

Facility Name Victory Centre of BartlettReport Period Beginning: 1/1/2010 Ending: 12/31/2010**III. STATISTICAL DATA****A. Certified units; enter number of units and unit days**

Date of change in certified units

N/A

	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	104	Single Unit Apartment	104	37,960	1
2		Double Unit Apartment			2
3		Other			3
4	104	TOTALS	104	37,960	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	23,254	12,522		35,776	5
6	Double Unit					6
7	Other					7
8	TOTALS	23,254	12,522		35,776	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 94.25%

D. Indicate the number of paid bed-hold days the SLF had during this year0

Also, indicate the number of unpaid bed-hold days the SLF

had during this year. 0 (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)

None**H. ACCOUNTING BASIS**

ACCRUAL MODIFIED CASH* CASH*

I. Is your fiscal year identical to your tax year? YES NOTax Year: 12/31/2010 Fiscal Year: 12/31/2010

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

J. Does the facility have any Illinois Housing Development Authority Loans outstanding?Yes If yes, did the facility make all of therequired payments of interest and principle? YesIf 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 therequired payments of interest and principle? N/AIf 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 facilitymake all of the required payments of interest and principle? N/AIf no, explain. N/A

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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	197,319	139,057	245,973	582,349	(12,056)	570,293	1
2	Housekeeping, Laundry and Maintenance	159,704	30,435	98,119	288,258	168	288,426	2
3	Heat and Other Utilities			136,682	136,682	481	137,163	3
4	Other (specify):							4
5	TOTAL General Services	357,023	169,492	480,774	1,007,289	(11,407)	995,882	5
B. Health Care and Programs								
6	Health Care/ Personal Care	545,080	884	6,658	552,622		552,622	6
7	Activities and Social Services	62,069	3,098	7,578	72,745	174	72,919	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	607,149	3,982	14,236	625,367	174	625,541	9
C. General Administration								
10	Administrative and Clerical	199,980	31,520	706,355	937,855	(439,620)	498,235	10
11	Marketing Materials, Promotions and Advertising	75,937	137	54,780	130,854	34,961	165,815	11
12	Employee Benefits and Payroll Taxes			267,649	267,649	20,765	288,414	12
13	Insurance-Property, Liability and Malpractice			38,239	38,239	1,126	39,365	13
14	Other (specify):							14
15	TOTAL General Administration	275,917	31,657	1,067,023	1,374,597	(382,768)	991,829	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	1,240,089	205,131	1,562,033	3,007,253	(394,001)	2,613,252	16
Capital Expenses								
D. Ownership								
17	Depreciation			609,222	609,222	(125,820)	483,402	17
18	Interest			558,014	558,014	(12,411)	545,603	18
19	Real Estate Taxes			74,432	74,432		74,432	19
20	Rent -- Facility and Grounds			132	132	10,959	11,091	20
21	Rent -- Equipment			3,422	3,422	68	3,490	21
22	Other (specify): Amortization Exp., MIP Ins.			73,551	73,551		73,551	22
23	TOTAL Ownership			1,318,773	1,318,773	(127,204)	1,191,569	23
24	GRAND TOTAL (Sum of lines 16 and 23)	1,240,089	205,131	2,880,806	4,326,026	(521,205)	3,804,821	24

Victory Centre of Bartlett

Report Period Beginning: 1/1/2010
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NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference	
1	Non-Straight Line Depreciation	\$ (131,452)	17	1
2	Guest Meals	(1,879)	01	2
3	Employee Meals	(2,758)	01	3
4	Unidine Adjustment	(7,419)	01	4
5	Telephone Service	(29,232)	10	5
6	Other Income	(8,825)	10	6
7	Bank Service Charges	(3,000)	10	7
8	Charitable Contributions	(2,159)	10	8
9	Resident Gifts	(1,530)	10	9
10	Bad Debt	(4,540)	10	10
11	Cable TV	(18,788)	10	11
12	Asset Management Fee	(10,401)	10	12
13	Partnership Management Fee	(24,999)	10	13
14	Incentive Management Fee	(222,110)	10	14
15	Interest Income	(12,411)	18	15
16				16
17				17
18	PATHWAY MANAGEMENT LLC:			18
19	Maintenance	81	02	19
20	Utilites	398	3	20
21	Administrative	81,577	10	21
22	Marketing Materials	30,931	11	22
23	Insurance	1,126	13	23
24	Employee Benefits	12,515	12	24
25	Rent- Building	8,484	20	25
26	Rent- Equipment	21	21	26
27				27
28				28
29	PATHWAY SENIOR LIVING LLC:			29
30	Maintenance	87	2	30
31	Utilites	83	03	31
32	Activites	174	07	32
33	Administrative	3,053	10	33
34	Marketing Materials	4,030	11	34
35	Employee Benefits	8,250	12	35
36	Depreciation	5,632	17	36
37	Rent- Building	2,475	20	37
38	Rent- Equipment	47	21	38
39	Management Fees	(82,990)	10	39
40	Service Provider Fees	(115,676)	10	40
41				41
42				42
43				43
44				44
45				45
46				46
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90			90
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95			95
96			96
97			97
98			98
99			99
100			100
101	Total	(521,205)	101

Facility Name: Victory Centre of Bartlett

Report Period Beginning: 1/1/2010 Ending: 12/31/2010

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	1.08	\$ 34.27	1
2	Licensed Practical Nurses	2.72	20.65	2
3	Certified Nurse Assistants	17.56	9.61	3
4	Activity Director & Assistants	1.40	21.27	4
5	Social Service Workers			5
6	Head Cook	0.01	20.66	6
7	Cook Helpers/Assistants	9.56	9.90	7
8	Dishwashers			8
9	Maintenance Workers	2.41	18.38	9
10	Housekeepers	3.42	9.52	10
11	Laundry			11
12	Managers			12
13	Other Administrative	3.18	24.44	13
14	Clerical	1.00	18.36	14
15	Marketing	0.93	39.39	15
16	Other			16
17	Total (lines 1 thru 16)	43.27	\$ 13.78	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	Brian Cloch	29%		\$	1
2	Jerry Finis	29%			2
3	Robert Helle	13%			3
4	E. Keledjian	29%			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 Attached	

OTHER RELATED BUSINESS ENTITIES		
Name 3	City 4	Type of Business 5
See Attached		

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: Victory Centre of Bartlett

Report Period Beginning:

1/1/2010

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VIII. OWNERSHIP COSTS

A. Purchase price of land 909,090 Year land was acquired 2006

B. Building Depreciation -- Including Fixed Equipment. Round all numbers to the nearest dollar. *Total units on this schedule must agree with page 2.

	1	FOR BHF USE ONLY	2	3	4	5	6	7	8	9	
	Units*		Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	104		2006		\$ 13,844,577	\$ 609,222	35	\$ 395,559	\$ (213,663)	\$ 1,582,236	1
2											2
3	Allocated from Pathway Senior Living					5,632			(5,632)		3
4											4
5											5
Improvement Type											
6	Total From Supplemental Page 5's				289,770			14,488	14,488	52,293	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)				\$ 14,134,347	\$ 614,854		\$ 410,047	\$ (204,807)	\$ 1,634,529	17

C. Equipment Depreciation -- Including Transportation.

	Type	1	2	3	4	5	6	
		Cost	Current Book Depreciation	Straight Line Depreciation	Adjustments	Life in Years	Accumulated Depreciation	
18	Movable Equipment	\$ 734,942	\$	\$ 73,354	73,354	10	\$ 288,673	18
19	Vehicles					5	-	19
20	TOTAL (lines 18 and 19)	\$ 734,942	\$	\$ 73,354	73,354		\$ 288,673	20

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

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

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XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1									1
2	Land Improvement	2006	265,482		20	13,274	13,274	53,096	2
3	Offsite Improvements	2008	(29,549)		20	(1,477)	(1,477)	(4,432)	3
4	Land Improvements	2009	4,369		20	218	218	436	4
5	Building Improvement	2009	8,907		20	445	445	890	5
6	Generator Repairs	2009	2,627		20	131	131	262	6
7	Boiler Pumps	2009	2,885		20	144	144	288	7
8	Awning	2010	6,417		20	321	321	321	8
9	Water Softener	2010	24,613		20	1,231	1,231	1,231	9
10	Awning	2010	4,019		20	201	201	201	10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33	Total Book Depreciation								33
34	TOTAL (lines 1 thru 33)		\$ 289,770	\$		\$ 14,488	\$ 14,488	\$ 52,293	34

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Victory Centre of Bartlett

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XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1	3	4	5	6	7	8	9		
Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation		
1								1	
2								2	
3								3	
4								4	
5								5	
6								6	
7								7	
8								8	
9								9	
10								10	
11								11	
12								12	
13								13	
14								14	
15								15	
16								16	
17								17	
18								18	
19								19	
20								20	
21								21	
22								22	
23								23	
24								24	
25								25	
26								26	
27								27	
28								28	
29								29	
30								30	
31								31	
32								32	
33								33	
34	TOTAL (lines 1 thru 33)		\$	\$		\$	\$	\$	34

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Victory Centre of Bartlett

Report Period Beginning: 1/1/2010 Ending: 12/31/2010

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1	3	4	5	6	7	8	9	
Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1								1
2								2
3								3
4								4
5								5
6								6
7								7
8								8
9								9
10								10
11								11
12								12
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19								19
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21								21
22								22
23								23
24								24
25								25
26								26
27								27
28								28
29								29
30								30
31								31
32								32
33								33
34	TOTAL (lines 1 thru 33)		\$	\$		\$	\$	34

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name: Victory Centre of Bartlett

Report Period Beginning: 1/1/2010

Ending: 2/31/2010

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		/ /	\$			3
4	Additions		/ /				4
5	Allocated from Pathway		/ /	10,959			5
6	Storage Rental		/ /	132			6
7	TOTAL			\$ 11,091			7

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

9. Rental amount for movable equipment \$ 3,490

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			
A. Directly Facility Related											
Long-Term											
1	IHDA		X	1st Mortgage	4/1/07	\$ 10,330,000	\$ 9,919,313	5/1/42	5.3150	\$ 530,164	1
2	IHDA		X	2nd Mortgage	4/1/07	3,000,000	2,751,166	5/1/42	1.0000	27,850	2
3					/ /			/ /			3
Working Capital											
4					/ /			/ /			4
5					/ /			/ /			5
6					/ /			/ /			6
7	TOTAL Facility Related					\$ 13,330,000	\$ 12,670,479			\$ 558,014	7
B. Non-Facility Related											
8	Interest Income		X		/ /			/ /		-9,438	8
9	Interest Income- Escrows		X		/ /			/ /		-2,973	9
10	TOTALS (lines 7, 8 and 9)					\$ 13,330,000	\$ 12,670,479			\$ 545,603	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: **Victory Centre of Bartlett**Report Period Beginning: **1/1/2010**Ending: **12/31/2010****XI. BALANCE SHEET - Unrestricted Operating Fund.**As of **12/31/2010**

(last day of reporting year)

		1	2	
		Operating	After	
			Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 1,202,270	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance)	167,467		3
4	Supply Inventory (priced at)	4,321		4
5	Short-Term Investments			5
6	Prepaid Insurance	(73,528)		6
7	Other Prepaid Expenses	31,300		7
8	Accounts Receivable (owners or related parties)	10,879		8
9	Other(specify): See Attached	1,115,254		9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 2,457,963	\$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	909,090		13
14	Buildings, at Historical Cost	13,844,577		14
15	Leasehold Improvements, at Historical Cost	309,787		15
16	Equipment, at Historical Cost	736,794		16
17	Accumulated Depreciation (book methods)	(2,782,703)		17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify): See Attached	614,064		23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 13,631,609	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 16,089,572	\$	25

		1	2	
		Operating	After	
			Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 855,216	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable	201,027		29
30	Accrued Salaries Payable	110,163		30
31	Accrued Taxes Payable	91,766		31
32	Accrued Interest Payable	46,227		32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35				35
36	See Attached	141,348		36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 1,445,747	\$	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable			38
39	Mortgage Payable	12,469,452		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)	\$ 12,469,452	\$	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 13,915,199	\$	45
46	TOTAL EQUITY	\$ 2,174,373	\$	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 16,089,572	\$	47

*(See instructions.)

Facility Name: Victory Centre of Bartlett

Report Period Beginning: 1/1/2010

Ending:

12/31/2010

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

		1	
Revenue		Amount	
A. SLF Resident Care			
1	Gross SLF Resident Revenue	\$ 3,947,210	1
2	Discounts and Allowances		2
3	SUBTOTAL Resident Care (line 1 minus line 2)	\$ 3,947,210	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		8
9	Non-Resident Meals	12,056	9
10	Laundry		10
11	SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)	\$ 12,056	11
C. Non-Operating Revenue			
12	Contributions		12
13	Interest and Other Investment Income	12,411	13
14	SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)	\$ 12,411	14
D. Other Revenue (specify):			
15	See Attached	77,811	15
16			16
17	SUBTOTAL Other Revenue (sum of lines 15 and 16)	\$ 77,811	17
18	TOTAL REVENUE (sum of lines 3, 11, 14 and 17)	\$ 4,049,488	18

		2	
Expenses		Amount	
A. Operating Expenses			
19	General Services	1,007,289	19
20	Health Care/ Personal Care	625,367	20
21	General Administration	1,374,597	21
B. Capital Expense			
22	Ownership	1,318,773	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)	\$ 4,326,026	28
29	Income Before Income Taxes (line 18 minus line 28)	\$ (276,538)	29
30	Income Taxes	\$	30
31	NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)	\$ (276,538)	31