

Receiver Update

August 16, 2024

This is the fifth of our weekly updates that we will post to Casey's Pond website. The purpose of these updates is to provide Casey's Pond residents, staff, and the broader public with the latest information available about the status of the receivership process. These updates do not replace or supersede any targeted notices, formal announcements or urgent critical messages that may be necessary in the future.

Background

Casey's Pond was placed into receivership because it could not pay off the approximately \$44 million bonds, now over \$68 million with accrued interest and fees, which were needed to construct the community in Steamboat in 2013. Casey's Pond is a regulated, Colorado nonprofit corporation that regularly works with its bondholders to address the community's significant debt burden and produced and provided annual financial statements audited by an independent financial firm. After months of sustained efforts by Casey's Pond nonprofit Board and its bondholders to find a buyer that would commit to continuing all aspects of the senior care community, the bondholders placed Casey's Pond into receivership.

Operational/Transition Activity

On Thursday, we announced that we intend to close the Assisted Living Community on November 13, 2024. This difficult decision was reached after assessing the longer-term viability of maintaining this community and reviewing the current status of the ongoing marketing efforts. Our focus now turns to working with our assisted living residents to find alternative arrangements.

The Casey's Pond team is working hard to assist residents during this transitional time. Bellann Raile was at the community earlier in the week and worked with the team to prepare for this announcement and to support the ongoing transition for our Doak Walker residents. Bellann and Tom Plumb plan to be on site during the first part of next week to continue supporting the Casey's Pond team during this difficult period.

Currently, only residents in the Doak skilled nursing and assisted living neighborhoods have received closure notices and are in the process of finding new housing & service options.

We continue to assess our staffing needs as the Doak Walker transition continues and the assisted living community transition begins. We understand these plans impact our valued team members and remain committed to communicating these plans as soon as they are available.

Sale Process

The property went on the market on July 25, 2024. We continue to see very significant interest from prospective buyers. Over 55 prospective buyers have been pre-qualified, signed confidentiality agreements and have access to the data room. Site tours have begun and will continue over the next several weeks.

Please understand that as we plan and weigh options, there is a lot of outside speculation and many rumors circulating. We remain committed to communicating our decisions directly to impacted residents and staff first. We will communicate these decisions more broadly once those directly impacted have been notified.

Cordes & Company