Continuing Care Retirement Community
Disclosure Statement

Date Prepared: 7/31/2019

FACILITY NAME: St. Paul's Towers
Continuing Care Retirement Community

ADDRESS: 100 Bay Place, Oakland
ZIP CODE: 94610
PHONE: 510-836-4700

PROVIDER NAME: Covia Communities
FACILITY OPERATOR: Mary Linde

RELATED FACILITIES: See Attached
RELIGIOUS AFFILIATION: Historically Episcopalian

YEAR # OF STORY STORY OTHER:
OPENED: 1966 1.5 ____
ACRES: 1.5 STORY __________

MILES TO SHOPPING CTR: 1
MILES TO HOSPITAL: 1

NUMBER OF UNITS:
RESIDENTIAL LIVING
APARTMENTS - STUDIO: 31
APARTMENTS - 1 BDRM: 92
APARTMENTS - 2 BDRM: 73
COTTAGES/HOUSES: __________

HEALTH CARE
ASSISTED LIVING: 21
SKILLED NURSING: 43
SPECIAL CARE: 12
DESCRIPTION: Memory Care

RLU OCCUPANCY (%) AT YEAR END: 92.35%

TYPE OF OWNERSHIP: □ NOT-FOR-PROFIT □ FOR-PROFIT ACCREDITED?: □ YES □ NO BY:

FORM OF CONTRACT: (Check all that apply)
□ CONTINUING CARE □ LIFE CARE □ ENTRANCE FEE □ FEE FOR SERVICE
□ ASSIGNMENT OF ASSETS □ EQUITY □ ENTERANCE FEE □ RENTAL

REFUND PROVISIONS: (Check all that apply)
□ Refundable □ Repayable □ 90% □ 75% □ 50% □ OTHER: Fully Amortizing

RANGE OF ENTRANCE FEES: $55,217 - $2,031,725
LONG-TERM CARE INSURANCE REQUIRED? □ YES □ NO

HEALTH CARE BENEFITS INCLUDED IN CONTRACT: Life Care Contract; benefits included. Continuing Contract; fee for service

ENTRY REQUIREMENTS: MIN. AGE: 62
PRIOR PROFESSION: __________
OTHER: ____________________

RESIDENT REPRESENTATIVE(S) TO, AND RESIDENT MEMBER(S) ON, THE BOARD:
(briefly describe provider’s compliance and residents’ roles) > See Attachment #1

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COMMON AREA AMENITIES AVAILABLE FEE FOR SERVICE SERVICES AVAILABLE INCLUDED IN FEE FOR EXTRA CHARGE
BEAUTY/BARBER SHOP □ □ HOUSEKEEPING (.4 TIMES/MONTH) □ □
BILLIARD ROOM □ □ MEALS (1-3/DAY) □ □
BOWLING GREEN □ □ SPECIAL DIETS AVAILABLE □ □
CARD ROOMS □ □
CHAPEL □ □ 24-HOUR EMERGENCY RESPONSE □ □
COFFEE SHOP □ □ ACTIVITIES PROGRAM □ □
CRAFT ROOMS □ □ ALL UTILITIES EXCEPT PHONE □ □
EXERCISE ROOM □ □ APARTMENT MAINTENANCE □ □
GOLF COURSE ACCESS □ □ CABLE TV □ □
LIBRARY □ □ LINENS FURNISHED □ □
PUTTING GREEN □ □ LINENS LAUNERED □ □
SHUFFLEBOARD □ □
SPA □ □ MEDICATION MANAGEMENT □ □
SWIMMING POOL-INDOOR □ □ NURSING/WELLNESS CLINIC □ □
SWIMMING POOL-OUTDOOR □ □ PERSONAL HOME CARE □ □
TENNIS COURT □ □ TRANSPORTATION-PERSONAL □ □
WORKSHOP □ □ TRANSPORTATION-PREARRANGED □ □
OTHER: Parking □ □
or other ___ Wifi__________ □ □

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.

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OTHER CCRCs

<table>
<thead>
<tr>
<th>Facility</th>
<th>Location (City, State)</th>
<th>Phone (with area code)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canterbury Woods</td>
<td>651 Sinex Ave, Pacific Grove, CA 93590</td>
<td>831-373-3111</td>
</tr>
<tr>
<td>Los Gatos Meadows</td>
<td>110 Wood Rd., Los Gatos, CA 95030</td>
<td>408-354-0211</td>
</tr>
<tr>
<td>Spring Lake Village</td>
<td>5555 Montgomery Dr, Santa Rosa, CA 95409</td>
<td>707-538-8400</td>
</tr>
<tr>
<td>San Francisco Towers</td>
<td>1661 Pine Street, San Francisco, CA 94109</td>
<td>415-776-0500</td>
</tr>
<tr>
<td>Webster House</td>
<td>401 Webster St., Palo Alto, CA 94301</td>
<td>650-327-4333</td>
</tr>
</tbody>
</table>

All Life Plan communities have residents with Life Care Contracts.
All offer Continuing Care Contracts with the exception of Los Gatos Meadows and Canterbury Woods as of January 01, 2014.
See Attachment #4 for additional details on community offerings.

MULTI-LEVEL RETIREMENT COMMUNITIES

FREE-STANDING SKILLED NURSING

SUBSIDIZED SENIOR HOUSING

See Attached #2

Note: Please indicate if the facility is a Life Care Facility.
## INCOME FROM ONGOING OPERATIONS

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating Income</th>
<th>Less Operating Expenses</th>
<th>Net Income From Operations</th>
<th>Less Interest Expense</th>
<th>Plus Contributions</th>
<th>Plus Non-Operating Income (Expenses)</th>
<th>Net Income (Loss) Before Entrance Fees, Depreciation and Amortization</th>
<th>Net Cash Flow From Entrance Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>$110,339,000</td>
<td>$104,198,000</td>
<td>$6,201,000</td>
<td>$8,249,000</td>
<td></td>
<td></td>
<td></td>
<td>$20,812,000</td>
</tr>
<tr>
<td>2017</td>
<td>$114,394,000</td>
<td>$115,118,000</td>
<td>($724,000)</td>
<td>$8,002,000</td>
<td></td>
<td></td>
<td></td>
<td>$33,096,000</td>
</tr>
<tr>
<td>2018</td>
<td>$115,917,000</td>
<td>$110,540,000</td>
<td>$5,377,000</td>
<td>$7,962,000</td>
<td></td>
<td></td>
<td></td>
<td>$21,459,000</td>
</tr>
<tr>
<td>2019</td>
<td>$124,896,000</td>
<td>$128,453,000</td>
<td>($3,557,000)</td>
<td>$7,909,000</td>
<td></td>
<td></td>
<td></td>
<td>$21,789,000</td>
</tr>
</tbody>
</table>

### DESCRIPTION OF SECURED DEBT

<table>
<thead>
<tr>
<th>Lender</th>
<th>Outstanding Balance</th>
<th>Interest Rate</th>
<th>Date of Origination</th>
<th>Date of Maturity</th>
<th>Amortization Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>See Attachment #3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### FINANCIAL RATIOS

<table>
<thead>
<tr>
<th>Ratio</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt to Asset Ratio</td>
<td>31.37%</td>
<td>30.62%</td>
<td>30.55%</td>
</tr>
<tr>
<td>Operating Ratio</td>
<td>98.83%</td>
<td>98.24%</td>
<td>96.67%</td>
</tr>
<tr>
<td>Debt Service Coverage Ratio</td>
<td>3.74</td>
<td>3.03</td>
<td>3.23</td>
</tr>
<tr>
<td>Days Cash On Hand Ratio</td>
<td>404</td>
<td>435</td>
<td>396</td>
</tr>
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</table>

### HISTORICAL MONTHLY SERVICE FEES

<table>
<thead>
<tr>
<th>Service Type</th>
<th>2016</th>
<th>%</th>
<th>2017</th>
<th>%</th>
<th>2018</th>
<th>%</th>
<th>2019</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Studio</td>
<td>$4,020</td>
<td>3.50</td>
<td>$4,159</td>
<td>3.45</td>
<td>$4,302</td>
<td>3.45</td>
<td>$4,442</td>
<td>3.25</td>
</tr>
<tr>
<td>One Bedroom</td>
<td>$5,608</td>
<td>3.50</td>
<td>$5,801</td>
<td>3.45</td>
<td>$6,001</td>
<td>3.45</td>
<td>$6,196</td>
<td>3.25</td>
</tr>
<tr>
<td>Two Bedroom</td>
<td>$6,985</td>
<td>3.50</td>
<td>$7,226</td>
<td>3.45</td>
<td>$7,475</td>
<td>3.45</td>
<td>$7,718</td>
<td>3.25</td>
</tr>
<tr>
<td>Cottage/House</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assisted Living</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Skilled Nursing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special Care</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### COMMENTS FROM PROVIDER:

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FINANCIAL RATIO FORMULAS

LONG-TERM DEBT TO TOTAL ASSETS RATIO

\[
\frac{\text{Long-Term Debt, less Current Portion}}{\text{Total Assets}}
\]

OPERATING RATIO

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

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

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

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.
RESIDENT REPRESENTATIVE AND RESIDENT MEMBERS ON THE BOARD

California Continuing Care Statutes require that a multi-facility organization have at least one non-voting Resident Representative for every three communities and one resident as a voting member of the provider’s governing body. The Covia Communities Board, in its role as the governing body currently has a designated Resident Director as a voting member. In addition, two current Board Members are residents. The Covia Communities Board has invited each community to have one non-voting Resident Representative. At the present time, Covia has Six (6) Resident Representatives more than what is required, which would be two (2) Representatives.

These Representatives participate as non-voting members, attend Board meetings and receive all the same written and electronic notice of meetings, packets, minutes and other materials provided to Covia Communities Board members.

The Representatives participate in the Board meetings and are asked to provide a perspective and comments at each Board meeting. As a matter of practice, they retain confidential information and share the appropriate knowledge and information they gain at the Board meetings with residents at their respective communities.

Representatives are selected by their peers within their respective community, based on criteria determined by the residents of their community. Each serves a term, typically one year, but that length of term varies by community. An alternate is typically selected as well.
<table>
<thead>
<tr>
<th>SUBSIDIZED SENIOR HOUSING:</th>
<th>LOCATION (City, State)</th>
<th>PHONE (with area code)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Presidio Gate Apartments</td>
<td>2770 Lombard Street, San Francisco, CA 94123</td>
<td>(415)567-1050</td>
</tr>
<tr>
<td>Oak Center Towers</td>
<td>1515 Market Street, Oakland, CA 94607</td>
<td>(510)465-1166</td>
</tr>
<tr>
<td>Jennings Senior Housing, Inc.</td>
<td>1080 Jennings Avenue, Santa Rosa, Ca 95401</td>
<td>(707)527-5421</td>
</tr>
<tr>
<td>Lytton Gardens I</td>
<td>656 Lytton Avenue, Palo Alto, CA 94301</td>
<td>(650)328-3300</td>
</tr>
<tr>
<td>Lytton Gardens II</td>
<td>649 University Avenue, Palo Alto, CA 94301</td>
<td>(650)328-3300</td>
</tr>
<tr>
<td>Lytton Gardens IV Housing Corporation</td>
<td>330 Everett Street, Palo Alto, CA 94301</td>
<td>(650)328-3300</td>
</tr>
<tr>
<td>Bethany Center Senior Housing</td>
<td>580 Capp Street, San Francisco, CA 94110</td>
<td>(415)821-4515</td>
</tr>
<tr>
<td>Shires Memorial Center</td>
<td>180 N. 4th Street, San Jose, CA 95112</td>
<td>(844)454-2051</td>
</tr>
</tbody>
</table>
## DESCRIPTION OF SECURED DEBT (as of most recent fiscal year end)

<table>
<thead>
<tr>
<th>LENDER</th>
<th>OUTSTANDING BALANCE</th>
<th>INTEREST RATE</th>
<th>DATE OF ORIGINATION</th>
<th>DATE OF MATURITY</th>
<th>AMORTIZATION PERIOD</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABAG FINANCE AUTH</td>
<td>55,415,000</td>
<td>3.0%-6.125%</td>
<td>10/1/11</td>
<td>07/01/41</td>
<td>30 YEARS</td>
</tr>
<tr>
<td>ABAG FINANCE AUTH</td>
<td>68,835,000</td>
<td>5.00%</td>
<td>12/20/12</td>
<td>07/01/47</td>
<td>35 YEARS</td>
</tr>
<tr>
<td>ABAG FINANCE AUTH</td>
<td>10,410,000</td>
<td>2.00%-5.00%</td>
<td>12/20/12</td>
<td>07/01/25</td>
<td>13 YEARS</td>
</tr>
<tr>
<td>CSCOA held by JPMorgan Chase</td>
<td>8,000,000</td>
<td>variable</td>
<td>6/05/15</td>
<td>07/01/40</td>
<td>25 YEARS</td>
</tr>
</tbody>
</table>
Historical Monthly Service Fee Disclosure:

Effective January 01, 2014, Covia Communities (fka Episcopal Senior Communities, began offering incoming residents Lifetime and Classic Continuing Care contracts with the exception of Los Gatos Meadows and Canterbury Woods, both of which offer new residents the Monthly Agreement only.

St Paul’s Towers, San Francisco Towers, Spring Lake Village and Webster House communities have modified contract offerings over the years and the historical monthly service fee comparison provided is intended to represent the current fees for 2016, 2017 & 2018 that are based on the current choices of a Lifetime Contract and a Classic Continuing Care contract. The 2015 fees shown reflect similar contracts offered at that time, which are known as Type A and Type C.

It is noted that average monthly fees reflect Community pricing adjustments. Fees are averaged based on a variety of apartment styles and sizes within the apartment type. Also, the four communities offering continuing care contracts presently offer a repayable contract option in both Lifetime and Classic Continuing Care. The rate of refund ability has been adjusted over time and is currently established at 75%.