



DISCLOSURE STATEMENT

This Disclosure Statement has been prepared by New Horizons at Marlborough, LLC with respect to its not-for-profit communities known as New Horizons at Marlborough and *The Meadows*, located on Hemenway Street, Marlborough, MA 01752, pursuant to Massachusetts General Laws, Chapter 93, Section 76, as amended. With respect to assisted living residents (only), it is offered pursuant to 651 CMR 12.08(3).

1. Name and Business Address of Provider: New Horizons at Marlborough, LLC, 400 Hemenway Street, Marlborough, MA 01752 ("Provider") is a not-for-profit limited liability company organized under the provisions of the Massachusetts Limited Liability Act, Mass. Gen. Laws, Ch. 156C, as amended.

2. Officers and Trustees of Provider: The current officers of Provider are: Patricia A. Cummings, president; Eric S. Anderson, vice president and treasurer; and Joel B. Swets, clerk. Trustees are Eric S. Anderson, Patricia A. Cummings, William S. Cummings, William F. Grant, and Joel B. Swets. All trustees serve without compensation.

3. Background: Originally organized in April 1994, as New Horizons at Madonna Hall, Inc., Provider operates an independent and assisted living residential community for elders. Although no medical, nursing or health care is provided to residents by Provider, arrangements have been made with local healthcare practitioners for various services and for very limited on-site medical facilities. Provider generally accepts as residents in its main, independent section persons who are 62 years of age or older who are self-sufficient, medically qualified and demonstrate adequate financial resources. Both the fees and the services provided are fully set forth in a Residence Agreement with each resident. Other residents may be accepted in New Horizons' assisted living section if it appears they should not live independently. A specialized program known as "Robbie's Place" provides professional care for individuals with anxiety disorder or depression. The goal of Robbie's Place is to create a supportive living environment in which people can rehabilitate and restore themselves with the help of mental health professionals. This program is operated solely by Care Solutions, Inc. of Westborough, MA. Residents may also be accepted in the special separate wing for the cognitively impaired, should they presently or in the future require such care. This section is operated solely by Hearthstone

DISCLOSURE STATEMENT
(continued)

at New Horizons, Inc., an unrelated firm specializing in Alzheimer's care and headquartered in Woburn, MA. In 2002, Provider commenced operation of *The Meadows*, which consists of five apartment buildings for independent seniors. Provider generally accepts as residents of *The Meadows* persons who are 65 years of age or older who are self-sufficient, medically qualified and demonstrate adequate financial resources. No medical, nursing or health care services are provided to residents by Provider. Included in the Monthly Service Fee are one daily meal for independent living *Meadows* residents and three daily meals for all other residents.

4. Statement of Affiliation: Provider is solely responsible for the operation of New Horizons and *The Meadows*. Provider does not anticipate engaging any outside managing organization, although consulting services in the areas of finance, accounting, payroll, maintenance, legal, etc. are provided from time to time by Cummings Properties, LLC, which typically donates any such services to Provider. Provider is wholly-owned by Cummings Foundation, Inc., which appoints Provider's trustees. Provider is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, and is authorized by the IRS to accept donations and to hold money for purposes of endowments, etc.

5. Description of Physical Facilities: Provider's facility is a fully constructed, approximately 450,000 square foot complex on an approximately 30-acre parcel located on Hemenway Street in Marlborough, Massachusetts. The facility consists of about 300 apartments, plus three separately managed and operated wings for the care of residents with special needs. Provider is responsible for all maintenance, insurance, construction and reconstruction, etc. of the property. The property is owned outright, without any debt, by Cummings Foundation, Inc.

6. Financial Statement: A copy of Provider's most recent financial statement is attached hereto.

I/We hereby acknowledge receipt of this Disclosure Statement and a current financial statement pursuant to M.G.L. c. 93 §76, as amended.

Resident

Date

Resident

Date

OFFICERS OF NEW HORIZONS AT MARLBOROUGH, LLC

New Horizons at Marlborough, LLC is a not-for-profit limited liability company that operates both New Horizons at Marlborough and *The Meadows* apartments. The retirement community is 310 private apartments for about 350 seniors in its independent and assisted living programs. Also on site are an independently operated 44-resident facility for seniors with Alzheimer's and other cognitive impairments and an independently operated 22-resident enhanced care facility for seniors suffering from conditions such as acute anxiety disorder and/or depression.

President: *Patricia A. Cummings* is a graduate of Tufts University and native of Winchester, MA. Ms. Cummings was active at New Horizons at Marlborough for eight years through August 2005. In October 2005, she accepted a position as Assistant Dean of the Orthodox Hebrew Academy of San Francisco. She holds an M.A. in clinical psychology and is currently working full time on a doctoral degree in psychology, also in San Francisco. In addition, she serves in the volunteer roles of executive vice president of Cummings Foundation, Inc. of Woburn, Massachusetts, and overseer of Cummings School of Veterinary Medicine at Tufts University. Ms. Cummings is the daughter of Cummings Foundation founders, Joyce and Bill Cummings.

Vice President and Treasurer: *Eric S. Anderson* joined Cummings Properties, LLC in 1999 as an associate property manager at Cummings Center in Beverly. Most recently, he was appointed Vice President Leasing in June 2007 after serving as Suburban Operations Manager since May 2004. In addition, Anderson serves as a volunteer for both Cummings Foundation and at Provider, where he is a trustee and vice president. He is also an overseer at Cummings School of Veterinary Medicine at Tufts University. A graduate of Colby College, Anderson served eight years in the United States Marine Corps, including service in Iraq during Operation Iraqi Freedom in 2003.

Clerk: Joel B. Swets is a graduate of Colby College with a J.D. from Suffolk University Law School and a masters degree in taxation from Boston University School of Law. Following a federal court clerkship in Washington, D.C., he practiced law in Boston for 18 years and taught at Suffolk University Law School part time as an adjunct instructor for four of those years. He joined Cummings Foundation, Inc., the parent organization of New Horizons at Marlborough, LLC, as its executive director in October 2006.

Executive Director: *Robert D. O'Connor* of Marlborough, Massachusetts has been with Provider since its construction phase began in 1993. Mr. O'Connor recently joined the board of trustees of Cummings Foundation. With more than 20 years' managerial experience in the long-term care industry, he was previously employed for 10 years in the nursing home and retirement living division of the Flatley Company. In addition to his role as primary administrator for Provider, O'Connor served as chairman of the board of St. Joseph's Home, from 1985 to 1999, a not-for-profit skilled nursing facility for seniors in Dorchester, MA, and a member of the Caritas Christi Health Care System. Mr. O'Connor lives on-site at New Horizons.



**NEW HORIZONS AT MARLBOROUGH, LLC
PRO-FORMA FINANCIAL STATEMENT**

For the 12 Months Ending December 31,	<u>2008</u>	<u>2009</u>	<u>2010</u>
Operating Income			
Resident service fees	\$ 8,476,237	\$ 8,993,588	\$ 8,727,975
Resident other fees	1,060,048	1,385,908	1,470,306
Miscellaneous revenue	16,659	16,990	45,853
Total Income from Operations	<u>9,552,944</u>	<u>10,396,486</u>	<u>10,244,134</u>
Operating Expenses			
Food and supplies	945,449	914,128	944,823
3rd party resident services	1,168,634	1,382,976	1,480,819
Payroll and benefits	3,007,621	3,070,845	3,041,476
Real Estate Taxes	239,996	243,542	272,285
Rent	2,170,547	2,186,179	2,229,261
Charitable Contributions	17,375	13,955	16,455
Facility Expenses	1,156,515	988,670	1,117,866
Admin Expenses	183,749	144,673	156,296
Total Operating Expenses	<u>8,889,886</u>	<u>8,944,968</u>	<u>9,259,281</u>
Net Income (Deficit) from Operations	<u>663,058</u>	<u>1,451,518</u>	<u>984,853</u>
Other Income			
Hearthstone and ECU reimbursement	1,557,595	1,725,825	1,893,515
Meals reimbursement (SGS)	209,931	252,715	229,906
Other expense reimbursement (SGS)	119,226	143,293	106,650
Cummings Foundation	17,375	13,955	16,455
Total Other Income	<u>1,904,127</u>	<u>2,135,788</u>	<u>2,246,526</u>
Other Expenses			
Hearthstone, ECU and SGS - expenses	493,137	421,701	476,807
Hearthstone, ECU and SGS - rent	930,234	936,934	950,855
Total Other Expenses	<u>1,423,371</u>	<u>1,358,635</u>	<u>1,427,662</u>
Total Surplus	<u>1,143,814</u>	<u>2,228,671</u>	<u>1,803,717</u>
	<u>2008</u>	<u>2009</u>	<u>2010</u>
Assets			
Cash and cash equivalents	753,649	733,342	800,964
Accounts, unbilled and other receivables	64,403	102,970	93,939
Prepaid expenses	91,018	93,220	69,540
Food and supply inventory	32,185	33,114	28,466
Due from parent Cummings Foundation	10,215,268	12,183,062	14,186,738
Net Equipment and fixtures	2,397,189	2,324,155	2,176,678
Total Assets	<u>13,553,712</u>	<u>15,469,863</u>	<u>17,356,325</u>
Liabilities			
Accounts payable and accrued expenses	249,450	216,808	206,651
Accrued payroll and taxes	97,616	111,004	114,786
Deposits held	8,479,986	8,223,785	8,446,567
Deferred service fees	469,492	432,426	298,762
Total Liabilities	<u>9,296,544</u>	<u>8,984,023</u>	<u>9,066,766</u>
Net Assets			
Unrestricted	4,257,168	6,485,840	8,289,559
Total Net Assets	<u>4,257,168</u>	<u>6,485,840</u>	<u>8,289,559</u>
Total Liabilities and Net Assets	<u>13,553,712</u>	<u>15,469,863</u>	<u>17,356,325</u>

I hereby certify that, to the best of my knowledge and belief, the information offered above constitutes an accurate and complete pro-forma financial statement for New Horizons at Marlborough, LLC for the fiscal years 2008, 2009 and 2010.



 Joel B. Swets, Clerk
 Cummings Foundation, Inc.