



**THE PREMIER BROKER FOR
SENIOR HOUSING & HEALTHCARE FACILITIES**

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“CORNERSTONE LIVING” MEMORY CARE

4605 Werleys Corner Rd, New Tripoli, PA 18066
LEHIGH COUNTY



40 BED FACILITY

- 28 Units With Private Half Bath
- 100% Private Pay Residents
- Historically Strong Census
- Meticulously Maintained

10.8% Cap Rate on \$351K EBITDAR

Exclusive Offering at... \$3,250,000

*PrestigeGroupSeniorHousing.com
PrestigeGroup.com*

CORNERSTONE LIVING

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CORNERSTONE LIVING

EXECUTIVE SUMMARY

*Prestige Group Is Proud To Present
The Exclusive Offering Of*

“Cornerstone Living” Memory Care

**4605 Werleys Corner Road, New Tripoli, PA 18066
LEHIGH COUNTY**

- Cornerstone Living is Licensed for 40 Memory Care Beds.
- Purpose built in 1988, Cornerstone Living enjoys strong brand recognition in the Region
- Meticulously maintained, no deferred maintenance.
- Historically strong census. All residents are private pay.
- 28 Units with Private Half Bath.
- 2 AC Site.
- 13,000 +/- sf, One Story Structure.



CORNERSTONE LIVING

INCOME AND EXPENSES • 2017

INCOME

2017

Resident Fees	\$ 1,531,894
Admission Fee	\$ 13,000
Security Deposit Retained	\$ 4,260
Discounts Allowed	\$ (62,202.53)
Cash Over/Short	\$ 30
Total Adjusted Revenue	\$ 1,486,981

EXPENSES

Food Purchases	\$ 69,528
Kitchen Supplies	\$ 4,974
Menu Service Contract	\$ 960
Dietary Costs - Other	\$ 47
Milk and Dairy Purchases	\$ 8,611
Resident Care	
Pharmacy Purchases	\$ 11,399
Medical Supply Purchases	\$ 13,023
Education/In-Services	\$ 9,266
Resident Activities	
Resident Supplies	\$ 2,704
Resident Entertainment	\$ 6,993
Resident Hair Salon Fees	\$ 956
Resident Activities - Other	\$ 334
Resident Care Cost - Other	\$ 544
Supplies/Facility	
Decorations	\$ 348
Janitorial	\$ 2,541
Office	\$ 6,273
Operating	\$ 27,132
Supplies/Other	\$ 1,106

EXPENSES

Payroll - Management	\$ 52,700
Payroll - Administrative +Housekeeping	\$ 59,067
Activity Wages	\$ 39,456
Direct Care Wages	\$ 438,821
Food Services Wages	\$ 85,262
Housekeeping/Maintenance	\$ 32,035
Payroll Expense - Other	\$ 16,884
Payroll Tax Expense	\$ 93,157
Payroll Service Fees	\$ 3,248
Employee Medical Care	\$ 100
Casual Labor	\$ 5,089
Referral Fees	\$ 7,498
Advertising/Marketing	\$ 8,958
Computer/Internet	\$ 2,336
Computer Software	\$ 2,287
Dues & Subscriptions	\$ 1,528
Equip/Fun/Fixtures	\$ 184
Equipment Rental	\$ 3,310
Insurance	\$ 24,499
Maintenance/Repairs - Bldg/Land	\$ 25,864
Maintenance/Repairs - Equipment	\$ 10,250
Misc Expenses	\$ 321
Supplies - Office	\$ 902
Postage & Delivery	\$ 1,181
Telephone - Facility	\$ 3,995
Utilities	\$ 30,622
License & Misc Fees	\$ 536
Property Taxes	\$ 18,691

Total Expenses **\$ 1,135,520**

NET OPERATING INCOME **\$ 351,461**

CORNERSTONE LIVING

INCOME AND EXPENSES • JANUARY THROUGH JUNE 2018

INCOME

Jan-June 2018

Resident Fees	\$ 737,675
Admission Fee	\$ 11,000
Security Deposit Retained	\$ 4,470
Discounts Allowed	-\$ 29,400
Cash Over/Short	\$ 30
Total Adjusted Revenue	\$ 723,775

EXPENSES

Food Purchases	\$ 33,978
Kitchen Supplies	\$ 969
Menu Service Contract	\$ 480
Dietary Costs - Other	\$ 56
Milk and Dairy Purchases	\$ 4,076
Resident Care Costs	
Pharmacy Purchases	\$ 962
Medical Supply Purchases	\$ 1,838
Education/In-Services	\$ 2,361
Resident Activities	
Resident Supplies	\$ 598
Resident Entertainment	\$ 3,928
Resident Hair Salon Fees	\$ 604
Resident Activities - Other	\$ 137
Resident Care Cost - Other	\$ 375
Supplies/Facility	
Decorations	\$ 651
Janitorial	\$ 383
Office	\$ 1,526
Operating	\$ 10,763
Supplies/Other	\$ 1,094

EXPENSES

Payroll - Management	\$ 38,200
Payroll - Administrative	\$ 2,000
Activity Wages	\$ 9,359
Direct Care Wages	\$ 200,771
Food Services Wages	\$ 42,764
Housekeeping/Maintenance	\$ 11,121
Net Payroll Suspense Account	\$ 85
Payroll Expense - Other	\$ 17,205
Payroll Tax Expense	\$ 42,842
Payroll Service Fees	\$ 1,746
Employee Medical Care	\$ 28
Casual Labor	\$ -
Referral Fees	\$ 16,925
Advertising/Marketing	\$ 3,278
Computer/Internet	\$ 1,069
Computer Software	\$ 1,080
Dues & Subscriptions	\$ 1,159
Equipment Rental	\$ 1,990
Insurance	\$ 6,165
Maintenance/Repairs - Bldg/ Land	\$ 11,919
Maintenance/Repairs - Equipment	\$ 12,325
Misc Expense	\$ -
Supplies - Office	\$ 902
Postage & Delivery	\$ 540
Telephone - Facility	\$ 2,251
Utilities	\$ 17,826
License & Misc Fees	\$ 411
Property Taxes	\$ 9,203
Total Expenses	\$ 517,942
NET OPERATING INCOME	\$ 205,833

CORNERSTONE LIVING

RENT ROLL

37 Rooms	Room Type	Monthly Rate	Flat Fee/Mo.
1A	Semi	\$3,985	
1B	Semi		\$1,000
2	Private	\$4,319	
3	Private	\$4,532	
4	Private	\$4,532	
5	Private	\$4,745	
6	Private	\$4,410	
7	Private	\$4,502	
8	Private	\$4,532	
9	Private	\$4,532	
10	Private	\$4,228	
11A	Semi	\$3,985	
11B	Semi		
12	Private	\$4,532	
13	Small Prvt	\$4,228	
14	Private	\$4,532	
15	Private	\$4,532	
16A	Private - No Bath	\$3,802	
16B	Private - No Bath	\$3,772	
17	Private	\$4,532	
18	Small Prvt - No Bath	\$4,593	
19	Private	\$4,502	
20	Private	\$4,532	
21	Private	\$3,772	
22	Private	\$4,410	
23	Private	\$5,140	
24A	Semi	\$3,985	
24B	Semi		\$1,500
25	Private		
26	Private	\$4,441	
27	Private	\$4,319	
28	Private	\$5,140	
29	Private	\$4,319	
30	Private	\$4,319	
31	Private - No Bath	\$3,985	
32A	Semi		
32B	Semi		
Total Monthly Income		\$135,689	\$2,500
Total Monthly Gross Income			\$138,189

CORNERSTONE LIVING PHOTOGRAPHS



Architectural floor plan of a building with 26 numbered rooms and various common areas. The plan includes dimensions for each room and overall building dimensions.

Room Dimensions:

- Room 1: 12'0" x 34'0"
- Room 2: 12'0" x 34'0"
- Room 3: 12'0" x 34'0"
- Room 4: 12'0" x 34'0"
- Room 5: 12'0" x 34'0"
- Room 6: 12'0" x 34'0"
- Room 7: 12'0" x 34'0"
- Room 8: 12'0" x 34'0"
- Room 9: 12'0" x 34'0"
- Room 10: 12'0" x 34'0"
- Room 11: 12'0" x 34'0"
- Room 12: 12'0" x 34'0"
- Room 13: 12'0" x 34'0"
- Room 14: 12'0" x 34'0"
- Room 15: 12'0" x 34'0"
- Room 16: 12'0" x 34'0"
- Room 17: 12'0" x 34'0"
- Room 18: 12'0" x 34'0"
- Room 19: 12'0" x 34'0"
- Room 20: 12'0" x 34'0"
- Room 21: 12'0" x 34'0"
- Room 22: 12'0" x 34'0"
- Room 23: 12'0" x 34'0"
- Room 24: 12'0" x 34'0"
- Room 25: 12'0" x 34'0"
- Room 26: 12'0" x 34'0"

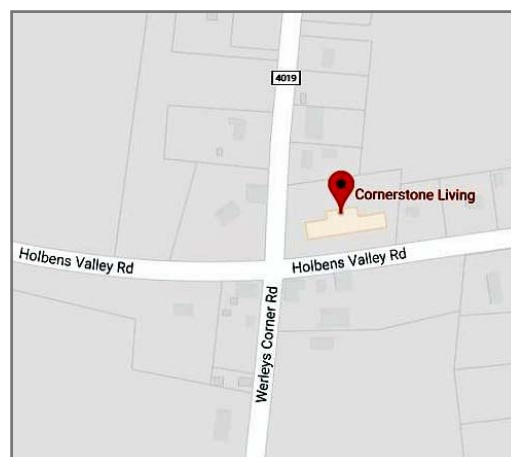
Common Areas and Other Dimensions:

- Lobby (01): 19'4" x 34'4"
- Dining Room (02): 34'4" x 34'4"
- Kitchen (K.I.T.): 19'4" x 34'4"
- Lobby (L.O.): 19'4" x 34'4"
- Restrooms (R.C.O.): 12'0" x 34'0"
- Storage (S.V.): 12'0" x 34'0"
- Corridor: 12'0" x 34'0"

Overall Dimensions:

- Overall Width: 72'0"
- Overall Length: 234'0"

CORNERSTONE LIVING AERIAL VIEW



CORNERSTONE LIVING AREA OVERVIEW

Cornerstone Living Memory Care is located in New Tripoli, Lynn Township, in Lehigh County, Pennsylvania.

The village is located at the intersection of Madison Street and Pennsylvania Route 143 near Pennsylvania Route 309 in the Lehigh Valley region of Pennsylvania.

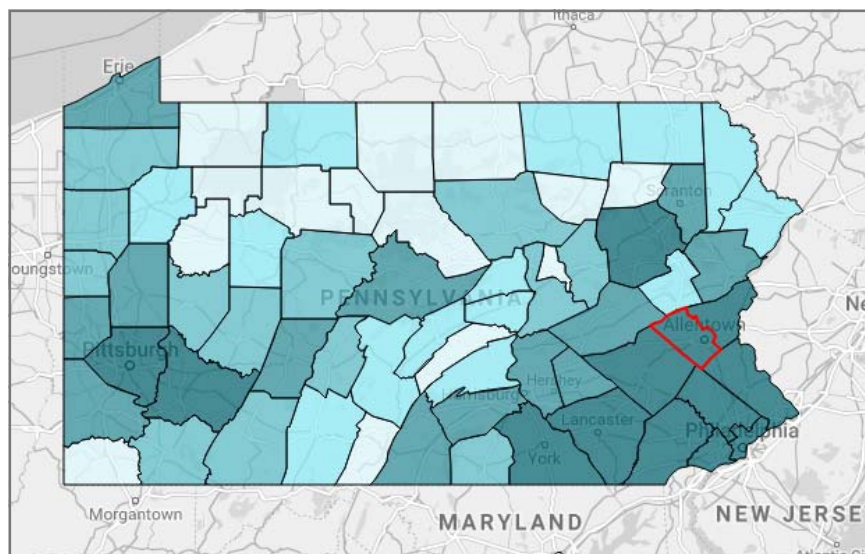
The village is served by Northwestern Lehigh School District.

Lynn Township is the largest Township in Lehigh County. Located in the northwestern corner of the county, with its neighbors Heidelberg Township to the East, Weisenberg Township to the South, Albany Township, Berks County to the West and West Penn Township, Schuylkill County to the North. The Township has 41.3 square miles of mountains and rolling hills and beautiful countryside.

Lehigh County is a county located in the Lehigh Valley region of Pennsylvania. As of the 2010 census, the population was 349,497. Its county seat is Allentown, the state's third-largest city behind Philadelphia and Pittsburgh. The county, which was first settled around 1730, was formed in 1812 with the division of Northampton County into two counties. It is named after the Lehigh River, whose name is derived from the Delaware Indian term Lechauweki or Lechauwekink, meaning "where there are forks".

Lehigh County is included in the Allentown-Bethlehem-Easton, PA-NJ Metropolitan Statistical Area, which is also included in the New York City-Newark, New Jersey, NY-NJ-CT-PA Combined Statistical Area.

It is one of the fastest-growing counties in Pennsylvania.



CORNERSTONE LIVING

AREA INFORMATION – LEHIGH COUNTY

LEHIGH COUNTY, PA

ADD COMPARISON

POPULATION
363,147
0.68% GROWTH

MEDIAN AGE
39

MEDIAN HOUSEHOLD INCOME
\$60,498
7.17% GROWTH

POVERTY RATE
14.5%

NUMBER OF EMPLOYEES
177,521
1% GROWTH

MEDIAN PROPERTY VALUE
\$198,800
1.02% GROWTH

Lehigh County, PA has a population of 363,147 people with a median age of 39 and a median household income of \$60,498. Between 2015 and 2016 the population of Lehigh County, PA grew from 360,685 to 363,147, a 0.68% increase and its median household income grew from \$56,452 to \$60,498, a 7.17% increase.

The population of Lehigh County, PA is 65.6% White, 23.3% Hispanic, and 5.8% Black. 23.7% of the people in Lehigh County, PA speak a non-English language, and 96.2% are U.S. citizens.

The largest universities in Lehigh County, PA are DeSales University, with 891 graduates, Muhlenberg College, with 802 graduates,

and Lehigh Carbon Community College, with 764 graduates.

The median property value in Lehigh County, PA is \$198,800, and the homeownership rate is 64.1%. Most people in Lehigh County, PA commute by Drove Alone, and the average commute time is 23.1 minutes. The average car ownership in Lehigh County, PA is 2 cars per household.

Lehigh County, PA is the 11th most populated county in Pennsylvania and borders Berks County, PA; Bucks County, PA; Carbon County, PA; Montgomery County, PA; Northampton County, PA & 1 MORE +.

About the photo: *Lehigh river*

PHOTO BY JEFF CUSHNER

UNITED STATES \ PENNSYLVANIA \ ALLENTOWN-BETHLEHEM-EASTON, PA-NJ METRO AREA



CORNERSTONE LIVING

DEMOGRAPHICS – LEHIGH COUNTY

ECONOMY

The economy of Lehigh County, PA employs 177,521 people. The economy of Lehigh County, PA is specialized in Management of Companies & Enterprises; Manufacturing; and Wholesale trade, which employ respectively 3.12; 1.63; and 1.6 times more people than what would be expected in a location of this size. The largest industries in

Lehigh County, PA are Healthcare & Social Assistance (29,723), Manufacturing (27,305), and Retail trade (18,661), and the highest paying industries are Management of Companies & Enterprises (\$79,125), Utilities (\$71,905), and Mining, Quarrying, Oil, Gas Extraction (\$64,875).

Median household income in Lehigh County, PA is \$60,498. Males in Lehigh County, PA have an average income that is 1.36 times higher than the average income of females, which is \$48,584. The income inequality of Lehigh County, PA (measured using the Gini index) is 0.472 which is lower than the national average.

WAGES

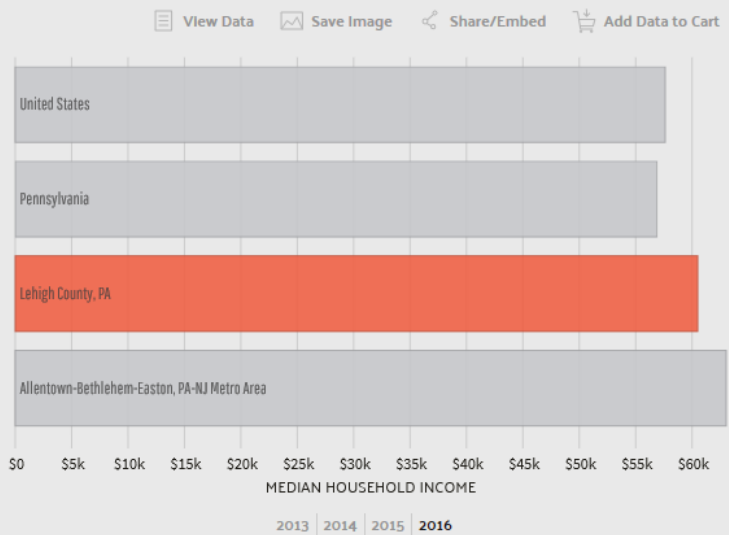
Median Household Income

\$60,498

2016 VALUE
± \$1,978

Households in Lehigh County, PA have a median annual income of \$60,498, which is more than the median annual income in the United States. Look at the chart to see how the median household income in Lehigh County, PA compares to that in its parent locations.

Dataset: ACS 1-year Estimate
Source: Census Bureau



CORNERSTONE LIVING

DEMOGRAPHICS – LEHIGH COUNTY

OCCUPATIONS

Employment by Occupations

For anonymity, the ACS 1-year estimate groups occupations by broad parent groupings.

177,521

1%

2016 VALUE

± 4,485

1 YEAR GROWTH

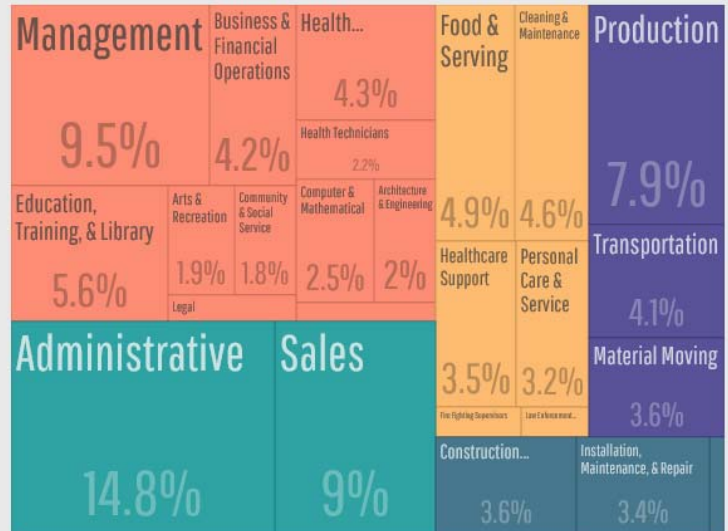
± 3.34%

From 2015 to 2016, employment in Lehigh County, PA grew at a rate of 1%, from 175,761 employees to 177,521 employees.

The most common job groups, by number of people living in Lehigh County, PA, are Management, Business, Science, & Arts, Sales & Office, and Service. This chart illustrates the share breakdown of the primary jobs held by residents of Lehigh County, PA.

Dataset: ACS 1-year Estimate

Source: Census Bureau



INDUSTRIES

Employment by Industries

For anonymity, the ACS 1-year estimate groups industries by broad parent groupings.

177,521

1%

2016 VALUE

± 4,485

1 YEAR GROWTH

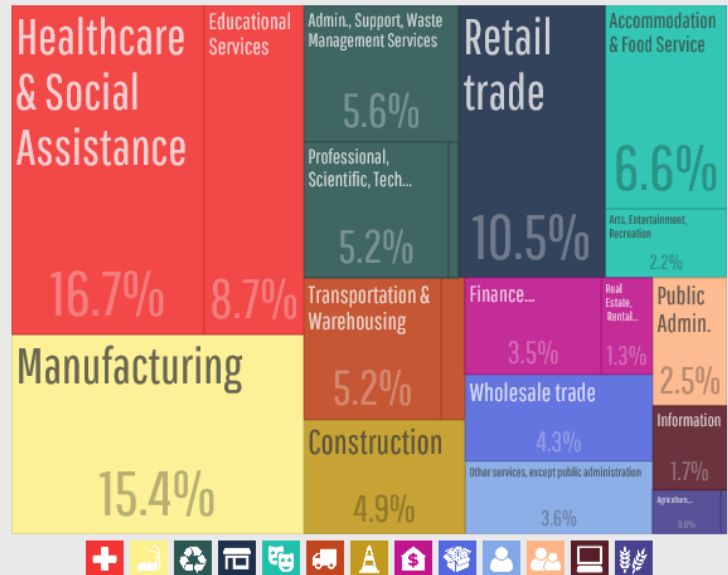
± 3.34%

From 2015 to 2016, employment in Lehigh County, PA grew at a rate of 1%, from 175,761 employees to 177,521 employees.

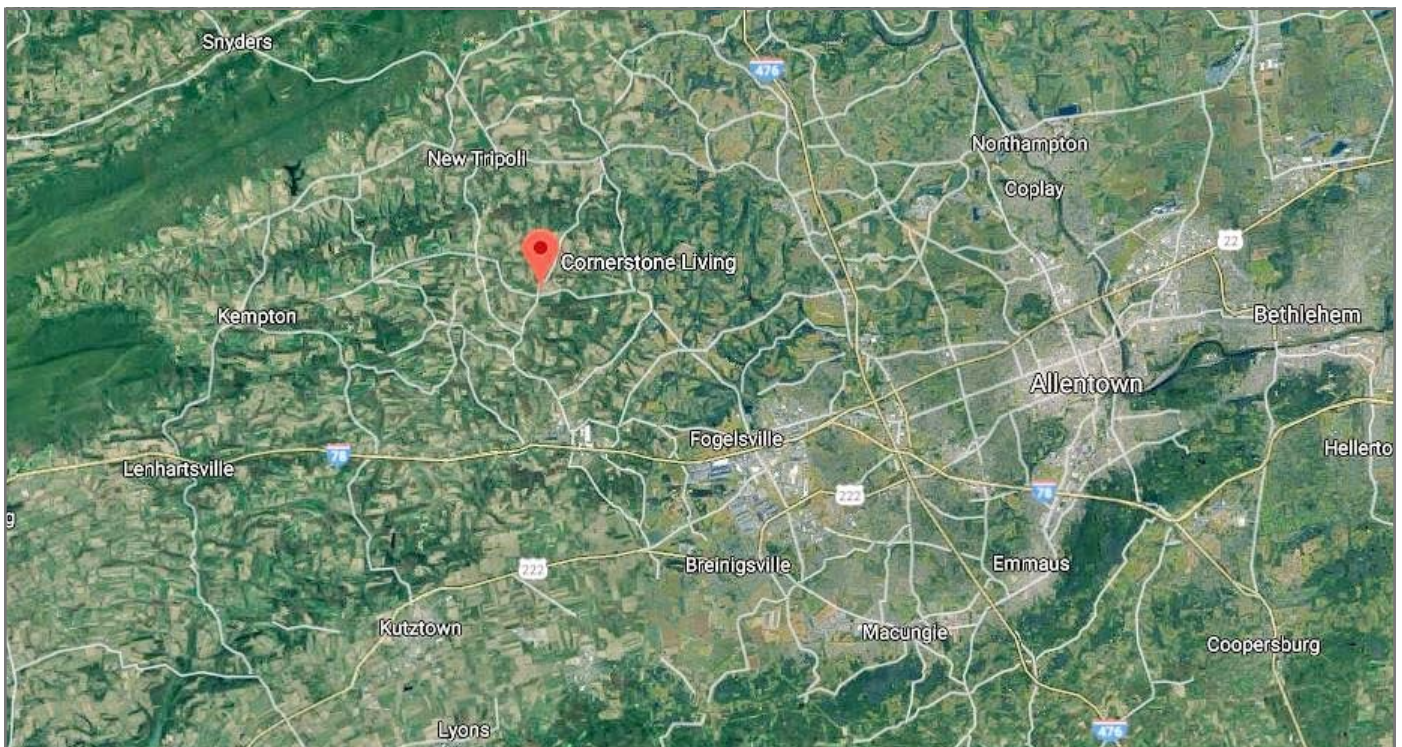
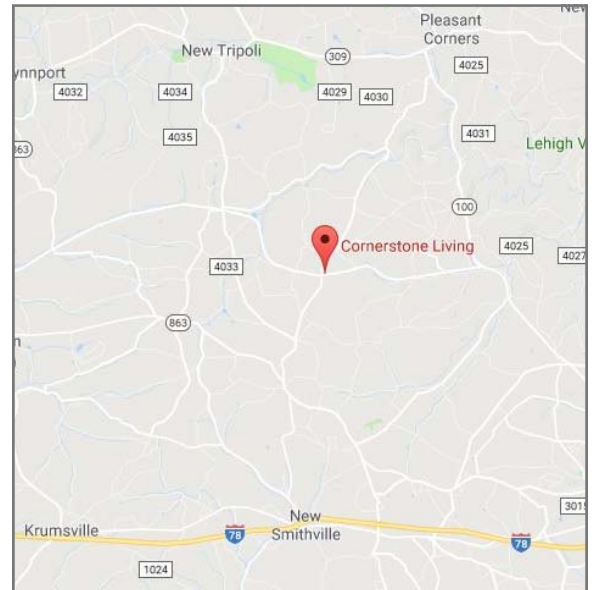
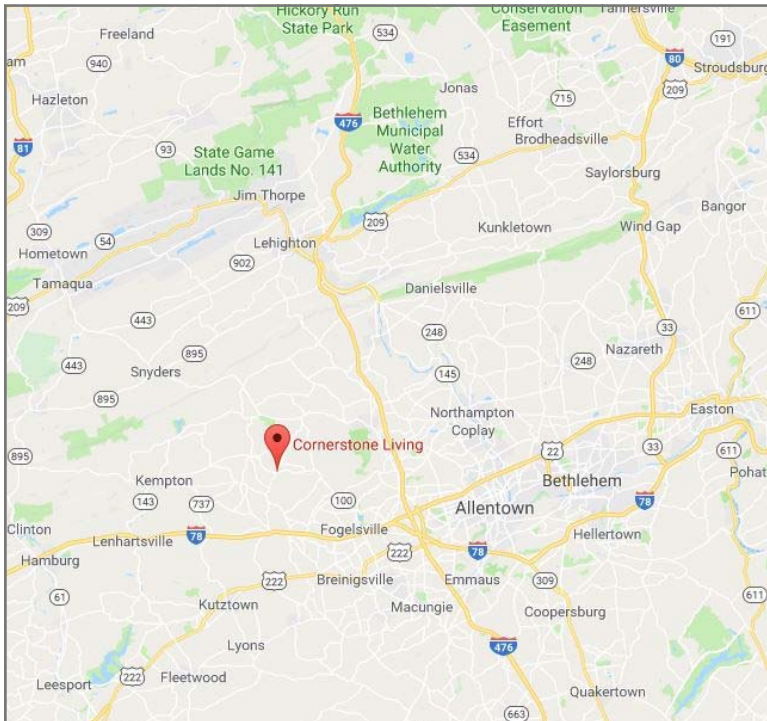
The most common employment sectors for those who live in Lehigh County, PA, are Healthcare & Social Assistance, Manufacturing, and Retail trade. This chart shows the share breakdown of the primary industries for residents of Lehigh County, PA, though some of these residents may live in Lehigh County, PA and work somewhere else. Census data is tagged to a residential address, not a work address.

Dataset: ACS 1-year Estimate

Source: Census Bureau



CORNERSTONE LIVING AREA MAPS



CORNERSTONE LIVING

CONFIDENTIALITY AND DISCLAIMER

PROPERTY ADDRESS: 4605 Werleys Corner Road, New Tripoli, PA 18066

The Offering Memorandum being delivered in connection with this agreement has been prepared by Prestige Group and, does not purport to be all-inclusive or to contain all of the information prospective investors may need or desire. All projections have been developed by Prestige Group, the Owners and designated sources and are based upon assumptions relating to the general economy, competition and other factors beyond the control of Prestige Group or the Owners, and therefore are subject to variation. No representation is made by Prestige Group or Owners as to the accuracy or completeness of the information contained herein or the performance of the Property. Further Prestige Group, Owners and its employees disclaim any and all liability for accuracies, representations and warranties, expressed and implied, contained in, or for omissions from Offering Memorandum or any other written or oral communication transmitted or made available to the recipient and expect prospective purchasers to exercise due diligence in verifying all information. The Offering Memorandum does not constitute a representation that there is has not been any change in the business or affairs of the Property or the information contained in the Offering Memorandum.

The Owners reserve the right, in their sole discretion, to reject any and all expressions of interest or offers regarding the Property at any time with or without notice. The Owners shall have no legal commitment or obligation to any entity making an offer to purchase the Property unless and until a written agreement for the purchase of the Property has been fully executed, delivered and approved by the Owners and its legal counsel, and any conditions to the Owner's obligations have been satisfied or waived. Prestige Group is not authorized to make any representations or agreements on behalf of Owners.

The Offering Memorandum and its contents, except such information, which is in or becomes part of the public domain other than as a result of a violation of this agreement, matter of public record or is provided in sources available to the public are of a confidential nature. By accepting the Offering Memorandum, Buyer agrees (I) to hold and treat it in the strictest of confidence, (II) not to disclose the offering Memorandum or any of its contents to any other entity (except outside advisors retained by you, if necessary, for your confidentiality) without the prior written authorization of the Owners or Prestige Group (III) not to use the Offering Memorandum or any of the contents in any fashion or manner detrimental to the interest of the Owners or Prestige Group. Any copies of the Offering Memorandum and its Contents that are retained as permitted hereunder will remain confidential, subject to the terms of this agreement.

In consideration for this introduction, Buyer agrees that should Buyer enter into negotiations or agreements with respect to the Property the same shall be done through Prestige Group. In the event that Buyer violates this Agreement, both Prestige Group and Owner(s) shall be entitled to all remedies provided by law, including, but not limited to, injunctive relief and damages. In the event that Buyer disclosed the availability of above to a third party and this third party or the Buyer purchases the above Property without Prestige Group, then Buyer in addition to the remedies specified herein, will also be responsible for the payment of Prestige Group's commission.

Buyer acknowledges that they are working with Prestige Group as Exclusive Broker and are not represented by any other real estate broker or agent. Buyer also agrees that they will not contact Owner directly or indirectly under any circumstances. Additional information and an opportunity to inspect the Property will be made upon request to Prestige Group.

Prestige Group, on its own behalf by its acceptance hereof, understands and acknowledges that if the Potential Buyer is a "publicly traded company" on the New York Stock Exchange, and that the existence of discussion regarding Potential Buyer's interest in the Potential Buyer interest in Potential Transaction may be material non-public information about Potential Buyer. Prestige Group, Owner and their respective affiliates and Representatives will comply with all federal and state securities laws as they relate to the purchasing or selling of securities of Potential Buyer after receipt of material non-public information about Potential Buyer.

ACKNOWLEDGED, AGREED AND ACCEPTED this _____ day of _____, 2018, by

Buyer's Signature

Buyers Company (Print)

Buyer's Name (Print)

Buyer's Email Address (Print)

Buyer's Mailing Address (Print)

Buyer's Cell Number (Print)

Buyer's Office Number

Buyer's Fax Number