

CRISTA SENIOR LIVING



Transparency and Disclosure Document

***IMPORTANT NOTE:** Due to the wide variety of living areas and care options available at CRISTA Senior Living, it is not possible to address every situation in a single document. This Transparency and Disclosure Document is intended to be used in conjunction with the Residency Agreement for the living area in which you are interested. Residency Agreements for all areas of CRISTA Senior Living are freely available upon request, and together with the information in this document they constitute the disclosure statement required by RCW 18.390.050.*

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Dear Friends,

At CRISTA Senior Living we are committed to maintaining transparency and giving prospective residents the tools they need to make well-informed decisions about their residency options. This document is designed to answer important questions such as:

- How stable is CRISTA Senior Living financially?
- What fees and contract provisions are there at CRISTA Senior Living?
- How does a resident transfer to another level of care?
- What happens if my financial resources are depleted?
- How is governance and management structured at CRISTA and CRISTA Senior Living?
- How many residents are served and what are your recent occupancy trends?

CRISTA Senior Living has a 70 year legacy of serving seniors and a commitment to excellent care rooted in our Christian faith. As an operator of Life Plan Communities (also known as a Continuing Care Retirement Communities or CCRCs), we serve seniors in many capacities and life situations. Our mission is to cultivate community where seniors experience grace, encounter love, and discover renewed purpose.

Jeremiah 29:11 says, “I know the plans I have for you, declares the Lord, plans for welfare and not for calamity, to give you a future and a hope.” We look forward to bringing you a future and a hope here at CRISTA Senior Living.

Sincerely,

Glen Melin

Vice President for CRISTA Senior Living

History of CRISTA Senior Living

Senior Living has been part of King's Garden/CRISTA since its earliest days. In 1948, founder Mike Martin negotiated with the King County Board of Commissioners to lease the former Firlands Tuberculosis Sanatorium grounds for use in his ministry to teens from broken homes. As a condition of the lease, the county required King's Garden to establish a "rest home" in order to help support the ministry while meeting the county's need for senior housing.



Senior Ministries was formally established in 1950 when King's Garden was granted a license for 20 patient beds. One of the existing Firlands buildings became the first home for senior residents in what would grow to become CRISTA Senior Living. By 1956, the number of licensed beds had grown to 98, and Senior Living originated the concept of levels of care.



The Crest Apartments were completed in 1964, adding 24 living units for relatively independent residents. In 1965, a new convalescent care infirmary was constructed, later renamed Poplar Court. Construction of the Royal Apartments in 1968 added 24 more independent units.

The emergence of Medicare and Medicaid in the 1960s created rapid growth in the field of long term care. In 1969, Senior Living planned an expansion to accommodate 225 licensed nursing beds and seven distinct levels of health care. By 1974, three new buildings had been constructed, including a new Nursing Care Center. In 1975, the original "rest home" building was renovated into 30 studio apartments and renamed the Ambassador Building.

Cristwood Park opened in 1984 with 199 independent apartments. The Good Samaritan Fund, a benevolent fund which assists residents who have outlived their resources, was also established in 1984. Over the past thirty-three years, the Good Sam Fund has provided over \$2.5 million in confidential resident assistance.

In 1985 a former convalescent unit was renovated into 16 assisted living studios, transforming Senior Living into a true CCRC, offering three distinct levels of care: independent living, assisted living and skilled nursing care. Thirty more assisted living units were added in 1991 through the renovation of a former nursing wing. By 1992, Senior Living included 277 independent apartments, 46 assisted living units, and 176 skilled nursing beds. Thirty-five more assisted living apartments were added to the Shoreline campus in 1998 in the new Chestnut Court building.



CRISTA's first off-campus expansion of its ministry to seniors was initiated in 1992 when the Board approved the purchase of an 8.5 acre waterfront site in Silverdale, Washington. The new facility, named Crista Shores, was completed in 1994 and features 99 independent living apartments and 58 assisted living units. Eleven of the assisted living apartments have been designated as "flex units" which are suitable for independent living, assisted living, or a combination of both for couples at different stages of care.

In 2020 the CRISTA Board determined that operation of a large skilled nursing facility was no longer in the best interest of our life plan community residents, and CRISTA Rehab & Skilled Care was closed in August 2020.

Including both the Silverdale and Shoreline campuses, CRISTA Senior Living now serves over 500 residents. Of the more than 2,000 CCRCs in the United States, CRISTA Senior Living is among the top 150 largest multi-site organizations.



CRISTA SENIOR LIVING

The CRISTA Senior Living Brand

CRISTA's ministry to seniors has updated its brand several times over the years. In 2014 the nomenclature and logos were updated throughout our ministry, creating the following structure:

CRISTA Senior Living refers to CRISTA's ministry to seniors on both the Shoreline and Silverdale campuses, as well as any future expansion. The CRISTA Senior Living Administration headquarters is located at 500 North 190th Street, Shoreline, WA 98133.

Cristwood Retirement Community refers to Senior Living's operations on the Shoreline campus. The primary market area includes North Seattle/King County and South Snohomish County. Cristwood Retirement Community is located at 19303 Fremont Ave N, Shoreline, WA 98133. Cristwood Retirement Community includes the following components:

- Cristwood Park: 197 independent living apartments on the lower portion of the campus
- Cristwood Garden: 78 independent living apartments on the upper campus
- The Courtyard at Cristwood: 87 assisted living units in three connected buildings, including dedicated memory care units

Crista Shores Retirement Community refers to Senior Living's operations on the Silverdale campus. The primary market area includes Kitsap County and an extended military outreach. Crista Shores is located at 1600 NW Crista Shores Lane, Silverdale, WA 98383. Crista Shores includes the following components:

- 99 independent apartments with views of Dyes Inlet
- The Courtyard at Crista Shores: 47 assisted living studios and 11 "flex units" offering independent or assisted living services



CRISTA is a family of ministries empowered to serve the needs of the World with the Gospel of Jesus Christ. CRISTA Ministries is comprised of several distinct ministries, including CRISTA Senior Living.

In the sphere of Christian ministry, CRISTA is unique in the breadth, depth, and range of influence and assistance it provides every day, everywhere. Through Christ-centered radio stations, senior care, schools, camps and international relief organizations, the impact of CRISTA extends from the home to the neighborhood, from the inner city to the world. In the years to come, by God’s grace, CRISTA will touch more lives than ever with compassion, inspiration and the very best care.



King’s Schools is located in Shoreline on the main CRISTA Ministries campus and serves students and families from pre-Kindergarten through 12th grade. King’s School is built on four pillars: academic excellence, Christian commitment, a caring community, and a rich heritage.

King’s Schools strives to prepare students for college and for lives committed to excellence for Christ. Rigorous academic curriculum, a broad range of elective choices, student involvement in community service projects and extracurricular activities are all designed as part of achieving that goal.



CRISTA Media sends a message of hope through four radio stations: SPIRIT 105.3, PRAISE 106.5, AM 630 KCIS, and SPIRIT 105.9.

SPIRIT 105.3 FM is fun, contemporary and music-intensive, consistently ranking in the top five of all Seattle area radio stations. AM 630 KCIS inspires and encourages through talk, teaching and classic Christian music. PRAISE 106.5 FM impacts north Puget Sound and the greater Vancouver, BC area with contemporary worship music along with in-depth teaching about walking with Jesus Christ. SPIRIT 105.9, the newest addition to CRISTA Media, is based in Austin, Texas.





The focus of Christian Veterinary Mission (CVM) is to challenge and empower veterinarians and veterinary students in over 30 countries to be instruments of Christ's love and to express that love through their skill in veterinary medicine.

To this end, CVM gives veterinary professionals the chance to take part in short-term or long-term missions, contributing essential help to people in developing nations who rely on animals for their livelihood. They also offer spiritual help, telling people about the redemption and salvation available in Jesus Christ. Additionally, veterinary-practice owners, professionals and veterinary students that are part of CVM in North America live out their faith at work and in their communities.

Through meeting physical needs, CVM introduces people to Jesus Christ, the only One who can meet all needs. CVM sends over 200 short-term volunteers to over 15 countries each year, and over 60,000 people hear the gospel through CVM fieldworkers each year.



World Concern works intimately with communities in some of the most neglected regions of the world, striving to abolish the core causes of poverty, emphasizing livelihood training, literacy and education. World Concern establishes beacons of hope in these communities: clean water, food, education and disaster assistance.

World Concern's staff of devoted professionals spans the globe and is dedicated to supporting the community they live in until the people can support themselves. Their special area of expertise is strengthening impoverished peoples. When the poor are given opportunities through education, small business and agricultural training programs and microloans to start small businesses, their families flourish and the entire community regains hope and stability.

World Concern is determined to do more than help with food and shelter. They want to give people the tools and skills to sustain their lives—and to do it all with the compassion and love of Jesus.



CRISTA Camps mean adventure, fun and relationships with each other and with Christ. Camps provide fun, Christ-centered programs and retreat facilities to youth groups. Although Camps' main focus is serving young people, Island Lake and Miracle Ranch also provide a perfect setting for group rentals and retreats.

Set in the stunning forests on the west side of Puget Sound, Miracle Ranch and Island Lake are a camper's paradise. Activities include boating, swimming, archery, marksmanship, paintball, horses, dirt bikes, high ropes and a skate park. Also, the counselor-in-training program gives youth hands-on leadership experience.

But even more than adventure, when young men and women come to Miracle Ranch or Island Lake, they get a chance to grow closer to Jesus Christ than they ever have before, or to meet Him for the first time. CRISTA Camps also serve over 200 inner-city kids each year, whom donors support through scholarships.

INFORMATION ABOUT CRISTA SENIOR LIVING

Governance & Management

CRISTA Senior Living, which operates the Cristwood campus in Shoreline as well as the Crista Shores campus in Silverdale, serves over 500 residents. Both campuses are Life Plan Communities, registered as Continuing Care Retirement Communities under the regulatory authority of Washington State RCW 18.390.

The Courtyard at Cristwood and The Courtyard at Crista Shores operate Assisted Living communities under Washington State licensure laws. Current DSHS surveys for our assisted living facilities are posted in each location and are available upon request.

CRISTA Senior Living is owned and operated by CRISTA Ministries, a Washington State not-for-profit organization that is legally responsible for its management and operation. CRISTA Senior Living has no legal affiliations with other operating entities that would affect the direction of the organization's affairs.

Members of the CRISTA Board of Trustees serve three year terms and must rotate off the board for at least one year after serving two consecutive terms. The board has a membership committee that nominates new members to the full board. Current members of the board are listed online at www.crista.org/about/crista-leadership, in the CRISTA Ministries Annual Report (available upon request) and at the end of this document.

Resident Access to Management

Residents may access management through Resident Council meetings, which convene to communicate changes and information, and provide residents with the opportunity to ask questions. Administrative leaders in each area attend Resident Council meetings and respond to questions from Council members and guests.

The Resident Handbook describes avenues for resident input including discussion with Resident Council committees, contact with the relevant department head(s), dialogue with administrative leaders, and access to a formal grievance process if the resident is not satisfied.

Residents from all areas of Senior Living have access to the Senior Living Advisory Committee to communicate praises or concerns. The members of the Advisory Committee, including those who serve on the CRISTA Board of Trustees, are listed in this Transparency and Disclosure document, and are also available on request or on the Senior Living website at www.cristaseniorliving.org. Residents are welcome to provide written input to the Advisory Committee via the Senior Living Administrative Office (see address above). Residents can request the opportunity to speak with an Advisory Committee member by calling their respective community manager.

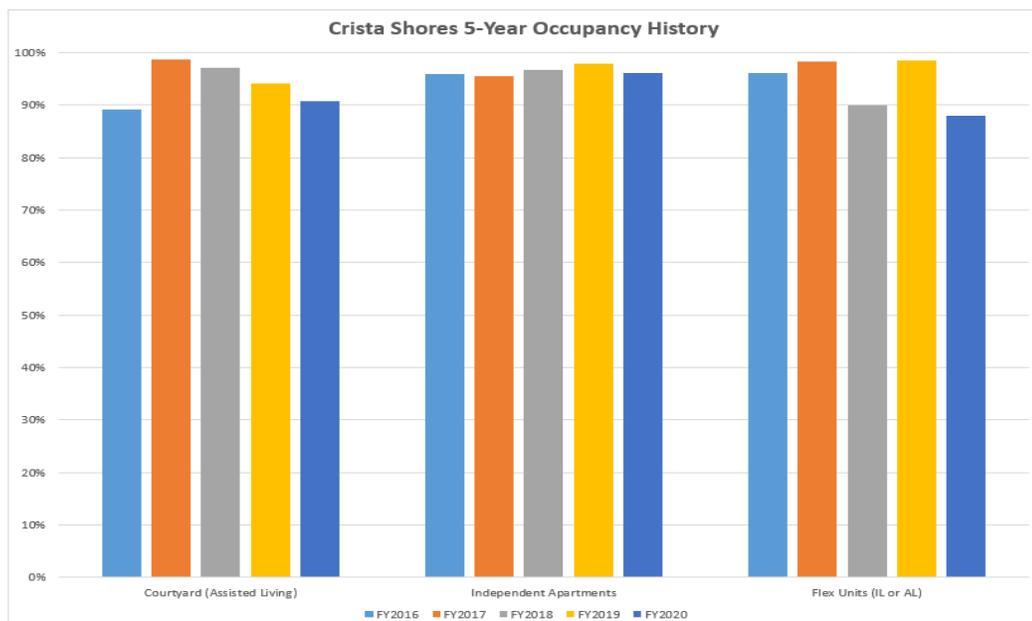
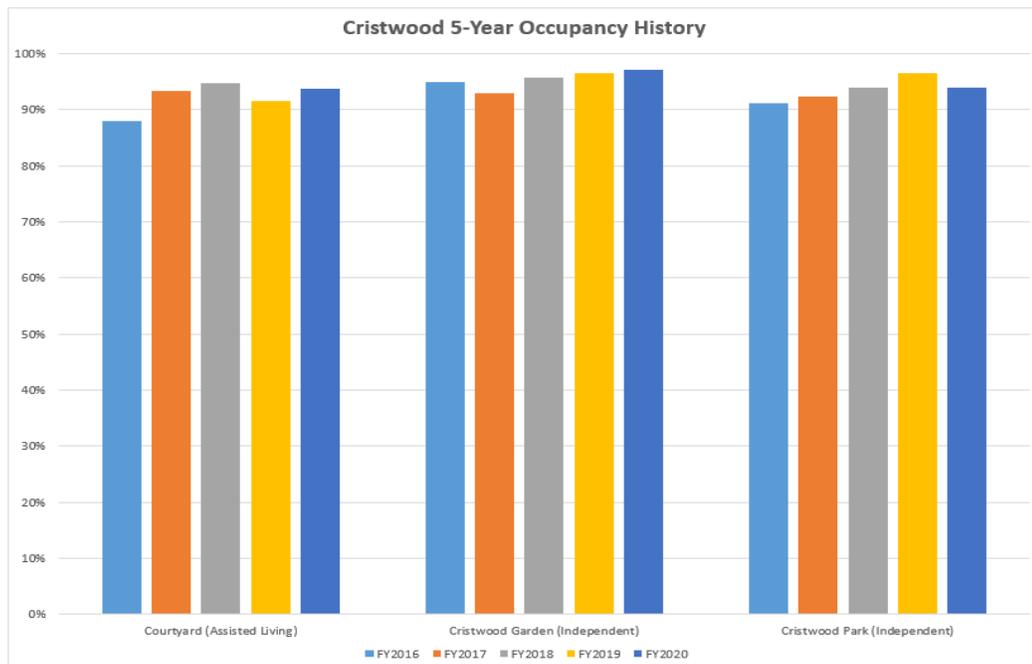
In addition to periodic communications from CRISTA Ministries and CRISTA Senior Living, residents receive regular newsletters written by staff covering current topics of interest, which are distributed with the activity calendar. The intent of these newsletters is to keep residents well informed and to deepen the sense of community.

CRISTA Senior Living supports an open door policy and residents are encouraged to bring ideas, suggestions, concerns or complaints to the community managers or any member of the management team. All resident input will be treated respectfully and (when appropriate) confidentially.

Resident Access to Financial Information

CRISTA Ministries is a single not-for-profit corporation which prepares a single consolidated annual financial report. The audited CRISTA financial reports contain financial information about CRISTA Senior Living, which comprises both Cristwood Community in Shoreline and Crista Shores Community in Silverdale. CRISTA Senior Living residents may receive a copy of the audited CRISTA financial statement upon request. The most recent annual report is available at www.crista.org/about/accountability.

CRISTA Senior Living Occupancy Trends



CRISTA Senior Living
Consolidated Revenue/Expense Analysis
Fiscal Year Ending 06/30/2019

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Senior Living Administration			
Revenue from Operations	14,167	22,800	(8,634)
Cost of Operations	14,167	22,801	8,634
Income/(Loss) from Operations	(0)	(0)	0
CRISTA Rehab & Skilled Care			
Revenue from Operations	14,917,159	16,798,725	(1,881,566)
Cost of Operations	17,291,363	17,811,044	519,681
Income/(Loss) from Operations	(3,401,658)	(1,633,807)	(1,767,851)
Cristwood Courtyard			
Revenue from Operations	5,855,118	5,724,208	130,910
Cost of Operations	5,704,193	5,458,305	(245,888)
Income/(Loss) from Operations	234,687	534,965	(300,279)
Cristwood Garden			
Revenue from Operations	1,391,866	1,429,082	(37,216)
Cost of Operations	1,350,644	1,355,586	4,942
Income/(Loss) from Operations	167,811	116,570	51,241
Cristwood Park			
Revenue from Operations	8,817,552	8,640,084	177,468
Cost of Operations	6,855,376	6,871,488	16,112
Income/(Loss) from Operations	1,731,631	1,350,478	381,154
Crista Shores			
Revenue from Operations	8,211,625	7,961,747	249,878
Cost of Operations	7,177,658	7,227,304	49,646
Income/(Loss) from Operations	944,345	760,409	183,936
Total Senior Living			
Revenue from Operations	39,207,487	40,576,646	(1,369,158)
Cost of Operations	38,393,400	38,746,528	353,128
Income/(Loss) from Operations	814,088	1,830,118	(1,016,030)
Net Other Revenue	65,171	65,820	(649)
Net Income/(Loss)	879,258	1,895,938	(1,016,680)

NOTE: Financial data includes CRISTA Rehab & Skilled Care; this facility announced closure in June 2020.

Fees and Financial Policies

Fees for each living area and/or level of care are detailed in the published rate sheets. Terms governing potential refunds of fees, including refund schedules for various entrance fee options, are included in the respective Residency Agreements. Fees are typically adjusted annually on July 1 at the beginning of CRISTA's fiscal year; residents are provided with 60 days written notice prior to any adjustment in basic monthly fees.

Resident Resources

Choosing to move to a Life Plan Community has significant financial implications. By entering into the Residency Agreement, a prospective resident of CRISTA Senior Living warrants that in the resident's judgment, the resident's income and assets are adequate to meet the resident's financial obligations to the community and to cover the resident's personal and incidental expenses during the period of residency. The community may, in its discretion, terminate the agreement if the resident fails to pay the monthly fee or any other charges under the agreement. For more information, please refer to the Residency Agreement.

When a resident's resources run low and there is concern about meeting their financial obligations, the administrative leader of the resident's living area will be happy to review their financial options. The administrative leader can work with the resident to find solutions to help conserve resources, such as downsizing, etc.

If the resident has done all he or she can to conserve resources and still needs financial assistance, he or she may make application to the Good Samaritan Fund, our in-house benevolent fund. A resident who paid an entrance fee to CRISTA Senior Living will be eligible for consideration under this policy from the date of admission, provided he/she meets all the conditions described in the application and provided that funds in the Good Samaritan Fund are currently available. Availability of financial assistance is not guaranteed. A resident who chose the month-to-month rental option and did not pay an entrance fee will not be eligible for consideration under this policy during the first five years of residency. A resident on the month-to-month rental option may be eligible for consideration under this policy during years six through nine of residency if the resident is able and willing to cover at least 50% of the amount the Good Samaritan Fund would normally cover. A resident on the month-to-month rental option who has resided at CRISTA Senior Living for at least ten years will be eligible for consideration under this policy under the same terms as a resident who paid an entrance fee.

Resident Access to Health Care

Residents of CRISTA Senior Living have priority access to the licensed health care facilities operated by CRISTA. Residents pay the current published rates for care in those facilities unless the resident has previously paid an entrance fee and entered into a Residency Agreement that includes a Health Benefit (see Residency Agreements for details regarding the Health Benefit). If the Health Benefit is provided at an outside facility arranged for by CRISTA, the following limits will apply:

- For skilled nursing care, each Health Care Day is based on semi-private occupancy and shall not exceed the published private rate at the facility in question.
- For assisted living care, each Health Care Day shall not exceed the highest room rate at The Courtyard at Cristwood, or the base tier when rates are based on tiered services.

As a result of the closure of CRISTA Rehab & Skilled Care, the residents of our skilled nursing facility were outplaced to other facilities. No residents utilizing their Health Benefit under the terms of their residency agreement were affected by the outplacements. In the past three years, only one CRISTA Senior Living resident has been placed off-site for the Health Benefit due to lack of available capacity at the continuing care retirement community.

Changes in Levels of Care

Specific language related to changes in levels of care is contained in the Residency Agreement for the resident's living area. Current Residency Agreement terms for residents in the Independent Apartment areas of CRISTA Senior Living include the following:

CRISTA operates and has arrangements with licensed assisted living and skilled nursing facilities, as appropriate and available. Residents of the Community have priority access over nonresidents to the facilities operated by CRISTA.

Except as provided in the Health Benefit (if applicable), the fees for care at the Community's assisted living and outside skilled nursing facilities are separate and in addition to the Monthly Fee.

Care in the Community's facilities shall be subject to the rules and regulations then applicable for those facilities, including but not limited to Christian Principles for End-of-Life Care which is available upon request.

If, at any time, you are unable to meet the Community's requirements of residency (see Resident Handbook for more information on residency requirements), despite reasonable accommodations, CRISTA reserves the right to transfer you to the Community's assisted living

or to another setting that provides the services you need, if the alternate setting is available and you meet the setting's admission requirements. CRISTA will notify you, your family and your attending physician, of any changes in your mental or physical condition that require additional services or different types of services, which Community does not provide. CRISTA will discuss the transfer with you, your family, your physician and other relevant persons, as deemed appropriate by Community. The purpose of joint discussion of the transfer is to make the best decision for you under the circumstances. In the event of a dispute regarding necessity of your transfer or whether a transfer is temporary or permanent, CRISTA shall make the final determination.

You may need to leave the Community for hospitalization or other health-related services, if CRISTA determines that: (1) CRISTA does not have adequate facilities or staff to provide the services, medical care, or other care required by you, (2) you require services which CRISTA does not provide or is not licensed to provide or (3) your continued occupancy of your Residence presents a danger or health hazard to you or others or is detrimental to the peace or security of other residents.

In the event of any move under this Section, you shall be responsible for all relocation expenses. If you use CRISTA personnel to move to the new facility or apartment, you will be charged the then-current hourly rate for additional maintenance services.

Resident Expectations

Under the terms of Washington State RCW 18.390, a resident considering entering into a continuing care retirement community is entitled to the following expectations:

- (a) Transparency regarding the financial stability of the provider operating the facility;
- (b) Timely notifications of developments affecting the facility, including ownership changes of the provider operating the facility, a change in the financial condition of the provider operating the facility, and construction and renovation at the facility. The management of the continuing care retirement community may deem certain information confidential if it is of a sensitive nature such that disclosure of the information would materially harm the position of the continuing care retirement community;
- (c) Reasonable accommodations for persons with disabilities;
- (d) The opportunity to participate freely in the operation of independent resident organizations and associations;
- (e) The opportunity to seek independent counsel review of all contracts, including residency agreements, prior to executing the residency agreement; and

(f) The assurance that all requests for donations, contributions, and gifts, when made by residents to the continuing care retirement community, are voluntary and may not be used as a condition of residency.

Independent residents have the right, as an affected party, to file a complaint with the attorney general for violations of RCW 18.390 that may constitute a violation of the consumer protection act. Concerns or complaints related to the consumer protection act may be submitted online at www.ftc.gov/complaint.

CRISTA Senior Living Leadership Team



Glen Melin, Vice President for CRISTA Senior Living

Washington State Licensed Nursing Home Administrator; Washington State Licensed Assisted Living Administrator; Leading Age Washington President; B.A. degrees in Physics and Germanic Language & Literature; Washington University in St. Louis; with CRISTA since July 1988.

Kondi Kulisewa, Senior Director of Clinical Services

Washington State Licensed Nursing Home Administrator; The Coaches Training Institute, CTI Certification; Type Resources Level 1 Facilitator; B.S. Mechanical Engineering, Walla Walla University; with CRISTA since 2018.

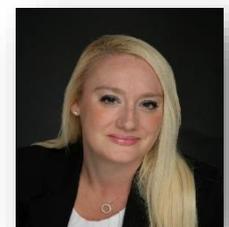


Lynn Norton, Senior Director of Finance & Business Management

Bachelor of Arts in Finance & Economics, University of Washington Michael G. Foster School of Business; Masters of Business Administration, Seattle Pacific University. Trained in Six Sigma management techniques for process improvement; with CRISTA since 2019.

Brandi Smith, Senior Director of Residential Operations

Washington State Licenced Assisted Living Administrator. Certifications: Project Management, CompTIA; Master Coach Certification, Ulysses Learning; Lean Methodolgy Change Agent, LEAN Enterprise Institute. BS degree in Business Management; Western Governor's University; with CRISTA since 2016.



Tim Graves, Executive Director of Crista Shores

Attended University of Illinois, College of Engineering; Associate Degree Computer Systems & Networking Technologies, Vatterott College, Sunset Hills, MO; LeadingAge Washington, Leadership Institute Fellow; with CRISTA since 2010.

CRISTA Senior Living Advisory Committee

Advisory Committee members are appointed by the CRISTA Board chair to serve for a term of 3 years. Advisory Committee meetings are held three times a year.

The 2020-2021 Senior Living Advisory Committee members are:

Randy Trettevik, Chair

Brad Decker

Kent Halvorson

Theresa Casey

CRISTA Ministries Board of Trustees

Dennis Guhlke, Chair

Jill Going, Vice Chair

Dale Cowles, Secretary

Kevin Gabelein, Treasurer

Angela Anderson

James Broughton

Craig Campbell

Theresa Casey

Brad Decker

Francisca Engmann

Greg Fast

Kent Halvorson

George Petrie

Dr. Bill Rishel

Mike Skinner

Jacinta Tegman, CEO CRISTA Ministries

Randy Trettevik

Warren Van Genderen