

May 22, 2014

RECEIVED

MAY 29 2014

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Ms. Courtney Avery
Illinois Health Facilities and Services Review Board
Illinois Department of Public Health
525 West Jefferson Street, Second Floor
Springfield, IL 62761

RE: Manor Court of Freeport, Project #12-014
Annual Progress Report

Dear Ms. Avery:

We are writing to advise your office of the progress on the above-referenced project. The project is for the addition of 27 skilled care beds to its existing 90-bed complement, for a total of 117 skilled care beds. The project's cost, scope, design, square footage and number of beds are in compliance with that which Health Facilities and Services Review Board has approved and the financial resources to fund the project as evidenced by letters from Thomas R. Steil of McGladrey LLP and Jeffrey W. Shaw of Frances House, Inc.

We wish to advise you of the progress of the above-referenced project. Sitework, roofing, masonry, drywall, fire protection and HVAC are complete. Acoustical ceilings and electrical are 90% complete. Carpentry and plumbing are 80% complete. The installation of flooring will start mid-June and should be completed in six weeks. Once the flooring is completed, final clean-up and decorating will begin and, when completed, inspection and licensing of the facility will be done. We anticipate the project will be completed within the approved timeframe.

Listed below you will find our expenditures to date:

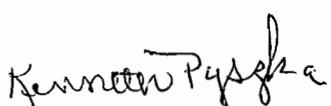
<i>Item</i>	<i>Cost</i>	<i>Paid to Date</i>	<i>% Expended</i>
Preplanning Costs	\$ 15,000.00	\$ 15,000.00	100%
Site Survey & Soil Investigation	\$ 10,000.00	\$ 10,000.00	100%
Site Preparation	\$ 50,000.00	\$ 50,000.00	100%
Off Site Work	\$ -	\$ -	0%
New Construction Contracts	\$ 1,389,950.00	\$ 1,103,762.00	79.41%
Modernization Contracts	\$ -	\$ -	0%
Contingencies	\$ 75,000.00	\$ -	0%
Architectural/Engineering Fees	\$ 70,000.00	\$ 63,728.00	91.04%
Consulting & Other Fees	\$ 40,000.00	\$ 40,000.00	100%
Movable or other Equipment (not in construction contracts)	\$ 105,000.00	\$ -	0%
Bond Issuance Expense (project related)	\$ -	\$ -	0%
Net Interest Expense During Construction (project related)	\$ -	\$ -	0%
Fair Market Value of Leased Space or Equipment	\$ 134,109.00	\$ 134,109.00	100%
Other Costs to be Capitalized	\$ -	\$ -	0%
Acquisition of Building or Other Property (excluding land)	\$ -	\$ -	0%
TOTAL PROJECT COST	\$ 1,889,059.00	\$ 1,416,599.00	74.99%

Ms. Courtney Avery
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Of the funds expended to date, all has come from existing cash and securities set aside for this project.

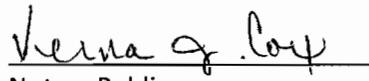
Sincerely yours,

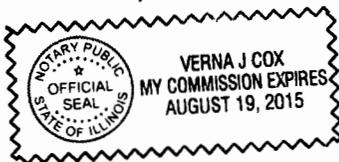

Jeffrey W. Shaw


Kenneth Pyszka

State of Illinois
County of Knox

Sworn to before me this 22nd day of May, 2014.


Notary Public



APPLICATION AND CERTIFICATION FOR PAYMENT

AIA DOCUMENT G702

PAGE ONE OF TWO

TO OWNER: Residential Alternatives of Illinois, Inc

PROJECT: Freeport Wing Addn.

and Frances House, Inc.
285 S. Farnham Street
Galesburg, IL 61401

2170 Navajo Drive
Freeport, IL

FROM CONTRACTOR:

VIA ARCHITECT:

RFMS, Inc.
285 S. Farnham Street
Galesburg, IL 61401

CONTRACT FOR: General Construction

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract.
Continuation Sheet, AIA Document G703, is attached.

- 1. ORIGINAL CONTRACT SUM \$ 1,889,059.00
- 2. Net change by Change Orders \$ 0.00
- 3. CONTRACT SUM TO DATE (Line 1 ± 2) \$ 1,889,059.00
- 4. TOTAL COMPLETED & STORED TO DATE (Column G on G703) \$ 1,416,599.00
- 5. RETAINAGE:

- a. 5 % of Completed Work (Column D + E on G703) \$ 0.00
- b. % of Stored Material (Column F on G703) \$ 0.00
- Total Retainage (Lines 5a + 5b or Total in Column I of G703) \$ 0.00
- 6. TOTAL EARNED LESS RETAINAGE (Line 4 Less Line 5 Total) \$ 1,416,599.00
- 7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate) \$ 1,126,976.00
- 8. CURRENT PAYMENT DUE \$ 289,623.00
- 9. BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 less Line 6) \$ 477,460.00

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner		
Total approved this Month		
TOTALS		
NET CHANGES by Change Order		\$0.00

APPLICATION NO:

Distribution to:

PERIOD TO: May 15, 2014

OWNER
 ARCHITECT
 CONTRACTOR

PROJECT NOS:

CONTRACT DATE:

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR:

By: *M. K. Mason*

Date: 05/23/14

State of: Illinois
Subscribed and sworn to before me this 23
Notary Public: *Lori K. Mason*
My Commission expires: June 18, 2016

ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED: \$

(Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.)

By:

Date:

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

CONTINUATION SHEET

AIA DOCUMENT G703

PAGE 2 OF 2 PAGES

AIA Document G702, APPLICATION AND CERTIFICATION FOR PAYMENT, containing

Contractor's signed certification is attached.

In tabulations below, amounts are stated to the nearest dollar.

Use Column I on Contracts where variable retainage for line items may apply.

APPLICATION NO: 6

APPLICATION DATE: May 15, 2014

PERIOD TO: May 15, 2014

ARCHITECT'S PROJECT NO:

A ITEM NO.	B DESCRIPTION OF WORK	C SCHEDULED VALUE	D WORK COMPLETED		F MATERIALS PRESENTLY STORED (NOT IN D OR E)	G TOTAL COMPLETED AND STORED TO DATE (D+E+F)		H BALANCE TO FINISH (C - G)	I RETAINAGE (IF VARIABLE RATE)
			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD		COMPLETED AND STORED TO DATE (D+E+F)	% (G + C)		
1	Preplanning Costs	\$15,000.00	\$15,000.00			\$15,000.00	100.00%	\$0.00	\$0.00
2	Site Survey & Soil Investigation	\$10,000.00	\$10,000.00			\$10,000.00	100.00%	\$0.00	\$0.00
3	Site Preparation	\$50,000.00	\$50,000.00			\$50,000.00	100.00%	\$0.00	\$0.00
4	Off Site Work	\$0.00				\$0.00		\$0.00	\$0.00
5	New Construction Contracts	\$1,389,950.00	\$814,139.00	\$289,623.00		\$1,103,762.00	79.41%	\$286,188.00	\$0.00
6	Modernization Contracts	\$0.00				\$0.00		\$0.00	\$0.00
7	Contingencies	\$75,000.00				\$0.00	0.00%	\$75,000.00	\$0.00
8	Architectural/Engineering Fees	\$70,000.00	\$63,728.00			\$63,728.00	91.04%	\$6,272.00	\$0.00
9	Consulting & Other Fees	\$40,000.00	\$40,000.00			\$40,000.00	100.00%	\$0.00	\$0.00
10	Movable or Other Equipment (not in construction contracts)	\$105,000.00				\$0.00	0.00%	\$105,000.00	\$0.00
11	Bond Issuance Expense (project related)	\$0.00				\$0.00		\$0.00	\$0.00
12	Net Interest Expense During Construction (project related)	\$0.00				\$0.00		\$0.00	\$0.00
13	Fair Market Value of Leased Space or Equipment	\$134,109.00	\$134,109.00			\$134,109.00	100.00%	\$0.00	\$0.00
14	Other Costs to Be Capitalized	\$0.00				\$0.00		\$0.00	\$0.00
15	Acquisition of Building or Other Property (excluding land)	\$0.00				\$0.00		\$0.00	\$0.00
16									
17									
18									
19									
20									
21									
22									
23									
24									
	GRAND TOTALS	\$1,889,059.00	\$1,126,976.00	\$289,623.00	\$0.00	\$1,416,599.00	74.99%	\$472,460.00	\$0.00

Users may obtain validation of this document by requesting of the license a completed AIA Document D401 - Certification of Document's Authenticity