	\$ -
Reserved for Operating Expenses	\$ 7,022,850
Total Reservations and Designations	\$ 7,022,850
Remaining Liquid Reserves	\$ 12,274,289

Per Capita Cost of Operations

	<u>12 Months Ending 12/31/25</u>
Operating Expenses (Form 5-4 line #1)	\$ 41,094,748
Mean # of CCRC Residents (Form 1-1 line 10)	564.5
Per Capita Cost of Operations	\$ 72,798

NOTE: Operating expenses shown above are for the period of January 1, 2025 to December 31, 2025

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

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)	5,392-8,211			
2. Indicate percentage of increase in fees imposed during reporting period: (indicate range, if applicable)	4.5%			
<input type="checkbox"/> Check here if monthly care fees at this community were <u>not</u> 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: <u>January 1, 2025</u> (If more than one (1) increase was implemented, indicate the dates for each increase.)				
4. Check each of the appropriate boxes:				
<input checked="" type="checkbox"/> Each fee increase is based on the Provider's projected costs, prior year per capita costs, and economic indicators.				
<input checked="" type="checkbox"/> All affected residents were given written notice of this fee increase at least 30 days prior to its implementation. Date of Notice: <u>October 18, 2024</u> Method of Notice: <u>Letter</u>				
<input checked="" type="checkbox"/> 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: <u>November 4, 2024</u>				
<input checked="" type="checkbox"/> 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.				
<input checked="" type="checkbox"/> The Provider distributed the documents to all residents by [Optional - check all that apply]:				
<input type="checkbox"/> Emailed the documents to those residents for whom the provider had email addresses on file				
<input checked="" type="checkbox"/> Placed hard copies in resident cubby				
<input checked="" type="checkbox"/> Placed hard copies at designated locations				
<input checked="" type="checkbox"/> Provided hard copies to residents upon request, and/or				
<input checked="" type="checkbox"/> Other: [please describe] <u>posted on resident portal</u>				
<input checked="" type="checkbox"/> Date of Notice: <u>October 18, 2024</u>				

- The Provider provided residents with at least 14 days advance notice of each meeting held to discuss the fee increases.
Date of Notice: October 18, 2024

 - 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 18, 2024 **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 2025 is reflected at 4.5%. The cost drivers for this increase are: wage adjustments, raw food cost increase of 4.5%, Employee Health Insurance Increase of 10%; General Insurance increase of 5%, Property Insurance increase of 3%, and Workers Comp. Ancillary expenses – ranges of 3.5%; Purchased Health Care 7%. 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 \$2.6 million. Economic indicators driving these capital projects include the updating of residences that turnover to keep current with market expectations. Other capital projects include: Laser Projector AV upgrade, EV charging stations, disaster trailer, employee breakroom, 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 2025**

Line	Fiscal Years	2023	2024	2025
1	F/Y 2023 Operating Expenses (less depreciation and amortization)	(32,914,518)		
2	F/Y 2024 Operating Expenses (less depreciation and amortization)		(35,192,760)	
3	Projected F/Y 2025 Results of Operations (budgeted expenses)			(33,610,648)
4	F/Y 2025 Anticipated MCF Revenue Based on Current and Projected Occupancy and Other WITHOUT MCFI			37,146,183
5	Projected F/Y 2025 (Net) Operating Results without MCFI (Line 3 plus Line 4)			3,535,535
6	Projected F/Y 2025 Anticipated Revenue Based on Current and Projected Occupancy and Other with MCFI			38,380,937
7	Grand Total - Projected FY 2025 Net Operating Activity After 4.5% MCFI (Line 3 plus Line6)			4,770,289
Monthly Care Fee Increase				4.50%

Adjustment Explained:

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

F/Y 2025

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

Employee health insurance increased by 10%

General liability insurance increased by 5%

Property insurance increased by 3%

Purchased health care increased by 7%



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See CLAGlobal.com/disclaimer. Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.

March 24, 2026

Key Indicators Report
University Village Thousand Oaks CCRC LLC
2025 Trends and Variances

2009 Completion of move in phase
2011 Commence annual debt payment

A handwritten signature in blue ink, appearing to read "Bob Bouchard", with a long horizontal flourish extending to the right.

Bob Bouchard
Chief Executive Officer

CONTINUING CARE RETIREMENT COMMUNITY DISCLOSURE STATEMENT

Date Prepared: 03/10/2026

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: 99.06%

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: 0% and 25%

Range of Entrance Fees: \$636,000 - \$2,638,000

Long-Term Care Insurance Required? Yes No

Health Care Benefits Included in Contract: Assisted Living, Skilled Nursing, & 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 Resident 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 & owners.

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 – Indoor	<input type="checkbox"/>	<input type="checkbox"/>	Nursing/Wellness Clinic	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Swimming Pool – Outdoor	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Personal Home Care	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Tennis Court	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Transportation – Personal	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workshop	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Transportation – Prearranged	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other: _____	<input type="checkbox"/>	<input type="checkbox"/>	Other: _____	<input type="checkbox"/>	<input type="checkbox"/>

Provider Name: University Village Thousand Oaks CCRC, LLC

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

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

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

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

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

Provider Name: University Village Thousand Oaks CCRC, LLC

Income and Expenses [Year]	2022	2023	2024	2025
Income from Ongoing Operations				
Operating Income (Excluding amortization of entrance fee income)	33,816,681	36,720,293	38,413,829	40,831,660
Less Operating Expenses (Excluding depreciation, amortization, and interest)	29,370,114	32,914,517	35,192,760	34,364,265
Net Income From Operations	4,446,567	3,805,776	3,221,069	6,467,395
Less Interest Expense				
Plus Contributions				
Plus Non-Operating Income (Expenses) (Excluding extraordinary items)	-463,775	310,376	8,603,316	1,529,844
Net Income (Loss) Before Entrance Fees, Depreciation And Amortization	3,982,792	4,116,152	11,824,385	7,997,239
Net Cash Flow From Entrance Fees (Total Deposits Less Refunds)	21,609,070	28,913,286	17,633,121	22,173,625

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	313,917,069	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)	2023	2024	2025
Debt to Asset Ratio		0%	0%	0%
Operating Ratio		89.64%	91.61%	84.16%
Debt Service Coverage Ratio		0%	0%	0%
Days Cash On Hand Ratio		103.82	107.98	204.96

Provider Name: University Village Thousand Oaks CCRC, LLC

Historical Monthly Service Fees (Average Fee and Change Percentage)

Residence/Service [Year]	2022	%	2023	%	2024	%	2025	%
Studio								
One Bedroom	4,576	6.4	4,924	7.6	5,160	4.8	5,392	4.5
Two Bedroom								
Cottage/House	6,967	6.4	7,497	7.6	7,857	4.8	8,211	4.5
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 313,917,069 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

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

Days Cash On Hand Ratio

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

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

Chief Executive Officer Signature

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

	2021	2022	2023	2024	2025	Forecast			Preferred Trend Indicator	
	2026	2027	2028	2029	2030					
OPERATIONAL STATISTICS										
1. Average Annual Occupancy by Site (%)	97.18%	97.60%	98.28%	97.25%	99.06%	98.00%	98.00%	98.00%	98.00%	N/A
MARGIN (PROFITABILITY) INDICATORS										
2. Net Operating Margin (%)	14.04%	13.15%	10.36%	8.39%	15.84%	13.73%	13.07%	13.03%	12.96%	↑
3. Net Operating Margin - Adjusted (%)	45.83%	47.01%	49.85%	37.21%	45.45%	45.35%	44.21%	43.83%	43.45%	↓
LIQUIDITY INDICATORS										
4. Unrestricted Cash and Investments (\$000)	\$7,768	\$7,030	\$9,362	\$10,411	\$19,297	\$11,138	\$11,760	\$12,057	\$12,367	↑
5. Days Cash on Hand (Unrestricted)	104.1	87.4	103.8	108.0	205.0	117.0	113.7	112.2	110.9	↑
CAPITAL STRUCTURE INDICATORS										
6. Deferred Revenue from Entrance Fees (\$000)	\$4,849	\$5,403	\$6,227	\$6,645	\$7,614	\$7,919	\$8,565	\$8,907	\$9,264	N/A
7. Net Annual E/F proceeds (\$000)	\$18,593	\$21,609	\$28,913	\$17,633	\$22,174	\$23,304	\$24,245	\$24,730	\$25,225	N/A
8. Unrestricted Net Assets (\$000)	\$129,081	\$126,457	\$130,875	\$138,908	\$144,230	\$147,286	\$152,506	\$154,945	\$155,724	N/A
9. Annual Capital Asset Expenditure (\$000)	\$2,016	\$3,429	\$3,569	\$2,981	\$5,135	\$3,056	\$2,602	\$2,339	\$879	N/A
10. Annual Debt Service Coverage Revenue Basis (x)	3.89	4.21	4.99	2.91	3.85	3.67	4.01	4.21	4.41	↑
11. Annual Debt Service Coverage (x)	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%	↓
13. Average Annual Effective Interest Rate (%)	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 (%)	3.22%	2.72%	3.35%	3.58%	6.30%	3.46%	3.32%	3.24%	3.17%	↑
15. Average Age of Facility (years)	14.26	14.82	15.16	15.75	16.42	17.35	19.23	20.17	21.15	↓