

Facility Name & ID Number Lexington of Streamwood

0037002 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	214	Skilled (SNF)	214	78,110	1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	214	TOTALS	214	78,110	7

B. Census-For the entire report period.

	1 Level of Care	2 Patient Days by Level of Care and Primary Source of Payment				
		3 Medicaid Recipient	4 Private Pay	5 Other	6 Total	
8	SNF			16,156	16,156	8
9	SNF/PED					9
10	ICF	46,141	4,778		50,919	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	46,141	4,778	16,156	67,075	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 85.87%

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 7/8/91

J. Was the facility purchased or leased after January 1, 1978?
YES Date New Construction NO

K. Was the facility certified for Medicare during the reporting year?
YES NO If YES, enter number of beds certified 214 and days of care provided 10,882

Medicare Intermediary National Government Services

IV. ACCOUNTING BASIS

ACCRUAL 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 Lexington of Streamwood # 0037002 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	398,957	35,912	19,877	454,746		454,746		454,746		1
2	Food Purchase		337,503		337,503		337,503	(17,166)	320,337		2
3	Housekeeping	374,153	36,470		410,623		410,623	401	411,024		3
4	Laundry	71,652	21,331		92,983		92,983		92,983		4
5	Heat and Other Utilities			260,767	260,767		260,767	10,322	271,089		5
6	Maintenance	27,302		120,639	147,941		147,941	61,022	208,963		6
7	Other (specify):* Alloc. From Mgmt Co							6,970	6,970		7
8	TOTAL General Services	872,064	431,216	401,283	1,704,563		1,704,563	61,549	1,766,112		8
	B. Health Care and Programs										
9	Medical Director			40,125	40,125		40,125		40,125		9
10	Nursing and Medical Records	4,253,464	278,583	49,148	4,581,195		4,581,195	63,372	4,644,567		10
10a	Therapy			1,180,117	1,180,117		1,180,117		1,180,117		10a
11	Activities	276,098	31,237	9,430	316,765		316,765		316,765		11
12	Social Services	221,330		37,542	258,872		258,872		258,872		12
13	CNA Training										13
14	Program Transportation										14
15	Other (specify):* Alloc. From Mgmt Co							8,686	8,686		15
16	TOTAL Health Care and Programs	4,750,892	309,820	1,316,362	6,377,074		6,377,074	72,058	6,449,132		16
	C. General Administration										
17	Administrative	124,097		1,290,603	1,414,700		1,414,700	(1,262,483)	152,217		17
18	Directors Fees										18
19	Professional Services			211,172	211,172		211,172	14,202	225,374		19
20	Dues, Fees, Subscriptions & Promotions			118,494	118,494		118,494	7,333	125,827		20
21	Clerical & General Office Expenses	415,949	37,503	40,790	494,242		494,242	385,695	879,937		21
22	Employee Benefits & Payroll Taxes			855,784	855,784		855,784	17,166	872,950		22
23	Inservice Training & Education			12,026	12,026		12,026	1,103	13,129		23
24	Travel and Seminar			4,479	4,479		4,479	1,971	6,450		24
25	Other Admin. Staff Transportation			1,138	1,138		1,138	20,929	22,067		25
26	Insurance-Prop.Liab.Malpractice			280,504	280,504		280,504	4,272	284,776		26
27	Other (specify):* Alloc. From Mgmt Co							76,412	76,412		27
28	TOTAL General Administration	540,046	37,503	2,814,990	3,392,539		3,392,539	(733,400)	2,659,139		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	6,163,002	778,539	4,532,635	11,474,176		11,474,176	(599,793)	10,874,383		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.

Facility Name & ID Number Lexington of Streamwood

#0037002

Report Period Beginning:

01/01/2010

Ending:

12/31/2010

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 1	Supplies 2	Other 3	Total 4					9	10	
	D. Ownership											
30	Depreciation			163,731	163,731		163,731	389,902	553,633			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			85,495	85,495		85,495	323,898	409,393			32
33	Real Estate Taxes							244,117	244,117			33
34	Rent-Facility & Grounds			1,630,121	1,630,121		1,630,121	(1,625,917)	4,204			34
35	Rent-Equipment & Vehicles			67,946	67,946		67,946	3,370	71,316			35
36	Other (specify):*											36
37	TOTAL Ownership			1,947,293	1,947,293		1,947,293	(664,630)	1,282,663			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		499,214		499,214		499,214		499,214			39
40	Barber and Beauty Shops			24,287	24,287		24,287		24,287			40
41	Coffee and Gift Shops			11,877	11,877		11,877		11,877			41
42	Provider Participation Fee			117,165	117,165		117,165		117,165			42
43	Other (specify):* Non-Allowable Cos			166,276	166,276		166,276	(166,276)				43
44	TOTAL Special Cost Centers		499,214	319,605	818,819		818,819	(166,276)	652,543			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	6,163,002	1,277,753	6,799,533	14,240,288		14,240,288	(1,430,699)	12,809,589			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	(6,247)	43		5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	(340)	30		9
10	Interest and Other Investment Income	(70,679)	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	(1,453)	43		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				18
19	Entertainment				19
20	Contributions	(6,500)	43		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(49,003)	43		24
25	Fund Raising, Advertising and Promotional	(56,725)	43		25
26	Income Taxes and Illinois Personal Property Replacement Tax	521	43		26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule See Pg 5A	(459,451)			29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (649,877)		\$	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)	(780,822)		34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (780,822)		36
	(sum of SUBTOTALS			
37	TOTAL ADJUSTMENTS (A) and (B))	\$ (1,430,699)		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

Lexington of Streamwood

ID# 0037002

Report Period Beginning: 01/01/2010

Ending: 12/31/2010

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference	
1	Diagnostics Managed Care	\$ (1,504)	43	1
2	Labs-Part A	(17,722)	43	2
3	X-Rays-Part A	(27,603)	43	3
4	Meals & Entertainment	(40)	43	4
5	Misc. Income	(1)	21	5
6	Reclass to Repairs & Maintenance	5,117	6	6
7	Collections	(4,454)	19	7
8	Out of period legal	(4,009)	19	8
9	Marketing Salary	(137,961)	21	9
10	Chamber of Commerce dues	(620)	20	10
11	Trust fees	(100)	43	11
12	Unrealized loss on FMV swap	(269,659)	43	12
13	Dues & Subscriptions Marketing	(895)	20	13
14				14
15				15
16				16
17				17
18				18
19				19
20				20
21				21
22				22
23				23
24				24
25				25
26				26
27				27
28				28
29				29
30				30
31				31
32				32
33				33
34				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	(459,451)		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
See attached Schedule B		See attached Schedule B		See Schedule 6B		

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: Adjustments for Related Organization Costs (7 minus 4)	
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization		
1	V	19 Professional fees	\$	Sambell of Streamwood Limited Partnership	**	\$ 200	\$ 200	1
2	V	30 Depreciation		Sambell of Streamwood Limited Partnership	**	342,199	342,199	2
3	V	32 Interest expense		Sambell of Streamwood Limited Partnership	**	375,044	375,044	3
4	V	32 Amortization of mortgage costs		Sambell of Streamwood Limited Partnership	**	2,293	2,293	4
5	V	33 Property taxes		Sambell of Streamwood Limited Partnership	**	238,121	238,121	5
6	V	34 Rental expense	1,630,121	Sambell of Streamwood Limited Partnership	**		(1,630,121)	6
7	V	43 Trust fees		Sambell of Streamwood Limited Partnership	**	100	100	7
8	V	43 Unrealized loss on interest rate swap		Sambell of Streamwood Limited Partnership	**	269,659	269,659	8
9	V							9
10	V							10
11	V			Lexington Health Care Center of Streamwood, Inc.				11
12	V			own 100% of Sambell of Streamwood Limited Partnership.				12
13	V							13
14	Total		\$ 1,630,121			\$ 1,227,616	\$ * (402,505)	14

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

Facility Name & ID Number Lexington of Streamwood# 0037002Report Period Beginning: 01/01/2010 Ending: 12/31/2010

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	3 Housekeeping supplies	\$	Royal Management Corp.	**	\$ 401	\$	401	15
16	V	5 Utilities - gas & electric		Royal Management Corp.	**	9,173		9,173	16
17	V	5 Utilities - water & sewer		Royal Management Corp.	**	261		261	17
18	V	5 Utilities - maintenance office		Royal Management Corp.	**	888		888	18
19	V	6 Management allocation - salaries		Royal Management Corp.	**	46,917		46,917	19
20	V	6 Repairs & maintenance		Royal Management Corp.	**	8,569		8,569	20
21	V	6 Scavenger & exterminating		Royal Management Corp.	**	419		419	21
22	V	6 Security service		Royal Management Corp.	**				22
23	V	7 Management allocation - employee benefits		Royal Management Corp.	**	6,970		6,970	23
24	V	10 Medical consultant		Royal Management Corp.	**	4,906		4,906	24
25	V	10 Management allocation - salaries		Royal Management Corp.	**	58,466		58,466	25
26	V	15 Management allocation - employee benefits		Royal Management Corp.	**	8,686		8,686	26
27	V	17 Management allocation - salaries		Royal Management Corp.	**	28,120		28,120	27
28	V	19 Computer consultant & supplies		Royal Management Corp.	**	15,543		15,543	28
29	V	19 Professional fees		Royal Management Corp.	**	6,922		6,922	29
30	V	20 Dues & subscriptions		Royal Management Corp.	**	701		701	30
31	V	23 Inservice Training		Royal Management Corp.	**	1,103		1,103	31
32	V	20 Advertising - help wanted		Royal Management Corp.	**	8,147		8,147	32
33	V	21 Management allocation - salaries		Royal Management Corp.	**	486,200		486,200	33
34	V	21 Bank charges		Royal Management Corp.	**	9,629		9,629	34
35	V	21 Office supplies & printing		Royal Management Corp.	**	12,673		12,673	35
36	V	21 Postage		Royal Management Corp.	**	4,553		4,553	36
37	V								37
38	V	** Certain owners of Lexington Health Care Center of Streamwood, Inc. own 100% or Royal Management Corp.							38
39	Total		\$			\$ 719,247	\$ *	719,247	39

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

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 Telephone	\$	Royal Management Corp.	**	\$ 10,602	\$	10,602	15	
16	V	24 Travel & seminar		Royal Management Corp.	**	1,971		1,971	16	
17	V	25 Auto expense		Royal Management Corp.	**	20,929		20,929	17	
18	V	26 Insurance general		Royal Management Corp.	**	4,272		4,272	18	
19	V	27 Management allocation - employee benefits		Royal Management Corp.	**	76,412		76,412	19	
20	V	30 Depreciation		Royal Management Corp.	**	48,043		48,043	20	
21	V	32 Interest		Royal Management Corp.	**	17,202		17,202	21	
22	V	32 Amortization of mortgage costs		Royal Management Corp.	**	38		38	22	
23	V	33 Property taxes		Royal Management Corp.	**	5,996		5,996	23	
24	V	34 Rent expense		Royal Management Corp.	**	4,204		4,204	24	
25	V	35 Equipment rental		Royal Management Corp.	**	1,249		1,249	25	
26	V	17 Management fees	1,290,603	Royal Management Corp.	**			(1,290,603)	26	
27	V	35 Auto Lease Expense		Royal Management Corp.	**	2,121		2,121	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	** Certain owners of Lexington Health Care Center of Streamwood, Inc. own 100% of Royal Management Corp.								38
39	Total		\$ 1,290,603			\$ 193,039	\$ *	(1,097,564)	39	

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

Lexington Health Care Center of Streamwood, Inc.
Provider # 0037002
1/1/10 - 12/31/10

Schedule B

VII. Related Parties

Owners

<u>Name</u>	<u>Ownership %</u>
James Samatas Discretionary Trust	22.33%
John Samatas Discretionary Trust	22.33%
Cynthia Thiem Discretionary Trust	22.34%
Jeffrey J. Bell Revocable Trust	8.25%
Lawrence W. Bell Revocable Trust	8.25%
David S. Bell Revocable Trust	8.25%
David S. Bell 2001 Trust	2.75%
Jeffrey J. Bell 2001 Trust	2.75%
Lawrence W. Bell 2001 Trust	2.75%

Related Nursing Homes

City

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 Chicago Ridge, Inc.	Chicago Ridge
Lexington Health Care Center of Wheeling, Inc.	Wheeling
Lexington Health Care Center of Orland Park, Inc.	Orland Park

Other Related Business Entities

Sambell of Streamwood Limited Partnership	Streamwood	Real Estate Partnership
Eastgate Manor	Algonquin	Supportive Living Facility
Vesta Management Group, LLC	Lombard	Management Company
Royal Management Corp.	Lombard	Management Company
Lexington Financial Services, L.L.C	Lombard	Finance Company
Lexington Square Life Care of Lombard, LLC	Lombard	Independent and Assisted Living
Samvest of Lombard II, LP	Lombard	Hotel

See Accountants' Compilation Report

Facility Name & ID Number

Lexington of Streamwood

0037002

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	James Samatas	Owner/officer	Administrative	23.33	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	\$ 10,153	L17, C7	1
2	John Samatas	Owner/officer	Admin/Plant Ops	22.33	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	8,751	L17, C7	2
3	Cynthia Thiem	Owner/officer	Administrative	22.34	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	9,217	L17, C7	3
4	Daniel Thiem	Executive VP	Administrative	0.00	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	2,636	L21, C7	4
5											5
6											6
7											7
8					Certain individuals work in excess of 40 hours per week						8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 30,757		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 Lexington of Streamwood# 0037002

Report Period Beginning:

01/01/2010Ending: 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

Name of Related Organization

Royal Management Corp.

Street Address

665 W. North Avenue, Suite 500

City / State / Zip Code

Lombard, IL 60148

Phone Number

(630) 458-4700

Fax Number

(630) 458-4796

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

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	3	Housekeeping supplies	Bed Days	718,010	10	\$ 3,682	\$ 78,110	\$ 401	1
2	5	Utilities - gas & electric	Bed Days	718,010	10	84,318	78,110	9,173	2
3	5	Utilities - water & sewer	Bed Days	718,010	10	2,399	78,110	261	3
4	5	Utilities - maintenance office	Bed Days	718,010	10	8,161	78,110	888	4
5	6	Management allocation - salaries	Bed Days	718,010	10	431,278	78,110	46,917	5
6	6	Repairs & maintenance	Bed Days	718,010	10	78,772	78,110	8,569	6
7	6	Scavenger & exterminating	Bed Days	718,010	10	3,848	78,110	419	7
8	6	Security service	Bed Days	718,010	10		78,110	0	8
9	7	Management allocation - employees	Bed Days	718,010	10	64,074	78,110	6,970	9
10	10	Medical consultant	Bed Days	718,010	10	45,100	78,110	4,906	10
11	10	Management allocation - salaries	Bed Days	718,010	10	537,439	78,110	58,466	11
12	15	Management allocation - employees	Bed Days	718,010	10	79,846	78,110	8,686	12
13	17	Management allocation - salaries	Bed Days	718,010	10	258,489	78,110	28,120	13
14	19	Computer consultant & supplies	Bed Days	718,010	10	142,872	78,110	15,543	14
15	19	Professional fees	Bed Days	718,010	10	63,628	78,110	6,922	15
16	20	Dues & subscriptions	Bed Days	718,010	10	6,440	78,110	701	16
17	23	Inservice Training	Bed Days	718,010	10	10,139	78,110	1,103	17
18	20	Advertising - help wanted	Bed Days	718,010	10	74,892	78,110	8,147	18
19	21	Management allocation - salaries	Bed Days	718,010	10	4,469,291	78,110	486,200	19
20	21	Bank charges	Bed Days	718,010	10	88,508	78,110	9,629	20
21	21	Office supplies & printing	Bed Days	718,010	10	116,497	78,110	12,673	21
22	21	Postage	Bed Days	718,010	10	41,854	78,110	4,553	22
23	21	Telephone	Bed Days	718,010	10	97,454	78,110	10,602	23
24	24	Travel and Seminar	Bed Days	718,010	10	18,117	78,110	1,971	24
25	TOTALS					\$ 6,727,098	\$	\$ 731,820	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of Streamwood

0037002

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 Royal Management Corp.
 Street Address 665 West North Avenue, Suite 500
 City / State / Zip Code Lombard ,IL 60148
 Phone Number (630) 458-4700
 Fax Number (630) 458-4796

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	25	Auto expense	Bed Days	718,010	10	\$ 192,388	\$ 78,110	\$ 20,929	1
2	26	Insurance general	Bed Days	718,010	10	39,272	78,110	4,272	2
3	27	Management allocation - employee	Bed Days	718,010	10	702,398	78,110	76,412	3
4	30	Depreciation - leasehold improv.	Bed Days	718,010	10	441,627	78,110	48,043	4
5	32	Interest	Bed Days	718,010	10	158,122	78,110	17,202	5
6	32	Amortization of mortgage costs	Bed Days	718,010	10	346	78,110	38	6
7	33	Property taxes	Bed Days	718,010	10	55,117	78,110	5,996	7
8	34	Rent expense	Bed Days	718,010	10	38,647	78,110	4,204	8
9	35	Equipment rental	Bed Days	718,010	10	11,478	78,110	1,249	9
10	35	Auto lease	Bed Days	718,010	10	19,500	78,110	2,121	10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS					\$ 1,658,895	\$	\$ 180,466	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number

Lexington of Streamwood

0037002

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		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						\$	\$			\$	1								
2											2								
3	Lexington Financial										3								
4	Services, L.L.C	X		Mortgage	Varies	5/22/08	6,734,000	6,419,755	1/1/33	Variable	375,044	4							
5							Interest on financing insurance permium				2,386	5							
	Working Capital																		
6	Shareholders	X		Working Capital	None	Various	1,154,048	7,432,938	Demand	Prime +1	83,109	6							
7	Bank of America		X	Working Capital	None	4/4/04	1,300,000		6/30/11	Prime/Libor		7							
8												8							
9	TOTAL Facility Related						\$ 9,188,048	\$ 13,852,693			\$ 460,539	9							
	B. Non-Facility Related*																		
10										Amortization of mortgage costs	2,331	10							
11										Interest income offset	(570)	11							
12										Allocated from management company	17,202	12							
13										Less: Shareholder interest	(70,109)	13							
14	TOTAL Non-Facility Related						\$	\$			\$ (51,146)	14							
15	TOTALS (line 9+line14)						\$ 9,188,048	\$ 13,852,693			\$ 409,393	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.			\$	514,800	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		\$	368,079	2
3. Under or (over) accrual (line 2 minus line 1).			\$	(146,721)	3
4. Real Estate Tax accrual used for 2010 report. (Detail and explain your calculation of this accrual on the lines below.)			\$	379,200	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.)		Allocated Mgmt. Co.		5,996	
			\$	21,140	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. TOTAL REFUND \$ 15,498 For Tax Year. (Attach a copy of the real estate tax appeal board's decision.)			\$	(15,498)	6
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.			\$	244,117	7
Real Estate Tax History:					
Real Estate Tax Bill for Calendar Year:	2005	449,212			8
	2006	443,467			9
	2007	492,792			10
	2008	500,084			11
	2009	368,079			12
See attached accrual worksheet					
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

2009 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Lexington of Streamwood COUNTY Cook

FACILITY IDPH LICENSE NUMBER 0037002

CONTACT PERSON REGARDING THIS REPORT Karen Gillis

TELEPHONE (630) 458-4700 FAX #: (630) 458-4796

A. Summary of Real Estate Tax Cost

Enter the tax index number and real estate tax assessed for 2009 on the lines provided below. Enter only the portion of the cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursing home property which is vacant, rented to other organizations, or used for purposes other than long term care must not be entered in Column D. Do not include cost for any period other than calendar year 2009.

	(A)	(B)	(C)	(D)
	<u>Tax Index Number</u>	<u>Property Description</u>	<u>Total Tax</u>	<u>Tax Applicable to Nursing Home</u>
1.	<u>06-25-300-006-0000</u>	<u>Land & Building</u>	\$ <u>368,079.06</u>	\$ <u>368,079.06</u>
2.	<u>Royal Management Corp(Samvest of Lombard II)</u>		\$ _____	\$ _____
3.	<u>05-01-202-019</u>	<u>Land & Building</u>	\$ <u>227,778.04</u>	\$ <u>5,996.00</u>
4.	_____	_____	\$ _____	\$ _____
5.	_____	_____	\$ _____	\$ _____
6.	_____	_____	\$ _____	\$ _____
7.	_____	_____	\$ _____	\$ _____
8.	_____	_____	\$ _____	\$ _____
9.	_____	_____	\$ _____	\$ _____
10.	_____	_____	\$ _____	\$ _____
TOTALS			\$ <u><u>595,857.10</u></u>	\$ <u><u>374,075.06</u></u>

B. Real Estate Tax Cost Allocations

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not directly used for nursing home services? X YES _____ NO

If YES, attach an explanation and a schedule which shows the calculation of the cost allocated to the nursing home. (Generally the real estate tax cost must be allocated to the nursing home based upon sq. ft. of space used.)

C. Tax Bills

Attach a copy of the original 2009 tax bills which were listed in Section A to this statement. Be sure to use the 2009 tax bill which is normally paid during 2010.

PLEASE NOTE: *Payment information from the Internet* or otherwise is *not considered acceptable tax bill documentation* . Facilities located in Cook County are required to provide copies of their original **second installment tax bill.**

Facility Name & ID Number Lexington of Streamwood

0037002

Report Period Beginning:

01/01/2010 Ending:

12/31/2010

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 83,942 B. General Construction Type: Exterior Concrete Block Frame Steel Number of Stories 3

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).

N/A

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: _____ 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>Resident Care</u>	<u>30,000</u>	<u>1991</u>	<u>\$ 211,400</u>	<u>1</u>
2	<u>Allocated from Management Compnay</u>		<u>2002</u>	<u>21,560</u>	<u>2</u>
3	TOTALS	30,000		\$ 232,960	3

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of Streamwood

0037002

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		
Beds*	FOR BHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
4	200	1991	1991	\$ 5,248,322	\$	35	\$ 149,952	\$ 149,952	\$ 2,924,065	4
5		1993	1993	105,236		35	3,007	3,007	52,618	5
6	14	1995	1995	82,650	2,361	35	2,361		36,601	6
7										7
8										8
	Improvement Type**									
9	Building Improvement	1993		7,336		35	210	210	3,669	9
10	Land Improvements	1995		7,000	233	15	233		7,000	10
11	Kitchen & Nurses Station	1996		12,316	352	35	352		5,103	11
12	Piping	1996		3,139	90	35	90		1,301	12
13	Basement remodeling	1997		20,204		10			20,204	13
14	Floor repairs	1997		555		10			555	14
15	Corner Guards	1997		998		10			998	15
16	Corner Guards	1998		3,563		10			3,563	16
17	Wiring	1998		2,050		10			2,050	17
18	Tile	1998		11,697		10			11,697	18
19	Patio	1999		12,012	801	15	801		8,876	19
20	Parking lot	2000		1,773	89	10	89		1,773	20
21	110-ton A/C unit	2000		6,923	346	10	346		6,922	21
22	Rods for bedside curtains	2000		5,872	294	10	294		5,872	22
23	Automatic doors	2000		1,300	65	10	65		1,300	23
24	Rehab project: carpeting, wallcovering, handrails, painting	2000		85,195	4,260	10	4,260		85,194	24
25	Compressor/tube bundles-cooling system	2001		12,921	1,292	10	1,292		12,275	25
26	Rehab project: resident rooms, corridors, dining room	2001		212,217	10,611	20	10,611		100,804	26
27	Parking lot	2002		29,288	2,929	10	2,929		24,895	27
28	Office area rehab	2002		26,991	1,350	20	1,350		11,473	28
29	Elevator interior upgrade	2002		1,120	112	10	112		962	29
30	Gazebo	2002		3,393	339	10	339		2,883	30
31	Elevator electronic curtains	2002		4,500	450	10	450		4,013	31
32	Door frame protector	2003		5,276	528	10	528		4,178	32
33	Rehab project-kitchen: carpeting, painting, wallcovering, wiring	2003		9,392	939	10	939		6,965	33
34	Roof	2003		29,950	1,498	20	1,498		10,609	34
35	Kitchen Sewer/Dishroom	2004		6,224	622	10	622		3,941	35
36	Compressor/tube bundles-cooling system	2004		14,737	737	20	737		4,667	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

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	Kitchen fire protection upgrade	2004	\$ 1,427	\$ 143	10	\$ 143	\$	\$ 964	37
38	Landscaping	2005	8,495	425	20	425		2,231	38
39	Kitchen renovation	2005	12,034	602	20	602		3,009	39
40	Lobby, lounge and reception renovation	2005	37,439	1,872	20	1,872		9,360	40
41	Therapy room renovation	2005	11,628	581	20	581		3,100	41
42	Create first floor therapy room	2005	44,781	2,239	20	2,239		13,434	42
43	Dialysis units	2005	66,426	3,535	20	3,535		19,443	43
44	Create transitional unit	2005	14,490	725	20	725		3,624	44
45	Alzheimers unit renovation	2005	5,910	296	20	296		1,775	45
46	Basement renovation	2005	46,561	2,328	20	2,328		12,028	46
47	Landscaping enhancement	2006	3,414	228	15	228		1,025	47
48	HVAC	2006	17,125	856	20	856		3,496	48
49	Door closer	2006	4,446	222	20	222		1,055	49
50	Blinds	2006	1,566	313	5	313		1,278	50
51	Employee lunch room rehab	2006	2,883	144	20	144		672	51
52	Storeroom door lock	2006	2,843	142	20	142		639	52
53	Dialysis Stations	2006	62,832	3,142	20	3,142		14,400	53
54	Fine dining	2006	7,650	382	20	382		1,752	54
55	Automatic door	2006	2,259	113	20	113		480	55
56	Landscaping	2007	10,606	530	20	530		1,634	56
57	Parking lot	2007	2,777	139	20	139		452	57
58	HVAC	2007	1,501	75	20	75		281	58
59	Painting Building	2007	16,150	808	20	808		2,760	59
60	Landscaping	2008	33,747	2,250	15	2,250		4,687	60
61	Common areas-metal doors	2008	7,055	353	20	353		971	61
62	Wanderguard	2008	3,882	194	20	194		582	62
63	Lawn Irrigation	2009	18,125	1,208	15	1,208		1,510	63
64	Landscaping	2009	3,138	209	15	209		348	64
65	Quick connectors	2009	9,375	469	20	469		782	65
66	1st floor admin office-heating,plumbing	2009	13,598	767	20	767		810	66
67	Fire alarm system	2009	5,271	264	20	264		264	67
68	Metal Doors-painting	2009	4,650	232	20	232		387	68
69	2nd Floor Remodel-carpentry	2009	33,503	838	40	838		1,466	69
70	TOTAL (lines 4 thru 69)		\$ 6,491,737	\$ 56,922		\$ 210,091	\$ 153,169	\$ 3,477,725	70

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Lexington of Streamwood

0037002

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	
1	Totals from Page 12A, Carried Forward		\$ 6,491,737	\$ 56,922		\$ 210,091	\$ 153,169	\$ 3,477,725	1
2	Patio Pergola	2009	7,930	793	10	793		1,057	2
3	Landscaping	2010	5,785	193	15	193		193	3
4	HVAC Quick connectors, admin office	2010	15,373	65	27	65		65	4
5	Lockers and Pantry-plumbing, tile	2010	14,809	107	27	107		107	5
6	Painting rooms	2010	7,887		27				6
7	Ramp repair	2010	3,240	36	15	36		36	7
8	Library/Lounge update-art, flooring	2010	8,356	51	27	51		51	8
9	Office changes	2010	48,949		27				9
10									10
11	Reconcile to Book Depreciation			342			(342)		11
12									12
13									13
14	Real Estate Entity								14
15	1st floor remodel-Carpentry, flooring, electrical, painting	2008	531,230		27	19,317	19,317	57,952	15
16	2nd Floor Remodel-Carpentry, Flooring, Electrical, painting	2008	487,332		27	17,721	17,721	35,442	16
17	Remodel special care units-carpentry, electrical, painting	2008	32,914		27	1,197	1,197	2,394	17
18	3rd floor remodel-carpentry, flooring, electrical, painting	2009	667,142		27	24,260	24,260	40,433	18
19									19
20									20
21	Mgmt Co.								21
22									22
23	Building-management company	2002	298,343		40	8,710	8,710	79,130	23
24	HVAC, electrical, security system-management company	2003	2,620		30	465	465	1,343	24
25	Key card system-management company	2004	412		20	20	20	131	25
26	VAC TX controls-management company	2005	125		20	6	6	37	26
27	Build Imp-management company	2006	91		5	6	6	25	27
28	Building Improvement Management Co.	2008	9,908		5	744	744	1,693	28
29	Building Improvement Management Co.	2009	745		15	49	49	63	29
30	Building Improvement Management Co.	2010	899		15	71	71	73	30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 8,635,827	\$ 58,509		\$ 283,902	\$ 225,393	\$ 3,697,950	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Lexington of Streamwood

0037002

Report Period Beginning:

01/01/2010

Ending:

12/31/2010

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	\$ 1,267,531	\$ 93,087	\$ 218,243	\$ 125,156	5	\$ 640,540	71
72	Current Year Purchases	155,818	12,135	13,516	1,381	5	13,516	72
73	Fully Depreciated Assets	61,158					61,158	73
74	Allocated from Mgmt Co.	317,168		31,784	31,784	5	249,360	74
75	TOTALS	\$ 1,801,675	\$ 105,222	\$ 263,543	\$ 158,321		\$ 964,574	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										77
78										78
79	Allocated from Mgmt Co.			46,725		6,188	6,188	5	32,892	79
80	TOTALS			\$ 46,725	\$	\$ 6,188	\$ 6,188		\$ 32,892	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)	\$ 10,717,187	81
82	Current Book Depreciation (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 163,731	82
83	Straight Line Depreciation (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 553,633	83
84	Adjustments (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 389,902	84
85	Accumulated Depreciation (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 4,695,416	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	CIP-Payroll office	\$ 11,190	92
93			93
94			94
95		\$ 11,190	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.

SEE ACCOUNTANTS' COMPILATION REPORT

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

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?

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:			\$			3
4	Additions						4
5							5
6	Allocated from Mgmt Co.			4,204			6
7	TOTAL			\$ 4,204			7

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: \$ 69,195 Description: Copier-\$11,932;Mailing System-\$60;Med Equip-\$15,058;Oxygen-\$39658;Dietary-\$1,238;Mgmt Co.-1,249

(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			\$	\$	17
18	Alloc. Mgmt Co.			2,121	18
19					19
20					20
21	TOTAL		\$	\$ 2,121	21

10. Effective dates of current rental agreement:

Beginning _____

Ending _____

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

Fiscal Year Ending Annual Rent

12. _____ /2011 \$ _____

13. _____ /2012 \$ _____

14. _____ /2013 \$ _____

* 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	\$	6,504	\$ 397,315	\$	6,504	\$ 397,315	1
2	Licensed Speech and Language Development Therapist	10A(3)	hrs		2,392	168,181		2,392	168,181	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	10A(3)	hrs		13,731	614,621		13,731	614,621	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				499,214		499,214	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Other (specify): _____									12
13	Other (specify): _____									13
14	TOTAL			\$	22,627	\$ 1,180,117	\$ 499,214	22,627	\$ 1,679,331	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 Lexington of Streamwood# 0037002Report 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	\$ 649,068	\$ 878,695	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance <u>405,850</u>)	1,579,342	1,579,342	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	2,566	2,566	6
7	Other Prepaid Expenses	4	4	7
8	Accounts Receivable (owners or related parties)	35,781	100,848	8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 2,266,761	\$ 2,561,455	10
B. Long-Term Assets				
11	Long-Term Notes Receivable			11
12	Long-Term Investments	67,884	67,884	12
13	Land		232,960	13
14	Buildings, at Historical Cost		5,353,558	14
15	Leasehold Improvements, at Historical Cost	1,248,288	3,282,269	15
16	Equipment, at Historical Cost	759,461	1,848,400	16
17	Accumulated Depreciation (book methods)	(867,807)	(4,695,416)	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):	11,190	11,190	22
23	Other(specify): <u>Mortgage cost</u>		51,340	23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 1,219,016	\$ 6,152,185	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 3,485,777	\$ 8,713,640	25

		1 Operating	2 After Consolidation*	
C. Current Liabilities				
26	Accounts Payable	\$ 480,027	\$ 480,027	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable	7,432,938	7,432,938	29
30	Accrued Salaries Payable	452,557	452,557	30
31	Accrued Taxes Payable (excluding real estate taxes)	6,398	6,398	31
32	Accrued Real Estate Taxes(Sch.IX-B)		379,200	32
33	Accrued Interest Payable		30,894	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
Other Current Liabilities(specify):				
36	<u>See Schedule 17A</u>	7,912,499	1,956,470	36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 16,284,419	\$ 10,738,484	38
D. Long-Term Liabilities				
39	Long-Term Notes Payable			39
40	Mortgage Payable		6,419,755	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)	\$	\$ 6,419,755	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 16,284,419	\$ 17,158,239	46
47	TOTAL EQUITY(page 18, line 24)	\$ (12,798,642)	\$ (8,444,599)	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 3,485,777	\$ 8,713,640	48

SEE ACCOUNTANTS' COMPILATION REPORT

*(See instructions.)

Lexington Health Care Center of Streamwood, Inc.
Provider # 0037002
1/1/10-12/31/10

Schedule 17A

XV. Balance Sheet
C. Current Liabilities

36. Other current liabilities

<u>Description</u>	<u>Operating</u>	<u>After Consolidation</u>
Due from LHCC Schaumburg	-	1,645
Due from remodeling	64,705	64,705
Interest rate swap		957,911
Escrow insurance	560,421	560,421
Accrued Expenses	52,498	52,498
Due to patient trust fund	30,549	30,549
Accrued Rent	6,915,585	-
Deferred Income	351,969	351,969
Due to/from LHCC Wheeling	4,636	4,636
Due to-Royal Operations	31,862	31,862
Due to Republic Construction of Illinois	10,323	10,323
Advance biweekly Part A payments	(60,937)	(60,937)
Uncollectible Part A Co. Pvts	(49,112)	(49,112)
	<u>7,912,499</u>	<u>1,956,470</u>

See Accountants' Compilation Report

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ (11,774,593)	1
2	Restatements (describe):		2
3			3
4	Post closing adjustment	(236,867)	4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ (12,011,460)	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	(787,182)	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)		15
16	Other (describe)		16
17	TOTAL Additions (deductions) (sum of lines 7-16)	\$ (787,182)	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)	\$ (12,798,642)	24 *

* This must agree with page 17, line 47.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of Streamwood# 0037002Report 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	\$ 18,206,541	1
2	Discounts and Allowances for all Levels	(8,371,449)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 9,835,092	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	2,718,839	6
7	Oxygen	45,173	7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 2,764,012	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	9,157	12
13	Barber and Beauty Care	26,687	13
14	Non-Patient Meals	1	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	520,591	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	116,998	19
20	Radiology and X-Ray		20
21	Other Medical Services	180,359	21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 853,793	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income***	208	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 208	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28	<u>Miscellaneous Income</u>	1	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 1	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 13,453,106	30

		2	
Expenses		Amount	
A. Operating Expenses			
31	General Services	1,704,563	31
32	Health Care	6,377,074	32
33	General Administration	3,392,539	33
B. Capital Expense			
34	Ownership	1,947,293	34
C. Ancillary Expense			
35	Special Cost Centers	701,654	35
36	Provider Participation Fee	117,165	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 14,240,288	40
41	Income before Income Taxes (line 30 minus line 40)**	(787,182)	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ (787,182)	43

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

** Does this agree with taxable income (loss) per Federal Income Tax Return? No If not, please attach a reconciliation.
Entity is a cash basis tax payer

*** 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 **Lexington of Streamwood**

0037002

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	2,133	2,241	\$ 149,227	\$ 66.59	1
2	Assistant Director of Nursing	11,918	12,965	468,717	36.15	2
3	Registered Nurses	36,998	40,554	1,225,107	30.21	3
4	Licensed Practical Nurses	37,738	40,961	956,619	23.35	4
5	CNAs & Orderlies	108,052	114,117	1,298,477	11.38	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	9,911	10,728	125,557	11.70	8
9	Activity Director					9
10	Activity Assistants	19,121	20,616	276,098	13.39	10
11	Social Service Workers	10,920	11,591	221,330	19.09	11
12	Dietician	913	996	19,006	19.08	12
13	Food Service Supervisor	2,043	2,161	43,919	20.32	13
14	Head Cook	2,093	2,300	36,111	15.70	14
15	Cook Helpers/Assistants	14,176	15,106	128,464	8.50	15
16	Dishwashers	18,944	20,336	171,457	8.43	16
17	Maintenance Workers	1,615	1,750	27,302	15.60	17
18	Housekeepers	37,907	41,301	374,153	9.06	18
19	Laundry	7,492	8,279	71,652	8.65	19
20	Administrator	1,490	1,666	124,097	74.49	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	16,230	17,256	277,988	16.11	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	1,811	1,891	29,761	15.74	31
32	Other Health Care(specify)					32
33	Other(specify) <u>Marketing</u>	3,016	3,548	137,960	38.88	33
34	TOTAL (lines 1 - 33)	344,521	370,363	\$ 6,163,002 *	\$ 16.64	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	363	\$ 19,877	1(3)	35
36	Medical Director	Monthly	40,125	9(3)	36
37	Medical Records Consultant	35	1,950	10(3)	37
38	Nurse Consultant	Monthly	5,325	10(3)	38
39	Pharmacist Consultant	Monthly	11,980	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	110	5,371	11(3)	44
45	Social Service Consultant	93	4,726	12(3)	45
46	Other(specify) <u>Psychosocial</u>	9	1,728	12(3)	46
47	<u>Pulmonary</u>	Monthly	29,893	10(3)	47
48	<u>Medical Consultant</u>	Monthly	4,906	10(7)	48
49	TOTAL (lines 35 - 48)	610	\$ 125,881		49

C. CONTRACT NURSES

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of Streamwood

0037002

Report Period Beginning: 01/01/2010

Ending: 12/31/2010

XIX. SUPPORT SCHEDULES

A. Administrative Salaries				D. Employee Benefits and Payroll Taxes			F. Dues, Fees, Subscriptions and Promotions	
Name	Function	Ownership %	Amount	Description	Amount	Description	Amount	
Gina McCarthy	Administrator		\$ 124,097	Workers' Compensation Insurance	\$ 101,821	IDPH License Fee	\$ 995	
				Unemployment Compensation Insurance	53,540	Advertising: Employee Recruitment	13,080	
				FICA Taxes	447,855	Health Care Worker Background Check		
				Employee Health Insurance	202,980	(Indicate # of checks performed <u>118</u>)	1,413	
				Employee Meals	17,166	Patient Background Checks <u>230</u>	2,754	
				Illinois Municipal Retirement Fund (IMRF)*		Miscellaneous Licenses & Fees	2,368	
				<u>401K</u>	22,874	Miscellaneous Dues & Subscriptions	1,785	
				Other Employee Benefits	26,714	Employment Fees	96,099	
						Less: Chamber of Commerce Dues & Mkt	(1,515)	
						Allocated from Mgmt Co.	8,848	
						Less: Public Relations Expense	()	
						Non-allowable advertising	()	
						Yellow page advertising	()	
TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.)			\$ 124,097	TOTAL (agree to Schedule V, line 22, col.8)		TOTAL (agree to Sch. V, line 20, col. 8)		
				\$ 872,950		\$ 125,827		
B. Administrative - Other				E. Schedule of Non-Cash Compensation Paid to Owners or Employees			G. Schedule of Travel and Seminar**	
Description			Amount	Description	Line #	Amount	Description	Amount
Management Fees-Royal Operating			\$ 890,791	N/A			Out-of-State Travel	\$
Management Fees-Vesta Mgmt.			399,812					
							In-State Travel	
TOTAL (agree to Schedule V, line 17, col. 3) (Attach a copy of any management service agreement)			\$ 1,290,603				Seminar Expense	4,479
							Alloc. From Mgmt Co.	1,971
							Entertainment Expense	()
							(agree to Sch. V, line 24, col. 8)	
C. Professional Services				TOTAL			TOTAL	
Vendor/Payee	Type		Amount					
Action Computer Service	Computer Consulting		\$ 597					
BSKLIVE Inc.	Computer Consulting		4,219					
Bridgepoint Technologies	Computer Consulting		1,247					
Cimco Communications	Computer Consulting		46					
Efax Corporate	Computer Consulting		2,008					
Elton Designs Inc.	Computer Consulting		1,265					
Information Control	Computer Consulting		1,156					
Krakau Business	Computer Consulting		349					
Lanac Technology	Computer Consulting		2,846					
Lintech LLC	Computer Consulting		5,968					
Micro Center A/R	Computer Consulting		19					
See Sch 21C			191,452					
TOTAL (agree to Schedule V, line 19, column 3) (If total legal fees exceed \$5,000, attach copy of invoices.)			\$ 211,172	\$			\$ 6,450	

* Attach copy of IMRF notifications
SEE ACCOUNTANTS' COMPILATION REPORT

**See instructions.

XIX. Support Schedules

C. Professional Services

Vendor/Payee	Type	Amount
E-Health Data Solutions	Computer Consulting	2,594
Microsoft Licensing	Computer Consulting	4,119
MNJ Technologies	Computer Consulting	174
National Datacare	Computer Consulting	2,454
Red Sky Technologies	Computer Consulting	273
RSM McGladrey	Computer Consulting	8,486
Silverchair Learning Systems	Computer Consulting	4,200
SPM Marketing	Computer Consulting	877
Telemedicine Solutions	Computer Consulting	4,750
TouchPoint Care	Computer Consulting	500
Vision Share, Inc.	Computer Consulting	1,039
Xclutel Communications	Computer Consulting	287
XO Communications	Computer Consulting	1,211
Warehouse Direct	Computer Consulting	108
TouchPoint Care	Computer Consulting	400
Shaker Recruitment Advertising	Computer Consulting	30
Grabowski Law Center	Collections	4,454
Cassiday Schade,LLP	Legal	106,427
Chicago Legal Clinic	Legal	894
Illinois Secretary of State	Filing Fees	100
Jean Adams	Legal	500
McGladrey & Pullen, LLP	Accounting	32,304
Medcor, Inc.	Healthcare	250
Much Shelist	Legal	5,850
Personnel Planners	U/C Consulting	2,440
Pension Administrators	Pension Administration	976
RSM McGladrey	Accounting	5,755
		<u>191,452</u>
Schedule V, line 19, column 3		211,172
Collection fees		(3,727)
Out of period legal		(4,736)
Sambell of Streamwood Secretary of State		200
Samvest of Lombard Legal		285
Accounting		105
		-
Allocated from Mgmt Co. Serpico,Petrosino, Dipiero	Legal	119
Duane Morris	Legal	240
McGladrey & Pullen	Accounting	968
RSM McGladrey	Accounting	791
Illinois Secretary of State	Filing Fees	50
LaSalle Network	Recruiting/Finance	1,194
Gilson Labus & Silverman	KEP	767
KMZ Rosenmann	KEP	124
Pension Administrators, Inc.	401K Administration	219
Aijilon Professional Staffing	Accounting	975
Personnel Planners, Inc.	Unemployment Consulting	25
Quattrochi and Parker	Social Service Consulting	25
Gene Whitehorn	Medicaid Reimb Specialist	1,035
Computer Services	Computer Consulting	15,543
Schedule V, line 19, column 8		225,374
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	Amount of Expense Amortized Per Year								
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

Facility Name & ID Number Lexington of Streamwood# 0037002Report Period Beginning: 01/01/2010 Ending: 12/31/2010**XX. GENERAL INFORMATION:**

- (1) Are nursing employees (RN,LPN,NA) represented by a union? No
- (2) Are there any dues to nursing home associations included on the cost report? No
If YES, give association name and amount. N/A
- (3) Did the nursing home make political contributions or payments to a political action organization? Yes If YES, have these costs been properly adjusted out of the cost report? Yes
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? N/A
- (5) Have you properly capitalized all major repairs and equipment purchases? Yes
What was the average life used for new equipment added during this period? 5 Years
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 53,946 Line 10
- (7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? Yes If NO, attach a complete explanation.
- (8) Are you presently operating under a sale and leaseback arrangement? No
If YES, give effective date of lease. N/A
- (9) Are you presently operating under a sublease agreement? YES X NO
- (10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES No NO X If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over. N/A
- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 117,165
This amount is to be recorded on line 42 of Schedule V.
- (12) Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee? No If YES, attach an explanation of the allocation.
- (13) Have costs for all supplies and services which are of the type that can be billed to the Department, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? Yes
- (14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? No For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions.
- (15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. \$ 17,166 Has any meal income been offset against related costs? No Indicate the amount. \$ N/A
- (16) Travel and Transportation
a. Are there costs included for out-of-state travel? No
If YES, attach a complete explanation.
b. Do you have a separate contract with the Department to provide medical transportation for residents? N/A If YES, please indicate the amount of income earned from such a program during this reporting period. \$ N/A
c. What percent of all travel expense relates to transportation of nurses and patients? 0%
d. Have vehicle usage logs been maintained? Adequate records have been maintained.
e. Are all vehicles stored at the nursing home during the night and all other times when not in use?
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? N/A
g. Does the facility transport residents to and from day training? No
Indicate the amount of income earned from providing such transportation during this reporting period. \$ N/A
- (17) Has an audit been performed by an independent certified public accounting firm? No
Firm Name: N/A
- (18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? Yes
- (19) If total legal fees are in excess of \$5,000, have legal invoices and a summary of services performed been attached to this cost report? Yes
Attach invoices and a summary of services for all architect and appraisal fees.

SEE ACCOUNTANTS' COMPILATION REPORT