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APR 19 2010

April 12, 2010

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Mr. Dale Galassie, Chairman
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd floor
Springfield, Illinois 62761

**Re: Project Number 08-086, Springfield Nursing
and Rehabilitation Center**

Dear Mr. Galassie:

On behalf of the Applicants, OJCC, LLC and OJCC Realty, LLC, please accept this letter as the Annual Progress Report on the above referenced project. The following addresses the requirements of the Annual Progress Report as indicated under Part 1130.760.

- 1) **current status of the project, including the percentage of the project finished, components finished and components yet to be finished, and any changes in the scope of the project and size;**

Construction has not started. The Architect is currently working on the drawings. There have not been any changes in the scope of the project, number of beds or the square footage.

- 2) **cost incurred to date and an itemized listing of the total current estimated project costs and a comparison of those costs to the approved permit amounts;**

Attached is the Project Cost and Sources of Funds page showing the approved amounts by line item and the amount expended to date.



Health Care Consulting

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3) **the method of financing the project and sources of funds;**

Financing commitment is in the process of being finalized. Legal Counsel is now in the process of preparing all of the necessary documents.

4) **for major construction projects, the most recent Application and Certification for Payment for the construction contract, as per form G702 published by the American Institute of Architects, or equivalent; and**

Since construction has not commenced this item is not applicable.

5) **the anticipated date of completion.**

It is anticipated that construction will commence this fall with a completion in approximately 12-15 months. It would appear that the Applicant will have to request an extension of the permit period. If needed, this will be accomplished approximately 45 days prior to the completion date of May 2011.

If you have any questions regarding the contents of this letter, please do not hesitate to contact my office.

Sincerely,



Charles H. Foley, MHSA
Health Care Consultant

Enclosure

cc: Brian Levinson

N. Project Costs and Sources of Funds

Project Number 08-086

Complete the following table listing all costs (refer to Part 1120.110) associated with the project. When a project or any component of a project is to be accomplished by lease, donation, gift, or other means, the fair market or dollar value (refer to Part 1130.140) of the component must be included in the estimated project cost. If the project contains components that are not related to the provision of health care, complete an additional table for the portions that are solely for health care and insert that table following this page (e.g. separate a nursing home's costs from the components of a retirement community; separate patient care area costs from a hospital project that includes a parking garage). Note, the use and sources of funds must equal.

PROJECT USES AND SOURCES OF FUNDS	Permit	Expended	
USE OF FUNDS	AMOUNT	To date	Percentage
Preplanning Costs	\$6,500		
Site Survey and Soil Investigation	\$10,000		
Site Preparation	\$20,000		
Off Site Work	\$0		
New Construction Contracts	\$10,400,000		
Modernization Contracts	\$0		
Contingencies	\$520,000		
Architectural/Engineering Fees	\$55,000	\$8,766	15.9%
Consulting and Other Fees	\$558,000	\$127,579	22.9%
Movable or Other Equipment (not in construction contracts)	\$501,053		
Bond Issuance Expense (project related)	\$0		
Net Interest Expense During Construction (project related)	\$770,000		
Fair Market Value of Leased Space or Equipment	\$0		
Other Costs To Be Capitalized	\$109,448		
Acquisition of Building or Other Property (excluding land)	\$0		
TOTAL USES OF FUNDS	\$12,950,000	\$136,345	1.1%
SOURCE OF FUNDS	AMOUNT		
Cash and Securities	\$1,950,000	\$136,345	7%
Pledges	\$0		
Gifts and Bequests	\$		
Bond Issues (project related)	\$0		
Mortgages	\$11,000,000	0	0%
Leases (fair market value)	\$0		
Governmental Appropriations	\$0		
Grants	\$0		
Other Funds and Sources	\$0		
TOTAL SOURCES OF FUNDS	\$12,950,000	\$136,345	1.1%