



RETIREMENT AND SENIOR
CARE SERVICES

1217 Slate Hill Road • Camp Hill, Pennsylvania 17011

March 31, 2005

To Our Bondholders:

In accordance with the Loan and Trust Agreement (Agreement) executed and delivered in connection with the issuance of \$47,000,000 of Cumberland County Municipal Authority Revenue Bonds, Series of 1996, we submit the following information. The required information discloses certain financial and operational results for Presbyterian Homes, Inc. (Corporation) for the year ended December 31, 2004 as required under section 726 of the Agreement.

The annual audited financial statements for the year ending December 31, 2004 have been submitted to each Repository and our Trustee, The Bank of New York, and are incorporated by reference in the continuing disclosure where applicable. Updated Appendix A information contained under the following headings is attached: "Summary of Available Units", "Occupancy Statistics", "Revenues of Presbyterian Homes, Inc. for Nursing Facilities", and "Revenue Mix by Facility Type".

This letter is intended to be the Officer's Certificate stating that we have filed the necessary information with each Repository.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jeffrey J. Davis', is written over a horizontal line.

Jeffrey J. Davis
Sr. Vice President and Chief Financial Officer
Presbyterian Homes, Inc.

JJD/dk

Phone (717) 737-9700 • (800) 382-1385 • Fax (717) 763-7617

Presbyterian Homes, Inc. • Presbyterian Housing & Services Corporation • Presbyterian Senior Living Services, Inc.
Presbyterian Apartments, Inc. • Geneva House, Inc. • Continuing Care Rx

www.phihomes.org

SUMMARY OF AVAILABLE UNITS, ACCREDITATION, LICENSURE, AND PROGRAMS

PHI AND RELATED ENTITES

FACILITY	# OF LIVING UNITS	ACCREDITATION & LICENSURE	SPECIALIZED PROGRAMS	ON-SITE REHAB SERVICES
The Easton Home *** Paul Cercone, Administrator 1022 Northampton Street Easton, PA 18042-4292 (610) 250-5000 - (610) 258-7740 FAX EIN # 23-2941518 (Pres Homes)	55 A/L Units	PA Department of Public Welfare, PA Department of Aging	Traditional Assisted Living Units, Alzheimer's Care, Respite Care	Physical, Occupational, & Speech Therapy
Forest Park Health Center *** Hope Manning, Executive Director 700 Walnut Bottom Road Carlisle, PA 17013-3699 (717) 960-7700 - (717) 243-8519 FAX EIN # 23-2941518 (Pres Homes)	114 Nursing/ Rehab Beds	Medicare, Medicaid, Department of Health	Alzheimer's Care, Respite Care	Short-Term Orthopedic, Stroke and Medical Rehab, Physical, Occupational and Speech Therapy.
Green Ridge Village *** Dan Davis, Executive Director 210 Big Spring Road Newville, PA 17241-9486 (717) 776-8200 - (717) 776-6266 FAX EIN # 23-2941518 (Pres Homes)	120 I/L Units 64 A/L Units 77 Nursing/ Rehab	Medicare, Medicaid, Department of Health, PA Insurance Department, PA Department of Public Welfare CCAC Accreditation	Assisted Living Services, Alzheimer's Care, Respite Care	Short Term Orthopedic, Stroke and Medical Rehab, Physical, Occupational and Speech Therapy
Mark H. Kennedy Park *** Louis Meola, General Manager Charlene Moffo, Resident Services Mgr. 108 Pine Avenue St. Clairsville, OH 43950-9739 (740) 695-7275 - (740) 695-2007 FAX EIN # 23-2941518 (Pres Homes)	29 I/L Units			
St. Andrew's Village *** Louis Meola, Executive Director 1155 Indian Springs Road Indiana, PA 15701-3494 (724) 464-1600 - (724) 349-6473 FAX EIN # 23-2941518 (Pres Homes)	22 A/L Units 30 I/L Units 131 Nursing & Rehab Beds	Medicare, Medicaid, Department of Health, PA Insurance Department, PA Department of Public Welfare CCAC Accreditation	Alzheimer's Unit, Assisted Living Services, Respite Care	Short Term Orthopedic, Stroke and Medical Rehab, Physical, Occupational and Speech Therapy
Sycamore Manor Health Center *** Michele Brague, Executive Director 1445 Sycamore Road Montoursville, PA 17754-9520 (570) 326-2037 - (570) 326-7378 FAX EIN #23-2941518 (Pres Homes)	133 Nursing/ Rehab Beds	Medicare, Medicaid, Department of Health	Dementia/Alzheimer's Care Unit, Respite Care	Short Term Orthopedic, Stroke and Medical Rehab, Physical, Occupational and Speech Therapy
Ware Presbyterian Village *** Donna J. Martin, Executive Director 7 East Locust Street Oxford, PA 19363-1399 (610) 998-2400 - (610) 998-2401 FAX EIN # 23-2941518 (Pres Homes)	81 I/L Units 20 A/L Units 113 Nursing/ Rehab Beds 22 Dementia Unit	Medicare, Medicaid, Department of Health, PA Insurance Department, PA Department of Public Welfare CCAC Accreditation	Alzheimer's Care, Respite Care, Assisted Living Services	Short Term Orthopedic, Stroke and Medical Rehab, Physical, Occupational and Speech Therapy
Westminster Village/Allentown *** Jeraldine Kohut, Executive Director 803 North Wahneta Street Allentown, PA 18109-2491 (610) 782-8300 - (610) 434-9578 FAX EIN # 23-2941518 (Pres Homes)	67 I/L Units 111 Nursing/ Rehab Beds	Medicare, Medicaid, Department of Health, PA Insurance Department, PA Department of Public Welfare CCAC Accreditation	Licensed Adult Day Care, Respite Care, Assisted Living Services, Alzheimer's Care	Short Term Orthopedic, Stroke and Medical Rehab, Physical, Occupational and Speech Therapy

FACILITIES AND SERVICES

<p>Westminster Village/Dover *** Robert Kratz, Executive Director 1175 McKee Road Dover, DE 19904-2268 (302) 744-3600 - (302) 674-8656 FAX EIN # 23-2941518 (Pres Homes)</p>	<p>60 A/L Units 119 I/L Units 61 Nursing/ Rehab Beds</p>	<p>Medicare, Medicaid, Delaware Health and Social Services</p> <p>CCAC Accreditation</p>	<p>Respite Care, Assisted Living Services, Alzheimer's Services</p>	<p>Short Term Orthopedic, Stroke and Medical Rehab, Physical, Occupational and Speech Therapy</p>
<p>Presbyterian Home @ Williamsport *** Linda Bigelow, Administrator 810 Louisa Street Williamsport, PA 17701-3098 (570) 323-2621 - (570) 323-3922 FAX EIN # 23-2941518 (Pres Homes)</p>	<p>26 A/L Units</p>	<p>PA Department of Public Welfare</p>	<p>Respite Care, Assisted Living Services</p>	
<p>OTHER PHI AFFILIATES</p>				
<p>Kirkland Village** Carol Perfect, Executive Director One Kirkland Village Circle Bethlehem, PA 18017-3846 (610) 691-4500 - (610) 691-4541 FAX EIN # 25-1645065 (PHSC)</p>	<p>164 I/L Units 33 A/L Units 60 Nursing/ Rehab Beds</p>	<p>Medicare, Department of Health, PA Insurance Department, PA Department of Public Welfare</p> <p>CCAC Accreditation</p>	<p>St. Luke's Hospital Geriatric & Medicare Practice, Assisted Living Services, Alzheimer's Care, Respite Care</p>	<p>Short Term Orthopedic, Stroke and Medical Rehab, Physical, Occupational and Speech Therapy</p>
<p>Presbyterian Apartments, Inc. **** Keith LePrevost, Manager 322 North Second Street Harrisburg, PA 17101-1302 (717) 233-5114 - (717) 234-7603 FAX EIN # 23-1381404 (PHI)</p>	<p>165 I/L Units</p>	<p>U.S. Department of Housing & Urban Development</p>	<p>On-Site Restaurant, Beauty Shop, Library, Solarium</p>	
<p>Geneva House, Inc. **** Kay Danzico, Manager 323 Adams Avenue Scranton, PA 18503-1609 (570) 347-4885 - (570) 347-5863 FAX EIN # 23-1381404 (PHI)</p>	<p>62 I/L Units</p>	<p>U.S. Department of Housing & Urban Development</p>	<p>Full Time Support Services Staff On-Site, Resident Manager, 24- Hour On-Call Maintenance, Solarium</p>	
<p>Glen Meadows Retirement Community* Charles Brown, Executive Director 11630 Glen Arm Road Glen Arm, MD 21057-9403 (410) 592-5310 - (410) 592-6175 FAX EIN # 52-2133513 (PSLSI)</p>	<p>211 I/L Units 29 A/L Units 31 Nursing/ Rehab</p>	<p>Medicare, Medicaid,</p>	<p>Assisted Living Services</p>	

*Presbyterian Senior Living Services, Inc. (PSLSI)
 **Presbyterian Housing and Services Corporation (PHSC)
 ***Presbyterian Homes, Inc. (Pres Homes)
 ****PHI

INDEPENDENT LIVING, ASSISTED LIVING AND SKILLED NURSING FACILITY OCCUPANCY RATES for
2001 through December 31, 2004

FACILITY	2004	2003	2002	2001
CONTINUING CARE RETIREMENT COMMUNITIES:				
Green Ridge Village <i>Newville, PA</i>				
Independent	92%	92%	93%	96%
Assisted	92%	88%	97%	96%
Skilled	95%	95%	97%	95%
St. Andrew's Village <i>Indiana, PA</i>				
Independent	96%	91%	91%	89%
Assisted*	100%	97%	91%	96%
Skilled	94%	96%	92%	87%
Ware Presbyterian Village <i>Oxford, PA</i>				
Independent	98%	97%	95%	94%
Assisted	100%	98%	100%	99%
Skilled	98%	99%	97%	96%
Westminster Village <i>Allentown, PA</i>				
Independent	94%	97%	96%	93%
Skilled	97%	97%	97%	96%
Westminster Village <i>Dover, DE</i>				
Independent	90%	89%	94%	92%
Assisted**	90%	92%	90%	70%
Skilled	96%	96%	90%	82%
OTHER FREESTANDING FACILITIES:				
Mark H. Kennedy Park <i>St. Clairsville, OH</i>				
Independent Living	97%	95%	91%	62%
Presbyterian Home @ Williamsport <i>Williamsport, PA</i>				
Assisted Living	89%	90%	89%	87%
The Easton Home <i>Easton, PA</i>				
Assisted Living	98%	92%	84%	84%
Forest Park Health Center <i>Carlisle, PA</i>				
Skilled	97%	93%	90%	80%
Sycamore Manor <i>Sycamore, PA</i>				
Skilled	94%	93%	93%	89%
Total Presbyterian Homes, Inc.				
Independent Living	94%	93%	94%	92%
Assisted Living	94%	92%	91%	87%
Skilled	96%	96%	95%	89%

* Assisted Living Facility Opened September 1999

** Assisted Living Facility Opened April 24, 2000

Revenue of Presbyterian Homes, Inc. for Nursing Facilities: Nursing services of Presbyterian Homes, Inc. are charged on a per diem basis. A table of total patient service revenues based on patient days for nursing facilities by payment source for the year ending December 31, 2004 is presented below:

<u>FACILITY</u>	<u>Private Pay</u>	<u>Medicare</u>	<u>Medicaid</u>	<u>Other</u>
Green Ridge Village - Swaim Health Center <i>Newville, PA</i>	29%	12%	51%	8%
St. Andrew's Village - Julia Wilson Pound Health Center <i>Indiana, PA</i>	25%	17%	54%	4%
Ware Presbyterian Village - Oxford Manor Health Center <i>Oxford, PA</i>	30%	7%	55%	8%
Westminster Village <i>Allentown, PA</i>	26%	12%	56%	6%
Westminster Village <i>Dover, DE</i>	39%	13%	45%	3%
Forest Park Health Center <i>Carlisle, PA</i>	18%	9%	72%	1%
Sycamore Manor Health Center <i>Montoursville, PA</i>	21%	9%	69%	1%
Average 2004	26%	11%	59%	4%
Average 2003	27%	12%	57%	4%
Average 2002	28%	13%	55%	4%

Revenue Mix by Facility Type: The following table presents the revenue mix of Presbyterian Homes, Inc. by facility type for 2004, 2003 and 2002.

<u>Facility Type</u>	<u>2004 \$ Amount in Millions</u>	<u>2004 % of Totals</u>	<u>2003 \$ Amount in Millions</u>	<u>2003 % of Totals</u>	<u>2002 \$ Amount in Millions</u>	<u>2002 % of Totals</u>
Nursing	\$50.929	69%	\$48.669	70%	\$46.153	70%
Independent Living	\$12.794	17%	\$12.198	17%	\$11.451	17%
Assisted Living	\$8.406	11%	\$7.027	10%	\$6.658	10%
Health Insurance Premiums – Type A Contracts	\$.923	1%	\$1.015	1%	\$1.080	2%
Other	\$.941	1%	\$1.481	2%	\$1.443	1%
Total	\$73.993	100%	\$70.390	100%	\$66.785	100%

Note: Amounts do not include investment income and gifts and bequests.