



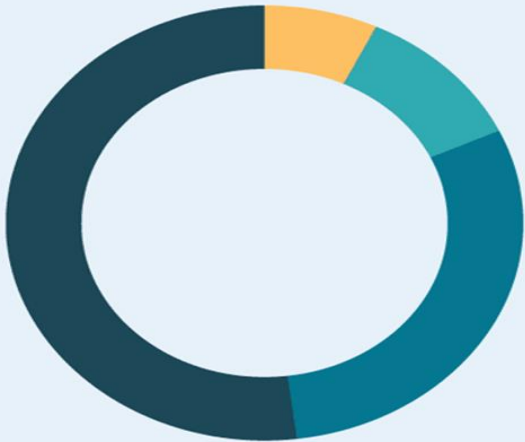
Horizons Health Group

Assisted Living
5-Year Forecast

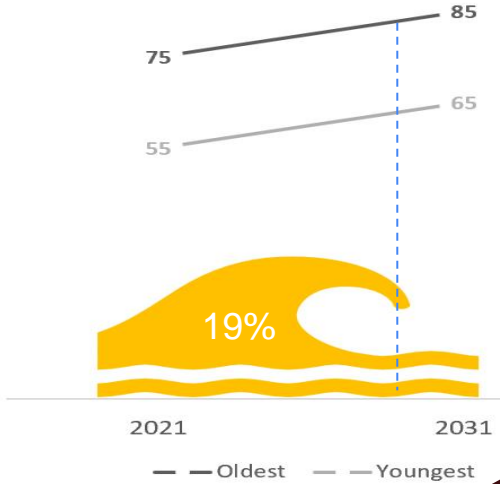
5-Year Goal

The Silver Wave will hit in three stages: Boomers **74 years old or younger (2020 - 2031)**, **75 – 84 years old (2021 – 2038)**, and **85 years old and older (2031 – 2051)**. During the first stage of the Silver Wave, HHG plans on acquiring 11 ALF properties by 2028.

Age demographics in assisted living



- 6% of residents are under the age of 65
- 13% of residents are between 65 and 74
- 31% of residents are between 75 and 84
- 50% of residents are 85 or older



Investment Tiers

20 Bed

INVESTMENT \$321,476

OPERATIONS

Facility Bed Capacity	20
Rent / Bed / Month	\$4,064
Average Occupancy	85%
Profit Margin	30%
Gross Income	\$829,056
EBITDA	\$248,717

BANK TERMS

LTV	80%
DSCR	1.3
Yearly Debt Capacity	\$191,321
Monthly Debt Capacity	\$15,943
Interest Rate	8.5%
Loan Term (years)	10
Number of Payments / Year	12
Loan Size	\$1,285,905

Cap Rate	15%
EBITDA Multiple (R.E & O.P.)	6.5
Total Purchase Price	\$1,607,382

Average

INVESTMENT \$562,584

OPERATIONS

Facility Bed Capacity	35
Rent / Bed / Month	\$4,064
Average Occupancy	85%
Profit Margin	30%
Gross Income	\$1,450,848
EBITDA	\$435,254

BANK TERMS

LTV	80%
DSCR	1.3
Yearly Debt Capacity	\$334,811
Monthly Debt Capacity	\$27,901
Interest Rate	8.5%
Loan Term (years)	10
Number of Payments / Year	12
Loan Size	\$2,250,334

Cap Rate	15%
EBITDA Multiple (R.E & O.P.)	6.5
Total Purchase Price	\$2,812,918

50 Bed

INVESTMENT \$803,691

OPERATIONS

Facility Bed Capacity	50
Rent / Bed / Month	\$4,064
Average Occupancy	85%
Profit Margin	30%
Gross Income	\$2,072,640
EBITDA	\$621,792

BANK TERMS

LTV	80%
DSCR	1.3
Yearly Debt Capacity	\$478,302
Monthly Debt Capacity	\$39,858
Interest Rate	8.5%
Loan Term (years)	10
Number of Payments / Year	12
Loan Size	\$3,214,763

Cap Rate	15%
EBITDA Multiple (R.E & O.P.)	6.5
Total Purchase Price	\$4,018,454

Acquisition Model

HHG Deal Average 2024 - 2028

Rent / Bed / Month	\$4,064
Interest Rate	8.0%
EBITDA	\$435,254
EBITDA Multiple	6.6
Total Purchase Price	\$2,874,544
Down Payment	\$574,909

Rent / Bed / Month	\$4,572
Interest Rate	7.0%
EBITDA	\$489,661
EBITDA Multiple	8
Total Purchase Price	\$3,917,943
Down Payment	\$1,214,562

Years

'24 - '28
5 Years

'28

Acquisitions

2.5 / Year

Cash
Required

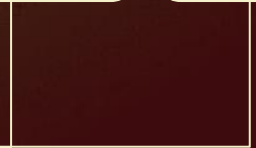
\$1.4 M /
Year

HHG
EBITDA

\$5.3 M /
Year



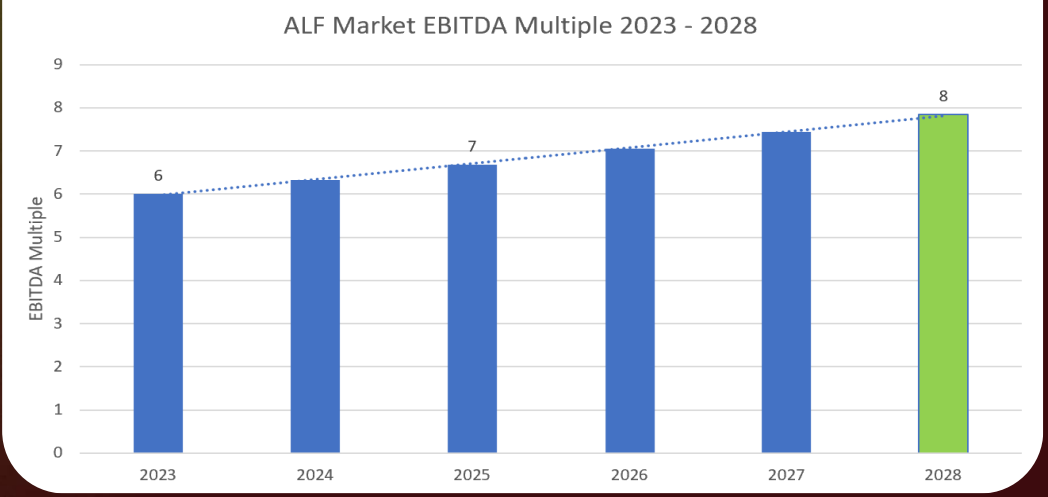
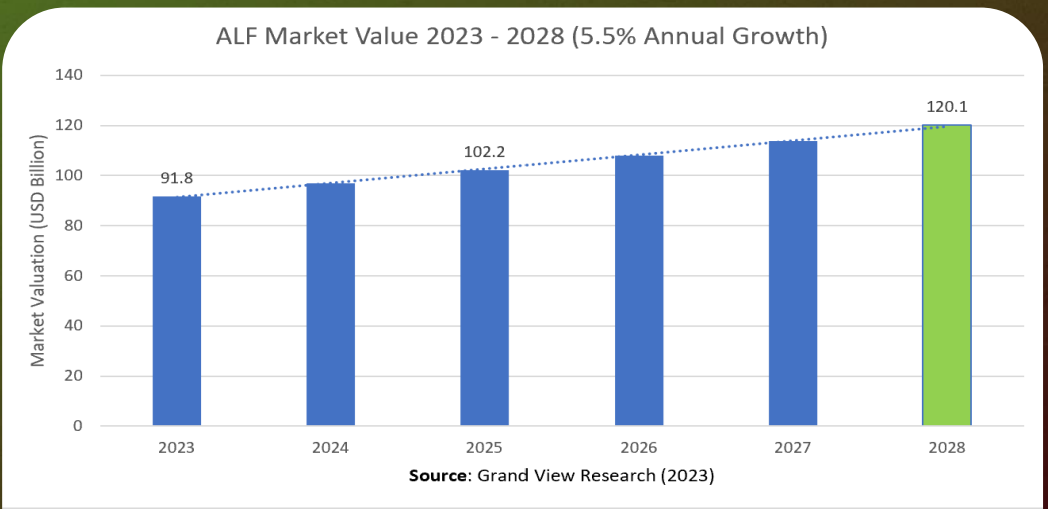
11



ROI

11 properties acquired from 2023 – 2028 will generate \$5.3 Million of EBITDA annually. At an 8x EBITDA multiple in 2028, HHG will have a \$42.4 Million valuation.

HHG offers a 5% Preferred Membership Interest in the parent company per investment. With a single investment averaging \$563,000, an investor can expect an ROI of 280%, or ~3x initial investment by 2028. This ROI does not include the annual dividend from the acquisition invested in.



HHG⁺+

HHG⁺+