FOLEY & ASSOCIATES, INC.

Charles H. Foley, MHSA
cfoley@foleyandassociates.com

John P. Kniery
jkniery@foleyandassociates.com

<u>**HAND DELIVERED**</u>

RECEIVED
JUN 2 8 2016
HEALTH FACILITIES &
SERVICES REVIEW BOARD

June 28, 2016

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

Re: Project No. 16-011, Northbrook Behavioral Hospital

Dear Ms. Avery:

Please accept the enclosed Affidavit on availability of funds and the ratios (and calculations) for the above referenced project. This information is specifically addressing the condition of the permit as approved on June 21, 2016. This meets the conditions agreed upon for receiving the permit.

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

Sincerely,

John P. Kniery
Health Care Consultant

JPK/kah

Enclosure

CC: Mark Silberman
Martina Sze
James Cha

Health Care Consulting
133 South Fourth Street, Suite 200 • Springfield, IL 62701
foley@foleyandassociates.com
Office: 217/544-1551
Fax: 217/544-3615

AFFIDAVIT OF JAMES CHA

I, James S. Cha, state under oath, that I am over the age of 18 and can testify about the matters set forth in this affidavit based upon personal knowledge.

1. I am the Chief Financial Officer for US HealthVest LLC, 32 East 57^{th} Street – 17^{th} Fl., New York, New York 10022.

2. As of May 13, 2016, US HealthVest LLC had $27,326,184 available in cash funds to finance the Northbrook Behavioral Hospital Project, #16-011 as approved by the Health Facilities and Services Review Board, and as referenced in the attached letter (Exhibit A).

3. Cash funding is and will remain available to fund Project #16-011.

Under penalties as provided by law pursuant to Section 1-109 of the Illinois Code of Civil Procedure, I certify that the statements set forth in this Affidavit are true and correct.

Date: June 27, 2016

JAMES S. CHA

DM2\6932203.1

City Bank TEXAS

Member FDIC

EL PASO OFFICE
7901 North Mesa
El Paso, Texas 79932
P.O. Box 221650
El Paso, Texas 79913-1650
915-833-0267 main
915-833-9571 fax

May 16, 2016

Mr. James Cha, CFO
U.S. HealthVest LLC
32 East 57th Street 17th floor
New York City, NY 10022

Dear Mr. Cha,

Per your request, I am providing you with an aggregate balance of the 10 depository accounts which are in the name of US HealthVest or in the name of a subsidiary. The aggregate deposit balance of these accounts as of May 13, 2016, was $27,326,184. Should you need any other information please don't hesitate to call.

Sincerely,

Robert D. Kotarski
President – El Paso Branches

EXHIBIT A

Actual and Projected Financial Ratios US HealthVest, LLC		
2013	State Standard	US HealthVest, LLC
Current Ratio	>2.0	155.2
Net Margin Percentage	5.00%	NA
Percent Debt to Capitalization	<50%	0.00%
Debt Service Coverage Ratio	>2.5	NA
Days Cash on Hand	75 days	4320.4
Cushion Ratio	7	NA
2014	State Standard	US HealthVest, LLC
Current Ratio	>2.0	3.6
Net Margin Percentage	5.00%	-662.32%
Percent Debt to Capitalization	<50%	0.00%
Debt Service Coverage Ratio	>2.5	NA
Days Cash on Hand	75 days	287.9
Cushion Ratio	7	NA
2015	State Standard	US HealthVest, LLC
Current Ratio	>2.0	3.5
Net Margin Percentage	5.00%	-19.75%
Percent Debt to Capitalization	<50%	20.54%
Debt Service Coverage Ratio	>2.5	-25.1
Days Cash on Hand	75 days	198.4
Cushion Ratio	7	87.4
2020	State Standard	US HealthVest, LLC
Current Ratio	>2.0	10.4
Net Margin Percentage	5.00%	9.71%
Percent Debt to Capitalization	<50%	0.00%
Debt Service Coverage Ratio	>2.5	NA
Days Cash on Hand	75 days	158.7
Cushion Ratio	7	NA

1. Information provided by the applicants.
2. Debt Service Ratio and Cushion Ratio are NA in 2013, 2014 and 2020, as there is no debt.

Total Current Assets / Total Current Liabilities	$33,599,600 / $216,536	=	155.2
Net Income / Total Revenue	(2,835,857) / 0	=	NA
Debt / (Total Assets - Total Liabilities)	0 / $33,630,679 - $216,536	=	0.00%
Net Income + Depreciation / Debt Service	(2,835,857) + 1,772 / 0	=	NA
Cash / (Operating Expenses - Depreciation) * 365	$33,599,600 / 2,840,392 - 1,772 x 365	=	4320.4
Cash / Debt Service	$33,599,600 / 0	=	NA
Total Current Assets / Total Current Liabilities	$5,975,668 / $1,648,188	=	3.6
Net Income / Total Revenue	(5,717,013) / 863,185	=	-662.32%
Debt / (Total Assets - Total Liabilities)	$0 / $29,345,320 - $1,648,188	=	0.00%
Net Income + Depreciation / Debt Service	(5,717,013) + 42,666 / 0	=	NA
Cash / (Operating Expenses - Depreciation) * 365	$5,136,371 / 6,555,629 - 42,666 x 365	=	287.9
Cash / Debt Service	$5,136,371 / 0	=	NA
Total Current Assets / Total Current Liabilities	$14,528,823 / $4,142,487	=	3.5
Net Income / Total Revenue	(3,357,048) / 16,997,302	=	-19.75%
Debt / (Total Assets - Total Liabilities)	$7,156,673 / $46,139,242 - $11,299,160	=	20.54%
Net Income + Depreciation / Debt Service	(3,357,048) + 280,380 / $122,385	=	-25.1
Cash / (Operating Expenses - Depreciation) * 365	$10,693,893 / 19,956,816 - 280,380 x 365	=	198.4
Cash / Debt Service	$10,693,893 / $122,385	=	87.4
Total Current Assets / Total Current Liabilities	$32,007,675 / $3,076,686	=	10.4
Net Income / Total Revenue	6,600,676 / 67,962,320	=	9.71%
Debt / (Total Assets - Total Liabilities)	$0 / $73,283,992 - $18,957,505	=	0.00%
Net Income + Depreciation / Debt Service	6,600,676 + 1,563,101 / $0	=	NA
Cash / (Operating Expenses - Depreciation) * 365	$24,775,771 / 58,545,911 - 1,563,101 x 365	=	158.7
Cash / Debt Service	$24,775,771 / $0	=	NA