

March 1, 2024

VIA E-MAIL

John P. Kniery
Board Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761

Re: Annual Project Report, Project #22-036 Sunset Home

Dear Mr. Kniery:

I am writing on behalf of Sunset Home (the "Permit Holder") in regard to Sunset Home, Project #22-036. This letter is being submitted pursuant to 77 Ill. Admin Code Section 1130.760, please accept the following as our annual progress report.

Current Status of the Project

Through January 31, 2024, the project is 10% complete. Construction of the facility has not begun at the site but the plans for the facility have been submitted to the Design and Construction Safety Unit at the Illinois Department of Public Health and are approved. The project has been financially committed through the selection of O'Shea Builders, the general contractor for the project. As part of the financing for the project the Permit Holders have submitted the necessary paperwork to the bank who will then coordinate with the United States Department of Agriculture ("USDA") who will be funding a portion of the project. USDA requires a final fiscal audit for the last fiscal year for Sunset Home which is underway and it is expected that it will be sent to the bank in the next 60 days. Once the bank has completed their review, final approval will be sought from USDA and once that process has been completed construction can begin in earnest. In the meantime, O'Shea Builders is meeting with potential sub-contractors in the coming weeks and assembling the necessary team to complete the project.

Cost Incurred to Date and Method of Financing

The amount of funds expended on the project through the date of this filing is approximately \$1,300,000. The method of financing and the sources of funds for the project have not changed since the approval of the Project by the Board on January 31, 2023. At this time, we believe the total project costs at completion of the project may exceed the approved amount and if necessary the Permit Holder will file the request permit alteration request to address the overage.

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Anticipated Date of Completion

The scope of the project has remained consistent with the approved permit for Project #22-036. On February 8, 2024, the Permit Holder financially committed to the project through the selection of O'Shea Builders to serve as general contractor for the project. This contract accounts for well over 33% of the total project costs.

If you have any questions or need any additional information regarding the project, please feel free to contact me via phone at 312-212-4967 or via email at JMorado@beneschlaw.com.

Very truly yours,

BENESCH, FRIEDLANDER,
COPLAN & ARONOFF LLP

A handwritten signature in black ink, appearing to read "Juan Morado Jr.", with a stylized flourish at the end.

Juan Morado Jr.