



## **THE VILLAGE AT ORCHARD RIDGE**

A National Lutheran Community

### **DISCLOSURE STATEMENT OF THE VILLAGE AT ORCHARD RIDGE, INC.**

The filing of this disclosure with the State Corporation Commission does not constitute approval, recommendation, or endorsement of the Community by the State Corporation Commission.

Dated: April 29, 2022

**NAME OF PROVIDER:**

THE VILLAGE AT ORCHARD RIDGE, INC. ("The Village at Orchard Ridge" or "Orchard Ridge")

**BUSINESS ADDRESS OF PROVIDER:**

400 Clocktower Ridge Drive  
Winchester, Virginia 22603

**NAME OF FACILITY:**

THE VILLAGE AT ORCHARD RIDGE

**BUSINESS ADDRESS OF FACILITY:**

The Village at Orchard Ridge  
400 Clocktower Ridge Dr.  
Winchester, VA 22603

**LEGAL ENTITY:**

The Village at Orchard Ridge, Inc. ("TVOR") is a Virginia nonstock, non-profit corporation incorporated on September 25, 2008, and is affiliated with the Evangelical Lutheran Church in America. There is a single class of Members of TVOR consisting of the duly elected members of the Board of Trustees of National Lutheran, Inc. ("NLI"), a Maryland non-stock, non-profit corporation, as that Board of Trustees may from time to time be constituted. The Board of Directors of TVOR is elected by the Members of TVOR. The Board of Directors of NLI is elected by its own Members, which are the Delaware-Maryland Synod, the Metropolitan Washington, DC Synod, and the Virginia Synod of the Evangelical Lutheran Church in America.

**OFFICERS OF THE VILLAGE AT ORCHARD RIDGE**

The officers as of April 29, 2022 were as follows:

Chair: Rev. Nathan Robinson  
416 Stonecrest Dr.  
Woodstock, VA 22664  
E: [Pastorr@shentel.net](mailto:Pastorr@shentel.net)  
Emanuel Lutheran Church  
127 E. High St.  
Woodstock, VA 22664  
(C) 540-333-2117

Immediate Past Chair: Dr. Rachel Carlson  
2273 Hunting Ridge Rd.  
Winchester, VA 22603

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478-284-6975

Secretary/Treasurer: Matthew S. Akers, Esquire  
McCarthy and Akers  
302 W. Boscawen Street  
Winchester, VA 22601  
T: 540-722-2181  
F: 540-722-2381  
Email: [makers@mccarthyakers.com](mailto:makers@mccarthyakers.com)

President/CEO: Ms. Cynthia A. Walters  
National Lutheran Communities & Services

5275 Westview Drive, Suite 110  
Frederick, MD 21703

## **MEMBERS OF THE BOARD OF DIRECTORS**

The Board of Directors of Orchard Ridge as of April 2022 are as follows:

The Rev. Nathan Robinson  
Home Mailing Address:  
416 Stonecrest Dr.  
Woodstock, VA 22664  
E: [Pastorr@shentel.net](mailto:Pastorr@shentel.net)  
Emanuel Lutheran Church  
127 E. High St.  
Woodstock, VA 22664  
(C) 540-333-2117

Catherine R. Philips  
142 Hawthorne Drive  
Winchester, VA 22601  
478-284-6975

Matthew S. Akers, Esquire  
McCarthy and Akers  
302 W. Boscawen Street  
Winchester, VA 22601  
T: 540-722-2181  
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Email: [makers@mccarthyakers.com](mailto:makers@mccarthyakers.com)

Cynthia A. Walters, President/CEO  
5275 Westview Drive, Suite 110  
Frederick, MD 21703

Gail O. Mazzocco  
400 Clocktower Ridge Dr., Apt. 2319  
Winchester, VA 22603-3885

## **BUSINESS EXPERIENCE OF THE PROVIDER, DIRECTORS, CORPORATE OFFICERS, AND MANAGEMENT OF PROVIDER:**

### **The Provider – The Village at Orchard Ridge**

Orchard Ridge has an exemption from federal income tax under section 501(c)(3) of the Internal Revenue Code. The duly elected representatives of the Board of Trustees of NLCS, which constitute the Member of Orchard Ridge, also constitute the Member of The Village at Rockville (TVAR) a Maryland corporation, The Legacy at North Augusta (TLNA) a Virginia corporation, The Village at Augsburg (TVAA) a Maryland corporation, and The Village at Providence Point (TVPP) a Maryland corporation. TVAR owns and operates a skilled nursing care, assisted living, and a Continuing Care Retirement Community (CCRC) in Rockville, Maryland. TLNA is an assisted living community that provides rental, residential care, and assisted living apartments in Staunton, VA. TVAA owns a residential Continuing Care Retirement Community (CCRC) in Gwynn Oak, MD. The Village at Providence Point is a proposed CCRC development in Annapolis, MD, that has received its Preliminary Certificate of Authority from the Maryland Department of Aging. NLCS also provides Home Care services in Winchester, Virginia, doing business as myPotential at Home-Virginia, A National Lutheran Service. NLCS and Orchard Ridge, TVAR, TLNA, TVAA, and TVPP have in place Management and Services agreements under which NLCS provides management services to each of the communities.

### **Corporate Officers and Directors**

Listed below is information regarding the education, occupation, and business experience of each Director.

#### **Rev. Nathan Robinson**

Rev. Nathan Robinson is the pastor of Emanuel Lutheran Church in Woodstock, Virginia. He holds a Master of Divinity from Boston University School of Theology. He and his wife Kylen reside in Woodstock and have one daughter. Pastor Robinson's accomplishments have been the oversight of expanding faith, attendance, and programs while at Emanuel. He has served as treasurer to the Woodstock Chamber of Commerce and was also named Citizen of the Year for Woodstock by the Chamber. Within the life of the Virginia Synod, Pastor Robinson has served on the committee of discipline for the Virginia Synod and chosen as a representative to be trained in mission redevelopment for the Virginia Synod. He currently serves as a member of the Virginia Synod's Stewardship Table. In addition to his passion for family and the church, you may find him in his "free time" on the golf course.

## **Gail O. Mazzocco**

Gail O. Mazzocco, a resident at The Village at Orchard Ridge—A National Lutheran Community, joined the Board of Directors in 2019. Mrs. Mazzocco served as a consultant to the North Carolina Foundation for Nursing Excellence. She developed a statewide plan for admission requirements to 12 University of North Carolina System R.N. to BSN Programs. Before this, Mrs. Mazzocco served in senior positions in the School of Nursing at the University of North Carolina, Chapel Hill, and the School of Nursing at the University of Maryland.

Mrs. Mazzocco has been active in community and church life, serving in various capacities. She served as president and vice-president of the congregational council at Christ Lutheran Church in Cumberland, Maryland, and Holy Trinity Lutheran Church and Campus Ministry, Chapel Hill, North Carolina, respectively. She also served as chair of the health cabinet at Holy Trinity. She has served as vice president of the Maryland Nurses' Association, chair of the Allegany College of Maryland Foundation Board, a member of the Board of Trustees of The Memorial Hospital, Cumberland, Maryland, and chair of the Board of Directors, Fearrington Cares, Pittsboro, North Carolina.

Since moving to The Village at Orchard Ridge, Mrs. Mazzocco has been an active member of the Residents' Association, serving a two-year term as vice president, chair of the finance workgroup, and several support activities.

Mrs. Mazzocco received her EdD from the College of Education, the University of Maryland, College Park, Maryland; major in higher education administration; M.S. from the University of Maryland School of Nursing, Baltimore, Maryland, major in medical-surgical nursing; B.S. in Nursing, University of Maryland School of Nursing, Baltimore, Maryland; diploma in nursing from Massachusetts General Hospital School of Nursing, Boston, Massachusetts.

## **Catherine Phillips**

Catherine R. Philips (Cathy) is a Community and Civic Leader who currently serves as the Education Chair of the Winchester Medical Center Auxiliary Board while also a member of the Junior Century Club and the Little Garden Club of Winchester. Previously, Ms. Philips has held numerous officer, board, and committee member positions with Quota International of Winchester, Chatmoss Country Club, Piedmont Arts, The Martinsville Garden Club, First United Church, the Macon (GA) Symphony Orchestra, and the Oxford College of Emory University.

Ms. Philips received her Master of Social Work from the University of Georgia in 1987 and her Bachelor of Arts degree in Sociology from Emory University in 1985. Ms. Philips also earned an Associate of Arts degree from the Oxford College of Emory University in 1983.

Ms. Philips had significant prior professional experience as a Renal Social Worker and Clinical Social Worker at Riverside Health System and Riverside Rehabilitation Institute in Newport News, VA, respectively; as a Clinical Social Worker for the Inpatient Alcohol and Drug Treatment Program at the Hampton VA Medical Center; and as a Clinical Social Worker at the VA Medical Center in

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Atlanta, GA.

### **Matthew Akers**

Matthew S. Akers is a founding partner of McCarthy & Akers, PLC, where his practice focuses on civil and commercial litigation, appellate law, construction law, contracts, and real estate, including planning and land use, and zoning. He also serves as the Town Attorney for the Town of Mount Jackson and is the general counsel to many non-profit and for-profit organizations.

Mr. Akers received his J.D. from the Ave Maria School of Law in Ann Arbor, Michigan, where he served as Executive Solicitations Editor of the Ave Maria Law Review. After graduation from law school, Mr. Akers clerked for the Honorable James L. Ryan, United States Court of Appeals for the Sixth Circuit. He earned his Bachelor of Arts degree from Christendom College in Front Royal, Virginia, where he majored in Philosophy with minors in Economics and Theology.

Mr. Akers has recently served as Vice President and Board Member of the New Eve Maternity Home and on the Board of the Adult Care Center of the Northern Shenandoah Valley. He currently serves as a member of the Finance Committee of St. John the Baptist Catholic Church and as Board Member of the Istituto del Sacro Cuore.

Biographical information included in Management Personnel of Facility below.

### **Management Personnel of Facility**

#### **Ms.. Cynthia A. Walters, CEO, NLCS** ***Chief Executive Officer***

Cyndi Walters was named president and chief executive officer (CEO) of National Lutheran Communities and Services (NLCS) in May 2021, assuming the position full time in August 2021. Prior to this role, she served as chief operating officer (COO) since 2016.

Cyndi has served at NLCS in varying capacities for nine years; first as a consultant before joining as chief operating officer in 2016. Cumulatively, Walters has over 30 years of experience in the senior living industry including a strong background in strategically growing and diversifying the organization and an enhanced focus on operating as a senior-living system and leveraging its benefits and efficiencies. Prior to joining NLCS, she provided project management and advisory services to senior living organizations through Walters Advisors, LLC. She has also served in a leadership role at Presbyterian Senior Living in Dillsburg, Pennsylvania, and during her 19 years at KPMG (a global network of professional firms providing audit, tax, and advisory services), spent considerable time as a partner and leader of their National Senior Living Advisory Practice.

As president and CEO, Cyndi's focus is strategically growing and furthering NLCS' mission to

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honor, inspire and support choice and opportunity in partnership with older adults. Cyndi is an advocate for “aging with choice,” which means supporting older adults in making their own choices in aging, whether it means moving to a senior living community or bringing in supportive services to their home. She is also an advocate for team members across the organization and leads a team dedicated to ensuring NLCS remains a Great Place to Work® and an employer of choice for those who have a heart to serve older adults.

Cyndi is a native of the Harrisburg, Pennsylvania area and holds a Bachelor of Science degree from York College of Pennsylvania.

**Mr. John Loop** *Executive Director*

John Loop, the Executive Director, joined The Village at Orchard Ridge in April of 2021. He has over 15 years of experience leading dynamic Life Plan Community (also known as CCRC) operations in the Mid-Atlantic region. Most recently, he served as the director of health services for Falcons Landing Military Retirement Community in Sterling, Virginia. While there, he was responsible for all health care operations within this leading retirement community, including multiple deficiency-free health inspections and recognition by “U.S. News and World Report” as a high-performing nursing home and assisted living in 2019 and 2020. Prior to Falcons Landing, he served as the executive director of Timbercrest Senior Living Community, a Life Plan Community with 200 IL apartments and villas, assisted living and skilled nursing in North Manchester, Indiana. In his service to other organizations in the senior living industry, he has held leadership roles within Asbury Methodist Village and Erickson Living, responsible for over \$200 million of development and program growth.

Throughout his career, he has worked alongside great leaders, mentors, and colleagues. He believes that leadership is the cornerstone of any organization and maintaining open communication lines with team members and residents is key to organizational strength and growth. He believes that these values contribute to people living the best and fullest lives.

**Ms. Allison Combs** *NLCS Sales & Marketing Director*

Having served in a variety of sales and marketing positions within National Lutheran Communities & Services since 2011, Allison Combs became the NLCS Sales & Marketing Director in January 2018. Allison supports sales and census development initiatives across all NLCS entities and is also responsible for developing and executing all marketing strategies across NLCS.

As a life-long resident of the Winchester area, Allison brings with her over 15 years of working with non-profit organizations, including five years at her alma mater Shenandoah Valley Christian Academy in Stephens City, Virginia as the marketing and development director and almost two years as a sales counselor at another continuing care retirement community (CCRC).

Allison holds a Bachelor of Arts degree in Mass Communication from Shenandoah University in Winchester, Va.

**Ms. Rebecca Lipscomb** *Sales Director*

Rebecca Lipscomb joined The Village at Orchard Ridge as Sales Director in May 2018. Rebecca's experience prior to joining Orchard Ridge includes over 20 years of specialized sales, marketing, public relations, and interior design experience working with individual clients, senior living organizations and continuing care retirement communities (CCRCs) in the northern Shenandoah Valley. With a B.A. in broadcast communications and a certificate in gerontology, Rebecca is a passionate and outspoken advocate for resident-focused care that supports the aspirations, well-being, and lifestyle goals of older adults throughout all stages of the aging continuum. Most recently, Rebecca was selected as a Fellow in the LeadingAge DC, Delaware, Maryland, and Virginia Leadership Academy. Rebecca will complete her fellowship through 2019 and 2020.

Rebecca moved to Winchester in 2004 and is no stranger to The Village at Orchard Ridge. She was a featured speaker on rightsizing at community outreach events during the earliest phases of Orchard Ridge's sales and construction. Rebecca has also spoken at LeadingAge Virginia on the importance of branding, repositioning, and strategic interior design to help communities keep pace with aging consumers' aspirations for choice, independence, and quality of life.

Rebecca's senior living sales and design experience also includes direct sales and consultation with individual clients in the greater Winchester area and beyond, assisting with planning for and executing their transition from a private residence to a community setting. She was the co-founder of an interior design firm that completed significant projects in accordance with culture change, Green House, and other thought-leadership initiatives to enhance the quality of life, choice, and independence of senior living residents across the continuum of care. To this end, Rebecca's firm completed more than 20 transformative interior design initiatives at regional CCRCs throughout the northern Shenandoah Valley and at numerous Veterans Administration community living centers across Maryland, New York, and Pennsylvania.

Rebecca has a deep passion for cultivating relationships with clients and their families as well as referral partners, leveraging her ability to quickly build strong rapport to provide solutions to the challenges that seniors are facing.

## **ACQUISITION OF GOODS AND SERVICES**

Orchard Ridge provides, through its own organization and staff, the actual services contracted for under the Residence and Services Agreement. *See **Attachment A**.*

NLCS provides certain management functions on behalf of Orchard Ridge, there is no other management company, or third party involved. The Provider has no subsidiary companies, agencies, and/or arrangements with vendors and suppliers of service from which it purchases  
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supplies or services. The procurement of supplies and services is made with established vendors and qualified professionals, and is based, among other things, on professional credentials, availability, proximity, reputation, quality of merchandise and/or service, continuity of supply and/or service, competitive prices, etc. Negotiation for best rates will be made when it is felt appropriate. Bids may be called for in specific situations, but the decision will not be governed exclusively by the lowest bidder.

## **BENEFICIAL AND/OR EQUITY INTERESTS OF DIRECTORS, CORPORATE OFFICERS, AND MANAGEMENT**

No Officer or Director, or member of the management of Orchard Ridge or its parent or sister corporation has any beneficial or equity interest in Orchard Ridge or its parent or sister corporation. The following Corporate Officers serve in their respective positions by Board appointment:

Chairman:	Rev. Nathan Robinson
Secretary/Treasurer:	Mr. Matthew S. Akers
President/CEO:	Ms. Cynthia A. Walters

Directors of Orchard Ridge nor of its parent and related corporations, except for the President/CEO, receive any compensation. They serve voluntarily on a rotating basis for the period of three years, with a maximum of two, three-year terms. The President/CEO of NLCS serves as an ex-officio member of the Orchard Ridge Board. Each Director completes an annual disclosure statement attesting to any potential areas of conflict of interest and to the extent of any business dealings they may have with the corporation. These disclosure statements are kept on file in the corporate office of NLCS.

## **CRIMINAL, CIVIL, AND REGULATORY PROCEEDINGS AGAINST PROVIDER, DIRECTORS, CORPORATE OFFICERS, AND MANAGEMENT**

Neither Orchard Ridge, nor its parent or related corporations, its Officers, Directors, or Management:

1. Has been convicted of a felony or pleaded nolo contendere to a criminal charge, or been held liable or enjoined in a civil action by final judgment, if the crime or civil action involved fraud, embezzlement, fraudulent conversion, misappropriation of property or moral turpitude; or
2. Is subject to an injunctive or restrictive order of a court of record, or within the past five years had any state or federal license or permit suspended or revoked as a result of an action brought by a governmental agency or department, arising out of or related to business activity or health care, including without limitation actions affecting a license to operate a foster care facility, nursing home, retirement home, home for the aged or facility registered under this chapter or similar laws in another state; or
3. Is currently the subject of any state or federal prosecution, or administrative investigation involving allegations of fraud, embezzlement, fraudulent conversion, or misappropriation of property.

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## **OWNERSHIP OF REAL PROPERTY**

The land on which the Community was constructed was purchased by Orchard Ridge on October 2, 2009.

## **LOCATION AND DESCRIPTION OF REAL PROPERTY**

The Community known as Orchard Ridge (the "Community") is located on approximately 131 acres in Winchester, VA, north of U.S. Route 50 and West of the State Route 37 Winchester bypass. The physical address of the Community is 400 Clocktower Ridge Drive, Winchester, VA 22603.

Opening in 2013, Orchard Ridge includes 308 Independent Living residences consisting of 207 one- and two-bedroom apartments; 69 two-bedroom cottages; as well as 32 rental apartment units, 20 Skilled Nursing beds and 18 Assisted Living Memory Care beds. Square footage of the apartment residences ranges from approximately 786 to 949 square feet in the one-bedroom apartments to approximately 1,170 to 1,502 square feet in the two-bedroom apartments. The cottages range from approximately 1,339 to 1,702 square feet. The community has commenced renovations to add 17 studio, one- and one-bedroom with den assisted living apartments. Expected to be completed by late summer or early fall of 2022, these assisted living apartments range from 711 to 807 square feet. Included in the Community is a Village Center with several amenities including a chapel, main dining rooms, private dining room, a bistro and pub, aquatic center, fitness center, mailroom, libraries, life enrichment areas, a guest suite, beauty salon and spa.

## **AFFILIATIONS WITH RELIGIOUS, CHARITABLE, OR OTHER NON-PROFIT ORGANIZATIONS**

The Village at Orchard Ridge, Inc. ("TVOR") is a Virginia nonstock, non-profit corporation and is affiliated with the Evangelical Lutheran Church in America. There is a single class of Members of TVOR consisting of the duly elected members of the Board of Trustees of National Lutheran, Inc. ("NLI"), a Maryland nonstock, non-profit corporation d/b/a National Lutheran Communities & Services, as that Board of Trustees may from time to time be constituted. The Board of Directors of TVOR is elected by the Members of TVOR. The Board of Directors of NLI is elected by its own members, which are the Delaware-Maryland Synod, the Metropolitan Washington, DC Synod, and the Virginia Synod of the Evangelical Lutheran Church in America.

Orchard Ridge and its related corporations are members of LeadingAge, an organization composed of similar continuing care retirement communities that have joined together for the purposes of continuing education, facility management, professional exchange of ideas effectuating stronger purchasing power and the like. Orchard Ridge and its related corporations are also members of Lutheran Services in America ("LSA"). LSA is an alliance of the Evangelical Lutheran Church in America, The Lutheran Church - Missouri Synod, and their related social ministry organizations. LSA strengthens and adds value to the ministries of its member organizations. Orchard Ridge is also a Member of LeadingAge Virginia.

## **TAX STATUS OF PROVIDER**

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Orchard Ridge is exempt from federal income tax under section 501(c) (3) of the Internal Revenue Code. Its parent, NLCS, is also exempt from federal income tax under section 501(c) (3) of the Internal Revenue Code. Orchard Ridge's affiliated CCRC's, TVAR, and TVAA, have been determined to be exempt from federal income tax under section 501(c) (3) of the Internal Revenue Code. TLNA has been determined to be exempt from federal income tax under section 501(c) (3) of the Internal Revenue Code as of June 2011. TVPP has received its determination to be tax exempt under section 501(c)(3) of the Internal Revenue Code as of June 2014.

## **SERVICES PROVIDED UNDER CONTRACTS**

Orchard Ridge furnishes, at no additional cost to each resident at the Community (a "resident"), the following services under the Residence and Services Agreement at Orchard Ridge:

1. Living accommodation in the Community in one- or two-bedroom apartments or in two-bedroom cottages.
2. An Emergency Call System provided in each residence with response from the Community's 24/7 Emergency Response team members.
3. A dining program equals the equivalent of fifteen meals per month per person. Special diets are available when authorized by staff. If a resident resides in Assisted Living Memory Care or the Skilled Nursing Facility in the Health Care Center, three meals per day are provided.
4. Utilities, including electricity, heat, water, air conditioning, sewer services, trash removal, and basic television service for apartment and cottage residents. The resident is responsible for charges for telephone, internet access and extended cable service.
5. Insurance of the Community against all reasonable losses and liabilities, other than a personal liability and individual property owned by the resident.
6. Personnel on duty 24 hours per day to protect the property and interests of the residents and of the Community.
7. Lighted off-street parking for residents and guests.
8. Maintenance of residences, communal areas, and all Community-owned items. This also includes upkeep of the grounds and other custodial functions.
9. The Community provides scheduled local transportation in Winchester on a regular basis within a ten-mile radius of the Community.
10. The Community maintains each residence by providing housekeeping services every other week, including vacuum cleaning, dusting, cleaning of bath(s) and kitchen, and trash removal. Additional housekeeping services may be scheduled at the request and expense of the resident. If a resident

resides in Assisted Living Memory Care or the Skilled Nursing Facility in the Health Care Center, housekeeping and laundry services are provided as appropriate.

11. The Community provides washers and dryers in each independent living residence. (Bed and bath linens are provided for residents in Assisted Living Memory Care and the Skilled Nursing Facility in the Health Care Center.)
12. Use and enjoyment of all Community and communal areas, plus participation in all Community-planned religious and social activities and events, as desired, as well as various craft and hobby opportunities, library, and other activities as scheduled.
13. Residents in the Apartments and Cottages, who have paid an entry fee are provided priority access entitled to both Assisted Living Memory Care and Health Care services, on a fee for services basis, if the Community through its attending physician(s) and/or Health Center Medical Director, in consultation with the resident or the resident's representative, determines that the resident requires these levels of care. If residents reside in the rental units, they are not contractually provided priority access to either Assisted Living Memory Care or Health Care services but may gain access to these services if or as beds may be available.

#### **ADDITIONAL AVAILABLE SERVICES (REQUIRING EXTRA CHARGES)**

Additional services are available to the resident, which are not covered in the Residence and Services Agreement which require a separate and additional charge. These include, but are not limited to, the following:

1. Medical Services - generally all medically related services are the fiscal responsibility of the resident and are not located on site. Included, but not limited to, are the following: [See Section II. F. of the Residence and Services Agreement]
  - a. All hospital care (done on either an in-patient or on an out-patient basis). The Community will only provide access for such care when the Community determines this care is needed. Only hospitals accredited by the Joint Commission on Accreditation of Healthcare Organizations (or similar) will be utilized.
  - b. Employment by the resident of Private Service Providers (at the hospital and in the Community).
  - c. All physician services needed by the resident.
  - d. All dental treatment and care of the resident's teeth, including purchase and/or repairs to dentures (partial and complete).
  - e. Ophthalmologist care, including routine eye examinations.

- f. Prosthetic devices and limbs (including repair and replacement thereof), hearing aids, wheelchairs, walkers, canes, etc.
  - g. Pharmacy services and medications (including prescription and non-prescription drugs).
  - h. Laboratory and x-ray tests.
  - i. Physical, Occupational, and Speech Therapy.
2. Meals more than the amount allocated through the dining plan of the resident.

## **MEDICAL ASSISTANCE**

Orchard Ridge participates in the state Medical Assistance Services (Title XIX, Medicaid) program.

## **FEES REQUIRED OF RESIDENTS**

The fee structure for residents entering the Community includes an initial Entrance Fee along with a Monthly Fee. Residents entering the Community directly to the Rental apartments, Assisted Living Memory Care and Skilled Nursing care are not charged an Entrance Fee upon admission to the Community but are charged one-time community fee of \$3,000 for the first person and an additional \$750 for the second person. The Entrance Fee varies with the size and type of residence selected and whether for single or double occupancy.

Listed below are the current fees effective January 1, 2022 (including Entrance Fees and Monthly Charges) required of residents entering the Community under the Residence and Services Agreement:

### **APARTMENTS -**

Apartment Residence Style	Traditional Declining Refund Entrance Fee	50% Refundable Entrance Fee	90% Refundable Entrance Fee	Monthly Service Fee
1 bedroom, 1 bath	\$231,440	\$304,070	\$464,615	\$2,438
1 bedroom, 1 1/2 bath	\$240,465	\$315,960	\$482,545	\$2,511
1 bedroom, 1 bath	\$259,415	\$340,815	\$520,765	\$2,536
1 bedroom, 1 1/2 bath, den	\$262,745	\$345,185	\$527,470	\$2,579
1 bedroom, 1 1/2 bath, den	\$274,295	\$360,395	\$550,655	\$2,579
2 bedroom, 2 bath	\$336,855	\$442,570	\$618,280	\$2,983
2 bedroom, 2 bath	\$345,435	\$453,800	\$660,460	\$2,983
2 bedroom, 2 bath	\$349,495	\$459,165	\$668,110	\$3,011

2 bedroom, 2 bath	\$349,495	\$459,165	\$668,110	\$3,107
2 bedroom, 2 bath	\$366,330	\$481,300	\$700,395	\$3,152
2 bedroom, 2 bath	\$370,545	\$486,825	\$708,445	\$3,152
2 bedroom, 2 bath	\$374,760	\$492,360	\$716,490	\$3,227
2 bedroom, 2 bath, den	\$397,675	\$518,445	\$760,290	\$3,297
2 bedroom, 2 bath, den	\$409,280	\$529,085	\$782,510	\$3,442
<b>Second Person Fee</b>	<b>\$8,180</b>	<b>\$11,570</b>	<b>\$16,890</b>	<b>\$749</b>

## COTTAGES

<b>Cottage Residence Style</b>	<b>50% Refundable Entrance Fee</b>	<b>90% Refundable Entrance Fee</b>	<b>Monthly Service Fee</b>
2 bedroom, 2 bath	\$468,900	\$699,130	\$3,297
2 bedroom, 2 bath	\$515,765	\$769,040	\$3,583
2 bedroom, 2 bath	\$549,525	\$819,205	\$3,727
2 bedroom, 2 bath	\$563,835	\$840,620	\$3,871
2 bedroom, 2 bath, den	\$577,540	\$861,000	\$4,014
2 bedroom, 2 bath, den	\$591,725	\$882,235	\$4,157
<b>Second Person Fee</b>	<b>\$11,570</b>	<b>\$16,890</b>	<b>\$749</b>

## ASSISTED LIVING MONTHLY FEES 2022

	<b>Level 1</b>		<b>Level 2</b>		<b>Level 3</b>		<b>*Second Person Monthly Fee</b>
	<b>AL Monthly Fee</b>		<b>AL Monthly Fee</b>		<b>AL Monthly Fee</b>		
<b>Apartment Residence Style</b>	<b>First Person</b>	<b>Second Person</b>	<b>First Person</b>	<b>Second Person</b>	<b>First Person</b>	<b>Second Person</b>	
Studio, 1 bath	\$6,600	\$2,189	\$7,200	\$2,789	\$7,800	\$3,389	\$1,589
1 bedroom, 1 bath	\$7,320	\$2,189	\$7,920	\$2,789	\$8,520	\$3,389	\$1,589
1 bedroom, 1 bath	\$7,519	\$2,189	\$8,119	\$2,789	\$8,719	\$3,389	\$1,589
1 bedroom, 1 bath, den	\$7,534	\$2,189	\$8,134	\$2,789	\$8,734	\$3,389	\$1,589
1 bedroom, 1 bath	\$7,556	\$2,189	\$8,156	\$2,789	\$8,756	\$3,389	\$1,589
1 bedroom, 1 bath, den	\$7,578	\$2,189	\$8,178	\$2,789	\$8,778	\$3,389	\$1,589
1 bedroom, 1 bath	\$7,674	\$2,189	\$8,274	\$2,789	\$8,874	\$3,389	\$1,589
1 bedroom, 1 bath, den	\$7,738	\$2,189	\$8,338	\$2,789	\$8,938	\$3,389	\$1,589
1 bedroom, 1 bath, den	\$7,741	\$2,189	\$8,341	\$2,789	\$8,941	\$3,389	\$1,589

\* This second person fee charged to a non-care level resident living in the Assisted Living apartment with the first person

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## **ASSISTED LIVING MEMORY CARE MONTHLY FEES ~~2021~~ 2022**

<b>Residence Style</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Semi-private	<del>\$7,204</del> 7,528	<del>\$7,839</del> 8,192	<del>\$8,410</del> 8,788
Private	<del>\$8,309</del> 8,683	<del>\$8,910</del> 9,311	<del>\$9,514</del> 9,942

## **NURSING CARE DAILY FEES ~~2021~~ 2022**

Long-term care private pay	<del>\$355</del> 390
Skilled rehabilitation private pay	<del>\$500</del> 550

*Pricing is effective January 1, ~~2021~~ 2022 and is subject to change.*

### **Adjustment of Entrance Fees**

Entrance Fees are subject to adjustment annually by management of Orchard Ridge and as otherwise required by either state or federal programs. If the type of independent living residence contracted for by the resident is changed at the request of the resident, such as a change from a cottage to an apartment, will be subject to the provisions of Residence and Services Agreement Section III K – Residence Change Upon Request of Resident.

### **Refund of Entrance Fees**

In Section II.A. of the Residence and Services Agreement, a provision is made whereby in certain instances a refund of the Entrance Fee is allowed when the agreement is terminated. The amount of such a refund is limited to the unamortized portion thereof, after the deduction of an administrative fee. In the case of couples, the unamortized portion of the Entrance Fee is vested in the surviving spouse.

### **Adjustment of Monthly Charges**

Monthly charges are payable in advance and are determined by the size of the residence, number of occupants in the residence and levels of service for which the resident has contracted. Any adjustment of the monthly fee or services contracted for may be made upon

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thirty (30) day written notice to the resident. Adjustments will be based on the costs of operations and/or changes by the resident to a different residence (Sections II.D. of the Residence and Services Agreement). Notwithstanding the foregoing, charges for care paid in one lump sum shall not be increased or changed during the duration of the agreed upon care, except for changes required by state or federal assistance programs.

### **Refunding and Amortization of Entrance Fees**

Entrance fees of residents who elect to purchase pursuant to the 90% refundable entrance fee option is refundable, less an initial deduction of 10% of the entrance fee paid upon occupancy. Entrance fees of residents who elect to purchase pursuant to the 50% refundable entrance fee option are refundable, less an initial deduction of 10% of the entrance fee paid upon occupancy and less a deduction of 5% per month for the first eight months of residency. The traditional declining entrance fee option offers a declining refund over an eighteen-month period. The refund is payable less an initial deduction of 10% of the entrance fee paid upon occupancy and less a deduction of 5% per month for the first eighteen months of residency. (See Section II.A. of the Residence and Services Agreement).

### **Other Changes in Fees**

If a resident requests and approval is given by management to move to another apartment or cottage, the resident will pay fees or receive a refund as stated in Section III.K. of the Residence and Services Agreement.

If the resident moves to the health care center for assisted living memory care or skilled nursing, the monthly fees to be paid are in accordance with Section II.F.1. of the Residence and Services Agreement.

If a resident marries after moving into the Community, the fees and other requirements are in accordance with Section III.I. of the Residence and Services Agreement.

### **RESERVE FUNDING**

Orchard Ridge offers health care benefits to its residents in Assisted Living Memory Care or the Health Care Center on a fee for service basis. The residents are required to pay the then published rates for healthcare services. As such, actuarial sciences are not required to estimate funding needs since there is no actuarial obligation to provide healthcare services.

Entrance fee provisions anticipate that the refund of the refundable portion of the Entrance Fee would be paid from the resale of a similar unit upon such resale. Therefore, typical finance metrics have been used to establish liquidity.

### **FINANCIAL STATEMENTS**

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Orchard Ridge is a subsidiary organization of NLCS as previously mentioned. A copy of the certified financial statement for fiscal years ending December 31, 2021 and December 31, 2020 for Orchard Ridge is included as **Attachment B**.

## **PRO FORMA INCOME STATEMENT – 2021**

**As required, a Pro Forma Income Statement for the Fiscal year ending December 31, 2021 is included as Attachment C.**

## **QUALIFICATION FOR ENTRANCE**

### **Independent Living**

Applicants are personally interviewed and assessed by the staff of the Community. Qualifications for entrance to the apartment and cottage residences, under the Residence and Services Agreement, include being at least age 60 (or age 55, if the individual is married to another Applicant at least age 60), having the ability to live independently, having no communicable disease, and meeting financial requirements. If the applicant does not have sufficient funds to pay the fees, the financial requirement will be considered to have been met by the applicant securing acceptable and adequate guarantees or financial subsidies from relatives, churches, charitable organizations, or other third parties.

### **Assisted Living Memory Care**

Applicants are personally interviewed and assessed by the staff of the Community and an independent physician according to the specifications required by the Virginia Department of Social Services. The applicant must be assessed to have a serious cognitive impairment and unable to recognize danger and protect their own safety. Applicants must also meet financial requirements and be at least 55 years old. For a couple, one spouse must be 55 or older. Admission is allowed to non-residents based on availability.

Orchard Ridge was established as a Lutheran agency to minister to the needs of the denomination's constituency and to others. Entrance is open without restriction to race, color, creed, or national origin. Benevolent assistance due to financial reversals occurring in the residents' assets may be available in accordance with the Residence and Services Agreement provided such assistance, in the Community's sole judgment, does not result from the willful or unreasonable dissipation of the resident's assets or income.

### **Health Care Center**

Admission to the Health Care Center at the Community is generally reserved for the care of residents who have contracted for continuing care services, who can no longer function independently, and who need more intensive medical and nursing care. Direct admission to the Health Care Center by non-residents will be permitted until March 31, 2024. As such, admission is allowed to non-residents without regard to age, race, color, creed, and national origin.

## **PROCEDURE BY WHICH A RESIDENT MAY FILE A COMPLAINT OR DISCLOSE CONCERN**

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A. Resident may file a complaint or disclose any concern, in writing, as follows:

- (1) The complaint or concern should first be submitted in writing to the appropriate department director, who will provide a written response within seven (7) days.
- (2) In the event the resident's complaint or concern is not resolved to the resident's satisfaction by the department director within such seven (7) day period, the resident may submit the complaint or concern in writing to the Executive Director, who will provide a written response within seven (7) days.
- (3) In the event the resident's complaint or concern is not resolved to the resident's satisfaction by the Executive Director within such seven (7) day period, the resident may submit the complaint or concern to the appropriate ombudsman.