



# AGEWELL CAPITAL

TEQUESTA SENIOR LIVING OPPORTUNITY

2019

# INDEX

## A PARTNERSHIP OPPORTUNITY

03	<b>Legal Disclaimer</b>	12	<b>The Senior Living Industry</b>	20	<b>The Project: Tequesta</b>	33	<b>Financials: Project Summary</b>
04	<b>Investment Strategy</b>	13	Industry Returns	21	Renderings	34	Project Costs
05	<b>Values</b>	14	Market Value	22	Overview	35	Project Cashflow
06	<b>Experience</b>	15	National Market	23	Services	36	Operating Cashflow
07	<b>About The Operator</b>	16	Florida Market	24	The Area: State	37	Staffing and Wages
08	Operator Track Record	17	Tequesta Market	25	The Area: County	38	Limited Partner Returns
09	Operator Portfolio	18	Key Metrics: Population	26	The Area: Tequesta	39	Equity Returns
10	Operator Portfolio	19	Key Metrics: Income	27	The Land	40	Equity Returns
11	<b>Masterpiece Living</b>			28	Boundary Survey	41	<b>AgeWell Capital Principals</b>
				29	Site Plan Overview	42	Construction Management
				30	First Floor Layout	43	Westchase Group
				31	Second Floor Layout	44	Proctor Construction Co.
				32	Third Floor Layout	45	About the Architects
						46	Moseley Architects Portfolio



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# INVESTMENT STRATEGY

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## AGEWELL CAPITAL

AgeWell Capital exclusively invests in the senior housing industry. We are an integrated development, management, and operating group that is equipped to handle every aspect of a project from acquisition and land development to operating the communities on a daily basis.

We serve as general partners and sponsors of projects and provide opportunities for institutional and individual investors to make passive equity investments in the senior living industry.

We seek out performing assets, new development opportunities, and distressed properties to create a balance between cash flow stability and investment upside for our partners through our unique approach.

“ Igniting the  
“**Spirit to Serve**”  
in our team members  
and in the communities  
in which we operate. ”





# VALUES

## VISION

Create a new age in senior living by building communities that provide a pathway for seniors to achieve rich and purposeful lives through the way they live, socialize, recreate, find fulfilment, and ultimately Age Well.

## MISSION

To become a market leader in the senior living industry by:

Creating an environment that promotes social, intellectual, spiritual, and physical growth for our residents and team members.

Providing rewarding career opportunities, hiring the best team members, and giving them the tools to help themselves and our residents succeeds.

Achieving substantial financial success for our partners and investors. through our unique approach.

## VALUES

Embrace change and seek opportunities for innovation.  
Operate with integrity in everything that we do.  
Encourage and support diversity.





# EXPERIENCE

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**+150**

YEARS OF EXPERIENCE

A management team with over 150 years of combined senior living, real estate development, and capital markets experience.

**78**

INDUSTRY PARTNERS

78 operating communities utilize the Masterpiece Living program, which serves as the cornerstone of the AgeWell Capital operating concept. The program assists communities in becoming destinations for continued growth and a support system that promotes successful aging.

**60+**

COMMUNITIES

8 operating communities with over 1000 units currently operating. Leadership team has opened and operated 72 communities, 15,000+ units, in 14 states

**+900**

EMPLOYEES

900+ employees working in operations, finance, project management, and support functions

**\$4 BILLION**

TOTAL PORTFOLIO

Managed over \$4 billion in portfolio assets and developed over 5 million SQ FT in the South Florida market.



# AGEWELL LIVING

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## ABOUT THE OPERATOR



Lawrence L. Landry  
Chairman of AgeWell Living

Lawrence L. Landry, a key principal of AgeWell Living, founded Westport Advisors, Ltd., an investment management company located in Palm Beach Gardens, Florida in 1998. Westport was the general partner of the Westport Senior Living Investment Fund, LP, a \$550 million limited partnership investing in senior housing communities. From 1998 until 2014, Westport funded, developed, and asset managed new developments with a total of 900 units and stabilized communities totalling 1,800 units throughout the United States. It was also during this time in 2008 that Larry and his business partner Mark Lichtenwalner, as President created AgeWell Living with Chief Operating Officer David Mills.



AgeWell Living, LLC based in Palm Beach Gardens, Florida, specializes in providing asset management and operations management services in the senior housing sector. It manages over a thousand units for third parties and is also co-owner of two very successful communities in Atlanta.

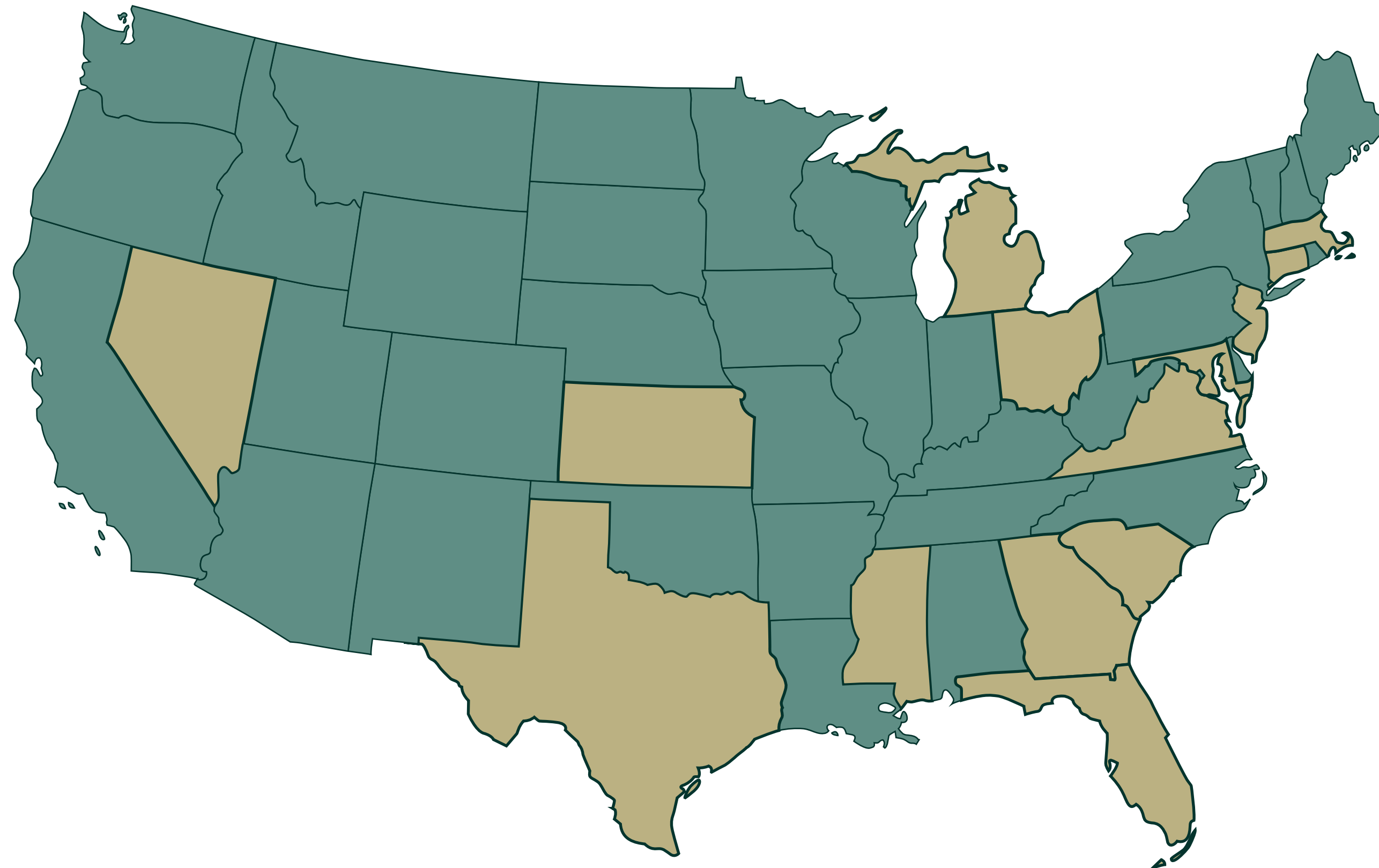
AgeWell is committed to operating Senior Housing Communities that provide environments that nourish and stimulate the lifestyles shown by research to result in the successful aging of older adults. AgeWell's management team has a combined experience of over 90 years and has operated and managed over 100 senior living communities for Hyatt, Marriott, Sunrise, Westport, Greystone, and Bell Senior Living both in the USA and the UK.



# AGEWELL LIVING

## TRACK RECORD

In prior capacities, AgeWell Living's Principals were involved with the development of **72** successful communities in **14** States.



Connecticut: 4  
Florida: 19  
Georgia: 4  
Kansas: 2  
Maryland: 2  
Massachusetts: 4  
Michigan: 5  
Mississippi: 2  
New Jersey: 7  
Nevada: 1  
South Carolina: 6  
Texas: 10  
Virginia: 4  
Ohio: 2





# AGEWELL LIVING

Current Operator for the Celebration Village Communities



Celebration Village | Acworth, Georgia



Celebration Village | Forsyth, Georgia

Independent Living	24 Units
Phase 2 Independent Living	72 Units
Catered Living	44 Units
Assisted Living	55 Units
Memory Care	31 Units
<b>Total</b>	<b>226 Units</b>

Independent Living	60 Units
Phase 2 Independent Living	58 Units
Catered Living	44 Units
Assisted Living	55 Units
Memory Care	31 Units
<b>Total</b>	<b>248 Units</b>





# AGEWELL LIVING

Current Operator for the First & Main Communities



First & Main | New Albany, Ohio



First & Main | Bloomfield Township, Michigan



First & Main | Auburn Hills, Michigan



First & Main | Commerce Township, Michigan



First & Main Metro Health Village | Wyoming, Michigan



First & Main | Lewis Center, Ohio





# MASTERPIECE LIVING



The Masterpiece Living lifestyle program is the foundation for the AgeWell Capital operating model. Larry Landry, who founded AgeWell Living, also founded Masterpiece Living in 2000. The program is a direct descendant of the MacArthur Foundation's re-search on ageing. Masterpiece Living is a multi-discipline group which provides specialists in ageing who partner with communities to assist them in becoming destinations for continued growth and a support system that promotes successful aging.

The landmark ten-year study by the MacArthur Foundation shattered the stereotypes of aging. The study showed that how we age is dependent on the life-style choices individuals make. We now know that 70% of physical aging, and about 50% of mental aging, is determined by these choices. Rather than being a process of steady decline, aging can be a time of growth if we maintain our physical and mental skills, reduce our risk for disease and injury, and stay productive and engaged with life. Our communities are developed with the input of this research and operated within those important parameters.

Larry's brother, Dr. Roger Landry, MD (Tufts University School of Medicine, Harvard School of Public Health), a highly reputed and decorated full colonel and flight surgeon in the US Air Force who became passionate about how to slow down the effects of ageing on older adults, is the author of Live Long, Die Short, and the President of Masterpiece Living.

## SUCCESSFUL AGING



PHYSICAL WELLBEING



MENTAL STIMULATION



SOCIAL ENGAGEMENT



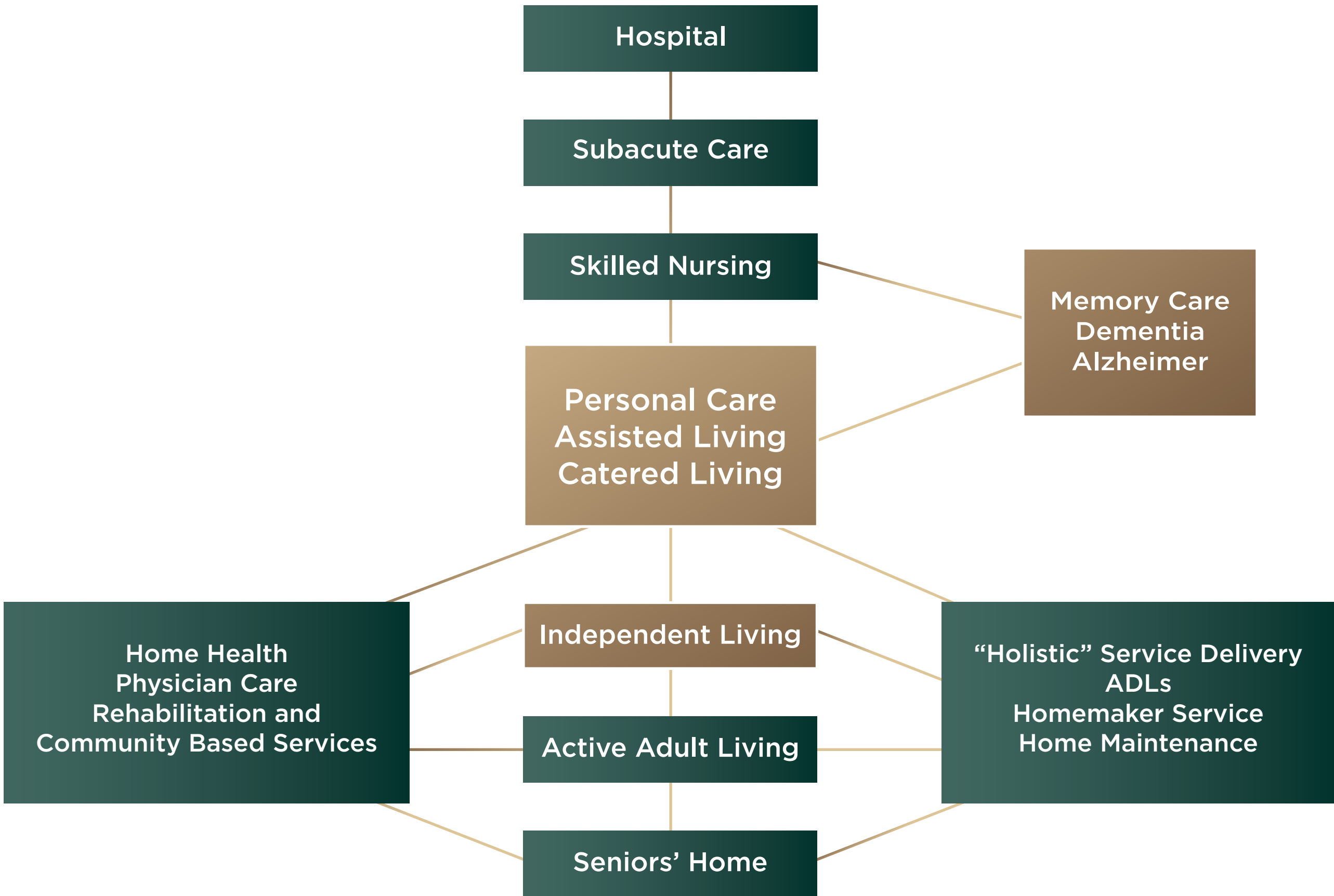
LIFE PURPOSE + MEANING





# SENIOR LIVING INDUSTRY MODEL

## INDUSTRY OVERVIEW



### FOUR PRIMARY CATEGORIES OF SENIOR ACTIVE ADULT LIFESTYLE

- Independent Living (IL)
- Assisted Living (AL)
- Memory Care (MC)
- Skilled Nursing

### OUR INVESTMENT CRITERIA

- 70 to 220 units per property.
- IL/AL/MC, AL/MC, or IL only.
- Fully stabilized, distressed, or new development opportunities.
- Located anywhere within the eastern United States.

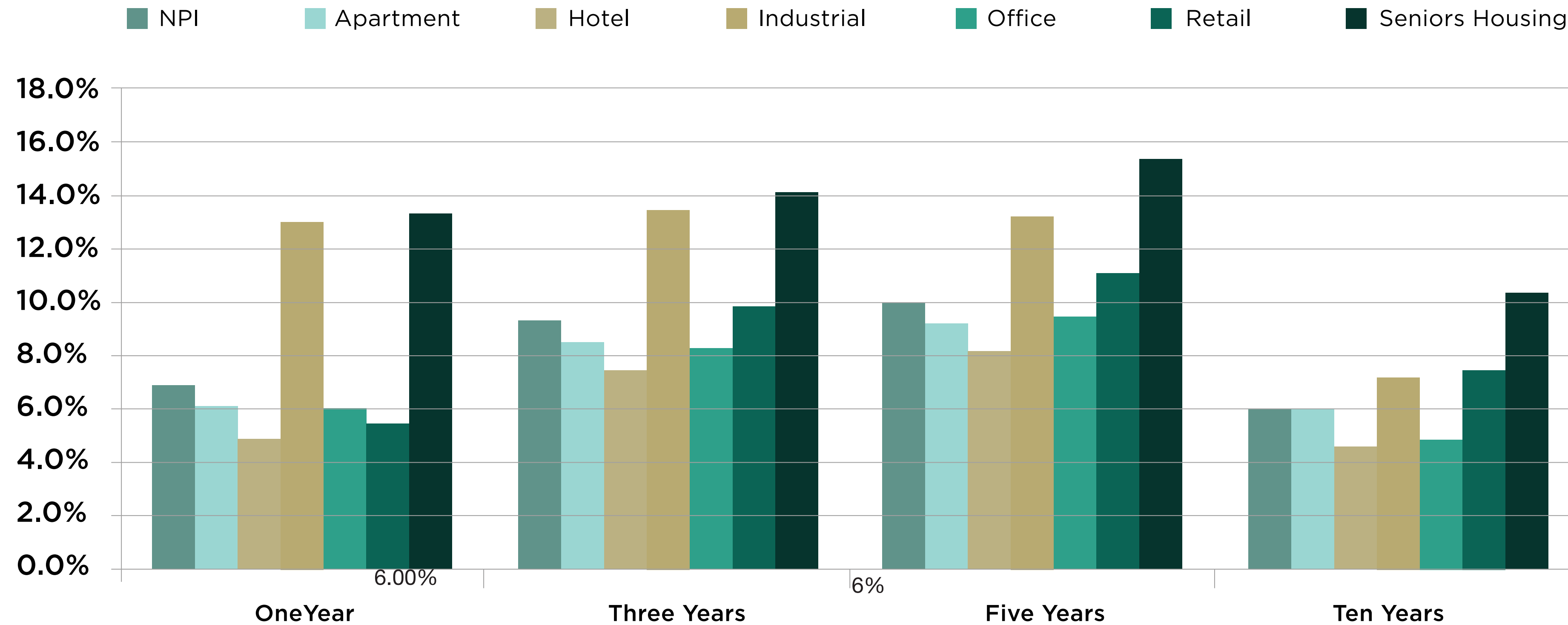


# INDUSTRY RETURNS

## INDUSTRY OVERVIEW

### NCREIF Annualized Total Returns Across Select Property Types

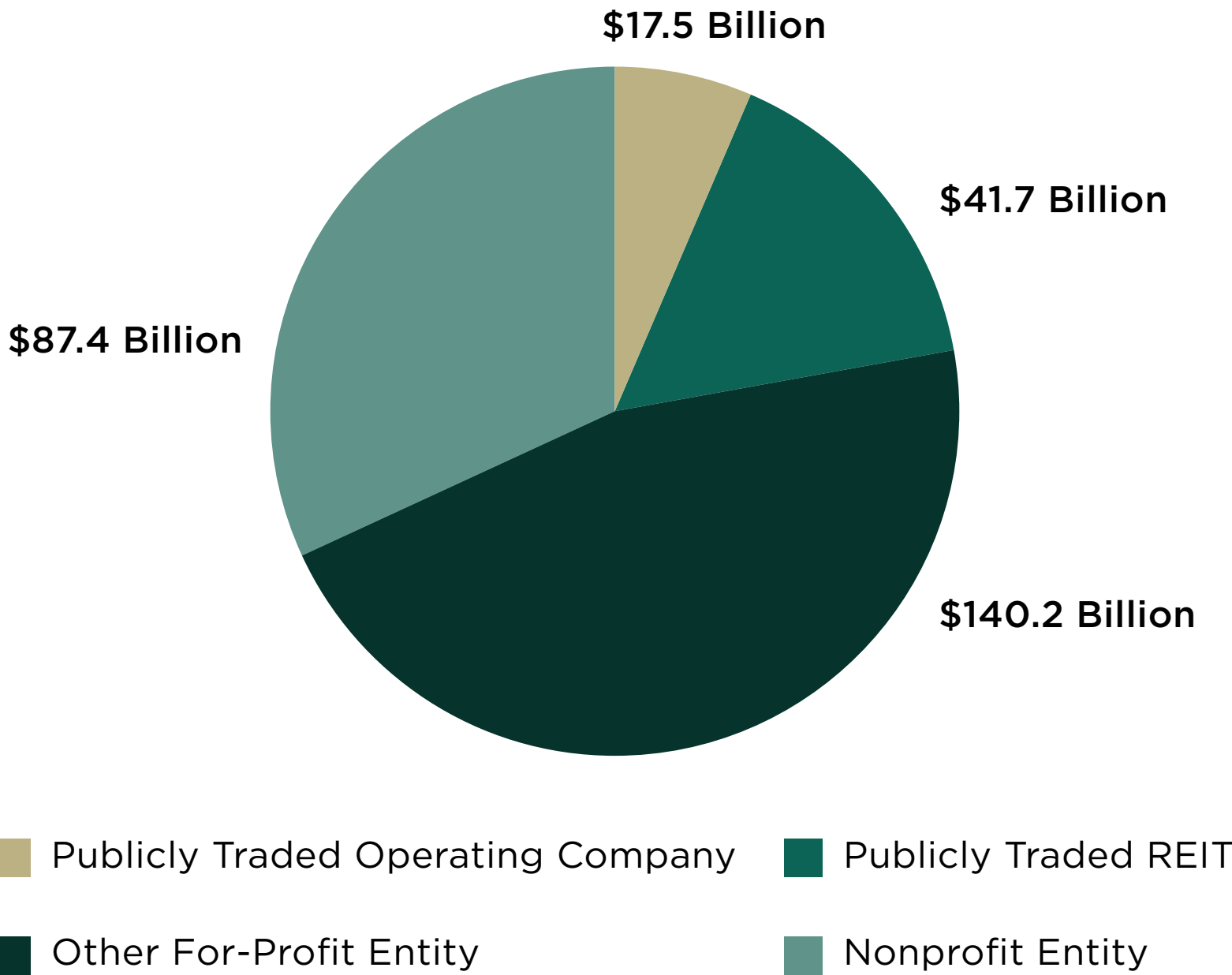
As of 12/31/2017



# MARKET VALUE

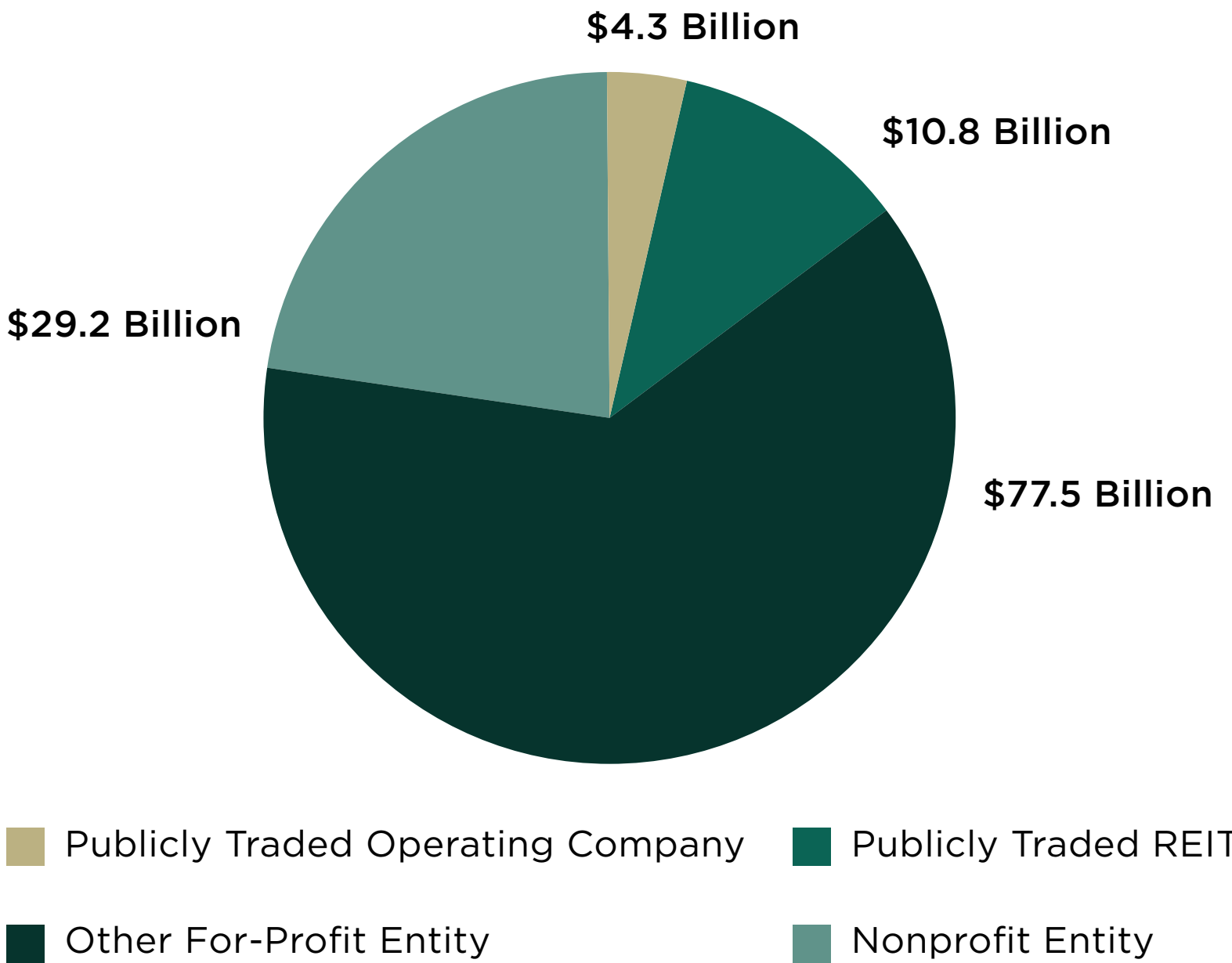
## INDUSTRY OVERVIEW

Implied Market Value of Seniors Housing Properties  
As of 4Q17



Source: NIC MAP© Data Service; NIC

Implied Market Value of Majority Nursing Care Properties  
As of 4Q17



Source: NIC MAP© Data Service; NIC



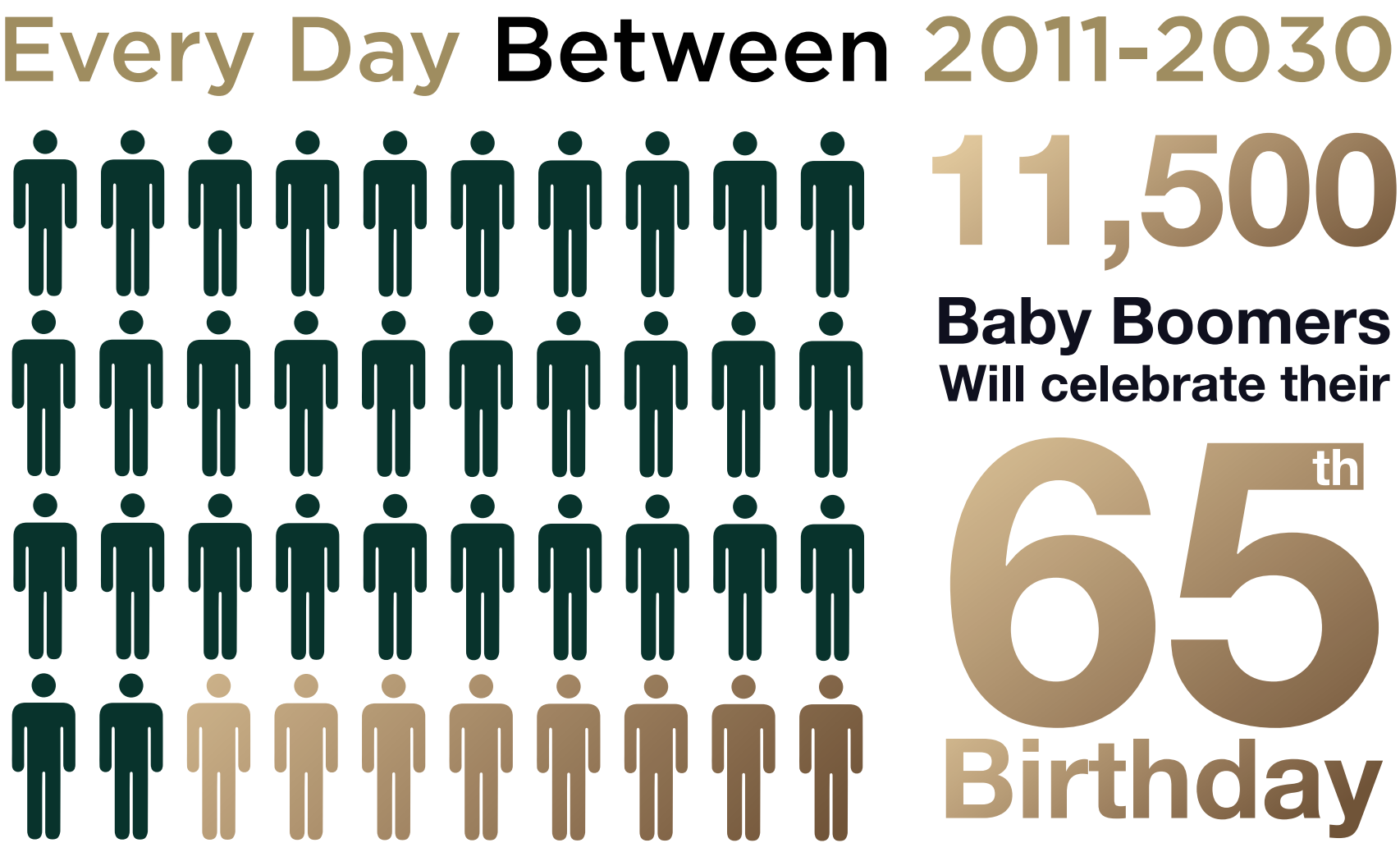


# NATIONAL MARKET

## INDUSTRY OVERVIEW

There are now 5.5 million Americans aged 85 and older representing almost 2% of total population, they are expected to double by 2030 to 11 million, 2.3% of the total population. In 2050, as many as one in five Americans could be elderly.

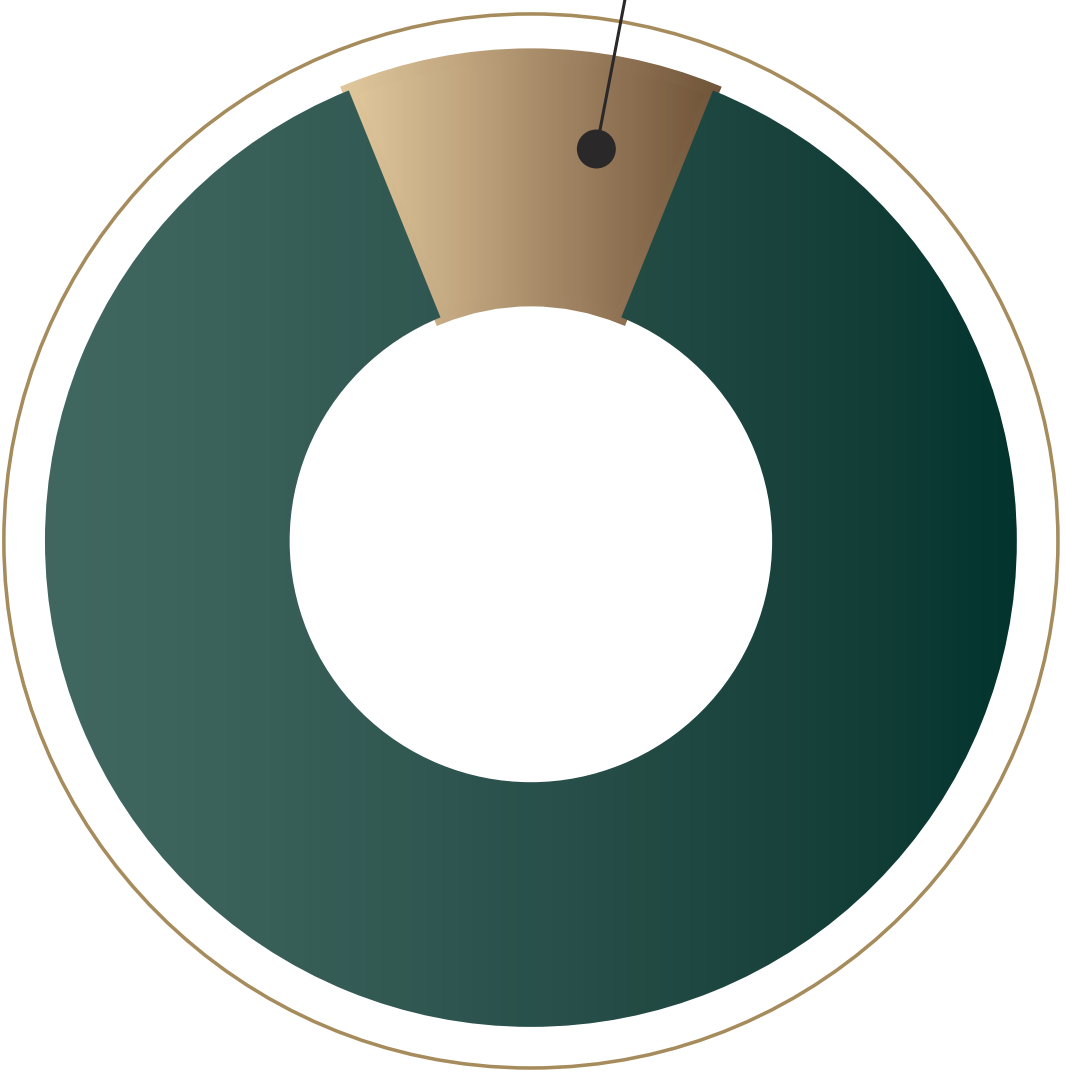
Much of the forecast growth will occur between 2010 and 2030, when the 76 million present “Baby Boom” generation will enter their elderly years, driving an unprecedented surge in demand for services by seniors.



By comparison between 2010-2030 the overall US population is forecast to only grow at an annual pace of 0.9%

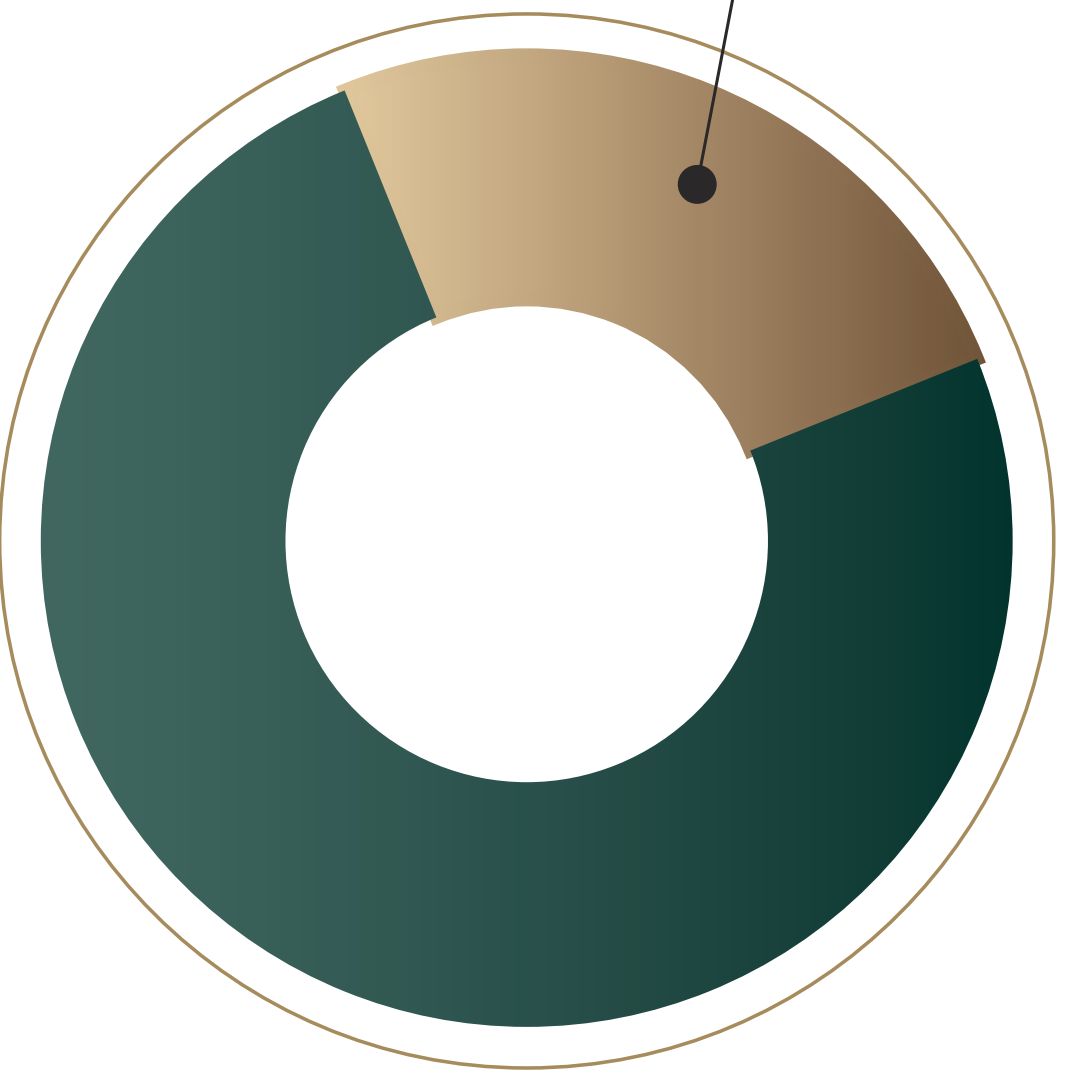
**2010 Census:**

40.3 million elderly Americans (>65 years of age) making up 13% of the total population



**Expected 2029 Census:**

71.4m elderly Americans (>65 years of age) making up 20% of the total population



Remarkably growth in all three senior sectors is much stronger:  
+3% per year for the 65+ population  
+2.9% per year for the 75+ population  
+2.1% per year for the 85+ population





# FLORIDA MARKET

South Florida (Miami-Dade, Broward, Palm Beach Counties) has one of the US's fastest growing population, increasing 6.2%, (343,313 net new residents) over the last 5 years. Over the next 5 years positive migration of an additional 5%, (290,932 net new residents) is expected. (US Bureau of Labor Statistics, University of Florida).

This area of Florida, desirable for seniors due to its climate and infrastructure, is also becoming a healthcare industry destination. Scripps has just opened a 350,000 sqft campus in Jupiter, with 60 faculty and 550 staff, with further growth planned. (Scripps focuses its research on dementia and memory diseases like Alzheimer's, Parkinson's)





# TEQUESTA MARKET

## A MARGIN OF OPPORTUNITY

**385** *Independent Living Beds*

### AVAILABLE SENIOR CARE UNITS Within a 7 mile Radius

Nearly one-fourth of the county was 65 or older in 2016. Whites made up four-fifths of the elderly, while Hispanics made up about 9 percent and blacks made up 8 percent.

**94** *Assisted Living Beds*

A market study for the Primary Market Area (about a 7 mile radius around the property) was performed by Integra Realty Resources, and confirmed the feasibility of the project, finding the local market being currently very undersupplied for 2017 by 385 Independent Living Beds, 94 Assisted Living Beds, and 40 Memory Care beds. A new study is underway by the Promatura Group, a senior living research and analytics firm, to update the statistics and will be delivered prior to groundbreaking.

**40** *Memory Care Beds*

*Undersupplied Market + Senior Population = Margin of Opportunity*

### PALM BEACH GROWTH

Palm Beach County continues to attract seniors. While the nation's median age (the age where half of the population is younger and the other half older) is 37.9 years, Palm Beach County's grew to 44.7 in 2016 from 43.5 in 2010. That's older than the state as a whole, at 42.1

**37.9**

United States  
Median age  
is 37.9 years.

**44.7**

Palm Beach  
Is older than  
the state as  
a whole, at  
42.1.

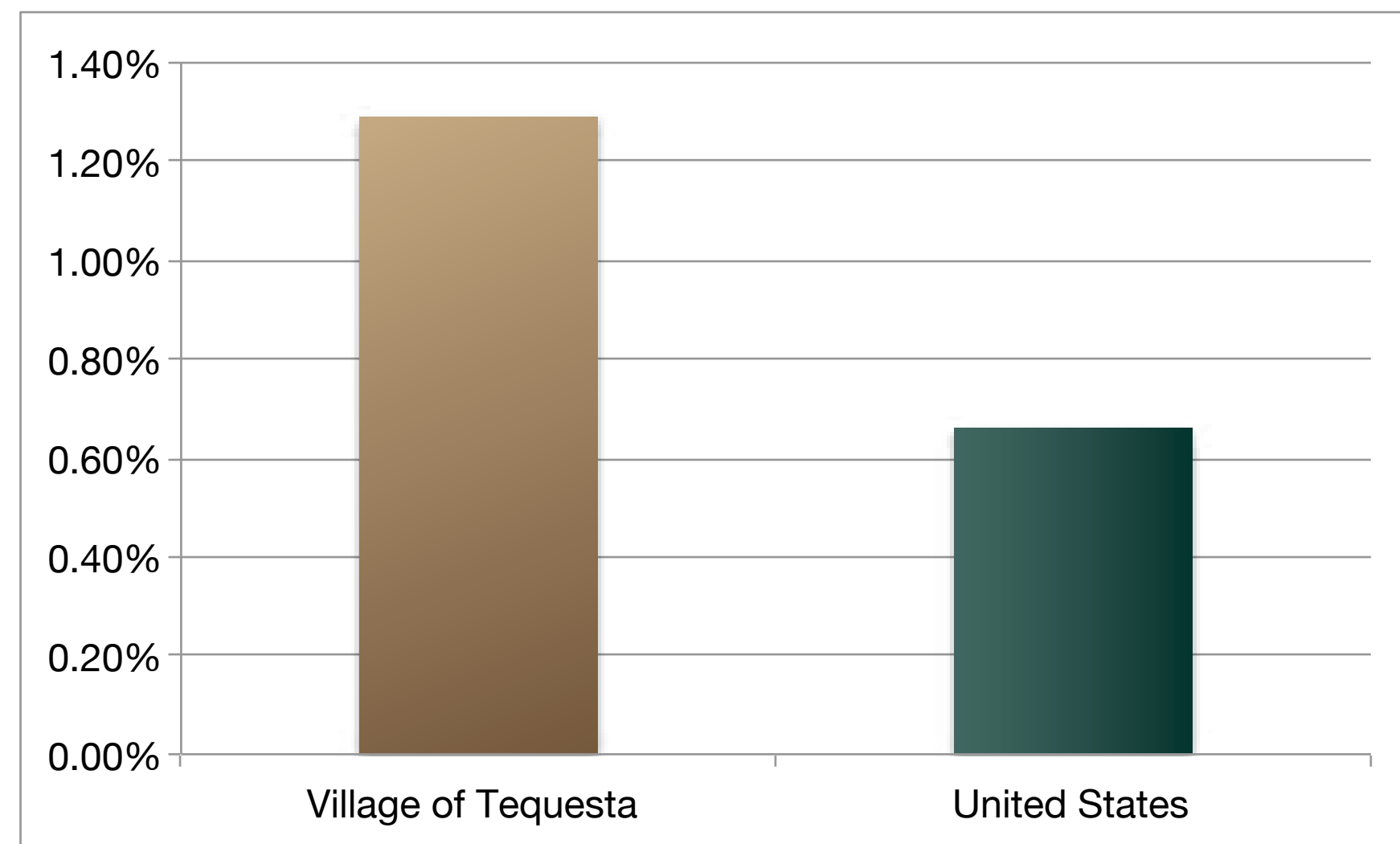




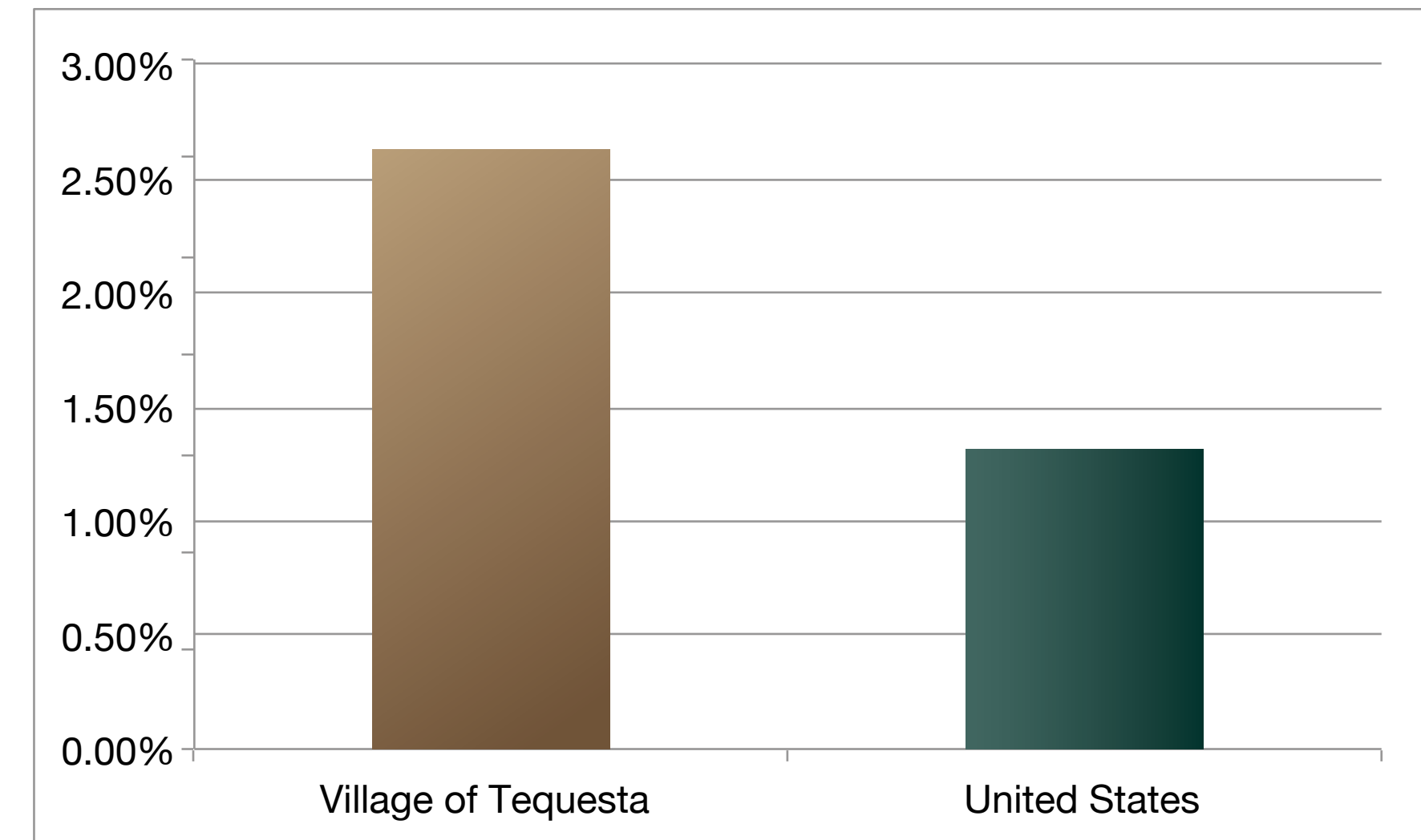
# TEQUESTA MARKET KEY METRICS

## INDUSTRY OVERVIEW

### POPULATION GROWTH RATE FROM 2013 - 2018



All Ages



85 years and older

### PERCENTAGE OF POPULATION 85 YEARS OR OLDER

Village of Tequesta **3.0%**

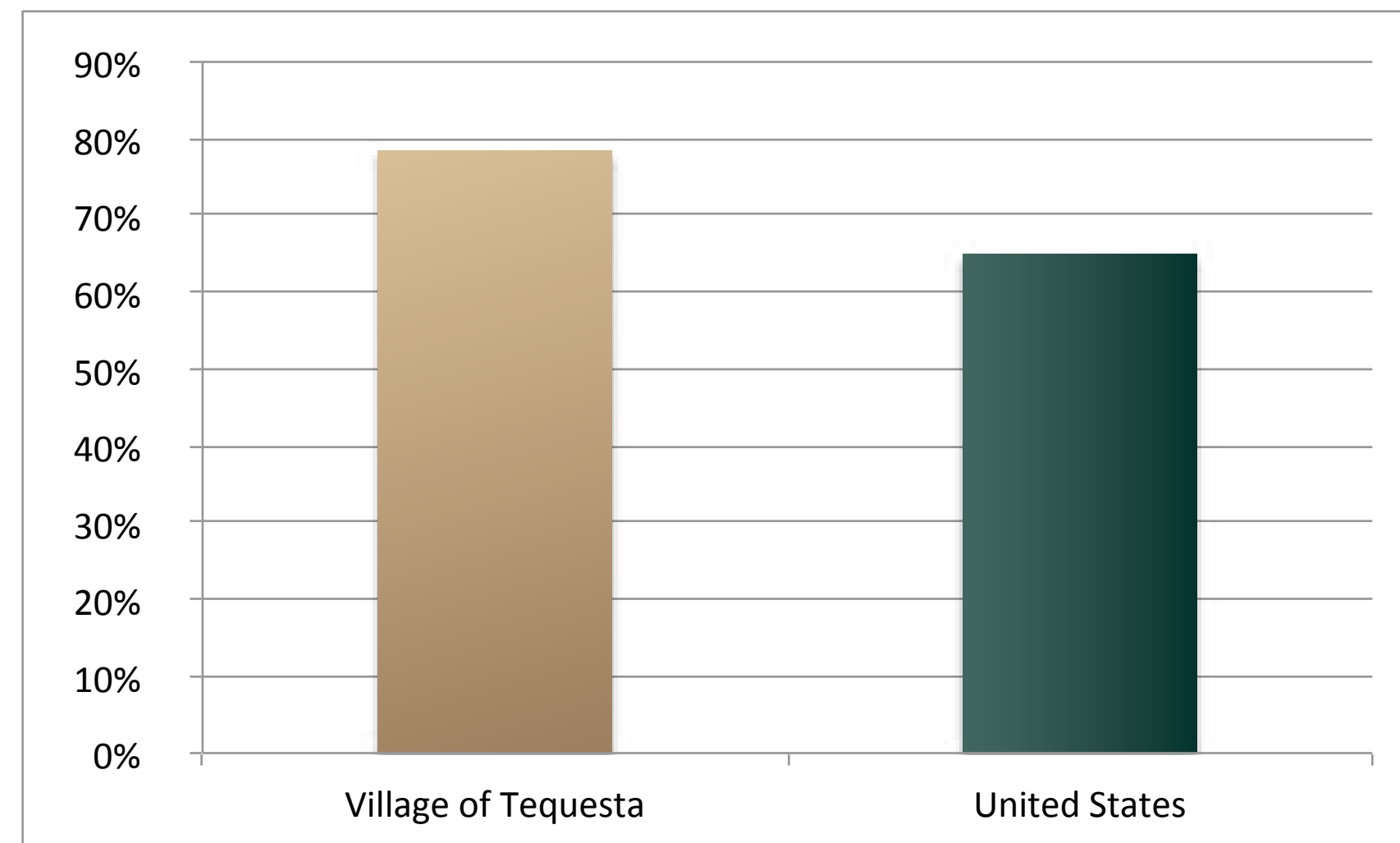
United States **1.87%**



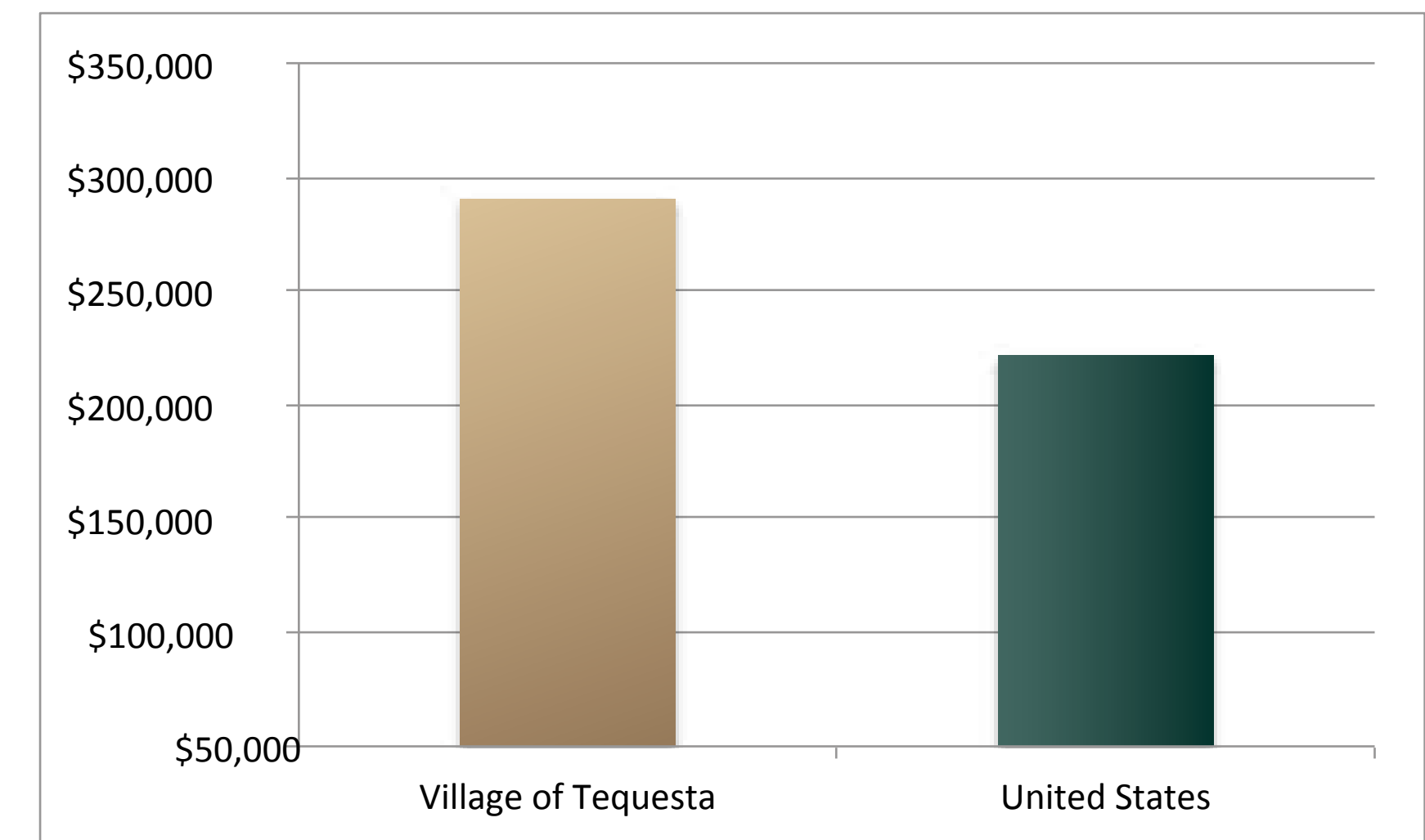
# TEQUESTA MARKET KEY METRICS

## INDUSTRY OVERVIEW

### HOUSING MARKET



Owner Occupied



Average House Value

Local Market Considered To Be Healthier Than Average.

### YEARLY INCOME LEVELS

\$93,945 Average Income  
35% greater than US Avg

\$62,751 Median Income  
27% greater than US Avg



AGEWELL CAPITAL PRESENTS



TEQUESTA SENIOR LIVING





# TEQUESTA SENIOR LIVING

## PROJECT RENDERINGS



SOUTH VIEW



GARDEN & POOL





# TEQUESTA SENIOR LIVING

## PROJECT OVERVIEW

### LOCATION

4534 and 4546 County Line Road, Tequesta  
Palm Beach County, Florida

### ABOUT THE AREA

Well-maintained intermediate and upscale neighborhood with numerous multi-million waterfront homes and golf communities, such as Trump National – Bear’s Club, Frenchman’s Creek, and Jupiter Hills Golf Club.  
A good balance of residential, retail, tourist accommodation, state and nature parks, single- and multifamily housing, recreational facilities, and marinas.

### POPULATION OF SENIORS AGED 65-74

1 Mile	1,056	1,239
Polygon (= the subject's primary market area)	2,460	2,919
5 Miles	10,136	12,372
Total Households*	1,459	1,700
Avg Household income	\$128,768	\$155,498

\* Age group: 65-74, living in the subject’s primary market area

### PROJECT STATS

The project is located in Tequesta - an affluent, residential incorporated village in Palm Beach County, Florida. Parts of the village are located near millionaire's haven - Jupiter Island having the highest median home sale and the highest per capita income of any inhabited place in the country.

Land: 8 Acres  
Building Size: 178,054 SQ FT

### NUMBER OF APARTMENTS

124 Senior Housing apartments - 81 Independent living (IL) units, 25 Assisted Living (AL) units and 18 Memory Care (MC) Units

### STANDARDS

- 124 apartments, in an upscale senior housing facility dedicated to self-pay and high end community
- Exceptional tropical surroundings
- A skillful competency of care
- Superior setting with modern classical and elegant decor for the more discerning clients
- Buildings designed to embrace the latest research and technology in senior and memory care





# TEQUESTA SENIOR LIVING

## SERVICES

### WELLNESS

Wellness & Fitness Programs  
Health and Wellness Learning  
Diverse Social Activities  
Daily Exercise Programs  
Life-long Learning Activities  
Community Volunteer Activities  
Multi-faith Spiritual Worship  
Pool  
Spa facilities



### ENTERTAINMENT

Two Card Playing Rooms  
Library & Computer Center  
Movie Theater  
Group Community Excursions  
Intergenerational Activities  
Community Volunteer Activities  
Computer Skills Technology  
Music  
Tiki bar  
Billiards room



### AMMENITIES

Gourmet Dining Experience  
Spacious Living Areas  
Individually Controlled Thermostats  
Full Bar & Bistro  
Mini Bistro & Private Dining Room  
Conference Room  
Housekeeping & Laundry  
Scheduled Transportation

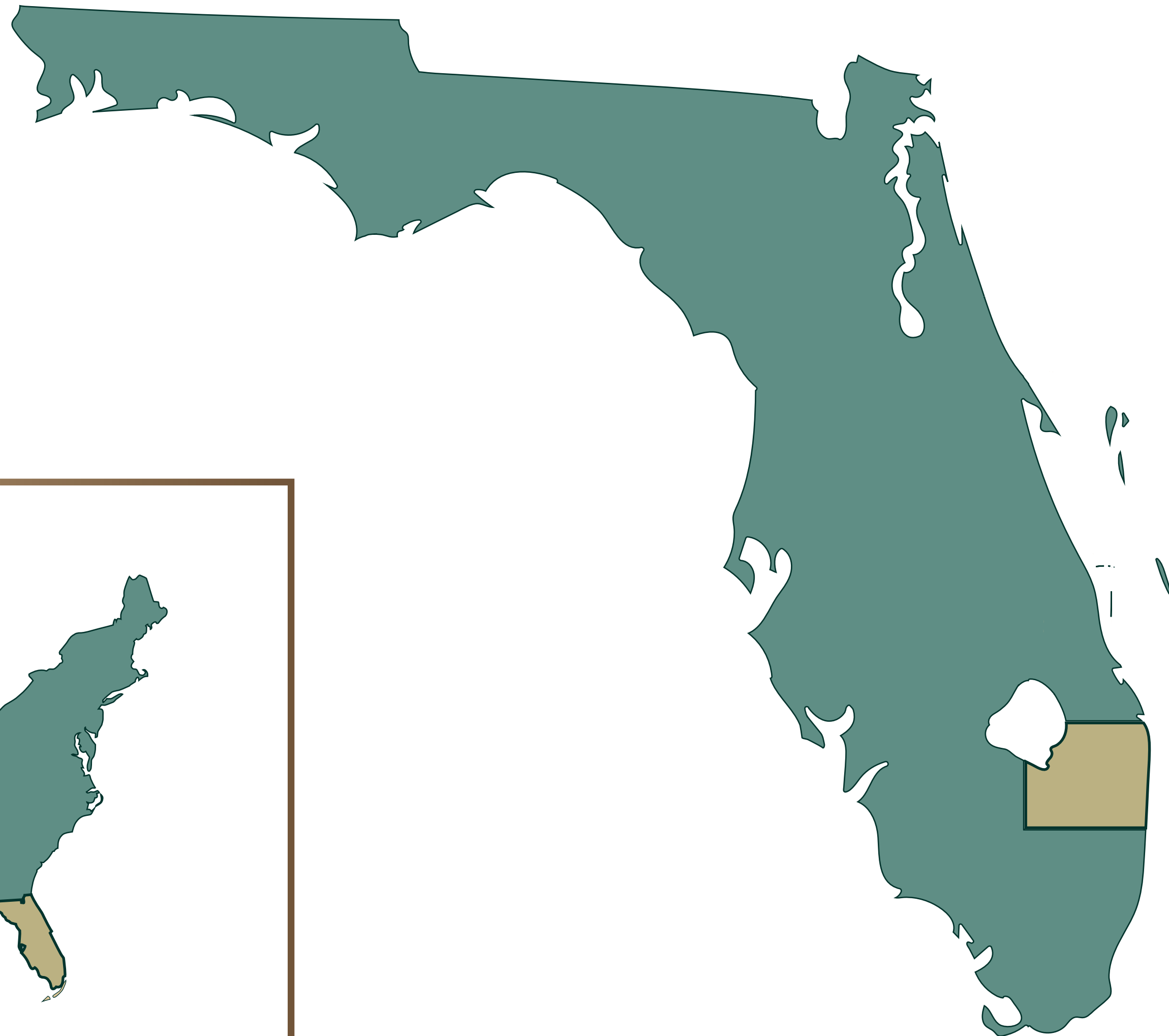




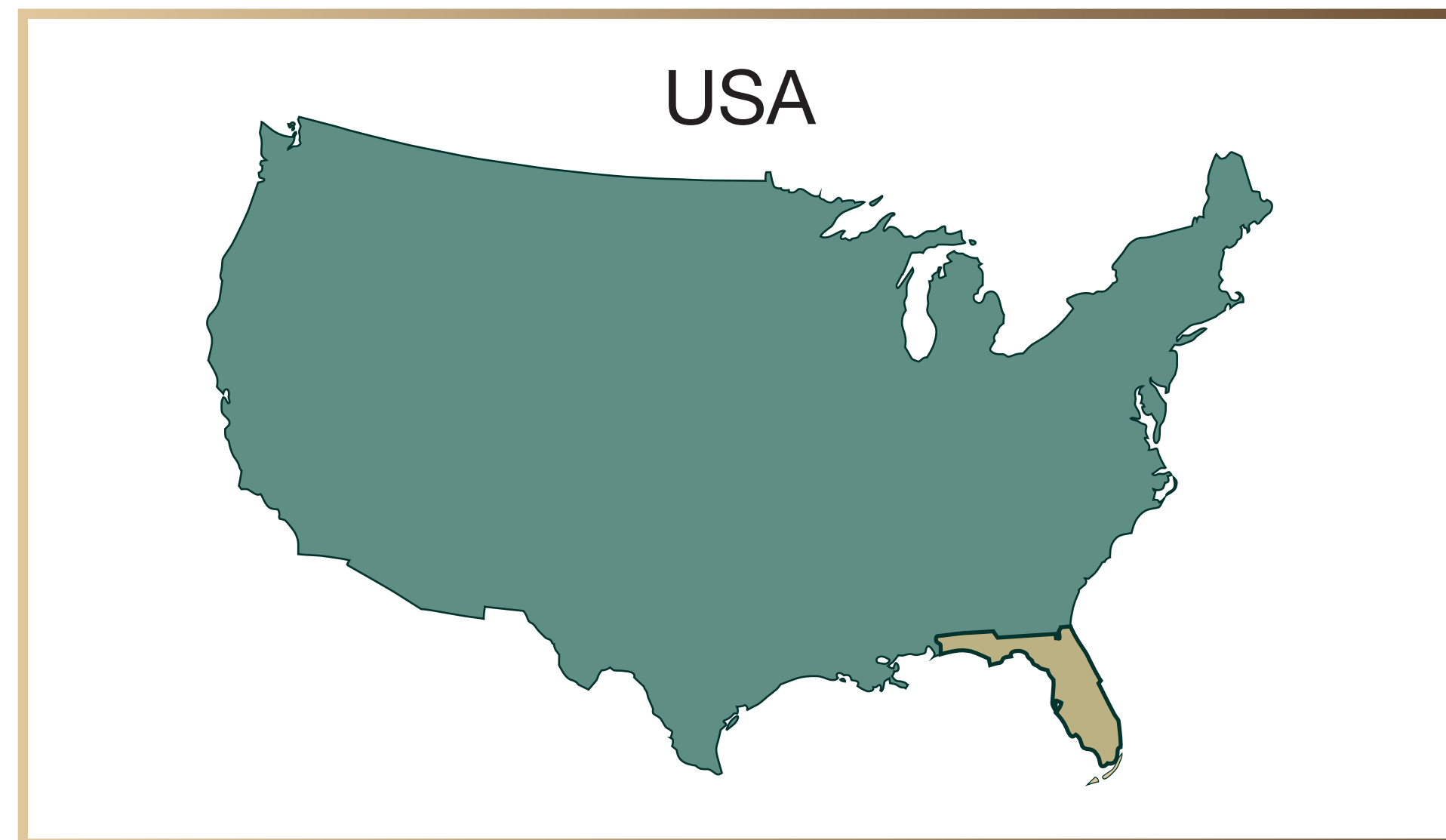
# TEQUESTA SENIOR LIVING

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## FLORIDA MAP



PALM BEACH COUNTY



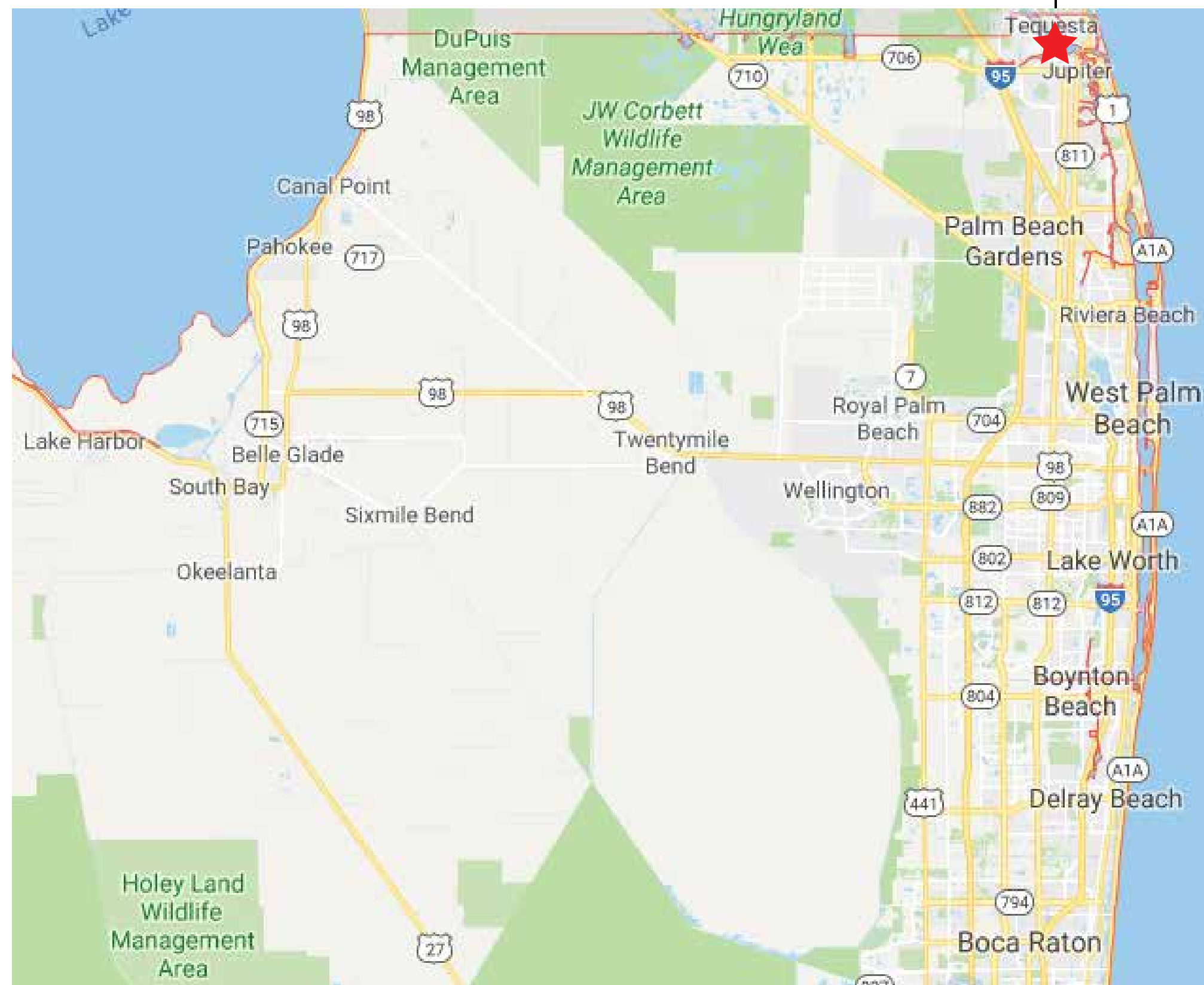
USA



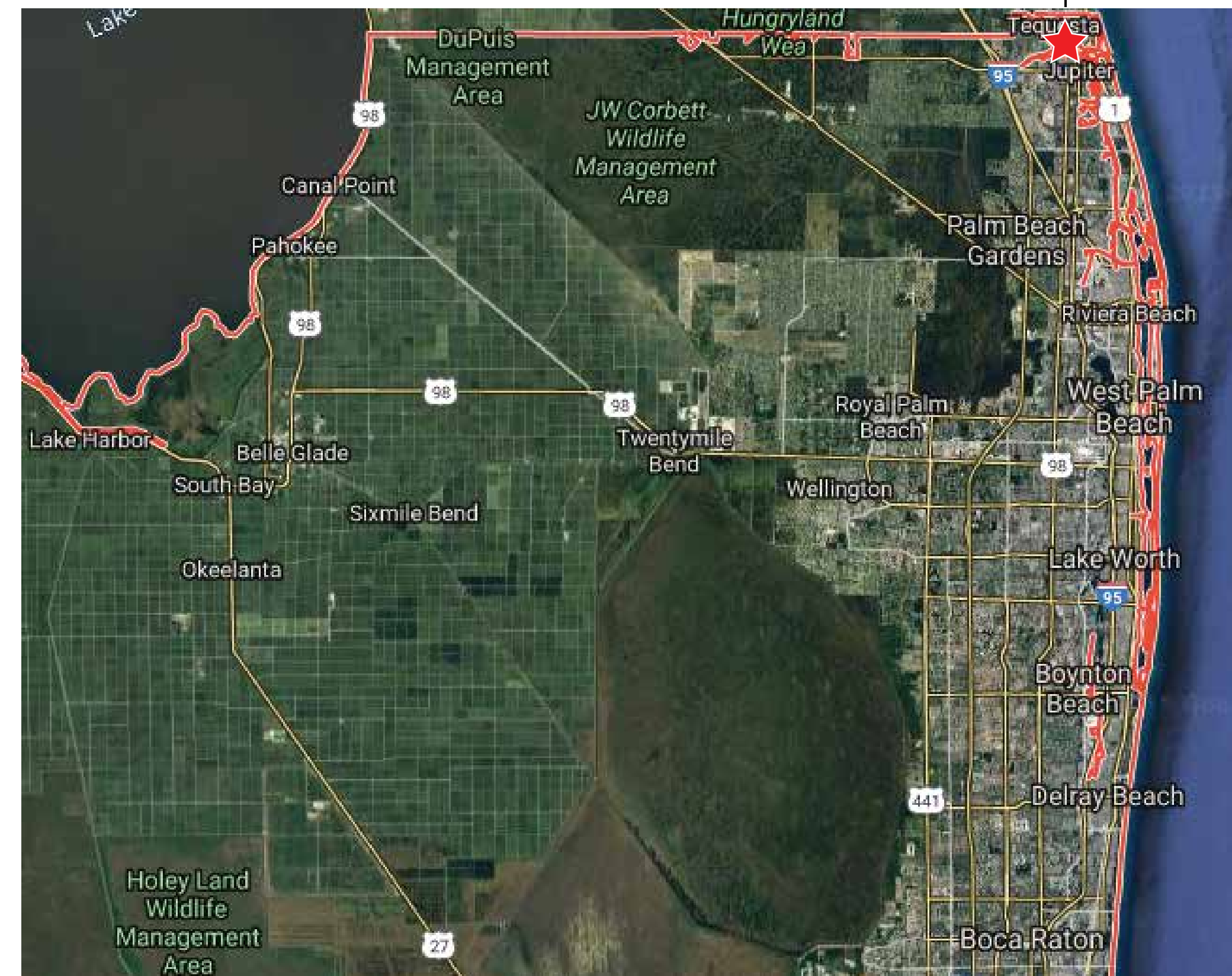
# TEQUESTA SENIOR LIVING

## PALM BEACH COUNTY AERIAL VIEW

PROJECT LOCATION



PROJECT LOCATION





# VILLAGE OF TEQUESTA

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Tequesta is an incorporated village in Palm Beach County, Florida, United States.

**Estimate Population**  
5,990

**Total Area**  
2.26 sq mi (5.85 km<sup>2</sup>)





# TEQUESTA SENIOR LIVING

## LAND AERIAL VIEW

**Location Address**

4546 COUNTY LINE RD

**Municipality**

TEQUESTA

**Parcel Control Number**

60-42-40-25-00-000-1080

**Official Records Book/Page**

26521 / 1154

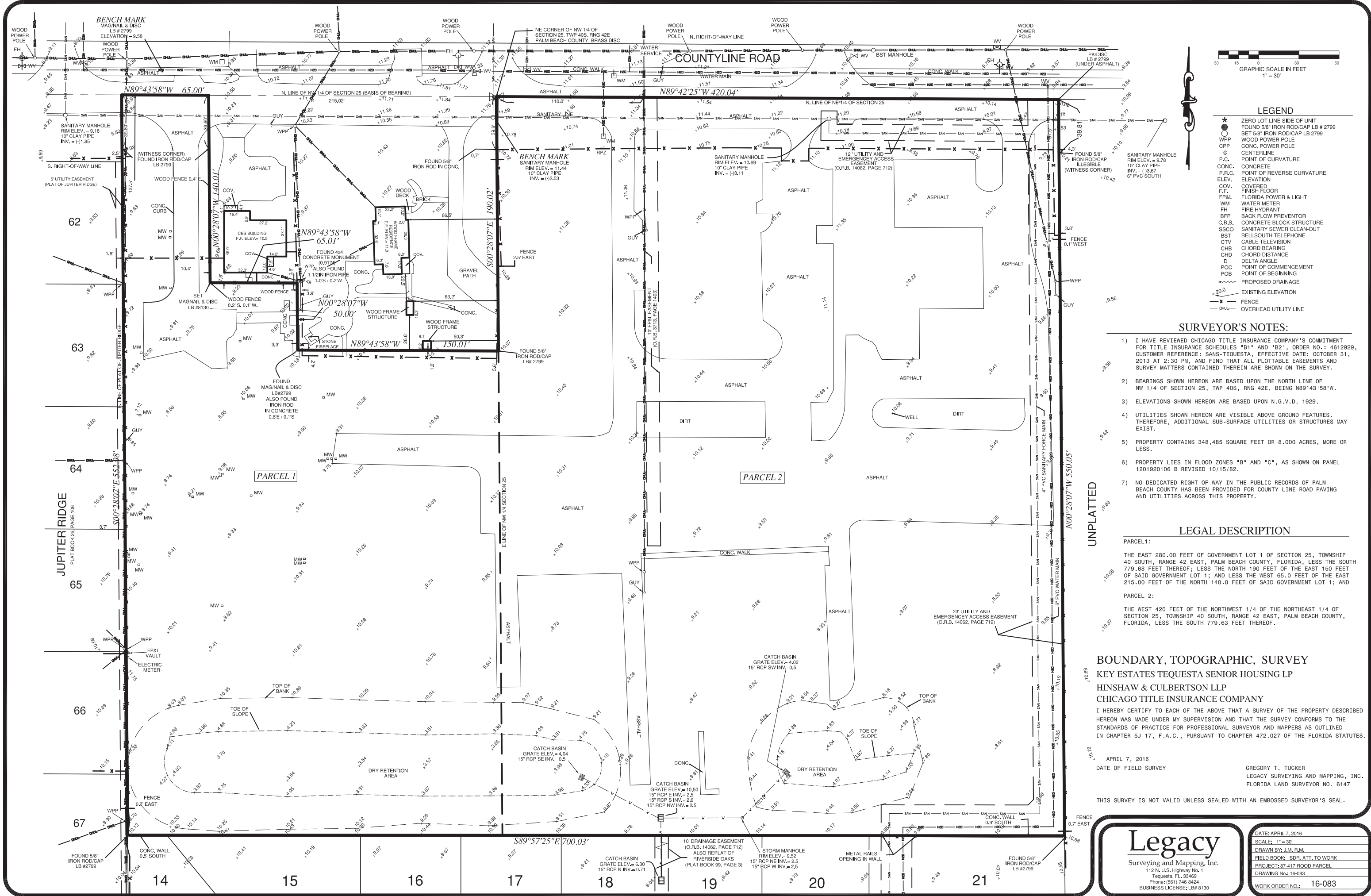
**Legal Description**

25-40-42, W 420 FT OF  
NW 1/4 OF NE 1/4  
(LESS S 779.63 FT)



# BOUNDARY SURVEY

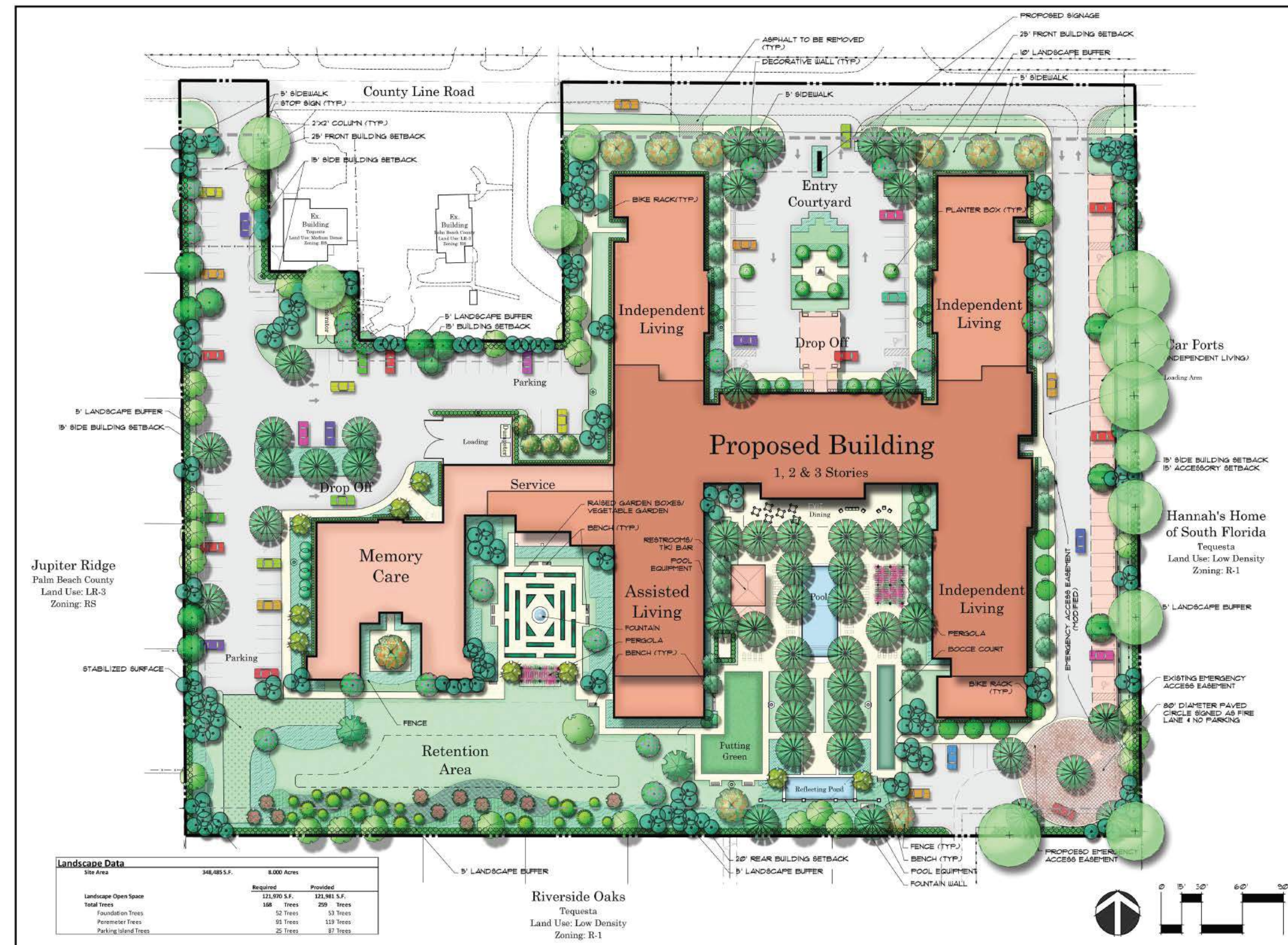
## TEQUESTA SENIOR HOUSING





# SITE PLAN OVERVIEW

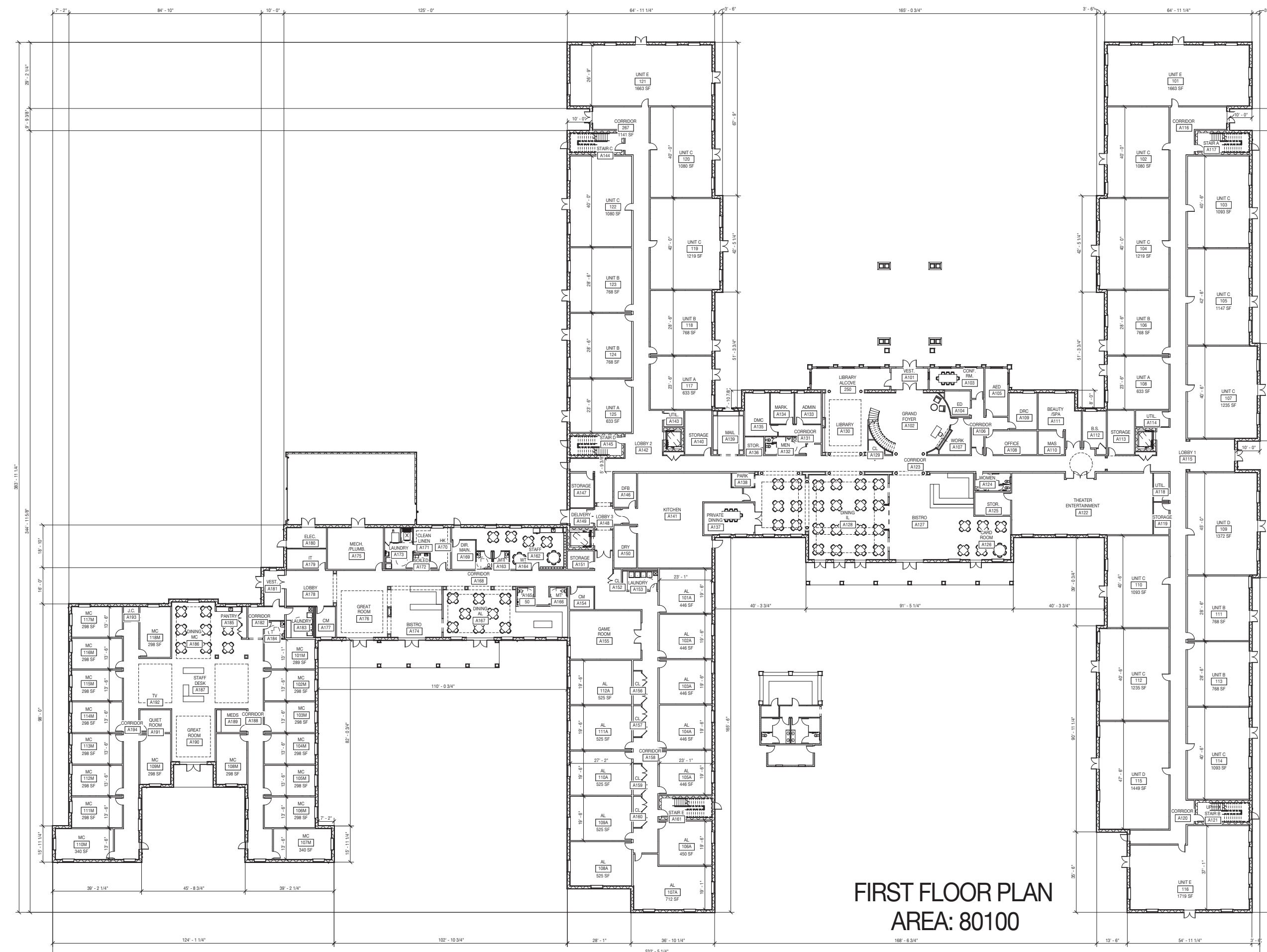
## TEQUESTA SENIOR HOUSING





# FIRST FLOOR LAYOUT

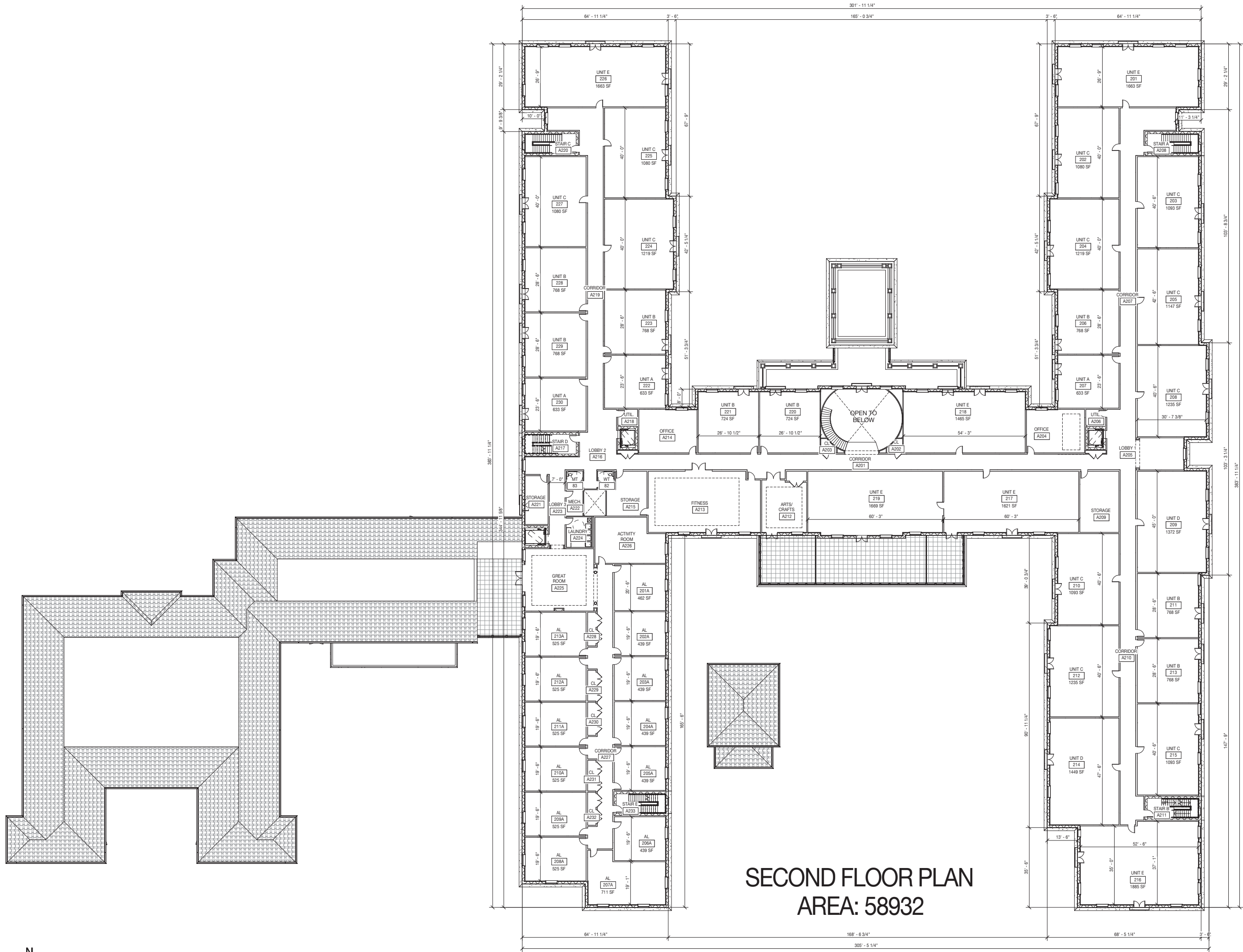
## TEQUESTA SENIOR HOUSING





# SECOND FLOOR LAYOUT

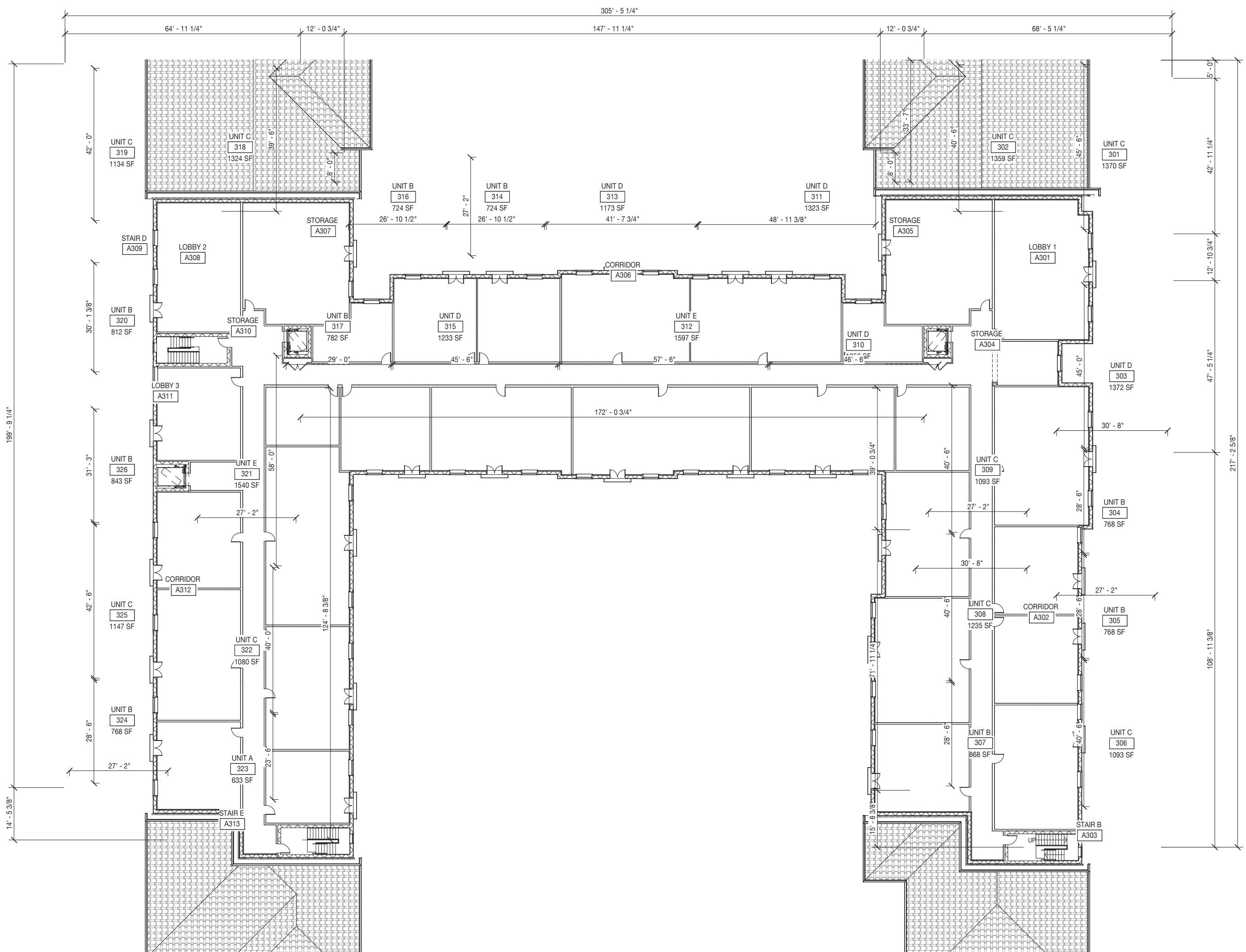
## TEQUESTA SENIOR HOUSING





# THIRD FLOOR LAYOUT

## TEQUESTA SENIOR HOUSING





# PROJECT SUMMARY AND TIMETABLES

CONFIGURATION	# Units	% 2 BR	# Residents	PROJECT TIMETABLES	Key Dates	Key Event Duration (months)
Assisted Living	25	0.0%	25	Entitlement Start	1/1/2015	
Memory Care	18	0.0%	18	Land Closing Date	8/1/2017	
Independent Living	81	32.1%	107	Entitlement End / Constr Start	January 1, 2020	60.0
Total / Average	124	21.0%	150	Construction Duration / End	7/1/2021	18.0
				Contingency Period End	8/31/2021	2.0
				Pre-Marketing Period End	10/1/2021	1.0
Total Square Footage (GSF)	178,054			Estimated Date of Opening	October 1, 2021	81.1
Total Square Footage per unit	1,436					

## TOTAL CAPITALIZATION AND RETURNS

INITIAL CAPITALIZATION	Interest Rates	Total	# % Total	PROJECTED RETURNS	Returns Summary
Equity Capital		\$13,445,224	29.1%	Proj Cash on Cash, NOI only	8.5%
Debt Capital				Proj Cash on Cash w/EF CF	8.5%
Construction Loan	7.00%	\$32,422,188	70.0%	Sales Cap Rate	6.50%
Remediation Debt	3.00%	\$450,000	1.0%		
Subtotal Debt		\$32,872,188	71.0%	LTV Target	to return equity
Total Project Capitalization		\$46,317,412	100.0%	DSCR, post refinancing	1.37
				Refinancing Month	36
REFINANCING ASSUMPTIONS	Rates	Total	% Total	Projected Returns, year 3	
Refinancing Month		36		Equity IRR, year 3	
Refinancing Proceeds, NET	6.00%	\$7,319,991	15.8%	Projected Value	
Amount of Mezzanine, if required	3.00%	\$-	0.0%	Premium to Cost	
Refinance Cap Rate		6.50%		Projected Returns, year 5	
Loan to Value		65.0%		Equity IRR, year 5	19.9%
DSCR, post-refinancing		1.37		Projected Value	
				Premium to Cost	
				Equity IRR, year 10	





AGEWELL CAPITAL  
PROJECT COSTS

PROJECT COST CATEGORIES	Total Costs	% Total	Per Sq. Ft.l	Per Total Unit	CAP LEASE VALUE (If applicable)	
			178,054	124	Cap Lease Value Summary, aft/tax:	
Site Acquisition	\$3,000,000				Cap Value	
Building Acquisition	\$-	0.0%	\$-	\$-	Cap Rate	
Other Acquisition Costs	\$-	0.0%	\$-	\$-		
Subtotal Acquisition Costs	\$3,000,000	6.5%	\$17	\$24,194	Key Stats with Cap Lease Value:	
Hard Costs					Total Costs	
Base Construction	\$25,817,830	55.7%	\$145	\$208,208	Total / Unit	
Premium Allowances	\$450,000	1.0%	\$3	\$3,629	ROI, Yr3	
Hard Cost Contingency	\$1,313,392	2.8%	\$7	\$10,592		
Subtotal Hard Costs	\$27,581,222	59.5%	\$155	\$222,429	SPACE PROGRAM SUMMARY	
					STATUS NOTES	SqFt
Design Costs	\$1,105,593	2.4%	\$6	\$8,916	Concierge Living	-
Interior Cost	\$2,517,756	5.4%	\$14	\$20,304	Assisted Living	14,750
General Development Costs	\$3,352,363	7.2%	\$19	\$27,035	Memory Care	5,760
Pre-Opening Marketing	\$460,000	1.0%	\$3	\$3,710	Independent Living	88,293
Preopening Operations	\$730,000				Other	-
Development and Other Fees	\$3,500,000	7.6%	\$20	\$28,226	Other	-
Financing Costs	\$1,093,444	2.4%	\$6	\$8,818	Commons / Back of House	69,251
Reserve Costs and Other					Utilized Porch	-
Operating Deficit Reserve	\$972,122	2.1%	\$5	\$7,840	Garage	-
Debt Service Funding	\$1,315,383	2.8%	\$7	\$10,608	Resident Storage	-
Other	\$-	0.0%	\$-	\$-	Subtotal Community	178,054
Retail Sales Proceeds, net	\$-	0.0%	\$-	\$-	Retail	-
Project Contingency	\$689,531	1.5%	\$4	\$5,561	Other	-
Total Project Costs	\$46,317,412	100.0%	\$260	\$373,528	Total w/Garage	178,054
					Total w/o Garage	178,054





# PROJECT CASHFLOW HIGHLIGHT

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	% Revenues
<b>Total Available Units</b>	<b>124.0</b>	<b>124.0</b>	<b>124.0</b>	<b>124.0</b>	<b>124.0</b>	<b>124.0</b>	<b>124.0</b>	
Average Unit Occup%	52.1%	87.9%	94.0%	94.0%	94.0%	94.0%	94.0%	
Total Units Occupied	64.6	108.9	116.6	116.6	116.6	116.6	116.6	
Total Average Residents	75.5	130.9	141.0	141.0	141.0	141.0	141.0	
Scheduled Market Rent	<b>\$5,128,661</b>	<b>\$9,243,105</b>	<b>\$10,586,656</b>	<b>\$10,904,256</b>	<b>\$11,231,383</b>	<b>\$11,568,325</b>	<b>\$11,915,375</b>	
Less Loss to Leased Units	\$-	\$-	\$-	\$-	\$-	\$-	\$-	
Less Concessions	\$-	\$-	\$-	\$-	\$-	\$-	\$-	
Total Scheduled Income	\$5,128,661	\$9,243,105	\$10,586,656	\$10,904,256	\$11,231,383	\$11,568,325	\$11,915,375	
Less Vacancy Loss	\$(45,677)	\$(356,183)	\$(780,954)	\$(804,382)	\$(828,514)	\$(853,369)	\$(878,970)	
<b>Effective Rental Income</b>	<b>\$5,082,984</b>	<b>\$8,886,922</b>	<b>\$9,805,702</b>	<b>\$10,099,873</b>	<b>\$10,402,869</b>	<b>\$10,714,956</b>	<b>\$11,036,404</b>	<b>92.6%</b>
Adult Day Care	\$-	\$-	\$-	\$-	\$-	\$-	\$-	
Other Income (incl 2nd)	\$1,120,861	\$952,801	\$789,734	\$803,296	\$827,395	\$852,217	\$877,784	<b>7.4%</b>
<b>Total Revenues</b>	<b>\$6,203,846</b>	<b>\$9,839,722</b>	<b>\$10,595,436</b>	<b>\$10,903,170</b>	<b>\$11,230,265</b>	<b>\$11,567,173</b>	<b>\$11,914,188</b>	<b>100.0%</b>
Operating Expenses	\$3,541,640	\$4,217,125	\$4,386,750	\$4,517,846	\$4,653,382	\$4,792,983	\$4,936,773	<b>41.4%</b>
Fixed Expenses	\$1,030,151	\$1,526,596	\$1,572,931	\$1,620,119	\$1,668,723	\$1,718,784	\$1,770,348	<b>14.9%</b>
Asset Management	\$-	\$-	\$-	\$-	\$-	\$-	\$-	<b>0.0%</b>
Base Management Fee	\$324,809	\$491,986	\$529,772	\$545,158	\$561,513	\$578,359	\$595,709	<b>5.0%</b>
<b>Net Operating Income</b>	<b>\$1,307,246</b>	<b>\$3,604,016</b>	<b>\$4,105,983</b>	<b>\$4,220,046</b>	<b>\$4,346,647</b>	<b>\$4,477,047</b>	<b>\$4,611,358</b>	<b>38.7%</b>





OPERATING CASHFLOW BREAKDOWN

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	% Revenues
Total Units Occupied	64.6	108.9	116.6	116.6	116.6	116.6	116.6	
Total Residents	75.5	130.9	141.0	141.0	141.0	141.0	141.0	
Scheduled Market Rent	\$5,128,661	\$9,243,105	\$10,586,656	\$10,904,256	\$11,231,383	\$11,568,325	\$11,915,375	
Effective Rental Income	\$ 5,082,984	\$ 8,886,922	\$ 9,805,702	\$ 10,099,873	\$ 10,402,869	\$ 10,714,956	\$ 11,036,404	92.6%
Total Revenues	\$ 6,203,846	\$ 9,839,722	\$ 10,595,436	\$ 10,903,170	\$ 11,230,265	\$ 11,567,173	\$ 11,914,188	100.0%
Subtotal Op Exp	\$ 3,541,640	\$ 4,217,125	\$ 4,386,750	\$ 4,517,846	\$ 4,653,382	\$ 4,792,983	\$ 4,936,773	41.4%
Growth Rate		19%	4%	3%	3%	3%	3%	





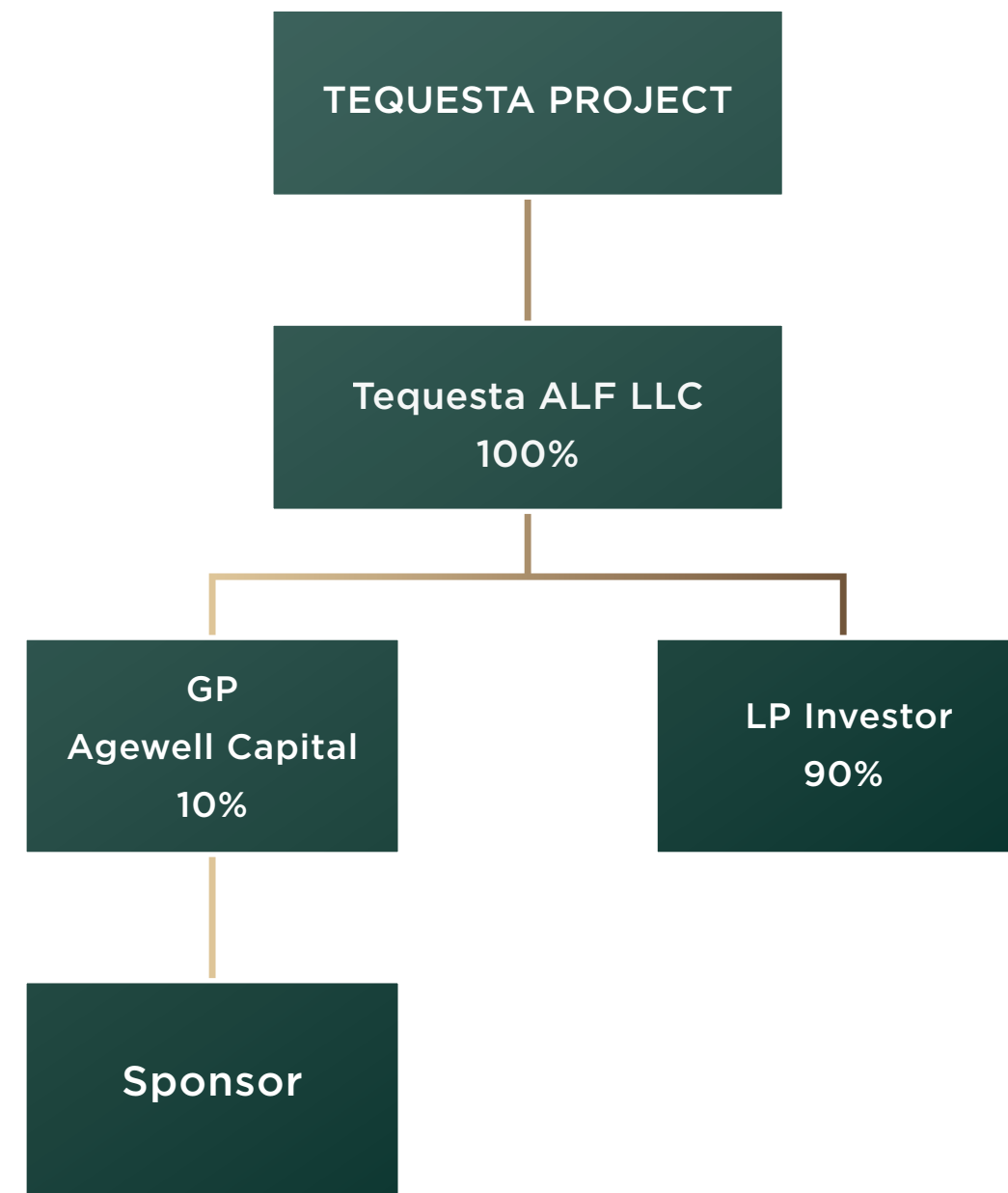
# AGEWELL CAPITAL

## STAFFING AND WAGE SUMMARY

	Year 1 FTEs	Year 2 FTEs	Year 3 FTEs	Staff Hrs Year 3	Year 3 % Total	Yr 1 Hrly Rate	Yr 1 Avg Salary	Staff/ Residents
Payroll Costs								141.0
Dietary	22.35	30.40	30.40	173.7	38.6%	\$ 14.65	\$ 30,463	
Transportation	1.88	2.00	2.00	11.4	2.5%	\$ 12.36	\$ 25,709	
Housekeeping	2.72	4.34	4.34	24.8	5.5%	\$ 12.36	\$ 25,709	
Concierge Living	1.00	1.00	1.00	5.7	1.3%	\$ 21.63	\$ 44,990	
Assisted Living	12.24	13.60	13.60	77.7	17.3%	\$ 15.02	\$ 31,248	
Memory Care	11.24	12.60	12.60	72.0	16.0%	\$ 14.16	\$ 29,453	
Administration (incl security)	6.60	6.60	6.60	37.7	8.4%	\$ 22.13	\$ 46,029	
Repairs & Maint	1.50	1.50	1.50	8.6	1.9%	\$ 18.88	\$ 39,277	
Sales & Marketing	2.00	1.50	1.50	8.6	1.9%	\$ 23.69	\$ 49,275	
Activities	5.20	5.20	5.20	29.7	6.6%	\$ 14.97	\$ 31,147	
Totals / Averages	66.72	78.74	78.74	449.9	100.0%	\$ 15.71	\$ 32,682	0.6
Healthcare Only	24.47	27.20	27.20	155.4	34.5%	\$ 14.90	\$ 30,986	
Non-Healthcare	42.25	51.54	51.54	294.5	65.5%	\$ 15.39	\$ 32,008	
Employee and Taxes Costs	% Payroll Year 1	% Payroll Year 2	% Payroll Year 3	Per FTE Year 1	Per FTE Year 2	Per FTE Year 3	% Total	
Payroll Taxes								
Workers Comp	9.150%	9.150%	9.150%	\$ 2,990	\$ 2,979	\$ 3,071	38.7%	
Health Insurance	4.000%	4.000%	4.000%	\$ 1,307	\$ 1,302	\$ 1,343	16.9%	
Other Benefit / Expense (OT)	9.500%	9.500%	9.500%	\$ 3,105	\$ 3,093	\$ 3,189	40.2%	
	1.000%	1.000%	1.000%	\$ 327	\$ 326	\$ 336	4.2%	
Totals / Averages	23.650%	23.650%	23.650%	\$ 7,729	\$ 7,700	\$ 7,938	100.0%	



# AGEWELL CAPITAL LIMITED PARTNER RETURNS



PROMOTE STRUCTURE METHOD	IRR
RETURN OF CAPITAL	Pari Passu
EQUITY CONTRIBUTIONS	%
Sponsor	10
LP Investors	90
Total Equity	100

PROMOTE STRUCTURE (IRR HURDLES)			Equity % Cashflow	Mgmt Promote % Cashflow
	Pref	Up to 12% IRR to LP	100%	0%
Hurdle 2	> 12% IRR to LP	Up to 16% IRR to LP	80%	20%
Hurdle 3	>16% IRR to LP	Up to 18% IRR to LP	70%	30%
Hurdle 4	>18% IRR to LP		60%	40%

## \*SUMMARY OF INVESTOR LEVEL RETURNS

### LIMITED PARTNER (LP) RETURNS

Total LP Distributions	\$	31,984,541
Total LP Contributions	\$	12,100,701
Total LP Profit	\$	19,883,839
LP IRR (5Y holding period)		18.1%
LP Equity Multiple		2.64

### GENERAL PARTNER (GP) RETURNS

Total GP Distributions	\$	7,229,530.25
Total GP Contributions	\$	1,344,522.36
Total GP Profit	\$	5,885,007.89
GP IRR (5Y holding period)		31.2%
GP Equity Multiple		5.38

\*Timeframe: 21-month construction duration, five years of operations, during which there is a debt refinancing after year 3





# AGEWELL CAPITAL

## EQUITY RETURNS

EQUITY CAPITAL SUMMARY		Totals	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
NOTE: Assuming Sale in Year 5 of Operations									
Equity Investments									
Institutional Investor	\$	(12,100,701)	\$(12,100,701)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Co-Investor Group	\$	(1,344,522)	\$(1,344,522)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Equity Investment	\$	(13,445,224)	\$(13,445,224)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cumulative			\$(13,445,224)	\$ (13,445,224)	\$ (13,445,224)	\$(13,445,224)	\$ (13,445,224)	\$ (13,445,224)	\$ (13,445,224)
Equity Distributions									
Institutional Investor	\$	31,984,541	\$ -	\$ -	\$ 402,211	\$ 1,297,427	\$ 7,892,295	\$ 952,930	\$ 21,439,677
Co-Investor Group	\$	3,553,838	\$ -	\$ -	\$ 44,690	\$ 144,159	\$ 876,922	\$ 105,881	\$ 2,382,186
Other	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Equity Distributions	\$	35,538,379	\$ -	\$ -	\$ 446,901	\$ 1,441,586	\$ 8,769,217	\$ 1,058,811	\$ 23,821,864
Cumulative			\$ -	\$ -	\$ 446,901	\$ 1,888,486	\$ 10,657,703	\$ 11,716,515	\$ 35,538,379
Equity Capital Balance			\$(13,445,224)	\$ (13,445,224)	\$ (12,998,323)	\$ (11,556,737)	\$ (2,787,520)	\$ (1,728,709)	\$ 22,093,155
Total Distributions									
Equity Distributions	\$	35,538,379	\$ -	\$ -	\$ 446,901	\$ 1,441,586	\$ 8,769,217	\$ 1,058,811	\$ 23,821,864
Promoted Interests	\$	3,675,692	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,675,692
Total Distributions	\$	39,214,071	\$ -	\$ -	\$ 446,901	\$ 1,441,586	\$ 8,769,217	\$ 1,058,811	\$ 27,497,556
Cumulative			\$ -	\$ -	\$ 446,901	\$ 1,888,486	\$ 10,657,703	\$ 11,716,515	\$ 39,214,071



# AGEWELL CAPITAL

## EQUITY RETURNS

### EQUITY PRIORITY DISTRIBUTION SUMMARY

	Equity	Equity	Return	Preference
	Investment	Participation	of Capital	Participation
Equity Capital				
Institutional Investor	12,100,701	90.00%	90.00%	90.00%
Co-Investor Group	1,344,522	10.00%	10.00%	10.00%
Other	-	0.00%	0.00%	0.00%
Other	-	0.00%	0.00%	0.00%
Total Equity Capital	13,445,224	100.00%	100.00%	100.00%
Cashflow Waterfall		IRR	Equity	Mgmt Promote
		Meter	% Cashflow	% Cashflow
I.	IRR Target <=	pari pasu	12.0%	0.0%
II.	Return of Capital			
III.	IRR Target <=	institutional only	16.0%	20.0%
IV.	IRR Target <=	institutional only	18.0%	30.0%
V.	IRR Target >	institutional only	18.0%	40.0%

### EQUITY CAPITAL SUMMARY

Sources of Equity	% Total	Equity Investment	Total Equity Distributions	Equity Multiple	Equity IRR
Institutional Investor	90.00%	\$ (12,100,701)	\$ 31,984,541	2.64	18.1%
Co-Investor Group	10.00%	\$ (1,344,522)	\$ 7,229,530	5.38	31.2%
Other	0.00%	\$ -	\$ -	-	0.0%
Other	0.00%	\$ -	\$ -	-	0.0%
Total Equity Capital	100.00%	\$ (13,445,224)	\$ 39,214,071	2.92	19.9%





# AGEWELL CAPITAL

## PRINCIPALS



ROBERT JAS

A highly experienced real estate and private equity executive with a decade long career in the financial industry. Mr. Jas established a loan portfolio while working with large financial institutions on behalf of private and corporate banking clients. He managed the placement of over \$1.5B in debt.



LAWRENCE L. LANDRY

General partner for a \$550 million limited partnership investing in senior housing communities. Previous Chief Investment Officer of the John D. and Catherine T. MacArthur Foundation, was responsible for the management of the Foundation's \$4 billion in public and private investments.



MARK C.  
LICHTENWALNER

An operations executive with extensive experience in the senior living industry. Previously directing four independent living/assisted living rental communities and three continuing care retirement communities (CCRCs) with total revenues of \$100M.



DAVID MILLS

With an extensive history of holding corporate positions within the senior living industry, David joined Mark and Larry at AgeWell Living in 2011 as the Executive Director of La Posada and was then promoted to his current position as Chief Operating Officer.



ANNE STUART

Interim EVP and CFO of a large post-acute company with revenues in excess of \$475M. Ms. Stuart was Executive Vice President and Chief Financial Officer at Care One, LLC, a privately held company with a large portfolio of sub-acute, rehabilitative and skilled nursing facilities in fifteen states with revenues approximately \$2B.





# CONSTRUCTION MANAGEMENT

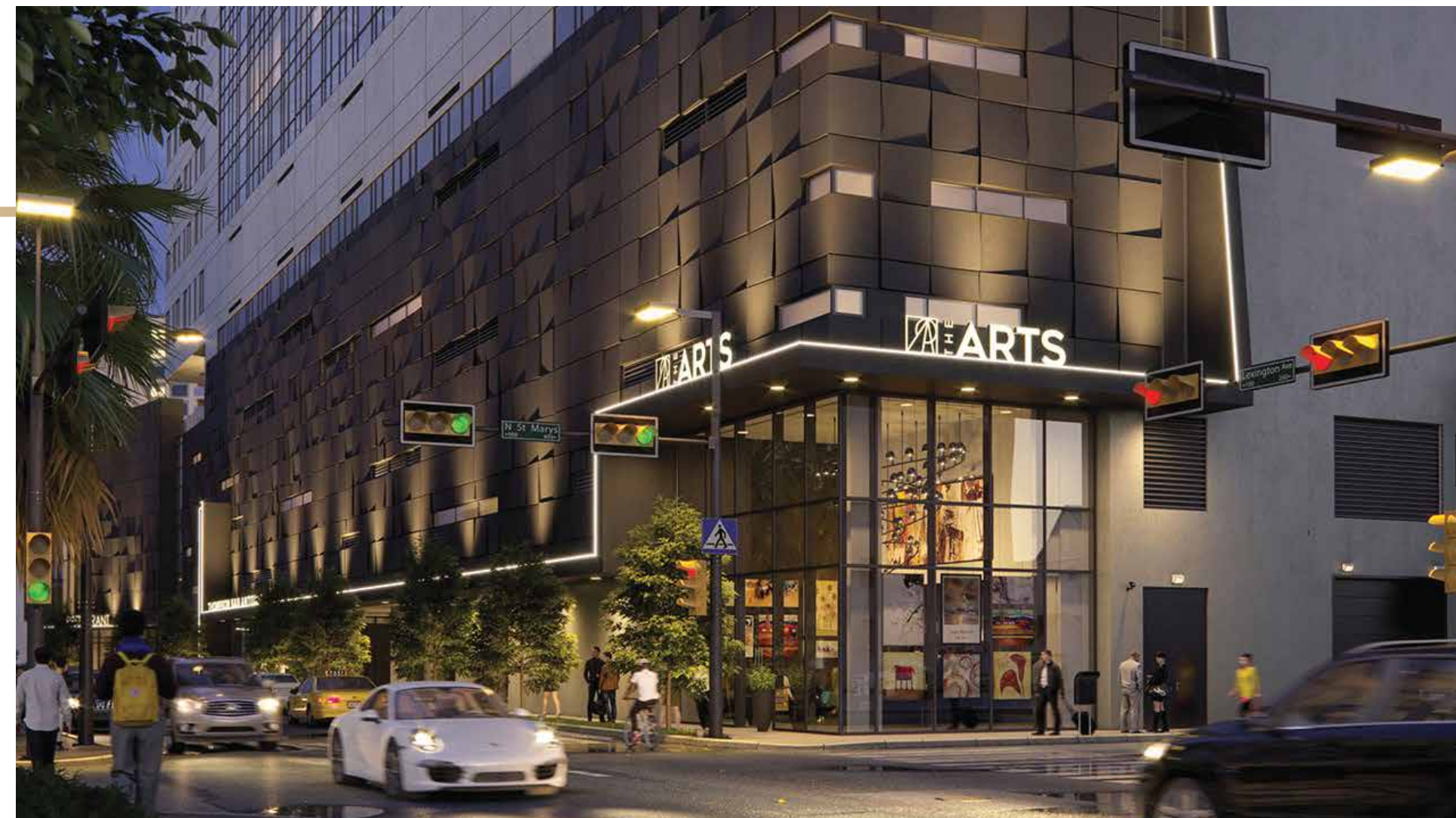


**JOHN HOPENGARTEN**  
CEO | WESTCHASE GROUP INC

Founder and President of Westchase Group, Inc. He has been in the design, construction and real estate development field since 1981. He was employed by the prestigious Vantage Companies of Houston, TX from 1981 to 1983. In 1983 he opened the Westchase Group as a small design and construction management firm and incorporated in 1985.



The Westchase Group, Inc. (1985) was established to provide design, construction management, project management and development services to many building owners and end users in the United States and abroad. Throughout the years, the Westchase Group, Inc. has been in the forefront of real property design and construction utilizing the most modern design techniques and state of the art building materials. With over 35 years of experience in the building business, The Westchase Group, Inc has provided all the necessary expertise.



THE ARTS RESIDENCES SAN ANTONIO





# WESTCHASE GROUP

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## PORTFOLIO SNAPSHOT



HILTON GARDEN INN HOUSTON-PEARLAND



RESORTS CASINO HOTEL ATLANTIC CITY



AUTUMN HOUSE MELBOURNE FL



POST OAK PLAZA HOUSTON





# PROCTOR CONSTRUCTION CO

## PORTFOLIO SNAPSHOT



Chairman and CEO, Donald C. Proctor, founded Proctor Construction Company with his father, Ennis H. Proctor, in 1976. Together, they built Proctor Construction Company from the ground up with a special emphasis on relationship building, honesty, and virtue.



COSTA D'ESTE BEACH RESORT & SPA



QUAIL VALLEY ON THE POINTE



IRMC SCULLY-WELSH CANCER CENTER



INDIAN RIVER MEDICAL CENTER ER





# MOSELEYARCHITECTS

## ABOUT THE ARCHITECTS

Moseley Architects has designed over 450 independent living, assisted living, skilled nursing, and memory care projects, as well as active adult communities, altogether totaling over 72,000 units. These projects range from one-story, fifteen-unit residences to 2,000-unit continuous care retirement communities (life plan communities). Our experience provides us with extensive expertise concerning the unique physical, emotional, and aesthetic needs of seniors. Relying on this knowledge, we design solutions that not only meet regulatory requirements, but also create facilities that residents are proud to call home.



Kate Bowers  
Director of Strategic Planning for  
Multifamily Housing and Senior Living



Mark Heckman  
Senior Living Principal



Dora Kay  
Senior Living Principal



Jennifer Lyon  
Operations Manager



Eka Rahardjo  
Senior Living Principal



Steve Ruiz  
Senior Living Sector Leader



Sherry Sabruno  
Operations Manager



Michael Stumpfoll  
Senior Living Principal





# MOSELEYARCHITECTS

## PORTFOLIO SNAPSHOT



SUNRISE SENIOR LIVING  
BROOMFIELD, COLORADO



ANN'S CHOICE  
WARMINSTER, PENNSYLVANIA



KENSINGTON SENIOR LIVING  
FALLS CHURCH, VIRGINIA



ASHBY PONDS  
ASHBURN, VIRGINIA



BASILE SENIOR HOUSING LIMITED  
JAMISON, PENNSYLVANIA

