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HEALTH FACILITIES &
SERVICES REVIEW BOARD

November 5, 2014

Anne M. Cooper
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(312) 819-1910
acooper@polsinelli.com

Via FedEx

Ms. Kathryn Olson
Chair
Illinois Health Facilities and Services Review
Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761

**Re: Permit Renewal Request – Addison Rehabilitation & Living Center
(Proj. No. 09-030)**

Dear Chair Olson:

This office represents Addison Rehabilitation & Living Center, LLC and Elgin Property, LLC (collectively, "Addison"). As you are aware, on March 2, 2010, the Illinois Health Facilities and Services Review Board (the "State Board") unanimously approved Addison's application to construct and establish a 120-bed long term care facility located at 1754-1760 Capital Street, Elgin, Illinois (the "Project Permit"). On December 6, 2011, approved the renewal of the Project Permit and established December 31, 2014 as the project completion date. Due to ongoing delays in obtaining financing and an early and prolonged winter last year, construction has been delayed. Accordingly, we respectfully request the State Board grant Addison a one-year renewal of the Project Permit and establish December 31, 2015 as the new project completion date.

Requested Completion Date

Addison requests the State Board grant a one-year renewal of the Project Permit and establish December 31, 2015 as the new project completion date.

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Atlanta Chicago Dallas Denver Kansas City Los Angeles New York Phoenix St. Louis Washington, D.C. Wilmington
Polsinelli PC, Polsinelli LLP in California

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Status Report

Addison acquired land for a total cost of \$1,270,049 and obligated the project through execution of a construction contract. Due to changes in underwriting criteria, financing projects, like the Addison, became more difficult. Specifically, lenders required more equity at the time of financing for projects with a lower loan-to-value, such as the Addison. As a result of these underwriting constraints, Addison was not able to close on its loan until October 31, 2014. Further, due to an early and prolonged winter, construction was delayed. As of the date of this letter, Addison has expended \$1,880,766.37, which represents approximately 13 percent of the total project costs.

The foundations have been laid; sewer, water and electric main services are in to the building. All plumbing and electrical underground is completed and stubbed up and the 1st floor concrete slab is in. The masonry walls have been erected for the 1st floor. The bar joists are set for the 2nd floor structure and the 2nd floor metal decking is complete. The electricians and plumbers have begun the 2nd floor in-slab rough-ins. Finally, the parking lot has been graded and stone and the majority of the binder course has been laid.

Statement Regarding Completion of the Project

Addison is constructing a new nursing facility in Elgin, Illinois. Because of the financing delay referenced above and an early and prolonged winter last year, commencement of construction was delayed. Addison anticipates construction will be complete within 12 months. To ensure compliance with its Project Permit, Addison is requesting a renewal of its Project Permit until December 31, 2015.

Confirmatory Evidence of Permit Compliance

The attached affidavit from Sheldon Rosenberg of Addison Rehabilitation & Living Center, LLC confirms that Addison is complying with the scope and costs of the project approved by the State Board pursuant to Project Permit # 09-030 and that sufficient financial resources are available to complete the project. (See Attachment – 1)



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Based on the above information, which is provided to the State Board in compliance with Section 1130.740 of the Illinois Administrative Code, Addison formally requests a 12-month renewal of its permit for project #09-030.

Sincerely

A handwritten signature in black ink, appearing to read "Anne M. Cooper".

Anne M. Cooper

Attachments

cc: Michael Constantino

09-030 Addison Rehab. & Living Center 2-1 871 710

206

LEFELGIN LLC 04-13
910 SKOKIE BLVD., STE. 225 847-412-9871
NORTHBROOK, IL 60062

DATE 11/04/2014

PAY TO THE ORDER OF

Illinois Department of Public Health \$500.00

Five hundred dollars

DOLLARS  Security Features Included. Details on Back.

CHASE 
JPMorgan Chase Bank, N.A.
www.Chase.com

ADDRESSEE Addison Permit



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ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

ADDISON REHABILITATION & LIVING CENTER

REQUEST FOR RENEWAL OF PROJECT PERMIT # 09-030

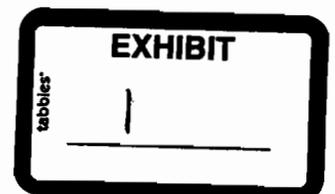
I, SHELDON ROSENBERG, do hereby affirm and testify:

1. I am an authorized representative of the Permit Holders, Addison Rehabilitation & Living Center, LLC and Elgin Property, LLC. I have personal knowledge of the facts stated herein.

2. Based on my personal knowledge of the on-going project to establish a 120-bed long-term care facility to be located at 1754-1760 Capital Street, Elgin, Illinois, I can attest that the project's cost and scope are in compliance with those approved by the Illinois Health Facilities and Services Review Board.

3. Additionally, I can also attest that there currently exists sufficient financial resources to complete the project.

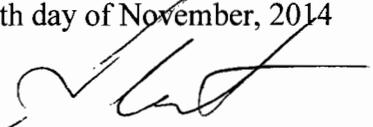
FURTHER THE AFFIANT SAYETH NOT.



The undersigned certifies that the statements set forth in this instrument are true and correct, except as to matters therein stated to be on information and belief and as to such matters the undersigned certifies as aforesaid that he verily believes the same to be true.


Sheldon Rosenberg
Addison Rehabilitation & Living Center, LLC

Subscribed and sworn before me
This 4th day of November, 2014



Notary Public

