

FOLEY & ASSOCIATES, INC.

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HAND DELIVERED

RECEIVED

MAY 13 2013

HEALTH FACILITIES &
SERVICES REVIEW BOARD

May 13, 2013

Courtney Avery, Administrator
525 West Jefferson Avenue
2nd Floor
Springfield, Illinois 62761

Re: Permit #11-104 – McAllister Nursing and Rehab

Dear Ms. Avery,

On April 17, 2012, the Illinois Health Facilities and Services Review Board granted a permit to McAllister Nursing and Rehab for the modernization of 111 long term care beds and the addition of 89 long term care beds for a total of 200 long term care beds. On behalf of the Applicant I am writing this letter to comply with Section 1130.760 (Annual Progress Reports) and Section 1130.720 (Obligation) of the Administrative Code.

Although construction has not yet commenced, costs incurred to date are over \$371,000, which equates to approximately 1.5% of the finished project. The contract was signed on May 1, 2013 with General Contractors, Architects and Consulting Engineers (see Exhibit A, AIA Contract). Design Development drawings are being prepared and will be submitted to the Illinois Department of Public Health for review on or about June 3, 2013. The project has not changed in scope or size as originally approved.

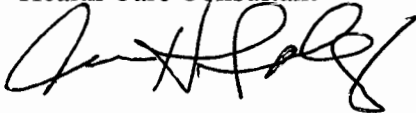
Appended herein (Exhibit B) is a project cost and sources of funds chart, illustrating the approved line items and the corresponding expenditures per line item.

The method of financing and sources of funds have not changed as originally approved. All funds to date have been paid from cash and securities.

The anticipated date of completion has not changed, and is January 31, 2016 as stated in the Permit Letter.

If you have any questions, please don't hesitate to contact me.

Charles H. Foley, MHSA
Health Care Consultant

A handwritten signature in black ink, appearing to read 'Charles H. Foley', written in a cursive style.

CHF/kah
Enclosures

C: Elisha Atkin
Art Salk, Architect


AIA® Document A133™ – 2009
**Standard Form of Agreement Between Owner and Construction Manager as
 Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed
 Maximum Price**

AGREEMENT made as of the ^{First} day of ^{May} in the year 2013
 (In words, indicate day, month and year.)

BETWEEN the Owner:
 (Name, legal status and address)

McAllister Properties LLC
 18300 S Lavergne Ave
 Country Club Hills, IL 60478

and the Construction Manager:
 (Name, legal status and address)

Skender Construction
 200 W Madison, Ste 1300
 Chicago, IL 60606

for the following Project:
 (Name and address or location)

McAllister Nursing Home
 18300 S Lavergne Ave
 Country Club Hills, IL 60478

The Architect:
 (Name, legal status and address)

Harley Ellis Devereaux
 401 W Superior St, #1
 Chicago, IL 60654

The Owner's Designated Representative:
 (Name, address and other information)

Eli Atkin
 18300 S Lavergne Ave
 Country Club Hills, IL 60478

The Construction Manager's Designated Representative:
 (Name, address and other information)

To be provided to Owner prior to commencement of work

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

AIA Document A201™-2007, General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

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 User Notes: (1902983267)

ARTICLE 12 SCOPE OF THE AGREEMENT

§ 12.1 This Agreement represents the entire and integrated agreement between the Owner and the Construction Manager and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Owner and Construction Manager.

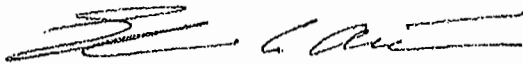
§ 12.2 The following documents comprise the Agreement:

- .1 AIA Document A133-2009, Standard Form of Agreement Between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price
- .2 AIA Document A201-2007, General Conditions of the Contract for Construction
- .3 THIS ITEM LEFT BLANK INTENTIONALLY

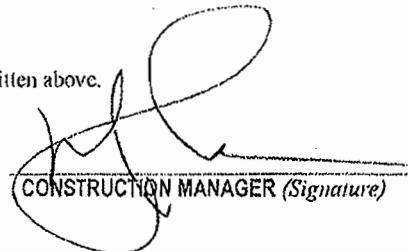
- .4 THIS ITEM LEFT BLANK INTENTIONALLY

- .5 Other documents: N/A
(List other documents, if any, forming part of the Agreement.)

This Agreement is entered into as of the day and year first written above.



OWNER (Signature)



CONSTRUCTION MANAGER (Signature)

ELISHA ATKIN
(Printed name and title)

Mark Skender Executive Vice President/Owner
(Printed name and title)

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McAllister Nursing & Rehabilitation Project Costs and Sources of Funds

Complete the following table listing all costs associated with the project. When a project or any component of a project is to be accomplished by lease, donation, gift, or other means, the fair market or dollar value (refer to Part 1130.140) of the component must be included in the estimated project cost. If the project contains non-reviewable components that are not related to the provision of health care, complete the second column of the table below. Note, the use and sources of funds must equal.

PROJECT COSTS AND SOURCES OF FUNDS			
USE OF FUNDS	APPROVED	EXPENDED	PERCENT
Preplanning Costs	\$38,500	\$38,500	100%
Site Survey and Soil Investigation	\$13,200	\$13,200	100%
Site Preparation	\$165,000		
Off Site Work	\$35,000		
New Construction Contracts	\$20,868,326		
Modernization Contracts	0		
Contingencies	\$1,043,416		
Architectural/Engineering Fees	\$695,000	\$220,000	32%
Consulting and Other Fees	\$209,000	\$100,000	48%
Movable or Other Equipment (not in construction contracts)	\$1,091,000		
Bond Issuance Expense (project related)	0		
Net Interest Expense During Construction (project related)	\$705,000		
Fair Market Value of Leased Space or Equipment	0		
Other Costs To Be Capitalized	\$47,500		
Acquisition of Building or Other Property (excluding land)	0		
TOTAL USES OF FUNDS	\$24,910,942	\$371,700	1.5%
SOURCE OF FUNDS	APPROVED	EXPENDED	PERCENT
Cash and Securities	\$2,610,942	\$371,700	14%
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages	\$22,300,000	\$0	0
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	<u>\$24,910,942</u>	<u>\$371,700</u>	<u>1.5%</u>