

Receiver Update

August 9, 2024

This is the fourth 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

During this past week, Bellann Raile was at the community and worked with the staff to continue to build plans for the orderly transition for our Doak Walker residents. Bellann plans to continue to be available on site often over the next several weeks. We are tentatively planning a meeting with Independent Living Residents on August 21.

We are working on understanding our staffing needs over the next several weeks as the Doak Walker transition continues. 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. As of this week, we are seeing very significant interest from prospective buyers in the early stages of this marketing effort. Some of the statistics that highlight this include:

- Over 13,000 emails have been sent to prospective buyers.
- 3 tours occurred this past week, more tours are in the process of being scheduled.
- Over 45 prospective buyers have been pre-qualified, signed confidentiality agreements and have access to the data room.
- Over 75 parties have been identified and had engagement with the broker team.

- Several dates have been established for tours of the facility 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