



Facility Name Knollwood Retirement Center

Report Period Beginning: 01/01/08 Ending: 12/31/08

III. STATISTICAL DATA

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

Date of change in certified units 12/31/08

	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	82	Single Unit Apartment	82	30,012	1
2	4	Double Unit Apartment	4	2,928	2
3		Other			3
4	86	TOTALS	86	32,940	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	14,965	14,280		29,245	5
6	Double Unit	428	1,345		1,773	6
7	Other					7
8	TOTALS	15,393	15,625		31,018	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 94.17%

D. Indicate the number of paid bed-hold days the SLF had during this year 516 Also, indicate the number of unpaid bed-hold days the SLF had during this year. 156 (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)

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H. ACCOUNTING BASIS

ACCURAL  MODIFIED CASH\*  CASH\*

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

Tax Year: 12/08 Fiscal Year: 12/08

\* 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			
<b>A. General Services</b>								
1	Dietary and Food Purchase	229,471	19,210	172,478	421,159		421,159	1
2	Housekeeping, Laundry and Maintenance	134,961	17,286	23,460	175,707		175,707	2
3	Heat and Other Utilities			115,343	115,343		115,343	3
4	Other (specify): Contract Services			34,193	34,193		34,193	4
5	<b>TOTAL General Services</b>	<b>364,432</b>	<b>36,496</b>	<b>345,474</b>	<b>746,402</b>		<b>746,402</b>	<b>5</b>
<b>B. Health Care and Programs</b>								
6	Health Care/ Personal Care	334,997	3,613	9,639	348,249		348,249	6
7	Activities and Social Services	56,113	13,132	8,724	77,969		77,969	7
8	Other (specify):							8
9	<b>TOTAL Health Care and Programs</b>	<b>391,110</b>	<b>16,745</b>	<b>18,363</b>	<b>426,218</b>		<b>426,218</b>	<b>9</b>
<b>C. General Administration</b>								
10	Administrative and Clerical	204,481	7,239	217,132	428,852		428,852	10
11	Marketing Materials, Promotions and Advertising		191	7,187	7,378		7,378	11
12	Employee Benefits and Payroll Taxes			140,633	140,633		140,633	12
13	Insurance-Property, Liability and Malpractice			52,902	52,902		52,902	13
14	Other (specify): Mortgage Insurance			34,229	34,229		34,229	14
15	<b>TOTAL General Administration</b>	<b>204,481</b>	<b>7,430</b>	<b>452,083</b>	<b>663,994</b>		<b>663,994</b>	<b>15</b>
16	<b>TOTAL Operating Expense (Sum of lines 5, 9 and 15)</b>	<b>960,023</b>	<b>60,671</b>	<b>815,920</b>	<b>1,836,614</b>		<b>1,836,614</b>	<b>16</b>
<b>Capital Expenses</b>								
<b>D. Ownership</b>								
17	Depreciation			362,807	362,807		362,807	17
18	Interest			451,394	451,394		451,394	18
19	Real Estate Taxes			80,256	80,256		80,256	19
20	Rent -- Facility and Grounds							20
21	Rent -- Equipment							21
22	Other (specify): Amortization			3,136	3,136		3,136	22
23	<b>TOTAL Ownership</b>			<b>897,593</b>	<b>897,593</b>		<b>897,593</b>	<b>23</b>
24	<b>GRAND TOTAL (Sum of lines 16 and 23)</b>	<b>960,023</b>	<b>60,671</b>	<b>1,713,513</b>	<b>2,734,207</b>		<b>2,734,207</b>	<b>24</b>

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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	\$ 19.00	1
2	Licensed Practical Nurses	3	17.00	2
3	Certified Nurse Assistants	8	9.45	3
4	Activity Director & Assistants	1	14.50	4
5	Social Service Workers			5
6	Head Cook	3	8.00	6
7	Cook Helpers/Assistants	6	7.75	7
8	Dishwashers	2	7.75	8
9	Maintenance Workers	1	14.00	9
10	Housekeepers	5	8.25	10
11	Laundry			11
12	Managers	1	19.23	12
13	Other Administrative	1	17.31	13
14	Clerical	4	8.70	14
15	Marketing	1	16.75	15
16	Other	1	22.60	16
17	<b>Total (lines 1 thru 16)</b>	<b>38</b>	<b>\$ 10.84</b>	<b>17</b>

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
<b>Total</b>				<b>\$</b>	<b>6</b>

VI. (B) Management fees paid to unrelated parties

	Amount of Fee	
1	\$	1
2		2
<b>Total</b>		<b>\$ 3</b>

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
Knollwood Management Services		St. Louis		Management 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 500,000 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			2004	2004	\$ 8,121,402	\$ 203,035	40	\$ 203,035	\$	\$ 947,497	1
2			2004	2004	485,883	97,195	5	97,195		454,539	2
3			2004	2004	66,860	6,686	10	6,686		31,201	3
4											4
5											5
<b>Improvement Type</b>											
6											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)				\$ 8,674,145	\$ 306,916		\$ 306,916	\$	\$ 1,433,237	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	\$	\$	\$	\$		\$	18
19	Vehicles	60,815	12,163	12,163		5	58,754	19
20	TOTAL (lines 18 and 19)	\$ 60,815	\$ 12,163	\$ 12,163	\$		\$ 58,754	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	Off Equip 2004-06	\$ 56,356	\$ 11,265	\$ 50,362	21
22	Bld Equip 2004	59,876	12,000	55,409	22
23	Furnishings 2004-08	144,685	20,463	95,399	23
24	TOTALS (lines 21, 22 and 23)	\$ 260,917	\$ 43,728	\$ 201,170	24

Facility Name: **Knollwood Retirement Center**

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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	<b>TOTAL</b>				\$			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			
	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				
	<b>A. Directly Facility Related</b>										
	<b>Long-Term</b>										
1	CAPMARK		X	Building	12/31/04	\$ 7,002,000	\$ 6,800,440	3/1/44	0.0655	\$ 446,880	1
2					/ /			/ /			2
3					/ /			/ /			3
	<b>Working Capital</b>										
4	IHDA		X	Operations	9/1/05	525,000	437,005	8/1/20	0.0100	4,514	4
5					/ /			/ /			5
6					/ /			/ /			6
7	<b>TOTAL Facility Related</b>					\$ 7,527,000	\$ 7,237,445			\$ 451,394	7
	<b>B. Non-Facility Related</b>										
8					/ /			/ /			8
9					/ /			/ /			9
10	<b>TOTALS (lines 7, 8 and 9)</b>					\$ 7,527,000	\$ 7,237,445			\$ 451,394	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.

STATE OF ILLINOIS

Facility Name: Knollwood Retirement Center

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XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/08

(last day of reporting year)

		1	2	
		Operating	After Consolidation*	
<b>A. Current Assets</b>				
1	Cash on Hand and in Banks	\$ 82,960	\$ 82,960	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance )	318,449	318,449	3
4	Supply Inventory (priced at )			4
5	Short-Term Investments			5
6	Prepaid Insurance	24,586	24,586	6
7	Other Prepaid Expenses	11,351	11,351	7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify):			9
10	<b>TOTAL Current Assets (sum of lines 1 thru 9)</b>	\$ 437,346	\$ 437,346	10
<b>B. Long-Term Assets</b>				
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	500,000	500,000	13
14	Buildings, at Historical Cost	8,674,145	8,674,145	14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost	321,732	321,732	16
17	Accumulated Depreciation (book methods)	(1,693,161)	(1,693,161)	17
18	Deferred Charges	110,544	110,544	18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds	565,160	565,160	21
22	Other Long-Term Assets (specify):			22
23	Other(specify):			23
24	<b>TOTAL Long-Term Assets (sum of lines 11 thru 23)</b>	\$ 8,478,420	\$ 8,478,420	24
25	<b>TOTAL ASSETS (sum of lines 10 and 24)</b>	\$ 8,915,766	\$ 8,915,766	25

		1	2	
		Operating	After Consolidation*	
<b>C. Current Liabilities</b>				
26	Accounts Payable	\$ 237,718	\$ 237,718	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	500	500	28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable			30
31	Accrued Taxes Payable			31
32	Accrued Interest Payable	40,396	40,396	32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
<b>Other Current Liabilities(specify):</b>				
35				35
36				36
37	<b>TOTAL Current Liabilities (sum of lines 26 thru 36)</b>	\$ 278,614	\$ 278,614	37
<b>D. Long-Term Liabilities</b>				
38	Long-Term Notes Payable	437,005	437,005	38
39	Mortgage Payable	6,800,440	6,800,440	39
40	Bonds Payable			40
41	Deferred Compensation			41
<b>Other Long-Term Liabilities(specify):</b>				
42	<b>Developer Fee Payable</b>	<b>708,753</b>	<b>708,753</b>	42
43				43
44	<b>TOTAL Long-Term Liabilities (sum of lines 38 thru 43)</b>	\$ 7,946,198	\$ 7,946,198	44
45	<b>TOTAL LIABILITIES (sum of lines 37 and 44)</b>	\$ 8,224,812	\$ 8,224,812	45
46	<b>TOTAL EQUITY</b>	\$ 690,954	\$ 690,954	46
47	<b>TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)</b>	\$ 8,915,766	\$ 8,915,766	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	
<b>A. SLF Resident Care</b>			
1	Gross SLF Resident Revenue	\$ 2,583,111	1
2	Discounts and Allowances		2
3	<b>SUBTOTAL Resident Care</b> (line 1 minus line 2)	\$ 2,583,111	3
<b>B. Other Operating Revenue</b>			
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	3,301	8
9	Non-Resident Meals	17,290	9
10	Laundry		10
11	<b>SUBTOTAL OTHER OPERATING REVENUE</b> (sum of lines 4 thru 10)	\$ 20,591	11
<b>C. Non-Operating Revenue</b>			
12	Contributions		12
13	Interest and Other Investment Income	14,389	13
14	<b>SUBTOTAL Non-Operating Revenue</b> (sum of lines 12 and 13)	\$ 14,389	14
<b>D. Other Revenue (specify):</b>			
15			15
16			16
17	<b>SUBTOTAL Other Revenue</b> (sum of lines 15 and 16)		17
18	<b>TOTAL REVENUE</b> (sum of lines 3, 11, 14 and 17)	\$ 2,618,091	18

		2	
Expenses		Amount	
<b>A. Operating Expenses</b>			
19	General Services	746,402	19
20	Health Care/ Personal Care	426,218	20
21	General Administration	663,994	21
<b>B. Capital Expense</b>			
22	Ownership	897,593	22
<b>C. Other Expenses</b>			
23	Special Cost Centers		23
24	Non-Operating Expenses		24
25	Other (specify):		25
26			26
27			27
28	<b>TOTAL EXPENSES</b> (sum of lines 19 thru 27)	\$ 2,734,207	28
29	<b>Income Before Income Taxes</b> (line 18 minus line 28)	\$ (116,116)	29
30	<b>Income Taxes</b>		30
31	<b>NET INCOME OR LOSS FOR THE YEAR</b> (line 29 minus line 30)	\$ (116,116)	31

**Jacksonville Assisted Living, LP**  
**Report Period 01/01/08 - 12/31/08**  
**Section VII, C**

<u>Related Party Name</u>	<u>Amount Paid</u>	<u>Reason</u>
Knollwood Management Services	129,741.20	Management Fees
Fawcett Corporation	321.01	Office Supplies, postage, travel
Fawcett Development Corp.	47,393.25	Developer/Audit Fees