



SENT VIA EMAIL AND UPS NEXT DAY DELIVERY

April 30, 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 # 19-004, Smith Village;
Annual Progress Report

Dear Ms. Avery:

On April 30, 2019 the Illinois Health Facilities and Services Review Board granted a permit to Washington and Jane Smith Community – Beverly d/b/a Smith Village for the major modernization of existing space, resulting in a 78-bed general long-term care unit (a reduction of 22 GLTC beds) in 70,852 gs. On behalf of the Applicant, I am writing this letter to comply with Illinois Admin. Code Section 1130.760 (Annual Progress Reports).

Current Status:

The project is currently on schedule and is proceeding according to the terms identified in the approved permit. The GMP contract for the building construction has been signed, the building permit was received on December 5, 2019 and the foundation permit for the new addition was received on April 13, 2020. The new roof on the existing building and the relocation of the trash corral has been completed. Construction on the modernization of the existing building began in December 2019 but had to be suspended on March 20, 2020 when the building was closed to all outsiders because of the coronavirus pandemic. As of March 31, 2020, the construction is 7% complete.

Project Costs and Financing:

To date we have expended approximately \$3,727,837.00 of the total \$23,874,680 project cost. We have recently filed a permit alteration request to increase the amount of financed debt associated with this project. If approved by the IHFSRB, we would anticipate funding the project with 99% debt financing. Ultimately, this option has proven to be the most cost effective method of moving forward with this project.

A Smith Senior Living Community

2320 West 113th Place Chicago, Illinois 60643 T 773 474 7300 F 773 474 7302 smithvillage.org

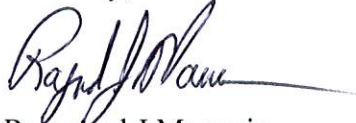


Project Completion:

The anticipated date of completion is still on schedule for January 31, 2022 as stated in the permit letter. This project remains in compliance with all the conditions and items of the permit.

Should you have any questions or concerns, please do not hesitate to contact me on behalf of the Applicant.

Sincerely,

A handwritten signature in black ink, appearing to read "Raymond J. Marneris", with a long horizontal flourish extending to the right.

Raymond J Marneris
Chief Financial Officer

C: Michael Constantino, Chief Project Review
John Kniery, Health Care Consultant
Juan Morado, Jr., Legal Counsel, Benesch