

		FOR BHF USE			

LL2

Supportive Living Facility

**2018
STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE & FAMILY SERVICES
COST REPORT FOR
SUPPORTIVE LIVING FACILITIES
(FISCAL YEAR 2018)**

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

<p>I. Facility ID Number: <u>100059</u></p> <p>Facility Name: <u>Eastgate Manor of Algonquin</u></p> <hr/> <p>Address: <u>101 Eastgate Court</u> <u>Algonquin</u> <u>60102</u> <small>Number City Zip Code</small></p> <p>County: <u>McHenry</u></p> <p>Telephone Number: <u>(847) 458-2800</u> Fax # <u>(847) 458-0017</u></p> <p>Federal Employer ID Number: _____</p> <p>Date Current Owners were Certified: <u>2/27/06</u></p> <p>Type of Ownership:</p> <table style="width:100%"> <tr> <td><input type="checkbox"/> VOLUNTARY, NON-PROFIT</td> <td><input checked="" type="checkbox"/> PROPRIETARY</td> <td><input type="checkbox"/> GOVERNMENTAL</td> </tr> <tr> <td><input type="checkbox"/> Charitable Corp.</td> <td><input type="checkbox"/> Individual</td> <td><input type="checkbox"/> State</td> </tr> <tr> <td><input type="checkbox"/> Trust</td> <td><input type="checkbox"/> Partnership</td> <td><input type="checkbox"/> County</td> </tr> <tr> <td>IRS Exemption Code _____</td> <td><input type="checkbox"/> Corporation</td> <td><input type="checkbox"/> Other _____</td> </tr> <tr> <td></td> <td><input type="checkbox"/> "Sub-S" Corp.</td> <td>_____</td> </tr> <tr> <td></td> <td><input checked="" type="checkbox"/> Limited Liability Co.</td> <td>_____</td> </tr> <tr> <td></td> <td><input type="checkbox"/> Trust</td> <td></td> </tr> <tr> <td></td> <td><input type="checkbox"/> Other _____</td> <td></td> </tr> </table>	<input type="checkbox"/> VOLUNTARY, NON-PROFIT	<input checked="" type="checkbox"/> PROPRIETARY	<input type="checkbox"/> GOVERNMENTAL	<input type="checkbox"/> Charitable Corp.	<input type="checkbox"/> Individual	<input type="checkbox"/> State	<input type="checkbox"/> Trust	<input type="checkbox"/> Partnership	<input type="checkbox"/> County	IRS Exemption Code _____	<input type="checkbox"/> Corporation	<input type="checkbox"/> Other _____		<input type="checkbox"/> "Sub-S" Corp.	_____		<input checked="" type="checkbox"/> Limited Liability Co.	_____		<input type="checkbox"/> Trust			<input type="checkbox"/> Other _____		<p>II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER</p> <p>I have examined the contents of the accompanying report to the State of Illinois, for the period from <u>01/01/2018</u> to <u>12/31/2018</u> and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.</p> <p>Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.</p> <table style="width:100%"> <tr> <td style="width:20%;">Officer or Administrator of Provider</td> <td>(Signed) _____</td> <td>(Date) _____</td> </tr> <tr> <td></td> <td>(Type or Print Name) _____</td> <td></td> </tr> <tr> <td></td> <td>(Title) _____</td> <td></td> </tr> <tr> <td>Paid Preparer</td> <td>(Signed) _____</td> <td>(Date) _____</td> </tr> <tr> <td></td> <td>(Print Name and Title) _____</td> <td></td> </tr> <tr> <td></td> <td>(Firm Name & Address) <u>RSM US LLP</u> <u>20 N. Martingale Road, Ste. 500, Schaumburg, IL 60173</u></td> <td></td> </tr> <tr> <td></td> <td>(Telephone) <u>(847) 517-7070</u> Fax <u>(847) 517-7067</u></td> <td></td> </tr> </table>	Officer or Administrator of Provider	(Signed) _____	(Date) _____		(Type or Print Name) _____			(Title) _____		Paid Preparer	(Signed) _____	(Date) _____		(Print Name and Title) _____			(Firm Name & Address) <u>RSM US LLP</u> <u>20 N. Martingale Road, Ste. 500, Schaumburg, IL 60173</u>			(Telephone) <u>(847) 517-7070</u> Fax <u>(847) 517-7067</u>	
<input type="checkbox"/> VOLUNTARY, NON-PROFIT	<input checked="" type="checkbox"/> PROPRIETARY	<input type="checkbox"/> GOVERNMENTAL																																												
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<p>In the event there are further questions about this report, please contact:</p> <p>Name: <u>Amanda Springborn</u> Telephone Number: <u>(314) 925-3838</u></p> <p>Email Address: _____</p>		<p>MAIL TO: BUREAU OF HEALTH FINANCE IL DEPT OF HEALTHCARE AND FAMILY SERVICES 201 S. Grand Avenue East Springfield, IL 62763-0001</p> <p align="right">Phone # (217) 782-1630</p>																																												

Facility Name Eastgate Manor of Algonquin

Report Period Beginning: 01/01/2018 Ending: 12/31/2018

III. STATISTICAL DATA

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

Date of change in certified units See Attachment 6

	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	119	Single Unit Apartment	119	43,435	1
2		Double Unit Apartment			2
3		Other		1,825	3
4	119	TOTALS	119	45,260	4

B. Census-For the entire report period.

	1 Type of Unit	2 3 4 5 Resident Days by Unit and Primary Source of Payment				
		Medicaid Recipient	Private Pay	Other	Total	
5	Single Unit	27,855	12,434		40,289	5
6	Double Unit					6
7	Other	1,384	385		1,769	7
8	TOTALS	29,239	12,819		42,058	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 92.93%

D. Indicate the number of paid bed-hold days the SLF had during this year
674 Also, indicate the number of unpaid bed-hold days the SLF had during this year. 18 (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 Note: Non-allowable costs have been eliminated in Schedule IV, Column 5.

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

YES NO

G. List all services provided by your facility for non-residents.

(E.g., day care, "meals on wheels", outpatient therapy)

None

H. ACCOUNTING BASIS

ACCRUAL MODIFIED CASH* CASH*

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

Tax Year: 12/31/18 Fiscal Year: 12/31/18

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

J. Does the facility have any Illinois Housing Development Authority Loans outstanding?

No If yes, did the facility make all of the required payments of interest and principle? N/A
 If no, explain. N/A

K. Does the facility have any loans from the Federal Home Loan Bank outstanding?

No If yes, did the facility make all of the required payments of interest and principle? N/A
 If no, explain. N/A

L. Does the facility have any loans from the IL Dept of Commerce and Economic Opportunity outstanding?

No If yes, did the facility make all of the required payments of interest and principle? N/A
 If no, explain. N/A

Facility Name: Eastgate Manor of Algonquin

Report Period Beginning:

01/01/2018

Ending: 12/31/2018

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	444,090	296,381	1,888	742,359	(1,434)	740,925	1
2	Housekeeping, Laundry and Maintenance	129,796	28,991	199,588	358,375		358,375	2
3	Heat and Other Utilities			170,231	170,231		170,231	3
4	Other (specify): Satellite TV			2,275	2,275	(2,275)		4
5	TOTAL General Services	573,886	325,372	373,982	1,273,240	(3,709)	1,269,531	5
B. Health Care and Programs								
6	Health Care/ Personal Care	589,405		90	589,495		589,495	6
7	Activities and Social Services	106,327	7,218	31,859	145,404		145,404	7
8	Other (specify): Nursing Administration	190,020			190,020		190,020	8
9	TOTAL Health Care and Programs	885,752	7,218	31,949	924,919		924,919	9
C. General Administration								
10	Administrative and Clerical	313,805	21,754	372,866	708,425	562,957	1,271,382	10
11	Marketing Materials, Promotions and Advertising	106,849		56,806	163,655	(163,655)		11
12	Employee Benefits and Payroll Taxes			271,648	271,648		271,648	12
13	Insurance-Property, Liability and Malpractice			58,027	58,027		58,027	13
14	Other (specify): Beauty Shop			17,079	17,079		17,079	14
15	TOTAL General Administration	420,654	21,754	776,426	1,218,834	399,302	1,618,136	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	1,880,292	354,344	1,182,357	3,416,993	395,593	3,812,586	16
Capital Expenses								
D. Ownership								
17	Depreciation			67,766	67,766	253,994	321,760	17
18	Interest			72,738	72,738	611,871	684,609	18
19	Real Estate Taxes					186,972	186,972	19
20	Rent -- Facility and Grounds			853,976	853,976	(853,976)		20
21	Rent -- Equipment			3,740	3,740		3,740	21
22	Other (specify): Other Administrative			124,999	124,999	(76,544)	48,455	22
23	TOTAL Ownership			1,123,219	1,123,219	122,317	1,245,536	23
24	GRAND TOTAL (Sum of lines 16 and 23)	1,880,292	354,344	2,305,576	4,540,212	517,910	5,058,122	24

Facility Name: Eastgate Manor of Algonquin

Report Period Beginning: 01/01/2018 Ending: 12/31/2018

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	3.45	\$ 26.80	1
2	Licensed Practical Nurses			2
3	Certified Nurse Assistants			3
4	Activity Director & Assistants	3.16	15.68	4
5	Social Service Workers			5
6	Head Cook	6.00	18.80	6
7	Cook Helpers/Assistants	9.19	11.69	7
8	Dishwashers	1.55	10.76	8
9	Maintenance Workers	0.49	21.11	9
10	Housekeepers	3.93	11.51	10
11	Laundry			11
12	Managers	1.74	36.24	12
13	Other Administrative	2.99	29.51	13
14	Clerical	3.27	17.73	14
15	Marketing	1.97	27.06	15
16	Other: Caregivers	14.97	13.12	16
17	Total (lines 1 thru 16)	52.71	\$ 16.31	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	N/A			\$	1	
2					2	
3					3	
4					4	
5					5	
				Total	\$	6

VI. (B) Management fees paid to unrelated parties

	Amount of Fee	
1	N/A	\$ 1
2		\$ 2
Total		\$ 3

VII. RELATED ORGANIZATIONS

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

RELATED SLF's & HEALTH CARE BUSINESSES

Name	1	City	2
See Attachment 1			

OTHER RELATED BUSINESS ENTITIES

Name	3	City	4	Type of Business	5
See Attachment 1					

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

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

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

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

Facility Name: Eastgate Manor of Algonquin

Report Period Beginning:

01/01/2018

Ending:

12/31/2018

VIII. OWNERSHIP COSTS

A. Purchase price of land 311,565 Year land was acquired 2000

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

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

	1 Units*	FOR BHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1				2000	\$ 4,679,221	\$	40	\$ 116,981	\$ 116,981	\$ 2,133,791	1
2				2001	3,852,171		40	96,304	96,304	1,709,402	2
3											3
4											4
5											5
Improvement Type											
6		Flagpoles		2001	2,637		10			2,637	6
7		Tub Conversion - Disposed in 2016		2001							7
8		Nurses Station		2001	6,183	225	20	309	84	5,410	8
9		2nd Floor Carpet - Disposed in 2016		2001							9
10		Fire Alarm Doors - Disposed in 2016		2001							10
11		2 Exterior Signs - Disposed in 2016.		2001							11
12		Nurse Call Station		2004	21,485	781	20	1,074	293	15,218	12
13		Asphalt Paving		2005	19,397	1,146	10		(1,146)	19,397	13
14		Apartments		2005	18,224		20	911	911	11,845	14
15		Nurse Call Station		2006	2,761		20	138	138	1,760	15
16		See Attachments 2 & 3			1,651,045	62,361		71,967	9,606	821,109	16
17		TOTAL (lines 1 thru 16)			\$ 10,253,125	\$ 64,513		\$ 287,684	\$ 223,171	\$ 4,720,569	17

C. Equipment Depreciation -- Including Transportation.

	Type	1 Cost	2 Current Book Depreciation	3 Straight Line Depreciation	4 Adjustments	5 Life in Years	6 Accumulated Depreciation	
18	Movable Equipment	\$ 1,068,274	\$ 1,558	\$ 30,151	28,593	3-10 years	\$ 988,610	18
19	Vehicles	58,868	1,695	3,925	2,230	5 years	58,868	19
20	TOTAL (lines 18 and 19)	\$ 1,127,141	\$ 3,253	\$ 34,076	30,823		\$ 1,047,478	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	N/A	\$	\$	\$	21
22					22
23					23
24	TOTALS (lines 21, 22 and 23)	\$	\$	\$	24

Facility Name: Eastgate Manor of Algonquin

Report Period Beginning: 01/01/2018

Ending: 2/31/2018

IX. RENTAL COSTS

A. Building and Fixed Equipment

1. Name of Party Holding Lease: N/A

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

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

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

9. Rental amount for movable equipment \$ 3,362

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

X. INTEREST EXPENSE

	1	2		3	4	6		7	8	9	
		Related**				Amount of Note					
	Name of Lender	YES	NO	Purpose of Loan	Date of Note	Original	Balance	Maturity Date	Interest Rate (4 Digits)	Reporting Period Int. Expense	
A. Directly Facility Related											
Long-Term											
1	See Attachment 7					\$ 16,849,212	\$ 7,454,212			\$ 559,574	1
2					/ /	Amortization of Mortgage Costs		/ /		65,353	2
3					/ /	Insurance Escrow Account		/ /		969	3
Working Capital											
4	Bank of America		X	Line of Credit	4/6/02	300,000	0	4/30/18	Variable	12,380	4
5	LHCS Lombard	X		Line of Credit	2/21/18	866,000	893,925	2/21/19	Libor+5.25%	59,329	5
6											6
7	TOTAL Facility Related					\$ 18,015,212	\$ 8,348,137			\$ 697,605	7
B. Non-Facility Related											
8					/ /	Miscellaneous Expense		/ /		60	8
9					/ /	Interest Income Offset		/ /		(13,056)	9
10	TOTALS (lines 7, 8 and 9)					\$ 18,015,212	\$ 8,348,137			\$ 684,609	10

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

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

Facility Name: Eastgate Manor of Algonquin

Report Period Beginning: 01/01/2018

Ending:

12/31/2018

XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2018

(last day of reporting year)

		1	2	
		Operating	After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 930,920	\$ 988,202	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance <u>1,161,703</u>)	1,184,901	1,184,901	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	119,422	119,422	6
7	Other Prepaid Expenses	24,815	24,815	7
8	Accounts Receivable (owners or related parties)	178,006	281,522	8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 2,438,064	\$ 2,598,862	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		311,565	13
14	Buildings, at Historical Cost		4,679,221	14
15	Leasehold Improvements, at Historical Cost	686,860	5,573,904	15
16	Equipment, at Historical Cost	283,146	1,127,141	16
17	Accumulated Depreciation (book methods)	(577,568)	(5,768,047)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs		265,158	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)	\$ 392,438	\$ 6,188,942	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 2,830,502	\$ 8,787,804	25

		1	2	
		Operating	After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 56,110	\$ 56,110	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable	893,925	893,925	29
30	Accrued Salaries Payable	162,526	162,526	30
31	Accrued Taxes Payable	2,627	205,927	31
32	Accrued Interest Payable		48,779	32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35	See Attachment 4	983,611	392,120	35
36				36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 2,098,799	\$ 1,759,387	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable			38
39	Mortgage Payable		7,454,212	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)	\$	\$ 7,454,212	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 2,098,799	\$ 9,213,599	45
46	TOTAL EQUITY	\$ 731,703	\$ (425,795)	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 2,830,502	\$ 8,787,804	47

*(See instructions.)

Facility Name: Eastgate Manor of Algonquin

Report Period Beginning: 01/01/2018

Ending:

12/31/2018

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	\$ 4,643,753	1
2	Discounts and Allowances		2
3	SUBTOTAL Resident Care (line 1 minus line 2)	\$ 4,643,753	3
B. Other Operating Revenue			
4	Special Services		4
5	Other Health Care Services		5
6	Special Grants		6
7	Gift and Coffee Shop		7
8	Barber and Beauty Care	21,117	8
9	Non-Resident Meals	1,434	9
10	Laundry		10
11	SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)	\$ 22,551	11
C. Non-Operating Revenue			
12	Contributions		12
13	Interest and Other Investment Income	13,056	13
14	SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)	\$ 13,056	14
D. Other Revenue (specify):			
15	Other Revenue	351	15
16			16
17	SUBTOTAL Other Revenue (sum of lines 15 and 16)	\$ 351	17
18	TOTAL REVENUE (sum of lines 3, 11, 14 and 17)	\$ 4,679,711	18

		2	
II. Expenses		Amount	
A. Operating Expenses			
19	General Services	1,273,240	19
20	Health Care/ Personal Care	924,919	20
21	General Administration	1,218,834	21
B. Capital Expense			
22	Ownership	1,123,219	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)	\$ 4,540,212	28
29	Income Before Income Taxes (line 18 minus line 28)	\$ 139,499	29
30	Income Taxes	\$	30
31	NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)	\$ 139,499	31
III. Net Resident Care Revenue detailed by Payer Source			
32	Medicaid - Net Inpatient Revenue	\$ 3,687,682	32
33	Private Pay - Net Inpatient Revenue	573,997	33
34	Medicare - Net Inpatient Revenue		34
35	Other-(specify) <u>PA Pending</u>	382,074	35
36	Other-(specify)		36
37	TOTAL (This total must agree to Line 3)	\$ 4,643,753	37

East Gate Manor of Algonquin, LLC

12/31/2018

Attachment 1

V.I.A**Owners:**

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

VIII. A

<u>Related Organizations: Related SLF's and Healthcare Business</u>	<u>City</u>
Lexington Health Care Center of Bloomingdale, Inc.	Bloomingdale
Lexington Health Care Center of Chicago Ridge, Inc.	Chicago Ridge
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 Lombard, Inc.	Lombard
Lexington Health Care Center of Orland Park, Inc.	Orland Park
Lexington Health Care Center of Schaumburg, Inc.	Schaumburg
Lexington Health Care Center of Streamwood, Inc.	Streamwood
Lexington Health Care Center of Wheeling, Inc.	Wheeling

<u>Other Related Business Entities</u>	<u>City</u>	<u>Type</u>
Samvest of Algonquin Limited Partnership	Algonquin	Real Estate Partnership
Royal Management Company	Lombard	Management Company
Lexington Financial Services, L.L.C.	Lombard	Finance Co.
Nexgen Partners, LLC	Lombard	Management Company
Lexington Square Life Care of Lombard, LLC	Lombard	Independent and Assisted Living Facility
Lexington Square Life Care of Elmhurst, LLC	Elmhurst	Independent Living Facility
Vesta Management Group, LLC	Lombard	Management Company
Heron Point Management Corporation	Lombard	Management Company
Samvest of Lombard II, LLC	Lombard	Lessor
North Heron Investments, LLC	Lombard	Finance Co.
Merit Sleep Management, LLC	Lombard	Management Company
Lexington Home Health Care, Inc.	Lombard	Home Health
Lexington Hospice Services, LLC	Lombard	Hospice
Lexington Private Home Care	Lombard	Healthcare
Sambell of Bloomingdale Ltd. Ptsp.	Bloomingdale	Real Estate Partnership
Sambell of Chicago Ridge Ltd. Ptsp.	Chicago Ridge	Real Estate Partnership
Sambell of Elmhurst II Ltd. Ptsp.	Elmhurst	Real Estate Partnership
Sambell of LaGrange Ltd. Ptsp.	LaGrange	Real Estate Partnership
Lexington Healthcare Systems of Lake Zurich Ltd. Ptsp.	Lake Zurich	Real Estate Partnership
Lexington Healthcare Systems of Lombard Ltd. Ptsp.	Lombard	Real Estate Partnership
Lexington Healthcare Systems of Orland Park Ltd. Ptsp.	Orland Park	Real Estate Partnership
Sambell of Schaumburg Ltd. Ptsp.	Schaumburg	Real Estate Partnership
Sambell of Streamwood Ltd. Ptsp.	Streamwood	Real Estate Partnership
Lexington Healthcare Systems of Wheeling Ltd. Ptsp.	Wheeling	Real Estate Partnership

Eastgate Manor of Algonquin
Leasehold Improvements (continued)

Attachment 2

	Improvement Type	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
18	Sealcoat parking lot	2006		3,240		10		-	2,322	18
19	Kitchen Rehab	2006		10,222		20	511	511	6,389	19
20	Apartments	2006		81,813	3,638	20	4,091	453	51,133	20
21	Roof Repairs	2007		3,000	109	20	150	41	1,713	21
22	Sheers	2007		2,877		10		-	2,877	22
23	Sheers	2008		5,001		10	298	298	5,001	23
24	Painting	2008		2,700		10	90	90	2,700	24
25	Land Improvements-patio,topsoil	2009		6,420	189	15	428	239	4,088	25
26	Paint doors and elevators	2009		5,990		10	599	599	5,491	26
27	Nurses call system	2009		36,265		10	3,626	3,626	33,242	27
28	Apartment conversions - Samvest Rep Prj	2009		265,855		40	9,752	9,752	96,711	28
29	Dining Room/Lobby/Corridor - Samvest Rep Prj	2009		524,378		15	23,360	23,360	214,134	29
30	HVAC Repairs	2010		3,131	114	10	313	199	2,557	30
31	Remodel Offices	2010		37,280	1,171	20	1,864	693	15,540	31
32	Apartment conversions - Eastgate Manor	2010		3,528	128	20	176	48	1,499	32
33	Roof Repairs	2011		5,418	197	20	271	74	1,896	33
34	Apartment conversions - Eastgate Manor	2011		133,905		20	6,695	6,695	48,540	34
35	Roofing: Spouts, Gutters & Roof - East Wing	2012		43,577	1,585	20	2,179	594	13,255	35
36	Install Draft Damper - Dining Room	2012		4,988		10	532	532	3,301	36
37	Walk-In Cooler Repair - Kitchen	2012		11,599		10	1,160	1,160	7,443	37
38	Apartment conversions - Eastgate Manor (342 & 141)	2012		35,051	1,274	20	1,753	479	11,306	38
39	Smoking/Shower Room	2012		12,944	471	20	647	176	4,045	39
40	Sealcoat and strip parking lot	2013		2,600	81	10	260	179	1,408	40
41	HVAC - Heat Exchanger	2013		3,886	141	10	389	248	2,081	41
42	Furnish and Install 6 ton rooftop unit (RTU)	2013		10,551	384	10	1,055	671	5,539	42
43	Install new grease trap & adjust air fans	2013		8,900	271	10	890	619	4,450	43
44	Lobby Bathrooms - Labor, Paint, Plumbing	2013		20,489	745	10	2,049	1,304	11,061	44
45	Roof Repairs - West Wing	2015		66,100		20	3,305	3,305	10,466	45
46	Building Wiring	2015		4,610	168	20	231	63	827	46
47	Water Conditioner	2015		4,995	479	10	500	21	1,749	47
48								-		48
49	Allocation from Real Estate Entity							-		49
50	Land Improvements	2000		79,149		15		-	79,149	50
51	Land Improvements	2001		162,248		15		-	162,248	51
52										52
53	Total (Attachment 2)			\$ 1,602,709	\$ 11,145		\$ 67,174	\$ 56,029	\$ 814,161	53

	Improvement Type	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
54	Total From Attachment I			1,602,709	11,145		67,174	56,029	814,161	18
55								-		19
56	Install Exterior Marquee Sign (4)	2016		2,300	221	15	153	(68)	306	20
57	Dumpster Pad	2016		5,500	235	15	367	132	948	21
58	Room 327 Remodel	2016		2,970	108	10	297	189	743	22
59	Install Motion Access Operator	2016		5,638	541	10	564	23	1,269	23
60								-		24
61	Stainless Steel heat exchanger	2017		8,100		5	1,620	1,620	1,890	25
62								-		26
63	Stainless Steel heat exchanger	2018		8,100	8,100	5	1,485	(6,615)	1,485	27
64	HWC Cooling Chassis	2018		10,574	10,574	10	264	(10,310)	264	28
65	2 ton A/C Pump & Ceiling Kit	2018		5,153	5,153	10	43	(5,110)	43	29
66								-		30
67								-		31
68								-		32
69								-		33
70	Adjust to Book Depreciation				26,284			(26,284)		34
71								-		35
72								-		36
73								-		37
74								-		38
75								-		39
76								-		40
77								-		41
78								-		42
79								-		43
80								-		44
81								-		45
82								-		46
83								-		47
84								-		48
85								-		49
86								-		50
87								-		51
88								-		52
89	Total (Attachment 2) to Schedule VIII - Line 16			\$ 1,651,045	\$ 62,361		\$ 71,967	\$ 9,606	\$ 821,109	53

East Gate Manor of Algonquin, LLC
 12/31/2018
 Attachment 4
 Supplementary Information

<u>XI.C.Line 35</u>	<u>Operating</u>	<u>After Consolidation</u>
P/A Audit Settlement	217,000	217,000
Withholding Dental Insurance	(279)	(279)
Withholding EP/CI/WI	(1,553)	(1,553)
Vision Withholding	194	194
401k Withholding	(66)	(66)
Accrued 401K	2,814	2,814
Accrued Expenses	13,824	13,824
Accrued Management Fees Nexgen	217	217
Accrued Rent	591,491	-
Due to Republic Construction	(2,144)	(2,144)
Due to National	2,462	2,462
Due to Royal General	15,574	15,574
Security Deposits	133,347	133,347
Resident Trust Fund Liability	4,912	4,912
Due to Resident - RFMS Funds	5,818	5,818
	<u>983,611</u>	<u>392,120</u>
	-	-

Attachment 5

Related Party Management Company-Royal Management Corp

Management co. expenses allocated to nursing home	\$13,768,406	73.23%
Management co. expenses allocated to other entities	\$5,033,350	26.77%
Including Eastgate Manor	<u>\$18,801,756</u>	<u>100.00%</u>

Basis for allocation of the \$5,033,350 - accumulated costs of the other entities, including Eastgate Manor.

East Gate Manor of Algonquin, LLC	4,540,212
Other entities managed by Royal Management (other than ten nursing homes)	25,452,921
	<u>29,993,133</u>
Eastgate Manor amount	761,924
Less Management fee in line 10, page 3	199,580
	<u>562,344</u>

Allocation of management company expenses to Eastgate and its proportionate share of Royal Management Corp total expenses of \$18,801,756. The specific expenses to Eastgate Manor would be calculated at 4.05% (26.77% x 15.14%) of individual expenses of Royal Management Corp as shown on the attached detail.

Eastgate Manor of Algonquin, LLC
 Unit days available
 12/31/18

Attachment 6

Converted the following units in 2018

none

Based on Occupancy of Companion Suites (per instructions)

Units from 1/1/18 to 12/31/18

Single units; licensed double	80	x	365	=	29,200
Single units; licensed single	39	x	365	=	14,235
Double units; licensed double	0	x	365	=	-
	<u>119</u>				
<u>Single Units with double occupancy</u>	0		365		-
<u>Double units with 2 residents</u>	5	x	365	=	1,825
					<u>45,260</u>

Single units; licensed double		x		=	-
Single units; licensed single		x	0	=	-
Double units; licensed double		x	0	=	-
	<u>0</u>				
<u>Single Units with Double Occupancy</u>	0	x	0		-
<u>Double units with 2 residents</u>		x	0	=	-
					<u>-</u>
			<u>365</u>		<u>45,260</u>

TOTAL FOR YEAR	Beginning	End	Unit Days
Single Units	119	0	43,435
Double Units	<u>0</u>	<u>0</u>	-
	<u>119</u>	<u>0</u>	
Other			1,825
			<u>45,260</u>

Eastgate Manor of Algonquin, LLC
Interest Expense
12/31/2018

Attachment 7

X. INTEREST EXPENSE

	1 Name of Lender	2 Related**		3 Purpose of Loan	4 Date of Note	6 Amount of Note		7 Maturity Date	8 Interest Rate (4 Digits)	9 Reporting Period Int. Expense	
		YES	NO			Original	Balance				
		A. Directly Facility Related									
Long-Term											
1	Lexington Financial Services	X		Mortgage	5/22/08	\$ 9,395,000	\$ 0	1/1/33	Variable	\$ 226,440	1
2	Midcap Financial Trust		X	Mortgage	Varies	7,454,212	7,454,212	5/29/21	Libor + 5.25%	333,134	2
3					/ /			/ /			3
Working Capital											
4											4
5											5
6											6
7	TOTAL Facility Related					\$ 16,849,212	\$ 7,454,212			\$ 559,574	7
B. Non-Facility Related											
8					/ /						8
9					/ /						9
10	TOTALS (lines 7, 8 and 9)					\$ 16,849,212	\$ 7,454,212			\$ 559,574	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.