

Facility Name HERITAGE WOODS OF MCHENRY

Report Period Beginning: 01/01/2016 Ending: 12/31/2016

III. STATISTICAL DATA

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

Date of change in certified units / /

	1	2	3	4	
	Units at Beginning of Report Period	Type of Apartment	Units at End of Report Period	Unit Days During Report Period	
1	100	Single Unit Apartment	100	36,600	1
2		Double Unit Apartment			2
3		Other			3
4	100	TOTALS	100	36,600	4

B. Census-For the entire report period.

	1 Type of Unit	2 3 4 Resident Days by Unit and Primary Source of Payment			5	
		Medicaid Recipient	Private Pay	Other		
5	Single Unit	33,080	3,464		36,544	5
6	Double Unit					6
7	Other					7
8	TOTALS	33,080	3,464		36,544	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 99.85%

D. Indicate the number of paid bed-hold days the SLF had during this year

838 Also, indicate the number of unpaid bed-hold days the SLF had during this year. (Do not include bed-hold days in Section B.)

E. Does page 3 include expenses for services or investments not directly related to SLF services?

YES NO

F. Does the BALANCE SHEET reflect any non-SLF assets?

YES NO

G. List all services provided by your facility for non-residents. (E.g., day care, "meals on wheels", outpatient therapy)

H. ACCOUNTING BASIS

ACCRUAL MODIFIED CASH* CASH*

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

Tax Year: 2016 Fiscal Year: 2016

* All facilities other than governmental must report on the accrual basis.

J. Does the facility have any Illinois Housing Development Authority Loans outstanding? NO If yes, did the facility make all of the required payments of interest and principle?
If no, explain.

K. Does the facility have any loans from the Federal Home Loan Bank outstanding? NO If yes, did the facility make all of the required payments of interest and principle?
If no, explain.

L. Does the facility have any loans from the IL Dept of Commerce and Economic Opportunity outstanding? NO If yes, did the facility make all of the required payments of interest and principle?
If no, explain.

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

Operating Expenses		Costs Per General Ledger				Reclassifications and Adjustments	Adjusted Total	
		Salary/Wage 1	Supplies 2	Other 3	Total 4			
A. General Services								
1	Dietary and Food Purchase	260,370	170,815	1,813	432,998		432,998	1
2	Housekeeping, Laundry and Maintenance	108,532	34,736	40,442	183,710		183,710	2
3	Heat and Other Utilities			135,789	135,789	(33,419)	102,370	3
4	Other (specify): See Page 3 Attachment			13,162	13,162		13,162	4
5	TOTAL General Services	368,902	205,551	191,206	765,659	(33,419)	732,240	5
B. Health Care and Programs								
6	Health Care/ Personal Care	481,525	14,429		495,954		495,954	6
7	Activities and Social Services	38,049	10,393		48,442		48,442	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	519,574	24,822		544,396		544,396	9
C. General Administration								
10	Administrative and Clerical	176,927	31,471	254,606	463,004	(24,022)	438,982	10
11	Marketing Materials, Promotions and Advertising	69,424	6,644	50,210	126,278		126,278	11
12	Employee Benefits and Payroll Taxes			247,837	247,837		247,837	12
13	Insurance-Property, Liability and Malpractice			45,337	45,337		45,337	13
14	Other (specify): See Page 3 Attachment			336,170	336,170	(2,105)	334,065	14
15	TOTAL General Administration	246,351	38,115	934,160	1,218,626	(26,127)	1,192,499	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	1,134,827	268,488	1,125,367	2,528,682	(59,546)	2,469,136	16
Capital Expenses								
D. Ownership								
17	Depreciation			507,376	507,376		507,376	17
18	Interest			701,144	701,144	(2,430)	698,714	18
19	Real Estate Taxes			98,058	98,058		98,058	19
20	Rent -- Facility and Grounds							20
21	Rent -- Equipment			10,934	10,934		10,934	21
22	Other (specify): See Page 3 Attachment			524,640	524,640		524,640	22
23	TOTAL Ownership			1,842,152	1,842,152	(2,430)	1,839,722	23
24	GRAND TOTAL (Sum of lines 16 and 23)	1,134,827	268,488	2,967,518	4,370,833	(61,976)	4,308,857	24

Facility Name: HERITAGE WOODS OF MCHENRY

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	Inc line 12	\$ Inc line 1	1
2	Licensed Practical Nurses	1	25.05	2
3	Certified Nurse Assistants	15	11.47	3
4	Activity Director & Assistants	Inc line 12	Inc line 1	4
5	Social Service Workers			5
6	Head Cook			6
7	Cook Helpers/Assistants	10	9.93	7
8	Dishwashers			8
9	Maintenance Workers	Inc line 12	Inc line 1	9
10	Housekeepers	2	10.00	10
11	Laundry			11
12	Managers	4	24.30	12
13	Other Administrative	5	20.71	13
14	Clerical	Inc line 13	Inc line 1	14
15	Marketing	Inc line 12	Inc line 1	15
16	Other			16
17	Total (lines 1 thru 16)	37	\$	17

VI. (A) STATEMENT OF COMPENSATION AND OTHER PAYMENTS TO OWNERS, RELATIVES AND MEMBERS OF THE BOARD OF DIRECTORS.

	NAME and FUNCTION	Ownership Interest	Average Hours Per Work Week Devoted to this Business	Amount of Compensation for this Reporting Period		
1				\$	1	
2					2	
3					3	
4					4	
5					5	
				Total	\$	6

VI. (B) Management fees paid to unrelated parties

		Amount of Fee		
1	Gardant Management Solutions	\$ 164,115	1	
2			2	
		Total	\$ 164,115	3

VII. RELATED ORGANIZATIONS

A. Enter below the names of all related organizations. Attach an additional schedule if necessary.

RELATED SLF's & HEALTH CARE BUSINESSES

Name	1	City	2
_____		_____	
_____		_____	
_____		_____	

OTHER RELATED BUSINESS ENTITIES

Name	3	City	4	Type of Business	5
_____		_____		_____	
_____		_____		_____	
_____		_____		_____	

B. Does your facility receive services from a parent organization or home office; the costs for which were not included on page 3? YES NO

Name of related entity: _____ If yes, what is the value of those services? \$ _____
(Please attach a separate schedule itemizing those services.)

C. Does page 3 include any costs derived from transactions (including rent) with related parties? YES NO

If so, please attach a separate schedule detailing the nature of those services, their costs as they appear on your books and the underlying cost to the related party (i.e., not including markup).

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VIII. OWNERSHIP COSTS

A. Purchase price of land 1,030,680 Year land was acquired 2008

B. Building Depreciation -- Including Fixed Equipment. Round all numbers to the nearest dollar.

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

	1 Units*	FOR BHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	100			2008	\$ 11,273,977	\$ 409,963	27.5	\$ 409,963	\$ (0)	\$ 3,501,766	1
2											2
3											3
4											4
5											5
Improvement Type											
6		Leasehold Improvements			1,504,099	88,892	15	100,273	11,381	926,826	6
7											7
8											8
9											9
10											10
11											11
12											12
13											13
14											14
15											15
16											16
17	TOTAL (lines 1 thru 16)				\$ 12,778,076	\$ 498,855		\$ 510,236	\$ 11,381	\$ 4,428,592	17

C. Equipment Depreciation -- Including Transportation.

	Type	1 Cost	2 Current Book Depreciation	3 Straight Line Depreciation	4 Adjustments	5 Life in Years	6 Accumulated Depreciation	
18	Movable Equipment	\$ 696,478	\$ 8,520	\$ 139,296	130,775	5	\$ 683,699	18
19	Vehicles				\$		-	19
20	TOTAL (lines 18 and 19)	\$ 696,478	\$ 8,520	\$ 139,296	130,775		\$ 683,699	20

D. Depreciable Non-Care Assets Included in General Ledger.

	1 Description and Year Acquired	2 Cost	3 Current Book Depreciation	4 Accumulated Depreciation	
21		\$	\$	\$	21
22					22
23					23
24	TOTALS (lines 21, 22 and 23)	\$	\$	\$	24

Facility Name: **HERITAGE WOODS OF MCHENRY**

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Ending: **2/31/2016**

IX. RENTAL COSTS

A. Building and Fixed Equipment

1. Name of Party Holding Lease: _____

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4? YES NO

		1	2	3	4	5	6	
		Year Constructed	Number of Units	Date of Lease	Rental Amount	Total Yrs. of Lease	Total Years Renewal Option*	
3	Original Building			/ /	\$			3
4	Additions			/ /				4
5				/ /				5
6				/ /				6
7	TOTAL				\$			7

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

9. Rental amount for movable equipment \$ _____

10. If the facility rents any vehicles which are used for care-related purposes, please attach a schedule detailing the model year and make, the rental expense for this period and the use of the vehicle.

X. INTEREST EXPENSE

	1	Name of Lender	2		3	4	6		7	8	9	
			Related**	YES			NO	Purpose of Loan				
							Original	Balance				
		A. Directly Facility Related										
		Long-Term										
1		AMALGAMATED BANK		X	FIRST MORTGAGE/BOND	07/01/07	\$ 12,450,000	\$ 11,320,000	12/01/41	.0610	\$ 701,144	1
2						/ /	-		/ /	.0000		2
3						/ /	-		/ /	.0000		3
4							-		/ /	.0000		
5							-			.0000		
		Working Capital										
6		ILLINOIS NATIONAL BAN		X		12/20/15	500,000	15,535	12/20/16	VARIABLE		4
7		TOTAL Facility Related					\$ 12,950,000	\$ 11,335,535			\$ 701,144	7
		B. Non-Facility Related										
8						/ /			/ /			8
9						/ /			/ /			9
10		TOTALS (lines 7, 8 and 9)					\$ 12,950,000	\$ 11,335,535			\$ 701,144	10

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

** If there is any overlap in ownership between the facility and the lender, this must be indicated in column 2.

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XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2016

(last day of reporting year)

		1	2	
		Operating	After	
			Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 282,940	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance (30,580))	566,277		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	12,906		6
7	Other Prepaid Expenses	3,086		7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): See Page 7 Attachment	18,472		9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 883,682	\$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	1,030,680		13
14	Buildings, at Historical Cost	11,273,977		14
15	Leasehold Improvements, at Historical Cost	1,504,099		15
16	Equipment, at Historical Cost	696,478		16
17	Accumulated Depreciation (book methods)	(5,112,291)		17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs	24,774		19
20	Accumulated Amortization - Organization & Pre-Operating Costs	(21,035)		20
21	Restricted Funds	2,111,369		21
22	Other Long-Term Assets (specify):			22
23	Other(specify):			23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 11,508,051	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 12,391,733	\$	25

		1	2	
		Operating	After	
			Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 41,327	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable	15,535		29
30	Accrued Salaries Payable			30
31	Accrued Taxes Payable	102,437		31
32	Accrued Interest Payable	57,543		32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35	See Page 7 Attachment	765,092		35
36				36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 981,934	\$	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable			38
39	Mortgage Payable	10,946,389		39
40	Bonds Payable			40
41	Deferred Compensation			41
	Other Long-Term Liabilities(specify):			
42				42
43				43
44	TOTAL Long-Term Liabilities (sum of lines 38 thru 43)	\$ 10,946,389	\$	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 11,928,323	\$	45
46	TOTAL EQUITY	\$ 463,410	\$	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 12,391,733	\$	47

*(See instructions.)

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Ending:

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XII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this Schedule to Schedule IV.)

		1	
I. Revenue		Amount	
A. SLF Resident Care			
1	Gross SLF Resident Revenue	\$ 3,917,853	1
2	Discounts and Allowances	(2,205)	2
3	SUBTOTAL Resident Care (line 1 minus line 2)	\$ 3,915,648	3
B. Other Operating Revenue			
4	Special Services	165,894	4
5	Other Health Care Services		5
6	Special Grants		6
7	Gift and Coffee Shop		7
8	Barber and Beauty Care	8,159	8
9	Non-Resident Meals	5,711	9
10	Laundry		10
11	SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)	\$ 179,764	11
C. Non-Operating Revenue			
12	Contributions		12
13	Interest and Other Investment Income	2,430	13
14	SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)	\$ 2,430	14
D. Other Revenue (specify):			
15	See Page 8 Attachment	1,327	15
16			16
17	SUBTOTAL Other Revenue (sum of lines 15 and 16)	\$ 1,327	17
18	TOTAL REVENUE (sum of lines 3, 11, 14 and 17)	\$ 4,099,169	18

		2	
II. Expenses		Amount	
A. Operating Expenses			
19	General Services	765,659	19
20	Health Care/ Personal Care	544,396	20
21	General Administration	1,218,626	21
B. Capital Expense			
22	Ownership	1,842,152	22
C. Other Expenses			
23	Special Cost Centers		23
24	Non-Operating Expenses		24
25	Other (specify):		25
26			26
27			27
28	TOTAL EXPENSES (sum of lines 19 thru 27)	\$ 4,370,833	28
29	Income Before Income Taxes (line 18 minus line 28)	\$ (271,664)	29
30	Income Taxes	\$	30
31	NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)	\$ (271,664)	31
III. Net Resident Care Revenue detailed by Payer Source			
32	Medicaid - Net Inpatient Revenue	\$ 2,181,584	32
33	Private Pay - Net Inpatient Revenue	1,734,064	33
34	Medicare - Net Inpatient Revenue		34
35	Other-(specify)		35
36	Other-(specify)		36
37	TOTAL (This total must agree to Line 3)	\$ 3,915,648	37

Expenses PG 3 Other

General Services Other	Health Care & Programs	General Administration Other	Amt	Ownership Other	Amt
5200-5000-0-0 Operating Allocation	-	5160-5060-0-0 Consulting	47,264	9100-9101-0-0 Interest & Dividend Income	-
5200-5124-0-0 Exterminating	1,916	5160-5063-0-0 Legal	(19,800)	9100-9102-0-0 Assessment Income	-
5200-5127-0-0 Rubbish Removal	4,720	5160-5064-0-0 Accounting	110	9100-9103-0-0 Assessment Expense	-
5200-5130-0-0 Vehicle Expense	2,146	5160-5066-0-0 Audit	13,100	9200-9201-1-0 Amortization - Loan Fees	14,652
5200-5131-0-0 Transportation Service	-	5160-5067-0-0 Contract Labor-Serv Prov	287,338	9200-9202-0-0 Financing Fees	-
5300-5140-0-0 Security & Monitoring	4,380	5160-5068-0-0 Contract Labor	6,053	9200-9203-1-0 Mortgage Interest Premium	-
		5180-5079-0-0 Bad Debt - Resident	5,465	9200-9204-0-0 Mortgage Service Fee	-
		5180-5079-1-0 Bad Debt - Resident - Recovery	-	9200-9205-0-0 Mortgage Insurance Prem	-
		5180-5080-0-0 Bad Debt - Resident Prior Period	-	9200-9206-0-0 Participation Fee	-
		5180-5081-0-0 Bad Debt - Medicaid Pending Denial	(3,360)	9200-9207-0-0 Letter of Credit Fee	1,000
		5180-5081-1-0 Bad Debt - Medicaid Pending - Recovery	-	9200-9208-0-0 Bond & Draw Fee	3,200
		5180-5082-0-0 Bad Debt - Medicaid Denial Prior Period	-	9200-9209-0-0 Remarketing and Trustee Fee	-
		5180-5083-0-0 Bad Debt - Medicaid MCO	-	9200-9210-0-0 Interest Expense-Note	-
		5190-5000-0-0 Other Admin Allocation	-	9200-9211-0-0 Interest Expense-LP	-
				9200-9212-0-0 Debt Write-Off	-
				9300-9301-0-0 Partnership Management Fee	50,000
				9300-9302-0-0 Asset Management Fee	5,004
				9300-9303-0-0 Incentive Management	444,954
				9300-9303-1-0 Incentive Asset Mgmt Fee	-
				9300-9304-0-0 Tax Credit Fees & Incentive Fee	3,358
				9300-9305-0-0 Organizational Expense	-
				9300-9306-0-0 Developer Fees	-
				9300-9307-0-0 Closing Costs	-
				9700-9702-0-0 Amortization Expense	2,472
				9900-9901-0-0 Prior Period Adjustments	-
				9900-9902-0-0 Dissolution of Business	-
				9900-9903-0-0 Loss (Gain) on Sale of Assets	-
				9900-9904-0-0 Business Interruption	-
				9900-9905-0-0 Settlement	-
				9900-9906-0-0 Property Damage Loss	-
				9900-9907-0-0 Abandonment Loss	-
				9900-9908-0-0 Grant Income	-
				9900-9909-0-0 Misc: Title, Recording, Transfe	-
	13,162		336,170		524,640

Balance Sheet PG 7 Other, See Attachment

Balance Sheet

Other Current Assets Detail			Current Liabilities Detail		
		Amt			Amt
1102-9971-0-0	A/R-Employee Advance	-	2111-0040-0-0	Construction Account Payable	-
1102-9972-0-0	A/R-Gardant Mgmt Solutions	-	2112-0100-0-0	Accrued Asset Management Fee	-
1102-9973-0-0	A/R-Insurance Reimbursemen	-	2112-0101-0-0	Accrued Partnership Mgmt Fee	50,000
1102-9974-0-0	A/R-Subscription Receivable	-	2112-0102-0-0	Accrued Incentive Mgmt Fee	611,203
1102-9975-0-0	A/R-CIP	18,118	2112-0102-1-0	Accrued Incentive Asset Mgmt Fee	-
1102-9976-0-0	A/R-Other	-	2112-0105-0-0	Accrued Liabilities	42,672
1102-9978-0-0	A/R-TIF/Abatement	-	2112-0110-0-0	Accrued Insurance	-
1105-0006-0-0	Security Deposit-Equip & Util	354	2112-0115-0-0	Accrued Developer Fee	-
1105-0009-0-0	Transfer Account	-	2112-0130-0-0	Accrued MIP	-
1105-0012-0-0	Undeposited Funds	-	2112-0140-0-0	Accrued Vacation	-
			2112-0144-0-0	Payroll Union Dues	-
			2112-0146-0-0	Payroll Benefits	-
			2112-0150-0-0	Security Deposits	-
			2112-0154-0-0	Unclaimed Property	3,995
			2112-0155-0-0	Reservation Deposit	-
			2112-0156-0-0	Buy Down Credit	-
			2112-0157-0-0	Unapplied Last Month Rent	-
			2112-0158-0-0	Deferred Gain on Sale	-
			2112-0159-0-0	Unearned Revenue	57,223
			2112-0159-1-0	Medicaid Prepayments	-
			2112-0159-2-0	Prepaid Medicaid Clearing	-
			2112-0159-3-0	Prepaid Rent	-
		18,472			765,092
Other Long Term Assets Detail					
1201-0020-0-0	CIP	-			
1201-0021-0-0	CIP- Land Option Addition	-			
1201-0022-0-0	CIP- Other Addition	-			
		-			

Income Statement PG 8 Other, See Attachment

Other Revenue	Amt
Contract Service-Serv Prov	-
Other	1,327
Property Tax Adjustments	-
Property Lease Income	-
Insurance Adjustments	-
Developer Fee Income	-
Home Office Rent Income	-
	1,327