ALDEN ESTATES OF BARTLETT
ALDEN BARTLETT INVESTMENTS
4200 WEST PETERSON AVENUE, SUITE 140
CHICAGO, ILLINOIS 60646
(773) 286-3883

SENT VIA HAND DELIVERY

June 2, 2020

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

Re: Permit # 16-006, Alden Estates of Bartlett;
Annual Progress Report

Dear Ms. Avery:

On May 10, 2016 the Illinois Health Facilities and Services Review Board granted a permit to Alden Estates of Bartlett for the construction and establishment of a 68-bed general long-term care facility. On behalf of the Applicant, I am writing this letter to comply with section 1130.760 (Annual Progress Reports) of the 77 Illinois Administrative Code.

1) **Current Status of the Project:**

The Review Board approved the permit for our Alden Estates of Bartlett on May 10, 2016 for construction of a new skilled facility in Bartlett. Currently, all the necessary site plan, engineering, environmental and soils studies have been completed. We currently have final PUD approval from the Village of Bartlett. However, due to the ongoing pandemic, we have not been able to progress this project as quickly as we would like. As villages and counties throughout Illinois have been closed or operating at limited capacity, we are hoping to be able to get back on schedule after the shelter in place order has been lifted.

As previously mentioned in the previous progress report. The adjacent property owner recently completed construction of their memory care facility. We have a shared ingress, egress and detention with this neighboring facility. We will be going back to the Village with a few modifications to the shared entrance way, parking and pond. Therefore, we will need to modify the current PUD. Design drawings have been completed and final working drawings on this Project will commence once we finalize the revised PUD. Although approximately 2.35% of

the project cost has been expended, all construction components remain to be finished. Project costs incurred through April 30, 2020 are $447,930 as detailed on the attached chart.

Our HUD financing has commenced and is in process for this Project. Once final working drawings have been complete, we will forward to HUD as part of their final review process.

2) **Project Costs:**

The Project remains within approved requirements of the Permit with respect to Project cost. Attached with this letter is an itemized listing of Project costs in comparison to the approved Permit amounts.

3) **Project Funding:**

The method of financing the Project remains a combination of equity and debt. Upon closing of the HUD financing, we anticipate that there will be sufficient financial resources to complete this Project. We confirm that nothing has been undertaken on this Project that would cause the Project to be out of compliance with what was approved by the Board. The Project will be constructed in compliance with the scope and cost of the Project as approved by the Board. Funding sources are summarized on the attached table.

4) **Anticipated Date of Completion:**

Under the existing permit Project completion is scheduled for December 31, 2021. We are working diligently to overcome the challenges that this project faces and are excited to get this project off the ground and operating.

For complete transparency, our money, time, efforts, and resources have been primarily focused on the health and safety of our current residents during these challenging times. We are very proud of our frontline staff who have been working tremendous hours to take care of our residents. An update will be provided in the next semiannual progress report. Please stay safe and well.

Sincerely,

Randi Schullo

ENCLOSURES

C: Mike Constantino, Chief, Project Review
John Kniery, Health Care Consultant
Joe Ourth, Attorney at Law

Alden Estates of Bartlett - Project 16-006
Semi-Annual Progress Report 2020

Use of Funds	Total Project Permit	Expended - April 2020	Percentage Expended of Total Approved
Preplanning Costs	$42,500	$40,183	95%
Site Survey & Soil Investigation	$40,000	$10,832	27%
Site Preperation	$600,000	$0	0%
Off-Site Work	$120,000	$0	0%
New Construction	$13,344,545	$0	0%
Contingencies	$1,334,454	$0	0%
Architectural / Engineering Fees	$1,100,925	$183,023	17%
Consulting and Other Fees	$684,259	$213,893	31%
Movable or Other Equipment	$593,188	$0	0%
Bond Issuance Expense	$582,300	$0	0%
Net Interest Expense During Construction	$534,481	$0	0%
Other Costs to be Capitalized	$50,000	$0	0%
Total	**$19,026,652**	**$447,930**	2.35%
Sources of Funds			
Cash and Securities	$3,126,652	$447,930	
Mortgages	$15,900,000	$0	
Total	**$19,026,652**	$447,930	

8996552v1(34983-0001)