



## Resident Update: Frequently Asked Questions

### February 2024

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*In January 2024, we welcomed new ownership to our community, continuing a proud tradition of service that began with the establishment of Asbury Acres in 1956 by the United Methodist Holsten Conference. We are excited for this new chapter in our evolution and deeply appreciative of the support and understanding shown by residents and associates throughout this transition. Their well-being has been and remains our highest priority.*

#### **Is Asbury Place financially sound?**

Yes. In 2022, the Asbury Place Board of Directors entered into negotiations with its bondholders to restructure its long-term debt obligations. Those negotiations, which ended with the sale of Asbury Place to MFA Tennessee Holdings, LLC, in 2024, has put Asbury Place on a strong financial path for the future.

The agreement was a positive resolution to the financial restructuring process: it fully resolved existing long-term financial obligations and provides greater flexibility for ongoing investments in the future.

#### **How is Asbury Place investing in its future?**

Strengthening our ability to invest in the future of Asbury Place and continue its legacy of service has been our primary driver and focus throughout this transition.

Now that we have successfully resolved our debt obligations and transitioned to new ownership, our leaders will soon be drafting a master plan. In the immediate term, we are planning renovations and enhancements to our Clubhouse and Bistro and our Resident Activity Center. Our Alpine and Beech assisted living and memory care households were updated and some areas fully renovated.

We welcomed a new Executive Director and a Director of Well-Being to our community in February and look forward to working together with residents to enhance our current programs, clubs, and events.

Residents can expect to continue receiving timely maintenance services, quality dining choices, and a beautifully maintained campus by our team of dedicated associates.

#### **Did you stop providing assisted living on your campus?**

Asbury Place Maryville continues to provide assisted living and memory care. In 2023 we closed our legacy assisted living building, but we still offer assisted living and memory care in two beautifully appointed residences on campus. The Alpine and Beech Households are built in the style of a private home and have large, comfortable living rooms and dens/activity rooms, kitchens, and back porches. Residents enjoy their own private suite but are encouraged to join in for activities and visits in the common areas. There are plans for expanded garden areas for residents to enjoy.

### **Does Asbury Place still offer a continuum of care for residents?**

Yes. We continue to provide quality independent living in apartments, cottages, and townhomes, as well as assisted living and memory care services. As part of the transition to new ownership, we entered into an agreement with an experienced, national nursing care provider. They will continue to offer quality skilled nursing and rehabilitation services in the Health Care Center on our campus, and Asbury Place residents have priority access.

### **Are community entrance fee refunds being honored?**

Yes. All contractual and entrance fee obligations to current residents were maintained. That was an important component of the negotiations and search for a new operator.

### **Who owns Asbury Place?**

MFA Tennessee Holdings, LLC is jointly owned by McFarlin Artisan, LLC, a privately held investment firm with a combined 50 years of experience in senior living, and Asbury Communities, Inc., the nation's 14<sup>th</sup>-largest system of not-for-profit continuing care retirement communities. McFarlin Artisan is the majority owner of Asbury Place. Asbury Communities holds a minority ownership share and has a management agreement to support day-to-day operations.

### **Does Asbury Place still have local leadership?**

Asbury Place is managed by a highly engaged local leadership team, which is supported by a management agreement with Asbury Communities. This leadership team is comprised of an Executive Director who works from the campus and who is supported by a Regional Executive Director who will oversee Asbury Place Kingsport and its Steadman Hill Assisted Living campus. Asbury Place Maryville has a Steering Team of department leaders that meet regularly to address operations. We are committed to hiring seasoned professionals with experience in senior living, facilities maintenance, and hospitality.

### **Why did Asbury Place restructure?**

A decade ago, Asbury Place embarked on a multi-year strategic plan to reposition its campuses in Maryville and Kingsport to address its relatively large and outdated health care centers. In 2016, a Healthcare Repositioning Project began, focused on modernizing our skilled nursing and assisted living services. This was financed principally through tax-exempt bonds. Soon after the completion of that project, Asbury Place faced unprecedented operational and financial challenges, including a national trend of shrinking utilization and reimbursement for skilled nursing services, the devastating effects of the COVID-19 pandemic, and staffing challenges.

We are grateful to have had the support of residents and associates throughout this process and look forward to continuing to provide quality senior living services for many years to come.