

Facility Name Coles Supportive Living

Report Period Beginning: 1/1/2005 Ending: 12/31/2005

III. STATISTICAL DATA

A. Certified units; enter number of units and unit days

Date of change in certified units N/A

	1	2	3	4	
	Units at Beginning of Report Period	Type of Apartment	Units at End of Report Period	Unit Days During Report Period	
1	127	Single Unit Apartment	127	46,355	1
2	10	Double Unit Apartment	10	3,650	2
3		Other			3
4	137	TOTALS	137	50,005	4

B. Census-For the entire report period.

	1 Type of Unit	2 3 4 5 Resident Days by Unit and Primary Source of Payment				
		Medicaid Recipient	Private Pay	Other	Total	
5	Single Unit	32,840	1,572	3,865	38,277	5
6	Double Unit	2,586	124	304	3,014	6
7	Other					7
8	TOTALS	35,426	1,696	4,169	41,291	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 82.57%

D. Indicate the number of paid bed-hold days the SLF had during this year 304 Also, indicate the number of unpaid bed-hold days the SLF had during this year. 12 (Do not include bed-hold days in Section B.)

E. Does page 3 include expenses for services or investments not directly related to SLF services?

YES NO

F. Does the BALANCE SHEET reflect any non-SLF assets?

YES NO

G. List all services provided by your facility for non-residents.

(E.g., day care, "meals on wheels", outpatient therapy)

None

H. ACCOUNTING BASIS

ACCURAL MODIFIED CASH* CASH*

I. Is your fiscal year identical to your tax year? YES NO

Tax Year: 12/31/05 Fiscal Year: 12/31/05

* All facilities other than governmental must report on the accrual basis.

J. Does the facility have any Illinois Housing Development Authority Loans outstanding? No If yes, did the facility make all of the required payments of interest and principle? N/A

If no, explain. N/A

K. Does the facility have any loans from the Federal Home Loan Bank outstanding? No If yes, did the facility make all of the required payments of interest and principle? N/A

If no, explain. N/A

L. Does the facility have any loans from the IL Dept of Commerce and Economic Opportunity outstanding? No If yes, did the facility make all of the required payments of interest and principle? N/A

If no, explain. N/A

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IV. COST CENTER EXPENSES (please round to the nearest dollar)

Operating Expenses		Costs Per General Ledger				Reclassifications and Adjustments	Adjusted Total	
		Salary/Wage 1	Supplies 2	Other 3	Total 4			
A. General Services								
1	Dietary and Food Purchase	171,232	216,559	1,896	389,687		389,687	1
2	Housekeeping, Laundry and Maintenance	164,726	44,551	188,460	397,737		397,737	2
3	Heat and Other Utilities			125,030	125,030	(14,734)	110,296	3
4	Other (specify):							4
5	TOTAL General Services	335,958	261,110	315,386	912,454	(14,734)	897,720	5
B. Health Care and Programs								
6	Health Care/ Personal Care	390,966	5,942	5,021	401,929	(1,656)	400,273	6
7	Activities and Social Services	51,514	12,125		63,639		63,639	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	442,480	18,067	5,021	465,568	(1,656)	463,912	9
C. General Administration								
10	Administrative and Clerical	208,573	16,726	133,468	358,767	(52,630)	306,137	10
11	Marketing Materials, Promotions and Advertising	51,956		2,940	54,896	(51,956)	2,940	11
12	Employee Benefits and Payroll Taxes			191,041	191,041		191,041	12
13	Insurance-Property, Liability and Malpractice			51,766	51,766		51,766	13
14	Other (specify):							14
15	TOTAL General Administration	260,529	16,726	379,215	656,470	(104,586)	551,884	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	1,038,967	295,903	699,622	2,034,492	(120,976)	1,913,516	16
Capital Expenses								
D. Ownership								
17	Depreciation			5,837	5,837	210,356	216,193	17
18	Interest			24,985	24,985	679,142	704,127	18
19	Real Estate Taxes			104,685	104,685	101,829	206,514	19
20	Rent -- Facility and Grounds			736,650	736,650	(734,196)	2,454	20
21	Rent -- Equipment			8,015	8,015		8,015	21
22	Other (specify): Loss On Sale Of Fixed Asset			1,210	1,210	569	1,779	22
23	TOTAL Ownership			881,382	881,382	257,699	1,139,081	23
24	GRAND TOTAL (Sum of lines 16 and 23)	1,038,967	295,903	1,581,004	2,915,874	136,723	3,052,597	24

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V. STAFFING AND SALARY COSTS (Please report each line separately.)

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses		\$	1
2	Licensed Practical Nurses	3.27	20.59	2
3	Certified Nurse Assistants	13.44	8.98	3
4	Activity Director & Assistants	2.09	11.87	4
5	Social Service Workers			5
6	Head Cook	0.93	17.46	6
7	Cook Helpers/Assistants	7.70	8.59	7
8	Dishwashers			8
9	Maintenance Workers	1.02	17.39	9
10	Housekeepers	6.79	9.06	10
11	Laundry			11
12	Managers			12
13	Other Administrative	2.62	29.54	13
14	Clerical	2.79	8.20	14
15	Marketing	0.86	28.90	15
16	Other			16
17	Total (lines 1 thru 16)	41.51	\$ 12.03	17

VI. (A) STATEMENT OF COMPENSATION AND OTHER PAYMENTS TO OWNERS, RELATIVES AND MEMBERS OF THE BOARD OF DIRECTORS.

	NAME and FUNCTION	Ownership Interest	Average Hours Per Work Week Devoted to this Business	Amount of Compensation for this Reporting Period	
1	Jamey Dougherty	Relative	40	\$ 30,308	1
2					2
3					3
4					4
5					5
Total				\$ 30308	6

VI. (B) Management fees paid to unrelated parties

	Amount of Fee	
1	\$	1
2		2
Total		\$ 3

VII. RELATED ORGANIZATIONS

A. Enter below the names of all related organizations. Attach an additional schedule if necessary.

RELATED SLF's & HEALTH CARE BUSINESSES	
Name <u>1</u>	City <u>2</u>
See Attached	

OTHER RELATED BUSINESS ENTITIES		
Name <u>3</u>	City <u>4</u>	Type of Business <u>5</u>
See Attached		
Coles Property LLC	Chicago, IL	Building Co.

B. Does your facility receive services from a parent organization or home office; the costs for which were not included on page 3? YES NO

Name of related entity: N/A If yes, what is the value of those services? \$ N/A

(Please attach a separate schedule itemizing those services.)

C. Does page 3 include any costs derived from transactions (including rent) with related parties? YES NO

If so, please attach a separate schedule detailing the nature of those services, their costs as they appear on your books and the underlying cost to the related party (i.e., not including markup).

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VIII. OWNERSHIP COSTS

A. Purchase price of land 214,665 Year land was acquired 2004

B. Building Depreciation -- Including Fixed Equipment. Round all numbers to the nearest dollar.

*Total units on this schedule must agree with page 2.

	1 Units*	FOR BHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	137		2004	2004	\$ 6,855,929	\$ 249,307	35	\$ 195,884	\$ (53,423)	\$ 391,767	1
2											2
3											3
4											4
5											5
Improvement Type											
6	Total From Page 5A				16,072	310		804	493	804	6
7	Valenes			2005	10,091	721	20	505	(216)	505	7
8	Signage			2005	369	18	20	18	(0)	18	8
9	Carpet In 3Rd Floor Kitchen			2005	2,070	35	20	104	69	104	9
10	Kickplates For Kitchen Doors			2005	406	7	20	20	14	20	10
11	1St Floor Corridor Floor Replacement			2005	960	16	20	48	32	48	11
12	Replace Floor In Room 328			2005	1,115	19	20	56	37	56	12
13	Replace Floor In Room 307			2005	1,115	19	20	56	37	56	13
14	Replace Floor In Room 318			2005	1,115	19	20	56	37	56	14
15	Parking Blocks			2005	1,085	18	20	54	36	54	15
16	Flooring Project			2005	4,898	82	20	245	163	245	16
17	TOTAL (lines 1 thru 16)				\$ 6,895,225	\$ 250,569		\$ 197,849	\$ (52,721)	\$ 393,732	17

C. Equipment Depreciation -- Including Transportation.

	Type	1 Cost	2 Current Book Depreciation	3 Straight Line Depreciation	4 Adjustments	5 Life in Years	6 Accumulated Depreciation	
18	Movable Equipment	\$ 178,705	\$ 14,587	\$ 17,804	3,217	10	\$ 33,492	18
19	Vehicles		270	540	270	5	1,080	19
20	TOTAL (lines 18 and 19)	\$ 178,705	\$ 14,857	\$ 18,344	3,487		\$ 34,572	20

D. Depreciable Non-Care Assets Included in General Ledger.

	1 Description and Year Acquired	2 Cost	3 Current Book Depreciation	4 Accumulated Depreciation	
21		\$	\$	\$	21
22					22
23					23
24	TOTALS (lines 21, 22 and 23)	\$ -	\$ -	\$ -	24

Facility Name & ID Number Coles Supportive Living

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XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1	3	4	5	6	7	8	9		
Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation		
1								1	
2	2005	2,324	39	20	116	77	116	2	
3	2005	1,120	19	20	56	37	56	3	
4	2005	3,788	63	20	189	126	189	4	
5	2005	5,055	84	20	253	168	253	5	
6	2005	960	16	20	48	32	48	6	
7	2005	1,025	17	20	51	34	51	7	
8	2005	1,025	17	20	51	34	51	8	
9	2005	775	55	20	39	(17)	39	9	
10								10	
11								11	
12								12	
13								13	
14								14	
15								15	
16								16	
17								17	
18								18	
19								19	
20								20	
21								21	
22								22	
23								23	
24								24	
25								25	
26								26	
27								27	
28								28	
29								29	
30								30	
31								31	
32								32	
33								33	
34	TOTAL (lines 1 thru 33)		\$ 16,072	\$ 310		\$ 804	\$ 493	\$ 804	34

**Improvement type must be detailed in order for the cost report to be considered complete.

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IX. RENTAL COSTS

A. Building and Fixed Equipment

1. Name of Party Holding Lease: N/A

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4? YES NO

	1	2	3	4	5	6	
	Year Constructed	Number of Units	Date of Lease	Rental Amount	Total Yrs. of Lease	Total Years Renewal Option*	
3	Original Building		/ /	\$			3
4	Additions		/ /				4
5	Office Lease		/ /	2,454			5
6			/ /				6
7	TOTAL			\$ 2,454			7

8. Is movable equipment rental included in building rental?
 YES NO

9. Rental amount for movable equipment \$ 8,015

10. If the facility rents any vehicles which are used for care-related purposes, please attach a schedule detailing the model year and make, the rental expense for this period and the use of the vehicle.

X. INTEREST EXPENSE

	1	2		3	4	6		7	8	9	
		Name of Lender	Related**			Purpose of Loan	Date of Note				
		YES	NO			Original	Balance				
A. Directly Facility Related Long-Term											
1	Lake Forest Bank & Trust		X	Mortgage	/ /	\$	\$ 7,641,207	/ /		\$ 697,565	1
2					/ /			/ /			2
3					/ /			/ /			3
Working Capital											
4					/ /			/ /			4
5					/ /			/ /			5
6					/ /			/ /			6
7	TOTAL Facility Related					\$	\$ 7,641,207			\$ 697,565	7
B. Non-Facility Related											
8	Venture Fund	X			/ /		906,108	/ /			8
9	CIB Bank		X		/ /			/ /		6,562	9
10	TOTALS (lines 7, 8 and 9)					\$	\$ 8,547,315			\$ 704,127	10

* If there is an option to buy the building, please provide complete details on an attached schedule.

** If there is any overlap in ownership between the facility and the lender, this must be indicated in column 2.

Facility Name: **Coles Supportive Living**Report Period Beginning: **1/1/2005**

Ending:

12/31/2005**12/31/2005****XI. BALANCE SHEET - Unrestricted Operating Fund.**As of **12/31/2005**

(last day of reporting year)

		1	2	
		Operating	After Consolidation*	
A. Current Assets				
1	Cash on Hand and in Banks	\$ 23,952	\$ 53,133	1
2	Cash-Patient Deposits	1,987	1,987	2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance)	1,092,178	1,092,178	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	6,485	6,485	6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)	6,227	6,227	8
9	Other(specify): See Attached	1,275	1,275	9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 1,132,104	\$ 1,161,285	10
B. Long-Term Assets				
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		214,665	13
14	Buildings, at Historical Cost		6,855,929	14
15	Leasehold Improvements, at Historical Cost	39,296	39,296	15
16	Equipment, at Historical Cost	33,180	177,144	16
17	Accumulated Depreciation (book methods)	(14,878)	(486,633)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs	1,250	2,516	19
20	Accumulated Amortization - Organization & Pre-Operating Costs	(1,125)	(2,264)	20
21	Restricted Funds	9,148	9,148	21
22	Other Long-Term Assets (specify):			22
23	Other(specify): See Attached		33,389	23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 66,871	\$ 6,843,190	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 1,198,975	\$ 8,004,475	25

		1	2	
		Operating	After Consolidation*	
C. Current Liabilities				
26	Accounts Payable	\$ 186,219	\$ 186,219	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	37,031	37,031	30
31	Accrued Taxes Payable	112,934	112,934	31
32	Accrued Interest Payable	2,042	2,042	32
33	Deferred Compensation	4,534	4,534	33
34	Federal and State Income Taxes			34
Other Current Liabilities(specify):				
35				35
36	Notes Payable	187,105	144,385	36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 529,865	\$ 487,145	37
D. Long-Term Liabilities				
38	Long-Term Notes Payable	671,316	906,108	38
39	Mortgage Payable		7,641,207	39
40	Bonds Payable			40
41	Deferred Compensation			41
Other Long-Term Liabilities(specify):				
42				42
43				43
44	TOTAL Long-Term Liabilities (sum of lines 38 thru 43)	\$ 671,316	\$ 8,547,315	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 1,201,181	\$ 9,034,460	45
46	TOTAL EQUITY	\$ (2,206)	\$ (1,029,985)	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 1,198,975	\$ 8,004,475	47

*(See instructions.)

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XII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this Schedule to Schedule IV.)

		1	
Revenue		Amount	
A. SLF Resident Care			
1	Gross SLF Resident Revenue	\$ 3,260,748	1
2	Discounts and Allowances		2
3	SUBTOTAL Resident Care (line 1 minus line 2)	\$ 3,260,748	3
B. Other Operating Revenue			
4	Special Services		4
5	Other Health Care Services		5
6	Special Grants		6
7	Gift and Coffee Shop		7
8	Barber and Beauty Care		8
9	Non-Resident Meals		9
10	Laundry		10
11	SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)	\$	11
C. Non-Operating Revenue			
12	Contributions		12
13	Interest and Other Investment Income		13
14	SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)	\$	14
D. Other Revenue (specify):			
15			15
16			16
17	SUBTOTAL Other Revenue (sum of lines 15 and 16)	\$	17
18	TOTAL REVENUE (sum of lines 3, 11, 14 and 17)	\$ 3,260,748	18

		2	
Expenses		Amount	
A. Operating Expenses			
19	General Services	912,454	19
20	Health Care/ Personal Care	465,568	20
21	General Administration	656,470	21
B. Capital Expense			
22	Ownership	881,382	22
C. Other Expenses			
23	Special Cost Centers		23
24	Non-Operating Expenses		24
25	Other (specify):		25
26			26
27			27
28	TOTAL EXPENSES (sum of lines 19 thru 27)	\$ 2,915,874	28
29	Income Before Income Taxes (line 18 minus line 28)	\$ 344,874	29
30	Income Taxes	\$	30
31	NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)	\$ 344,874	31