

Neighbors Property, LLC & Generations at Neighbors, LLC

6840 N. Lincoln Avenue Lincolnwood, IL 60712

May 22, 2017

Ms. Courtney Avery
Administrator
Illinois Health Facilities and Services Review Board
525 W. Jefferson, Second Floor
Springfield, IL 62761

Re: Neighbors Rehabilitation Center (now known as Generations at Neighbors)
Addition Project - Project No.:14-008 (the "Project")
Consent Agreement

Dear Ms. Avery:

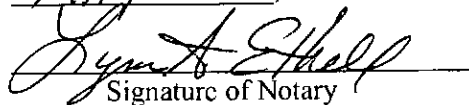
According to the Terms of the Consent Agreement, enclosed please find a check in the amount of \$100,000 made payable to the Illinois Department of Public Health on behalf of HFSRB. Because the final project cost is higher than anticipated at the time of the Consent Agreement, we recognize a possible need for an amended Consent Agreement.



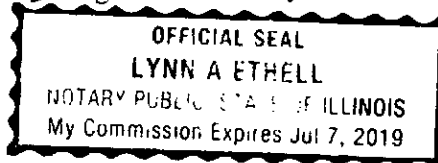
Thomas Winter

Chief Financial Officer

Subscribed before me this 22 day of
MAY, 2017


Signature of Notary

Seal



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6840 N. Lincoln Avenue Lincolnwood, IL 60712

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Illinois Health Facilities and Services Review Board
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Springfield, IL 62761

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**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

Re: Neighbors Rehabilitation Center (now known as Generations at Neighbors)
Addition Project - Project No.: 14-008 (the "Project")
Final Project Report

Dear Ms. Avery:

We are pleased to provide the final project report for Project 14-008 as required by the Review Board's rules. The Project was completed on January 9, 2017 in advance of the February 28, 2017 Project completion date. We provided the notice of Project completion to the Review Board in a letter dated March 7, 2017.

Attached with this letter is an itemization of all Project costs that have been incurred. These Project costs represent all of the expenditures required to complete the Project. There are no additional costs associated or capital expenditures related to the Project. We are also providing a final Application and Certification for Payment form (AIA form G702) with this report.

As you know, our Project experienced a cost overrun which we disclosed to the Review Board. We entered into a Consent Agreement with the Board and the Final Order has been approved. Because the final project cost is higher than anticipated at the time of the Consent Agreement, we recognize a possible need for an amended Consent Agreement.

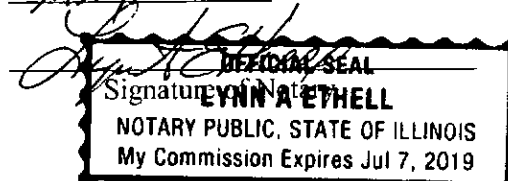
As an officer of the Permit Holder I certify that to the best of my knowledge that, except for the now resolved total project costs, the Project has complied with all permit requirements.



Thomas Winter

Chief Financial Officer

Subscribed before me this 22 day of
MAY, 2017



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ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD

Re: Neighbors Rehabilitation Center (now known as Generations at Neighbors)

Addition Project - Project No.: 14-008

Project Costs and Source of Funds

		Approved Certificate of Need	Actual Final Certificate of Need	Differences
	<u>USE OF FUNDS</u>			
1	Preplanning Costs	100,000	27,384	(72,616)
2	Site Survey & Soil Investigation	17,500	11,495	(6,005)
3	Site Preparation	100,000	0	(100,000)
4	Off Site Work (Permits)	23,844	19,333	(4,511)
5	New Construction Contracts	5,705,767	7,724,420	2,018,653
6	Modernization Contracts	1,589,415	1,680,680	91,265
7	Contingencies	508,800	0	(508,800)
8	Architectural/Engineering Fees	637,507	685,754	48,247
9	Consulting and Other Fees	60,000	60,000	0
10	Moveable or Other Equipment (not in construction contract)	276,025	604,255	328,230
11	Bond/Debt Issuance Expense (project related)	0	176,385	176,385
12	Net Interest Expense During Construction (project related)	0	205,066	205,066
13	Fair Market Value of Leased Equipment	0	0	0
14	Other Costs to be Capitalized (FF&E)	0	0	0
15	Acquisition of Building or Other Property (excluding Land)	0	0	0
	TOTAL USE OF FUNDS	9,018,858	11,194,772	2,175,914

	Approved Certificate of Need	Actual Final Certificate of Need	Differences
<u>SOURCE OF FUNDS</u>			
Cash and Securities	1,218,858	1,433,974	215,116
Mortgages	7,800,000	9,760,798	1,960,798
Leases (fair market value)	0	0	0
TOTAL SOURCE OF FUNDS	9,018,858	11,194,772	2,175,914



AIA® Document G702™ – 1992

Application and Certificate for Payment

TO OWNER: Sir Management 6840 N. Lincoln Avenue Lincolnwood, IL 60712	PROJECT: Neighbors Rehabilitation Center 811 West 2nd Street Byron, IL 61010	APPLICATION NO: 17 - Revised 3 PERIOD TO: March 23, 2017 CONTRACT FOR: General Construction CONTRACT DATE: PROJECT NOS: / /	Distribution to: OWNER: ARCHITECT: CONTRACTOR: FIELD: OTHER:
FROM Landmark Construction Systems, Inc. CONTRACTOR: 18606 S. 81st Avenue Tinley Park, IL 60487	VIA Legat Architects ARCHITECT: 2015 Spring Road, Suite 175 Oak Brook, IL 60523		

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	\$ 9,016,467.00
2. NET CHANGE BY CHANGE ORDERS	\$ -232,047.00
3. CONTRACT SUM TO DATE (Line 1 ± 2)	\$ 8,784,420.00
4. TOTAL COMPLETED & STORED TO DATE (Column G on G703)	\$ 8,784,420.00
5. RETAINAGE:	
a. 0 % of Completed Work (Column D + E on G703)	\$ 0.00
b. 0 % 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	\$ 8,784,420.00
(Line 4 Less Line 5 Total)	
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT	\$ 8,623,874.00
(Line 6 from prior Certificate)	
8. CURRENT PAYMENT DUE	\$ 160,546.00
9. BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 less Line 6)	\$ 0.00

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner	\$ 142,590.00	\$ 342,200.00
Total approved this Month	\$	\$ 32,437.00
TOTALS	\$ 142,590.00	\$ 374,637.00
NET CHANGES by Change Order	\$	-232,047.00

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: _____

State of: Illinois

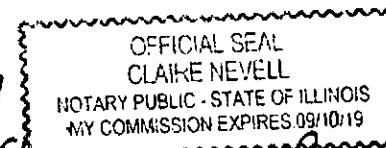
County of: Will

Subscribed and sworn to before
me this 24th day of March, 2017

Notary Public: Claire Nevell

My Commission expires: September 10, 2019

Date: 3-24-17



ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising this 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 \$ 160,546.00

(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.)

ARCHITECT:

By: _____

Date: 03.28.2017

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.

AIA® Document G703™ – 1992

Continuation Sheet

AIA Document, G702™–1992, Application and Certification for Payment, or G736™–2009, Project Application and Project Certificate for Payment, Construction Manager as Adviser Edition, containing Contractor's signed certification is attached.

In tabulations below, amounts are in US dollars.

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

APPLICATION NO: 17 - Revised 3

APPLICATION DATE: 03/23/2017

PERIOD TO: 03/23/2017

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		H BALANCE TO FINISH (C - G)	I RETAINAGE (IF VARIABLE RATE)
			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD		TOTAL COMPLETED AND STORED TO DATE (D+E+F)	% (G ÷ C)		
1	General Conditions	705,946.00	705,946.00	0.00	0.00	705,946.00	100.00 %	0.00	0.00
2	Gen Liability Ins	75,339.00	75,339.00	0.00	0.00	75,339.00	100.00 %	0.00	0.00
3	Gen Contractor Fee	576,399.00	576,399.00	0.00	0.00	576,399.00	100.00 %	0.00	0.00
4	Building Demolition	121,831.00	121,831.00	0.00	0.00	121,831.00	100.00 %	0.00	0.00
5	Temp Entrances	13,759.00	13,759.00	0.00	0.00	13,759.00	100.00 %	0.00	0.00
6	Toilet Access.	17,739.00	17,739.00	0.00	0.00	17,739.00	100.00 %	0.00	0.00
7	Siding	45,000.00	45,000.00	0.00	0.00	45,000.00	100.00 %	0.00	0.00
8	Specialties	64,510.00	64,510.00	0.00	0.00	64,510.00	100.00 %	0.00	0.00
9	Ethwk, Util, Paving	682,995.00	682,995.00	0.00	0.00	682,995.00	100.00 %	0.00	0.00
10	Concrete Work	337,969.00	337,969.00	0.00	0.00	337,969.00	100.00 %	0.00	0.00
11	Plumbing	570,201.00	569,000.00	1,201.00	0.00	570,201.00	100.00 %	0.00	0.00
12	Masonry	157,770.00	157,770.00	0.00	0.00	157,770.00	100.00 %	0.00	0.00
13	Electrical	1,372,664.00	1,372,664.00	0.00	0.00	1,372,664.00	100.00 %	0.00	0.00
14	Fire Protection	109,187.00	109,187.00	0.00	0.00	109,187.00	100.00 %	0.00	0.00
15	HVAC	389,904.00	389,904.00	0.00	0.00	389,904.00	100.00 %	0.00	0.00
16	Carpentry/Steel	763,860.00	763,860.00	0.00	0.00	763,860.00	100.00 %	0.00	0.00
17	PreFab Walls/Trusses	285,000.00	285,000.00	0.00	0.00	285,000.00	100.00 %	0.00	0.00
18	Metal Fr & Drywall	698,347.00	698,347.00	0.00	0.00	698,347.00	100.00 %	0.00	0.00
19	Acoustical Ceilings	64,000.00	64,000.00	0.00	0.00	64,000.00	100.00 %	0.00	0.00
20	Painting/Wall Cov	62,000.00	61,000.00	1,000.00	0.00	62,000.00	100.00 %	0.00	0.00
21	Tilework/Res Floor	458,031.00	458,031.00	0.00	0.00	458,031.00	100.00 %	0.00	0.00
22	Windows	82,000.00	82,000.00	0.00	0.00	82,000.00	100.00 %	0.00	0.00

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User Notes:

(1665429574)

A	B	C	D	E	F	G		H	I
ITEM NO.	DESCRIPTION OF WORK	SCHEDULED VALUE	WORK COMPLETED		MATERIALS PRESENTLY STORED (NOT IN D OR E)	TOTAL COMPLETED AND STORED TO DATE (D+E+F)	% (G ÷ C)	BALANCE TO FINISH (C - G)	RETAINAGE (IF VARIABLE RATE)
			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD					
23	Alum Ent/Glazing	61,206.00	61,206.00	0.00	0.00	61,206.00	100.00 %	0.00	0.00
24	Doors/Fr/Hdwe	182,000.00	182,000.00	0.00	0.00	182,000.00	100.00 %	0.00	0.00
25	Skylights	16,460.00	16,460.00	0.00	0.00	16,460.00	100.00 %	0.00	0.00
26	Roofing & Sheetmtl	471,594.00	471,594.00	0.00	0.00	471,594.00	100.00 %	0.00	0.00
27	Air Barrier/Caulking	69,585.00	66,185.00	3,400.00	0.00	69,585.00	100.00 %	0.00	0.00
28	Blown-in Ins, Fireprf	95,000.00	95,000.00	0.00	0.00	95,000.00	100.00 %	0.00	0.00
29	Landscaping	0.00	0.00	0.00	0.00	0.00	0.00 %	0.00	0.00
30	Fencing	6,970.00	6,970.00	0.00	0.00	6,970.00	100.00 %	0.00	0.00
31	Millwork	132,263.00	132,263.00	0.00	0.00	132,263.00	100.00 %	0.00	0.00
32	Install Skylights	12,000.00	12,000.00	0.00	0.00	12,000.00	100.00 %	0.00	0.00
33	Kitchen Equipment	82,891.00	82,891.00	0.00	0.00	82,891.00	100.00 %	0.00	0.00
	GRAND TOTAL	\$8,784,420.00	\$8,778,819.00	\$5,601.00	\$0.00	\$8,784,420.00	100.00 %	\$0.00	\$0.00