

**BRE Knight SH CA, LLC and
BRE-BKD Knight, LLC
GenSanDimas, LLC
dba Serento Casa**

STATE OF CALIFORNIA DEPARTMENT OF SOCIAL SERVICE

ANNUAL REPORT

**CONTINUING CARE LICENSING DIVISION
AND
INDEPENDENT AUDITOR'S REPORT**

**FOR THE PERIOD FROM SEPTEMBER 1, 2020
THROUGH DECEMBER 31, 2020**



HANSEN HUNTER & CO. P.C.
Certified Public Accountants

ANNUAL REPORT CHECKLIST

FISCAL YEAR ENDED:
12/31/2020

PROVIDER(S): BRE KNIGHT SH CA OWNER, LLC AND BRE-BKD KNIGHT, LLC

CCRC(S): GENSANDIMAS, LLC dba SERENTO CASA

CONTACT PERSON: KRISTIN WALKER

TELEPHONE NO.: (503) 652-0750 EMAIL: KWALKER@GENERATIONSLLC.COM



A complete annual report must consist of 2 copies of all the following:

- Annual Report Checklist.
- Annual Provider Fee in the amount of: \$ 2,280
- If applicable, late fee in the amount of: \$ _____
- Certification by the provider's **Chief Executive Officer** that:
 - The reports are correct to the best of his/her knowledge.
 - Each continuing care contract form in use or offered to new residents has been approved by the Department.
 - The provider is maintaining the required *liquid* reserves and, when applicable, the required refund reserve.
- Evidence of the provider's fidelity bond, as required by H&SC section 1789.8.
- Provider's audited financial statements, with an accompanying certified public accountant's opinion thereon.
- Provider's audited reserve reports (prepared on Department forms), with an accompanying certified public accountant's opinion thereon. (NOTE: Form 5-5 must be signed and have the required disclosures attached (H&SC section 1790(a)(2) and (3)).
- "Continuing Care Retirement Community Disclosure Statement" for **each** community.
- Form 7-1, "Report on CCRC Monthly Service Fees" for **each** community.
- Form 9-1, "Calculation of Refund Reserve Amount", *if applicable*.
- Key Indicators Report (signed by CEO or CFO (or by the authorized person who signed the Provider's annual report)). The KIR may be submitted along with the annual report, but is not required until 30 days later.

PART 1
ANNUAL PROVIDER FEES

**FORM 1-1
RESIDENT POPULATION**

<u>Line</u>	Continuing Care Residents	<u>TOTAL</u>
[1]	Number at beginning of fiscal year	73
[2]	Number at end of fiscal year	54
[3]	Total Lines 1 and 2	127
[4]	Multiply Line 3 by ".50" and enter result on Line 5	x.50
[5]	Mean number of continuing care residents	63.5
All Residents		
[6]	Number at beginning fiscal year	97
[7]	Number at end of fiscal year	75
[8]	Total Lines 6 and 7	172
[9]	Multiply Line 8 by ".50" and enter result on Line 10	x.50
[10]	Mean number of <i>all</i> residents	86
[11]	Divide the mean number of continuing care residents (Line 5) by the mean number of <i>all</i> residents (Line 10) and enter the result (round to two decimal places).	73.84%

**FORM 1-2
ANNUAL PROVIDER FEE**

<u>Line</u>		<u>TOTAL</u>
[1]	Total Operating Expenses (including depreciation and debt service – interest only)	\$3,094,220
[a]	Depreciation	\$6,803
[b]	Debt Service (Interest Only)	\$0
[2]	Subtotal (add Line 1a and 1b)	\$6,803
[3]	Subtract Line 2 from Line 1 and enter result	\$3,087,417
[4]	Percentage allocated to continuing care residents (Form 1-1, Line 11)	73.84%
[5]	Total Operating Expense of Continuing Care Residents (multiply Line 3 by Line 4)	\$2,279,749
[6]	Total Amount Due (multiply Line 5 by .001)	x .001 \$2,280

PROVIDER: BRE KNIGHT SH CA OWNER, LLC AND BRE-BKD KNIGHT, LLC
COMMUNITY: GENSANDIMAS, LLC dba SERENTO CASA

PART 2
CERTIFICATION BY OFFICER



Serento Casa

SENIOR LIVING
by generations


State of California
California Department of Social Services
Continuing Care Contracts Section
744 P. Street, M.S. 9-14-91
Sacramento, California 95814

This Certification Notice is submitted by BRE Knight SH CA Owner, LLC, BRE-BKD Knight, LLC and GenSanDimas, LLC dba Serento Casa; to The State of California, Community Care Licensing Division, Continuing Care Contracts Branch, pursuant to the requirements of the Continuing Care Contract Annual Reserve Report, for the period from September 1, 2020 through December 31, 2020. Our Certificate of Authority is #345.

To the best of my knowledge, after a review of the enclosed information I certify the following to be true, complete and correct:

1. The Annual Report is correct to the best of my knowledge.
2. Each continuing care contract form in use or offered for new residents has been approved by the Department.
3. The required liquid reserves are not being maintained, and action is being taken to eliminate the deficiency.

Authorized Representative



Melody Gabriel
Chief Executive Officer

July 30, 2021

Date

PART 3
EVIDENCE OF FIDELITY BOND



EVIDENCE OF PROPERTY INSURANCE

DATE (MM/DD/YYYY)
11/10/2020

THIS EVIDENCE OF PROPERTY INSURANCE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE ADDITIONAL INTEREST NAMED BELOW. THIS EVIDENCE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS EVIDENCE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE ADDITIONAL INTEREST.

AGENCY Propel Insurance Seattle Commercial Insurance 601 Union Street, Suite 3400 Seattle, WA 98101-1371		PHONE (A/C, No, Ext): 206 676-4200	COMPANY Travelers Casualty & Surety Co. of Amer One Tower Square Hartford, CT 06183	
FAX (A/C, No): 866 577-1326	E-MAIL ADDRESS: Deanna.Winchester@propelinsurance.com			
CODE:	SUB CODE:			
AGENCY CUSTOMER ID #: 109876		LOAN NUMBER		POLICY NUMBER 107175556
INSURED GenSanDimas LLC 8440 SE Sunnybrook Blvd, Suite 100 Clackamas, OR 97015		EFFECTIVE DATE 11/04/20	EXPIRATION DATE 11/04/21	<input type="checkbox"/> CONTINUED UNTIL TERMINATED IF CHECKED
THIS REPLACES PRIOR EVIDENCE DATED:				

PROPERTY INFORMATION

LOCATION/DESCRIPTION
8440 SE Sunnybrook Blvd, Suite 100 Clackamas, OR 97015

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS EVIDENCE OF PROPERTY INSURANCE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

COVERAGE INFORMATION

COVERAGE/PERILS/FORMS	AMOUNT OF INSURANCE	DEDUCTIBLE
Employee Theft	\$1,000,000	\$10,000
Erisa Fidelity	\$500,000	\$0
Client Property	\$1,000,000	\$10,000
Forgery or Alteration	\$1,000,000	\$10,000
On Premises	\$10,000	
In Transit	\$10,000	
Money Order and Counterfeit Money	\$1,000,000	\$10,000
Computer Crime	\$1,000,000	\$10,000
Funds Transfer Fraud	\$1,000,000	\$10,000

REMARKS (Including Special Conditions)

***** Description of Operations *****
 RE: Serento Casa: 1740 S. San Dimas Ave., San Dimas, CA 91773

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

ADDITIONAL INTEREST

NAME AND ADDRESS Evidence of Insurance San Dimas, CA 91773	<input type="checkbox"/> MORTGAGEE	<input type="checkbox"/> ADDITIONAL INSURED
	<input type="checkbox"/> LOSS PAYEE	
LOAN #		
AUTHORIZED REPRESENTATIVE 		

AGENCY CUSTOMER ID: _____

LOC #: _____



ADDITIONAL REMARKS SCHEDULE

AGENCY Willis Towers Watson Midwest, Inc. fka Willis of Illinois, Inc.		NAMED INSURED Brookdale Senior Living, Inc. 111 Westwood Place Suite 400 Brentwood, TN 37027	
POLICY NUMBER See Page 1		EFFECTIVE DATE: See Page 1	
CARRIER See Page 1	NAIC CODE See Page 1		

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
 FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance

Insured Location(s): Brookdale San Dimas , 1740 San Dimas Avenue, San Dimas, CA 91773

INSURER AFFORDING COVERAGE: Columbia Casualty Company NAIC#: 31127
 POLICY NUMBER: RDX 4031698069 EFF DATE: 04/01/2019 EXP DATE: 04/01/2020

TYPE OF INSURANCE:	LIMIT DESCRIPTION:	LIMIT AMOUNT:
Excess AL (15M x Primary)	Each Incident	\$15,000,000
	Aggregate	\$15,000,000

PART 4
AUDITED FINANCIAL STATEMENTS

PART 5
LIQUID RESERVES



HANSEN HUNTER & CO. P.C.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members
BRE Knight SH CA Owner, LLC, BRE-BKD Knight, LLC and
GenYorbaLinda, LLC dba Serento Rosa
Yorba Linda, California

We have audited the accompanying continuing care reserve report (the "Reports") of BRE Knight SH CA Owner, LLC, BRE-BKD Knight, LLC and GenYorbaLinda, LLC dba Serento Rosa (the "Company"), which comprise the continuing care liquid reserve schedules Form 5-1 through Form 5-5 as of December 31, 2020. The Reports have been prepared by management using the liquid reserve requirements of California Health and Safety Code Section 1792.

Management's Responsibility for the Reports

Management is responsible for the preparation and fair presentation of the Reports in accordance with the liquid reserve requirements of California Health and Safety Code Section 1792; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of Reports that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Reports based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform an audit to obtain reasonable assurance about whether the Reports are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Reports. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Reports, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the Reports in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Reports.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



HANSEN HUNTER & CO. P.C.
Certified Public Accountants

Opinion

In our opinion, the Reports referred to above present fairly, in all material respects, the liquid reserve schedules Form 5-1 through Form 5-5 of BRE Knight SH CA Owner, LLC, BRE-BKD Knight, LLC and GenYorbaLinda, LLC dba Serento Rosa as of December 31, 2020, in accordance with the liquid reserve requirements of California Health and Safety Code Section 1792.

Basis of Accounting

We draw attention to the basis of accounting used to prepare the Reports. The Reports were prepared on the basis of the liquid reserve requirements of California Health and Safety Code Section 1792, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of California Health and Safety Code Section 1792. The Reports are not intended to be a complete presentation of the Organization's assets, liabilities, revenues and expenses. Our opinion is not modified with respect to this matter.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the Reports as a whole. The accompanying supplementary information of Attachment I to Form 5-4: Calculation of Net Operating Expense Reconciliation of Line 2a, Attachment II to Form 5-4: Calculation of Net Operating Expense Reconciliation of Line 2e, Attachment III to Form 5-5: Plan to Eliminate Deficiency, Attachment IV to Form 5-5: Note to the Continuing Care Reserve Report, and Attachment V to Form 5-5: H&SC Section 1790(a)(2) and (3) Disclosure are presented for purposes of additional analysis and are not a required part of the Reports. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the Reports. The information has been subjected to the auditing procedures applied in the audit of the Reports and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the Reports or to the Reports themselves, and other additional procedures in accordance with the liquid reserve requirements of California Health and Safety Code Section 1792. In our opinion, the information is fairly stated in all material respects in relation to the Reports as a whole.

Restriction on Use

Our report is intended solely for the information and use of the Organization and for filing with the California Department of Social Services and is not intended to be, and should not be, used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Hansen Hunter & Co. P.C.

July 30, 2021

**FORM 5-1
LONG-TERM DEBT INCURRED
IN A PRIOR FISCAL YEAR
(Including Balloon Debt)**

	(a)	(b)	(c)	(d)	(e)
Long-Term Debt Obligation	Date Incurred	Principal Paid During Fiscal Year	Interest Paid During Fiscal Year	Credit Enhancement Premiums Paid In Fiscal Year	Total Paid (columns (b) + (c) + (d))
1					\$0
2					\$0
3					\$0
4					\$0
5					\$0
6					\$0
7					\$0
8					\$0
TOTAL:					\$0

(Transfer this amount to Form 5-3, Line 1)

NOTE: For column (b), do not include voluntary payments made to pay down principal.

PROVIDER: BRE KNIGHT SH CA OWNER, LLC AND BRE-BKD KNIGHT, LLC
COMMUNITY: GENSANDIMAS, LLC DBA SERENTO CASA

**FORM 5-2
LONG-TERM DEBT INCURRED
DURING FISCAL YEAR
(Including Balloon Debt)**

	(a)	(b)	(c)	(d)	(e)
Long-Term Debt Obligation	Date Incurred	Total Interest Paid During Fiscal Year	Amount of Most Recent Payment on the Debt	Number of Payments over Next 12 months	Reserve Requirement (see instruction 5) (columns (c) x (d))
1					\$0
2					\$0
3					\$0
4					\$0
5					\$0
6					\$0
7					\$0
8					\$0
TOTAL:					\$0

(Transfer this amount to Form 5-3, Line 2)

NOTE: For column (b), do not include voluntary payments made to pay down principal.

PROVIDER: BRE KNIGHT SH CA OWNER, LLC AND BRE-BKD KNIGHT, LLC
COMMUNITY: GENSANDIMAS, LLC DBA SERENTO CASA

**FORM 5-3
CALCULATION OF LONG-TERM DEBT RESERVE AMOUNT**

Line		TOTAL
1	Total from Form 5-1 bottom of Column (e)	\$0
2	Total from Form 5-2 bottom of Column (e)	\$0
3	Facility leasehold or rental payment paid by provider during fiscal year. (including related payments such as lease insurance)	\$0
4	TOTAL AMOUNT REQUIRED FOR LONG-TERM DEBT RESERVE:	\$0

NOTE to Line 3: Note 5 to the financial statements discloses the term of the facility lease. The monthly lease rent is all net income (loss) generated from operations. For the period from September 1, 2020 through December 31, 2020, there was a net loss generated, resulting in lease revenue. Therefore, the amount has been excluded from Line 3 above.

PROVIDER: BRE KNIGHT SH CA OWNER, LLC AND BRE-BKD KNIGHT, LLC
COMMUNITY: GENSANDIMAS, LLC DBA SERENTO CASA

**FORM 5-4
CALCULATION OF NET OPERATING EXPENSES**

Line		Amounts	TOTAL
1	Total operating expenses from financial statements		<u>\$3,094,220</u>
2	Deductions:		
a.	Interest paid on long-term debt (see instructions)	<u>\$0</u>	
b.	Credit enhancement premiums paid for long-term debt (see instructions)	<u>\$0</u>	
c.	Depreciation	<u>\$6,803</u>	
d.	Amortization	<u>\$0</u>	
e.	Revenues received during the fiscal year for services to persons who did not have a continuing care contract	<u>\$1,026,365</u>	
f.	Extraordinary expenses approved by the Department	<u>\$0</u>	
3	Total Deductions		<u>\$1,033,168</u>
4	Net Operating Expenses		<u>\$2,061,052</u>
5	Divide Line 4 by 365 and enter the result.		<u>\$5,647</u>
6	Multiply Line 5 by 75 and enter the result. This is the provider's operating expense reserve amount.		<u><u>\$423,525</u></u>

PROVIDER: BRE KNIGHT SH CA OWNER, LLC AND BRE-BKD KNIGHT, LLC

COMMUNITY: GENSANDIMAS, LLC dba SERENTO CASA

**FORM 5-5
ANNUAL RESERVE CERTIFICATION**

Provider Name: BRE KNIGHT SH CA OWNER, LLC AND BRE-BKD KNIGHT, LLC
 Community Name: GENSANDIMAS, LLC DBA SERENTO CASA
 Fiscal Year Ended: DECEMBER 31, 2020

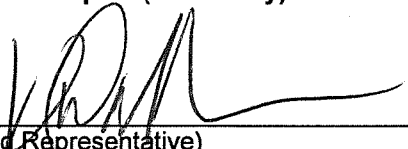
We have reviewed our debt service reserve and operating expense reserve requirements as of, and for the Period ended DECEMBER 31, 2020 and are in compliance with those requirements.

Our liquid reserve requirements, computed using the audited financial statements for the fiscal year are as follows:

	<u>Amount</u>
[1] Debt Service Reserve Amount	<u>\$0</u>
[2] Operating Expense Reserve Amount	<u>\$423,525</u>
[3] Total Liquid Reserve Amount:	<u>\$423,525</u>

Qualifying assets sufficient to fulfill the above requirements are held as follows:

<u>Qualifying Asset Description</u>	<u>Amount</u> (market value at end of quarter)	
	<u>Debt Service Reserve</u>	<u>Operating Reserve</u>
[4] Cash and Cash Equivalents	<u>\$0</u>	<u>\$11,007</u>
[5] Investment Securities	<u>\$0</u>	<u>\$0</u>
[6] Equity Securities	<u>\$0</u>	<u>\$0</u>
[7] Unused/Available Lines of Credit	<u>\$0</u>	<u>\$0</u>
[8] Unused/Available Letters of Credit	<u>\$0</u>	<u>\$0</u>
[9] Debt Service Reserve	<u>\$0</u>	(not applicable)
[10] Other:	<u>\$0</u>	<u>\$0</u>
<u>_____</u> (describe qualifying asset)		
Total Amount of Qualifying Assets Listed for Liquid Reserve:	[11] <u>\$0</u>	[12] <u>\$11,007</u>
Total Amount Required:	[13] <u>\$0</u>	[14] <u>\$423,525</u>
Surplus/(Deficiency):	[15] <u>\$0</u>	[16] <u>\$(412,518)</u>

Signature: 
 (Authorized Representative)

Date: 7/30/2021

VP of Accounting + Finance
 (Title)

SUPPLEMENTARY INFORMATION

FORM 5-4
ATTACHMENT I
CALCULATION OF NET OPERATING EXPENSES RECONCILIATION OF LINE 2A

Interest on long-term debt (Line 2A)	\$	-
Interest on capital lease obligation		<u>2,009</u>
Total interest, per statement of operations	\$	<u><u>2,009</u></u>

**FORM 5-4
ATTACHMENT II
CALCULATION OF NET OPERATING EXPENSES RECONCILIATION OF LINE 2E**

Total revenues, per statements of operations	\$	2,731,441
Net change in accounts receivable		(627,557)
Net change in resident refunds payable		115,863
Net change in deferred revenue		12,156
Less: other income		(14,333)
Cash received from residents, per cash flow	\$	<u>2,217,570</u>
Revenues received during the fiscal period for non-CCRC (Line 2E)	\$	1,026,365
Revenues received during the fiscal period for CCRC		<u>1,690,743</u>
		2,717,108
Net change in accounts receivable		(627,557)
Net change in resident refunds payable		115,863
Net change in deferred revenue		12,156
Cash received from residents, per cash flow	\$	<u>2,217,570</u>

FORM 5-5
ATTACHMENT III
PLAN TO ELIMINATE DEFICIENCY

On a monthly basis BRE Knight SH CA Owner, LLC, the Lessor of facility, provides funds as needed to meet operating expenditures on a monthly basis. BRE Knight SH CA Owner, LLC will fund the deficiency in the liquid reserve requirement.

FORM 5-5
ATTACHMENT IV
Note to the Continuing Care Reserve Report (Part 5)

The continuing care reserve report included in Part 5 has been prepared in accordance with the report preparation provisions of the California Health and Safety Code (the Code), Section 1792.

Section 1792 of the Code indicates that the Company should maintain at all times qualifying assets as a liquid reserve in an amount that equals or exceeds the sum of the following:

- The amount the provider is required to hold as a debt service reserve under Section 1792.3.
- The amount the provider must hold as an operating expense reserve under Section 1792.4.

In accordance with the Code, the Company has computed its liquid reserve requirement as of December 31, 2020, the Company's most recent fiscal period end, and the reserve is based on audited financial statements for that period.

**FORM 5-5
ATTACHMENT V
H&SC SECTION 1790(A)(2) AND (3) DISCLOSURE**

▪ Description of all Reserves Maintained

	<u>December 31, 2020</u>
Cash and cash equivalents	\$ <u>11,007</u>
	\$ <u><u>11,007</u></u>

▪ Funds Accumulated for Specific Projects or Purposes

- The cash and cash equivalents are used for operations.

▪ Per Capita Cost of Operations

Total operating Expenses (Form 5-4, Line 1)	\$ 3,094,220
Mean number of all residents (Form 1- 1 Line 10)	<u>86</u>
	\$ <u><u>35,979</u></u>

PART 6
CONTINUING CARE RETIREMENT COMMUNITY
DISCLOSURE STATEMENT

**Continuing Care Retirement Community
Disclosure Statement
General Information**

Date Prepared: 7/30/2021

FACILITY NAME: SERENTO CASA
 ADDRESS: 1740 SAN DIMAS AVENUE, SAN DIMAS, CA ZIP CODE: 91773 PHONE: (909) 248-2430
BRE KNIGHT SH CA OWNER, LLC
 PROVIDER NAME: and BRE-BKD KNIGHT, LLC FACILITY OPERATOR: GENSANDIMAS, LLC DBA SERENTO CASA
 RELATED FACILITIES: NONE RELIGIOUS AFFILIATION: NONE
 YEAR OPENED: 1999 # OF ACRES: 2.5 SINGLE STORY MULTI-STORY OTHER: _____ MILES TO SHOPPING CTR: 2
 MILES TO HOSPITAL: 4

NUMBER OF UNITS:

RESIDENTIAL LIVING	HEALTH CARE
APARTMENTS – STUDIO: <u>0</u>	ASSISTED LIVING: <u>90 BEDS</u>
APARTMENTS – 1 BDRM: <u>0</u>	SKILLED NURSING: <u>45 BEDS</u>
APARTMENTS – 2 BDRM: <u>0</u>	SPECIAL CARE: <u>25 BEDS</u>
COTTAGES/HOUSES: <u>0</u>	DESCRIBE SPECIAL CARE: <u>DEMENTIA CARE</u>
RLU OCCUPANCY (%) AT YEAR END: <u>0</u>	

TYPE OF OWNERSHIP: NOT-FOR- PROFIT FOR PROFIT ACCREDITED?: YES NO BY: _____
FORM OF CONTRACT: (check all that apply) CONTINUING CARE LIFE CARE ENTRANCE FEE FEE FOR SERVICE
 ASSIGNMENT OF ASSETS EQUITY MEMBERSHIP RENTAL
REFUND PROVISIONS (Check all that apply): Refundable Repayable 90% 75% 50% OTHER: _____
RANGE OF ENTRANCE FEES: \$0 TO \$0 **LONG-TERM CARE INSURANCE REQUIRED?** YES NO
HEALTH CARE BENEFITS INCLUDED IN CONTRACT: NONE
ENTRY REQUIREMENTS: MIN. AGE: 60 PRIOR PROFESSION: N/A OTHER: N/A

RESIDENT REPRESENTATIVE(S) TO, AND RESIDENT MEMBERS ON, THE BOARD (briefly describe provider's compliance and residents' roles):
 A resident representative meets with a representative of the governing body periodically to discuss budgeting and other resident matters.

COMMON AREA AMENITIES	FACILITY SERVICES AND AMENITIES				
	AVAILABLE	FEE FOR SERVICE	SERVICES AVAILABLE	INCLUDED IN FEE	FOR EXTRA CHARGE
BEAUTY/BARBER SHOP	<input type="checkbox"/>	<input checked="" type="checkbox"/>	HOUSEKEEPING (4 TIMES/MONTH)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
BILLIARD ROOM	<input checked="" type="checkbox"/>	<input type="checkbox"/>	MEALS (3/DAY)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BOWLING GREEN	<input type="checkbox"/>	<input type="checkbox"/>	SPECIAL DIETS AVAILABLE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CARD ROOMS	<input checked="" type="checkbox"/>	<input type="checkbox"/>			
CHAPEL	<input type="checkbox"/>	<input type="checkbox"/>	24-HOUR EMERGENCY RESPONSE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
COFFEE SHOP	<input type="checkbox"/>	<input type="checkbox"/>	ACTIVITIES PROGRAM	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CRAFT ROOMS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ALL UTILITIES EXCEPT PHONE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
EXERCISE ROOM	<input type="checkbox"/>	<input type="checkbox"/>	APARTMENT MAINTENANCE	<input checked="" type="checkbox"/>	<input type="checkbox"/>
GOLF COURSE ACCESS	<input type="checkbox"/>	<input type="checkbox"/>	CABLE TV	<input checked="" type="checkbox"/>	<input type="checkbox"/>
LIBRARY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	LINENS FURNISHED	<input checked="" type="checkbox"/>	<input type="checkbox"/>
PUTTING GREEN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	LINENS LAUNDERED	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SHUFFLEBOARD	<input type="checkbox"/>	<input type="checkbox"/>	MEDICATION MANAGEMENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SPA	<input type="checkbox"/>	<input type="checkbox"/>	NURSING/WELLNESS CLINIC	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SWIMMING POOL – INDOOR	<input type="checkbox"/>	<input type="checkbox"/>	PERSONAL NURSING/HOME CARE	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SWIMMING POOL – OUTDOOR	<input type="checkbox"/>	<input type="checkbox"/>	TRANSPORTATION–PERSONAL	<input type="checkbox"/>	<input checked="" type="checkbox"/>
TENNIS COURT	<input type="checkbox"/>	<input type="checkbox"/>	TRANSPORTATION–PREARRANGED	<input checked="" type="checkbox"/>	<input type="checkbox"/>
WORKSHOP	<input type="checkbox"/>	<input type="checkbox"/>	OTHER _____	<input type="checkbox"/>	<input type="checkbox"/>
OTHER _____	<input type="checkbox"/>	<input type="checkbox"/>			

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.

PROVIDER NAME: BRE KNIGHT SH CA OWNER, LLC AND BRE-BKD KNIGHT, LLC
COMMUNITY: GENSANDIMAS, LLC DBA SERENTO CASA

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
INCOME FROM ONGOING OPERATIONS				
OPERATING INCOME (excluding amortization of entrance fee income)	\$ N/A	\$ N/A	\$ N/A	\$ 3,087,417
LESS OPERATING EXPENSES (excluding depreciation, amortization, and interest)	N/A	N/A	N/A	3,085,408
NET INCOME FROM OPERATIONS	N/A	N/A	N/A	2,009
LESS INTEREST EXPENSE	N/A	N/A	N/A	(2,009)
PLUS CONTRIBUTIONS	N/A	N/A	N/A	0
PLUS NON-OPERATING INCOME (EXPENSES) (excluding extraordinary items)	N/A	N/A	N/A	0
NET INCOME (LOSS) BEFORE ENTRANCE FEES, DEPRECIATION AND AMORTIZATION	\$ N/A	\$ N/A	\$ N/A	\$ 0
NET CASH FLOW FROM ENTRANCE FEES (Total Deposits Less Refunds)	\$ N/A	\$ N/A	\$ N/A	\$ 0

DESCRIPTION OF SECURED DEBT (as of most recent fiscal year end)

LENDER	OUTSTANDING BALANCE	INTEREST RATE	DATE OF ORIGATION	DATE OF MATURITY	AMORTIZATION PERIOD
N/A					

FINANCIAL RATIOS (see next page for ratio formulas)

	2019 CCAC Medians 50 th Percentile (optional)	2018	2019	2020
DEBT TO ASSET RATIO		N/A	N/A	N/A
OPERATING RATIO		N/A	N/A	1.10
DEBT SERVICE COVERAGE RATIO		N/A	N/A	N/A
DAYS CASH ON HAND RATIO		N/A	N/A	1.30

HISTORICAL MONTHLY SERVICE FEES
(Average Fee and Change Percentage)

	2017	%	2018	%	2019	%	2020	%
STUDIO	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
ONE BEDROOM	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
TWO BEDROOM	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
COTTAGE/HOUSE	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
ASSISTED LIVING	N/A	N/A	N/A	N/A	N/A	N/A	\$4,885	5%
SKILLED NURSING	N/A	N/A	N/A	N/A	N/A	N/A	\$12,212	5%
SPECIAL CARE	N/A	N/A	N/A	N/A	N/A	N/A	\$5,289	5%

COMMENTS FROM PROVIDER: Fees vary according to size of unit and amenities provided.
Dollar values are from Continuing Care Contracts and RCFE agreements. "Average fees" are for the units occupied at period end.

PROVIDER NAME: BRE KNIGHT SH CA OWNER, LLC AND BRE-BKD KNIGHT, LLC
COMMUNITY: GENSANDIMAS, LLC DBA SERENTO CASA

FINANCIAL RATIO FORMULAS

LONG-TERM DEBT TO TOTAL ASSETS RATIO

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

OPERATING RATIO

$$\frac{\begin{array}{l} \text{Total Operating Expenses} \\ \text{-- Depreciation Expense} \\ \text{-- Amortization Expense} \end{array}}{\begin{array}{l} \text{Total operating Revenues} \\ \text{-- Amortization of Deferred Revenue} \end{array}}$$

Debt Service Coverage Ratio

$$\frac{\begin{array}{l} \text{Total Excess of Revenues over Expenses} \\ \text{+ Interest, Depreciation} \\ \text{and Amortization Expenses} \\ \text{-- Amortization of Deferred Revenue} \\ \text{+ Net Proceeds from Entrance Fees} \end{array}}{\text{Annual Debt Service}}$$

DAYS CASH ON HAND RATIO

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

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

PART 7
REPORT ON CCRC MONTHLY SERVICE FEES

FORM 7-1
REPORT ON CCRC MONTHLY CARE FEES

	<u>RESIDENTIAL LIVING</u>	<u>ASSISTED LIVING</u>	<u>SKILLED NURSING</u>
[1] Monthly Care Fees at beginning of reporting period: (indicate range, if applicable)	N/A	\$3,918 - \$5,595	\$8,370- \$10,650
[2] Indicate percentage of increase in fees imposed during reporting period: (indicate range, if applicable)	N/A	N/A	N/A

Check here if monthly care fees at this community were not increased during the reporting period. (If you checked this box, please skip down to the bottom of this form and specify the names of the provider and community.)

[3] Indicate the date the fee increase was implemented: N/A
(If more than 1 increase was implemented, indicate the dates for each increase.)

[4] Check each of the appropriate boxes:

Each fee increase is based on the provider's projected costs, prior year per capita costs, and economic indicators.

All affected residents were given written notice of this fee increase at least 30 days prior to its implementation.

Date of Notice: _____ **Method of Notice:** _____

At least 30 days prior to the increase in fees, the designated representative of the provider convened a meeting that all residents were invited to attend.

Date of Meeting: _____

At the meeting with residents, the provider discussed and explained the reasons for the increase, the basis for determining the amount of the increase, and the data used for calculating the increase.

The provider provided residents with at least 14 days advance notice of each meeting held to discuss the fee increases.

Date of Notice: _____

The governing body of the provider, or the designated representative of the provider posted the notice of, and the agenda for, the meeting in a conspicuous place in the community at least 14 days prior to the meeting.

Date of Posting: _____ **Location of Posting:** _____

[5] On an attached page, provide a concise explanation for the increase in monthly care fees including the amount of the increase and compliance with the applicable Health and Safety Code sections. See **PART 7 REPORT ON CCRC MONTHLY CARE FEE** in the **Annual Report Instruction** booklet for further instruction.

PROVIDER: BRE KNIGHT SH CA OWNER, LLC AND BRE-BKD KNIGHT, LLC

COMMUNITY: GENSANDIMAS, LLC DBA SERENTO CASA

**FORM 7-1 ATTACHMENT
MONTHLY CARE FEE INCREASE (MCFI)**

ASSISTED LIVING / MEMORY CARE / SKILLED NURSING

<u>Line</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
[1] FY 2018 Operating Expenses (Adjustments if any, explained below)	<u>N/A</u>		
[2] FY 2019 Operating Expenses (Adjustments if any, explained below)		<u>N/A</u>	
[3] Projected FY 2020 Results of Operations (Adjustments if any, explained below)			<u>-</u>
[4] FY 2020 Anticipated MCF Revenue Based on Current and Projected Occupancy and Other without a MCFI			<u>-</u>
[5] Projected FY 2020 (Net) Operating Results without MCFI (Line 3 plus Line 4)			<u>-</u>
[6] Projected FY 2020 Anticipated Revenue Based on Current and Projected Occupancy and Other with MCFI %			<u>-</u>
[7] Grand Total – Projected FY 2020 Net Operating Activity After % MCFI (Line 3 plus Line 6)			<u>-</u>
		MONTHLY CARE FEE INCREASE:	<u>N/A</u>

Adjustments Explained:

PROVIDER: BRE KNIGHT SH CA OWNER, LLC AND BRE-BKD KNIGHT, LLC
COMMUNITY: GENSANDIMAS, LLC DBA SERENTO CASA