

# CONTINUING CARE RETIREMENT COMMUNITY DISCLOSURE STATEMENT

Date Prepared: 4/30/2024

Facility Name: Royal Oaks

Address: 1763 Royal Oaks Drive North | Zip Code: 91010

Phone: 626-359-9371

Provider Name:

HumanGood California Obligated Group

Facility Operator: HumanGood California Obligated Group

Religious Affiliation: Nonsectarian

Year Opened: 1959 # of Acres: 18.5 Miles to Shopping Center: 1 Miles to Hospital: 6

 Single Story     Multi-Story     Other: Both
**Number of Units: 233**

| Residential Living   | Number of Units | Health Care      | Number of Units |
|----------------------|-----------------|------------------|-----------------|
| Apartments – Studio: | 18              | Assisted Living: | 27              |
| Apartments – 1 Bdrm: | 56              | Skilled Nursing: | 48              |
| Apartments – 2 Bdrm: | 68              | Special Care:    |                 |
| Cottages/Houses:     | 16              | Description:     |                 |

RLU Occupancy (%) at Year End: 92.4%

**Type of Ownership:**  Not for Profit  
 For Profit

**Accredited?**  Yes By:  
 No

**Form of Contact:**  Continuing Care     Life Care     Entrance Fee     Fee for Service  
 (Check all that apply)  Assignment of Assets     Equity     Membership     Rental

**Refund Provisions:**  Refundable     90%     50%  
 (Check all that apply)  Repayable     75%     Other: Fully Amortized

**Range of Entrance Fees:** \$73,000 - \$1,148,000

**Long-Term Care Insurance Required?**  Yes     No

**Health Care Benefits Included in Contract:** Limited

**Entry Requirements:** Min Age: 62    Prior Profession: N/A    Other:

**Resident Representative(s) to, and Resident Members on, the Board:**

(briefly describe provider's compliance and residents' roles):

See attachment note 1.

All providers are required by Health and Safety Code section 1789.1 to provide this report to prospective residents before executing a deposit agreement or continuing care contract or receiving any payment. Many communities are part of multi-facility operations which may influence financial reporting. Consumers are encouraged to ask questions of the continuing care retirement community that they are considering and to seek advice from professional advisors.

## Facility Services and Amenities

| Common Area Amenities      | Available                           | Fee for Service                     | Services Available   | Included in Fee                     | For Extra Charge                    |
|----------------------------|-------------------------------------|-------------------------------------|--|-------------------------------------|-------------------------------------|
| Beauty/Barber Shop         | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Housekeeping ( <u>2</u> Times/ Month at \$ <u>33</u> /hr each) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Billiard Room              | <input type="checkbox"/>            | <input type="checkbox"/>            |  |                                     |                                     |
| Bowling Green              | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | Meals ( <u>3</u> /Day)   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Card Rooms                 | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | Special Diets Available  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Chapel                     | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |  |                                     |                                     |
| Coffee Shop                | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | 24-Hour Emergency Response                                     | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Craft Rooms                | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | Activities Program   | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Exercise Room              | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | All Utilities Except Phone                                     | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Golf Course Access         | <input type="checkbox"/>            | <input type="checkbox"/>            | Apartment Maintenance  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Library                    | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | Cable TV   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Putting Green              | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | Linens Furnished   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Shuffleboard               | <input type="checkbox"/>            | <input type="checkbox"/>            | Linens Laundered   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Spa                        | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | Medication Management  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Swimming Pool – Indoor     | <input type="checkbox"/>            | <input type="checkbox"/>            | Nursing/Wellness Clinic  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Swimming Pool – Outdoor    | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | Personal Home Care   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Tennis Court               | <input type="checkbox"/>            | <input type="checkbox"/>            | Transportation – Personal                                      | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Workshop                   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | Transportation – Prearranged                                   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Other: <u>Comp. Center</u> | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <u>Other: <u>Wifi &amp; Phone</u></u>                          | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |

**Provider Name:** HumanGood California Obligated Group

| Affiliated CCRCs       | Location (city, state) | Phone (with area code) |
|------------------------|------------------------|------------------------|
| See attachment note 2. |                        |                        |
|                        |                        |                        |
|                        |                        |                        |
|                        |                        |                        |
|                        |                        |                        |
|                        |                        |                        |
|                        |                        |                        |
|                        |                        |                        |

| Multi-Level Retirement Communities | Location (city, state) | Phone (with area code) |
|------------------------------------|------------------------|------------------------|
|                                    |                        |                        |
|                                    |                        |                        |
|                                    |                        |                        |
|                                    |                        |                        |
|                                    |                        |                        |

| Free-Standing Skilled Nursing | Location (city, state) | Phone (with area code) |
|-------------------------------|------------------------|------------------------|
|                               |                        |                        |
|                               |                        |                        |
|                               |                        |                        |
|                               |                        |                        |
|                               |                        |                        |

| Subsidized Senior Housing | Location (city, state) | Phone (with area code) |
|---------------------------|------------------------|------------------------|
|                           |                        |                        |
|                           |                        |                        |
|                           |                        |                        |
|                           |                        |                        |
|                           |                        |                        |

**NOTE:** Please indicate if the facility is a life care facility.

**Provider Name:** HumanGood California Obligated Group

| <b>Income and Expenses [Year]</b>  | <b>2020</b> | <b>2021</b> | <b>2022</b>  | <b>2023</b> |
|--|-------------|-------------|--------------|-------------|
| <b>Income from Ongoing Operations</b>  |             |             |              |             |
| <b>Operating Income</b><br>(Excluding amortization of entrance fee income)             | 260,661,000 | 267,457,000 | 303,351,000  | 299,511,000 |
| <b>Less Operating Expenses</b><br>(Excluding depreciation, amortization, and interest) | 246,893,000 | 260,942,000 | 287,078,000  | 290,260,000 |
| <b>Net Income From Operations</b>  | 13,768,000  | 6,515,000   | 16,273,000   | 9,251,000   |
| <b>Less Interest Expense</b>   | 12,946,000  | 11,288,000  | 14,639,000   | 16,642,000  |
| <b>Plus Contributions</b>  | 1,361,000   | 1,142,000   | 1,838,000    | 2,537,000   |
| <b>Plus Non-Operating Income (Expenses)</b><br>(Excluding extraordinary items)         | 20,567,000  | 13,881,000  | (38,135,000) | 48,116,000  |
| <b>Net Income (Loss) Before Entrance Fees, Depreciation And Amortization</b>           | 22,750,000  | 10,250,000  | (34,663,000) | 43,262,000  |
| <b>Net Cash Flow From Entrance Fees</b><br>(Total Deposits Less Refunds)               | 35,186,000  | 55,564,000  | 70,319,000   | 70,904,000  |

**Description of Secured Debt** (as of most recent fiscal year end)

| <b>Lender</b>          | <b>Outstanding Balance</b> | <b>Interest Rate</b> | <b>Date of Origination</b> | <b>Date of Maturity</b> | <b>Amortization Period</b> |
|------------------------|----------------------------|----------------------|----------------------------|-------------------------|----------------------------|
| See attachment note 3. |                            |                      |                            |                         |                            |
|                        |                            |                      |                            |                         |                            |
|                        |                            |                      |                            |                         |                            |
|                        |                            |                      |                            |                         |                            |

**Financial Ratios** (see last page for ratio formulas)

| <b>Financial Ratios [Year]</b>     | <b>CCAC Medians 50th Percentile (optional)</b> | <b>2021</b> | <b>2022</b> | <b>2023</b> |
|------------------------------------|--|-------------|-------------|-------------|
| <b>Debt to Asset Ratio</b>         |  | 44.29%      | 43.42%      | 39.84%      |
| <b>Operating Ratio</b>             |  | 99.77%      | 91.19%      | 90.40%      |
| <b>Debt Service Coverage Ratio</b> |  | 3.91        | 3.97        | 3.69        |
| <b>Days Cash On Hand Ratio</b>     |  | 484         | 409         | 463         |

**Provider Name:** HumanGood California Obligated Group

**Historical Monthly Service Fees (Average Fee and Change Percentage)**

| <b>Residence/Service [Year]</b> | <b>2020</b> | <b>%</b> | <b>2021</b> | <b>%</b> | <b>2022</b> | <b>%</b> | <b>2023</b> | <b>%</b> |
|---------------------------------|-------------|----------|-------------|----------|-------------|----------|-------------|----------|
| Studio                          | 2,490       | 4.30%    | 2,596       | 4.25%    | 2,739       | 5.50%    | 2,955       | 7.9%     |
| One Bedroom                     | 3,836       | 4.30%    | 3,999       | 4.25%    | 4,219       | 5.50%    | 4,552       | 7.9%     |
| Cottage/House                   | 5,925       | 4.30%    | 6,177       | 4.25%    | 6,517       | 5.50%    | 7,032       | 7.9%     |
| Assisted Living                 | 6,767       | 4.30%    | 6,843       | 4.25%    | 7,476       | 5.50%    | 8,314       | 7.9%     |
| Skilled Living                  | 323/day     | 4.30%    | 337/day     | 4.25%    | 356/day     | 5.50%    | 384/day     | 7.9%     |
| Special Care                    |             |          |             |          |             |          |             |          |

**Comments from Provider:**

See attachment note 4 for additional information.

**Financial Ratio Formulas**

**Long-Term Debt to Total Assets Ratio**

$$\frac{\text{Long Term Debt, less Current portion}}{\text{Total Assets}}$$

**Operating Ratio**

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

**Debt Service Coverage Ratio**

$$\frac{\text{Total Excess of Revenues Over Expenses + Interest, Depreciation, and Amortization Expenses + Amortization of Deferred Revenue + Net Proceeds from Entrance Fees}}{\text{Annual Debt Service}}$$

**Days Cash On Hand Ratio**

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

**NOTE:** These formulas are also used by the Continuing Care Accreditation Commission. For each formula, that organization also publishes annual median figures for certain continuing care retirement communities.

**Disclosure Statement Attachment**  
**For Disclosure Statements Reporting on the year ended December 31, 2023**

**Note 1:**

The 9 member Board includes 1 resident from the CCRCs in the obligated group. Resident Council Presidents from each of the CCRCs are invited to attend all meetings of the HumanGood Board and are provided with the related board materials in advance.

**Note 2:**

| <b>Other CCRCs</b>              | <b>Location (City, State)</b> | <b>Phone (with area code)</b> |
|---------------------------------|-------------------------------|-------------------------------|
| Piedmont Gardens                | Oakland, CA                   | 510-654-7172                  |
| Plymouth Village                | Redlands, CA                  | 909-793-1233                  |
| Redwood Terrace                 | Escondido, CA                 | 760-747-4306                  |
| Regents Point                   | Irvine, CA                    | 949-854-9500                  |
| Rosewood                        | Bakersfield, CA               | 661-834-0620                  |
| Royal Oaks                      | Bradbury, CA                  | 626-359-9371                  |
| Terraces at Los Altos           | Los Altos, CA                 | 650-948-8291                  |
| Terraces of Los Gatos           | Los Gatos, CA                 | 408-356-1006                  |
| Terraces at San Joaquin Gardens | Fresno, CA                    | 559-439-4770                  |
| Valle Verde                     | Santa Barbara, CA             | 805-687-1571                  |
| Westminster Gardens             | Duarte, CA                    | 626-358-2569                  |
| White Sands La Jolla            | La Jolla, CA                  | 858-454-4201                  |

**Note 3:**

| <b>Lender</b>      | <b>Outstanding Balance</b> | <b>Interest Rate</b> | <b>Date of Origination</b> | <b>Date of Maturity</b> | <b>Amortization Period</b> |
|--------------------|----------------------------|----------------------|----------------------------|-------------------------|----------------------------|
| Norcal Series 2015 | \$35,635,000               | 2% to 5%             | 5/28/2015                  | 2045                    | 30 years                   |
| Socal Series 2015  | \$40,025,000               | 5.17%                | 12/17/2015                 | 2036                    | 20 years                   |
| Series 2019        | \$155,440,000              | 3% to 5%             | 8/1/2019                   | 2044                    | 25 years                   |
| Series 2020        | \$105,695,000              | 5.41% to 6.85%       | 10/1/2020                  | 2036 to 2047            | 16 to 27 years             |
| Series 2021        | 100,780,000                | 3% to 5%             | 9/1/2021                   | 2035 to 2049            | 14 to 28 years             |

**Note 4:**

\* Financial data is taken from the supplementary information in the audited combined financial statements of the HumanGood California Obligated Group. Assisted Living and Memory Care includes a care component. Rates disclosed are actual averages for our contracted resident population.