

Facility Name Heritage Woods of Batavia

Report Period Beginning: 01/01/05 Ending: 12/31/05

III. STATISTICAL DATA

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

Date of change in certified units / /

	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	93	Single Unit Apartment	93	33,945	1
2		Double Unit Apartment			2
3		Other			3
4	93	TOTALS	93	33,945	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	13,911	20,019		33,930	5
6	Double Unit					6
7	Other					7
8	TOTALS	13,911	20,019		33,930	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 99.96%

D. Indicate the number of paid bed-hold days the SLF had during this year 354 Also, indicate the number of unpaid bed-hold days the SLF had during this year. 48 (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

ACCRUAL 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? Yes If yes, did the facility make all of the required payments of interest and principle? Yes

If no, explain. _____

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? _____

If no, explain. _____

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? _____

If no, explain. _____

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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	222,065	156,534	860	379,459		379,459	1
2	Housekeeping, Laundry and Maintenance	91,383	67,047		158,430		158,430	2
3	Heat and Other Utilities			104,208	104,208	(14,264)	89,944	3
4	Other (specify):			22,013	22,013		22,013	4
5	TOTAL General Services	313,448	223,581	127,081	664,110	(14,264)	649,846	5
B. Health Care and Programs								
6	Health Care/ Personal Care	421,138	1,479		422,617		422,617	6
7	Activities and Social Services	31,059	6,188		37,247		37,247	7
8	Other (specify):			8,758	8,758	(8,758)		8
9	TOTAL Health Care and Programs	452,197	7,667	8,758	468,622	(8,758)	459,864	9
C. General Administration								
10	Administrative and Clerical	144,334	16,776	172,082	333,192	(17,395)	315,797	10
11	Marketing Materials, Promotions and Advertising	63,637	16,092	16,311	96,040		96,040	11
12	Employee Benefits and Payroll Taxes			189,741	189,741		189,741	12
13	Insurance-Property, Liability and Malpractice			43,602	43,602		43,602	13
14	Other (specify):							14
15	TOTAL General Administration	207,971	32,868	421,736	662,575	(17,395)	645,180	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	973,616	264,116	557,575	1,795,307	(40,417)	1,754,890	16
Capital Expenses								
D. Ownership								
17	Depreciation			456,842	456,842		456,842	17
18	Interest			504,812	504,812		504,812	18
19	Real Estate Taxes			41,657	41,657		41,657	19
20	Rent -- Facility and Grounds							20
21	Rent -- Equipment							21
22	Other (specify):			342,505	342,505		342,505	22
23	TOTAL Ownership			1,345,816	1,345,816		1,345,816	23
24	GRAND TOTAL (Sum of lines 16 and 23)	973,616	264,116	1,903,391	3,141,123	(40,417)	3,100,706	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	2	\$ 26.52	1
2	Licensed Practical Nurses			2
3	Certified Nurse Assistants	17	8.83	3
4	Activity Director & Assistants	1	14.27	4
5	Social Service Workers			5
6	Head Cook	1	15.56	6
7	Cook Helpers/Assistants	10	8.88	7
8	Dishwashers			8
9	Maintenance Workers	1	13.86	9
10	Housekeepers	4	8.17	10
11	Laundry			11
12	Managers	1	39.81	12
13	Other Administrative	2	13.61	13
14	Clerical			14
15	Marketing	1	30.60	15
16	Other			16
17	Total (lines 1 thru 16)	40	\$	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	None			\$	1
2					2
3					3
4					4
5					5
Total				\$	6

VI. (B) Management fees paid to unrelated parties

	Amount of Fee	
1	BMA Management, Ltd.	\$ 112,619 1
2		
Total		\$ 112,619 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	1	City	2
_____		_____	
_____		_____	
_____		_____	

OTHER RELATED BUSINESS ENTITIES

Name	3	City	4	Type of Business	5
_____		_____		_____	
_____		_____		_____	
_____		_____		_____	

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: _____ If yes, what is the value of those services? \$ _____
 (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 928,771 Year land was acquired 2001

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	93			2003	\$ 8,569,550	\$ 311,306	28	\$ 311,306	\$	\$ 711,968	1
2											2
3											3
4											4
5											5
Improvement Type											
6	Land improvements				292,138	19,486	15	19,486		48,700	6
7											7
8											8
9											9
10											10
11											11
12											12
13											13
14											14
15											15
16											16
17	TOTAL (lines 1 thru 16)				\$ 8,861,688	\$ 330,792		\$ 330,792	\$	\$ 760,668	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	\$ 584,105	\$ 112,148	\$ 112,148	\$	5	\$ 415,883	18
19	Vehicles	11,216	3,589	3,589		5	5,832	19
20	TOTAL (lines 18 and 19)	\$ 595,321	\$ 115,737	\$ 115,737	\$		\$ 421,715	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

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IX. RENTAL COSTS

A. Building and Fixed Equipment

1. Name of Party Holding Lease: NO LEASE - PARTNERSHIP OWNS BUILDING & FIXED EQUIPMENT

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			/ /				5
6			/ /				6
7	TOTAL			\$			7

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

9. Rental amount for movable equipment \$ _____

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						
		Related**				Purpose of Loan	Date of Note					Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Int. Expense
		YES	NO									Original	Balance			
A. Directly Facility Related																
Long-Term																
1	IHDA		X	FIRST MORTGAGE LOAN	5/1/02	\$ 7,335,000	\$ 7,184,108	2/1/44	0.0688	\$ 497,324	1					
2	IHDA		X	SECOND MORTGAGE LOAN	5/1/03	750,000	701,216	6/1/32	0.0100	7,131	2					
3					/ /			/ /			3					
Working Capital																
4					/ /			/ /			4					
5					/ /			/ /			5					
6					/ /			/ /			6					
7	TOTAL Facility Related					\$ 8,085,000	\$ 7,885,323			\$ 504,455	7					
B. Non-Facility Related																
8					/ /			/ /			8					
9					/ /			/ /			9					
10	TOTALS (lines 7, 8 and 9)					\$ 8,085,000	\$ 7,885,323			\$ 504,455	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.

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XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/05

(last day of reporting year)

	1	2	
	Operating	After Consolidation*	
A. Current Assets			
1	Cash on Hand and in Banks	\$ 284,610	\$ 1
2	Cash-Patient Deposits		2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance)	292,818	3
4	Supply Inventory (priced at)		4
5	Short-Term Investments		5
6	Prepaid Insurance	45,979	6
7	Other Prepaid Expenses	2,230	7
8	Accounts Receivable (owners or related parties)		8
9	Other(specify):	981,125	9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 1,606,762	\$ 10
B. Long-Term Assets			
11	Long-Term Notes Receivable		11
12	Long-Term Investments		12
13	Land	1,220,909	13
14	Buildings, at Historical Cost	8,569,550	14
15	Leasehold Improvements, at Historical Cost		15
16	Equipment, at Historical Cost	595,321	16
17	Accumulated Depreciation (book methods)	(1,182,383)	17
18	Deferred Charges		18
19	Organization & Pre-Operating Costs	498,975	19
20	Accumulated Amortization - Organization & Pre-Operating Costs	(228,422)	20
21	Restricted Funds		21
22	Other Long-Term Assets (specify):		22
23	Other(specify):		23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 9,473,950	\$ 24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 11,080,712	\$ 25

	1	2	
	Operating	After Consolidation*	
C. Current Liabilities			
26	Accounts Payable	\$ 214,946	\$ 26
27	Officer's Accounts Payable		27
28	Accounts Payable-Patient Deposits		28
29	Short-Term Notes Payable		29
30	Accrued Salaries Payable	32,868	30
31	Accrued Taxes Payable	70,000	31
32	Accrued Interest Payable		32
33	Deferred Compensation		33
34	Federal and State Income Taxes		34
	Other Current Liabilities(specify):		
35	Accrued liabilities	9,231	35
36	Unearned Revenue & Accrued Developer Fe	40,591	36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 367,636	\$ 37
D. Long-Term Liabilities			
38	Long-Term Notes Payable		38
39	Mortgage Payable	7,885,323	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)	\$ 7,885,323	\$ 44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 8,252,959	\$ 45
46	TOTAL EQUITY	\$ 2,827,753	\$ 46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 11,080,712	\$ 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	\$ 2,719,033	1
2	Discounts and Allowances	2,322	2
SUBTOTAL Resident Care			
3	(line 1 minus line 2)	\$ 2,721,355	3
B. Other Operating Revenue			
4	Special Services	29,015	4
5	Other Health Care Services		5
6	Special Grants		6
7	Gift and Coffee Shop	25	7
8	Barber and Beauty Care	13,910	8
9	Non-Resident Meals	2,513	9
10	Laundry		10
SUBTOTAL OTHER OPERATING REVENUE			
11	(sum of lines 4 thru 10)	\$ 45,463	11
C. Non-Operating Revenue			
12	Contributions		12
13	Interest and Other Investment Income	26,176	13
SUBTOTAL Non-Operating Revenue			
14	(sum of lines 12 and 13)	\$ 26,176	14
D. Other Revenue (specify):			
15	Misc. Revenue	20,728	15
16	Cable and Telephone	33,749	16
SUBTOTAL Other Revenue			
17	(sum of lines 15 and 16)	\$ 54,477	17
TOTAL REVENUE			
18	(sum of lines 3, 11, 14 and 17)	\$ 2,847,471	18

		2	
Expenses		Amount	
A. Operating Expenses			
19	General Services	664,110	19
20	Health Care/ Personal Care	468,622	20
21	General Administration	662,575	21
B. Capital Expense			
22	Ownership	1,345,816	22
C. Other Expenses			
23	Special Cost Centers		23
24	Non-Operating Expenses		24
25	Other (specify):		25
26			26
27			27
TOTAL EXPENSES			
28	(sum of lines 19 thru 27)	\$ 3,141,123	28
Income Before Income Taxes			
29	(line 18 minus line 28)	\$ (293,652)	29
Income Taxes			
30		\$	30
NET INCOME OR LOSS FOR THE YEAR			
31	(line 29 minus line 30)	\$ (293,652)	31

Operating Expenses PG 3

A. General Services - Other	\$	22,013
Exterminating	\$	1,202
Security and Monitoring	\$	9,846
Rubbish Removal	\$	2,772
Vehicle Expense	\$	4,453
Window Washing	\$	1,050
Misc Operating Expenses	\$	2,690
	\$	22,013
B. Healthcare and Programs - Other	\$	8,758
Beauty Shop	\$	8,758
D. Ownership - Other	\$	342,505
Mortgage Service Fee	\$	18,213
Mortgage Insurance Premium	\$	12,065
Partnership Management Fee	\$	50,000
Asset Management Fee	\$	23,250
Incentive Management	\$	237,202
Tax Credit Fees	\$	1,775
	\$	342,505

A. Current Assets - Other	\$ 981,125
Construction Interest	\$ 1,310
Debt Service	\$ 50,406
Medicaid Delayed Payment	\$ 183,094
Medicaid Budget Delay	\$ 449,997
Mortgage Insurance Premium	\$ 25,962
Property Tax and Insurance	\$ 147,815
Replacement	\$ 53,954
CIP	\$ 68,587
	\$ 981,125