EDENWALD

A facility of
General German Aged People's Home of Baltimore
800 Southerly Road
Towson, Maryland 21286

DISCLOSURE STATEMENT
April 1, 2026

In compliance with Sections 10-424 and 10-425 of Human Service Article of the Annotated Code of Maryland.

The issuance of a certificate of registration by the Maryland Department of Aging does not constitute approval, recommendation, or endorsement of the facility by the Department, nor is it evidence of, or does it attest to, the accuracy or completeness of the information sent out in the disclosure statement.

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ORGANIZATION SUMMARY

The General German Aged Peoples Home of Baltimore was incorporated in the State of Maryland in 1881 as a non-profit, non-stock organization dedicated to the care of the elderly. In June 1882, the Corporation opened the "Greisenheim," a home for the elderly located in Baltimore City. Prior to 1936, when the facility at 22 South Athol Avenue in West Baltimore was constructed, the "Greisenheim" had been located at two different sites in Baltimore. During the early 1980's plans were developed to build and operate a new facility in Baltimore County. In 1982, the Corporation acquired the site for Edenwald, a continuing care retirement community. Edenwald opened in September 1985 and all Residents from the West Baltimore facility were transferred to the building located at 800 Southerly Road, Towson, Maryland 21286. In May 2008, Edenwald expanded with the opening of the Terraces at 800A Southerly Road.

The General German Aged People's Home of Baltimore is not affiliated with any religious or ethnic organization, although it was originally established to serve the aging German population of Baltimore. Anyone will be considered for residency at Edenwald without regard to race, color, religion, gender, national origin, sexual orientation, handicap, familial status or age (except that admission is limited to those individuals who have attained the age of 62). The Corporation is exempt from federal income tax pursuant to Section 501 (c) (3) of the Internal Revenue Code.

Edenwald is owned and operated by the Corporation, and the Residence and Services Agreement is between the Resident and the Corporation. Edenwald is the only facility operated by the Corporation and is not a separate legal entity. All legal obligations and liabilities arising from the operation of Edenwald are the obligations and liabilities of the General German Aged People's Home of Baltimore. Mark Beggs is the President of the organization, having joined on January 7, 2019.

Mission

Edenwald creates a caring community inspiring people to thrive and live lives of significance

Values

Connection

Truly connecting and knowing our neighbors

Creating meaningful bonds

Respect

Celebrating diversity

Treating people the way we want to be treated

Reinforcing the value we see in all people

Communication

Being honest and respectful

Being transparent and keeping people informed

Embracing dialogue and collaboration

Engagement

Encouraging people to be active and involved

Sharing our blessings and giving back to the community

Striving to continue to learn and grow

Providing the support that enables people to reach their greatest potential

Integrity

Honoring our history and our promise to serve the community

Being good stewards of our resources

Caring for our community and the environment

Statement of Purposes

Edenwald believes that aging is a normal process of living and need not be a period of mental and physical deterioration.

Edenwald believes that residents and team members are to be accepted as they are and treated with respect and dignity; everyone deserves the most courteous and attentive treatment we can provide; and in order to care for all members of our community, we must each possess a true sense of caring and belonging.

Edenwald believes that everyone must be made to feel that the culture of Edenwald is hopeful and supports everyone in living a life of significance.

Edenwald believes that our community was established and planned with residents and team members in mind; that life at Edenwald emphasizes abilities, not disabilities, and that the basic objective of our community is to add life to years, not just years to life.

Edenwald believes that services, programs and careers are to be offered to achieve satisfying, well-rounded opportunities for all members of our community, to meet their social, emotional, physical, and spiritual needs and to drive their sense of purpose.

Edenwald is committed to a philosophy that supports all members of our community equally, but revolves around our need to provide the best possible service to the residents.

DESCRIPTION OF THE FACILITY

Edenwald, a Continuing Care Retirement Community (CCRC), is located on approximately six acres of beautifully landscaped grounds at 800 Southerly Road, near the intersection of Fairmount Avenue and Dulaney Valley Road in Towson, Maryland 21286. Situated within walking distance of Towson Town Center and Goucher College, Residents have access to stores, shops, restaurants, and cultural and educational events. Edenwald Residents have easy access via public and private transportation to downtown Baltimore and Washington, D.C. Many area places of worship and medical facilities are within minutes of the community.

Sixteen distinctive floor plans are available comprising our 251 independent living units. This inventory includes 2 studio units, 60 one-bedroom units, 75 one-bedroom and den units, and 114 two-bedroom units.

Amenities available for Residents include two elegant dining rooms, a barber and beauty shop, a crafts area, a billiard room, a swimming pool, a whirlpool, an exercise room, a woodworking shop, guest rooms, a social lounge, performing arts auditorium, private dining facilities and a library. Also, the lovely Café and Pub are available for informal dining.

The adjoining two-story Health Care Center provides both Assisted Living and Comprehensive Care. All units are staffed with licensed nursing staff. Hoerichs Hall currently provides 35 Dementia Care Assisted Living suites. Stroh Hall has 47 private Comprehensive Care rooms, 23 of which are available for double occupancy in the event of an emergency. Additionally, the Terraces Southerly Place unit provides 32 2-room apartments for Assisted Living Care.

Edenwald entered into an agreement with Goucher College (signed October 24, 2023) to evaluate the possibility of expanding the existing Edenwald campus onto 3.001 acres of adjacent land under a long-term (99-year) lease. This arrangement will make Edenwald the first University Retirement Community in the state of Maryland. Under this agreement Edenwald will build an additional 125 Independent Living units, add an additional 25,000 square feet of amenity space and approximately 180 units of covered parking. The agreement provides Edenwald with ownership of the land at the end of the lease (with opportunities to purchase the land during the life of the lease under certain circumstances). A due diligence period concluded on July 27, 2024. At that time, having determined that the project was feasible from both a financial and regulatory perspective, the organization moved forward and began the sales phase, accepting refundable Priority Deposits. Once the Priority Deposit goal number was achieved the organization began the refundable 10% deposit phase while the design planning and county approval process continued. As of this writing, all

125-units in the expansion have been reserved. The next phase is to complete the construction documents and pricing, while continuing through the county approval process. Once county approval is received the organization will begin the financing and permitting process. The organization targets third quarter of 2026 for groundbreaking. The organization will utilize 100% of the 10% deposits collected, and up to 90% of total Entrance Fees collected as part of the financing of the overall expansion project.

ISSUANCE OF AN INITIAL CERTIFICATE OF REGISTRATION

An Initial Certificate of Registration shall be issued by the Department of Aging (the "Department") for any new units when it determines that all of the following conditions have been met:

(1) The provider has been issued a preliminary certificate of registration;

(2) The provider has submitted the required documents;

(3) The form and substance of all advertisements, advertising campaigns and other promotional materials submitted are not deceptive, misleading or likely to mislead;

(4) (a) for a project other than a conversion, verification that continuing care agreements have been executed with subscribers for at least 65% of the independent living units and at least 10% of the total entrance fee for each contracted unit has been collected.

(b) for a conversion project, verification that at least 80% of the accommodations in the project that are not licensed as assisted living or comprehensive care beds are occupied or reserved in accordance with:

(i) leases;

(ii) continuing care agreements executed with subscribers who have paid a deposit that:

1. equals at least 10% of the total entrance fee; and
2. has been deposited by the provider under an escrow agreement approved by the Department of Aging; or

(iii) other appropriate contractual arrangements.

(5) The provider has received all licenses and certifications and letters of exemption required as of that date from the Maryland Department of Health, the Maryland Health Care Commission, and the Maryland Department of Aging.

(6) The provider has submitted documentation to the satisfaction of the Department that there is a commitment for permanent long-term financing; and

(7) The provider has submitted documentation which demonstrates to the satisfaction of the Department that closing on construction financing has taken place.

In addition, Maryland law requires Edenwald to maintain all deposits and entrance fees paid by any resident to Edenwald in an escrow account in Maryland in a financial institution until:

(i) an initial certificate of registration is issued,

(ii) a certificate of occupancy is received,

(iii) construction is complete, and

(iv) Edenwald has been issued appropriate licenses or certificates by the Maryland Department of Health, the Maryland Health Care Commission, and the Maryland Department of Aging.

When approved by the Maryland Department of Aging, the financial institution may release escrowed funds to Edenwald for its use in accordance with the terms of its Continuing Care Residency Agreement.

SERVICES

The continuing care agreement between a Resident and the General German Aged People's Home of Baltimore provides lifetime care for the Residents. Edenwald offers both a Type A Life Care contract and a Type C Fee for Service contract. Residents across all levels of care receive the following services as provided by the contract and included with the monthly service fee: 24-hour security, maintenance of building and grounds, all utilities except telephone service, basic cable service, a daily meal allowance with options for additional meals at the expense of the Resident, weekly flat laundry service, scheduled transportation, storage and parking areas, bi-weekly housekeeping, and necessary repairs and maintenance to the living quarters. Residents across all levels of care are responsible for providing their own locks for their assigned storage locker. All Residents' living quarters are secure and have emergency call systems with direct access to either the security desk in Independent Living or a nursing station in the higher levels of care. The organization provides assisted living and comprehensive care on-site within the licensed Assisted Living Units and the licensed health care center of the facility for Residents. For a Type A contract, when a Resident is temporarily transferred to assisted living or comprehensive care, there are no additional fees other than meal charges for the additional meals provided in healthcare, and charges for personal hygiene/minor medical supplies and a charge for telephone service. When a Type A contract permanently transfers to assisted living or comprehensive care the Resident will pay an equalized rate which is the monthly service fee for the Richmond two-bedroom apartment. For a Type C contract, any transfer to a higher level of care results in fee for service charges identified for that particular level of care as well as any additional ancillary charges. The additional two meals per day supplied in higher levels of care are included within the daily rate for Type C contracts.

Residents are responsible for personal items, any physicians' services, physical therapy, occupational therapy, speech therapy, or other health professional; hospital, paramedic and ambulance charges; laboratory fees, dental and eye care charges; special private duty nurses; charges for medicines, drugs, vitamins, food supplements, dental appliances, glasses, contact lenses, hearing aids, orthopedic devices and other health related items. Residents are also responsible for funeral and burial costs. It is the responsibility of the Resident to maintain insurance to cover medical expenses not covered by the contract with Edenwald. If a Resident has a long-term care insurance policy, the Resident should request their advisors to review the policy and the Residence and Services Agreement to determine whether there are potential areas of duplication or areas where benefits can be coordinated.

Edenwald is Medicare certified as of August 2022 and cares for contract residents more completely on-site utilizing their Medicare benefits. Based on availability, Edenwald may also serve a small number of non-contract residents for short-term Medicare stays, and long-term care placement if financially qualified..

Each Resident receives a handbook for either the independent living apartments or the healthcare center (assisted living and comprehensive care). The handbook includes a list of key employees, policies and procedures. Residents transferred to the healthcare center also receive a copy of COMAR 10.07.09, "Resident's Bill of Rights," which includes the following topics:

I. Privacy & Respect
II. Medical Care & Treatment
III. Freedom from Abuse & Restraint
IV. Freedom of Association & Communication in Privacy
V. Activities
VI. Work
VII. Personal Possessions
VIII. Grievances & Complaints
IX. Financial Affairs
X. Admission, Transfer & Discharge Rights

ASSISTED LIVING PROGRAM

The Corporation's Assisted Living program, also located at 800 Southerly Road, Towson MD 21286, is comprised of two distinct areas. A regularly licensed Assisted Living (Southerly Place) and a Memory Care Assisted Living (Hoerichs Hall). Each is licensed to provide up to three levels of care: low (Level 1), moderate (Level 2) and high (Level 3). When a Resident is transferred from independent living to assisted living, whatever level of care needed is provided. Assisted living is available on site and includes the following services: an unfurnished private apartment, housekeeping and laundry services, three well balanced meals, assistance with the activities of daily living including; eating, personal hygiene, mobility, toileting and dressing, assistance with access to health care and social services (the actual costs of such services will be the Resident's responsibility), access to recreational and social activities including access to spiritual and religious activities consistent with

your background and preferences, assessment and periodic reassessment of the Resident's ability to self-administer medications, and assistance with and/or administration of medications based on the Resident's needs. The Memory Care Assisted Living is a secure unit with structured programming throughout the day whose staff members have received specialized training in Person Centered Care through Broadmead's Center of Excellence in Dementia Care. It is designated as a Special Memory Care Unit by the state of Maryland. The following services are provided and are the obligation of the resident or resident's agent with a separate charge that may change from time to time with proper notice: catheter care, colostomy care, wound care, incontinent care. Upon request or need, Edenwald will ascertain and coordinate the attainment of Durable Medical Equipment available at an additional cost for rent or purchase by the resident and/or their representative. The following services are not provided: hand/tube feeding, IV therapy and suctioning. Physical impairments are identified quickly and addressed appropriately. The attending physician will order an evaluation by the appropriate rehabilitation specialist. Within the framework of the "Resident's Bill of Rights," the Resident is encouraged to participate in the service plan process. Edenwald is responsible for overseeing and monitoring the medical care and health status of our Residents. Whenever possible, Residents are encouraged to conduct their own business. In order to remain autonomous and retain individuality, Residents are encouraged to bring their own furniture, clothing and room accessories to their new home. Every effort is made to provide appropriate support so Residents may continue to be independent. Although assisted living Residents may require special attention, their privacy is respected, each assisted living Resident has individual keys to their apartment. Staff members must receive permission before entering an apartment in order to monitor Residents' health and to perform other services needed. All staff members are required to attend in-service programs annually addressing a variety of topics including Residents' rights and meeting the psychosocial needs of the aging population.

INTERNAL GRIEVANCE PROCEDURE

Edenwald has established an internal grievance procedure to address Resident grievances. A Resident or a group of Residents collectively may submit a grievance in writing to Mark Beggs, President. Edenwald will send a written acknowledgement to the Resident or group of Residents within five days after receipt of the written grievance. Edenwald will assign personnel to investigate the grievance. A Resident

or group of Residents who file a written grievance are entitled to a meeting with the management of Edenwald within thirty days after receipt of written grievance in order to present the grievance. Edenwald will provide a response in writing within forty-five days after receiving the written grievance as to the investigation and resolution of the grievance.

Within 30 days after Edenwald provides its response to the grievance, a Resident, group of Residents or Edenwald may seek mediation through one of the community mediation centers in the State or another mediation provider. If a Resident, group of Residents or Edenwald seeks mediation under the preceding sentence, the mediation shall be nonbinding.

COMPREHENSIVE CARE

Edenwald is licensed for 70 Comprehensive Care beds but operates with 47 in service, in order to provide private accommodations to our Residents. Edenwald has the ability to put additional beds into service to accommodate patients in semi-private rooms. Whenever a Resident requires medical or nursing care under the supervision of a registered nurse, the Resident may transfer to the Comprehensive Care Unit where the Resident will be provided with general nursing care and nursing treatments such as the administration of medication, preventive skin care and assistance with personal care such as bathing, toileting, feeding, dressing and mobility. Personal and medical supplies are charged separately to cover the items needed. Also provided are housekeeping, laundry services, recreational and social programs, and three well balanced meals (note: there is an additional fee under Type A agreements only for the two added meals). While in the Comprehensive Care Unit, the Resident's plan of care is tailored to the Resident's needs and preferences.

HEALTH CARE CENTER

Grievances and complaints may be communicated to any member of the Edenwald staff and issues will be addressed immediately or elevated the Licensed Nursing Home Administrator. If the Resident does not receive a satisfactory resolution, he/she is informed that the Office of Healthcare Quality or Ombudsman may be notified by phone or in writing. Continuing care Residents also have the option of utilizing the Internal Grievance Procedure which is set forth later in this document.

The recreation therapy program at Edenwald provides activities designed to maximize the engagement of the Residents. This goal is achievable by maximizing a Residents' functioning level, encouraging independence, fostering purpose and creativity and providing appropriate activities on a one-to-one or group basis.

Our Dementia Care Assisted Living unit is staffed with dedicated professionals who have all been trained in the "Alzheimer's and Dementia Care" course sponsored by the National Council of Dementia Practitioners. Edenwald offers a resident-centered program designed to meet the specific needs of those with various levels of dementia. It provides daily structure seven days per week to help maintain the Resident's abilities and encourage the use of their remaining skills.

Edenwald leases space to a rehabilitation company to provide on-site physical, speech and occupational therapies. Within Edenwald, Residents enjoy the convenience of a Geriatric Primary Care Practice established in collaboration with Gilchrist/GBMC. Also available are dentistry, dermatology, podiatry, audiology, psychiatry, laboratory services, radiology and cardiology services. Our staff includes Licensed Nurses, Certified Medication Aides, Certified Geriatric Nursing Assistants, Nursing Administration, Licensed Clinical Social Workers, and a Certified Recreation Therapy Specialist who work together to meet the needs of the Residents. The licensed Administrator for the Health Care Center reviews the appropriate credentialing for the health center staff on an annual basis.

PARKING

Edenwald has 156 garage parking spaces that are rented to Residents on a monthly basis and also offers outside unreserved surface parking at no additional cost.

GOVERNANCE AND ADMINISTRATION

Edenwald is owned and operated by the General German Aged People's Home of Baltimore and is governed by the Board of Directors of the Corporation. Board members are selected for the expertise they will bring to the community, in addition to their desire to provide quality care for the elderly. The Board of Directors is empowered by the Corporation's charter, constitution and by-laws to govern the Corporation and Edenwald. The Board of Directors is to consist of no fewer than nine and no more than twenty-one

directors elected to three-year terms at the Annual Meeting of the Corporation. The Board of Directors meets monthly, with the exception of February and August, while various committees of the Board meet regularly and report to the full Board at their scheduled meetings. Policy recommendations and Board level decisions are channeled through these committees which are comprised of Board members, senior staff and Residents. As required by Human Services Article 10-427 of the Human Services Article of the Annotated Code of Maryland, the General German Aged Peoples Home of Baltimore has a Resident as a voting board member and an alternate if only one subscriber resident serves on the Board. The Resident board member is recommended by the Executive Committee of the Residents' Association and/or by nomination of an individual member of the community. That member is then appointed to the Board of Directors.

The Resident Board Member attends Board and assigned Committee meetings, gives a report and shares information on whatever area they desire. The Board is invited to and may attend Resident functions where open communication is encouraged. The Resident Association also provides an additional ancillary member to the board in a non-voting capacity. This individual is usually the Vice President of the Resident Association and attends all board meetings.

The Residents' Association functions as the Residents' governing body. Facility concerns of Residents are brought to the appropriate subcommittee of the Residents' Association for action. These concerns are then discussed in depth with the appropriate Department Director and President or Vice President. Residents are involved in decisions that affect their daily lives and are encouraged to participate in meetings and serve on the various committees.

The President, Vice-President for Finance and Administration, Vice President of Facility Operations, and Department Directors attend the monthly meeting of the Residents' Association. Any issues regarding operations are discussed at these meetings. At the monthly meetings of the Residents' Association, the President addresses the entire Resident population with an update on operations and addresses any questions or concerns the Residents have. In addition, the President does a monthly Town Hall Meeting (via in-house broadcast and YouTube as needed) doing an in-depth review of community operations to include finances, sales, major projects and other operational initiatives underway. Edenwald's monthly meetings at the resident's association is held in accordance with HSA §10–426(a). The President of the Corporation, Mark Beggs, serves as an Ex officio member of the Board of Directors. The President is responsible for the overall management and supervision of the facility under the direction of the Board of Directors with a management staff that includes the Vice President of Finance and Administration, Vice President of Facility Operations,

Vice President of Resident and Institutions of Higher Education Services, Vice President of Sales and Marketing, Vice President and Chief Information Officer, and Vice President of Human Resources.

GENERAL GERMAN AGED PEOPLES HOME OF BALTIMORE

BOARD MEMBERS

Debra S. Wertheimer, M.D., Chair	Retired - Medical Care Director of Hospice & Palliative Medicine Vice Chair Maryland VA Medical Systems
Vincent P. Nesline, Vice-Chair	C.P.A./Principal – UHY Advisors, Inc.
Francis B. Palumbo, Treasurer	Professor and Associate Director – University of Maryland
Scott Ensor, Secretary	Stockbroker, Folger Nolan Fleming Douglas
Rabbi Floyd Herman	Retired - Rabbi (Resident Representative)
Lawrence S. Cook	Retired - Project Manager, Whiting Turner Construction Company
Bruce J. Mattheiss	Retired - President, B. J. Mattheiss Insurance Company
Andrew Moore	Managing Principal, LCM Financial
Tracy Jacobs	Director, Osher Lifelong Learning Institute, Towson University
Cory Silkman	Silkman Law, LLC
Andri Purkanto	Owner, BrightStar Care
Michele Ewing	VP of Advancement, Goucher College
Timothy S. Wessel	President, Wessel Financial Services, Inc.
Ardena N. Githara	Senior Program and Management Analyst, DOT/FAA/ATO
Candice Richardson	Vice President of Accounting and Finance for ASC Ortho Management Company
Ty'lor Schnella	Legislative Liaison and Local Affairs Manager, Office of Baltimore Mayor Brandon Scott

Above is a listing of the names and occupations of the members of the Board of Directors

and the officers of the Corporation. As a not-for-profit, nonstock corporation, no individual person owns an equitable or beneficial interest in the Corporation.

None of the above-listed members has a 10% or greater financial interest in any professional service firm, association, trust, partnership, company, or corporation which is anticipated to provide goods, premises, or services to the facility or provider of a value of $10,000 or more within any fiscal year.

In addition, none of the members of the Board of Directors has been: (i) convicted of a felony or pleaded *nolo contendere* to a felony charge involving fraud, embezzlement, fraudulent conversion, or misappropriation of property; (ii) held liable or enjoined by a final judgment, in a civil action involving fraud, embezzlement, fraudulent conversion, or misappropriation as a fiduciary; (iii) subject to an effective injunctive or restrictive order of a court of record arising out of or relating to business activity or health care, including actions affecting a license to operate any facility or service for aging, impaired or dependent persons, or had any state or federal license or permit suspended or revoked within the past 10 years, as a result of an action brought by a governmental agency arising out of or relating to business activity or health care, including actions affecting a license to operate any facility or service for aging, impaired, or dependent persons.

FINANCIAL INFORMATION

Long-Term Financing

The Maryland Health and Higher Educational Facilities Authority issued $35,670,000 in First Mortgage Revenue Bonds in January 1984, to finance the construction and furnishing of Edenwald. The proceeds of the bond issue were loaned to the Corporation pursuant to a Loan Agreement between the Corporation and the Authority. In 1986, the Board of Directors authorized a Crossover Refunding of the 1984 Bond Issue. The Maryland Health and Higher Educational Facilities Authority issued $26,990,000 in Revenue Refunding Bonds in December 1986, with the Crossover to take effect on November 1, 1993. The 1984 and 1986 bond issues were subject to certain conditions and covenants. These were met and the Crossover occurred on November 1, 1993, with the 1984 bonds being defeased on that date. In October 1993, the decision was made to refinance the 1986 bond issue in order to take advantage of lower interest rates. The called bonds from the 1984 and 1986 issues had interest rates ranging from 6.5% to 11.75%. On January 6, 1994, the Corporation obtained a loan funded by the issuance of $25,740,000 of Revenue Refunding Bonds through the Maryland Health and Higher Educational Facilities Authority to refinance the 1986 bond issue. On June 21, 2006, the Corporation obtained a loan funded by the issuance of $80,365,000 of Revenue Bonds through the Maryland Health and Higher Educational Facilities Authority to refund the existing 1993 debt, provide funds to renovate and expand the existing campus and provide for Capitalized Interest during the construction and fill-up of the new facility. There were two Series of Bonds issued, Series A ($55,365,000) which is intended to meet the long-term capital needs of the facility and Series B ($25,000,000) which is intended to be paid off with the entrance fees received from the new apartments. The Series B bonds have been paid off.

On September 22, 2015, the Corporation did an advance refunding of the Series 2006 bonds. The Series 2015 bonds were issued in their place. The Series 2015 bonds consist of serial and term bonds totaling $49,030,000. The remaining obligation related to the bonds is:

Type	Due January 1,	Rate	Amount
Serial Bonds	Through 2030	4.125% - 5.00%	$12,810,000
Term Bonds	2037	5.25%	$23,370,000
			$36,180,000

Reserve Requirements

As of January 1, 2024, The Maryland Department of Aging requires that CCRC's maintain an operating reserve equal to 25% of the most recent fiscal year's net operating expenses, for which a certified financial statement is available, as defined by the law under Human Services Article Section 10-420 and 10-421. On December 31, 2024, the organization met this requirement. The required operating reserve is included in the organization's general investments. The reserve requirements are continually monitored by Edenwald's Vice President of Finance and Administration and annually reviewed by Edenwald's certified public accounting firm. Edenwald's investment policies and reserve requirements are documented in notes 2 and 4 of the audited financial statements included with this document. The required operating reserve is included in the Organization's general investments, with fair values of $29,621,840 and $28,206,499at December 31, 2024 and 2023, respectively. These investments exceed the reserve of 25% that went into effect January 1, 2024, as set forth in Human Service Article Section 10-420 (b) (ii) of the Annotated Code of Maryland.

Funds for Renewal and Replacement

The Corporation does not segregate funds for the renewal and replacement for buildings and improvements. On an annual basis the Corporation budgets for capital improvements to the residential units and common areas to keep the community well maintained, in statutory compliance and refreshed to stay competitive. In 2024 total capital expenditures amounted to $4,280,373. The budgeted capital expenditures for 2025 are $4,309,875.

In 2024 we invested $4.2M in community upgrades and enhancements, to include:

- Apartment renovations and upgrades in Independent, Assisted and Healthcare units.
- Replaced the carpet and wallcoverings in the Tower building.
- Replaced the generator for the Tower building.
- Installed an outdoor kitchen on the Terraces Green Roof.

Looking to the future, in 2025 we will continue to invest in the community's infrastructure to include $4.3M in campus upgrades such as:

- Apartment renovations and upgrades in both Independent and Assisted Living.
- Replacing flooring on the residential floors of the Terraces building.
- Replacing Air Handling Units for our healthcare units and Cafe.
- Replacing a Heat Exchanger for the Tower building.
- Upgrading resident locker rooms.

- Upgrading the Tower building elevators.
- Replacing the floor in the kitchen.

Entrance Fees

The Corporation offers four (4) types of entrance fee contracts. The first is a 50-Month Declining Balance Type A contract, the refund for this contract decreases by 2% for each partial or full month of occupancy up to 50 months. After 50 months, there is no refund. The second contract type is an 80% refundable Type A contract, and it is 80% refundable at the time of contract termination and apartment resale. The Type A contract is all-inclusive for health care expenses as defined by the Residence and Care agreement. The third contract the Corporation offers is a 50-month amortizing Type C contract which decreases by 2% for each partial or full month of occupancy up to 50 months. After 50 months, there is no refund. The last contract type offered by the Corporation is a Type C 80% refundable contract and it is 80% refundable at time of contract termination and apartment resale. The Type C contract is fee for service for health care expenses as defined by the Residence and Care Agreement. Refunds, as stated, are paid upon termination of the residence and care agreement and resale of the Resident's apartment. Carefully read the Residence and Services Agreement for the conditions that must be satisfied before the Corporation is required to pay the entrance fee refund. The portion of the entrance fee to be refunded after the Occupancy Date is not held in trust or escrow for the benefit of the Residents after the Occupancy Date.

Medical Expense Deduction

As determined by the Internal Revenue Service in a letter dated July 11, 1986, all Residents of Edenwald on a Type A contract are allowed a medical expense deduction for service fees and entrance fees paid. Residents of Edenwald on a Type C contract are allowed a medical expense deduction for their service fee at the time they utilize health care services. Guidelines suggested by the Internal Revenue Service in their letter of determination are the basis for the calculation of the medical expense deduction. That portion of the entrance fee and monthly service fee paid by Residents to the facility that is properly allocable to medical care is deductible as a medical expense in the year paid. No medical expense deduction can be claimed unless the Resident qualifies and meets all of the criteria required by the Internal Revenue Service for income tax deductions. Residents of Edenwald on a Type A contract for the full year of 2024 were able to use a medical expense deduction of $42,746 per person for monthly service fees paid and $141,179 per person for any one-time entrance fee paid in 2024. The organization's accounting firm calculates the allowable deduction amount annually.

INTERNAL GRIEVANCE PROCEDURE

Edenwald has established an internal grievance procedure to address Resident grievances. A Resident or a group of Residents collectively may submit a grievance in writing to Mark Beggs, President. Edenwald will send a written acknowledgement to the Resident or group of Residents within five days after receipt of the written grievance. Edenwald will assign personnel to investigate the grievance. A Resident or group of Residents who file a written grievance are entitled to a meeting with the management of Edenwald within thirty days after receipt of written grievance in order to present the grievance. Edenwald will provide a response in writing within forty-five days after receipt of the written grievance as to the investigation and resolution of the grievance.

Within 30 days after Edenwald provides its response to the grievance, a Resident, group of Residents or Edenwald may seek mediation through one of the community mediation centers in the State or another mediation provider. If a Resident, group of Residents or Edenwald seeks mediation under the preceding sentence, the mediation shall be nonbinding.

AMENDMENTS AND NOTIFICATION

The disclosure statement required by the Maryland Department of Aging shall be amended, if, at any time, in the opinion of the provider, (the General German Aged People's Home of Baltimore), or the

Maryland Department of Aging, an amendment is necessary to prevent the disclosure statement from containing any material misstatement of fact as required by Human Services Article §10-425 of the Annotated Code of Maryland to be stated in the disclosure statement or omission of a material fact required to be stated in the disclosure statement. Any amendments shall be furnished to all prospective Residents and current Residents who have requested a disclosure statement for a particular year. All Residents will be given notice of any material changes to the programs for independent living, assisted living and comprehensive care.

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EXHIBIT 1
SCHEDULE OF FEES, HISTORY OF FEES

EXHIBIT 2
CASH FLOW FORECAST STATEMENT

EXHIBIT 3
CERTIFIED FINANCIAL STATEMENTS