



# **WELCOME, PRIORITY CLUB MEMBERS!**

**Introducing Forefront Living's**

**CHIEF EXECUTIVE OFFICER**

**Tim Mallad**

**CHIEF FINANCIAL OFFICER**

**Steven Ailey**

**CHIEF OPERATING OFFICER**

**Scott Polzin**





## TODAY'S AGENDA

- Timeline
- Levels of living at Bella Vida
- Reservation Agreement
- Residency Agreement
- Contract offerings
- What does it cost?
- Next steps
- Q&A





## REVIEW OF YOUR **PRIORITY PROCESS**

- Priority number indicates the order in which we will contact you to visit the Information Center to select your preferred floor plan
- We will notify you by phone and email when it is time for your appointment
- We will also mail/email you some helpful information on pricing, sample floor plans, etc. prior to your appointment
- Please plan to visit at the assigned date/time, as we will need to keep moving to the next Priority Club member
- If you are out of town/unable to attend, we will arrange a meeting by phone or Zoom
- We will average 4-6 appointments per day, allowing up to two hours per appointment
- Appointments begin mid-January 2024, and we can't wait to meet with you and share details!







## WHAT HAPPENS DURING A RESIDENCE SELECTION APPOINTMENT AT THE INFORMATION CENTER?

1

View virtual renderings, model kitchen, architectural scale model

2

Understand pricing and contracts

3

Evaluate location of available residences

4

Identify best residence to fit your preference, financial profile

5

Place deposit = 10% of desired residence's entrance fee to hold it until opening





## TIMELINE REVIEW FOR PRIORITY MEMBERS

Complete pre-  
qualification  
online worksheet

**DEC 2023**

Receive pre-  
approval

**JAN 2024**

Appointment to  
review floor plans  
and pricing by  
Priority Number

**2024**

Reach 70%  
Reserved for  
Financing and  
Construction Start

**2025**

Bella Vida opens  
(final decision)

**2026/2027**



## CONTINUING CARE RETIREMENT COMMUNITY (CCRC) **OVERVIEW**

### ***A Lifestyle Choice***

- Move while living independent and continue living in your residence as long as possible
- Free from home maintenance hassles
- Wellness/Activities/Programs/Continuing Education
- Increased social opportunities
- Stay in control of your life and give a gift to your family





***Early Conceptual Rendering of Independent Living Entrance and Apartment Homes***





*Early Conceptual Rendering*





## FOREFRONT LIVING KEY STRATEGIC ADVANTAGES

- More than 60-year history of serving senior adults in Texas
- Manage to Key Performance Indicators (KPIs)
- Healthcare line of credit
  - Allows residents immediate access to EF if moving to higher levels of care while avoiding costs/liabilities associated with traditional lifecare
  - Monthly service fee discount to offset future care when and if needed
- Oversight by a local, experienced, volunteer board with strong business and nonprofit backgrounds
- Seasoned leadership team of four with over 100 years' collective experience in the senior living industry
- Responsible and prudent growth has made Forefront Living (FL) one of the strongest senior living systems in the region





## BELLA VIDA AT LA CANTERA **LEVELS OF LIVING**

Independent Living

Concierge Care Services

Memory Support







## AN INNOVATIVE CCRC

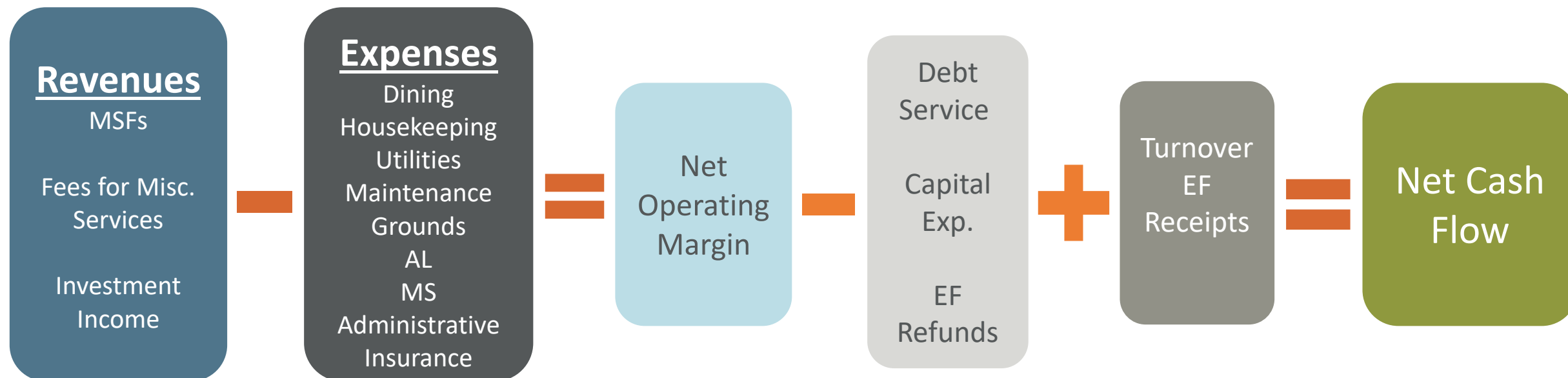
- Live independently in your apartment or villa as long as possible, and if needed, support services can be conveniently delivered to you
- Wellness Concierge – a full time employee whose sole responsibility is to help you navigate the health care maze
- Forefront Living Home Health – a resource for you if support services are needed in your independent living apartment or villa
- On site occupational, speech, and physical therapy
- State of the art Memory Support neighborhood with private suites
- A financial healthcare benefit that pays up to \$72,000/person for assisted living services delivered to your independent living residence or for a residence in memory support







## REVIEW OF *NONPROFIT* CCRC BUSINESS MODEL





## TAX EXEMPT CCRC VS. FOR-PROFIT RENTAL COMMUNITY

### CCRCS

- Maintain a more stable occupancy/revenue stream
  - Less transient as CCRCs attract healthy, active, proactive, *planners*
- Recruit and retain quality staff
  - Superior pay, benefits and work environment ensuring mission, vision and value focus
- Any excess income over expenses remains with community
  - No distribution of profits to shareholders
- Less likely to change ownership
- Offer superior “non-revenue” spaces for residents
- Provide financial transparency and ongoing communication with residents
- Provide financial support for residents who may outlive their financial resources

### FOR-PROFIT RENTALS

- More volatile occupancy
  - Rental communities attract more need-based residents
  - Higher resident turnover
- Higher operating margins
  - Higher monthly services fees
  - Lower staffing levels
- Profits distributed to investors
- Lower re-investment in community/buildings
- Ownership transitions upon stabilized occupancy common
- Typically have an owner with a third-party manager that has no “skin in game”





## **BENEFITS OF BELLA VIDA'S ENTRANCE FEE PLAN**

- Lifetime use of apartment/villa and all community areas
- Priority access to a spectrum of support services if ever needed
- Safety, security and a proactive approach to maintaining your health
- Predictable fees for a continuum of care and a \$72,000 per person financial benefit
- Well-established Resident Caring Fund available to residents who may outlive their financial resources through no fault of their own
- Refundable Entrance Fee for your personal estate and legacy planning





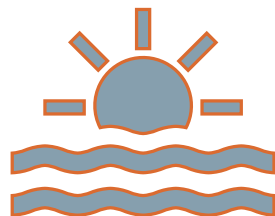
## WHAT ABOUT MY **LONG-TERM CARE INSURANCE?**

- Long-term care insurance (LTCI) policies can work well with CCRCs
- There are many different types of policies, and most apply to Assisted Living and Memory Support
- LTCI policies address the rising cost of long-term care
- *LTCI does not address access to care*
- At Bella Vida, you'll have priority access to memory support if ever needed
- LTCI becomes another source of revenue for you. The insurance company pays you and you pay Bella Vida.





## **TWO** AGREEMENTS



***Reservation Agreement:***  
signed with 10% Deposit

Upon reservation, **2024**



***Residency Agreement:***  
signed with Entrance Fee  
balance due (remaining 90%)

Upon move-in, **2026/2027**





## RESERVATION AGREEMENT

- The Reservation Agreement is what you sign at your residence selection appointment and is not your contract for move-in
- Reserves your specific apartment home or villa until Bella Vida opens
- Allows you to plan for your future and take your time with “rightsizing”
- Guarantees your occupancy (despite health changes)
- Outlines Charter Resident Benefits
- Locks in your reduced Entrance Fee – you are not affected by the two price increases, one at the start of construction and a second, when Bella Vida opens
- 10% deposit is paid and 100% Refundable; circumstances can change





## RESERVATION AGREEMENT

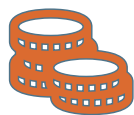
- Your 10% deposit is escrowed at Frost Bank in an interest-bearing account
- The Reservation Agreement signifies that you intend to move to Bella Vida when the community opens
- If your plans change, your 10% deposit is refundable plus interest earned
- The Reservation Agreement takes the residence off the market while we continue to meet with Priority Members who have a higher number than you



## THE RESERVATION AGREEMENT DETAILS



Entrance Fee in  
2026/2027  
dollars; locked-in



Monthly Service  
Fee in 2026/2027  
dollars;  
escalates  
annually (but  
not pre-opening)



Charter Benefits  
outline discounts  
exclusive to  
Priority Members



Guaranteed  
Occupancy  
despite changes  
in health status







## RESIDENCY AGREEMENT

The *Residency Agreement* is signed upon move-in in 2026/2027 and outlines

- Requirements for residency
- Entrance Fee and Monthly Service Fee amounts
- Refund provisions (percent of Entrance Fee that is refunded to resident/resident's estate)
- Concierge Care Services
- Terminations and refunds
- Services and amenities
- Common areas
- A draft Residency Agreement will be available during your appointment at the Information Center
- Three years to review



## RESIDENCY AGREEMENT WHAT'S INCLUDED IN THE MONTHLY SERVICE FEE?

Utilities

Property Taxes

Interior and  
Exterior  
Maintenance

Housekeeping  
Services

Social,  
Recreational,  
Educational  
Programs

Wellness  
Programs

Scheduled  
Transportation

24-Hour  
Emergency  
Response

Culinary Program

Wellness  
Concierge





## **FLEXIBLE SERVICE PACKAGE - IT'S YOUR CHOICE**

**CLASSIC Service Package** for your convenience includes:

- All interior/exterior maintenance services
- A flexible culinary credit (approximately 20 meals per month per person)
- Weekly housekeeping and linen service
- Most utilities
- Transportation, parking, classes and more!

**FLEX Service Package** is an option for you to decide the mix of services to fit your personal preferences and lifestyle with no change in monthly service fee. For example:

- Select more (or fewer!) meals
- Decrease housekeeping services
- Add personal training sessions





## FOREFRONT ASSURANCE PLAN™

- Priority access to higher levels of living
- Predictable monthly service fees for higher levels of living
- The refundable portion of your Entrance Fee is available for your future health care costs if/when needed
- Up to \$72,000 per person for Concierge Care Services in your independent living apartment or villa or, upon permanent transfer to memory support
- *Provides ultimate flexibility*

**A UNIQUE  
CONTRACT  
OFFERING**







## ENTRANCE FEE PLANS

Traditional Plan-0% Refundable Program

Choice Plan: 50/55% Refundable Program

Legacy Plan: 80/85% Refundable Program





## HOW ARE COSTS DETERMINED?

- Entrance Fee amounts determined by project costs (including land and construction costs), approximating market home values, size of floor plan, location of residence and contract selected (percent refund).
- Monthly Fee amounts determined by size of floor plan, costs of providing quality services, with labor being the largest budget item.







## APARTMENT HOMES

- 163 apartments
- Reserved underground garage parking
- Approximately 14 unique floor plans
- 850 - 2,500 square feet





## VILLAS

- 40 villas
- Approximately 7 unique floor plans, each with an attached 2-car garage
- 1,650-2,500 square feet







## ESTIMATED STARTING PRICES:

- Traditional Plan (0% Refundable Entrance Fee) starting at \$245,000
- Legacy Plan (80/85% Refundable Entrance Fee)-85% for Singles 80% for Couples) starting at \$350,500
- Monthly Service Fees starting at: starting at \$3,695
- Monthly Second Person Fee: (\$995 for Charter Members)
- Choice plan (50/55% Refundable Entrance Fee) -50% for couples, 55% for singles)



## **FINANCING THE CONSTRUCTION OF BELLA VIDA**

- Your 10% Reservation Deposit is not accessed by Bella Vida or Forefront Living
  - Market acceptance with 70% pre-sales
  - Indicative of a fast fill-up
- Construction is financed through tax-exempt municipal bonds
- Bonds are purchased by multiple large, national investment firms





## TYPICAL FINANCIAL COVENANTS

- Debt Service Coverage Ratio
- Days Cash on Hand
- Marketing and occupancy covenants
- Limitations on borrowing
- Ongoing regular public disclosure





## PEACE OF MIND

- Forefront Living has never asked a resident to leave who outlived their financial resources through no fault of their own
- Forefront Living has never failed to pay an Entrance Fee refund due to a resident or resident's estate





## PRE-QUALIFICATION

- Beginning in December you may complete a confidential form online with your ballpark asset and income information. Your Confidential Data Profile can also be completed on paper, if preferred.
- The model includes a conservative range of Entrance Fees and Monthly Service Fees
- We will look at the conservative ranges to provide an understanding or range of affordability
- We will provide confirmation on apartment style/cottage approval once pricing is finalized
- Please complete by December 31, 2023







## LOOKING AHEAD **UPCOMING PRIORITY EVENTS**

- **December 5 | 10 a.m.** - Architectural and Design “Sneak Peek,” a webinar featuring three architecture and Bridget Bohacz Interior Design
- **Early January 2024** – “Floor Plan Reveal,” a webinar unveiling a preview of a couple of nearly final floor plans as well as an introduction to the Reservation Agreement



# QUESTIONS

