



STATEMENT OF OPERATIONS

Spectrum Retirement Communities is an owner, operator, and developer of senior living communities across the country. Spectrum develops properties solely for its own long-term ownership and operation. Because of this, Spectrum is committed to ensuring that every project fulfills the needs of the residents and also is compatible with the surrounding community.

Spectrum currently operates 48 properties, containing 6,286 units in ten states. It currently has another four properties, containing 561 units, under construction. Through this extensive portfolio, Spectrum operates Retirement, Assisted Living and Memory Care facilities. These facilities provide a range of services, including independent living, assisted living and/or memory care.

Spectrum has extensive knowledge and experience in the requirements surrounding the management and operation of senior living facilities. Of Spectrum's nearly 4,000 employees, 97% are directly involved in the operation of these facilities. Spectrum is regularly recognized for the expertise of its staff and has won numerous awards and accolades for excellence in service. Recent awards have included SeniorAdvisor.com's "2018 Best of Senior Living" award, after receiving the same award in 2016 and 2017. Significantly, this award is based on ratings provided to SeniorAdvisor.com by families.

1. Employees. The community will employ a total of approximately 68 team members. Employee schedules fall into three categories. Care staff work on three eight-hour shifts, with shift changes occurring at 7:00 AM, 3:00 PM, and 11:00 PM. Food & Beverage staff work on three shifts: 6:00 AM – 2:00 PM, 10:00 AM – 2:00 PM, and 2:00 PM – 8:00 PM. All other employees, including administrative, housekeeping and maintenance teams, work from 8:00 AM to 5:00 PM. The maximum number of employees working in any shift will be 42 (which will be from 10:00 AM – 2:00 PM), with no more than 52 employees on-site at any given time (to accommodate for shift change). The minimum number of employees on site at one time will be nine, from 11:00 PM – 7:00 AM. The typical number of employees on site from 7:00 AM – 11:00 PM on Saturday and Sunday will be approximately 24.
2. Proximity to Amenities and Facilities. Access to goods and services is a key consideration for Spectrum when selecting a location for a future community. The Potomac Village center is located less than one half mile northwest of the Property and includes various medical services, several drug stores, a grocery store, restaurants, public library, financial institutions, and retail stores. This proximity

was an important component of Spectrum’s decision to select this site, as it will provide future residents with easy access to various goods and services. Furthermore, Spectrum is proposing to provide a wide shared-use path along the Property’s River Road frontage that will tie into the existing sidewalk and improve the connection between the Property and the Village Center.

3. Scheduled Transportation. Spectrum provides a private 16-passenger luxury minibus for the transportation of their residents for off-site excursions, including shopping, medical appointments, and social events. The exact operation of the shuttle service varies by facility, but the following provides a representative schedule:
 - The shuttle service will run seven days per week. Additional trips may be scheduled for social events. Additional outings can be scheduled, depending on requests.
 - The shuttle provides access to facilities within a ten-mile radius.
 - Trips typically are scheduled between 8:00 AM and 4:00 PM.
 - The shuttle can accommodate up to 16 residents per trip.
 - The shuttle service is privately funded by Spectrum and the cost of the services is covered by the monthly rent.

4. Amenity Spaces. The community will contain several amenity spaces for use by residents. The Memory Care wing is proposed to include a dining room, living room, activity spaces, and outdoor courtyard for the exclusive use of Memory Care residents. Separate common amenities are provided for assisted living residents on the ground floor, including: commercial kitchen that serves three chef-prepared meals daily in a central restaurant, a bistro, cyber café, fitness center, multi-purpose community center, theater, salon, and multiple lounges. These amenity spaces are intended for use by all residents (both by individual residents and their families), and by the greater Potomac community at organized events.

5. Programs/Events Offered. The community will offer a variety of activities and wellness programs and services. These are designed to promote lifestyle and wellness, engagement, and socialization among the residents. Spectrum’s “*BE Healthy*” program includes strength and balance training classes, Yoga and meditation classes, Tai Chi, and dance classes. It also includes learning opportunities such as literary and writing clubs, language learning, cooking classes and competitions, technology courses, and guest speakers. Spectrum’s “*BE Involved*” program includes opportunities for its residents to give back to the greater community, including veterans’ events and programs, intergenerational mentoring, organized community volunteering, and fundraising events. It also includes numerous activities to engage residents in their community, including sporting events, birthday and holiday celebrations, socials and dances, game show nights, and intergenerational connections. Spectrum’s “*BE*

Inspired” program provides activities for its residents to engage their creativity, such as attending live musical performances, art shows, acting clubs, craft groups, and numerous excursions. It also includes bucket list adventures, such as airplane and helicopter rides, celebrity meet and greets, and virtual reality experiences.

6. Parking. Parking will be available onsite for both residents and visitors. The majority of spaces will be in a below-grade parking garage that provides direct access up into the building lobby and upper floors.
7. Deliveries. Generally, deliveries are arranged during regular business hours, in consideration of both the on-site residents and the surrounding community. Food deliveries are typically made twice per week by a 20’ to 30’ box truck. All other deliveries are made by USPS, FedEx, and UPS on their standard routes. All laundry, linens, etc. is performed in house and require no outside vendors or deliveries.
8. Waste Collection & Recycling. An enclosed dumpster will be located to the southeast of the building, near the underground parking garage entrance. The dumpster will be emptied approximately twice per week by a standard garbage truck.
9. Generator. An emergency power generator will be provided for the building and will be located in the underground parking garage.
10. Groundskeeping & Maintenance. The community will have a full-time Director of Maintenance and support staff who will take care of the building and grounds. They also will contract with a landscaping company and other vendors as needed for the routine maintenance and upkeep of the property exterior.
11. Support Services for Residents. Spectrum provides personal services to all of its residents, including utilities, anytime dining, housekeeping, full maintenance, scheduled transportation, fitness and exercise classes along with other innovative activity and wellness programs, resident concierge services, theater, educational and cultural programs, and 24-hour staffing and 24-hour emergency call system. Spectrum will also provide assistance with activities of daily living, including dressing, bathing, toileting, medication reminders, and dining.
12. Community Liaison. During construction and thereafter, when the facility is up and operating, Spectrum will identify an individual that will be the contact person for the community to express questions, comments or concerns.