

August 31, 2021

Communiqué

Cash and Carry Update

Willow Valley Communities has long had a practice of providing an opportunity for Residents and families to dispose of unwanted items by donating them to a Resident-run program called Cash and Carry. Under this program, Residents would assess items for resale, often clean them up, store them, and price them, all in preparation for a sale that was open and available to all Residents, Team Members, and visitors (if accompanied by a Resident or Team member). Proceeds from these sales were donated to the Resident Fellowship Fund.

As with a number of activities and events during COVID, Cash and Carry sales were suspended. In the ensuing months, as discussions took place regarding WVC's re-opening plan, Cash and Carry was discussed at length. The decision has been made to discontinue the Cash and Carry sales, with the following factors contributing to the decision to discontinue the program:

- Absent Cash and Carry, the move-out/clean out process is simplified for families when a Resident has passed away or made a permanent move out. Family members are able to focus on valuables and items of interest and identify the rest to be removed. The removal of Cash and Carry narrows options available, thus making this difficult practice simpler for families.
- A very tight labor market and resulting workforce shortage has stretched our Team Members, creating situations in which they are challenged to meet the needs of our Residents. The utilization of Team Members from various departments, from the Resident Life Coordinator to maintenance, floorcare, and housekeeping, is time-consuming and detracts from their ability to provide other services to Residents.
- Apartments and storage cages utilized for Cash and Carry need to be available for sale and rent.

The decision to discontinue Cash and Carry sales was made only after considerable thought and discussion among the Leadership Team here at Willow Valley Communities. We realize that this is an activity that has taken place for a long period of time and has been enjoyed by many.

Please also know that as part of our decision-making process, we looked back over the past five years (excluding 2020) and have calculated the average amount of funds raised through Cash and Carry sales. Going forward, we will utilize excess investment earnings from our operating reserve investment portfolio to fund these average dollar amounts annually to the respective Fellowship Fund Accounts to help ensure that this funding source continues.

There is the option to run one last sale with the items that have been stored throughout the last 18 months. Some buildings have opted to hold the sales; others have opted not to. We will announce the dates of the sales just as soon as we are able to plan large group gatherings again and can coordinate such an event.

Thank you for your understanding,

Denny — Dennis W. Griest, President & CFO