

Facility Name Franciscan Court

Report Period Beginning: 1/1/2006 Ending: 12/31/2006

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	54	Single Unit Apartment	54	19,710	1
2	16	Double Unit Apartment	16	5,840	2
3		Other			3
4	70	TOTALS	70	25,550	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	5,198	4,852		10,050	5
6	Double Unit	1,540	1,437		2,977	6
7	Other					7
8	TOTALS	6,738	6,289		13,027	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 50.99%

D. Indicate the number of paid bed-hold days the SLF had during this year 61 Also, indicate the number of unpaid bed-hold days the SLF had during this year. 61 (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: 12/31/06 Fiscal Year: 12/31/06

* 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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Facility Name: Franciscan Court

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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	72,643	57,432		130,075		130,075	1
2	Housekeeping, Laundry and Maintenance	17,981	1,377	2,121	21,479		21,479	2
3	Heat and Other Utilities			97,044	97,044		97,044	3
4	Other (specify):							4
5	TOTAL General Services	90,624	58,809	99,165	248,598		248,598	5
B. Health Care and Programs								
6	Health Care/ Personal Care	185,830	5,837		191,667		191,667	6
7	Activities and Social Services	5,543	1,495		7,038		7,038	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	191,373	7,332		198,705		198,705	9
C. General Administration								
10	Administrative and Clerical	98,680	5,000	162,828	266,508	(53,280)	213,228	10
11	Marketing Materials, Promotions and Advertising	6,053		20,317	26,370	(26,370)		11
12	Employee Benefits and Payroll Taxes			65,892	65,892	(18,573)	47,319	12
13	Insurance-Property, Liability and Malpractice			67,188	67,188		67,188	13
14	Other (specify):							14
15	TOTAL General Administration	104,733	5,000	316,225	425,958	(98,223)	327,735	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	386,730	71,141	415,390	873,261	(98,223)	775,038	16
Capital Expenses								
D. Ownership								
17	Depreciation			303,970	303,970	64,366	368,336	17
18	Interest			588,942	588,942	(9,562)	579,380	18
19	Real Estate Taxes			30,000	30,000		30,000	19
20	Rent -- Facility and Grounds							20
21	Rent -- Equipment			9,539	9,539		9,539	21
22	Other (specify):			24,010	24,010	(24,010)		22
23	TOTAL Ownership			956,461	956,461	30,794	987,255	23
24	GRAND TOTAL (Sum of lines 16 and 23)	386,730	71,141	1,371,851	1,829,722	(67,429)	1,762,293	24

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 Ending: 12/31/2006

Sch. V Line

NON-ALLOWABLE EXPENSES		
	Amount	Reference
1	Non-Straight Line Depreciation	\$ 64,366 17 1
2	Phone Fees	(768) 18 2
3	Interest Income	(9,562) 18 3
4	Advertising Expense	(18,970) 10 4
5	Travel and Entertainment	(2,490) 10 5
6	Officers Life Insurance	(18,973) 12 6
7	Bank Charges	(625) 10 7
8	Bad Debt Expense	(2,290) 10 8
9	Marketing Salary	(6,453) 11 9
10	Marketing Expense	(28,317) 11 10
11	Miscellaneous Income	(15) 10 11
12	Building Company	
13	Accounting Fees	(20,414) 10 13
14	Miscellaneous Expense	(600) 10 14
15	Amortization of Loan Acquisition Fees	(24,010) 22 15
16	Bank Charges	(66) 10 16
17	Consulting Fees	(7,500) 10 17
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98		98
99		99
100		100
101	Total	(67,429) 101

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	1.00	\$ 29.42	1
2	Licensed Practical Nurses			2
3	Certified Nurse Assistants	5.31	11.28	3
4	Activity Director & Assistants	0.28	9.62	4
5	Social Service Workers			5
6	Head Cook			6
7	Cook Helpers/Assistants	3.13	11.17	7
8	Dishwashers			8
9	Maintenance Workers	0.23	11.00	9
10	Housekeepers	0.70	8.75	10
11	Laundry			11
12	Managers			12
13	Other Administrative	1.00	37.50	13
14	Clerical	0.93	10.69	14
15	Marketing	0.14	20.59	15
16	Other			16
17	Total (lines 1 thru 16)	12.71	\$ 14.63	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	Zach Caulkins President	75%	40	\$ 78,000	1
2	Rene Caulkins Administrator	0%	40	78,000	2
3					3
4					4
5					5
Total				\$ 156000	6

VI. (B) Management fees paid to unrelated parties

	Amount of Fee	
1	N/A	\$ 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	1	City	2
N/A			

OTHER RELATED BUSINESS ENTITIES

Name	3	City	4	Type of Business	5
Franciscan Properties LLC				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: _____ 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 \$ Year land was acquired

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	70		2005	2005	\$ 5,193,829	\$ 151,093	35	\$ 148,395	\$ (2,698)	\$ 148,395	1
2			2006	2006	39,000	958	35	1,114	156	1,114	2
3											3
4											4
5											5
Improvement Type											
6	Total From Supplemental Page 5's					48,106			(48,106)		6
7	Land Improvements			2005	622,852		20	41,523	41,523	44,984	7
8	Landscaping-Sign			2006	2,730		20	61	61	61	8
9	Landscaping			2006	4,714		20	105	105	105	9
10	Carpeting			2006	1,791		20	90	90	90	10
11	Sign			2006							11
12	Sign			2006	7,610		20	106	106	106	12
13	Electric For Sign			2006	700		20	7	7	7	13
14	Electric For Sign			2006	320		20	3	3	3	14
15	Flooring			2006	1,642		20	164	164	164	15
16	Land Improvements Building Co.			2006	4,675		20	312	312	312	16
17	TOTAL (lines 1 thru 16)				\$ 5,879,863	\$ 200,157		\$ 191,880	\$ (8,277)	\$ 195,341	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	\$ 888,678	\$ 103,813	\$ 176,456	72,643	10	\$ 183,599	18
19	Vehicles					5	-	19
20	TOTAL (lines 18 and 19)	\$ 888,678	\$ 103,813	\$ 176,456	72,643		\$ 183,599	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 Franciscan Court

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XI. OWNERSHIP COSTS (continued)

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

1	2	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	Financial Statement Depreciation			256			(256)		2
3	Building Company Leasehold Improvements			47,850			(47,850)		3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
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30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$	\$ 48,106		\$	\$ (48,106)	\$	34

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

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XI. OWNERSHIP COSTS (continued)

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

1	2	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									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
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28									28
29									29
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31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)	\$	\$		\$	\$	\$	\$	34

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

Facility Name & ID Number Franciscan Court

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XI. OWNERSHIP COSTS (continued)

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

1	2	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									2
3									3
4									4
5									5
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30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)	\$	\$		\$	\$	\$	\$	34

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

Facility Name: Franciscan Court

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

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

9. Rental amount for movable equipment \$ 9,539

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**				Amount of Note						Maturity Date	Interest Rate (4 Digits)	Reporting Period Int. Expense
		YES	NO			Original	Balance							
A. Directly Facility Related														
Long-Term														
1	U.S. Bank		X	Mortgage	12/30/05	\$ 5,945,000	\$ 5,945,000	6/30/12	Prime	\$ 476,079	1			
2	U.S. Bank		X	Loans Payable	12/30/05	1,300,000	876,066	3/31/07	Prime	101,954	2			
3					/ /			/ /			3			
Working Capital														
4	AT&T		X	Capitalized Lease	/ /		4,354	/ /		437	4			
5	ICG Construction		X	Loan Payable	/ /		118,433	/ /		10,483	5			
6					/ /			/ /			6			
7	TOTAL Facility Related					\$ 7,245,000	\$ 6,943,853			\$ 588,953	7			
B. Non-Facility Related														
8	Interest Income		X		/ /			/ /		-9,573	8			
9					/ /			/ /			9			
10	TOTALS (lines 7, 8 and 9)					\$ 7,245,000	\$ 6,943,853			\$ 579,380	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.

Supplemental Schedule of Equipment Rental
12/31/2006

Description	Amount
9A Ice Machine	2,499
9B Copier	213
9A Dish Machine	705
9B	
9A Honda Odyssey- See Attached Schedule	6,122
9B	
9A	
9B	
Total	<u>9,539</u>

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XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2006

(last day of reporting year)

	1	2	
	Operating	After	
		Consolidation*	
A. Current Assets			
1	Cash on Hand and in Banks	\$ 353,579	\$ 1
2	Cash-Patient Deposits		2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance)	223,326	3
4	Supply Inventory (priced at)		4
5	Short-Term Investments		5
6	Prepaid Insurance		6
7	Other Prepaid Expenses	2,279	7
8	Accounts Receivable (owners or related parties)		8
9	Other(specify): See Attached	182,831	9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 762,015	\$ 10
B. Long-Term Assets			
11	Long-Term Notes Receivable		11
12	Long-Term Investments		12
13	Land	916,502	13
14	Buildings, at Historical Cost	5,868,986	14
15	Leasehold Improvements, at Historical Cost	9,235	15
16	Equipment, at Historical Cost	890,321	16
17	Accumulated Depreciation (book methods)	(312,988)	17
18	Deferred Charges		18
19	Organization & Pre-Operating Costs		19
20	Accumulated Amortization - Organization & Pre-Operating Costs		20
21	Restricted Funds		21
22	Other Long-Term Assets (specify):		22
23	Other(specify): See Attached	148,839	23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 7,520,895	\$ 24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 8,282,910	\$ 25

*(See instructions.)

	1	2	
	Operating	After	
		Consolidation*	
C. Current Liabilities			
26	Accounts Payable	\$ 204,691	\$ 26
27	Officer's Accounts Payable		27
28	Accounts Payable-Patient Deposits		28
29	Short-Term Notes Payable	997,401	29
30	Accrued Salaries Payable	20,964	30
31	Accrued Taxes Payable	2,614	31
32	Accrued Interest Payable		32
33	Deferred Compensation		33
34	Federal and State Income Taxes		34
	Other Current Liabilities(specify):		
35			35
36	See Attached	58,815	36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 1,284,485	\$ 37
D. Long-Term Liabilities			
38	Long-Term Notes Payable	5,946,452	38
39	Mortgage Payable		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)	\$ 5,946,452	\$ 44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 7,230,937	\$ 45
46	TOTAL EQUITY	\$ 1,051,973	\$ 46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 8,282,910	\$ 47

Other Current Assets:	<u>Operating</u>	<u>After Consolidation</u>	Other Current Liabilities	<u>Operating</u>	<u>After Consolidation</u>
09A Due From Others	5,816	-	36A Due On Insurance	17,262	-
09B Tax Escrow Account - U.S. Bank	115,155	-	36B Security Deposits	41,553	-
09C Escrow - First American Title	61,860	-	36C	-	-
09D	-	-	36D	-	-
09E	-	-	36E	-	-
09F	-	-	36F	-	-
09G	-	-	36G	-	-
09H	-	-	36H	-	-
09I	-	-	36I	-	-
09J	-	-	36J	-	-
	<u>182,831</u>	<u>-</u>		<u>58,815</u>	<u>-</u>
Other Non-Current Assets:	<u>Operating</u>	<u>After Consolidation</u>	Other Non-Current Liabilities	<u>Operating</u>	<u>After Consolidation</u>
23A Unamortized Loan Costs	170,065	-	43A	-	-
23B Security Deposits	2,784	-	43B	-	-
23C Accumulated Amortization	(24,010)	-	43C	-	-
23D	-	-	43D	-	-
23E	-	-	43E	-	-
23F	-	-	43F	-	-
23G	-	-	43G	-	-
23H	-	-	43H	-	-
23I	-	-	43I	-	-
23J	-	-	43J	-	-
	<u>148,839</u>	<u>-</u>		<u>-</u>	<u>-</u>

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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	\$ 1,257,614	1
2	Discounts and Allowances		2
SUBTOTAL Resident Care			
3	(line 1 minus line 2)	\$ 1,257,614	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
SUBTOTAL OTHER OPERATING REVENUE			
11	(sum of lines 4 thru 10)	\$	11
C. Non-Operating Revenue			
12	Contributions		12
13	Interest and Other Investment Income	9,562	13
SUBTOTAL Non-Operating Revenue			
14	(sum of lines 12 and 13)	\$ 9,562	14
D. Other Revenue (specify):			
15	See Attached	704	15
16			16
SUBTOTAL Other Revenue			
17	(sum of lines 15 and 16)	\$ 704	17
TOTAL REVENUE			
18	(sum of lines 3, 11, 14 and 17)	\$ 1,267,880	18

		2	
Expenses		Amount	
A. Operating Expenses			
19	General Services	248,598	19
20	Health Care/ Personal Care	198,705	20
21	General Administration	425,958	21
B. Capital Expense			
22	Ownership	956,461	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)	\$ 1,829,722	28
Income Before Income Taxes			
29	(line 18 minus line 28)	\$ (561,842)	29
Income Taxes			
30		\$	30
NET INCOME OR LOSS FOR THE YEAR			
31	(line 29 minus line 30)	\$ (561,842)	31

15A	Fees - Phone	(Adjusted Out On Page 3Adj)	704
15B			
15C			
15D			
15E			
15F			
15G			
15H			
15I			
15J			
15K			
15L			
15M			
15N			
15O			
15P			
15Q			
15R			
15S			

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