

		FOR BHF USE			

LL2

Supportive Living Facility

**2010
STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE & FAMILY SERVICES
COST REPORT FOR
SUPPORTIVE LIVING FACILITIES
(FISCAL YEAR 2010)**

IMPORTANT NOTICE
THIS AGENCY IS REQUESTING DISCLOSURE OF INFORMATION THAT IS NECESSARY TO ACCOMPLISH THE STATUTORY PURPOSE AS OUTLINED IN SECTION 146.265 OF THE 89 IL ADMIN CODE. DISCLOSURE OF THIS INFORMATION IS MANDATORY. FAILURE TO PROVIDE ANY INFORMATION ON OR BEFORE THE DUE DATE WILL RESULT IN CESSATION OF PROGRAM PAYMENTS.

I. Facility ID Number: 1000059

Facility Name: Eastgate Manor of Algonquin

Address: 101 Eastgate Court Algonquin 60102
Number City Zip Code

County: McHenry

Telephone Number: (847) 458-2800 Fax # 847 458-0017

Federal Employer ID Number: _____

Date Current Owners were Certified: 2/27/06

Type of Ownership:

<input type="checkbox"/> VOLUNTARY, NON-PROFIT	<input checked="" type="checkbox"/> PROPRIETARY	<input type="checkbox"/> GOVERNMENTAL
<input type="checkbox"/> Charitable Corp.	<input type="checkbox"/> Individual	<input type="checkbox"/> State
<input type="checkbox"/> Trust	<input type="checkbox"/> Partnership	<input type="checkbox"/> County
IRS Exemption Code _____	<input type="checkbox"/> Corporation	<input type="checkbox"/> Other _____
	<input type="checkbox"/> "Sub-S" Corp.	
	<input checked="" type="checkbox"/> Limited Liability Co.	
	<input type="checkbox"/> Trust	
	<input type="checkbox"/> Other _____	

In the event there are further questions about this report, please contact:

Name: Michael W. Martin **Telephone Number:** (217) 258-8888
Email Address: _____

II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER

I have examined the contents of the accompanying report to the State of Illinois, for the period from 01/01/2010 to 12/31/2010 and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.

Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.

Officer or Administrator of Provider	(Signed) _____	(Date) _____
	(Type or Print Name) _____	
	(Title) _____	
Paid Preparer	(Signed) _____	(Date) _____
	(Print Name and Title) <u>See Accountants' Compilation Report</u>	
	(Firm Name & Address) <u>McGladrey & Pullen, LLP</u> <u>20 North Martingale, Suite 500 Schaumburg, IL 60173</u>	
	(Telephone) <u>847</u> <u>514-7070</u> Fax <u>847</u> <u>517-7067</u>	

MAIL TO: BUREAU OF HEALTH FINANCE
IL DEPT OF HEALTHCARE AND FAMILY SERVICES
201 S. Grand Avenue East
Springfield, IL 62763-0001 Phone # (217) 782-1630

Facility Name Eastgate Manor of Algonquin

Report Period Beginning: 01/01/2010 Ending: 12/31/2010

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	99	Single Unit Apartment	101	36,503	1
2	15	Double Unit Apartment	13	5,107	2
3		Other		5,475	3
4	114	TOTALS	114	47,085	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	17,626	17,521		35,147	5
6	Double Unit	6,134	1,855		7,989	6
7	Other					7
8	TOTALS	23,760	19,376		43,136	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 91.61%

D. Indicate the number of paid bed-hold days the SLF had during this year
1,001 Also, indicate the number of unpaid bed-hold days the SLF had during this year. 769 **(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: 12/31/10 Fiscal Year: 12/31/10

* 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

Facility Name: Eastgate Manor of Algonquin

Report Period Beginning:

01/01/2010

Ending: 12/31/2010

IV. COST CENTER EXPENSES (please round to the nearest dollar)

Operating Expenses		Costs Per General Ledger				Reclassifications and Adjustments 5	Adjusted Total 6	
		Salary/Wage 1	Supplies 2	Other 3	Total 4			
A. General Services								
1	Dietary and Food Purchase	269,665	274,932	1,982	546,579	(414)	546,165	1
2	Housekeeping, Laundry and Maintenance	99,268	7,508	120,853	227,629		227,629	2
3	Heat and Other Utilities			153,354	153,354		153,354	3
4	Other (specify): Cable			546	546	(546)		4
5	TOTAL General Services	368,933	282,440	276,735	928,108	(960)	927,148	5
B. Health Care and Programs								
6	Health Care/ Personal Care	545,887			545,887		545,887	6
7	Activities and Social Services	69,692	7,137	15,502	92,331		92,331	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	615,579	7,137	15,502	638,218		638,218	9
C. General Administration								
10	Administrative and Clerical	276,950		358,792	635,742	35,318	671,060	10
11	Marketing Materials, Promotions and Advertising	18,000		53,878	71,878	(71,878)		11
12	Employee Benefits and Payroll Taxes			155,013	155,013		155,013	12
13	Insurance-Property, Liability and Malpractice			52,917	52,917		52,917	13
14	Other (specify): Bad Debts			(41,784)	(41,784)	41,784		14
15	TOTAL General Administration	294,950		578,816	873,766	5,224	878,990	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	1,279,462	289,577	871,053	2,440,092	4,264	2,444,356	16
Capital Expenses								
D. Ownership								
17	Depreciation			37,122	37,122	320,859	357,981	17
18	Interest			23,989	23,989	507,710	531,699	18
19	Real Estate Taxes					144,252	144,252	19
20	Rent -- Facility and Grounds			1,054,076	1,054,076	(1,054,076)		20
21	Rent -- Equipment							21
22	Other (specify): Beautician & Barber			6,284	6,284		6,284	22
23	TOTAL Ownership			1,121,471	1,121,471	(81,255)	1,040,216	23
24	GRAND TOTAL (Sum of lines 16 and 23)	1,279,462	289,577	1,992,524	3,561,563	(76,991)	3,484,572	24

Facility Name: Eastgate Manor of Algonquin

Report Period Beginning: 01/01/2010

Ending:

12/31/2010

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	4.18	\$ 29.95	1
2	Licensed Practical Nurses			2
3	Certified Nurse Assistants			3
4	Activity Director & Assistants	2.34	14.41	4
5	Social Service Workers			5
6	Head Cook	4.67	13.72	6
7	Cook Helpers/Assistants	9.18	8.45	7
8	Dishwashers			8
9	Maintenance Workers	1.18	15.51	9
10	Housekeepers	3.16	8.86	10
11	Laundry			11
12	Managers Administrator	1.04	39.78	12
13	Other Administrative	5.35	16.27	13
14	Clerical			14
15	Marketing			15
16	Other Caregivers	12.59	10.82	16
17	Total (lines 1 thru 16)	43.69	\$ 13.71	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	See Attachment 1		See Attachment 5	See Attachment 5	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	\$	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 Attachment 1	

OTHER RELATED BUSINESS ENTITIES

Name <u>3</u>	City <u>4</u>	Type of Business <u>5</u>
See Attachment 1		

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: N/A If yes, what is the value of those services? \$ N/A

(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 See Attachment 4 and Attachment 5

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: Eastgate Manor of Algonquin

Report Period Beginning:

01/01/2010

Ending:

12/31/2010

VIII. OWNERSHIP COSTSA. Purchase price of land 311,565 Year land was acquired 2000

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	114			2000	\$ 4,679,221	\$	40	\$ 116,981	\$ 116,981	\$ 1,197,949	1
2				2001	3,852,173		40	96,304	96,304	938,966	2
3											3
4											4
5											5
Improvement Type											
6	Flagpoles			2001	2,637	177	10	177		1,670	6
7	Tub Conversion			2001	1,185	119	10	119		1,127	7
8	Nurses Station			2001	6,183	309	20	309		2,937	8
9	2nd Floor Carpet			2001	1,339	134	10	134		1,272	9
10	Fire Alarm Doors			2001	835	83	10	83		792	10
11	2 Exterior Signs			2001	2,432	243	10	243		2,310	11
12	Nurse Call Station			2004	21,485	1,074	20	1,074		6,624	12
13	Asphalt Paving			2005	19,397	1,940	10	1,940		10,184	13
14	Apartments			2005	18,224	911	20	911		4,556	14
15	Nurse Call Station			2006	2,761	138	20	138		656	15
16	See Attachment 2				1,233,096	11,556		60,762	49,206	251,931	16
17	TOTAL (lines 1 thru 16)				\$ 9,840,968	\$ 16,684		\$ 279,175	\$ 262,491	\$ 2,420,974	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	\$ 1,056,213	\$ 20,438	\$ 78,806	58,368	10	\$ 801,515	18
19	Vehicles							19
20	TOTAL (lines 18 and 19)	\$ 1,056,213	\$ 20,438	\$ 78,806	58,368		\$ 801,515	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			N/A		22
23					23
24	TOTALS (lines 21, 22 and 23)	\$	\$	\$	24

Facility Name: Eastgate Manor of Algonquin

Report Period Beginning: 01/01/2010

Ending: 2/31/2010

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	N/A		/ /	\$			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 \$ N/A

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				
	Name of Lender	YES	NO			Original	Balance				
A. Directly Facility Related											
Long-Term											
1	Lexington Financial Services	X		Mortgage	5/22/08	\$ 9,395,000	\$ 8,909,985	1/1/33	Variable	\$ 523,243	1
2					/ /	Security Deposits and other		/ /		867	2
3					/ /	Amortization of Mortgage Costs		/ /		3,237	3
Working Capital											
4	Members loans-East Gate	X		Working Capital	Various	1,792,483	1,532,210	/ /	Variable	18,756	4
5	Bank of America		X	Line of Credit	4/6/02	400,000	400,000	6/30/11	Variable	4,366	5
6											6
7	TOTAL Facility Related					\$ 11,587,483	\$ 10,842,195			\$ 550,469	7
B. Non-Facility Related											
8					/ /	Less interest income		/ /		-14	8
9					/ /	Related party interest		/ /		-18,756	9
10	TOTALS (lines 7, 8 and 9)					\$ 11,587,483	\$ 10,842,195			\$ 531,699	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: Eastgate Manor of Algonquin

Report Period Beginning: 01/01/2010

Ending:

12/31/2010

XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2010

(last day of reporting year)

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 1,136,599	\$ 1,240,362	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance <u>134,038</u>)	229,092	229,092	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	48,553	48,553	6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)	642,928	54,506	8
9	Other(specify): <u>See attachment 3</u>		220,068	9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 2,057,172	\$ 1,792,581	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments	94,552	94,552	12
13	Land		311,565	13
14	Buildings, at Historical Cost		4,679,221	14
15	Leasehold Improvements, at Historical Cost	277,943	5,161,747	15
16	Equipment, at Historical Cost	212,218	1,056,213	16
17	Accumulated Depreciation (book methods)	(135,305)	(3,222,489)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs		72,470	19
20	Accumulated Amortization - Organization & Pre-Operating Costs			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)	\$ 449,408	\$ 8,153,279	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 2,506,580	\$ 9,945,860	25

*(See instructions.)

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 40,049	\$ 40,049	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable	400,000	400,000	29
30	Accrued Salaries Payable	83,280	83,280	30
31	Accrued Taxes Payable	235	144,235	31
32	Accrued Interest Payable		43,102	32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35	<u>See attachment 3</u>	224,793	1,561,208	35
36				36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 748,357	\$ 2,271,874	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable	1,532,210	1,532,210	38
39	Mortgage Payable		8,909,985	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)	\$ 1,532,210	\$ 10,442,195	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 2,280,567	\$ 12,714,069	45
46	TOTAL EQUITY	\$ 226,013	\$ (2,768,209)	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 2,506,580	\$ 9,945,860	47

Facility Name: Eastgate Manor of Algonquin

Report Period Beginning: 01/01/2010

Ending:

12/31/2010

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	\$ 4,237,266	1
2	Discounts and Allowances		2
SUBTOTAL Resident Care			
3	(line 1 minus line 2)	\$ 4,237,266	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	10,843	8
9	Non-Resident Meals	3,054	9
10	Laundry		10
SUBTOTAL OTHER OPERATING REVENUE			
11	(sum of lines 4 thru 10)	\$ 13,897	11
C. Non-Operating Revenue			
12	Contributions		12
13	Interest and Other Investment Income	14	13
SUBTOTAL Non-Operating Revenue			
14	(sum of lines 12 and 13)	\$ 14	14
D. Other Revenue (specify):			
15	Carpet Proration-\$5,547; Maint Prorated-\$-1,458	4,089	15
16	Mini Market-\$414; Misc. Income-\$189	603	16
SUBTOTAL Other Revenue			
17	(sum of lines 15 and 16)	\$ 4,692	17
TOTAL REVENUE			
18	(sum of lines 3, 11, 14 and 17)	\$ 4,255,869	18

		2	
Expenses		Amount	
A. Operating Expenses			
19	General Services	928,108	19
20	Health Care/ Personal Care	638,218	20
21	General Administration	873,766	21
B. Capital Expense			
22	Ownership	1,121,471	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)	\$ 3,561,563	28
Income Before Income Taxes			
29	(line 18 minus line 28)	\$ 694,306	29
Income Taxes			
30		\$	30
NET INCOME OR LOSS FOR THE YEAR			
31	(line 29 minus line 30)	\$ 694,306	31

See Accountants' Compilation Report

VI.A

Owners:

<u>Name</u>	<u>% Ownership</u>
Jason Samatas Discretionary Trust	8.571%
Jeremy Samatas Discretionary Trust	8.571%
Jillayne Samatas Discretionary Turst	8.571%
Collin Samatas Discretionary Trust	8.572%
Gabrielle Samatas Discretionary Trust	8.572%
Philip Them Discretionary Trust	8.571%
Daniel Thiem Discretionary Trust	8.571%
Chester Plodzien	20.000%
George Samatas 1998 Gamma Trust for Jason UAD 11/25/98	2.858%
George Samatas 1998 Gamma Trust for Jeremy UAD 11/25/98	2.857%
George Samatas 1998 Gamma Trust for Jillayne UAD 11/25/98	2.857%
George Samatas 1998 Gamma Trust for Collin UAD 11/25/98	2.857%
George Samatas 1998 Gamma Trust for Gabrielle UAD 11/25/98	2.857%
George Samatas 1998 Gamma Trust for Philip UAD 11/25/98	2.857%
George Samatas 1998 Gamma Trust for Daniel UAD 11/25/98	2.857%

VIII. A

Related Organizations: Related SLF's and Healthcare Business

	<u>City</u>
Lexington Health Care Center of Lombard, Inc.	Lombard
Lexington Health Care Center of Bloomingdale, Inc.	Bloomingdale
Lexington Health Care Center of Elmhurst, Inc.	Elmhurst
Lexington Health Care Center of LaGrange, Inc.	LaGrange
Lexington Health Care Center of Lake Zurich, Inc.	Lake Zurich
Lexington Health Care Center of Schaumburg, Inc.	Schaumburg
Lexington Health Care Center of Streamwood, Inc.	Streamwood
Lexington Health Care Center of Wheeling, Inc.	Wheeling
Lexington Health Care Center of Orland Park, Inc.	Orland Park
Lexington Health Care Center of Chicago Ridge, Inc.	Chicago Ridge

Other Related Business Entities

	<u>City</u>	<u>Type</u>
Samvest of Algonquin Limited Partnership	Algonquin	Real Estate Partnership
Royal Management Company	Lombard	Management Company
Lexington Financial Services, L.L.C.	Lombard	Finance Co.
Nexgen Partners, LLC	Lombard	Management Company

	Improvement Type	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation		
18	Sealcoat parking lot	2006		3,240	324	10	324		1,485	18	
19	Kitchen Rehab	2006		10,222	511	20	511		2,300	19	
20	Apartments	2006		81,813	4,091	20	4,091		18,409	20	
21	Roof Repairs	2007		3,000	150	20	150		513	21	
22	Sheers	2007		2,877	288	10	288		936	22	
23	Sheers	2008		5,001	500	10	500		1,203	23	
24	Painting	2008		2,700	270	10	270		720	24	
25	Land Improvements-patio,topsoil	2009		6,420	428	15	428		664	25	
26	Paint doors and elevators	2009		5,990	599	10	599		699	26	
27	Nurses call system	2009		36,265	3,627	10	3,627		4,231	27	
28	Apartment conversions - Samvest Rep Prj	2009		265,854		40	9,752	(9,752)	18,694	28	
29	Dining Room/Lobby/Corridor - Samvest Rep Prj	2009		524,378		15	23,360	(23,360)	27,253	29	
30	HVAC Repairs	2010		3,131	52	10	52		52	30	
31	Remodel Offices	2010		37,280	628	20	628		628	31	
32	Apartment conversions - East gate	2010		3,528	88	20	88		88	32	
33										33	
34	Allocation Real Estate Entity									34	
35	Land Improvements	2000		79,149		15	5,277	(5,277)	68,594	35	
36	Land Improvements	2001		162,248		15	10,817	(10,817)	105,462	36	
37								0		37	
38	Total (Attachment 2) to Schedule VIII - Line 16			\$ 1,233,096	\$ 11,556		\$ 60,762	\$ -	\$ (49,206)	\$ 251,931	38

XI.A.Line 9

Payable to Samvest of Algonquin II LP

<u>Operating</u>	<u>After Consolidation</u>
	220,068
-	220,068

XI.C.Line 35

Due from Royal
Due to Republic Construction
Accrued Vacation
Accrued 401K
Accrued Expenses
Accrued Management Fees Nexgen
Accrued Management Fees Royal
Interest Rate Swap
Vendor Deposits
Security Deposits

<u>Operating</u>	<u>After Consolidation</u>
1,676	1,676
5,511	5,511
36,087	36,087
5,463	5,463
13,824	13,824
11,701	11,701
(4,061)	(4,061)
-	1,336,415
(7,400)	(7,400)
161,992	161,992
224,793	1,561,208

See Accountants' Compilation Report

Attachment 5

Related Party Management Company-Nexgen

Other Entities Managed by Nexgen	8,334,275	69.82%
Eastgate	3,603,347	30.18%
	<u>11,937,622</u>	<u>100.00%</u>

Total Nexgen Expenses 342,340

Eastgate Manor amount	103,335
Less Management fee in line 10, page 3	<u>127,583</u>
	<u>(24,248)</u>

Eastgate's allocation of management company expenses is its proportionate share of Nexgen total expenses of \$342,340

Owners' Compensation and Average Hours Worked	Average Hours Compensation	
1/1/10 thru 7/1/10		
Jason Samatas	3.5	803
Daniel Thiem	3.5	1,004
Jeremy Samatas	38.5	8,832
Phil Thiem	3.5	803
7/1/10-8/1/10		
Dan	3.5	147
Jeremy	38.5	1,617
Phil	3.5	147
7/1/10 thru year end 12/31/10		
Jeremy	15	8,193
Phil	2.5	1,365