

March 13, 2019

BY FEDERAL EXPRESS

Ms. Courtney Avery
Illinois Department of Public Health
Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

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**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

RE: Oak Trace, Project # 16-056 Annual Progress Report

Dear Ms. Avery:

Below is the annual progress report for Oak Trace's CON permit for project 16-056, which was approved on March 14, 2017.

Current Status of the Project

The project is 79% complete. As for the elements of the project, please note the following:

- Structural construction complete
- Mechanical, electrical and plumbing complete
- Final painting in progress
- Received Temporary Certificate of Occupancy ("TCO") allowing installation of FF&E and start-up of kitchen
- Installation of furniture, fixtures and equipment ("FF&E") in common areas and resident rooms in progress
- Start-up of kitchen in progress

The project is on target for completion by the approved completion date. Project costs and square footage are expected to be completed within permitted amounts.

Project Commitment Date

Project commitment occurred when the construction contract was signed on September 29, 2017.

The Anticipated Completion Date

The project completion date of record is March 31, 2020. It is anticipated that the project will be completed within that required timeframe.



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Costs Incurred to Date

The project has incurred costs in the amount of \$61,173,565 as of January 31, 2019. The Project Costs table below provides an itemized listing showing the Approved Permit Amount and the Costs Incurred to Date.

PROJECT COSTS	Approved Permit Amount	Costs Incurred to Date
Preplanning Costs	\$486,000	\$420,798
Site Survey and Soil Investigation	\$61,000	\$32,917
Site Preparation	\$2,697,000	\$2,697,000
Off Site Work	\$176,000	\$176,000
New Construction Contracts	\$0	\$0
Modernization Contracts	\$52,000,000	\$46,716,388
Contingencies	\$3,972,000	\$3,344,600
Architectural/Engineering Fees	\$2,931,000	\$2,931,000
Consulting and Other Fees	\$3,461,000	\$2,757,461
Movable or Other Equipment (not in construction contracts)	\$1,475,000	\$1,475,000
Bond Issuance Expense (project related)	\$1,720,000	\$575,696
Net Interest Expense During Construction (project related)	\$4,750,000	\$0
Fair Market Value of Leased Space or Equipment	\$0	\$0
Other Costs To be Capitalized	\$721,000	\$46,705
Acquisition of Building or Other Property (excluding land)	\$0	\$0
ESTIMATED TOTAL PROJECT COSTS	\$74,450,000	\$61,173,565



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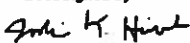
Method of Financing of the Project

The table below provides a listing of the sources of funding for the project through January 31, 2019.

PROJECT SOURCES OF FUNDS	Original Amount	Funds Expended to Date
Cash and Securities	\$0	\$0
Pledges	\$0	\$0
Gifts and Bequests	\$0	\$0
Bond Issues (project related)	\$74,450,000	\$61,173,565
Mortgages	\$0	\$0
Leases (fair market value)	\$0	\$0
Governmental Appropriations	\$0	\$0
Grants	\$0	\$0
Other Funds and Sources	\$0	\$0
TOTAL FUNDS	\$74,450,000	\$61,173,565

If you have any questions or concerns about this project, please feel free to contact me.

Sincerely,

DocuSigned by:

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Jodi Hirsch
 Senior Vice President and General Counsel

cc: Mr. Michael Constantino
 Ms. Kara Friedman

