Roland Park Place
METROPOLITAN SENIOR LIVING

EXHIBIT K

Roland Park Place, Inc.

Disclosure Statement

As of October 2025

NOTE: THE ISSUANCE OF A CERTIFICATE OF REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT OF THE FACILITY BY THE MARYLAND DEPARTMENT OF AGING, NOR IS IT EVIDENCE OF, OR DOES IT ATTEST TO, THE ACCURACY OR COMPLETENESS OF THE INFORMATION SET FORTH IN THIS DISCLOSURE STATEMENT.

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Disclosure Statement

2. *[For purposes of this Disclosure Statement, "Provider" shall mean any person who undertakes to provide continuing care and who is (I) the owner or operator of a Facility or (ii) an applicant for or the holder of a certificate of registration. "Facility" shall mean a physical plant in which continuing care is provided in accordance with Title 10 of the Human Services Article of the Maryland Annotated Code.]*
    - Provider: Roland Park Place
    - Land on which facility is located: 830 West 40th Street, Baltimore, Maryland 21211-2134

3. Name and Address of Provider: Roland Park Place, Inc.
   830 West 40th Street, Baltimore, Maryland 21211-2134
4. Name and Address of Facility: Roland Park Place
   830 West 40th Street, Baltimore, Maryland 21211-2134

5. Description of Facility: The Facility and the land on which it is located is owned and operated by Roland Park Place, Inc., a not-for-profit corporation founded in 1978 by a coalition of The First English Evangelical Lutheran Church, the Lutheran Hospital, and the Lutheran Home and Hospital Association; the facility opened for residents in May, 1984; a full service continuing care retirement community with independent living, residential care (assisted living) and comprehensive care nursing.

   In September 2021, the Community completed construction of an additional 58 Independent Living apartments located on the Eastern edge of the property. This expansion is comprised of 11 one-bedroom and 47 two-bedroom residences, along with new "Art Studio" space on the ground floor, and a "Club Room" with views of the City of Baltimore on the eighth floor.

   Prior to October 2024, the Facility was licensed for 41 Residential Care beds with three floor plans from which to choose, including 11 one-bedroom, 2 two-bedrooms, 2 one-bedroom/den and 26 private Memory Care rooms. The Health Care Center provides comprehensive nursing care in 44 private rooms with private bath and shower. The Health Care Center is licensed for 71 beds. Common areas include library, casual and formal dining rooms, meeting/activity rooms, fitness and aquatics center, resident gardens, convenience store, theatre, arts and education center; on-site parking; city living in a country- like setting, minutes from downtown Baltimore and other cultural attractions.

   In 2024, Roland Park Place initiated the increase of Assisted Living beds and decrease of Comprehensive Nursing Care beds. Finalizing this change was effective in October 2024, after Roland Park Place's fiscal year-end and before submitting the 2024 Disclosure Statement. The Facility is licensed for 69 Residential Care beds and 16 Comprehensive Nursing Care beds. Of the 69 Residential Care beds, 26 are private Memory Care beds.

6. Name and Address of any parent or subsidiary group of the Facility:
   Name: Roland Park Place Health Care Corporation
   Address: 830 W. 40th Street, Baltimore, Maryland 21211-2134
   Description: The wholly owned subsidiary of Roland Park Place which provides outpatient physician and nurse practitioner services.

7. Please indicate the organizational structure of the Provider:

   _X_ *Corporation*

Name:	Roland Park Place, Inc.
State of Incorporation:	Maryland
Name of CEO:	Sam Guedouar, President

   ____ *Limited Liability Company*
   ____ *Partnership*
   ____ *Unincorporated Association*
   ____ *Trust*

   (f) Is the Provider qualified, or does it intend to qualify, as a tax-exempt organization under the Internal Revenue Code? - Yes, qualified as a 501(c)(3)

8. Is the Provider affiliated with a religious, charitable, or other nonprofit organization? - No

9. A description of all fees collected by the provider that are not optional, including: HSA §10–425 (a)(20) and COMAR 32.02.01.21C.(6):

   Roland Park Place collects entrance fees, fees for health-related services, and periodic fees. These fees vary depending on a variety of options to include but not limited to contract type, refund type, floorplan, and level of care.

   Roland Park Place offers four types of contract options.

   - Lifecare (type A):
     - Traditional
     - Refund Option (50% and 90%, Effective November 13, 2025, the 90% has been replaced with 85%)
   - Fee for Service (type C)
     - Traditional
     - Refund Option (90%, Effective November 13, 2025, the 90% has been replaced with 85%))

   Under all such agreements, a Resident may receive a refund of a portion of the Entrance Fee even if the agreement is terminated. Under both Traditional Agreements, the amount of the refund amortizes down to zero over 60 months. Effective November 13, 2025, under both new Traditional Agreements, the amount of the refund amortizes down to zero over 48 months. Under both Refund

Option Agreements, the refund amount stays constant at the percentage of the Entrance Fee selected. The Traditional contract deducts a 4% administrative charge from any refund due.

10. The date and the amount of any changes in the fees that are not optional imposed in any of the past 5 years during which the facility was in operation.

    - The date of fee changes are July 1st of any given year.
    - See "Appendix – Fee Changes" for Roland Park Place's fees for the past 5-years.

11. A statement describing provisions that have been, or will be, made to comply with the operating reserve requirements COMAR 32.02.01.20 and HSA § 10–420(b).

    Beginning January 1, 2023, Maryland law required that Roland Park Place's operating reserves equal 25% of its net operating expenses for the most recent fiscal year for which a certified financial statement is available. Prior to that date, the organization steadily increased its reserve amounts to meet compliance with new operating reserve amounts. As of June 30, 2025, Roland Park Place's operating reserve funds were $4,359,605. In the opinion of its auditor, this fund amount complies with the minimum statutory requirement. See "Appendix - MD Dept of Aging Reserve Requirements" Footnote 4 labeled "Maryland Department of Aging Reserve Requirements" from Baker Tilly, LLP audited financial statement dated 6/30/2025 on page 18 of the pdf document.

12. Describe the Provider's investment policy with respect to the required operating reserves, including how often the reserve fund investment is reviewed and by whom (the reserves must be maintained in a reasonably liquid form).

    Funds are invested in government, government-backed obligations, major corporate bonds, and FDIC-insured investments with the majority of maturities ten years or less in addition to certain high-quality equities. The portfolio is reviewed quarterly by the Investment Committee and is governed by Board policy.

    The portion of the Entrance Fee to be refunded, if any, is not held in trust or escrow for the benefit of the Resident.

13. Please attach to this form a copy of the Provider's most recent certified financial statement obtainable under generally accepted accounting principles. - See "Appendix – Roland Park Place, Inc. Audited Financial Statements – FY2025"

14. Please provide a description of the long-term financing for the Facility.

    Roland Park Place is financed through the Maryland Health and Higher Educational Facilities Authority Revenue Bonds (Series 2017 and Series 2019). The total outstanding balance of those bond issuances as of June 30, 2025 was $47,067,783.

15. If operations have not begun at the facility, a summary of the most recent feasibility study approved by the Department. - N/A

16. If the Facility has not reached 85% occupancy of independent living apartments, please attach a summary of the feasibility study. - N/A

17. Please attach a cash flow forecast statement for the current and the next two fiscal years of the Provider. – "See Appendix – Cash Flow FY2026"

18. Please provide below the names and occupations of the officers, directors, trustees, managing or general partners, and any other persons with a 10% or greater equity or beneficial interest in the Provider, and a description of the financial interest in or occupation with the Provider. Attach additional pages if necessary.

    No director has an equity or beneficial interest in the Provider. See Appendix – Board of Directors & Leadership

19. A description of the financial interest in or occupation with the provider of each person identified under §C(15) of this regulation. – N/A

20. If it is anticipated that a business entity will provide to either the facility or the provider goods, premises, or services with a value of $10,000 or more within any fiscal year, and if a person identified in §C(15) of this regulation has a financial interest of 10 percent or more in the business entity, then include: (a)The name and address of the business entities; (b)A description of the goods, premises, or services; and (c)The anticipated. – N/A

21. If the facility is, or will be, managed on a day-to-day basis by a person other than an individual directly employed by the provider, then include a description of the proposed manager or management company, including the business experience the manager or company has operating or managing similar facilities. – N/A

22. A description of any matter in which an individual identified under §C(15) of this regulation has: has been convicted of a felony or pleaded nolo contendere to a felony charge, if the felony involved fraud, embezzlement, fraudulent conversion, or misappropriation of property; or

(a) Been convicted of, or pleaded nolo contendere to, a felony charge involving fraud, embezzlement, fraudulent conversion, or misappropriation of property; - N/A

(b) Been held liable, or enjoined by a final judgment, in a civil action involving fraud, embezzlement, fraudulent conversion, or misappropriation as a fiduciary; - N/A

(c) Been subject to an effective injunctive or restrictive order of a court of record arising out of or relating to business activity or health care, including actions affecting a license to operate any facility or service for aging, impaired, or dependent persons; or - N/A

(d) Had any state or federal license or permit suspended or revoked within the past10 years, as a result of an action brought by a governmental agency arising out of or relating to business activity or health care, including actions affecting a license to operate any facility or service for aging, impaired, or dependent persons; If the Facility is or will be managed on a day-to-day basis by a person other than an individual directly employed by the Provider, please provide the name of the proposed manager or management company and a description of the business experience, if any, of the manager or company in the operation or management of similar facilities. - N/A

23. A description of the form of governance of the provider, including the composition of the governing body;

Roland Park Place is governed by a Board of Directors and is a membership corporation. The Board is governed by "By-Laws," a Charter, a Mission, Vision and Values Statements. The Board represents various professions, including finance, medicine, nursing, law, education, philanthropy, construction, insurance, and nursing home administration.

At least quarterly, a meeting is held with the residents to discuss the next fiscal year's budget and a summary of operations. Officer(s) of the Corporation open the floor for questions and respond to those questions during the meeting. Regularly held Residents' Association meetings and bi-monthly Board meetings are also forums to discuss issues. The Chair of the Residents' Association is an active participant at Board meetings and residents are members of each Board Committee except the Nominating and Executive Committees. In addition, two Roland Park Place residents serve as resident Board members.

24. A statement that the provider shall hold the periodic meetings with residents as required under COMAR 32.02.01.19 and satisfy the requirements outlined in HSA §§ 10–426 and 10–427;HSA §10–425 (a)(8) and COMAR 32.02.01.21C.(21).

"Town hall meetings" with residents are held intermittently throughout the year to discuss issues submitted by residents, as well as general concerns from the residents present at the meeting. The CEO and other leadership team members regularly attend Residents' Association meetings. The CEO also holds regular coffee chats and floor meetings with residents to address residents in a smaller more intimate setting.

25. If applicable, a description of the conditions under which the provider may: HSA §10–425

(a)(19) and COMAR 32.02.01.21C.(22). – N/A

26. If applicable, a statement of the amount of a subscriber's deposit that may be used upon issuance of an initial certificate of registration; - N/A
27. A summary of the basic services provided, or proposed to be provided, under the continuing care agreements that clearly states which services are to be included in the basic fee or fees and which services are to be made available at an extra charge;

Description of Service	Included in Basic Fee	Extra Charge
Three meals per day - Health Care Center / Residential Care	X	
One meal per day – Apartments	X	
Basic telephone	X	
Long distance telephone		X
Extra Meals / Guest Meals / Catering Services		X
Bi-weekly Housekeeping Services	X	
Residential and Comprehensive Care: Daily Housekeeping	X	
Maintenance and Repairs – Building Equipment	X	
Fee-for-Service Maintenance		X
Security	X	
Utilities	X	
Activities	X	
Nursing Services in Health Center	X	
Nursing Services in Independent Living		X
Nursing Supplies		X
Physician / Nurse Practitioner Services		X
Rehab / Prescriptions / Private Duty Nursing		X
Program for Assistance in Living (PAL)		X
Cable TV	X	
Transportation to Medical Appointments	X	
Valet Services	X	
Weekly Flat Linens Laundry and Bed Linen Changing Service	X	
Fee-for-Service Housekeeping		X
Beauty Salon		X
Eye Care / Podiatry / Dentistry / X-ray / Psychiatry		X
Guest Apartments		X
Social Services	X	
Fitness Center	X	
Internet Services	X	
Emergency Nurse Call System	X	

28. A statement that explains: HSA §10–425 (a)(21) and COMAR 32.02.01.21C.(24)
(a) The extent to which health-related services are to be furnished; and
(b) Which health-related services are to be included in the basic fee or fees and which are to be made available at an extra charge;

Roland Park Place has entered contractual relationships with other health care providers for primary medical care, diagnostic services, rehabilitation services, audiology, dental services, ambulance services, institutional pharmacy services and medical specialty consultants.

Roland Park Place is obligated to arrange for overseeing medical care and monitoring the health status of the resident in the Health Center including Residential Care and Comprehensive Care. Residents residing in Independent Living are responsible for their own medical care and monitoring.

For residents in the Health Center:

- The health status of the subscriber is monitored by Roland Park Place licensed nurses, the Nurse Practitioner, and the attending physician.
- Residents are responsible for purchasing or renting essential or desired equipment or supplies not covered by third party payers.
- Roland Park Place ascertains the cost of and purchases durable medical equipment (DME) on behalf of its residents and then resident is financially responsible for any DME not covered by third party payers.
- Personalized health care management provided by 24-hour nursing staff available within a supportive environment, including memory care for those with cognitive impairments.
- An individualized "plan of daily care" that provides assistance with bathing, dressing, hygiene, bed-making, and medication management.
- Transportation to medical appointments within 10 miles of Roland Park Place.
- Special activity and wellness programs designed for Residential Care residents.
- Nutritional monitoring and counseling, as needed.
- Social work and pastoral counseling services as needed.
- Administration of intravenous fluids, intravenous medications, blood, or blood products

<u>Additional services for a fee include</u>: The Program for Assistance in Living (PAL) is available to assist with additional services such as housekeeping, companionship, escorts for outings and medical appointments, and other various services. PAL attendants are employees of Roland Park Place and have met all the requirements (background check, license verification, and immunizations).

Roland Park Place does not offer the purchasing or renting standard or electric wheelchairs.

29. If the provider offers a continuing care agreement that promises a contractual entrance fee refund after occupancy, a statement whether the portion of the entrance fee to be refunded is held in trust or escrow for the subscriber after occupancy, and if so held, a description of where and how the funds are held.

    Roland Park Place does offer entrance fee refund options in the resident agreements. When the entrance fee is received upon occupancy by the resident, Roland Park Place does not place the entrance fee in an escrow account. These funds are included in the organizations operating funds which is monitored along with financial position and bank debt covenant requirements. Roland Park Place analyzes financial and cash position through projections, forecasts, and scenario planning on monthly basis.

30. A statement that the provider will promptly amend its disclosure statement if, in the opinion of the provider or the Department, an amendment is necessary to prevent the disclosure statement from containing any material misstatement of fact required by this regulation to be stated in the disclosure statement or omission of a material fact required by this regulation to be stated in the disclosure statement;

    Provider hereby acknowledges that this Disclosure Statement shall be amended if, at any time, in the opinion of the Provider or the Maryland Department of Aging, an amendment is necessary to prevent the Disclosure Statement from containing any material misstatement or omission of a material fact.

    Furthermore, Provider acknowledges that if it is the Provider's policy to impose a surcharge on some but not all subscribers because of some condition or circumstance, that the surcharge will not be considered part of the entrance fee in the statutory refund under Title 10 of the Human Services Article of the Maryland Annotated Code. It is currently not the practice of Roland Park Place to impose a surcharge either on entrance fees or on monthly service fees.

31. If the provider offers an extensive agreement, the following statement:
    "If you have a long–term care insurance policy, request your advisors to review the policy and the continuing care agreement to determine whether there are potential areas of duplication or areas where benefits can be coordinated."

32. A description of any activity involving a renovation or an expansion, whether or not subject to Department review under Regulation .15 or .17 of this chapter, during the preceding fiscal year or proposed for the current fiscal year. – N/A

33. A description of the financial arrangements that the provider has made, if any, to address the renewal and replacement of the buildings and improvements at the facility, such as the

establishment of a renewal and replacement fund.

Roland Park Place has general reserves of approximately $51 million, portions of which are used for capital improvements and renovations. In addition, Apartments are inspected and updated with each anticipated re-occupancy. For the near term, we expect renewal and replacement to be routine in nature. In 2024, Roland Park Place replaced the Bistro roof, replaced three roof top HVAC systems, upgraded and replaced floors in the healthcare area and resident hallways. In 2025, Roland Park Place replaced the Healthcare roof and replaced all the commercial washers and dryers in the main Laundry Room.

34. If it is the provider's policy to impose a surcharge on some, but not all, subscribers because of some condition or circumstance, a statement that describes the types of conditions or circumstances that would warrant a surcharge and that a surcharge is not considered part of the entrance fee when calculating a statutory refund under Regulation .31 of this chapter and HSA § 10–448. – N/A

35. A description of the existence and role of the resident association.

    The Residents' Association of Roland Park Place was established to promote the well-being, interest, and activities of the residents. The Association elects' officers who are the officers of the Residents' Council (Executive Committee) and who also serve as officers of the Association. In addition, one representative from each floor has also been elected to serve on the Council. The Council and Association meet monthly, except for July and August.

36. A description of the internal grievance procedure that also provides for:
    (1) allow a subscriber or group of subscribers collectively to submit a written grievance to the provider;
    (2) require the provider to send a written acknowledgment to the subscriber or group of subscribers within 5 days after receipt of the written grievance;
    (3) require the provider to assign personnel to investigate the grievance;
    (4) give a subscriber or group of subscribers who file a written grievance the right to meet with management of the provider within 30 days after receipt of the written grievance to present the grievance; and
    (5) require the provider to respond in writing within 45 days after receipt of the written grievance regarding the investigation and resolution of the grievance.
    AND
    (1) Acknowledges that within 30 days after the conclusion of an internal grievance procedure established under this section, a subscriber, group of subscribers, or provider may seek mediation through one of the Community Mediation Centers in the State or another mediation provider.
    (2) If a provider, subscriber, or group of subscribers seeks mediation under paragraph (1)of this subsection, the mediation shall be nonbinding.

    Roland Park Place has established an internal grievance procedure to address resident grievances per the requirements above.

A resident or a group of residents collectively may submit a grievance in writing to the President, Roland Park Place, 830 W. 40th Street, Baltimore, Maryland 21211. Roland Park Place will send a written acknowledgement to the resident or group of residents within five days after receipt of the written grievance. Roland Park Place will assign personnel to investigate the grievance. A resident or group of residents who file a written grievance is entitled to a meeting with the management of Roland Park Place within 30 days after receipt of the written grievance to present the grievance. Roland Park Place will provide a response in writing within 45 days after receipt of the written grievance as to the investigation and resolution of the grievance. Within 30 days after Roland Park Place provides its response to the grievance, a resident or group of residents of Roland Park Place may seek mediation through one of the community mediations centers in the State or another mediation provider. If a resident or group of residents or Roland Park Place seeks mediation under the preceding sentence, the mediation shall be non-binding. and the resident or group of residents or Roland Park Place may be represented by counsel.

37. Any other material information concerning the facility or the provider that the Department requires or that the provider wishes to include.

The portion of the Entrance Fee to be refunded after the Occupancy Date, if any, is not held in trust or escrow for the benefit of the resident after the Occupancy Date.

If residents have a long-term care insurance policy, we recommend consulting your advisors to review your policy and the Residence & Care Agreement to determine whether there are potential areas of duplication or areas where benefits can be coordinated.

Prior to their Occupancy Date, Roland Park Place provides the Disclosure Statement to the residents and the resident's agent with their acknowledgement.

Roland Park Place will make the Disclosure Statement available upon request.

In addition: Roland Park Place will make available a copy of each initialed disclosure statement for inspection by the Department of Health and Mental Hygiene under Title 19, Subtitle 18, of the Health - General Article

NOTE: Provider acknowledges its obligation under §426 of Title 10 of the Human Services Article of the Maryland Annotated Code to conduct a meeting, at least quarterly, of all its subscribers, at which an authorized officer of the Provider shall present a summary of the Provider's operations, significant changes from the previous year, and the goals and objectives for the next year.

Furthermore, the Provider has two subscribers as voting members of its governing body who are regular attendees at the governing body's meeting. In addition, at least one member of the

governing body attends the Facility's Resident Association's monthly meeting.

Provider hereby acknowledges that this Disclosure Statement shall be amended if, at any time, in the opinion of the Provider or the Maryland Department of Aging, an amendment is necessary to prevent the Disclosure Statement from containing any material misstatement or omission of a material fact.

Furthermore, Provider acknowledges that if it is the Provider's policy to impose a surcharge on some but not all subscribers because of some condition or circumstance, that the surcharge will not be considered part of the entrance fee in the statutory refund under Title 10 of the Human Services Article of the Maryland Annotated Code. It is currently not the practice of Roland Park Place to impose a surcharge either on entrance fees or on monthly service fees.

This subsection applies to a provider that: HSA §10–425 (c)(1)

1. Has a continuing care agreement that includes a provision to provide assisted living program services; and - Yes
2. Does not execute a separate assisted living agreement. – Yes, for a portion of Roland Park Place residents.

In addition to any other requirements of this section, the disclosure statement shall contain the following information about the assisted living program:***Answer only if items (1) and (2) are met above: HSA §10–425 (c)(2)

1. The name and address and a description of each facility that the provider operates;

   Name: Roland Park Place
   Address: 830 West 40th Street, Baltimore, Maryland 21211-2134
   Description:
   Roland Park Place is licensed for 69 assisted living beds. These beds are broken into the following neighborhoods:
   - 15 licensed beds within residential care apartments
   - 26 certified memory care rooms
   - 28 enhanced assisted living rooms

   The Roland Park Place residential care apartments offer care to those residents that need minimal assistance and can safely live in an apartment setting.

   In the Roland Park Place memory care neighborhood residents must have a diagnosis of Alzheimer's disease or a related dementia. Residents require minimum to moderate assistance with bathing, grooming, oral care, dressing, eating and toileting.

   The Roland Park Place enhanced assisted living neighborhood can accommodate residents up to

level 3 with total physical dependence and cognitive impairment.

All the Roland Park Place assisted living spaces are holistic and centered on the individual. Staff are passionately devoted to the residents in our care. All caregivers are trained and motivated to gain a full understanding of the life and experiences of the individual and family we service. All plans of care are individualized to the needs and preferences of our residents to provide the highest quality of care and quality of life.

All areas of assisted living receive:
- Three meals a day
- Daily trash removal and personal laundry
- Daily housekeeping services
- Personalized health care management with activities of daily life (ADLs), medication management, etc.
- Medical oversight and coordination
- Special activities
- Dietician access for nutritional monitoring
- Social work services
- Access to outpatient rehab in the community
- Medical services provided by a physician and nurse practitioner

2. A statement regarding the relationship of the provider to other providers or services if the relationship affects the care of the resident;

Roland Park Place has entered contractual relationships with other health care providers for primary medical care, diagnostic services, rehabilitation services, audiology, dental services, ambulance services, institutional pharmacy services and medical specialty consultants.

3. A description of any special programming, staffing, and training provided by the program for individuals with particular needs or conditions such as cognitive impairment;

Programming: All areas of assisted living have a monthly calendar of events that are planned in advance. Each resident receives a monthly calendar.

Staffing: The Roland Park Place VP of Health Services is the Assisted Living manager, and the Director of Nursing is the alternate Assisted Living manager and delegating nurse. The delegating nurses oversee the clinical aspect of each resident. The nurses provide the day-to-day nursing tasks. The geriatric nursing assistants/medication technicians provide all ADL care, medications, and services based upon each resident's plan of care. There is also a full interdisciplinary team to oversee the care and quality of life for the residents.

Training: All staff working in the Assisted Living spaces at Roland Park Place

receive training and education which meets the Office of Health Care Quality's state regulations.

4. Notice of: HSA §10–425 (c)(2)(iv)
   (i)the availability of locks for storage; HSA §10–425 (c)(2)(iv)(1)
   (ii)the availability of locks for the subscriber's room; HSA §10–425 (c)(2)(iv)(2)
   (iii)the security procedures that the provider will implement to protect the subscriber and the subscriber's property; and HSA §10–425 (c)(2)(iv)(3)
   (iv)the provider's right, if any, to enter a subscriber's room; HSA §10–425 (c)(2)(iv)(4)

   - Residents provide their own locks to storage bins.
   - All apartments are equipped with a standard door lock.
   - Roland Park Place reserves the right to enter subscriber's room to check on the subscriber and offer care.
   - Security Procedures:
     a. Contract with third-party security company for after hours and weekend security personnel.
     b. Monitored entry doors into the building by camera.
     c. Alarmed exit doors.
     d. Visitor access control at reception desks in the main lobby.
     e. Electronic video surveillance of the property.
     f. Criminal background checks on every prospective employee.
     g. Estate locks placed on apartments after a resident is deceased.
     h. In the private rooms, door is locked for resident LOA, hospitalization, or death.
     i. All employees of Roland Park Place and privately employed persons are required to wear photo ID at all times.

5. A statement of the obligations of the provider, the subscriber, or the subscriber's agent for: HSA §10–425 (c)(2)(v)
   (i)arranging or overseeing medical care; HSA §10–425 (c)(2)(v)(1)
   (ii)monitoring the subscriber's health status; HSA §10–425 (c)(2)(v)(2)
   (iii)purchasing or renting essential or desired equipment and supplies; and HSA §10–425 (c)(2)(v)(3)
   (iv)ascertaining the cost of and purchasing durable medical equipment; HSA §10–425 (c)(2)(v)(4)

   - Roland Park Place is obligated to arrange for overseeing medical care and monitoring the health status of the resident.
   - The health status of the subscriber is monitored by Roland Park Place licensed nurses, the Nurse Practitioner, and the attending physician.
   - Residents are responsible for purchasing or renting essential or desired equipment or supplies not covered by third party payers.
   - Roland Park Place ascertains the cost of and purchases durable medical equipment

(DME) on behalf of its residents and then resident is financially responsible for any DME not covered by third party payers.

6. An explanation of the assisted living program's complaint or grievance procedure; and HSA §10–425 (c)(2)(vi)

   All residents or responsible parties may submit concerns or complaints to the Assisted Living Manager or Roland Park Place administration either verbally or in writing. The concern/complaint is investigated and documented as soon as possible, and a response is made to the resident/responsible party. In the event there is no satisfactory resolution from the resident's perspective, the Ombudsman for Baltimore City may be contacted for further investigation.

7. Notice of any material changes in the assisted living program. HSA §10–425 (c)(2)(vii) – N/A

Roland Park Place
METROPOLITAN SENIOR LIVING

APPENDIX

Roland Park Place, Inc.

Disclosure Statement

October 2025

Roland Park Disclosure Statement - 2025

Section 10. Fee Changes

Roland Park Fee Type	2021		2022		2023		2024		2025	
	Fee	Change	Fee	Change	Fee	Change	Fee	Change	Fee	Change
Monthly Service Fees	$3,866 - $10,090	0%	$2,814 - $10,499	4%	$3,095 - $11,023	5%	$3,234 - $11,519	4%	$3,395 - $12,094	5%
Monthly Service Fees-Cottage	$6,200 - $8,019	0%	$7,230	4%	$7,592	5%	N/A	N/A	N/A	N/A
Second Person Fee- Monthly	$1,100	0%	$1,140	4%	$1,197	5%	$1,250	4%	$1,312	5%
Second Person Fee-Accommodation Fee	$33,000	0%	$36,000	9%	$38,000	5%	$39,900	5%	$41,900	5%
Assisted Living Lease	$8,000 - $9,500	0%	$8,480 - 10,070	6%	$8,988 - $10,674	5%	$9,392 - $11,154	4%	$10,049 - $11,934	7%
Second Person Assisted Living Lease	$1,500 - $3,000	0%	$3,180	6%	$3,371	6%	$3,523	5%	$3,769	7%
Health Care Per Diem Rates	$444	0%	$470	6%	$498	6%	$520	4%	$556	7%
Accommodation (Entrance) Fees Traditional Type A	$213,700 - $793,600	0%	$222,200 - $863,200	4%	$233,300 - $949,500	5%	$245,000 - $996,900	5%	$257,200 - $1,046,700	5%
Accommodation (Entrance) Fees Refund Option Type A	$373,800 - $1,446,600	0%	$388,800 - $1,466,400	4%	$325,500 - $1,300,300	5%	$351,500 - $1,742,000	8%	$369,100 - $1,829,100	5%
Accommodation (Entrance) Fees Traditional Type C	N/A	N/A	$133,400 - $647,400	N/A	$151,700 - $759,600	6%	$163,800 - $820,400	8%	$172,000 - $8861,400	5%
Accommodation (Entrance) Fees Refund Option Type C	N/A	N/A	$369,300 - 899,100	N/A	$408,200 - $1,532,400	6%	$418,800 - $1,655,000	8%	$439,700 - $1,737,800	5%
Accommodation (Entrance) Fees Cottages Traditional	$484,300 - $629,000	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Accommodation (Entrance) Fees Cottages Refund Option	$847,300 - $1,100,500	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

The fair value of interest rate swap takes into consideration the prevailing interest rate environment and the specific terms and conditions of the interest rate swap and considers the credit risk of the Corporation. The method used to determine the fair value calculates the estimated future payments required by the derivative financial instrument and discounts these payments using an appropriate discount rate. The value represents the estimated exit price the Corporation would pay to terminate the agreement.

Maryland Department of Aging Reserve Requirements

The Maryland Department of Aging requires providers of continuing care to maintain certain operating reserves that equal 25% of the facility's net operating expenses, as defined by the State, relating to continuing care contracts. The reserves must be kept in reasonably liquid form in the judgment of the provider.

The reserves shall be computed as of the end of the providers' current fiscal year. The Corporation has fully funded the reserve as of June 30, 2025 which is calculated as follows:

Total operating expenses for fiscal year ended June 30, 2025	$ 31,430,682
Less:	
Depreciation	(5,911,409)
Interest	(1,719,054)
Net operating expense	23,800,219
	25%
	5,950,055
I/L Units/Total Units (222/303)	73.27%
Reserve required at June 30, 2025	4,359,605
Total reserve at June 30, 2025	$ 4,359,605

Board-designated operating reserve funds were $4,359,605 at June 30, 2025, which meet the minimum statutory operating reserve requirement.

5. Liquidity and Availability of Resources

Financial assets available for general expenditures within one year of the consolidated balance sheets dates consist of the following at June 30:

	2025	2024
Cash and cash equivalents	$ 5,949,918	$ 6,339,871
Accounts receivable, net	388,270	411,878
Investments	31,138,338	24,660,934
Total	$ 37,476,526	$ 31,412,683

As part of the Corporation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Corporation invests cash in excess of daily requirements in investments. As stated in Note 4, the Corporation has board-designated investments that are excluded from the table above. Although the Corporation does not intend to utilize these funds for general expenditures as part of its annual budget and approval process, amounts designated could be made available as necessary.

Roland Park Place, Inc. and Subsidiary

Consolidated Financial Statements

June 30, 2025 and 2024

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Independent Auditors' Report

To the Board of Directors of
Roland Park Place, Inc. and Subsidiary

Opinion

We have audited the consolidated financial statements of Roland Park Place, Inc. and Subsidiary (the Corporation), which comprise the consolidated balance sheets as of June 30, 2025 and 2024, and the related consolidated statements of operations, changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Corporation as of June 30, 2025 and 2024, and the results of their operations, changes in their assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

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 Consolidated Financial Statements section of our report. We are required to be independent of the Corporation 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with GAAP, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm that provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

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 consolidated 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 consolidated 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 Corporation'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation'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.



New Castle, Pennsylvania
October 13, 2025

Roland Park Place, Inc. and Subsidiary

Consolidated Balance Sheets
June 30, 2025 and 2024

	2025	2024
Assets		
Current Assets		
Cash and cash equivalents	$ 5,949,918	$ 6,339,871
Accounts receivable, net	388,270	411,878
Prepaid expenses and other	372,299	283,899
Total current assets	6,710,487	7,035,648
Assets Whose Use is Limited	13,417,551	12,775,778
Investments	31,138,338	24,660,934
Property and Equipment, Net	95,772,498	97,935,279
Interest Rate Swap	727,421	1,473,854
Total assets	$ 147,766,295	$ 143,881,493
Liabilities and Net Assets (Deficit)		
Current Liabilities		
Current portion of long-term debt	$ 1,869,000	$ 1,813,000
Accounts payable, trade	638,239	517,307
Accrued expenses	4,045,336	3,176,915
Current portion of charitable gift annuities	700	700
Entrance fee refunds	609,167	1,652,558
Total current liabilities	7,162,442	7,160,480
Charitable Gift Annuities, Net	2,507	3,642
Long-Term Debt, Net	45,198,783	47,067,983
Entrance Fee Deposits	1,189,129	678,419
Refundable Entrance Fees	48,633,175	48,419,462
Deferred Revenue From Entrance Fees	40,488,515	40,464,325
Total liabilities	142,674,551	143,794,311
Net Assets (Deficit)		
Without donor restrictions	1,360,735	(3,329,936)
With donor restrictions	3,731,009	3,417,118
Total net assets (deficit)	5,091,744	87,182
Total liabilities and net assets (deficit)	$ 147,766,295	$ 143,881,493

See notes to consolidated financial statements

Roland Park Place, Inc. and Subsidiary

Consolidated Statements of Operations
Years Ended June 30, 2025 and 2024

	2025	2024
Revenue Without Donor Restrictions		
Monthly service fees	$ 22,311,457	$ 20,054,754
Amortization of entrance fees	6,718,323	6,799,560
Health care center services	3,048,729	4,480,526
Interest and dividends, net	1,321,159	916,310
Net realized gains (losses), investments	150,820	(39,969)
Food service and other income	360,235	416,306
Net assets released from restrictions for operations	186,144	219,966
Total revenue without donor restrictions	34,096,867	32,847,453
Operating Expenses		
General and administrative	5,179,882	5,004,990
Plant maintenance	2,688,345	2,552,911
Resident services	4,707,619	3,259,474
Housekeeping and laundry	1,236,444	1,189,079
Food service	4,564,710	4,466,041
Health care center services	3,956,621	5,028,539
Insurance and real estate taxes	1,466,598	1,678,027
Interest	1,719,054	1,799,570
Depreciation	5,911,409	5,721,735
Total operating expenses	31,430,682	30,700,366
Operating income	2,666,185	2,147,087
Other Income		
Change in value of interest rate swap	(746,433)	271,299
Change in net unrealized gains, investments	2,770,919	3,124,726
Total other income	2,024,486	3,396,025
Revenues in excess of expenses	4,690,671	5,543,112
Change in net assets without donor restrictions	$ 4,690,671	$ 5,543,112

See notes to consolidated financial statements

Roland Park Place, Inc. and Subsidiary

Consolidated Statements of Changes in Net Assets
Years Ended June 30, 2025 and 2024

	2025	2024
Net Assets Without Donor Restrictions		
Revenues in excess of expenses	$ 4,690,671	$ 5,543,112
Change in net assets without donor restrictions	4,690,671	5,543,112
Net Assets With Donor Restrictions		
Contributions	119,753	185,903
Interest and dividends, net	120,519	82,724
Net realized gains, investments	10,706	7,769
Change in net unrealized gains, investments	249,057	298,430
Net assets released from restrictions for operations	(186,144)	(219,966)
Change in net assets with donor restrictions	313,891	354,860
Change in net assets	5,004,562	5,897,972
Net Assets (Deficit), Beginning	87,182	(5,810,790)
Net Assets, Ending	$ 5,091,744	$ 87,182

See notes to consolidated financial statements

Roland Park Place, Inc. and Subsidiary

Consolidated Statements of Cash Flows
Years Ended June 30, 2025 and 2024

	2025	2024
Cash Flows From Operating Activities		
Change in net assets	$ 5,004,562	$ 5,897,972
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	5,911,409	5,721,735
Amortization of deferred financing costs	40,800	58,890
Net realized (gains) losses, investments	(161,526)	32,200
Change in net unrealized (gains), investments	(3,019,976)	(3,423,156)
Change in value of interest rate swap	746,433	(271,299)
Proceeds from entrance fees, existing units	6,982,000	8,044,380
Amortization of entrance fees	(6,718,323)	(6,799,560)
Change in assets and liabilities:		
Accounts receivable	23,608	54,005
Prepaid expenses	(88,400)	(66,955)
Accounts payable	120,932	121,409
Accrued expenses	868,421	1,144,930
Entrance fee deposits	510,710	(412,287)
Net cash provided by operating activities	10,220,650	10,102,264
Cash Flows From Investing Activities		
Purchases of property and equipment	(3,748,628)	(2,624,760)
Net purchases of investments and assets whose use is limited	(3,937,675)	(4,803,763)
Net cash used in investing activities	(7,686,303)	(7,428,523)
Cash Flows From Financing Activities		
Payments on long-term debt	(1,854,000)	(1,972,892)
Proceeds from refundable entrance fees, existing units	5,339,500	5,932,820
Refunds of entrance fees	(6,408,665)	(8,126,193)
Change in annuities payable	(1,135)	-
Net cash used in financing activities	(2,924,300)	(4,166,265)
Net change in cash and cash equivalents	(389,953)	(1,492,524)
Cash and Cash Equivalents, Beginning	6,339,871	7,832,395
Cash and Cash Equivalents, Ending	$ 5,949,918	$ 6,339,871
Supplementary Disclosure of Cash Flow Information		
Cash paid during the year for interest	$ 1,686,763	$ 1,752,842

See notes to consolidated financial statements

1. Corporation Operations

Roland Park Place, Inc. (RPP) is a not-for-profit corporation that owns and operates a retirement community known as Roland Park Place in Baltimore, Maryland which consists of 303 residential units (222 independent living units and 65 assisted living units), two guest apartment units and a health care center with 16 comprehensive nursing care beds. Roland Park Place Health Care Corporation (HCC) historically provided professional, and other medical services to the residents of RPP. HCC is in the process of being wound up and had no operations for the years ended June 30, 2025 and 2024.

The Corporation has evaluated subsequent events through October 13, 2025, which is the date the consolidated financial statements were available to be issued.

2. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements of the Corporation include the accounts of RPP and HCC (together, the Corporation). All material intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the consolidated statements of cash flows, cash and cash equivalents includes investments in highly liquid debt instruments purchased with an original maturity of three months or less.

Accounts Receivable, Net

The Corporation assesses collectability on all resident accounts prior to providing services. An allowance for uncollectible accounts is recognized to reduce accounts receivable to its net realizable value for impairment of revenues for changes in resident credit worthiness. The allowance is estimated by management based on factors such as aging of the accounts receivable, and anticipated collection of the consideration. Accounts are written off through credit loss when the Corporation has exhausted all collection efforts and accounts are deemed impaired. The allowance for credit losses was approximately $41,000 and $69,000 at June 30, 2025 and 2024, respectively.

Investments, Assets Whose Use is Limited and Investment Risk

Investments and assets whose use is limited are reported in the accompanying consolidated balance sheets at their fair value, based on quoted market prices as provided by a national exchange. Investment income or loss (including realized and unrealized gains and losses on investments, interest and dividends) is included in revenues in excess of expenses unless the income or loss is restricted by donor or law. Purchases and sales of securities and realized gains and losses are recorded on a trade-date basis.

The Corporation's investments are comprised of a variety of financial instruments. The fair values reported in the consolidated balance sheets are subject to various risks including changes in the equity markets, the interest rate environment and general economic conditions. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is reasonably possible that the amounts reported in the consolidated balance sheets could change materially in the near term.

Assets whose use is limited consist of board-designated, resident entrance fee deposits, trustee held funds and donor-restricted investments.

Property and Equipment, Net

Property and equipment are reported at cost. Depreciation is computed using the straight-line method at rates calculated to amortize the cost of the assets over their estimated useful lives. The Corporation's capitalization policy is to review invoices in excess of $1,000 to determine if they should be capitalized. Expenditures that extend the useful lives of the asset or significantly increase their capacity are capitalized. Interest incurred on borrowed funds during the period of construction is capitalized as a component of the cost of acquiring those assets. There was no interest capitalized during 2025 or 2024.

Net Assets

Net assets, revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor restrictions. All revenue not restricted by donors and donor-restricted contributions whose restrictions are met in the same period in which they are received are accounted for in net assets without donor restrictions.

Net Assets With Donor Restrictions - Net assets subject to donor-imposed restrictions. Donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. When a donor restriction expires, that is when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Contract Balances

Contract assets represent the Corporation’s right to consideration in exchange for goods or services that the Corporation has transferred to a patient/resident when that right is conditioned on something other than the passage of time (for example, the Corporation’s future performance). Contract liabilities represent the Corporation’s obligation to transfer goods or services to a resident for which the Corporation has received consideration (or the amount is due) from the patient/resident.

The Corporation’s beginning and ending contract assets and (liabilities) are separately presented on the consolidated balance sheets as of June 30, 2025 and 2024. Contract assets and (liabilities) as of June 30, 2023 are as follows:

Accounts receivable, net	$ 451,355
Deferred revenues from entrance fees	(40,247,722)

Deferred Financing Costs

Deferred financing costs were incurred in connection with the issuance of long-term debt. These costs are reported on the accompanying consolidated balance sheets as a direct reduction from the carrying value of the debt and amortized on a straight-line basis, which approximates the effective interest method.

Entrance Fees

Entrance fees are received under the terms of the Residence and Care Agreements (Agreements). Some agreements (traditional contracts) provide for a portion of the entrance fee to be refundable during the first five years of residency, subject to the conditions of the Agreements and in compliance with the Maryland Department of Aging. After the first five years, these agreements are 100% nonrefundable. Other agreements (nontraditional contracts) provide the resident a 90% refund of 50% refund of the original fee upon subsequent re-occupancy of the unit, regardless of the amount of time that has passed. These fees are classified as refundable entrance fees on the consolidated balance sheets and are not amortized into income. The remaining percentage of this fee is not refundable under any circumstances.

The remaining nonrefundable portion of the entrance fees is classified as deferred revenue from entrance fees and amortized into revenue using the straight-line method over the estimated remaining life expectancy of the residents. At the time of death or contract termination, the remaining nonrefundable balance is recognized as revenue. The remaining life expectancy of the residents is adjusted annually based on actuarial information. The Corporation's Agreements provide for a certain number of nursing care days at free or reduced rates as stated on the contract. Amortization of independent living revenue from entrance fees was $6,718,323 and $6,799,560 for the years ended June 30, 2025 and 2024, respectively.

Deposits received from applicants, generally $7,500 per unit, represent good faith refundable deposits which may be applied to the initial (10%) payment of the advance fee due upon execution of the Agreements. The remaining portion of the advance fee is due prior to occupancy.

Contractual refund obligations under all contracts are approximately $68,292,451 and $70,592,870 at June 30, 2025 and 2024, respectively.

Obligation to Provide Future Service

The Corporation calculates the present value of the net cost of future service and use of facilities to be provided to current residents on an annual basis and compares that amount with the balance of deferred revenue from entrance fees. If the present value of the net obligation to provide future service and use of facilities (discounted at 5%) exceeds the deferred revenue from entrance fees, a liability is recorded with the corresponding charge to income. No such liability existed at either June 30, 2025 or 2024.

Derivative Financial Instrument

The Corporation entered into an interest rate swap agreement, which is considered a derivative financial instrument, to manage its interest rate risk on its long-term debt. The interest rate swap agreement is reported at fair value in the consolidated balance sheets and related changes in fair value are reported in the consolidated statements of operations as change in value of interest rate swap.

Monthly Service Fees and Health Care Center Services Revenue

Monthly service fees and health care center services revenues are reported at the amount that reflects the consideration the Corporation expects to receive in exchange for the services provided. These amounts are due from residents or third-party payors and include variable consideration for retroactive adjustments, if any, under reimbursement programs. Performance obligations are determined based on the nature of the services provided. Monthly service fees and health care center services revenue are recognized as performance obligations are satisfied.

Monthly service fees and health care center services revenues are primarily comprised of skilled nursing, assisted living, independent living and other resident revenue streams, which are primarily derived from providing nursing, assisted living and housing services to residents at a stated daily or monthly fee, net of any explicit or implicit price concessions. The Corporation has determined that the services included in the stated daily or monthly fee for each level of care represents a series of distinct services that have the same timing and pattern of transfer. Therefore, the Corporation considers the services provided to residents in each level of care to be one performance obligation which is satisfied over time as services are provided. As such, skilled nursing, assisted living, independent living and other resident revenues are recognized on a daily or month-to-month basis as services are rendered.

The Corporation receives revenue for services under third-party payor programs, including Medicare. Settlements with third-party payors for retroactive adjustments due to audits, reviews or investigations are included in the determination of the estimated transaction price for providing services. The Corporation estimates the transaction price based on the terms of the contract and correspondence with the third-party payor and historical payment trends and retroactive adjustments are recognized in future periods as final settlements are determined.

Payment terms and conditions for the Corporation's resident contracts vary by contract type and payor source, although terms generally include payment to be made within 30 days. Monthly service fees and health care center services revenue for recurring and routine monthly services are generally billed monthly in advance. Monthly service fees and health care center services revenue for ancillary services are generally billed monthly in arrears. Additionally, nonrefundable entrance fees are generally billed and collected in advance of move-in. Revenues collected from residents in advance are recognized as deferred revenue from entrance fees until the performance obligations are satisfied and are included in deferred revenue from entrance fees in the accompanying consolidated balance sheets. The Corporation applies the practical expedient in Accounting Standards Codification (ASC) 606, and therefore, does not disclose amounts for remaining performance obligations that have original expected durations of one year or less.

Measure of Operations

The Corporation's operating income includes all operating revenues and expenses that are an integral part of its program and supporting activities. Nonoperating activities are limited to the change in value of interest rate swap, the change in net unrealized gains, investments and other activities considered to be more unusual and nonrecurring in nature.

Revenues in Excess of Expenses

The consolidated statements of operations include the determination of revenues in excess of expenses as the performance indicator. Changes in net assets without donor restrictions which are excluded from the performance indicator include net assets released from restrictions for capital improvements.

Tax Status

RPP and HCC are not-for-profit corporations as described in Section 501(c)(3) of the Internal Revenue Code (IRC) and are exempt from federal income taxes on related income pursuant to Section 509(a) of the IRC.

Reclassification

Certain reclassifications have been made to the 2024 consolidated financial statements to conform to the presentation used in 2025.

3. Monthly Service Fees and Health Care Center Services Revenues

The Corporation disaggregates revenue from contracts with residents by type of service and payor source as this depicts the nature, amount, timing and uncertainty of its revenue and cash flows as affected by economic factors. Monthly service fees and health care center services revenues consist of the following for the years ending June 30:

	2025				
	Independent Living	Assisted Living	Skilled Nursing	Other	Total
Self-pay	$ 18,229,976	$ 4,081,481	$ 1,283,074	$ -	$ 23,594,531
Medicare	-	-	792,338	774,415	1,566,753
Other	-	-	198,902	-	198,902
Total monthly service fees and health care center services revenues	$ 18,229,976	$ 4,081,481	$ 2,274,314	$ 774,415	$ 25,360,186

	2024				
	Independent Living	Assisted Living	Skilled Nursing	Other	Total
Self-pay	$ 17,036,266	$ 3,018,488	$ 2,486,296	$ -	$ 22,541,050
Medicare	-	-	1,221,629	604,211	1,825,840
Other	-	-	168,390	-	168,390
Total monthly service fees and health care center services revenues	$ 17,036,266	$ 3,018,488	$ 3,876,315	$ 604,211	$ 24,535,280

The Corporation has agreements with third-party payors that provide for payments at amounts different from established rates. A summary of the payment arrangement with the major third-party payor is as follows:

Medicare - Nursing and ancillary services provided to Medicare Part A beneficiaries are paid at prospectively determined rates per day. These rates vary according to a resident-specific classification system that is based on clinical, diagnostic and other factors and the reimbursement methodology is subject to various limitations and adjustments. Therapy services provided to Medicare B beneficiaries are paid at the lesser of a published fee schedule or actual charges.

As described above, the Medicare Part A rate is based on clinical, diagnostic and other factors. The determination of these rates is partially based on the Corporation's clinical assessment of its residents. The Corporation is required to clinically assess its residents at predetermined time periods throughout the year. The documented assessments are subject to review and adjustment by the Medicare program.

4. Fair Value Measurements, Assets Whose Use is Limited, Investments and Other Financial Instruments

Fair Value Measurements

The Corporation measures its assets whose use is limited, investments and interest rate swap at fair value on a recurring basis. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is measured using a hierarchy prioritizing the inputs used in determining valuations into three levels. The level within the fair value hierarchy is based on the lowest level input that is significant to the fair value measurement.

The levels of the fair value hierarchy are as follows:

Level 1 - Unadjusted quoted prices in active markets that are accessible to the Corporation for identical instruments.

Level 2 - Significant inputs, other than Level 1 inputs that are observable either directly or indirectly for substantially the full term of the instruments through corroboration with observable market data.

Level 3 - Significant unobservable inputs. The Corporation held no Level 3 instruments as of June 30, 2025 and 2024.

The following tables present financial instruments reported at fair value by caption on the consolidated balance sheets at June 30:

	2025		
	Total	**Level 1**	**Level 2**
Assets:			
Investments and assets whose use is limited:			
Mutual funds, equities:			
International index funds	$ 4,213,046	$ 4,213,046	$ -
Total stock market index funds	25,084,875	25,084,875	-
Mutual funds, fixed income	1,074,607	1,074,607	-
Corporate bonds	2,996,928	-	2,996,928
Treasury bonds	3,492,336	-	3,492,336
Agency bonds	1,503,334	-	1,503,334
Asset backed	547,752	-	547,752
Other fixed income	891,693	-	891,693
Total investments and assets whose use is limited at fair value	39,804,571	$ 30,372,528	$ 9,432,043
Cash and cash equivalents	4,751,318		
Total investments and assets whose use is limited	$ 44,555,889		
Interest rate swap	$ 727,421	$ -	$ 727,421

	2024		
	Total	Level 1	Level 2
Assets:			
Investments and assets whose use is limited:			
Mutual funds, equities:			
International index funds	$ 3,575,133	$ 3,575,133	$ -
Total stock market index funds	22,594,842	22,594,842	-
Mutual funds, fixed income	1,089,652	1,089,652	-
Corporate bonds	3,093,217	-	3,093,217
Treasury bonds	1,986,778	-	1,986,778
Agency bonds	2,269,274	-	2,269,274
Asset backed	717,153	-	717,153
Other fixed income	913,340	-	913,340
Total investments and assets whose use is limited at fair value	36,239,389	$ 27,259,627	$ 8,979,762
Cash and cash equivalents	1,197,323		
Total investments and assets whose use is limited	$ 37,436,712		
Interest rate swap	$ 1,473,854	$ -	$ 1,473,854

Investments and assets whose use is limited are presented together in the tables above as there are various investment and cash accounts that are allocated between investments and assets whose use is limited on the consolidated balance sheets. A summary of investments and assets whose use is limited as presented in the consolidated balance sheets is as follows at June 30:

	2025	2024
Assets whose use is limited:		
Board designated:		
Operating reserves fund	$ 4,359,605	$ 4,174,549
Residents' fees reserve fund	3,826,196	3,332,795
Fitness and aquatics center	674,062	602,295
Health care fund	673,176	1,021,626
Other	153,503	227,395
Donor-restricted investments	3,731,009	3,417,118
Total assets whose use is limited	13,417,551	12,775,778
Investments	31,138,338	24,660,934
Total assets whose use is limited and investments	$ 44,555,889	$ 37,436,712

Valuation Methodologies

Investments and assets whose use is limited are valued at fair value based on quoted market prices in active markets for equity mutual funds. Bonds, asset backed and other fixed income securities are valued based on market data for the same or comparable securities.

The fair value of interest rate swap takes into consideration the prevailing interest rate environment and the specific terms and conditions of the interest rate swap and considers the credit risk of the Corporation. The method used to determine the fair value calculates the estimated future payments required by the derivative financial instrument and discounts these payments using an appropriate discount rate. The value represents the estimated exit price the Corporation would pay to terminate the agreement.

Maryland Department of Aging Reserve Requirements

The Maryland Department of Aging requires providers of continuing care to maintain certain operating reserves that equal 25% of the facility's net operating expenses, as defined by the State, relating to continuing care contracts. The reserves must be kept in reasonably liquid form in the judgment of the provider.

The reserves shall be computed as of the end of the providers' current fiscal year. The Corporation has fully funded the reserve as of June 30, 2025 which is calculated as follows:

Total operating expenses for fiscal year ended June 30, 2025	$ 31,430,682
Less:	
Depreciation	(5,911,409)
Interest	(1,719,054)
Net operating expense	23,800,219
	25%
	5,950,055
I/L Units/Total Units (222/303)	73.27%
Reserve required at June 30, 2025	4,359,605
Total reserve at June 30, 2025	$ 4,359,605

Board-designated operating reserve funds were $4,359,605 at June 30, 2025, which meet the minimum statutory operating reserve requirement.

5. Liquidity and Availability of Resources

Financial assets available for general expenditures within one year of the consolidated balance sheets dates consist of the following at June 30:

	2025	2024
Cash and cash equivalents	$ 5,949,918	$ 6,339,871
Accounts receivable, net	388,270	411,878
Investments	31,138,338	24,660,934
Total	$ 37,476,526	$ 31,412,683

As part of the Corporation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Corporation invests cash in excess of daily requirements in investments. As stated in Note 4, the Corporation has board-designated investments that are excluded from the table above. Although the Corporation does not intend to utilize these funds for general expenditures as part of its annual budget and approval process, amounts designated could be made available as necessary.

As stated in Note 4, the Corporation designated a portion of its investments as reserve to comply with the requirements of the Maryland Department of Aging Reserve Requirements and thus they are not included in the table above. Although the Corporation does not intend to utilize the reserve for general expenditures as part of its annual budget and approval process, amounts designated could be made available as necessary. The reserves do not have third-party restrictions or limitations on the withdrawal and subsequent liquidation of such funds.

6. Property and Equipment, Net

A summary of property and equipment and the related accumulated depreciation is as follows at June 30:

	2025	2024	Depreciable Lives
Land	$ 1,013,032	$ 1,013,032	
Buildings and building equipment	147,396,708	137,669,043	5-40 years
Furniture and equipment	14,862,005	20,791,405	4-15 years
Construction-in-progress	382,494	431,160	
	163,654,239	159,904,640	
Accumulated depreciation	(67,881,741)	(61,969,361)	
	$ 95,772,498	$ 97,935,279	

7. Long-Term Debt

	2025	2024
Maryland Health and Higher Education Facilities Authority (MHHEFA) Revenue Bond (Series 2017), payable in monthly principal and interest installments. Interest is adjusted monthly and equal to 80% of SOFR Index plus 135 basis points (4.63% as of June 30, 2025).	$ 28,482,000	$ 29,784,000
MHHEFA Revenue Bond (Series 2019A), payable in monthly principal and interest installments. Interest is payable at a fixed rate of 3.32% through July 1, 2034 unless the option is chosen by the Corporation to convert the interest rate to a variable rate during the eligible five-year periods as defined in the Financing Agreement dated July 1, 2019.	19,405,000	19,957,000
Total	47,887,000	49,741,000
Less current portion	(1,869,000)	(1,813,000)
Less deferred financing costs, net	(819,217)	(860,017)
Long-term debt, net	$ 45,198,783	$ 47,067,983

Future maturities of long-term debt for the next five years and thereafter are as follows:

Years ending June 30:	
2026	$ 1,869,000
2027	1,921,000
2028	1,978,000
2029	2,045,000
2030	2,112,000
Thereafter	37,962,000
	$ 47,887,000

In March 2017, MHHEFA issued, on behalf of the Corporation, its Series 2017 in the amount of $30,000,000. The proceeds from the Series 2017 were used to finance and refinance the costs of certain projects for the Corporation.

In July 2019, MHHEFA issued, on behalf of the Corporation, its Series 2019A in the amount of $20,000,000. The proceeds from the Series 2019A were used to fund expansion projects, set up a capital interest and construction fund, and provide funding for financing costs.

As security for the performance of its obligations under the underlying agreements related to the Series 2017 and Series 2019A, the Corporation has granted MHHEFA a security interest in its receipts, and substantially all real and personal property. These agreements also require the Corporation to meet certain financial ratios.

Interest Rate Swap

In March 2017, the Corporation entered into an interest rate swap agreement, on its Series 2017 Revenue Bond with Fulton Bank, which is scheduled to expire in March 2032. According to the terms of the swap agreement, if 80% of the SOFR Index (3.56% at June 30, 2025) is less than the fixed rate of 2.39%, the Corporation must make a monthly payment to the counterparty to the agreement. Conversely, if 80% of the SOFR Index is more than the fixed rate, the counterparty to the swap agreement must make a monthly payment to the Corporation. The monthly payments are calculated by multiplying the notional amount ($28,482,000 at June 30, 2025) by the difference between 80% of the SOFR Index and the fixed rate. Swap payments will be included in interest expense when they begin. The interest rate swap had a fair value of $727,421 and $1,473,854 at June 30, 2025 and 2024, respectively.

8. Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purpose as of June 30:

	2025	2024
Resident assistance	$ 3,000,946	$ 2,793,377
Health care center	17,991	17,869
Capital projects and various other programs	712,072	605,872
Total	$ 3,731,009	$ 3,417,118

9. Retirement Plan

The Corporation provides a 403(b) plan (the Plan) for all eligible employees. All eligible employees may defer a portion of their salary into the Plan. After three months of employment, all participating employees that meet the eligibility requirements defined in the plan document are eligible for a match. The Corporation made matching contributions totaling approximately $226,000 and $245,000 for the years ended June 30, 2025 and 2024, respectively.

10. Expenses by Function and Nature

The Corporation's primary program services relate to providing housing, health care and other related services to residents within its geographic location. The consolidated financial statements report certain categories of expenses that are attributable to one or more programs or supporting functions of the Corporation. Costs of these categories were allocated based on estimates of time and effort. Expenses relating to providing these services are approximately as follows at June 30:

	2025		
	Resident Services	General Administrative	Total
Salaries and wages	$ 8,460,640	$ 2,172,083	$ 10,632,723
Employee benefits and payroll taxes	1,955,821	737,393	2,693,214
Supplies and other expenses	1,399,241	1,571,251	2,970,492
Patient costs	790,344	-	790,344
Food	1,661,564	-	1,661,564
Repairs and maintenance	557,298	-	557,298
Utilities	1,393,909	-	1,393,909
Professional services	934,922	625,849	1,560,771
Advertising and marketing	-	73,306	73,306
Insurance	441,568	-	441,568
Real estate taxes	1,025,030	-	1,025,030
Depreciation	5,911,409	-	5,911,409
Interest and amortization	1,719,054	-	1,719,054
Total	$ 26,250,800	$ 5,179,882	$ 31,430,682

	2024		
	Resident Services	General Administrative	Total
Salaries and wages	$ 8,236,066	$ 2,411,522	$ 10,647,588
Employee benefits and payroll taxes	1,548,381	701,569	2,249,950
Supplies and other expenses	1,877,616	1,246,352	3,123,968
Patient costs	799,220	-	799,220
Food	1,713,358	-	1,713,358
Repairs and maintenance	525,697	-	525,697
Utilities	1,292,371	-	1,292,371
Professional services	503,335	494,874	998,209
Advertising and marketing	-	150,673	150,673
Insurance	407,218	-	407,218
Real estate taxes	1,270,809	-	1,270,809
Depreciation	5,721,735	-	5,721,735
Interest and amortization	1,799,570	-	1,799,570
Total	$ 25,695,376	$ 5,004,990	$ 30,700,366

11. Risk

Financial instruments which subject the Corporation to concentrations of credit risk consist primarily of cash and cash equivalents, accounts receivable, assets whose use is limited and investments.

The Corporation maintains cash accounts, which generally exceed federally insured limits. The Corporation has not experienced any losses from maintaining cash accounts in excess of federally insured limits. Management believes it is not subject to any significant credit risk on its cash accounts.

The Corporation grants credit to its residents and other third-party payors, primarily Medicare and various commercial insurance companies. The Corporation maintains reserves for potential credit losses and such losses have historically been within management's expectations.

12. Commitments and Contingencies

Self-Insured Health Insurance

The Corporation sponsors a self-funded employee benefit plan to provide healthcare benefits and services for its eligible employees and their dependents. The Corporation contracts with an insurance company to provide certain administrative and other services in connection with the plan.

Insurance

The Corporation has acquired professional and general liability coverage of $1,000,000 per occurrence with a $3,000,000 aggregate limit on a claims-made basis. Based on a review of the Corporation's prior experience and incidents occurring through June 30, 2025 and presuming the indefinite continuation of its claims-made insurance coverage, management determined that no accrual for asserted or unasserted malpractice or general claims in excess of insurance coverage is necessary at this time.

The outcome of any potential investigative, regulatory or prosecutorial activity that may occur cannot be predicted with certainty. However, in the opinion of management, any future potential losses resulting from such activity would be immaterial to the consolidated financial statements taken as a whole.

Senior Living Industry

The senior living services industry is subject to numerous laws, regulations and administrative directives of federal, state and local governments and agencies. Compliance with these laws, regulations and administrative directives is subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time. Government activity continues to increase with respect to investigations and allegations concerning possible violations by healthcare providers of fraud and abuse statutes and regulations, which could result in the imposition of significant fines and penalties as well as significant repayments for resident services previously billed. Management is not aware of any material incidents of noncompliance; however, the possible future effects of this matter on the Corporation, if any, are not presently determinable.

MD Department of Aging Continuing Care
Application for Renewal Certificate of Registration
Exhibit G (3) - Cash Flow

	Current Year Budget 06/30/26	Succeding Year Projected 06/30/27	Succeding Year Projected 06/30/28
Cash Flows from Operating Activities			
Change in Net Assets	$ 4,253,683	$ 4,273,780	$ 4,500,000
Adjustments			
Depreciation	6,000,000	6,000,000	6,000,000
Amortization of deferred financing costs	40,800	40,800	40,800
Net realized (gains) losses, investments	(110,000)	(110,000)	(110,000)
Change in net unrealized (gains), investments	(2,800,000)	(2,800,000)	(2,800,000)
Change in value of interest rate swap	(50,000)	(50,000)	(50,000)
Proceeds from entrance fees, existing units	6,000,000	6,300,000	6,615,000
Amortization of Entrance Fees	(6,500,000)	(6,500,000)	(6,500,000)
Change in assets and liabilities:			
Accounts receivable	40,000	40,000	40,000
Prepaid expenses	(75,000)	(75,000)	(75,000)
Accounts payable	120,000	120,000	120,000
Accrued expenses	600,000	150,000	150,000
Entrance fee deposits	100,000	100,000	100,000
Net Cash provided by operating activities	$ 7,619,483	$ 7,489,580	$ 8,030,800
Cash Flows from Investing Activities			
Purchases of property and equipment	$ (2,803,538)	$ (2,900,000)	$ (3,000,000)
Net purchases of investments and assets whose use is limited	$ (1,000,000)	$ (2,000,000)	$ (2,000,000)
Net cash used in investing activities	$ (3,803,538)	$ (4,900,000)	$ (5,000,000)
Cash Flows from Financing Activities			
Payments on long-term debt	$ (1,869,000)	$ (1,921,000)	$ (1,978,000)
Proceeds from refundable entrance fees, existing units	4,400,000	4,620,000	4,851,000
Refunds of entrance fees	(6,250,000)	(5,250,000)	(5,500,000)
Change in annuities payable	(1,100)	(1,100)	(1,100)
Net cash used in financing acitivites	$ (3,720,100)	$ (2,552,100)	$ (2,628,100)
Net change in cash and cash equivalents	$ 95,845	$ 37,480	$ 402,700
Cash and Cash Equivalents, Beginning	$ 5,949,918	$ 6,045,763	$ 6,083,243
Cash and Cash Equivalents, Ending	**$ 6,045,763**	**$ 6,083,243**	**$ 6,485,943**
Supplementary Disclosure of Cash Flow Information			
Cash paid during the year for interest	**$ 1,619,743**	**$ 1,554,261**	**$ 1,490,960**

ROLAND PARK PLACE, INC. - BOARD OF DIRECTORS

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VICE CHAIR
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PRESIDENT & CEO, ex-officio
SAM GUEDOUAR, President & Chief Executive Officer

CHARLES A. BRYAN, Managing Director

NEETU DHAWAN-GRAY, ‘Retired’ Assistant Director for Strategic Partnerships

ALICE KATZ, President

JAMES ‘JIM’ K. PORTERFIELD, Physician (thru May 2025)

ILENE ROSENTHAL, Program Director

JOHN BOND, JR., ‘Retired’

ROLAND PARK PLACE, INC. - LEADERSHIP TEAM

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President and CEO

Jennifer Labute, NHA
Vice President of Health Services

Kiril Apostolov
Vice President of Operations

Becki Bees
Vice President of Sales and Marketing

Justin Reaves
CFO (Interim through 6/30/2025)

Kristie Miller, CPA, MBA
Vice President of Finance (effective 4/28/2025)

Chris Babcock
Director of Information Technology

Gina Dembeck, PHR, SHRM-CP
Vice President of Human Resources

Richie Balgobin
Director of Food and Beverage

Adenike Thomson, RN BSN MS
Director of Nursing