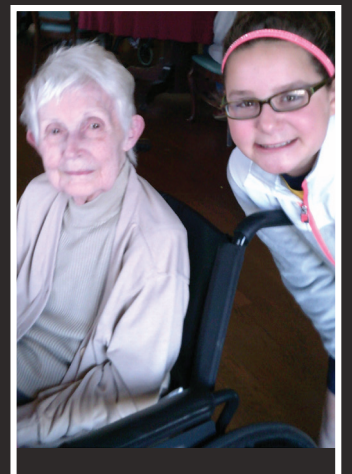


2013 ANNUAL REPORT



BARUCH SENIOR
MINISTRIES SEEKS
TO HONOR GOD
BY SERVING PEOPLE
AS THEY AGE.



MESSAGE FROM THE PRESIDENT



Thomas Nobel

*President and Founder
Baruch Senior Ministries*

Whether you're an employee, resident, family member, business partner, donor, or someone just interested in our ministry, we appreciate the opportunity to tell you more about Baruch Senior Ministries and share with you some of the 2013 highlights.

2013 was a year of noticeable changes for Baruch Senior Ministries. We experienced tremendous growth through the acquisition or construction of five new communities, and started or completed major renovation projects at some of our existing communities. We are also proud of our Administrators and other employees that experienced personal growth as caregiving professionals through numerous training programs and seminars.

Unlike building projects where you can see daily progress, we also completed another "behind the scenes" project in 2013 – updating our corporate logo and mission statement. The Baruch logo now has a more 'modern' look, but still incorporates two major elements from the original cross and scroll. The cross symbolizes our ministry's faith-based origins and belief system, while the scroll symbolizes Baruch's role in the Bible as a loyal companion and scribe for the prophet Jeremiah. Our current one-sentence statement is the result of many hours of discussion and prayer and encompasses the many aspects of our ministry; defining what we do, who we serve and how it's performed: "Baruch Senior Ministries seeks to honor God by serving people as they age."

While change occurs, we remain true to our mission and values in the way that we conduct ourselves as an organization and, most importantly, in the care provided to our senior residents every day:

- We seek to honor God through our work by applying Biblical principles in all we do.
- We provide quality senior lifestyle services for our residents every day.
- We expect all staff members to treat each other, residents and guests with respect.
- We embrace the unique skills and abilities that our employees bring to the job and encourage using all these different talents to provide a great home to our residents.
- We work every day to promote the value and dignity of every person.
- We work to promote honesty and a high level of integrity in all our interactions with fellow staff members, residents and guests.

Space does not allow us to recognize all of the accomplishments of Baruch Senior Ministries and our team in 2013. However, as we highlight numerous events, may you be informed and encouraged through this Annual Report.

Board of Directors

The volunteer Board of Directors for Baruch Senior Ministries take their mission very seriously. The aim of the Board is to glorify God through efforts to ensure that seniors never feel abandoned - no matter what their personal circumstances, seniors can always be certain of their hope in the Lord.

Brian Mattila, Chairman
Buiten & Associates
Partner/Certified Insurance Counselor

Christopher P. Murphy, Secretary/Treasurer
Leisure Living Management
Vice President / Treasurer

Lynne Stahlbusch, Member
Pine Rest Christian Hospital
Registered Psychiatric Nurse

Scott Zylstra, Member
Cascade Engineering
General Manager
Industrial Solutions Division

Jim Tuinstra, Member
President, Kent Health Plan
CEO - Hope Network (Retired)

Arie Goudswaard, Member
Amway Corporation
Manager Global Sales (Retired)

Matt Wieringa, Member
G & T Industries
VP Sales and Marketing

John Lewis, Emeritus member
Attorney, President - Wingshadow
Ministries

John VanderWilp, Emeritus member
Owner - John Wayne Construction Co.



Our Values

BASED ON FAITH

ALWAYS QUALITY CARE & CARING

RESPECT

USING THE GIFTS OF A TEAM

COMPASSION

HONESTY AND TRUST

**“I WILL HEAL MY PEOPLE AND WILL
LET THEM ENJOY ABUNDANT PEACE
AND SECURITY.”**

– JEREMIAH 33:6

OUR MISSION

Baruch Senior Ministries seeks to honor God by serving people as they age.

Baruch SLS, Inc. (dba Baruch Senior Ministries) is a faith-based Michigan non-profit corporation founded in 1997. At that time, we saw the need for more affordable assisted living and an alternative option for those seniors and their families who couldn't afford the more costly housing and services provided by for-profit organizations. Baruch's mission today remains the same as originally established in 1997 – to provide affordable quality housing and assisted living services to seniors in their home community close to friends and family. It is our desire to provide a home that promotes the value and dignity of every person.

The name "Baruch" is inspired by the prophet Jeremiah and the trust he placed in his scribe, Baruch. In Jeremiah's time, Baruch served as an instrument for assuring God's people that they would never be abandoned. Just like its namesake, Baruch Senior Ministries desires to provide assisted living communities where residents are not abandoned, but are accepted and loved. With God's direction, Baruch Senior Ministries provides hope by seeking to understand the individual needs of our residents, providing them quality physical care as well as emotional and spiritual care.

SPIRITUAL CARE

The spiritual care and emotional well-being of our residents is a major focus of the non-profit mission of Baruch Senior Ministries. Baruch has a full-time Spiritual Care Coordinator/Chaplain who works with area churches, pastors and lay people to provide on-site worship services, memorial services, Bible studies, and other special events at each of our homes. He also regularly visits each home to personally lead worship and Bible studies, and to make one-to-one pastoral calls to individual residents and staff to help them through personal concerns or challenges.

INCOME-BASED PROGRAM

In recognizing the importance and desire of a resident never wanting to move again, Baruch Senior Ministries has established an income based program to provide peace of mind for a resident and their family concerned about a resident outliving their assets. This program provides a reduced rent based on an individual resident's actual monthly income, which will allow them to remain in our home as long as they desire to be part of the Baruch Senior Ministries family. The income-based program is confidential and also allows a resident to remain in his/her same room, even after he/she is established in the program.



At the end of 2013, there are 808 total beds to meet the needs of seniors throughout all of the Baruch communities.





SUPPORT BARUCH'S MISSION

Volunteer

Volunteers help residents, families, and staff to create and maintain connections with the community. Everyone has their own gifts to share, and Baruch can match your talents and time with the existing needs of our homes. This is a great opportunity for you to enhance the quality of life for our residents, while at the same time making long-lasting friendships and receiving the joy and personal satisfaction gained from helping others.

Donate

Monetary gifts help Baruch to continue its mission and further enhance the quality of life for our residents. These gifts will help to fund our income-based program, which allows residents to remain in a Baruch community even when they outlive their financial resources. They also help to fund the upkeep and renovation of our buildings, and provide enhanced programming for our residents. Our homes also have needs for specific items that provide a direct impact on the day to day lives of our residents, so item donations are a quick and easy way to help us serve those residents.

To find out more about volunteer opportunities or to make a donation, visit our website at www.baruchsls.org.

Baruch SLS, Inc. (dba Baruch Senior Ministries) is a 501(c)(3) tax-exempt, non-profit organization. Donations may be tax deductible as allowed by law.

Baruch Senior Ministries is an active member of a number of trade associations and organizations to further support its mission and to help ensure that we are aware of the latest trends in the assisted living industry and human resource management. From utilizing the various educational and training opportunities offered by these groups, to attending conferences or using other resources that they make available, these memberships are beneficial in helping to further Baruch's desire to be a nonprofit leader in providing assisted living services and being an employer of choice throughout all levels of the organization. Baruch is a member of:

Michigan Assisted Living Association (MALA)

A state affiliate of the Assisted Living Federation of America (ALFA)



LeadingAge Michigan

Represents nonprofit mission-based providers of housing, services and care for seniors across Michigan



Michigan Nonprofit Association (MNA)

Is a statewide membership organization dedicated to serving the diverse nonprofit sector through civic engagement, capacity-building, data and technology, training, and advocacy.



The Employers' Association

A West Michigan nonprofit association that provides practical HR solutions that promote operational excellence and business sustainability



OVER 160 VOLUNTEERS ARE SERVING RESIDENTS THROUGHOUT BARUCH COMMUNITIES.

OUR TEAM

Baruch Senior Ministries strives to be an employer of choice throughout all levels of the organization. As we continue to expand the reach of our ministry to other communities, we recognize the need to continue to attract and retain caring employees. To help further this need, our team members attend numerous seminars, classes, and in-service programs to continue their growth as caregiving professionals. We recognize that it's only through the efforts of our team members that Baruch is able to further its commitment to providing a loving and caring community that brings comfort to our residents and their families.

Baruch Senior Ministries currently employs 682 people throughout all levels of the organization



THOMAS NOBEL
PRESIDENT/FOUNDER

Tom Nobel, President/Founder of Baruch Senior Ministries, is a proven visionary and strategic leader who translates business strategies into a faith-based belief system of dignity, respect and uncompromising ethics. In 1997, Tom founded Baruch Senior Ministries to help seniors and their families who had a fear of running out of money and a fear that their loved ones may lose their home. He believed there was a better way to assist those seniors and families than the current system provided. In addition to his service to Baruch, Tom's work experience also includes serving as an owner/executive for Leisure Living Management since 1995. Prior to 1995, Tom was the Executive Vice President of Hospice of Michigan and served as Executive Director and CFO of Hospice of Western Michigan. Tom, a CPA, also spent twenty years with the accounting firm of Ernst & Young servicing health care organizations, privately held businesses, and several SEC registered corporations. Tom is actively involved as a Board member and committee member of numerous other nonprofit community organizations in the Grand Rapids/West Michigan area.



CONNIE CLAUSON
VICE PRESIDENT OF OPERATIONS

Connie Clauson joined Baruch Senior Ministries in September 2000 as the Administrator of Fountain View Assisted Living in Coopersville. In 2002, Connie transitioned to Regional Operations Director to service the continued rapid growth of the Baruch communities. Connie was named the Vice President of Operations in 2013, overseeing the operations, sales and marketing, training, and fundraising for all eighteen (18) of the current Baruch communities. Prior to Baruch, Connie worked for a large community nonprofit healthcare system for five years, serving on a Leadership Council, integrating marketing and operation strategies, providing day-to-day oversight and guidance, and serving as the voice of the customers. This experience, together with twenty additional years in the healthcare industry, has prepared Connie for her current responsibilities with Baruch Senior Ministries.

"... serve one another humbly in love." – Galatians 5:13

We appreciate the dedicated efforts of all Baruch team members and are proud of their achievements and commitment to our mission.



◀ *Baruch Administrators celebrate their accomplishments at a special recognition luncheon in December.*

ADMINISTRATOR CERTIFICATION

As part of our continuing effort to ensure the highest level of care to our residents and families, in 2013, Baruch Senior Ministries had 13 of its community administrators achieve Administrator Level 1 Certification from Senior Living University. This self-study certificate course is designed to develop leadership among administrators by providing an in-depth overview of assisted living, including: staffing and supervision, training, interviewing, human resource basics, resident care, end-of-life care, Alzheimer's and dementia care, developing quality programs and activities, maintenance, risk management, safety, grievances and budgeting. The course has been approved by the NAB (National Association of Long Term Care Administrator Boards).

Five of our administrators renewed the Level 1 and Level 2 Certifications, and received the Alzheimers and Dementia Certification. The additional self-study certificate courses delve deeper into many of the topics covered in the Level 1 Certification and offer participants advanced material designed to further hone operational expertise and leadership skills.

Based in Hershey, Pennsylvania, Senior Living University has been instrumental in shaping the growth and understanding of the assisted living profession by providing learning experiences to enhance the lives of care professionals and the older adults they serve. Senior Living University provides training solutions which promote independence, dignity and choice.

SERVSAFE CERTIFICATION

In 2013, 23 Baruch employees earned the ServSafe Food Protection Manager Certification, which is accredited by the American National Standards Institute (ANSI)-Conference for Food Protection (CFP). Through this program, our employees learned to implement essential food safety practices and create a culture of food safety throughout all of our Baruch communities. ServSafe is the leader in food safety training and certification and is recognized by more federal, state and local jurisdictions than any other food safety certification.



THANK YOU!

In 2013, Baruch had a number of employees reach milestones for years of service. These employees were recognized for their commitment to Baruch's mission and dedicated service to the senior residents of those homes.

3 YEARS	32 EMPLOYEES
5 YEARS	49 EMPLOYEES
10 YEARS	17 EMPLOYEES
15 YEARS	14 EMPLOYEES
20 YEARS	7 EMPLOYEES
25 YEARS	2 EMPLOYEES

Thats 954 combined years of experience in these Baruch communities!

We also recognized one employee that has faithfully served the residents of The Hume Home for 43 years!

2013 OVERVIEW



EXPANDING THE MISSION

Since its beginning, Baruch Senior Ministries has experienced tremendous growth by acquiring existing assisted living communities, building new homes, and also by lending its expertise and services to manage communities for other nonprofit organizations. By the end of 2013, Baruch is operating seventeen (17) licensed assisted living communities throughout the state of Michigan that serve as home to seniors (including two (2) managed communities). Baruch is also managing an assisted living community in Hale, Michigan which is currently under construction and also scheduled to open in 2014.

2013 ACQUISITIONS

At the end of 2013, Baruch completed the acquisition of four (4) assisted living communities in Michigan. We appreciate the opportunity to further our mission, and serve the seniors and families in these communities with the same quality care and compassion that is provided in our other Michigan communities.

WELCOME TO THE

ST. JOSEPH



The Willows Assisted Living is an 80-bed community located in St. Joseph, which includes assisted living apartments and a memory care unit.

LOWELL



Fountain View of Lowell features 38 beds, with a mix of assisted living apartments and rooms for memory care residents.



NORTHERN PINES OPENS IN 2013

Northern Pines, a newly constructed 20-bed assisted living community in Grayling, opened and welcomed its

first residents in July 2013. Baruch is excited to be a part of the Grayling community and looks forward to serving area families at Northern Pines for many years to come.



CONNECT WITH GEORGETOWN & CAMBRIDGE MANORS

Construction of a new 'connector' building was started at Georgetown & Cambridge Manors in 2013. The 2,950 square foot building will 'connect' the homes, Georgetown and Cambridge Manors, and will include a new chapel/community room, a new improved hair salon for residents, space for food storage, conference room, and an enclosed walkway for residents and staff to travel between the homes in a protected and warm environment. A capital campaign is under way to help fund a portion of the construction cost. Construction is scheduled to be completed in the first half of 2014.



RENOVATIONS COMPLETED AT FOUNTAIN VIEW ASSISTED LIVING OF COOPERSVILLE

A complete interior makeover and

upgrade to the infrastructure of all three (3) buildings at Fountain View Assisted Living in Coopersville was completed in 2013. This renovation was financed through a \$500,000 Affordable Housing Program grant from the Federal Home Loan Bank of Atlanta, together with Baruch's capital improvement funds. A capital campaign is underway to fund the purchase and installation of new furniture and window treatments to 'complete the dream' and put the finishing touches on this major project for Fountain View.



HALE CREEK MANOR SCHEDULED TO OPEN IN 2014

Construction of Hale Creek Manor got under way in 2013. This new 32-unit home located in Hale is scheduled to open in the second quarter of 2014 and will include a mix of independent apartments, assisted living apartments and a 9-bed specialized memory care unit. Baruch looks forward to managing this home and serving families in Hale and the surrounding communities.

BARUCH FAMILY!

FREMONT



FountainView Retirement Village of Fremont is a 20-bed assisted living community.

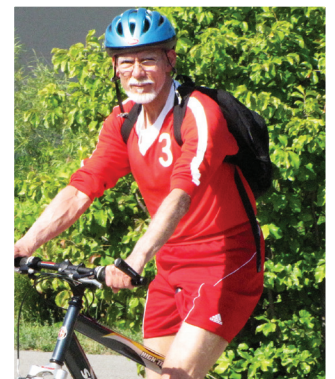
PORTAGE



Fountain View Retirement Village of Portage is a 40-bed community, which includes assisted living apartments and a memory care unit.

COMMUNITY

Biking For Baruch
Getting ready to pedal. Our first Baruch resident rode in 2013.



Watching the Tigers at Georgetown & Cambridge Manors

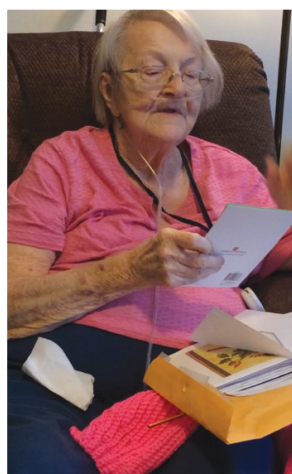


For the second year in a row, Yorkshire & Stonebridge Manors was recognized as a winner in the nationwide Annual Long Term Care Photo Contest sponsored by HealthCap, the nation's leading liability insurer exclusively serving the senior care industry. This photo was awarded First Place in the Caregiver category in this year's competition.

Bishop Hills family pig roast



Sunnyside resident Lois Weston responded to a need and made winter hats for Mrs. Viox's kindergarten class at Manton Elementary School and donated them to the students.



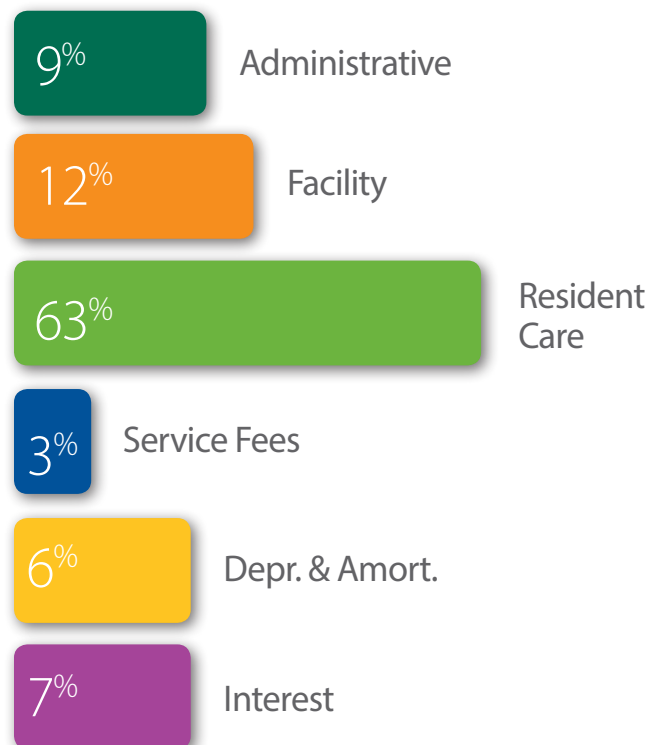
The students are showing off their new winter wear, while Lois is shown opening homemade Christmas cards received from each of the students expressing their gratitude for this random act of kindness.

REVENUE & EXPENSES

Baruch Senior Ministries For the Year Ending December 31

- Baruch financed the acquisition of two homes – Northern Pines and The Willows - through the USDA Rural Development direct loan program. USDA Rural Development makes low-interest loans available to nonprofit organizations to develop essential rural community facilities in areas of up to 20,000 in population. To qualify for this program, the nonprofit organization must be financially sound and must demonstrate that it is able to organize and manage the facility effectively.
- Through a program led by Independent Bank and their local bank partners, Macatawa Bank, Mercantile Bank, and ChoiceOne Bank, Baruch re-financed the existing bank debt of all owned properties and financed the acquisition of three additional homes – FountainView of Lowell, Fountain View of Portage, and FountainView of Fremont. This new financial package simplifies our debt portfolio, provides an attractive interest rate, and substantially reduces Baruch’s annual debt expense.
- Baruch received unmodified (“clean”) auditor’s opinions for the audit of its year-end financial statements. A copy of the audited financials are available upon request.
- Baruch completed the acquisition of five (5) homes, which added approximately \$14,750,000 of Property, Plant & Equipment to the balance sheet. In addition, the combined appraised value for the five (5) homes exceeded the total purchase price, providing Baruch with \$1,460,000 of additional market value.

	2013	2012
Total Revenue	\$18,740,258	\$15,666,576
Total Expenses	\$17,155,446	\$13,777,459



Our 2013 Balance Sheet is strong and is summarized as:

Current Assets	\$2,950,652
Current Liabilities	(1,626,221)
Property, Plant & Equipment	39,893,589
Intangibles	8,287,023
Debt	(41,717,156)
TOTAL FUND BALANCE:	\$7,787,887

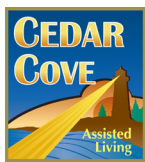
BARUCH SERVES MICHIGAN COMMUNITIES:



1 Bishop Hills Elder Care
4951 11 Mile Road
Rockford, MI 49341
616.866.8227



12 Lakeshore Assisted Living Homes
16331 Robbins Road
Grand Haven, MI 49417
616.847.4242



2 Cedar Cove Assisted Living*
266 Mary L Street
Cedarville, MI 49719
906.484.1001



13 Northern Pines Assisted Living
130 Mary Ann Street
Grayling, MI 49738
989.344.2010



3 Evergreen Terrace Assisted Living
801 Fuller Avenue
Big Rapids, MI 49307
231.527.1050



14 Park Place Assisted Living
4222 S. Westnedge
Kalamazoo, MI 49008
269.388.7303



4 FountainView Assisted Living
640 West Randall Street
Coopersville, MI 49404
616.997.9253



15 Stone Crest Assisted Living
255 N. Main Street
Freeland, MI 48623
989.695.5035



5 FountainView Retirement Village of Fremont
102 Hillcrest Avenue
Fremont, MI 49412
231.924.5050



16 Sunnyside Senior Living
108 Wildwood Drive
Cadillac, MI 49601
231.775.7750



6 Fountain View Retirement Village
50 South Maple Street
Grant, MI 49327
231.834.8202



17 The Willows Assisted Living
3440 Niles Road
St. Joseph, MI 49085
269.428.0715



7 Fountain View of Lowell
11537 Fulton Street SE
Lowell, MI 49331
616.897.8413



18 Yorkshire & Stonebridge Manors
3511-3515 Leonard Street NW
Walker, MI 49534
616.791.0111



8 Fountain View Retirement Village of Portage
7818 Kenmure Road
Portage, MI 49024
269.327.9595



9 Georgetown & Cambridge Manors
141-151 Port Sheldon Rd.
Grandville, MI 49418
616.457.6010



Hale Creek Manor

10 Hale Creek Manor* (opening in 2014)
3191 M-65
Hale, MI 48739
989-728-1300



11 The Hume Home of Muskegon*
1244 West Southern Avenue
Muskegon, MI 49441
231.755.1715



*Managed community

