



WhiteStone

Greensboro, NC

WhiteStone
A MASONIC & EASTERN STAR
COMMUNITY  EST. 1912

March 2023
Project Status Update



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PROJECT TEAM

Developer	LCS Development Company (LCS)	Todd Shaw Jeff Louk	David Kane
Construction Monitor	NEMA Management, LLC (NEMA)	Drew Langsam	
Construction Manager	Frank L Blum Construction Company (FLB)	Mark Ford Anna Gallimore	Randy Snow
Civil Engineer	Stimmel Associates, PA (SA)	Kimberly Barb	
Architect/ Engineer	SFCS, Inc (SFCS)	Marcelo Menza	Leonard Rowe
Interior Designer	RDG	Lara Slavkin	

PROJECT SCOPE

The current project at Whitestone is the outcome of a Master Planning exercise that was completed by LCS Development in 2016/2017.

The project goals include:

- Provide a full continuum of care by adding Assisted Living
- Expand more private rooms, update décor, and therapy space
- Continue the transition to more desirable IL apartments to gain economies of scale to improve financial position
- Add commons and amenities to meet prospective resident’s expectations

The project scope includes:

- Newly constructed 67-unit IL building (115,00 SF)
- Newly constructed 24-unit AL building with 12 memory care beds (40,000 SF)
- Renovation of the Care and Wellness Center (Skilled Nursing) including conversion of 25 semi-private rooms to private rooms
- Renovation of the Wellness area
- Relocation of several community amenities

MARKETING AND SALES ACTIVITY

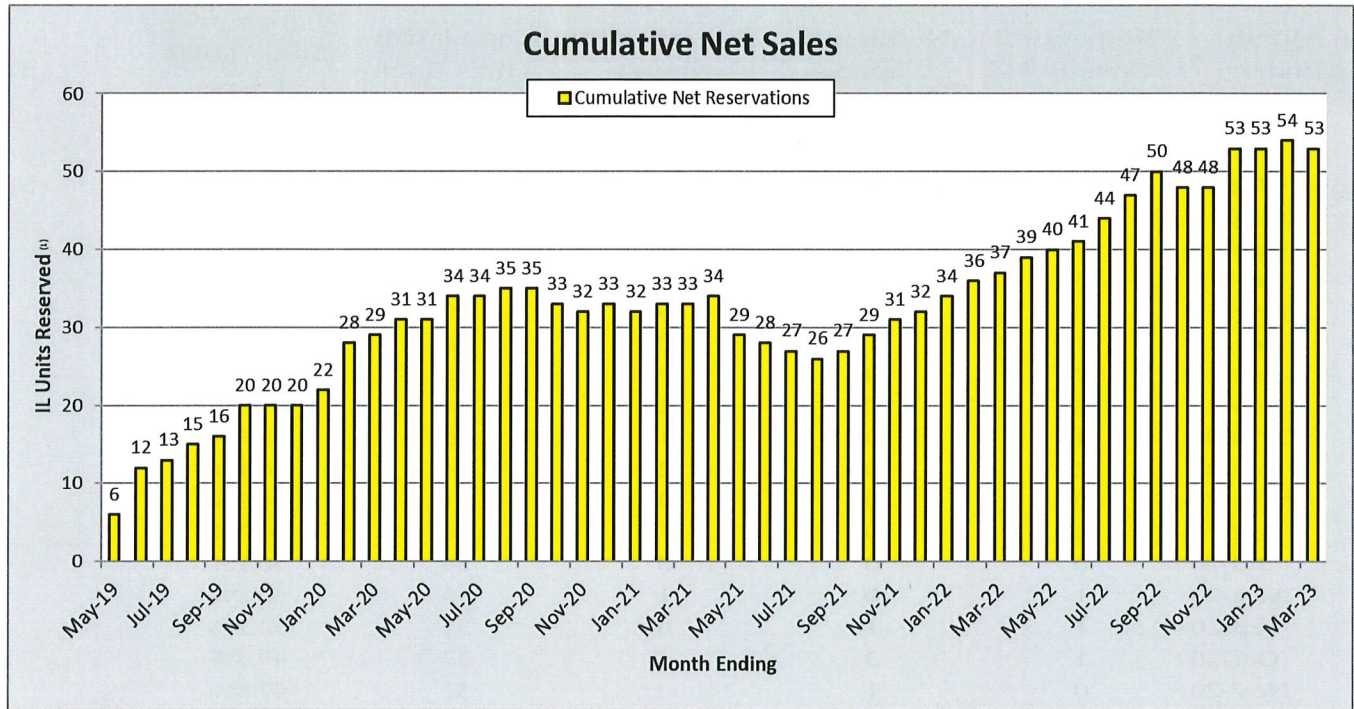
Updates/Accomplishments:

- EOM community occupancy will be 96% with no outstanding move-ins.
- March Expansion sales will close the month at 53 (79%)
 - 2 Expansion sales for the month
 - 3 Cancellation (Remorse, stay at home, HLOC)
 - Existing luxury IL apartments remain at high capacity with 0 units available.
 - Campus inventory in general is very low only 5 units available. (1x small townhome, 4x small studio style apartments)
- WhiteStone marketing team is seeing continued success with a minimum of 2 prospect events monthly. Larger audience style presentation of expansion and a more intimate experience style event. These can be on campus, at a venue or if needed, or with respect to Covid-19, via zoom.
- WhiteStone is seeing continued support from existing residents and families with Friends and Family referrals.
- Campus continues to have in-person dining and activities and we are continuing to see interest from prospective residents to join for meals and community activities.

Upcoming Events:

- The Sales and Marketing Team has a focus on creating engaging and unique opportunities for prospects to highlight the lifestyle available as a WhiteStone resident.
 - April 6th: Afternoon Information Presentation – expansion focus
 - April 8th: RSVP Masonic Educational Luncheon
 - April 12th: Diamond Dining Luncheon
 - April 21st: Earth Day Follow Up Event
 - April 26th: Diamond Dining Luncheon

Cumulative Net Sales:



Sales Activity by Unit:

Expansion Sales Inventory

Date: 27-Mar-23

EXPANSION SALES INVENTORY			
Unit Breakdown	# Units Total	# Units Available	# Units Sold
Chatham / 850 sf /1BR	10	1	9
Wilkes / 962 sf / 1 BR Den	19	3	16
Iredell / 1155 sf / 2 BR	17	7	10
Yadkin / 1303 sf/ 2BR Sunroom	10	1	9
Davie / 1391 sf/ 2BR Den End Unit	8	1	7
G / 885 sf/ 1 BR Deluxe	1	0	1
H / 1400 sf/ 2BR Den End Unit	1	1	0
Penthouse / 1850 sf/ 2 BR Den 3 balconies	1	0	1
TOTAL	67	14	53
Cumulative 2023 Sales: 8			

Sales Activity by Month:

Month Ending	Number of Units Sold	Number of Cancels	Net Sales for Month	Cumulative Units Sold	Cumulative % of Total Units
May-19	6	0	6	6	9.0%
Jun-19	6	0	6	12	17.9%
Jul-19	2	1	1	13	19.4%
Aug-19	2	0	2	15	22.4%
Sep-19	2	1	1	16	23.9%
Oct-19	5	1	4	20	29.9%
Nov-19	0	0	0	20	29.9%
Dec-19	1	1	0	20	29.9%
Jan-20	2	0	2	22	32.8%
Feb-20	6	0	6	28	41.8%
Mar-20	1	0	1	29	43.3%
Apr-20	2	0	2	31	46.3%
May-20	0	0	0	31	46.3%
Jun-20	3	0	3	34	50.7%
Jul-20	0	0	0	34	50.7%
Aug-20	1	0	1	35	52.2%
Sep-20	1	1	0	35	52.2%
Oct-20	1	3	-2	33	49.3%
Nov-20	0	1	-1	32	47.8%
Dec-20	1	0	1	33	49.3%
Jan-21	0	1	-1	32	47.8%
Feb-21	1	0	1	33	49.3%
Mar-21	0	0	0	33	49.3%
Apr-21	1	0	1	34	50.7%
May-21	0	5	-5	29	43.3%
Jun-21	1	2	-1	28	41.8%
Jul-21	0	1	-1	27	40.3%
Aug-21	0	1	-1	26	38.8%
Sep-21	2	1	1	27	40.3%
Oct-21	2	0	2	29	43.3%
Nov-21	2	0	2	31	46.3%
Dec-21	1	0	1	32	47.8%
Jan-22	2	0	2	34	50.7%
Feb-22	4	2	2	36	53.7%
Mar-22	2	1	1	37	55.2%
Apr-22	3	1	2	39	58.2%
May-22	1	0	1	40	59.7%
Jun-22	1	0	1	41	61.2%
Jul-22	3	0	3	44	65.7%
Aug-22	3	0	3	47	70.1%
Sep-22	6	3	3	50	74.6%
Oct-22	2	4	-2	48	71.6%
Nov-22	2	2	0	48	71.6%
Dec-22	7	2	0	53	79.1%
Jan-23	3	3	-1	53	79.1%
Feb-23	4	1	3	54	80.6%
Mar-23	2	3	-1	53	79.1%
Total	97	42		53	79.1%

DESIGN AND CONSTRUCTION UPDATE

Updates/Accomplishments

- **Site Work**
 - Backfilling to continue as weather allows
 - Landscaping has started with site preparation and irrigation installation
 - Car charging station installed
 - Stockpile of prior excavations has been removed
 - Curb and gutter is in progress around IL garage
 - Sitework is mostly complete. Balance of the remaining sitework will occur closer to the end of the project
- **CWC – Care and Wellness Center:**
 - Phase 3: Renovation in progress
 - DHSR inspection held 3-22-23
 - Freezer/cooler installation complete. Need to replace with different sprinkler heads and they have been ordered
 - Pool Renovation:
 - Pool is complete and Temporary Certificate of Occupancy has been obtained
 - Department of Health has approved for use by independent living residents
 - Final approval will be with DHSR inspection. DHSR inspection was completed on October 11. Due to code requirements, we will not be able to allow occupancy of Care and Wellness residents until post completion of the Assisted Living in the spring of 2023
- **IL – Independent Living:**
 - Exterior siding installation mostly complete, final painting in progress
 - Balcony railing in progress and mostly complete
 - Elevator installation is mostly complete
 - Drywall is being installed at all levels and mostly complete
 - Ceiling tiles starting to drop 5, 4, 3 followed by corridor carpet; final paint on 2 in progress
 - Level 5 – Trim, ceiling grid, and millwork in progress in corridor, plumbing fixture installation in progress at apartments
 - Level 4 painting in progress

- All levels - trim and doors in progress
- Level 2 - millwork in progress, tile in apartments, doors and trim in progress, flooring, and countertops in progress, closet shelving in progress
- Level 1 - resident rooms flooring; lights being installed; resident storage units being installed
- Garage- - completing overhead rough ins and preparing for sprayed insulation
- Appliances are in progress and working from level 5 down
- **AL – Assisted Living:**
 - Exterior siding in mostly complete
 - Drywall installation in progress all levels
 - Lower Level – Casework & tile in progress, closing up ceilings, fireplace trim out in progress
 - Level 1 – Millwork and trim complete; countertops in plumbing fixtures to follow; final paint and flooring to follow in resident rooms; common areas; dropping ceiling tiles in corridor; final paint and flooring to follow.
 - Level 2 – resident room casework approximately 95% complete, final painting mostly complete, ceiling gris in progress
 - Level 3 – casework and trim in progress, patio pavers in progress, patio fencing installed, completing soffits.
 - Kitchen – Completing FRP and overhead grid, completing grease duct installation, flooring to start installation.
 - Overhead inspections throughout all levels

Next Steps/Milestones

- Final approval for Assisted Living/Memory care from Department of Health. All documentation has been submitted). Approval letter received January 11, 2023
- Phase 3 CWC in progress. Obtain Temporary Certificate of Occupancy (TCO) - Achieved
- Obtain DHSR approval once TCO is received, DHSR inspection March 22,2023
- Complete Independent Living for scheduled turnover April 11, 2023
- Obtain DSHR approval to allow Care Center residents to utilize the pool (this will not be allowed until construction is completed for the Assisted Living). This will be reviewed with DHSR while on site for inspection of CWC Phase 3.

PROJECT SCHEDULE

- Official Commencement of construction was October 19, 2020
- Contract Completion Date: April 11, 2023
- The estimated completion date for the Independent Living and Assisted Living Buildings has been pushed back from January 2023 to April 2023 due to:
 - An electrical fire that occurred on July 25th (resulting in a 10-day delay – this delay was not included in the 72-day delay)
 - Delays by Duke Energy (resulting in a 72-day delay)
 - Weather delays (12 days)
 - Total to date = 84 days
- Actively coordinating with the GC and Whitestone the final Phases (3-4) for CWC

WhiteStone - Current Construction Schedule																																						
Month	1	2	3	4	thru	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35								
Date	Nov-20	Dec-20	Jan-21	Feb-21	thru	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23								
SITE WORK																																						
INDEPENDENT LIVING BUILDING																																						
ASSISTED LIVING/MEMORY CARE																																						
CARE AND WELLNESS CENTER																																						
Phase 1																																						
Phase 2																																						
Phase 3																																						
Phase 4																																						
THERAPY POOL																																						

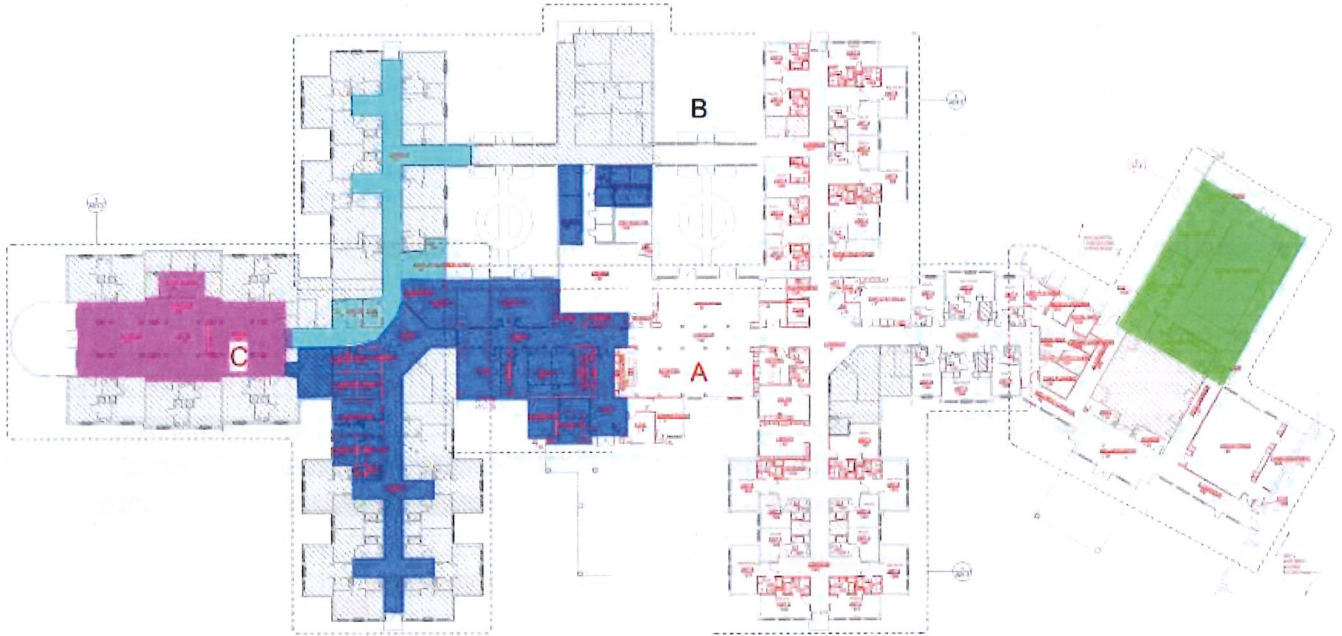
NOTES:

- CWC Phase 1 extended to end of May 2022
- Subsequently Phase 2-3 of the CWC shifted
- Phase 2 – June 22 thru October 22 (currently tracking first week of November 2022)
- Phase 3 – November 07, 22 thru March 2023 (4 months)
- Phase 4 – Adjusted to begin after the opening of AL April 23 thru August 23 (anticipated 6-1-23)
- See diagram below for the current CWC Phasing Diagram

CWC PHASING PLAN:

Revision 6

- Phase 1: ■
- Phase 2: ■
- Phase 3: ■ Potential Pool Phase: ■
- Phase 4: ■ Potential Room Phases: TBD
- Red Text: New Floorplan
- Black Text: Existing Floorplan



BUDGET UPDATE

- Draw #27 has been funded. This included FLB Pay Application #28
- Draw #28 is prepared and in the process of being submitted which includes FLB Pay Application #29
- Change Orders to date have been within the Change Order Allowance, Project Contingency, and Project Funding

Budget Update through Draw #28, Pay Application #29

A	B	C	D	E	F
Uses of Cash/Budget Line Items	Final Budget Amount	Reallocations to Budget	Reallocated Budget Amount (B+C)	Actual Costs to Date	Balance to Completion (D-E)
USES OF CASH					
Land	-	-	-	-	-
Construction Costs	46,993,200	4,320,374	51,313,574	44,068,302	7,245,272
Change Order Allowance	1,410,059	(1,405,244)	4,815	-	4,815
Construction (Non-GMP)	1,375,010	(897,258)	477,752	475,194	2,557
Total Construction Costs -	49,778,269	2,017,872	51,796,141	44,543,497	7,252,644
Design Fees	2,440,320	100,000	2,540,320	2,521,322	18,998
Interior Design	1,485,152	-	1,485,152	1,021,049	464,104
Financing Costs	2,063,029	-	2,063,029	558,548	1,504,481
Funded Interest	10,134,822	-	10,134,822	6,922,054	3,212,768
Occupancy Development	1,340,000	(160,970)	1,179,030	914,263	264,767
Capital Items (Non-GMP)	1,502,538	(629,302)	873,236	-	873,236
Travel	75,000	-	75,000	48,502	26,498
Consultants and Legal	336,000	60,970	396,970	396,970	0
Filing and Impact Fees	200,000	-	200,000	76,492	123,508
General Costs	25,228	-	25,228	-	25,228
Development Fee	2,958,609	-	2,958,609	2,297,318	661,291
Marketing and Sales Fee	-	-	-	-	-
Start-Up Loss	267,856	-	267,856	30,526	237,329
Project Contingency	1,411,534	(1,388,570)	22,964	-	22,964
Other	-	-	-	-	-
Subtotal Uses of Cash -	74,018,357	(0)	74,018,357	59,330,540	14,687,817
Reserves:					
Debt Service Reserve	5,435,883	-	5,435,883	-	5,435,883
Total Reserves -	5,435,883	-	5,435,883	-	5,435,883
Total Uses of Cash -	79,454,240	(0)	79,454,240	59,330,540	20,123,700

SOURCES OF FUNDS

0	\$0.00	\$	-	\$0.00	\$	-	\$0.00
0	\$0.00	\$	-	\$0.00	\$	-	\$0.00
0	\$0.00	\$	-	\$0.00	\$	-	\$0.00
0	\$0.00	\$	-	\$0.00	\$	-	\$0.00
0	\$0.00	\$	-	\$0.00	\$	-	\$0.00
Total Sources of Funds	\$0.00		\$0.00		\$0.00		\$0.00

PROGRESS PHOTOS

Photos from Drone Video taken March 17, 2023:



Overall Site



Assisted Living/Memory Care – West Elevation



Assisted Living/Memory Care – East Elevation



Independent Living – Southwest Elevation



Independent Living – North Elevation



Site – Site Courtyard



AL/MC Reception Desk



AL/MC Lounge Area Lower Level



AL/MC Lounge Area Lower Level



AL/MC – Public Restroom Lower Level



AL/MC – Training Room Lower Level



AL/MC – Activity/Dining – Third Level



Independent Living – Apartment



Independent Living – Apartment

Next Steps/Milestones: LRP

- Working to obtain final design approval for Assisted Living/Memory care from Department of Health (DOH). Current comments are associated with can wash sinks and hand sinks. Revisions have been submitted to DOH. No additional responses to date.

- Dining Buffet:

The Architect has submitted the signed documents to the City of Greensboro for permit review. The Contractor pricing has been evaluated and it is recommended that the scope of work would be limited to finishes and no new roof top mechanical units at this time.

- Pricing was received from FLB Friday, February 24, 2023, and is under review.
- After review with LRP it was determined to pursue Option 3. The plans have been further reviewed and comments forwarded to SFCS to incorporate comments. Received revised “U” shape layout and will be reviewed prior to obtaining final documents.
- Once final documents are obtained they will be resubmitted for pricing to FLB.
- ~~Option 1 – Rectangular buffet with top to match existing buffet.~~
- ~~Option 2 – Rectangular buffet with upgraded finishes: tile flooring, base, wall paint~~
- Option 3 – “U” shaped buffet and upgraded finishes.

WHITESTONE			
Dining Buffet			
Option	FLB	Cont.	Total
1	\$144,383.00	\$8,000.00	\$152,383.00
2	\$155,350.00	\$8,000.00	\$163,350.00
3	\$267,740.00	\$12,000.00	\$279,740.00

- A 2-way radio assessment was conducted at the new IL and AL (reports received 12-22-22)
 - Test is required to verify if a Distributed Antenna System “DAS” system is required for emergency responders
 - Assessment was conducted by Qypsys in conjunction with FLB
 - The initial assessment results failed – DAS required
 - Initial proposal from Qypsys is \$160,331. Qypsys reduced their cost by \$45,000. After additional coordination the quote is +/- \$95k. Final cost is in progress. The system will also be required to tie into the fire alarm panel for a trouble sensor.
 - FLB obtained a second analysis and the results confirmed that a DAS system would be required. This firm was not able to provide an install quote due to back log of work and they would not be able to meet the project schedule.
 - FLB is proceeding with Qypsys for execution of work.
 - The subcontractor has submitted for permit.

- CWC:

- Replacement Fan Coil Units (FCU) have been ordered to replace FCU-4A and 4B in the CWC kitchen. FLB has submitted pricing of \$100,360. Replacement of this equipment is considered as part of the emergency response due to freezing conditions at end of year.
- Kitchen Repairs – Removes existing equipment and installs new FRP walls and addresses known hidden conditions. The ROM cost associated with this work \$269,907. This scope is being reviewed and evaluated. This price will remain a ROM price due to the unknown conditions.
- DHSR inspection was held March 22, 2023. Comments were found to be minimal, and most items were resolved prior to completion of inspection. The long lead item is to replace 2 sprinkler heads in the freezer-cooler. These are part of a dry pipe system and the heads have been ordered. DHSR has allowed use of space.
- Obtain DSHR approval to allow Care Center residents to utilize the pool (this will not be allowed until construction is completed for the Assisted Living). This will be reviewed with DHSR while on site for inspection of CWC Phase 3.

BUDGET UPDATE- CHANGE LOG SUMMARY

The Change Log Summary has been updated through Change Oder #31.

This summary includes known potential cost impacts to date.

Project - Whitestone - Greensboro, NC Phase I Construction Change Log Summary - IL, CWC renovation, AL	
	3/31/2023
Original Change order allowance including Low-voltage	\$ 2,410,059
Less Approved CO's	\$ (3,570,192)
Less Pending COs & ROM	\$ (153,500)
Construction Change Order Allowance Balance	\$ (1,313,633)
Less Approved & Pending CO & ROM	
Original Project Contingency	\$ 1,411,534
Less charges against Project Contingency	\$ (1,027,191)
Adjusted Project Contingency	\$ 384,343
Running balance available for Project Contingency & Change Order allowance	\$ (929,290)
Original GMP	\$ 46,993,200
Approved CO's (does not include Pending COs)	\$ 4,190,442
Revised GMP with Approved CO's	\$ 51,183,642
Revised GMP with Added WS scope	\$ 53,085,911

Added Scope – GMP Modifications:

The following is a summary of charges to date for added scope of work outside of bond financing.

Additional items will be added once the Change Order is officially submitted.

CO #	COR #	WS Added Scope - GMP Modification	
16	048 CWC	GMP Modification #001 - Proposal Request #12 - Thearpy Pool Renevation\$	551,334.06
19	062 CWC	GMP Modifications #002A - Resident Room Upfits - Halls 100, 200, 300	560,196.14
24	84 CWC	GMP Modifications #002B - Future Phases Additional Scope 100 200 300 Halls	358,573.48
23	078 CWC	GMP Modifications #003 - Replace 19 resident room fan coil units in future phase 2, 3, 4 - CWC Mechanical Upfits	173,362.18
24	082 CWC	GMP Modification #004A - Fitness Room Mechanical Unit	106,608.45
25	093 CWC	GMP Modification #004B - Current Mechanical Needs, maintan existing equipment	160,293.00
25	087 CWC	GMP Modifications #004A - Fitness Room Mechanical Unit (credit to leave existing unit in place)	(15,774.30)
29	106 CWC	Added Scope to GMP Modification #2A Resident room sconces added 300 & 400 halls	7,676.32
GMP Modification Total			1,902,269.33

WS Added Scope - GMP Modification Summary		
GMP Modification Total		1,902,269.33
Billed to Date Total		(1,340,557.32)
GMP Modification Balance to Finish		561,712.01

Added Scope – GMP Modifications – Detailed Billings to Date:

CO #	COR #/PA	WS Added Scope - GMP Modification	
16	048 CWC	GMP Modification #001 - Proposal Request #12 - Therapy Pool Renovation	551,334.06
	16	Pay Application #1	(15,748.59)
	18	Pay Application #2	(31,513.33)
	19	Pay Application #3	(64,958.47)
	20	Pay Application #4	(124,532.43)
	21	Pay Application #5	(166,745.38)
	22	Pay Application #6	(66,210.59)
	23	Pay Application #7	(44,797.79)
	24	Pay Application #8	(9,130.80)
	25	Pay Application #9	0.00
	26	Pay Application #10	0.00
	27	Pay Application #11	0.00
	28		0.00
		Billed to Date - Subtotal	(523,637.38)
		Balance to Finish	27,696.68
		GMP Modifications #002:	
19	062 CWC	GMP Modifications #002 - Resident Room Upfits - Halls 100, 200, 300 (Includes \$13,100 CM Contingency)	560,196.14
	17	Pay Application #1	(11,708.14)
	18	Pay Application #2	(71,671.55)
	21	Pay Application #3	(25,860.73)
	22	Pay Application #4	(31,142.51)
	23	Pay Application #5	(71,909.62)
	24	Pay Application #6	(32,186.26)
	25	Pay Application #7	0.00
	26	Pay Application #8	(2,649.39)
29	106 CWC	Resident room sconces added 300 & 400 halls	7,676.32
	27	Pay Application #9	(25,769.76)
	28	Pay Application #10	(34,729.93)
	29	COR106CWC - GMP MOD Resident Room Sconces	(3,646.00)
	29	Pay Application #11	(37,757.57)
		Billed to Date - Subtotal	(341,355.14)
		Balance to Finish	218,841.00
24	084CW	Future Phases Additional Scope 100 200 300 Halls	358,573.48
	22	Pay Application #1	(16,586.90)
	23	Pay Application #2	(102,875.80)
	24	Pay Application #3	(4,883.10)
	25	Pay Application #4	0.00
	26	Pay Application #5	(6,316.33)
	27	Pay Application #6	(16,679.90)
	28	Pay Application #7	(27,616.50)
	29	Pay Application #8	(38,107.69)
		Billed to Date - Subtotal	(213,066.22)
		Balance to Finish	145,507.26
		TOTAL GMP MODIFICATIONS #002:	926,445.94
		Total Billed to Date - Subtotal	(554,421.36)
		Total Balance to Finish	372,024.58

Added Scope – GMP Modifications – Detailed Billings to Date:

23	078 CWC	GMP Modifications #003 - CWC Mechanical Upfits - 19 FCU's	173,362.18
	21	Pay Application #1	(4,952.01)
		Pay Application #2	
	25	Pay Applicatin #4	0.00
	26	Pay Applicatin #5	(103,250.69)
	27	Pay Applicatin #6	(6,104.50)
	28	Pay Applicatin #7	(6,104.50)
	29	Pay Applicatin #8	(12,363.60)
		Billed to Date - Subtotal	(132,775.30)
		Balance to Finish	40,586.88
		GMP Modifications #004:	
24	082 CWC	GMP Modifications #004A - CWC Fitness Mechanical Upfits - (includes \$4,844 contingency)	106,608.45
25	087 CWC	GMP Modifications #004A - Fitness Room Mechanical Unit (credit to leave existing unit in place)	(15,774.30)
25	093 CWC	GMP Modification #004B - Current Mechanical Needs	160,293.00
		Total GMP Modification #4	251,127.15
	23	Pay Application #01	(23,262.41)
	24	Pay Application #02	(17,841.22)
	25	Pay Application #03	0.00
	26	Pay Application #04	(59,354.76)
	27	Pay Application #05	(19,784.92)
	28	Pay Application #06	0.00
	29	Pay Application #07	(9,479.97)
		TOTAL GMP MODIFICATIONS #004:	251,127.15
		Total Billed to Date - Subtotal	(129,723.28)
		Total Balance to Finish	121,403.87