

		FOR BHF USE			

LL2

Supportive Living Facility

2014

STATE OF ILLINOIS

DEPARTMENT OF HEALTHCARE & FAMILY SERVICES

COST REPORT FOR

SUPPORTIVE LIVING FACILITIES

(FISCAL YEAR 2014)

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.

I. Facility ID Number: 1000059

Facility Name: East Gate Manor of Algonquin

Address: 101 Eastgate Court Algonquin 60102

Number City Zip Code

County: McHenry

Telephone Number: (847) 458-2800 Fax # (847) 458-0017

Federal Employer ID Number:

Date Current Owners were Certified: 2/27/06

Type of Ownership:

<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 checked="" type="checkbox"/>	"Sub-S" Corp.		
		<input checked="" type="checkbox"/>	Limited Liability Co.		
		<input type="checkbox"/>	Trust		
		<input type="checkbox"/>	Other		

In the event there are further questions about this report, please contact:

Name: Amanda Springborn Telephone Number: (314) 925-3838

Email Address:

II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER

I have examined the contents of the accompanying report to the State of Illinois, for the period from 1/1/2014 to 12/31/2014 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.

Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.

Officer or Administrator of Provider

(Signed) (Date)

(Type or Print Name)

(Title)

Paid Preparer

(Signed) (Date)

(Print Name and Title)

(Firm Name & Address) McGladrey LLP 20 N. Martingale Road, Ste. 500, Schaumburg, IL 60173

(Telephone) (847) 517-7070 Fax (847) 517-7067

MAIL TO: BUREAU OF HEALTH FINANCE
IL DEPT OF HEALTHCARE AND FAMILY SERVICES
201 S. Grand Avenue East
Springfield, IL 62763-0001 Phone # (217) 782-1630

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	113	Single Unit Apartment	117	42,543	1
2	6	Double Unit Apartment	2	892	2
3		Other		2,190	3
4	119	TOTALS	119	45,625	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	28,404	11,023		39,427	5
6	Double Unit	1,520	997		2,517	6
7	Other					7
8	TOTALS	29,924	12,020		41,944	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 91.93%

D. Indicate the number of paid bed-hold days the SLF had during this year 1,191 Also, indicate the number of unpaid bed-hold days the SLF had during this year. 408 (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: 12/31/2014 Fiscal Year: 12/31/2014

* 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

STATE OF ILLINOIS

Page 3

Facility Name: East Gate Manor of Algonquin

Report Period Beginning:

1/1/2014

Ending:

12/31/2014

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	327,843	284,825	2,055	614,723	(4,266)	610,457	1
2	Housekeeping, Laundry and Maintenance	112,758	26,298	175,044	314,100		314,100	2
3	Heat and Other Utilities			170,069	170,069		170,069	3
4	Other (specify): Satellite TV			911	911	(911)		4
5	TOTAL General Services	440,601	311,123	348,079	1,099,803	(5,177)	1,094,626	5
	B. Health Care and Programs							
6	Health Care/ Personal Care	637,453		117	637,570		637,570	6
7	Activities and Social Services	81,206	8,114	16,628	105,948		105,948	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	718,659	8,114	16,745	743,518		743,518	9
	C. General Administration							
10	Administrative and Clerical	225,694	21,499	504,147	751,340	(68,076)	683,264	10
11	Marketing Materials, Promotions and Advertising	98,754		76,470	175,224	(175,224)		11
12	Employee Benefits and Payroll Taxes			257,733	257,733		257,733	12
13	Insurance-Property, Liability and Malpractice			64,523	64,523		64,523	13
14	Other (specify): Barber & Beauty Shop	10,709		8,108	18,817		18,817	14
15	TOTAL General Administration	335,157	21,499	910,981	1,267,637	(243,300)	1,024,337	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	1,494,417	340,736	1,275,805	3,110,958	(248,477)	2,862,481	16
	Capital Expenses							
	D. Ownership							
17	Depreciation			68,987	68,987	264,810	333,797	17
18	Interest			7,944	7,944	494,234	502,178	18
19	Real Estate Taxes					169,867	169,867	19
20	Rent -- Facility and Grounds			1,078,769	1,078,769	(1,078,769)		20
21	Rent -- Equipment			4,840	4,840		4,840	21
22	Other (specify): Other Administrative			135,210	135,210	(135,210)		22
23	TOTAL Ownership			1,295,750	1,295,750	(285,068)	1,010,682	23
24	GRAND TOTAL (Sum of lines 16 and 23)	1,494,417	340,736	2,571,555	4,406,708	(533,545)	3,873,163	24

Facility Name: East Gate Manor of Algonquin

Report Period Beginning 1/1/2014 Ending: 12/31/2014

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	4.67	\$ 29.37	1
2	Licensed Practical Nurses			2
3	Certified Nurse Assistants			3
4	Activity Director & Assistants	2.76	14.22	4
5	Social Service Workers			5
6	Head Cook	5.92	15.04	6
7	Cook Helpers/Assistants	8.95	9.07	7
8	Dishwashers	1.06	8.25	8
9	Maintenance Workers	1.20	18.76	9
10	Housekeepers	3.43	9.66	10
11	Laundry			11
12	Managers	1.02	47.72	12
13	Other Administrative	3.46	16.08	13
14	Clerical			14
15	Marketing	2.01	25.69	15
16	Other See Attachment 1	15.29	11.48	16
17	Total (lines 1 thru 16)	49.78	\$ 14.15	17

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).

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	See Attachment 1		See Attachment 5	\$ Attachment 5	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

Facility Name: East Gate Manor of Algonquin

Report Period Beginning:

1/1/2014

Ending:

12/31/2014

VIII. OWNERSHIP COSTSA. 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	\$ 1,665,874	1
2				2001	3,852,173		40	96,304	96,304	1,324,185	2
3											3
4											4
5											5
	Improvement Type										
6	Flagpoles			2001	2,637	176	10	176		2,373	6
7	Tub Conversion			2001	1,185		10			1,185	7
8	Nurses Station			2001	6,183	309	20	309		4,174	8
9	2nd Floor Carpet			2001	1,339		10			1,339	9
10	Fire Alarm Doors			2001	835		10			835	10
11	2 Exterior Signs			2001	2,432		10			2,432	11
12	Nurse Call Station			2004	21,485	1,074	20	1,074		10,921	12
13	Asphalt Paving			2005	19,397	1,940	10	1,940		17,942	13
14	Apartments			2005	18,224	911	20	911		8,201	14
15	Nurse Call Station			2006	2,761	138	20	138		1,208	15
16	See Attachment 2				1,527,004	30,695		74,624	43,929	533,111	16
17	TOTAL (lines 1 thru 16)				\$ 10,134,876	\$ 35,243		\$ 292,457	\$ 257,214	\$ 3,573,780	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	\$ 1,100,304	\$ 21,969	\$ 29,566	7,597	10	\$ 919,987	18
19	Vehicles	58,868	11,774	11,774		5	19,623	19
20	TOTAL (lines 18 and 19)	\$ 1,159,172	\$ 33,744	\$ 41,340	7,597		\$ 939,610	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: East Gate Manor of Algonquin

Report Period Beginning: 1/1/2014

Ending: 2/31/2014

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 \$ 4,840

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	
	Name of Lender	Related**		Purpose of Loan	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	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	\$ 8,021,157	1/1/33	Variable	\$ 491,435	1
2					/ /			/ /			2
3					/ /	Amortization of Mortgage Costs		/ /		3,237	3
	Working Capital										
4	West Suburban Bank		X	Vehicle Purchase	4/26/13	57,910	40,661	5/1/18	0.0450	2,129	4
5	Bank of America		X	Line of Credit	4/6/02	400,000	298,000	9/30/15	Variable	5,815	5
6					/ /			/ /			6
7	TOTAL Facility Related					\$ 9,852,910	\$ 8,359,818			\$ 502,616	7
	B. Non-Facility Related										
8	Interest Income Offset				/ /	Less: Interest Income		/ /		(438)	8
9					/ /			/ /			9
10	TOTALS (lines 7, 8 and 9)					\$ 9,852,910	\$ 8,359,818			\$ 502,178	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.

STATE OF ILLINOIS

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Facility Name: East Gate Manor of Algonquin

Report Period Beginning: 1/1/2014

Ending: 12/31/2014

XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2014

(last day of reporting year)

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 437,331	\$ 451,312	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance 305,976)	753,540	753,540	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance			6
7	Other Prepaid Expenses	836	836	7
8	Accounts Receivable (owners or related parties)		274,854	8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 1,191,707	\$ 1,480,542	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments	94,552	94,552	12
13	Land		311,565	13
14	Buildings, at Historical Cost		4,679,221	14
15	Leasehold Improvements, at Historical Cost	568,611	5,455,655	15
16	Equipment, at Historical Cost	315,177	1,159,172	16
17	Accumulated Depreciation (book methods)	(352,408)	(4,513,390)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs		59,521	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)	\$ 625,932	\$ 7,246,296	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 1,817,639	\$ 8,726,838	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 36,217	\$ 36,217	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable	308,577	329,160	29
30	Accrued Salaries Payable	119,616	119,616	30
31	Accrued Taxes Payable	2,247	180,247	31
32	Accrued Interest Payable		69,930	32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35	See Attachment 3	402,925	1,268,506	35
36	See Attachment 3	33,593	33,593	36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 903,175	\$ 2,037,269	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable	30,084	30,084	38
39	Mortgage Payable		8,000,574	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)	\$ 30,084	\$ 8,030,658	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 933,259	\$ 10,067,927	45
46	TOTAL EQUITY	\$ 884,380	\$ (1,341,089)	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 1,817,639	\$ 8,726,838	47

*(See instructions.)

Facility Name: East Gate Manor of Algonquin

Report Period Beginning: 1/1/2014

Ending:

12/31/2014

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

	Revenue	Amount	
	A. SLF Resident Care		
1	Gross SLF Resident Revenue	\$ 4,597,730	1
2	Discounts and Allowances		2
3	SUBTOTAL Resident Care (line 1 minus line 2)	\$ 4,597,730	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	19,672	8
9	Non-Resident Meals	4,266	9
10	Laundry		10
11	SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)	\$ 23,938	11
	C. Non-Operating Revenue		
12	Contributions		12
13	Interest and Other Investment Income	438	13
14	SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)	\$ 438	14
	D. Other Revenue (specify):		
15	See Attachment 3	76	15
16			16
17	SUBTOTAL Other Revenue (sum of lines 15 and 16)	\$ 76	17
18	TOTAL REVENUE (sum of lines 3, 11, 14 and 17)	\$ 4,622,182	18

	Expenses	Amount	
	A. Operating Expenses		
19	General Services	1,099,803	19
20	Health Care/ Personal Care	743,518	20
21	General Administration	1,267,637	21
	B. Capital Expense		
22	Ownership	1,295,750	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)	\$ 4,406,708	28
29	Income Before Income Taxes (line 18 minus line 28)	\$ 215,474	29
30	Income Taxes	\$	30
31	NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)	\$ 215,474	31

V.

<u>Personnel</u>	<u>Number of FTE</u>	<u>Average Hourly Wage</u>
Caregivers	15.27	10.96
Barber & Beauty	0.02	12.00

VI.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

East Gate Manor of Algonquin, LLC
Leasehold Improvements (continued)
12/31/2014

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	511	20	511		-	4,345	19
20	Apartments	2006		81,813	4,091	20	4,091		-	34,772	20
21	Roof Repairs	2007		3,000	150	20	150		-	1,113	21
22	Sheers	2007		2,877	288	10	288		-	2,087	22
23	Sheers	2008		5,001	500	10	500		-	3,203	23
24	Painting	2008		2,700	270	10	270		-	1,800	24
25	Land Improvements-patio,topsoil	2009		6,420	428	15	428		-	2,376	25
26	Paint doors and elevators	2009		5,990	599	10	599		-	3,095	26
27	Nurses call system	2009		36,265	3,626	10	3,626		-	18,737	27
28	Apartment conversions - Samvest Rep Prj	2009		265,855		40	9,752		9,752	57,701	28
29	Dining Room/Lobby/Corridor - Samvest Rep Prj	2009		524,378		15	23,360		23,360	120,693	29
30	HVAC Repairs	2010		3,131	313	10	313		-	1,305	30
31	Remodel Offices	2010		37,280	1,864	20	1,864		-	8,084	31
32	Apartment conversions - Eastgate Manor	2010		3,528	176	20	176		-	794	32
33	Roof Repairs	2011		5,418	271	20	271		-	813	33
34	Apartment conversions - Eastgate Manor	2011		133,905	6,695	20	6,695		-	21,760	34
35	Roofing: Spouts, Gutters & Roof - East Wing	2012		43,577	2,179	20	2,179		-	4,539	35
36	Install Draft Damper - Dining Room	2012		4,988	532	10	532		-	1,173	36
37	Walk-In Cooler Repair - Kitchen	2012		11,599	1,160	10	1,160		-	2,803	37
38	Apartment conversions - Eastgate Manor (342 & 141)	2012		35,051	1,753	20	1,753		-	4,295	38
39	Smoking/Shower Room	2012		12,944	647	20	647		-	1,456	39
40	Sealcoat and strip parking lot	2013		2,600	260	10	260		-	368	40
41	HVAC - Heat Exchanger	2013		3,886	389	10	389		-	526	41
42	Furnish and Install 6 ton rooftop unit (RTU)	2013		10,551	1,055	10	1,055		-	1,319	42

43	Install new grease trap & adjust air fans	2013		8,900	890	10	890		-	890	43
44	Lobby Bathrooms - Labor, Paint, Plumbing	2013		20,489	2,049	10	2,049		-	2,866	44
45									-		45
46									-		46
47									-		47
48	Allocation from Real Estate Entity								-		48
49	Land Improvements	2000		79,149		15			-	79,149	49
50	Land Improvements	2001		162,248		15	10,817		10,817	148,727	50
51									-		51
52	Total (Attachment 2) to Schedule VIII - Line 16			\$ 1,527,004	\$ 30,695		\$ 74,624		\$ 43,929	\$ 533,111	52

East Gate Manor of Algonquin, LLC
12/31/2014
Attachment 3
Supplementary Information

<u>XI.C.Line 35</u>	<u>Operating</u>	<u>After Consolidation</u>
Withholding Dental Insurance	(88)	(88)
Withholding EP/CI/WI	(84)	(84)
Withholding Short Term Disability	(473)	(473)
Vision Withholding	19	19
401k Withholding	10	10
Accrued 401K	4,367	4,367
Accrued Expenses	25,702	25,702
Accrued Management Fees Nexgen	16,963	16,963
Accrued Rent	176,736	
Interest Rate Swap	-	1,042,317
Due to Republic Construction	(469)	(469)
Due to National	2,462	2,462
Due to Streamwood	2,360	2,360
Due to Royal General	4,127	4,127
Security Deposits	159,785	159,785
Resident Trust Fund Liability	11,508	11,508
	<u>402,925</u>	<u>1,268,506</u>
	-	-

<u>XI.C.Line 36</u>	<u>Operating</u>	<u>After Consolidation</u>
Prepaid Insurance	(27,706)	(27,706)
Due to Escrow	61,299	61,299
	<u>33,593</u>	<u>33,593</u>
	-	-

<u>XII.D.Line 15</u>	<u>Amount</u>
Carpet Proration	57

Miscellaneous Income

19
76
-

Attachment 4

Related Party Management Company-Royal Management Corp

Total cost allocated to nursing home	\$10,897,887	79.28%
Total cost allocated to other entities	\$2,848,102	20.72%
Including Eastgate Manor	<u>\$13,745,989</u>	<u>100.00%</u>

Basis for allocation of the \$2,848,102 - accumulated costs of the other entities, including Eastgate Manor.

East Gate Manor of Algonquin, LLC	4,102,405
Other entities managed by Royal Management (other than ten nursing homes)	31,217,592
	<u>35,319,997</u>

Eastgate Manor percentage of the \$2,848,102 11.61%

Eastgate Manor amount	330,806
Less Management fee in line 10, page 3	<u>302,664</u>
	<u>28,142</u>

Eastgate Manor's allocation of management company expenses is its proportionate share of Royal Management Corp total expenses of \$13,745,989. The specific expenses to Eastgate Manor would be calculated at 2.41% (20.72% x 11.61%) of individual expenses of Royal Management Corp as shown on the attached detail.

Attachment 5

Related Party Management Company-Nexgen

Other Entities Managed by Nexgen	7,066,864	63.52%
Eastgate Manor	4,059,228	36.48%
	<u>11,126,092</u>	<u>100.00%</u>

Total Nexgen Expenses 25,756

Eastgate Manor amount	9,397
Less Management fee in line 10, page 3	<u>103,560</u>
	<u>(94,163)</u>

Eastgate Manor's allocation of management company expenses is its proportionate share of Nexgen total expenses of \$25,756.

Owners' Compensation and Hours Worked	<u>Yearly Hours</u>	<u>Compensation</u>
<u>1/1/14 thru 12/31/14</u>		
Daniel Thiem	4.00	\$ 500.00
Phil Thiem	4.00	\$ 500.00
Jason Samatas	4.00	\$ 500.00
Jeremy Samatas	4.00	\$ 500.00
Jillayne Benjamin	4.00	\$ 500.00
Collin Samatas	4.00	\$ 500.00

Gabrielle Samatas

4.00	\$	500.00
28.00	\$	3,500.00

III.A

Converted the following units in 2014:

Converted Units 138 and 239 from Companions to Cabridge 1 BR's; 1/21/14
Converted Units 227 and 342 from Companions to Cabridge 1 BR's; 3/3/14

Based on Occupancy of Companion Suites (per instructions)

Units from 1/1/14 to 1/20/14

Single units; licensed double	74	x	20	=	1,480
Single units; licensed single	39	x	20	=	780
Double units; licensed double	6	x	20	=	120
	119				

Single Units with double occupancy					
A, B , C & D	4		20		80
Double units with 2 residents					
	2	x	20	=	40
(Note: 1 companion suites did not have a 2nd resident for all or substantially all of 2014)					2,500

Effective 1/21/14 - 3/2/14 Convert 138 & 239 from Companion to Cambridge/1 BR

Single units; licensed double	76	x	41	=	3,116
Single units; licensed single	39	x	41	=	1,599
Double units; licensed double	4	x	41	=	164
	119				
Single Units with Double Occupancy					-

A, B , C & D	4 x	41	164
<u>Double units with 2 residents</u>	2 x	41 =	82
(Note: 1 companion suites did not have a 2nd resident for all or substantially all of 2014)			<u>5,125</u>
			<u>7,625</u>

Effective 3/3/14-12/31/14 Convert 227 & 342 from Companion to Cambridge/1BR

Single units; licensed double	78 x	304 =	23,712
Single units; licensed single	39 x	304 =	11,856
Double units; licensed double	<u>2 x</u>	304 =	608
	<u>119</u>		
<u>Single Units with Double Occupancy</u>			-
A, B , C & D	4 x	304	1,216
<u>Double units with 2 residents</u>	2 x	304 =	608
(Note: 1 companion suites did not have a 2nd resident for all or substantially all of 2014)			<u>38,000</u>
		<u>365</u>	<u>45,625</u>

<u>TOTAL FOR YEAR</u>	<u>Beginning</u>	<u>End</u>	<u>Unit Days</u>
Single Units	113	117	42,543
Double Units	6	2	892
	119	119	
Other			2,190
			45,625