

SRM Development Culver City Assisted Living Community

Business Description

SRM Development (SRM) develops independent, assisted, and memory care housing in the western US. Although on average 65% of residents do not require assisted living services, every unit is fully licensed by the California Department of Health to provide assisted living services to allow seniors to remain in their chosen apartment as their needs change. As such, each community is a fully licensed Residential Care Facility for the Elderly (RCFE). An RCFE license allows residents who are 60 years of age and older to receive assistance with "activities of daily living" (ADLs). ADLs include, but are not limited to, assistance with bathing, dressing, grooming, and medication management. Residents in an RCFE community have varying degrees of acuity and therefore need of these types of assistance. Some residents enter requiring little to no assistance with these activities, and often add them later during their residency as they age, and others require assistance with multiple ADLs upon occupancy.

Amenities

The following lifestyle amenities are included in SRM retirement communities:

- 1) Daily transportation to events, activities, shopping, and medical appointments in the Community Shuttle and/or town car.
- 2) 2 to 3 meals per day in the community dining room and/or bistro.
- 3) Weekly housekeeping and linen service.
- 4) Common areas – Includes, but are not limited to, activity room, bistro, salon, library, wellness center, and dining room
- 5) Participation in daily activity schedule and wellness programs
- 6) Units include studio, 1 bedroom, and 2 bedroom units.

No Skilled Nursing

SRM communities ARE NOT licensed to provide 24 hour-care or skilled nursing. The community staff works with residents who require this level of care to bring in home health care to their apartment or locate a provider in the area and help the resident transition into a skilled nursing facility. Memory and dementia care is not medical care and therefore falls under the RCFE license. Most of SRM's communities have memory and dementia care.

SRM's Communities vs. Senior Apartments/Active Adult Housing

The biggest distinctions between SRM's communities and Senior Apartments/Active Adult housing is the licensing and average resident age. As described above, these projects are licensed as RCFE's and provide assistance with ADL's, whereas Senior Apartments/Active Adult Housing are not licensed. The average age in an SRM community is 83 years old, whereas the average age of Age Restricted/Active Adult Housing is considerably younger and, in most cases, less than 70 years old. While a Senior Apartment may offer a few similar amenities, such as an activity center, these types of housing serve a very different demographic and fills a different need. Another noteworthy characteristic is that an SRM retirement community generates significantly less traffic and requires significantly less parking, despite having more employees. Most SRM residents no longer drive, either because of physical limitations or because it is easier and/or more cost effective to use the SRM Community provided transportation. As a result, the demand for parking is much lower for an SRM Community, typically 0.6-0.7 stalls per unit, including all visitor and staff parking requirements.

Project Specific Information

SRM's project is proposed to be an Assisted Living and Memory Care Community. All the units will be licensed to provide assisted living services (ex. bathing, dressing, grooming, medication management), but the units will target both independent and assisted living seniors in their late 70's, 80's and 90's, to allow for a full continuum, with the exception of skilled nursing.

The attractive features of an SRM community include well-sized apartments with kitchens (except the memory care units), outdoor courtyards, common area amenities, quality architecture, and first-class programming. Each of these elements are present in all SRM senior communities and will be part of this community as well. Some of the specific amenities include a wine bar/bistro, dining room, hair salon, library, activity room, wellness/fitness center, shuttle transportation, concierge services, and daily activities.

The project will consist of 122 assisted living units and 12 memory care units for a total of 134 units and 154 beds. Parking will be situated in a below-grade garage with approximately 85 parking stalls. Per Culver City code the project is required to supply 52 parking stalls to accommodate the 154 beds and six parking stalls for the 2267 square feet of retail space. This would be a total of 58 required parking stalls and 85 are being supplied.

Activity areas of the facility will be placed around a generous courtyard that fronts Washington Blvd and along the street frontage to activate the main façade of the building. The access to the parking garage is from the alley on the North. A port cochere in the alley will provide convenient access for the community van and temporary pick-up and drop-off for our residents. There is a separate loading area at the alley for trash and deliveries.

Deliveries

A port-cochere in the alley will provide convenient access for the SRM Community van and temporary pick-up and drop off for our residents and staff. We will also request a short-term passenger loading zone on Washington Blvd. There is a separate loading area at the alley for deliveries and trash pick-up.

Food deliveries occur during business hours from 8am to 5pm daily. There are typically two deliveries per week for non-perishable products. Dairy, bread and vegetables are separate deliveries that occur daily between 8am and 5pm.

It is anticipated that trash service will occur two times per week between 8am and 5pm depending upon the schedule of the waste handler in Culver City.

Passenger Loading

Passenger loading in the alley varies daily with activities scheduled for residents and resident needs for personal transportation. A typical schedule: Tuesdays and Thursdays are big doctor days, another day is reserved for shopping, and additional days for excursions. Passenger loading occurs Monday thru Friday every 2 hours (4 times per day Monday to Friday and 2 times per day Saturday & Sunday)

Commercial Van Storage

The commercial van will be kept in a reserved space accessed from the alley.

Occupancy

Maximum occupancy for residents will be 154.

In the Assisted Living part of the community, residents may choose to rent a studio, one bedroom, or two-bedroom unit on a month to month basis, with no long-term leases required, allowing total flexibility for the senior

residents. The project will feature 28 studios that typically range from 450 SF – 550 SF, 78 one-bedroom units that range from 650 SF to 750 SF, and 16 two-bedroom units that range from 950 SF to 1,050 SF. Unlike a market rate apartment community, the rent includes all utilities except phone, two meals per day, weekly linen service, daily activities, transportation, and access to all of the common area amenities. Assisted living services are charged separately based on the level of assistance required. The quality of these services and corresponding rental rates are intended to target middle to upper income seniors looking for a residential environment with activities, dining and care options available as required.

In the Memory Care part of the community residents may choose either a private room or a shared unit. None of the memory care units are equipped with kitchens.

Staffing

Staffing is critical for the efficient operation of this type of community and will typically include:

Number of Employees: 64 full time equivalent employees.

No Shifts start or end between 11pm and 5am- any day of the week.

Typical Day:

5am- AM cook arrives at work

6am- Morning caregivers arrive and night caregivers depart; two servers & Maintenance Director arrive

7am-Medical technicians depart from night shift, housekeepers arrive

8am-Housekeepers, concierge and two directors arrive

9am-Remaining department directors arrive

11am- Additional servers and kitchen staff arrive for lunch shift

2pm-3pm-Caregivers, Med Techs, Lunch servers shift change

4pm-Dinner shift servers arrive

5pm-Directors depart

7pm-Dining Staff departs

8pm-Concierge departs

10pm-Caregivers depart, caregiver night shift arrives

10:30pm-Medical Technicians depart

Note: There are a minimum of two Licensed Nurses in the facility and available 24/7 as needed

Note: There are Trained Medication Technicians on staff daily based upon the number of residents requiring Medication Management.

Note: There are Trained Personal Caregivers on staff daily based upon the number of residents requiring care and the extent of the care needed.

Staffing Model- Full Time Equivalent Employees

Administration- 3.75 FTE's

Sales Department-2.0 FTE's

IL/AL Activities & Transportation-2.4 FTE's

Culinary Department-16.5 FTE's

Housekeeping Department- 4 FTE's

Maintenance- 1.5 FTE's

Resident Care- 13.2 FTE's

Memory Care- 21.2 FTE's

Total Full Time Equivalent- 64.5 (includes full time and part-time staff)

Maximum per shift: 18

Time of Maximum Shift: 9am- 6pm

The Assisted Living area has the most staff, as this is where the administration and food services are located. There are typically three to six staff members present in the Memory Care Unit depending upon the time of day, with Peak Employment occurring during meal times.

Job Classifications:

Salary Staff:

General Manager, Assisted Living Supervisor, Dining Services Manager

Hourly Staff:

Community Relations Director, Active Living Director, Maintenance Supervisor, Bookkeeper, Nurse (as required), Senior Cook, Concierge, Maintenance Person, Personal Pathways Coordinator, Dining Room Lead, Cook, Sr. Caregiver, Activities Assistant, Housekeeping Supervisor, Receptionist, Caregiver, Housekeeper, Dining Room Servers, Dishwasher.

We would expect that all of these employees would be hired from the surrounding community.

Project Design

A very important aspect of every SRM community is the architectural design. As such, SRM Development takes pride in working with the community stakeholders to create a project that "fits" into the surrounding neighborhood. Although these communities all have similar common areas and unit types to meet the required programming needs for seniors, there is no prototypical architectural design for a SRM community. As a result, the exterior architecture varies from project to project, based on input from the planning staff, local design review committees and neighborhood groups. This process has worked tremendously well in the past and has led to numerous architectural design awards for recent SRM Development projects.

SRM has been on the leading edge of sustainable construction practices as evidenced by the LEED Platinum project for Google in Kirkland, Washington. SRM intends to apply sustainable strategies to reduce the carbon footprint of this building such that it will use only 20% of the energy that is typically used for a building of this type.

Company Background

In the past 15 years alone, SRM has been one of the most active developers of senior housing communities on the West Coast, completing sixteen senior projects, with the capacity to serve more than 2,000 seniors throughout Washington, California, and Nevada. These projects are primarily located in high barrier, urban communities, including cities throughout California, such as Huntington Beach, San Diego, the Oakland Hills, Rancho Cucamonga, Campbell, Lafayette, Monterey and Rolling Hills Estates).

SRM also develops and constructs mixed-use residential apartment projects, retail and office buildings, including the award-winning, 385,000-square-foot office of Google in Kirkland, WA.

SRM Development: A Different Kind of Development Company

SRM Development is a fully integrated real estate development and construction firm specializing in the development of mixed-use, multifamily and senior housing projects in high barrier to entry markets in the western US. Since 2002, SRM has successfully completed over \$1 billion of projects. SRM's current projects total approximately 1 million square feet and more than 1,000 units throughout California and Washington. SRM is privately funded with a diverse network of capital sources including high net worth individuals, private equity partners, REITs, and other large institutional investors. SRM Development focuses on the long-term ownership of real estate through developing, building, and managing its properties. SRM has in-house expertise in acquisitions, development, construction management, finance, and asset management. This allows SRM to oversee all aspects of a project from "cradle to grave," resulting in better buildings with better long-term performance. More information can be found on SRM's website at www.srmdevelopment.com.