

Facility Name Victory Centre of Sierra Ridge SLF

Report Period Beginning: 1/1/2007 Ending: 12/31/2007

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	100	Single Unit Apartment	100	36,500	1
2	10	Double Unit Apartment	10	3,650	2
3		Other		1,678	3
4	110	TOTALS	110	41,828	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	33,620	5,683		36,500	5
6	Double Unit	672	113		2,463	6
7	Other	473	80		1,678	7
8	TOTALS	34,765	5,876		40,641	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 97.16%

D. Indicate the number of paid bed-hold days the SLF had during this year 1,157 Also, indicate the number of unpaid bed-hold days the SLF had during this year. 989 (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: 12/31/07 Fiscal Year: 12/31/07

* 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	285,727	219,276	4,218	509,221	(4,358)	504,863	1
2	Housekeeping, Laundry and Maintenance	98,830	34,699	74,721	208,250	(3,589)	204,661	2
3	Heat and Other Utilities			121,309	121,309	626	121,935	3
4	Other (specify):							4
5	TOTAL General Services	384,557	253,975	200,248	838,780	(7,321)	831,459	5
B. Health Care and Programs								
6	Health Care/ Personal Care	511,365	728	7,335	519,428		519,428	6
7	Activities and Social Services	49,279	106	8,103	57,488		57,488	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	560,644	834	15,438	576,916		576,916	9
C. General Administration								
10	Administrative and Clerical	236,879	9,269	399,331	645,479	177,882	823,361	10
11	Marketing Materials, Promotions and Advertising	71,119		27,276	98,395		98,395	11
12	Employee Benefits and Payroll Taxes			250,094	250,094	22,194	272,288	12
13	Insurance-Property, Liability and Malpractice			85,975	85,975	4,911	90,886	13
14	Other (specify):			34,702	34,702		34,702	14
15	TOTAL General Administration	307,998	9,269	797,378	1,114,645	204,987	1,319,632	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	1,253,199	264,078	1,013,064	2,530,341	197,666	2,728,007	16
Capital Expenses								
D. Ownership								
17	Depreciation			646,308	646,308	(172,765)	473,543	17
18	Interest			487,614	487,614	(9,214)	478,400	18
19	Real Estate Taxes			274,375	274,375		274,375	19
20	Rent -- Facility and Grounds					12,761	12,761	20
21	Rent -- Equipment			2,244	2,244		2,244	21
22	Other (specify):			13,498	13,498		13,498	22
23	TOTAL Ownership			1,424,039	1,424,039	(169,218)	1,254,821	23
24	GRAND TOTAL (Sum of lines 16 and 23)	1,253,199	264,078	2,437,103	3,954,380	28,448	3,982,828	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	1.41	\$ 29.17	1
2	Licensed Practical Nurses	2.03	23.13	2
3	Certified Nurse Assistants	14.22	11.10	3
4	Activity Director & Assistants	1.67	14.17	4
5	Social Service Workers	-		5
6	Head Cook	-		6
7	Cook Helpers/Assistants	12.66	10.85	7
8	Dishwashers	-		8
9	Maintenance Workers	1.18	20.68	9
10	Housekeepers	2.38	9.74	10
11	Laundry	-		11
12	Managers	-		12
13	Other Administrative	4.82	23.65	13
14	Clerical	-		14
15	Marketing	1.42	24.13	15
16	Other	-		16
17	Total (lines 1 thru 16)	41.78	\$ 14.42	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	Brian Cloch	29%	5.08	\$ 18,709	1
2	Jerry Finis	29%	5.08	28,063	2
3	Robert Helle	13%			3
4	E. J. Keledijan	29%			4
5					5
Total				\$ 46771.88	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		

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 675,000 Year land was acquired 2006

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			2006	2006	\$ 14,125,609	\$ 508,318	35	\$ 403,589	\$ (104,729)	\$ 807,178	1	
2											2	
3											3	
4											4	
5											5	
Improvement Type												
6	Total From Supplemental Page 5's											6
7	Site Improvements			2006	42,076	2,805	20	2,104	(701)	4,208	7	
8	Hvac Repairs			2007	2,532		20	127	127	127	8	
9	Removal/Replacement Of Drywall			2007	2,628		20	131	131	131	9	
10												10
11												11
12	Alloc. From Pathway					4,396			(4,396)		12	
13												13
14												14
15												15
16												16
17	TOTAL (lines 1 thru 16)				\$ 14,172,845	\$ 515,519		\$ 405,951	\$ (109,568)	\$ 811,644	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	\$ 675,923	\$ 135,185	\$ 67,592	(67,593)	10	\$ 135,184	18
19	Vehicles					5	-	19
20	TOTAL (lines 18 and 19)	\$ 675,923	\$ 135,185	\$ 67,592	(67,593)		\$ 135,184	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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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	Total Book Depreciation								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.

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Report Period Beginning:

1/1/2007

Ending:

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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: Victory Centre of Sierra Ridge SLF

Report Period Beginning: 1/1/2007

Ending: 2/31/2007

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	Alloc. From Pathway		/ /	12,761			5
6			/ /				6
7	TOTAL			\$ 12,761			7

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

9. Rental amount for movable equipment \$ 2,244

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	Capmark		X	Mortgage	/ /	\$	\$ 8,105,915	/ /		\$ 477,311	1
2					/ /			/ /			2
3					/ /			/ /			3
Working Capital											
4	LOC - Cook County Home Loan		X		/ /		2,000,000	/ /			4
5	Other				/ /			/ /		10,303	5
6					/ /			/ /			6
7	TOTAL Facility Related					\$	\$ 10,105,915			\$ 487,614	7
B. Non-Facility Related											
8	Interest Income				/ /			/ /		(10,828)	8
9	Alloc. From Pathway				/ /			/ /		1,614	9
10	TOTALS (lines 7, 8 and 9)					\$	\$ 10,105,915			\$ 478,400	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: Victory Centre of Sierra Ridge SLF

Report Period Beginning: 1/1/2007

Ending: 12/31/2007

XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2007

(last day of reporting year)

		1	2	
		Operating	After	
			Consolidation*	
A. Current Assets				
1	Cash on Hand and in Banks	\$ 873,602	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance)	500,235		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	52,578		6
7	Other Prepaid Expenses	1,936		7
8	Accounts Receivable (owners or related parties)	6,308		8
9	Other(specify): See Attached	1,364,912		9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 2,799,571	\$	10
B. Long-Term Assets				
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	675,000		13
14	Buildings, at Historical Cost	13,978,740		14
15	Leasehold Improvements, at Historical Cost	42,076		15
16	Equipment, at Historical Cost	683,194		16
17	Accumulated Depreciation (book methods)	(1,292,616)		17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs	(26,996)		20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify): See Attached	265,320		23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 14,324,718	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 17,124,289	\$	25

		1	2	
		Operating	After	
			Consolidation*	
C. Current Liabilities				
26	Accounts Payable	\$ 225,973	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	63,321		30
31	Accrued Taxes Payable	158,400		31
32	Accrued Interest Payable	72,037		32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
Other Current Liabilities(specify):				
35				35
36	See Attached	1,500		36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 521,231	\$	37
D. Long-Term Liabilities				
38	Long-Term Notes Payable	8,105,915		38
39	Mortgage Payable	2,000,000		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)	\$ 10,105,915	\$	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 10,627,146	\$	45
46	TOTAL EQUITY	\$ 6,497,143	\$	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 17,124,289	\$	47

*(See instructions.)

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Ending:

12/31/2007

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	\$ 3,443,791	1
2	Discounts and Allowances		2
SUBTOTAL Resident Care			
3	(line 1 minus line 2)	\$ 3,443,791	3
B. Other Operating Revenue			
4	Special Services		4
5	Other Health Care Services		5
6	Special Grants		6
7	Gift and Coffee Shop	160	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)	\$ 160	11
C. Non-Operating Revenue			
12	Contributions		12
13	Interest and Other Investment Income	10,828	13
SUBTOTAL Non-Operating Revenue			
14	(sum of lines 12 and 13)	\$ 10,828	14
D. Other Revenue (specify):			
15	See Attached	65,129	15
16			16
SUBTOTAL Other Revenue			
17	(sum of lines 15 and 16)	\$ 65,129	17
TOTAL REVENUE			
18	(sum of lines 3, 11, 14 and 17)	\$ 3,519,908	18

		2	
Expenses		Amount	
A. Operating Expenses			
19	General Services	838,780	19
20	Health Care/ Personal Care	576,916	20
21	General Administration	1,114,645	21
B. Capital Expense			
22	Ownership	1,424,039	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)	\$ 3,954,380	28
Income Before Income Taxes			
29	(line 18 minus line 28)	\$ (434,472)	29
Income Taxes			
30		\$	30
NET INCOME OR LOSS FOR THE YEAR			
31	(line 29 minus line 30)	\$ (434,472)	31