



CLN Consolidated - Unaudited Statement of Operations

CLN - All Communities

For the Months Ending December 31, 2016

Description	Year to Date			Period to Date			
	Actual	Budget	Variance	Current Yr	Prior Yr	Variance	
<b>Operating Revenue</b>							
Management Fee	\$1,002,929	\$1,002,929	\$0	\$1,002,929	\$1,002,929	\$0	
Residential Living	19,235,571	18,651,411	584,160	19,235,571	18,203,157	1,032,414	
Assisted Living Revenue	9,709,559	10,031,064	(321,505)	9,709,559	9,789,321	(79,762)	
Skilled Nursing Revenue	18,479,019	18,471,181	7,838	18,479,019	17,892,745	586,274	
Ancillary Revenue	3,380,784	3,570,120	(189,336)	3,380,784	3,691,755	(310,972)	
Ancillary Contractual Allowance	(1,267,473)	(1,072,392)	(195,081)	(1,267,473)	(1,202,263)	(65,210)	
Home Care Services	1,603,783	1,526,326	77,456	1,603,783	1,735,952	(132,169)	
Adult Day Revenue	393,431	412,409	(18,978)	393,431	377,618	15,813	
Other Revenue	879,284	1,102,008	(222,724)	879,284	1,015,799	(136,516)	
<b>Total Operating Income</b>	<b>\$53,416,887</b>	<b>\$53,695,056</b>	<b>(\$278,169)</b>	<b>\$53,416,887</b>	<b>\$52,507,013</b>	<b>\$909,872</b>	<b>1.73%</b>
<b>Operating Expenses</b>							
Administration	9,333,781	9,387,691	53,910	9,333,781	8,976,336	357,445	
Marketing	1,161,692	1,238,788	77,096	1,161,692	1,280,376	(118,684)	
Volunteers	125,752	126,268	516	125,752	122,819	2,933	
Concierge	616,456	625,204	8,748	616,456	601,144	15,311	
Life Enrichment	1,164,970	1,211,284	46,314	1,164,970	1,143,369	21,601	
Dining Services	7,189,166	6,564,090	(625,076)	7,189,166	6,630,149	559,017	
Social Services	190,615	189,003	(1,612)	190,615	205,173	(14,559)	
Resident Services	319,702	315,494	(4,208)	319,702	457,298	(137,596)	
Medical Records	139,976	133,452	(6,524)	139,976	137,954	2,022	
Assisted Living	3,000,475	2,978,744	(21,731)	3,000,475	3,025,620	(25,145)	
Nursing	9,006,153	8,819,151	(187,002)	9,006,153	8,698,456	307,697	
Ancillary	2,225,730	2,296,350	70,620	2,225,730	2,397,142	(171,413)	
Maintenance	2,073,388	2,060,343	(13,045)	2,073,388	2,093,204	(19,816)	
Transportation	332,746	311,588	(21,158)	332,746	309,731	23,015	
Environmental Services	1,608,007	1,644,040	36,033	1,608,007	1,498,407	109,600	
Utilities	1,533,292	1,611,344	78,052	1,533,292	1,552,913	(19,622)	
Cottages	141,811	128,970	(12,841)	141,811	118,190	23,622	
Home Care Services	1,648,190	1,540,242	(107,948)	1,648,190	1,807,425	(159,235)	
Adult Day Care	257,570	255,179	(2,391)	257,570	247,121	10,449	
Fundraising	73,382	61,912	(11,470)	73,382	60,879	12,503	
Interest and Bond Fees	6,878,590	7,192,660	314,070	6,878,590	7,251,203	(372,612)	
Taxes and Insurance	305,827	317,388	11,561	305,827	306,790	(963)	
<b>Total Operating Expense</b>	<b>49,327,271</b>	<b>49,009,185</b>	<b>(318,086)</b>	<b>49,327,271</b>	<b>48,921,699</b>	<b>405,572</b>	<b>0.83%</b>
<b>NOM - Net Operating Margin (Loss)</b>	<b>4,089,616</b>	<b>4,685,871</b>	<b>(596,255)</b>	<b>4,089,616</b>	<b>3,585,314</b>	<b>504,302</b>	
<b>Operating Margin (%)</b>	<b>7.66%</b>	<b>8.73%</b>	<b>-1.07%</b>	<b>7.66%</b>	<b>6.83%</b>	<b>0.83%</b>	
<b>Non Operating Income (Expense)</b>							
Contributions Received	470,751	558,528	(87,777)	470,751	550,468	(79,717)	
Contributions Applied	(133,230)	(178,848)	45,618	(133,230)	(157,880)	24,650	
Investment Income	747,761	700,536	47,225	747,761	763,218	(15,457)	
Unrealized Gain/(Loss) on Investments	952,001	0	952,001	952,001	(1,702,177)	2,654,178	
Realized Gain/(Loss) on Investments	172,965	0	172,965	172,965	246,732	(73,767)	
Earned Entry Fund	1,558,823	1,566,000	(7,177)	1,558,823	1,613,082	(54,259)	
Depreciation/Amortization	(6,889,193)	(6,833,480)	(55,713)	(6,889,193)	(6,751,117)	(138,076)	
Loss on Refinancing	(2,272,222)	0	(2,272,222)	(2,272,222)	0	(2,272,222)	
Other	52,191	0	52,191	52,191	601,903	(549,712)	
<b>Total Non Operating Income (Exp)</b>	<b>(5,340,153)</b>	<b>(4,187,264)</b>	<b>(1,152,889)</b>	<b>(5,340,153)</b>	<b>(4,835,771)</b>	<b>(504,382)</b>	
<b>Net income (loss)</b>	<b>(1,250,537)</b>	<b>498,607</b>	<b>(1,749,144)</b>	<b>(1,250,537)</b>	<b>(1,250,457)</b>	<b>(80)</b>	
	<b>YTD</b>	<b>2016 Bdgt</b>		<b>Prior YR PTD</b>			
Days Cash on Hand	274	248		265			
Debt Service Coverage Ratio:	161%	161%		182.63%			

**CLN Consolidated Balance Sheet**  
**CLN - All Communities**  
**For the Months Ending December 31, 2016**

	Year to Date	Dec. 31, 2015	Variance	Year to Date	Prior YR PTD	Variance
	Actual	Actual		Actual	Actual	
<b>Assets:</b>						
Cash/Investments	\$38,204,629	\$35,347,919	\$2,856,711	\$38,204,629	\$35,347,919	\$2,856,711
Accounts Receivable	1,836,733	2,254,112	(417,379)	1,836,733	2,254,112	(417,379)
Assets limited to use	25,015,949	28,272,991	(3,257,042)	25,015,949	28,272,991	(3,257,042)
Prepays	425,118	777,851	(352,734)	425,118	777,851	(352,734)
Intercompany receivable/payable	(202,135)	440,378	(642,513)	(202,135)	440,378	(642,513)
Supplies	109,045	124,139	(15,094)	109,045	124,139	(15,094)
Property and Equipment Net of Acc Depr	134,070,783	137,730,103	(3,659,321)	134,070,783	137,730,103	(3,659,321)
Cost of issuance	3,646,019	4,821,402	(1,175,383)	3,646,019	4,821,402	(1,175,383)
Accumulated Amortization	(5,063,994)	(4,990,681)	(73,313)	(5,063,994)	(4,990,681)	(73,313)
Investment in Stewardship Fund / Insurance Group	677,861	664,166	13,695	677,861	664,166	13,695
Other	248,315	163,200	85,116	248,315	163,200	85,116
<b>Total Assets</b>	<b>\$198,968,323</b>	<b>\$205,605,579</b>	<b>(\$6,637,256)</b>	<b>\$198,968,323</b>	<b>\$205,605,579</b>	<b>(\$6,637,256)</b>
<b>Liabilities:</b>						
Accounts Payable	929,082	1,233,949	(304,867)	929,082	1,233,949	(304,867)
Bonds Payable	119,835,000	129,780,000	(9,945,000)	119,835,000	129,780,000	(9,945,000)
Original Issue Discount	(92,992)	(281,163)	188,171	(92,992)	(281,163)	188,171
Original Issue Premium	7,899,582	1,929,326	5,970,255	7,899,582	1,929,326	5,970,255
Interest Payable	2,125,370	3,544,061	(1,418,692)	2,125,370	3,544,061	(1,418,692)
Accrued Expenses	1,407,748	1,804,066	(396,318)	1,407,748	1,804,066	(396,318)
Refundable Fees	81,428,295	79,624,776	1,803,518	81,428,295	79,624,776	1,803,518
Deposits from Residents	1,971,488	1,900,868	70,620	1,971,488	1,900,868	70,620
Def. Rev. from Advance Fees (Net of Amort.)	8,294,022	8,683,909	(389,887)	8,294,022	8,683,909	(389,887)
Bond premium Accumulated Amortization	(74,930)	(372,466)	297,536	(74,930)	(372,466)	297,536
Annuities payable	1,580	1,719	(139)	1,580	1,719	(139)
Future Service Obligation			0			0
<b>Total Liabilities</b>	<b>\$223,724,244</b>	<b>\$227,849,046</b>	<b>(\$4,124,802)</b>	<b>\$223,724,244</b>	<b>\$227,849,046</b>	<b>(\$4,124,802)</b>
<b>Net Assets:</b>						
Retained Earnings - Current Year	(1,250,539)	(1,256,094)	5,555	(1,250,539)	(1,256,094)	5,555
Retained Earnings - Prior Years & Equity Transfers	(23,505,383)	(20,987,374)	(2,518,009)	(23,505,383)	(20,987,374)	(2,518,009)
<b>Total Net Assets</b>	<b>(\$24,755,921)</b>	<b>(\$22,243,468)</b>	<b>(\$2,512,454)</b>	<b>(\$24,755,921)</b>	<b>(\$22,243,468)</b>	<b>(\$2,512,454)</b>
<b>Total Liabilities and Net Assets</b>	<b>\$198,968,323</b>	<b>\$205,605,579</b>	<b>(\$6,637,256)</b>	<b>\$198,968,323</b>	<b>\$205,605,579</b>	<b>(\$6,637,256)</b>

**Christian Living Neighborhoods**  
**Un-audited Cash Flow Report**  
**For the Months Ending December 31, 2016**

	<b>1st Quarter 2016</b>	<b>2nd Quarter 2016</b>	<b>3rd Quarter 2016</b>	<b>4th Quarter 2016</b>	<b>Y-T-D 2016</b>
Net excess/deficit	\$ 367,655	\$ 642,845	\$ 440,408	\$ (2,701,445)	(\$1,250,537)
Noncash revenue and expense adjustments					
Net change in receivables	406,208	(157,462)	282,768	(114,135)	417,379
Net change in Assets limited to use	3,495,084	(2,527,146)	881,028	1,408,076	3,257,042
Net change in prepaids	92,548	116,160	136,157	7,868	352,734
Property/equipment change net of A/D	1,228,621	1,326,405	1,177,085	(72,791)	3,659,321
Net change in note receivable	-	-	-	-	-
Net change in resident personal needs	-	-	-	-	-
Net change in other assets	1,984	986,052	383,960	362,183	1,734,179
Prior period adjustment	-	-	-	-	-
Amortization expense	188,324	188,768	188,767	(492,546)	73,313
Net change in accounts payable	(800,076)	(73,965)	(40,820)	609,994	(304,867)
Net change in bonds/notes payable	(2,575,000)	-	-	(7,370,000)	(9,945,000)
Net change in resident deposits/deferred	-	-	-	-	-
Revenue from advance fees	(116,209)	62,381	(38,694)	(226,745)	(319,267)
Net change in refundable fees	273,307	726,529	(95,986)	899,669	1,803,518
Net change other liabilities	(2,285,602)	1,490,729	(2,125,652)	8,299,421	5,378,896
Transfer of Funds to CLC	-	(2,000,000)	-	-	(2,000,000)
<b>Net increase/(decrease) in cash</b>	<u>276,844</u>	<u>781,296</u>	<u>1,189,020</u>	<u>609,550</u>	<u>2,856,710</u>
<b>Total Cash /investments - beginning of period</b>	<u>35,347,919</u>	<u>35,624,763</u>	<u>36,406,059</u>	<u>37,595,079</u>	<u>35,347,919</u>
<b>Total Cash / investments - end of period</b>	<u>\$ 35,624,763</u>	<u>\$ 36,406,059</u>	<u>\$ 37,595,079</u>	<u>\$ 38,204,629</u>	<u>\$ 38,204,629</u>

**Christian Living Communities 2006 Obligated Group  
Un-audited Debt Service Coverage Report  
For the Months Ending December 31, 2016**

	<b>Combined Obligated group</b>
Net Excess/ Deficit	(\$1,250,540)
Add: Clermont Park PII	\$0
<b>REVENUE ADJUSTMENTS</b>	
Plus/Less Unrealized Gains/losses	(952,002)
Less: Amortization of advance fees	(1,558,823)
Less: Change in future service obligation	-
Less: Restricted/non cash Donations	-
Add/Less: change in Stewardship fund value/RRRG	(29,323)
Add/Less: change in annuity value	-
Less: Interest earned on special interest fund	-
Add: Realized loss on special interest fund	-
Less: Insurance proceeds	-
<b>EXPENSE ADJUSTMENTS</b>	
Plus: Depreciation and Amortization	6,889,193
Add: Loss on refinancing	2,272,222
Less: Future Service Obligation	-
Add: Accretion expense	-
Less: Restricted interest income	-
Less: Gain on disposal of assets	-
Plus: Interest Expense/LOC/ Remarketing fees	6,690,748
<b>OTHER ADJUSTMENTS</b>	
Add: Change in swap value	
Add: Entry fees turnover	3,307,486
Total Income Available for Debt Service	<u>15,368,962</u>
Debt Service*	<u>9,523,460</u>
<b>Debt Service Coverage Ratio</b>	<b><u>161.38%</u></b>