

# CONTINUING CARE RETIREMENT COMMUNITY DISCLOSURE STATEMENT

Date Prepared: 04/26/2023

Facility Name: Morningside of Fullerton

Address: 800 Morningside Dr

Zip Code: 92835

Phone: 760-704-6284

Provider Name:

CoreCare III

Facility Operator: CoreCare III

Religious Affiliation: n/a

Year Opened: 1991

# of Acres: 33

Miles to Shopping Center: .1

Miles to Hospital: 1.5

☒ Single Story☒ Multi-Story☐ Other:

Number of Units: 400

Residential Living	Number of Units	Health Care	Number of Units
Apartments – Studio:	5	Assisted Living:	
Apartments – 1 Bdrm:	114	Skilled Nursing:	
Apartments – 2 Bdrm:	133; 3BDR: 12	Special Care:	
Cottages/Houses:	57	Description:	

RLU Occupancy (%) at Year End: 99.0%

Type of Ownership: ☐ Not for Profit☒ For ProfitAccredited? ☐ Yes By:☐ No

Form of Contact:

☒ Continuing Care☐ Life Care☒ Entrance Fee☐ Fee for Service

(Check all that apply)

☐ Assignment of Assets☐ Equity☐ Membership☐ Rental

Refund Provisions:

☐ Refundable☐ 90%☒ 50%

(Check all that apply)

☒ Repayable☒ 75%☒ Other: 25%

Range of Entrance Fees: \$262,000 - \$1,770,000

Long-Term Care Insurance Required? ☐ Yes ☒ NoHealth Care Benefits Included in Contract: Assisted Living, Skilled Nursing and Memory CareEntry Requirements: Min Age: 60 Prior Profession:  Other: 

Resident Representative(s) to, and Resident Members on, the Board:

(briefly describe provider's compliance and residents' roles): There are seven representatives on the Resident Council that are involved in monthly management meetings and serve as a liaison for residents to provide suggestions and perspective to management & ownership

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.

### Facility Services and Amenities

Common Area Amenities	Available	Fee for Service	Services Available	Included in Fee	For Extra Charge
Beauty/Barber Shop	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Housekeeping ( <u>2</u> Times/	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Billiard Room	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Month at \$_____each)		
Bowling Green	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Meals ( <u>1</u> /Day)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Card Rooms	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Special Diets Available	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Chapel	<input type="checkbox"/>	<input type="checkbox"/>			
Coffee Shop	<input type="checkbox"/>	<input type="checkbox"/>	24-Hour Emergency Response	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Craft Rooms	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Activities Program	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Exercise Room	<input checked="" type="checkbox"/>	<input type="checkbox"/>	All Utilities Except Phone	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Golf Course Access	<input type="checkbox"/>	<input type="checkbox"/>	Apartment Maintenance	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Library	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Cable TV	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Putting Green	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Linens Furnished	<input type="checkbox"/>	<input type="checkbox"/>
Shuffleboard	<input type="checkbox"/>	<input type="checkbox"/>	Linens Laundered	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Spa	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Medication Management	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Swimming Pool – Indoor	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Nursing/Wellness Clinic	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Swimming Pool – Outdoor	<input type="checkbox"/>	<input type="checkbox"/>	Personal Home Care	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Tennis Court	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Transportation – Personal	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Workshop	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Transportation – Prearranged	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Other: <u>Bocce Pickle</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Other: _____	<input type="checkbox"/>	<input type="checkbox"/>

**Provider Name:** CoreCare III

Affiliated CCRCs	Location (city, state)	Phone (with area code)
N/A		

Multi-Level Retirement Communities	Location (city, state)	Phone (with area code)
N/A		

Free-Standing Skilled Nursing	Location (city, state)	Phone (with area code)
N/A		

Subsidized Senior Housing	Location (city, state)	Phone (with area code)
N/A		

**NOTE:** Please indicate if the facility is a life care facility.

**Provider Name:** CoreCare III

<b>Income and Expenses [Year]</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Income from Ongoing Operations</b>				
<b>Operating Income</b> (Excluding amortization of entrance fee income)	25,645,903	26,777,030	26,415,168	27,624,402
<b>Less Operating Expenses</b> (Excluding depreciation, amortization, and interest)	20,565,840	21,420,804	21,953,549	23,616,588
<b>Net Income From Operations</b>	5,080,063	5,356,226	4,461,619	4,007,814
<b>Less Interest Expense</b>				
<b>Plus Contributions</b>				
<b>Plus Non-Operating Income (Expenses)</b> (Excluding extraordinary items)	(463,297)	(308,138)	(460,445)	380,201
<b>Net Income (Loss) Before Entrance Fees, Depreciation And Amortization</b>	4,616,766	5,048,008	4,001,174	4,388,015
<b>Net Cash Flow From Entrance Fees</b> (Total Deposits Less Refunds)	8,947,130	5,487,807	7,636,949	6,184,053

**Description of Secured Debt** (as of most recent fiscal year end)

<b>Lender</b>	<b>Outstanding Balance</b>	<b>Interest Rate</b>	<b>Date of Origination</b>	<b>Date of Maturity</b>	<b>Amortization Period</b>
Morningside of Fullerton					
("MS") Master Trust	\$163,515,909	0%	3/6/1991	12/31/2050	40 years

**Financial Ratios** (see last page for ratio formulas)

<b>Financial Ratios [Year]</b>	<b>CCAC Medians 50th Percentile (optional)</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Debt to Asset Ratio</b>		0%	0%	0%
<b>Operating Ratio</b>		80.0%	83.8%	85.49%
<b>Debt Service Coverage Ratio</b>		0%	0%	0%
<b>Days Cash On Hand Ratio</b>		214.41	240.98	188.72

**Provider Name:** CoreCare III**Historical Monthly Service Fees (Average Fee and Change Percentage)**

<b>Residence/Service [Year]</b>	<b>2019</b>	<b>%</b>	<b>2020</b>	<b>%</b>	<b>2021</b>	<b>%</b>	<b>2022</b>	<b>%</b>
Studio	\$3,285	3.6	3,384	4.0	3,378	3.0	3,550	5.1
One Bedroom	\$4,077	3.6	4,199	4.0	4,296	3.0	4,515	5.1
Cottage/House	\$6,259	3.6	6,447	4.0	6,705	3.0	7,047	5.1
Assisted Living								
Skilled Living								
Special Care								

**Comments from Provider:**

MS Master Trust has a priority first deed of trust against Morningside of Fullerton, which provides residents collateral protection. The \$163,515,90 recorded on the books as a note payable to the Master Trust is repayable to the their estate upon termination/"resale" of unit per the contract.

**Financial Ratio Formulas****Long-Term Debt to Total Assets Ratio**

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

**Operating Ratio**

$$\frac{\text{Total Operating Expenses - Depreciation Expense - Amortization Expense}}{\text{Total Operating Revenues - Amortization of Deferred Revenue}}$$

**Debt Service Coverage Ratio**

$$\frac{\text{Total Excess of Revenues Over Expenses} + \text{Interest, Depreciation, and Amortization Expenses} + \text{Amortization of Deferred Revenue} + \text{Net Proceeds from Entrance Fees}}{\text{Annual Debt Service}}$$

**Days Cash On Hand Ratio**

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

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