

Facility Name Rockford Supportive Living CenterReport 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	123	Single Unit Apartment	123	44,895	1
2	13	Double Unit Apartment	13	4,745	2
3		Other			3
4	136	TOTALS	136	49,640	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	21,596	4,585		26,181	5
6	Double Unit	2,283	484		2,767	6
7	Other					7
8	TOTALS	23,879	5,069		28,948	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 58.32%D. Indicate the number of paid bed-hold days the SLF had during this year 26 Also, indicate the number of unpaid bed-hold days the SLF had during this year. N/A (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)

N/A

H. ACCOUNTING BASIS

ACCRRUAL MODIFIED CASH* CASH* I. Is your fiscal year identical to your tax year? YES NOTax 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 therequired payments of interest and principle? N/AIf no, explain. N/AK. Does the facility have any loans from the Federal Home Loan Bank outstanding? No If yes, did the facility make all of therequired payments of interest and principle? N/AIf no, explain. N/AL. Does the facility have any loans from the IL Dept of Commerce and Economic Opportunity outstanding? No If yes, did the facilitymake all of the required payments of interest and principle? N/AIf 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	144,382	166,381	5,234	315,997	(490)	315,507	1
2	Housekeeping, Laundry and Maintenance	91,665	30,819	32,818	155,302	(847)	154,455	2
3	Heat and Other Utilities			81,412	81,412	(5,673)	75,739	3
4	Other (specify):							4
5	TOTAL General Services	236,047	197,200	119,464	552,711	(7,010)	545,701	5
B. Health Care and Programs								
6	Health Care/ Personal Care	541,101	14,863	13,549	569,513	(2,137)	567,376	6
7	Activities and Social Services	39,921	5,982		45,903	(78)	45,825	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	581,022	20,845	13,549	615,416	(2,215)	613,201	9
C. General Administration								
10	Administrative and Clerical	208,898	14,544	132,106	355,548	(55,361)	300,187	10
11	Marketing Materials, Promotions and Advertising	48,860		2,933	51,793	(51,793)		11
12	Employee Benefits and Payroll Taxes		298	161,588	161,886	(298)	161,588	12
13	Insurance-Property, Liability and Malpractice			20,469	20,469		20,469	13
14	Other (specify):							14
15	TOTAL General Administration	257,758	14,842	317,096	589,696	(107,452)	482,244	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	1,074,827	232,887	450,109	1,757,823	(116,677)	1,641,146	16
Capital Expenses								
D. Ownership								
17	Depreciation			4,762	4,762	194,610	199,372	17
18	Interest			38,313	38,313	547,269	585,582	18
19	Real Estate Taxes			30,259	30,259	20,491	50,750	19
20	Rent -- Facility and Grounds			371,522	371,522	(305,915)	65,607	20
21	Rent -- Equipment			13,938	13,938	(222)	13,716	21
22	Other (specify):			415	415	2,725	3,140	22
23	TOTAL Ownership			459,209	459,209	458,958	918,167	23
24	GRAND TOTAL (Sum of lines 16 and 23)	1,074,827	232,887	909,318	2,217,032	342,281	2,559,313	24

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Sch. V Line

NON-ALLOWABLE EXPENSES		
	Amount	Reference
1 Non-Straight Line Depreciation	\$ (76,084)	17 1
2 Residues/Needs	(1,992)	66 2
3 Cable TV	(5,673)	63 3
4 Bank Charges	(796)	10 4
5 Political Contributions	(756)	10 5
6 Charitable Contributions	(300)	10 6
7 Bad Debts	(11,500)	10 7
8 Marketing Wages	(48,260)	11 8
9 Vending Income	(200)	10 9
10 Advertising & Promotional	(60,844)	10 10
11 Interest Income	(1)	18 11
12 Franchise Tax	(286)	22 12
13 Interest Expense - Venture Fun	(38,313)	18 13
14 Building Company Transactions:		14
15 Rental Income	(305,515)	20 15
16 Amortization - PMC	2,310	22 16
17 Amortization - Organizational Costs	165	22 17
18 Depreciation	270,694	17 18
19 Interest Expense	565,583	18 19
20 Real Estate Tax	29,491	19 20
21 Prior Period Adjustments:		21
22 Laundry Flat Fees	(477)	63 22
23 Dietary Flat Fees	(496)	63 23
24 Nursing Equipment	(145)	66 24
25 Office Supplies	(346)	10 25
26 Supplemental Insurance	(296)	12 26
27 Administrative & Clerical	(895)	10 27
28 Activity Supplies	(78)	67 28
29 Auto Rental	(90)	21 29
30		30
31 Other Marketing Expenses	(2,933)	11 31
32 Auto Rental Late Fees	(132)	21 32
33		33
34		34
35		35
36		36
37		37
38		38
39		39
40		40
41		41
42		42
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88		88
89		89
90		90
91		91
92		92
93		93
94		94
95		95
96		96
97		97
98		98
99		99
100		100
101 Total	342,281	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	1.33	\$ 28.07	1
2	Licensed Practical Nurses	4.49	20.73	2
3	Certified Nurse Assistants	13.27	9.78	3
4	Activity Director & Assistants	1.70	11.31	4
5	Social Service Workers			5
6	Head Cook	1.02	14.39	6
7	Cook Helpers/Assistants	6.58	8.32	7
8	Dishwashers			8
9	Maintenance Workers	1.04	14.52	9
10	Housekeepers	3.73	7.77	10
11	Laundry			11
12	Managers			12
13	Other Administrative	0.80	35.65	13
14	Clerical	3.98	18.05	14
15	Marketing	1.04	22.62	15
16	Other			16
17	Total (lines 1 thru 16)	38.98	\$ 13.26	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	N/A			\$	1
2					2
3					3
4					4
5					5
Total				\$	6

VI. (B) Management fees paid to unrelated parties

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

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
See Attached			

OTHER RELATED BUSINESS ENTITIES

Name	3	City	4	Type of Business	5
Rockford Supportive Living LLC				Building Co.	
See Attached				See Attached	

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).

Facility Name: Rockford Supportive Living Center

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1/1/2006

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12/31/2006

VIII. OWNERSHIP COSTSA. Purchase price of land 32,895 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	136		2005	2005	\$ 6,841,013	\$ 269,606	35	\$ 195,458	\$ (74,148)	\$ 293,187	1	
2											2	
3											3	
4											4	
5											5	
Improvement Type												
6	Total From Supplemental Page 5's											6
7	Awning			2006	2,900		20	145	145	145	7	
8	Construction Stations 2 & 3 Floor Nurses Station			2006	6,394		20	320	320	320	8	
9	6 New Cameras/Cable/Power Supply			2006	3,342		20	167	167	167	9	
10	Install Pull Station Covers 1-2-3-4 & 5 Floor			2006	2,521		20	126	126	126	10	
11	Install Door Holders On Elevator Lobby Door 1/2/3/4/& 5 th			2006	1,460		20	73	73	73	11	
12	Repair Valve On Jockey Line, Replaced Mercoid Switch O			2006	1,944		20	97	97	97	12	
13											13	
14											14	
15											15	
16						5,850			(5,850)		16	
17	TOTAL (lines 1 thru 16)				\$ 6,859,573	\$ 275,456		\$ 196,386	\$ (79,070)	\$ 294,115	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	\$ 29,861	\$	\$ 2,986	2,986	10	\$ 2,986	18
19	Vehicles					5	-	19
20	TOTAL (lines 18 and 19)		\$ 29,861	\$	\$ 2,986		\$ 2,986	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 Rockford Supportive Living Center

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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								2
3								3
4								4
5								5
6								6
7								7
8								8
9								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)		\$	\$		\$	\$	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	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	
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)		\$	\$		\$	\$	\$	34

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

Facility Name & ID Number Rockford Supportive Living Center

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

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								2	
3								3	
4								4	
5								5	
6								6	
7								7	
8								8	
9								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)		\$	\$		\$	\$	\$	34

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

Facility Name: Rockford Supportive Living Center

Report Period Beginning: 1/1/2006

Ending: 2/31/2006

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		/ /	61,183			4
5	Office Lease		/ /	4,424			5
6			/ /				6
7	TOTAL			\$ 65,607			7

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

9. Rental amount for movable equipment \$ 13,716

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	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Int. Expense
		YES	NO			Original	Balance			
	A. Directly Facility Related Long-Term									
1	Cambridge Realty		X	Mortgage	/ /	\$	6,829,983			\$ 585,583
2					/ /			/ /		
3					/ /			/ /		
	Working Capital									
4	LOC - Venture Fund	X			/ /		717,316	/ /		38,313
5					/ /			/ /		
6					/ /			/ /		
7	TOTAL Facility Related					\$	7,547,299			\$ 623,896
	B. Non-Facility Related									
8	Interest Income		X		/ /			/ /		-1
9	Non-Allowable Interest				/ /			/ /		-38,313
10	TOTALS (lines 7, 8 and 9)					\$	7,547,299			\$ 585,582

* 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: **Rockford Supportive Living Center**Report Period Beginning: **1/1/2006**Ending: **12/31/2006****12/31/2006****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	\$ 10,380	\$ 94,997	1
2	Cash-Patient Deposits	7,230	7,230	2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance)	771,923	771,923	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	9,773	9,773	6
7	Other Prepaid Expenses	479	479	7
8	Accounts Receivable (owners or related parties)	1,131	1,131	8
9	Other(specify): See Attached	41,537	255,813	9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 842,453	\$ 1,141,346	10
B. Long-Term Assets				
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		254,481	13
14	Buildings, at Historical Cost		6,841,013	14
15	Leasehold Improvements, at Historical Cost	9,295	9,295	15
16	Equipment, at Historical Cost	33,202	186,712	16
17	Accumulated Depreciation (book methods)	(6,643)	(402,319)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs	1,650	17,333	19
20	Accumulated Amortization - Organization & Pre-Operating Costs	(1,650)	(7,510)	20
21	Restricted Funds	12,132	12,132	21
22	Other Long-Term Assets (specify):			22
23	Other(specify):		221,994	23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 47,986	\$ 7,133,131	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 890,439	\$ 8,274,477	25

		1	2	
		Operating	After Consolidation*	
C. Current Liabilities				
26	Accounts Payable	\$ 402,424	\$ 402,424	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	18,530	18,530	30
31	Accrued Taxes Payable	46,534	46,534	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	38,836	1,727,303	36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 506,324	\$ 2,194,791	37
D. Long-Term Liabilities				
38	Long-Term Notes Payable	717,316	7,547,299	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)	\$ 717,316	\$ 7,547,299	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 1,223,640	\$ 9,742,090	45
46	TOTAL EQUITY	\$ (333,201)	\$ (1,467,613)	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 890,439	\$ 8,274,477	47

*(See instructions.)

Facility Name **Rockford Supportive Living Center**Report Period Beginning: **1/1/2006**

Ending:

12/31/2006**Supplemental Schedule of Other Assets and Liabilities**

Other Current Assets:	Operating	After Consolidation	Other Current Liabilities	Operating	After Consolidation
09A Employee Loans & Advances	2,250	2,250	36A Due Rockford Property	7,795	26,545
09B Replacement Reserve	20,537	20,537	36B L/P Venture Fund Llc	-	1,669,717
09C Escrowed Real Estate Taxes	12,000	32,091	36C Due Robbins Supportive Living	1,405	1,405
09D Escrows:Mip	-	9,769	36D Due Aurora Supportive Living	29,636	29,636
09E Escrows:Wage Escrow	-	4,640	36E	-	-
09F Escrows:Mowing Escrows	-	723	36F	-	-
09G Escrows:Initial Operating Deficit Esc	-	179,053	36G	-	-
09H Escrowed Real Estate Taxes	6,750	6,750	36H	-	-
09I	-	-	36I	-	-
09J	-	-	36J	-	-
	<u>41,537</u>	<u>255,813</u>		<u>38,836</u>	<u>1,727,303</u>
	<u>41,537</u>	<u>255,813</u>		<u>38,836</u>	<u>1,727,303</u>
Other Non-Current Assets:	Operating	After Consolidation	Other Non-Current Liabilities	Operating	After Consolidation
23A Permenant Mortgage Costs	-	221,994	43A	-	-
23B	-	-	43B	-	-
23C	-	-	43C	-	-
23D	-	-	43D	-	-
23E	-	-	43E	-	-
23F	-	-	43F	-	-
23G	-	-	43G	-	-
23H	-	-	43H	-	-
23I	-	-	43I	-	-
23J	-	-	43J	-	-
	<u>-</u>	<u>221,994</u>		<u>-</u>	<u>-</u>
	<u>-</u>	<u>221,994</u>		<u>-</u>	<u>-</u>

Facility Name: Rockford Supportive Living Center

Report Period Beginning: 1/1/2006

Ending:

12/31/2006

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	\$ 2,257,696	1
2	Discounts and Allowances		2
3	SUBTOTAL Resident Care (line 1 minus line 2)	\$ 2,257,696	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	1	13
14	SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)	\$ 1	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)	\$ 2,257,697	18

		2	
Expenses		Amount	
A. Operating Expenses			
19	General Services	552,711	19
20	Health Care/ Personal Care	615,416	20
21	General Administration	589,696	21
B. Capital Expense			
22	Ownership	459,209	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)	\$ 2,217,032	28
29	Income Before Income Taxes (line 18 minus line 28)	\$ 40,665	29
30	Income Taxes	\$	30
31	NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)	\$ 40,665	31

Supplemental Schedule of Other Revenue & Expense

- 15A
- 15B
- 15C
- 15D
- 15E
- 15F
- 15G
- 15H
- 15I
- 15J
- 15K
- 15L
- 15M
- 15N
- 15O
- 15P
- 15Q
- 15R
- 15S

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