

TRANSITIONAL  
*Care*  
MANAGEMENT

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HEALTH FACILITIES &  
SERVICES REVIEW BOARD

July 15, 2015

Mr. Michael Constantino  
Project Review Supervisor  
Illinois Health Facilities & Services Review Board  
525 West Jefferson Street  
Springfield, Illinois 62761

Re: Annual Progress Report for Project # 11-006  
Transitional Care Center of Arlington Heights

Dear Mr. Constantino:

The hard construction for this project is 98% complete. We are actively engaging the IDPH life safety review and inspection process. The project was granted its Certificate of Occupancy from the Village of Arlington Heights on July 13<sup>th</sup>, 2015. The project is on schedule to be fully complete and licensed in advance of the current IHFSRB registered completion date of October 31, 2015.

The components of the project yet to be completed are as follows:

- Remainder of building construction punch list items;
- Final IDPH inspections and licensure;
- Final Medicare and Medicaid licensure and certifications.

The Permit Holder has sufficient and readily accessible funds to complete the above referenced project. For the original permit amount of \$22,275,873, the sources of funds are as follows:

|                  |              |
|------------------|--------------|
| HUD 232 Mortgage | \$18,912,000 |
| Cash Call to LLC | \$3,363,873  |

The Permit Holder has \$20,020,231 in total costs incurred to date, and is expecting to remain within the total approved permit amount. These expenditures are itemized in Attachment 1.

Sincerely,



Denise Norman  
Authorized Representative  
Transitional Care Center of Arlington Heights, LLC  
Transitional Care Management

## Attachment 1

| <b>Project Costs and Source of Funds</b>                            |                     |                     |                     |                               |                                   |                         |
|---|---------------------|---------------------|---------------------|-------------------------------|-----------------------------------|-------------------------|
| <b>Project 11-006 Transitional Care Center of Arlington Heights</b> |                     |                     |                     |                               |                                   |                         |
| <b>Use of Funds</b>   | <b>Clinical</b>     | <b>Non-Clinical</b> | <b>Permit Total</b> | <b>Clinical Costs to Date</b> | <b>Non-Clinical Costs to Date</b> | <b>Remaining Budget</b> |
| Preplanning Costs   | 780,000             | 195,000             | 975,000             | 617,388                       | 154,347                           | 203,265                 |
| Construction Costs  | 10,144,000          | 2,536,000           | 12,680,000          | 12,112,006                    | 3,028,001                         | -2,460,007              |
| Contingencies   | 1,360,000           | 340,000             | 1,700,000           | 142,696                       | 35,674                            | 1,521,630               |
| A&E Fees  | 861,200             | 215,300             | 1,076,500           | 425,055                       | 106,264                           | 545,181                 |
| Consulting & Other Fees   | 640,000             | 160,000             | 800,000             | 555,362                       | 138,840                           | 105,798                 |
| Moveable & Other Equipment  | 1,212,000           | 303,000             | 1,515,000           | 1,414,128                     | 353,532                           | -252,660                |
| Construction Interest   | 633,571             | 158,393             | 791,964             | 272,538                       | 68,135                            | 451,291                 |
| Other Costs to be Capitalized                                       | 149,927             | 37,482              | 187,409             | 477,012                       | 119,253                           | -408,856                |
| Acquisition of Building   | 2,040,000           | 510,000             | 2,550,000           | 0                             | 0                                 | 2,550,000               |
| <b>Totals</b>   | <b>\$17,820,698</b> | <b>\$4,455,175</b>  | <b>\$22,275,873</b> | <b>\$16,016,185</b>           | <b>\$4,004,046</b>                | <b>\$2,255,642</b>      |