

Facility Name & ID Number Grove Lincoln Park Living & Rehabilitation

0050245 Report Period Beginning: 01/01/2010 Ending: 12/31/2010

III. STATISTICAL DATA

A. Licensure/certification level(s) of care; enter number of beds/bed days, (must agree with license). Date of change in licensed beds N/A

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	<u>98</u>	Skilled (SNF)	<u>98</u>	<u>35,770</u>	1
2		Skilled Pediatric (SNF/PED)			2
3	<u>11</u>	Intermediate (ICF)	<u>11</u>	<u>4,015</u>	3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	<u>109</u>	TOTALS	<u>109</u>	<u>39,785</u>	7

B. Census-For the entire report period.

	1 Level of Care	2 Patient Days by Level of Care and Primary Source of Payment				5
		3 Medicaid Recipient	4 Private Pay	Other	Total	
8	SNF	<u>14,870</u>	<u>4,845</u>	<u>12,023</u>	<u>31,738</u>	8
9	SNF/PED					9
10	ICF			<u>546</u>	<u>546</u>	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	<u>14,870</u>	<u>4,845</u>	<u>12,569</u>	<u>32,284</u>	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 81.15%

D. How many bed-hold days during this year were paid by the Department? None (Do not include bed-hold days in Section B.)

E. List all services provided by your facility for non-patients. (E.g., day care, "meals on wheels", outpatient therapy)
None

F. Does the facility maintain a daily midnight census? Yes

G. Do pages 3 & 4 include expenses for services or investments not directly related to patient care?
YES NO Note : Non-allowable costs have been eliminated in Schedule V, Column 7.

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?
YES NO

I. On what date did you start providing long term care at this location?
Date started 09/01/08

J. Was the facility purchased or leased after January 1, 1978?
YES Date 09/01/08 NO

K. Was the facility certified for Medicare during the reporting year?
YES NO If YES, enter number of beds certified 109 and days of care provided 12,023

Medicare Intermediary National Government Services

IV. ACCOUNTING BASIS

ACCRAUAL MODIFIED CASH* CASH*

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.

Facility Name & ID Number Grove Lincoln Park Living & Rehabilitation # 0050245 Report Period Beginning: 01/01/2010 Ending: 12/31/2010

V. COST CENTER EXPENSES (throughout the report, please round to the nearest dollar)

	Operating Expenses	Costs Per General Ledger				Reclass-ification 5	Reclassified Total 6	Adjust-ments 7	Adjusted Total 8	FOR BHF USE ONLY	
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10
	A. General Services										
1	Dietary	209,489	22,874	15,746	248,109		248,109		248,109		1
2	Food Purchase		234,954		234,954		234,954	98	235,052		2
3	Housekeeping	129,569	21,863		151,432		151,432	730	152,162		3
4	Laundry	67,587	15,139		82,726		82,726		82,726		4
5	Heat and Other Utilities			121,617	121,617		121,617	2,288	123,905		5
6	Maintenance	36,744		69,472	106,216		106,216	7,557	113,773		6
7	Other (specify):*										7
8	TOTAL General Services	443,389	294,830	206,835	945,054		945,054	10,673	955,727		8
	B. Health Care and Programs										
9	Medical Director			11,344	11,344		11,344		11,344		9
10	Nursing and Medical Records	1,951,900	110,841	94,139	2,156,880		2,156,880	5,996	2,162,876		10
10a	Therapy			1,154,396	1,154,396		1,154,396		1,154,396		10a
11	Activities	163,982	14,539	905	179,426		179,426		179,426		11
12	Social Services	43,366		9,672	53,038		53,038		53,038		12
13	CNA Training										13
14	Program Transportation										14
15	Other (specify):*										15
16	TOTAL Health Care and Programs	2,159,248	125,380	1,270,456	3,555,084		3,555,084	5,996	3,561,080		16
	C. General Administration										
17	Administrative	297,788		673,816	971,604		971,604	(659,184)	312,420		17
18	Directors Fees										18
19	Professional Services			161,549	161,549		161,549	(362)	161,187		19
20	Dues, Fees, Subscriptions & Promotions			19,415	19,415		19,415	(390)	19,025		20
21	Clerical & General Office Expenses	76,626	49,558	231,503	357,687		357,687	(114,549)	243,138		21
22	Employee Benefits & Payroll Taxes			569,787	569,787		569,787		569,787		22
23	Inservice Training & Education										23
24	Travel and Seminar			2,990	2,990		2,990	(234)	2,756		24
25	Other Admin. Staff Transportation			30,918	30,918		30,918	32	30,950		25
26	Insurance-Prop.Liab.Malpractice			69,015	69,015		69,015	291	69,306		26
27	Other (specify):* Mgmt Alloc of Benefit							13,913	13,913		27
28	TOTAL General Administration	374,414	49,558	1,758,993	2,182,965		2,182,965	(760,483)	1,422,482		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	2,977,051	469,768	3,236,284	6,683,103		6,683,103	(743,814)	5,939,289		29

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

SEE ACCOUNTANTS' COMPILATION REPORT

NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass-ification	Reclassified Total	Adjust-ments	Adjusted Total	FOR BHF USE ONLY		
		Salary/Wage	Supplies	Other	Total					9	10	
	D. Ownership	1	2	3	4	5	6	7	8			
30	Depreciation			27,544	27,544		27,544	7,247	34,791			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			23,299	23,299		23,299	53,081	76,380			32
33	Real Estate Taxes			77,349	77,349		77,349	2,947	80,296			33
34	Rent-Facility & Grounds			497,312	497,312		497,312	414	497,726			34
35	Rent-Equipment & Vehicles			39,779	39,779		39,779	97	39,876			35
36	Other (specify):*											36
37	TOTAL Ownership			665,283	665,283		665,283	63,786	729,069			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		481,473		481,473		481,473		481,473			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			59,710	59,710		59,710		59,710			42
43	Other (specify):* Non-Allowable Cos			389,120	389,120		389,120	(389,120)				43
44	TOTAL Special Cost Centers		481,473	448,830	930,303		930,303	(389,120)	541,183			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	2,977,051	951,241	4,350,397	8,278,689		8,278,689	(1,069,148)	7,209,541			45

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

SEE ACCOUNTANTS' COMPILATION REPORT

VI. ADJUSTMENT DETAIL

A. The expenses indicated below are non-allowable and should be adjusted out of Schedule V, pages 3 or 4 via column 7. In column 2 below, reference the line on which the particular cost was included. (See instructions.)

		1	2	3	
	NON-ALLOWABLE EXPENSES	Amount	Refer- ence	BHF USE ONLY	
1	Day Care	\$		\$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals				4
5	Telephone, TV & Radio in Resident Rooms				5
6	Rented Facility Space	(19,553)	43		6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation				9
10	Interest and Other Investment Income	22,990	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax				13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties	(6,227)	43		18
19	Entertainment				19
20	Contributions	(62,301)	43		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers	(3,788)	19		22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(112,570)	43		24
25	Fund Raising, Advertising and Promotional	(106,253)	43		25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule See Pg 5A	(86,181)	Var.		29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (373,883)		\$	30

B. If there are expenses experienced by the facility which do not appear in the general ledger, they should be entered below.(See instructions.)

		1	2	
		Amount	Reference	
31	Non-Paid Workers-Attach Schedule*	\$		31
32	Donated Goods-Attach Schedule*			32
33	Amortization of Organization & Pre-Operating Expense			33
34	Adjustments for Related Organization Costs (Schedule VII)	(695,265)		34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (695,265)		36
	(sum of SUBTOTALS			
37	TOTAL ADJUSTMENTS (A) and (B))	\$ (1,069,148)		37

*These costs are only allowable if they are necessary to meet minimum licensing standards. Attach a schedule detailing the items included on these lines.

C. Are the following expenses included in Sections A to D of pages 3 and 4? If so, they should be reclassified into Section E. Please reference the line on which they appear before reclassification. (See instructions.)

		1	2	3	4	
		Yes	No	Amount	Reference	
38	Medically Necessary Transport.		X	\$		38
39						39
40	Gift and Coffee Shops		X			40
41	Barber and Beauty Shops		X			41
42	Laboratory and Radiology		X			42
43	Prescription Drugs		X			43
44						44
45	Other-Attach Schedule		X			45
46	Other-Attach Schedule		X			46
47	TOTAL (C): (sum of lines 38-46)			\$		47

BHF USE ONLY							
48		49		50		51	52

SEE ACCOUNTANTS' COMPILATION REPORT

Grove Lincoln Park Living & Rehabilitation

ID# 0050245

Report Period Beginning: 01/01/2010

Ending: 12/31/2010

Sch. V Line

NON-ALLOWABLE EXPENSES

Amount

Reference

1	Labs - Part A	\$ (29,311)	43	1
2	X-Rays Part A	100	43	2
3	Offset Cable TV Revenue	(11,039)	43	3
4	Marketing Consultant	(1,500)	19	4
5	State Replacement Tax	(7,885)	43	5
6	PAC Portion of IHCA	(392)	20	6
7	Personal Items	(4,117)	43	7
8	Admitting Non-Certified	(29,964)	43	8
9	Non-Allowable Travel & Seminar	(690)	24	9
10	Misc. Income	(428)	21	10
11	Real Estate Taxes	(955)	33	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
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31				31
32				32
33				33
34				34
35				35
36				36
37				37
38				38
39				39
40				40
41				41
42				42
43				43
44				44
45				45
46				46
47				47
48				48
49	Total	(86,181)		49

VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Attach an additional schedule if necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
Chaim Rajchenbach	29.00	See Schedule 6A		See Schedule 6A		
Menachem Shabat	29.00					
Ronald Shabat	15.50					
Jack Rajchenbach	6.10					
The Rajchenbach Family Trust	15.50					
The Robert Hartman Family Trust	4.90					

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. YES NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
1	V	2 Food	\$	Legacy Healthcare Financial Services, LLC	100.00%	\$ 98	\$ 98	1
2	V	3 Housekeeping Salaries		Legacy Healthcare Financial Services, LLC	100.00%	725	725	2
3	V	3 Housekeeping Supplies		Legacy Healthcare Financial Services, LLC	100.00%	5	5	3
4	V	5 Utilities		Legacy Healthcare Financial Services, LLC	100.00%	2,288	2,288	4
5	V	6 Repairs & Maintenance		Legacy Healthcare Financial Services, LLC	100.00%	522	522	5
6	V	10 RN Salaries		Legacy Healthcare Financial Services, LLC	100.00%	5,996	5,996	6
7	V	17 Administrative Salary - Mgmt. Alloc.	673,816	Legacy Healthcare Financial Services, LLC	100.00%	14,288	(659,528)	7
8	V	19 Other Professional Fees		Legacy Healthcare Financial Services, LLC	100.00%	1,528	1,528	8
9	V	19 Accounting		Legacy Healthcare Financial Services, LLC	100.00%	748	748	9
10	V	19 Legal Fees		Legacy Healthcare Financial Services, LLC	100.00%	1,515	1,515	10
11	V	19 Data Processing		Legacy Healthcare Financial Services, LLC	100.00%	56	56	11
12	V	20 Dues, Licenses & Fees		Legacy Healthcare Financial Services, LLC	100.00%	2	2	12
13	V	21 Office Supplies		Legacy Healthcare Financial Services, LLC	100.00%	10,600	10,600	13
14	Total		\$ 673,816			\$ 38,371	\$ * (635,445)	14

* Total must agree with the amount recorded on line 34 of Schedule VI.

Provider Name: Grove North Living and Rehab Center
Provider #: 0050237
Year End: 12/31/2010

Schedule 6A

Schedule V.A. Related Parties

Schedule 6A

Owners	Related Nursing Homes		Owners	Related Nursing Homes		Other Related Business Entities		
	Name	City		Name	City	Name	City	Type of Business
Chaim Rajchenbach	Grove Lincoln Park Living & Rehab Cent	Chicago	Ronald Shabat	The Grove of LaGrange Park	LaGrange Park	Legacy Healthcare Financial Services, LL	Skokie	Management Company
	Pine Acres Rehab & Living Center	DeKalb		Florence Nursing Home	Marengo	Legacy Real Properties, LLC	Skokie	Real Estate
	Astoria Place Living & Rehab	Chicago		The Fountain's	Marion	Grove Healthcare Properties, LLC	Skokie	Real Estate
	The Grove of Evanston	Evanston		Friendship Care Center - Herrin	Herrin	Shabat & Associates, LLC	Chicago	Management Company
	Grove North Living & Rehab Center	Chicago		City Care Center of Cobden	Cobden	JLR Management	Chicago	Management Company
	Elmbrook Nursing	Elmbrook		Grove Lincoln Park Living & Rehab Cent	Chicago			
	The Grove of LaGrange Park	LaGrange Park		Peterson Park Health Care Center	Chicago			
Menachem Shabat	Lakefront Nursing & Rehab Center	Chicago	Ridgeway Manor	Ridgeway				
	Grove Lincoln Park Living & Rehab Cent	Chicago	Sheridan Health Care Center	Zion				
	Astoria Place Living & Rehab	Chicago	Oak Grove Rehab & Skilled Care	Carbondale				
	The Grove of Evanston	Evanston	Astoria Place Living & Rehab	Chicago				
	Grove North Living & Rehab Center	Chicago	The Grove of Evanston	Evanston				
	The Grove of LaGrange Park	LaGrange Park	Grove North Living & Rehab Center	Chicago				
	Elmbrook Nursing	Elmbrook	Elmbrook Nursing	Elmbrook				
Jack Rajchenbach	Bridgeview Health Care Center	Bridgeview	Menachem Berger	The Grove of Evanston	Evanston			
	The Carlton at the Lake	Chicago	Jake Weiss	The Grove of Evanston	Elmbrook			
	Clark Manor Convalescent Center	Chicago						
	Springfield Terrace	Springfield	The Rajchenbach Family Trust	Grove Lincoln Park Living & Rehab Cent	Chicago			
	Tower Hill Healthcare Center	South Elgin		Grove North Living & Rehab Center	Chicago			
	Glenview Terrace Nursing Center	Glenview						
	The Imperial Grove Pavilion	Chicago	The Robert Hartman Family Tru	Grove Lincoln Park Living & Rehab Cent	Chicago			
	The Arc of Jacksonville, Ltd.	Jacksonville		Grove North Living & Rehab Center	Chicago			
	Grove Lincoln Park Living & Rehab Cent	Chicago						
	Peterson Park Health Care Center	Chicago						
	Grove North Living & Rehab Center	Chicago						
	Embassy Health Care Center	Wilmington						
	Whitehall North	Deerfield						
	Harmony Nursing & Rehab Center	Chicago						

SEE ACCOUNTANTS' COMPILATION REPORT

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. YES NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)
15	V	21 Clerical Salaries	\$ 200,000	Legacy Healthcare Financial Services, LLC	100.00%	\$ 66,239	\$ (133,761)
16	V	24 Travel and Seminar		Legacy Healthcare Financial Services, LLC	100.00%	456	456
17	V	25 Travel		Legacy Healthcare Financial Services, LLC	100.00%	32	32
18	V	26 Insurance Expense		Legacy Healthcare Financial Services, LLC	100.00%	291	291
19	V	27 Employee Benefits		Legacy Healthcare Financial Services, LLC	100.00%	13,886	13,886
20	V	30 Depreciation		Legacy Healthcare Financial Services, LLC	100.00%	514	514
21	V	32 Amortization		Legacy Healthcare Financial Services, LLC	100.00%	194	194
22	V	33 Real Estate Taxes		Legacy Healthcare Financial Services, LLC	100.00%	3,902	3,902
23	V	34 Rent Expense		Legacy Healthcare Financial Services, LLC	100.00%	22,895	22,895
24	V	35 Equipment Rental		Legacy Healthcare Financial Services, LLC	100.00%	97	97
25	V						
26	V						
27	V						
28	V						
29	V						
30	V						
31	V						
32	V						
33	V						
34	V						
35	V						
36	V						
37	V						
38	V						
39	Total		\$ 200,000			\$ 108,506	\$ * (91,494)

* Total must agree with the amount recorded on line 34 of Schedule VI.

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. YES NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:		
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)		
15	V	6 Repairs & Maintenance	\$	Legacy Real Properties, LLC	100.00%	\$ 2,812	\$	2,812	15
16	V	21 Office Supplies		Legacy Real Properties, LLC	100.00%	1,555		1,555	16
17	V	30 Depreciation Expense		Legacy Real Properties, LLC	100.00%	4,665		4,665	17
18	V	32 Interest Expense		Legacy Real Properties, LLC	100.00%	6,132		6,132	18
19	V	33 Taxes - Property	4,315	Legacy Real Properties, LLC	100.00%	4,315			19
20	V	34 Rent	22,481	Legacy Real Properties, LLC	100.00%			(22,481)	20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total		\$ 26,796			\$ 19,479	\$ *	(7,317)	39

* Total must agree with the amount recorded on line 34 of Schedule VI.

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. YES NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:		
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)		
15	V	6 Repairs and Maintenance	\$	Grove Healthcare Properties, LLC		\$ 4,223	\$	4,223	15
16	V	19 Computer Services		Grove Healthcare Properties, LLC		1,079		1,079	16
17	V	21 Bank Service Charges		Grove Healthcare Properties, LLC		7,485		7,485	17
18	V	30 Depreciation		Grove Healthcare Properties, LLC		2,068		2,068	18
19	V	32 Interest Expense		Grove Healthcare Properties, LLC		23,765		23,765	19
20	V	34 Rent	497,312	Grove Healthcare Properties, LLC		497,312			20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total		\$ 497,312			\$ 535,932	\$ *	38,620	39

* Total must agree with the amount recorded on line 34 of Schedule VI.

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. YES NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:		
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)		
15	V	17 Administrative Salary - Mgmt. Alloc.	\$	Shabat & Associates, LLC		\$ 344	\$	344	15
16	V	27 Employee Benefits - Mgmt. Alloc.		Shabat & Associates, LLC		27		27	16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total		\$			\$ 371	\$ *	371	39

* Total must agree with the amount recorded on line 34 of Schedule VI.

Facility Name & ID Number Grove Lincoln Park Living & Rehabilitation # 0050245 Report Period Beginning: 01/01/2010 Ending: 12/31/2010

VII. RELATED PARTIES (continued)

C. Statement of Compensation and Other Payments to Owners, Relatives and Members of Board of Directors.

NOTE: ALL owners (even those with less than 5% ownership) and their relatives who receive any type of compensation from this home must be listed on this schedule.

	1 Name	2 Title	3 Function	4 Ownership Interest	5 Compensation Received From Other Nursing Homes*	6 Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		7 Compensation Included in Costs for this Reporting Period**		8 Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1	Chaim Rajchenbach	Owner	Administrative	29.00	336,908	5	10.60	Mgmt. Salary	\$ 19,600	17(1)	1
2	Menachem Shabat	Owner	Administrative	29.00	336,908	5	10.60	Mgmt. Salary	49,676	17(1)	2
3	Ron Shabat	Owner	Administrative	15.50	199,656	2	5.71	Mgmt. Salary	344	17(1)	3
4											4
5											5
6											6
7											7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 69,620		13

* If the owner(s) of this facility or any other related parties listed above have received compensation from other nursing homes, attach a schedule detailing the name(s) of the home(s) as well as the amount paid. THIS AMOUNT MUST AGREE TO THE AMOUNTS CLAIMED ON THE THE OTHER NURSING HOMES' COST REPORTS.

** This must include all forms of compensation paid by related entities and allocated to Schedule V of this report (i.e., management fees). FAILURE TO PROPERLY COMPLETE THIS SCHEDULE INDICATING ALL FORMS OF COMPENSATION RECEIVED FROM THIS HOME, ALL OTHER NURSING HOMES AND MANAGEMENT COMPANIES MAY RESULT IN THE DISALLOWANCE OF SUCH COMPENSATION

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Grove Lincoln Park Living & Rehabilitation

0050245

Report Period Beginning:

01/01/2010

Ending: 2/31/2010

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES NO

B. Show the allocation of costs below. If necessary, please attach worksheets.

Name of Related Organization

Legacy Healthcare Financial Services, LLC

Street Address

7040 North Ridgeway Avenue

City / State / Zip Code

Lincolnwood, IL 60712

Phone Number

(847) 679-9797

Fax Number

(847) 679-3676

1	2	3	4	5	6	7	8	9		
Schedule V Line Reference	Item	Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6		
1	2	Food	Patient Days	304,581	10	\$ 926	\$ 32,284	\$ 98	1	
2	3	Housekeeping Salaries	Patient Days	304,581	10	6,838	6,838	32,284	725	2
3	3	Housekeeping Supplies	Patient Days	304,581	10	46		32,284	5	3
4	5	Utilities	Patient Days	304,581	10	21,580		32,284	2,288	4
5	6	Repairs & Maintenance	Patient Days	304,581	10	4,917		32,284	522	5
6	10	RN Salaries	Patient Days	304,581	10	56,573		32,284	5,996	6
7	17	Administrative Salary - Mgmt. All	Patient Days	304,581	10	134,800	134,800	32,284	14,288	7
8	19	Other Professional Fees	Patient Days	304,581	10	14,420		32,284	1,528	8
9	19	Accounting	Patient Days	304,581	10	7,058		32,284	748	9
10	19	Legal Fees	Patient Days	304,581	10	14,289		32,284	1,515	10
11	19	Data Processing	Patient Days	304,581	10	531		32,284	56	11
12	20	Dues, Licenses & Fees	Patient Days	304,581	10	15		32,284	2	12
13	21	Office Supplies	Patient Days	304,581	10	99,999		32,284	10,600	13
14	21	Clerical Salaries	Patient Days	304,581	10	624,930	624,930	32,284	66,239	14
15	24	Travel and Seminar	Patient Days	304,581	10	4,300		32,284	456	15
16	25	Travel	Patient Days	304,581	10	300		32,284	32	16
17	26	Insurance Expense	Patient Days	304,581	10	2,741		32,284	291	17
18	27	Employee Benefits	Patient Days	304,581	10	131,010		32,284	13,886	18
19	30	Depreciation	Bed Days Available	363,747	10	4,701		39,785	514	19
20	32	Amortization	Patient Days	304,581	10	1,827		32,284	194	20
21	33	Real Estate Taxes	Patient Days	304,581	10	36,809		32,284	3,902	21
22	34	Rent Expense	Patient Days	304,581	10	216,000		32,284	22,895	22
23	35	Equipment Rental	Patient Days	304,581	10	917		32,284	97	23
24										24
25	TOTALS					\$ 1,385,527	\$ 766,568		\$ 146,877	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number

Grove Lincoln Park Living & Rehabilitation

0050245

Report Period Beginning:

01/01/2010

Ending:

12/31/2010

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

A. Interest: (Complete details must be provided for each loan - attach a separate schedule if necessary.)

1	2	3	4	5	6	7	8	9	10											
										Name of Lender	Related**		Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense
											YES	NO				Original	Balance			
A. Directly Facility Related																				
Long-Term																				
1	CAPEX #3001		X	Capital Expenditures	\$10,186.00	10/23/08	\$ 482,205	\$ 292,518	10/01/13	0.0373	\$ 23,023	1								
2												2								
3												3								
4												4								
5												5								
Working Capital																				
6	Private Bank		X	Line of Credit	Varies	10/09/08		159,999	09/01/11	Variable	23,299	6								
7												7								
8												8								
9	TOTAL Facility Related				\$10,186.00		\$ 482,205	\$ 452,517			\$ 46,322	9								
B. Non-Facility Related*																				
10							Disallow non-allowable interest expense				(33)	10								
11							Allocated from Management Company				194	11								
12							Allocated from Real Estate Entity				6,132	12								
13							Allocated from Real Estate Entity				23,765	13								
14	TOTAL Non-Facility Related						\$	\$			\$ 30,058	14								
15	TOTALS (line 9+line14)						\$ 482,205	\$ 452,517			\$ 76,380	15								

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ N/A Line # N/A

* Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7.
(See instructions.)

SEE ACCOUNTANTS' COMPILATION REPORT

** If there is ANY overlap in ownership between the facility and the lender, this must be indicated in column 2.
(See instructions.)

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE (continued)

B. Real Estate Taxes

		Important, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.				
1. Real Estate Tax accrual used on 2009 report.				\$	119,338	1
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)	2009			\$	97,732	2
3. Under or (over) accrual (line 2 minus line 1).				\$	(21,606)	3
4. Real Estate Tax accrual used for 2010 report. (Detail and explain your calculation of this accrual on the lines below.)				\$	98,000	4
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. (Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)				\$		5
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund.			Allocated from Management Company		3,902	
TOTAL REFUND	\$	For	Tax Year.			(Attach a copy of the real estate tax appeal board's decision.)
	\$			\$		6
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.				\$	80,296	7
Real Estate Tax History:						
Real Estate Tax Bill for Calendar Year:	2005					8
	2006					9
	2007					10
	2008	115,863				11
	2009	97,732				12
2010 Accrual of \$98,000 based on 2009 Bill rounded (\$97,732 --> \$98,000)						
FOR BHF USE ONLY						
	13	FROM R. E. TAX STATEMENT FOR 2009	\$			13
	14	PLUS APPEAL COST FROM LINE 5	\$			14
	15	LESS REFUND FROM LINE 6	\$			15
	16	AMOUNT TO USE FOR RATE CALCULATION	\$			16

NOTES:

1. Please indicate a negative number by use of brackets(). Deduct any overaccrual of taxes from prior year.
2. If facility is a non-profit which pays real estate taxes, you must attach a denial of an application for real estate tax exemption unless the building is rented from a for-profit entity.
This denial must be no more than four years old at the time the cost report is filed.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Grove Lincoln Park Living & Rehabilitation

0050245

Report Period Beginning:

01/01/2010 Ending:

12/31/2010

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 22,325 B. General Construction Type: Exterior Brick Frame _____ Number of Stories 4

C. Does the Operating Entity? (a) Own the Facility (b) Rent from a Related Organization. (c) Rent from Completely Unrelated Organization.
 (Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions.)

D. Does the Operating Entity? (a) Own the Equipment (b) Rent equipment from a Related Organization. (c) Rent equipment from Completely Unrelated Organization.
 (Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions.)

E. List all other business entities owned by this operating entity or related to the operating entity that are located on or adjacent to this nursing home's grounds (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, CNA training facilities, etc.)
 List entity name, type of business, square footage, and number of beds/units available (where applicable).

None

F. Does this cost report reflect any organization or pre-operating costs which are being amortized? YES NO
 If so, please complete the following:

1. Total Amount Incurred: N/A 2. Number of Years Over Which it is Being Amortized: N/A
 3. Current Period Amortization: N/A 4. Dates Incurred: N/A

Nature of Costs: _____
 (Attach a complete schedule detailing the total amount of organization and pre-operating costs.)

XI. OWNERSHIP COSTS:

A. Land.

	1	2	3	4	
	Use	Square Feet	Year Acquired	Cost	
1	<u>Allocated from Legacy Real Properties</u>			\$ <u>8,918</u>	<u>1</u>
2					<u>2</u>
3	TOTALS			\$ 8,918	3

SEE ACCOUNTANTS' COMPILATION REPORT

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		
Beds*	FOR BHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
4	Allocated from Legacy Real Properties			\$ 69,091	\$		\$ 2,303	\$ 2,303	\$ 3,455	4
5										5
6										6
7										7
8										8
	Improvement Type**									
9	Office Remodel - carpeting & built in cabinets	2009		54,635	1,366	40	1,366		2,049	9
10	Satellite system purchase & installation	2009		11,600	290	40	290		435	10
11	New Roof	2009		34,325	858	40	858		1,287	11
12	1st Floor Remodel									12
13	- Flooring, wallpaper & paint, carpeting, permits, update	2009		32,473	812	40	812		1,218	13
14	survey & architectural drawings									14
15	Electrical work	2009		8,645	216	40	216		324	15
16	Painting, Decor & Wallcoverings	2009		104,931	2,623	40	2,623		3,935	16
17	2nd Floor Remodel	2009		108,080	2,702	40	2,722	20	4,171	17
18	- Built in resident room furniture, handrails & baseboards									18
19	Outdoor Improvements - Awnings, Red Stucco	2009		42,033	1,051	40	1,051		1,576	19
20	Landscaping	2009		36,271	907	40	907		1,360	20
21	- install new flower bed, remove existing cement sidewalk,									21
22	remove gravel base, install new gravel base, brick pavers,									22
23	tuckpointing, remove/repair and transplant existing									23
24	landscaping, install new landscaping and plants									24
25	Install new phone system	2009		21,675	542	40	542		813	25
26	Sprinkler system	2009		3,047	76	40	76		114	26
27	Lock installation	2009		10,773	269	40	269		404	27
28	Patient Room Update - built in resident room furniture	2009		65,040	1,626	40	1,626		2,437	28
29	Chandeliers	2009		2,542	64	40	64		96	29
30										30
31	Landscaping	2009		26,271	1,751	15	1,751		2,627	31
32	- install new flower bed, remove existing cement sidewalk,									32
33	remove gravel base, install new gravel base, brick pavers,									33
34	tuckpointing, remove/repair and transplant existing									34
35	landscaping, install new landscaping and plants									35
36										36

*Total beds on this schedule must agree with page 2.

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

See Page 12A, Line 70 for total

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Grove Lincoln Park Living & Rehabilitation

0050245

Report Period Beginning:

01/01/2010 Ending: 12/31/2010

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	
37	Install 2 cab systems in elevators	2009	\$ 16,042	\$ 401	40	\$ 401	\$	\$ 602	37
38	Window treatments, cubicle curtains	2009	2,564	64	40	64		96	38
39	Flooring	2009	15,995	400	40	400		600	39
40	Window treatments, cubicle curtains	2009	18,149	454	40	454		681	40
41	Installed new air cooled condensing unit	2009	3,500	88	40	88		132	41
42	Sidewalk extension	2009	3,985	100	40	100		150	42
43	4 Floors hand railings, baseboards, lights above beds	2009	10,120	253	40	253		380	43
44	Install new 30HO motor on fire pump	2009	3,844	96	40	96		144	44
45	Plumbing work	2009	7,751	194	40	194		291	45
46	Project design fee	2009	10,000	250	40	250		375	46
47									47
48	Installation of 19 jacks on 3rd floor	2010	2,578	32	40	32		32	48
49	New doors and trims, and window trims	2010	28,831	360	40	360		360	49
50	Doors and trims	2010	4,800	60	40	60		60	50
51	Resident room furniture	2010	14,135	177	40	177		177	51
52									52
53									53
54									54
55									55
56									56
57									57
58									58
59									59
60									60
61									61
62									62
63									63
64									64
65									65
66									66
67	Allocated from Legacy Real Properties		51,167			1,220	1,220	1,710	67
68	Allocated from Grove Healthcare Properties					2,068	2,068		68
69									69
70	TOTAL (lines 4 thru 69)		\$ 824,892	\$ 18,081		\$ 23,692	\$ 5,611	\$ 32,090	70

SEE ACCOUNTANTS' COMPILATION REPORT

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

XI. OWNERSHIP COSTS (continued)

C. Equipment Depreciation-Excluding Transportation. (See instructions.)

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	\$ 108,372	\$ 8,641	\$ 8,621	\$ (20)	3-10	\$ 16,810	71
72	Current Year Purchases	16,360	822	822			822	72
73	Fully Depreciated Assets							73
74	See Schedule 13A	20,660		1,656	1,656	5	2,146	74
75	TOTALS	\$ 145,392	\$ 9,463	\$ 11,099	\$ 1,636		\$ 19,778	75

D. Vehicle Depreciation (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76				\$	\$	\$	\$		\$	76
77	N/A									77
78										78
79										79
80	TOTALS			\$	\$	\$	\$		\$	80

E. Summary of Care-Related Assets

		1 Reference	2 Amount	
81	Total Historical Cost	(line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	\$ 979,202	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 27,544	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 34,791	83
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 7,247	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 51,868	85

**

F. Depreciable Non-Care Assets Included in General Ledger. (See instructions.)

	1 Description & Year Acquired	2 Cost	Current Book Depreciation 3	Accumulated Depreciation 4	
86		\$	\$	\$	86
87	N/A				87
88					88
89					89
90					90
91	TOTALS	\$	\$	\$	91

G. Construction-in-Progress

	Description	Cost	
92		\$	92
93	N/A		93
94			94
95		\$	95

* Vehicles used to transport residents to & from day training must be recorded in XI-F, not XI-D.

** This must agree with Schedule V line 30, column 8.

Grove at Lincoln Park Living and Rehab
 FYE: 12/31/2010
 Schedule 13A

Category of Equipment	Cost	Current Book Depreciation	Straight Line Depreciation	Adjustments	Component Life	Accumulated Depreciation
1 Allocation from LHFS, Inc	2,669		514	514	5	761
2 Allocated from Legacy Real Properties	17,991		1,142	1,142	5	1,385
Totals	20,660		1,656	1,656		2,146

See Accountants' Compilation Report

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: Park Terrace Partnership

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4?

If NO, see instructions. YES NO

		1 Year Constructed	2 Number of Beds	3 Original Lease Date	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:		<u>109</u>	<u>Sep-08</u>	\$ <u>497,312</u>			3
4	Additions							4
5								5
6	<u>Home Office Allocation</u>				<u>414</u>			6
7	TOTAL		109		\$ 497,726			7

10. Effective dates of current rental agreement:

Beginning 09/01/2008

Ending 08/31/2018

11. Rent to be paid in future years under the current rental agreement:

Fiscal Year Ending Annual Rent

12. 12/2011 \$ 537,097

13. 12/2012 \$ 543,728

14. 12/2013 \$ 563,621

8. List separately any amortization of lease expense included on page 4, line 34.

This amount was calculated by dividing the total amount to be amortized _____
by the length of the lease _____.

9. Option to Buy: YES NO Terms: _____*

B. Equipment-Excluding Transportation and Fixed Equipment. (See instructions.)

15. Is Movable equipment rental included in building rental?

YES NO

16. Rental Amount for movable equipment: \$ 14,546 Description: Nursing Equip:13,986; Dietary Equip.:463; Home Office Allocation: 97
(Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17	<u>Business</u>	<u>Toyota Land Cruiser</u>	\$ <u>1,199.99</u>	\$ <u>11,974</u>	17
18	<u>Business</u>	<u>Nissan Altima</u>	<u>410.89</u>	<u>4,956</u>	18
19	<u>Business</u>	<u>Lexus RX 350</u>	<u>700.00</u>	<u>8,400</u>	19
20					20
21	TOTAL		\$ 2,310.88	\$ 25,330	21

* If there is an option to buy the building, please provide complete details on attached schedule.

** This amount plus any amortization of lease expense must agree with page 4, line 34.

XIII. EXPENSES RELATING TO CERTIFIED NURSE AIDE (CNA) TRAINING PROGRAMS (See instructions.)

A. TYPE OF TRAINING PROGRAM (If CNAs are trained in another facility program, attach a schedule listing the facility name, address and cost per CNA trained in that facility.)

<p>1. HAVE YOU TRAINED CNAs DURING THIS REPORT PERIOD? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p> <p>It is the policy of this facility to only hire certified nurses aides. If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.</p>	<p>2. <u>CLASSROOM PORTION:</u></p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>COMMUNITY COLLEGE <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>	<p>3. <u>CLINICAL PORTION:</u></p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------

B. EXPENSES

ALLOCATION OF COSTS (d)

		Facility		3	4
		1	2		
		Drop-outs	Completed	Contract	Total
1	Community College Tuition	\$	\$	\$	\$
2	Books and Supplies				
3	Classroom Wages (a)				
4	Clinical Wages (b)				
5	In-House Trainer Wages (c)				
6	Transportation				
7	Contractual Payments				
8	CNA Competency Tests				
9	TOTALS	\$	\$	\$	\$
10	SUM OF line 9, col. 1 and 2 (e)	\$			

C. CONTRACTUAL INCOME

In the box below record the amount of income your facility received training CNAs from other facilities.

\$

D. NUMBER OF CNAs TRAINED

COMPLETED	
1. From this facility	
2. From other facilities (f)	
DROP-OUTS	
1. From this facility	
2. From other facilities (f)	
TOTAL TRAINED	

- (a) Include wages paid during the classroom portion of training. Do not include fringe benefits.
- (b) Include wages paid during the clinical portion of training. Do not include fringe benefits.
- (c) For in-house training programs only. Do not include fringe benefits.
- (d) Allocate based on if the CNA is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own CNAs.

- (e) The total amount of Drop-out and Completed Costs for your own CNAs must agree with Sch. V, line 13, col. 8.
 - (f) Attach a schedule of the facility names and addresses of those facilities for which you trained CNAs.
- SEE ACCOUNTANTS' COMPILATION REPORT**

XIV. SPECIAL SERVICES (Direct Cost) (See instructions.)

	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
1	Licensed Occupational Therapist	10A(3)	hrs	\$	8,632	\$ 535,175	\$	8,632	\$ 535,175	1
2	Licensed Speech and Language Development Therapist	10A(3)	hrs		679	42,079		679	42,079	2
3	Licensed Recreational Therapist	10A(3)	hrs							3
4	Licensed Physical Therapist		hrs		9,309	577,142		9,309	577,142	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	39(2)	# of prescripts				476,355		476,355	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Other (specify): <u>Oxygen</u>	39(2)					5,118		5,118	12
13	Other (specify): _____									13
14	TOTAL			\$	18,620	\$ 1,154,396	\$ 481,473	18,620	\$ 1,635,869	14

NOTE: This schedule should include fees (other than consultant fees) paid to licensed practitioners. Consultant fees should be detailed on Schedule XVIII-B. Salaries of unlicensed practitioners, such as CNAs, who help with the above activities should not be listed on this schedule.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Grove Lincoln Park Living & Rehabilitation# 0050245Report Period Beginning: 01/01/2010Ending: 12/31/2010

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2010

(last day of reporting year)

This report must be completed even if financial statements are attached.

		1 Operating	2 After Consolidation*	
A. Current Assets				
1	Cash on Hand and in Banks	\$	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance <u>29,430</u>)	<u>1,843,510</u>	<u>1,843,510</u>	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	<u>18,915</u>	<u>72,668</u>	6
7	Other Prepaid Expenses	<u>24,375</u>	<u>24,375</u>	7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): <u>See Sch17A</u>	<u>208,494</u>	<u>208,494</u>	9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ <u>2,095,294</u>	\$ <u>2,149,047</u>	10
B. Long-Term Assets				
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		<u>8,918</u>	13
14	Buildings, at Historical Cost		<u>69,091</u>	14
15	Leasehold Improvements, at Historical Cost	<u>712,426</u>	<u>755,801</u>	15
16	Equipment, at Historical Cost	<u>116,940</u>	<u>145,392</u>	16
17	Accumulated Depreciation (book methods)	<u>(44,557)</u>	<u>(51,868)</u>	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):			23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ <u>784,809</u>	\$ <u>927,334</u>	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ <u>2,880,103</u>	\$ <u>3,076,381</u>	25

		1 Operating	2 After Consolidation*	
C. Current Liabilities				
26	Accounts Payable	\$ <u>863,956</u>	\$ <u>863,956</u>	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	<u>206,257</u>	<u>206,257</u>	30
31	Accrued Taxes Payable (excluding real estate taxes)			31
32	Accrued Real Estate Taxes(Sch.IX-B)	<u>44,247</u>	<u>98,000</u>	32
33	Accrued Interest Payable			33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
Other Current Liabilities(specify):				
36	<u>Payroll Liabilities</u>	<u>(1,302,886)</u>	<u>(1,302,886)</u>	36
37	<u>See Sch17A</u>	<u>7,422</u>	<u>7,422</u>	37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ <u>(181,004)</u>	\$ <u>(127,251)</u>	38
D. Long-Term Liabilities				
39	Long-Term Notes Payable	<u>452,517</u>	<u>452,517</u>	39
40	Mortgage Payable			40
41	Bonds Payable			41
42	Deferred Compensation			42
Other Long-Term Liabilities(specify):				
43				43
44				44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$ <u>452,517</u>	\$ <u>452,517</u>	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ <u>271,513</u>	\$ <u>325,266</u>	46
47	TOTAL EQUITY(page 18, line 24)	\$ <u>2,608,590</u>	\$ <u>2,751,115</u>	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ <u>2,880,103</u>	\$ <u>3,076,381</u>	48

SEE ACCOUNTANTS' COMPILATION REPORT

*(See instructions.)

Grove at Lincoln Park Living and Rehabilitation Center, LLC
 Provider # 0050245
 01/01/10 to 12/31/10

Schedule 17A

XV: Special Services

Line 9 - Other Current Assets

	<u>Operating</u>	<u>After Consolidation</u>
Due from IDPA	114	114
Lease Deposit	372,500	372,500
Due to Medicare	472,798	472,798
Due from Legacy Charity	3,174	3,174
Due T/F Grove North	(787,672)	(787,672)
Due T/F Legacy	146,825	146,825
Due T/F Astoria	995	995
Due Lessor/Prior Owners	(2,230)	(2,230)
Due T/F Elmbrook	1,990	1,990
	<u>208,494</u>	<u>208,494</u>

Line 37 - Other Current Liabilities

	<u>Operating</u>	<u>After Consolidation</u>
Accrued FUTA	(7,440)	(7,440)
Union Dues Payable	18	18
	<u>(7,422)</u>	<u>(7,422)</u>

SEE ACCOUNTANTS' COMPILATION REPORT

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ 1,356,810	1
2	Restatements (describe):		2
3	Prior Period Adjustment	(50,000)	3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ 1,306,810	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	1,301,782	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants		11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	()	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe) Rounding	(2)	15
16	Other (describe)		16
17	TOTAL Additions (deductions) (sum of lines 7-16)	\$ 1,301,780	17
	B. Transfers (Itemize):		
18			18
19			19
20			20
21			21
22			22
23	TOTAL Transfers (sum of lines 18-22)	\$	23
24	BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)	\$ 2,608,590	24 *

* This must agree with page 17, line 47.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Grove Lincoln Park Living & Rehabilitation# 0050245Report Period Beginning: 01/01/2010Ending: 12/31/2010

XVII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required classifications of revenue and expense must be provided on this form, even if financial statements are attached.

Note: This schedule should show gross revenue and expenses. Do not net revenue against expense.

		1	
Revenue		Amount	
A. Inpatient Care			
1	Gross Revenue -- All Levels of Care	\$ 6,630,069	1
2	Discounts and Allowances for all Levels	2,724,269	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 9,354,338	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	223,882	6
7	Oxygen		7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 223,882	8
C. Other Operating Revenue			
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursements		11
12	Gift and Coffee Shop		12
13	Barber and Beauty Care		13
14	Non-Patient Meals		14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	1,693	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory		19
20	Radiology and X-Ray	97	20
21	Other Medical Services		21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 1,790	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income***	33	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 33	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28			28
28a	<u>Misc. Income</u>	428	28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 428	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 9,580,471	30

		2	
Expenses		Amount	
A. Operating Expenses			
31	General Services	945,054	31
32	Health Care	3,555,084	32
33	General Administration	2,182,965	33
B. Capital Expense			
34	Ownership	665,283	34
C. Ancillary Expense			
35	Special Cost Centers	870,593	35
36	Provider Participation Fee	59,710	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 8,278,689	40
41	Income before Income Taxes (line 30 minus line 40)**	1,301,782	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ 1,301,782	43

* This must agree with page 4, line 45, column 4.

** Does this agree with taxable income (loss) per Federal Income Tax Return? Yes If not, please attach a reconciliation.

*** See the instructions. If this total amount has not been offset against interest expense on Schedule V, line 32, please include a detailed explanation. SEE ACCOUNTANTS' COMPILATION REPORT

****Provide a detailed breakdown of "Other Revenue" on an attached sheet.

Facility Name & ID Number **Grove Lincoln Park Living & Rehabilitation**

0050245

Report Period Beginning: **01/01/2010**

Ending:

12/31/2010

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

(This schedule must cover the entire reporting period.)

	1	2**	3	4		
	# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage		
1	Director of Nursing	1,875	2,093	\$ 91,336	\$ 43.64	1
2	Assistant Director of Nursing	331	350	11,456	32.73	2
3	Registered Nurses	29,024	31,952	916,218	28.67	3
4	Licensed Practical Nurses	2,875	2,947	74,952	25.43	4
5	CNAs & Orderlies	56,001	61,219	742,980	12.14	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	5,271	5,616	83,898	14.94	8
9	Activity Director	2,385	2,529	35,657	14.10	9
10	Activity Assistants	8,627	9,201	128,325	13.95	10
11	Social Service Workers	2,177	2,275	43,366	19.06	11
12	Dietician	2,072	2,130	35,546	16.69	12
13	Food Service Supervisor					13
14	Head Cook	705	715	10,089	14.11	14
15	Cook Helpers/Assistants	13,145	14,333	163,854	11.43	15
16	Dishwashers					16
17	Maintenance Workers	2,334	2,413	36,744	15.23	17
18	Housekeepers	10,912	11,912	129,569	10.88	18
19	Laundry	4,322	4,590	67,587	14.72	19
20	Administrator	4,007	4,111	165,897	40.35	20
21	Assistant Administrator	4,697	4,823	131,891	27.35	21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	6,286	6,591	76,626	11.63	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator					29
30	Habilitation Aides (DD Homes)					30
31	Medical Records	1,884	2,052	31,060	15.14	31
32	Other Health Care(specify)					32
33	Other(specify)					33
34	TOTAL (lines 1 - 33)	158,930	171,852	\$ 2,977,051 *	\$ 17.32	34

* This total must agree with page 4, column 1, line 45.

** See instructions.

B. CONSULTANT SERVICES

	1	2	3		
	Number of Hrs. Paid & Accrued	Total Consultant Cost for Reporting Period	Schedule V Line & Column Reference		
35	Dietary Consultant	161	\$ 15,746	1(3)	35
36	Medical Director	Monthly	11,344	9(3)	36
37	Medical Records Consultant	40	5,152	10(3)	37
38	Nurse Consultant	Monthly	3,000	10(3)	38
39	Pharmacist Consultant	Monthly	5,176	10(3)	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant				44
45	Social Service Consultant	Monthly	9,672	12(3)	45
46	Other(specify) <u>MDS Consulting</u>	Monthly	9,340	10(3)	46
47					47
48					48
49	TOTAL (lines 35 - 48)	201	\$ 59,430		49

C. CONTRACT NURSES

	1	2	3		
	Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference		
50	Registered Nurses	1,302	\$ 70,323	10(3)	50
51	Licensed Practical Nurses				51
52	Certified Nurse Assistants/Aides				52
53	TOTAL (lines 50 - 52)	1,302	\$ 70,323		53

SEE ACCOUNTANTS' COMPILATION REPORT

Schedule 21A

XIX. SUPPORT SCHEDULES
 C. Professional Services

Vendor/Payee	Type	Amount
Much Shelist	Legal	899
AzulaySeiden Law Group	Legal	3,600
David J. Axelrod and Assoc.	Legal	1,136
Skidelsky and Associates	Legal	9,720
Elderlife Development LTD	Legal	10,868
Law Offices of Abraham Gutnicki	Legal	263
Scott & Kraus	Legal	3,023
Meyer Magence	Legal	3,125
RSM McGladrey	Accounting	29,663
Singer Networks	Network Solutions	23,458
Astoria	Recruitment	4,800
BCI Networks	Network Solutions	75
CES Consulting	Data Processing	579
Commitment Consulting	Data Processing	7,980
Dr. Rhonda Pomerantz	Medical Consultant	1,000
First Real Estate services	Appraisal	2,750
Health Data Systems	Data Processing	16
lit Sourcetech	Data Processing	590
ML Enterprizes	Purchasing Consultant	3,438
Media Mogul	Marketing Consulting	1,500
Personnel Planners	Unemployment Tax Consultant	645
Premier Medical consultants	Recruitment	5,000
Professional search network	Recruitment	4,688
Prospect resources	Recruitment	750
Web Sight Design	Web design	15,769
HDSI	Data Processing	26,217
TOTAL (agree to Schedule V, line 19, column 3)		161,549
Less: Marketing Consultant	MCD 6	(1,500)
Less: Non-Allowable Legal	MCD 11	(3,788)
Plus: Allocation from Management Company	MCD 4	3,847
Plus: Allocation from Real Estate Entity	MCD 13	1,079
TOTAL (agree to Schedule V, line 19, column 8)		161,187

SEE ACCOUNTANTS' COMPILATION REPORT

XIX-H. SUPPORT SCHEDULE - DEFERRED MAINTENANCE COSTS (which have been included in Sch. V, line 6, col. 3).
(See instructions.)

1	2	3	4	5	6	7	8	9	10	11	12	13
Improvement Type	Month & Year Improvement Was Made	Total Cost	Useful Life	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
1		\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
2												
3							N/A					
4												
5												
6												
7												
8												
9												
10												
11												
12												
13												
14												
15												
16												
17												
18												
19												
20	TOTALS	\$		\$	\$	\$	\$	\$	\$	\$	\$	\$

SEE ACCOUNTANTS' COMPILATION REPORT

