



Public Health and Health Planning Council

Project # 121407-E

**150 Riverside OP, LLC
d/b/a The Riverside**

County: New York (New York)
Purpose: Establishment

Program: Residential Health Care Facility
Submitted: May 29, 2012

Executive Summary

Description

150 Riverside OP, LLC d/b/a The Riverside, is seeking approval to become the new operator of Kateri Residence, an existing 520-bed, not-for-profit residential health care facility (RHCF) located at 150 Riverside Drive, in Manhattan. Catholic Health Care System is currently the sole member of Kateri Residence. 150 Riverside OP, LLC's ownership is as follows:

<u>Proposed Operator</u>	<u>Membership and Interest</u>
150 RSD Ventures LLC (59%)	- Shanon Penson (100.00%)
150 Riverside Management Group, LLC (21%)	- Sharon Einhorn (45.24%) - Devorah Friedman (45.24%) - Yossie Zucker (9.52%)
DJ River OP, LLC (19%)	- Jay Eisenstadt (50.00%) - Helene Scharf (50.00%)
AS River OP, LLC (1%)	Ann Schon

The realty is being purchased by 150 Riverside, LLC, which is owned by the following:

<u>150 Riverside, LLC</u>	<u>Membership and Interest</u>
150 RSD Property Ventures LLC (59%)	- Andrew Penson (100.00%)
150 Riverside MN Property LLC (21%)	- Mark Friedman (45.24%) - Neal Einhorn (45.24%) - Yossie Zucker (9.52%)
DJ River Prop, LLC (19%)	- Jay Eisenstadt (50.00%) - David Scharf (50.00%)
Ann Schon (1%)	

No changes in the program or physical environment are proposed in this application.

DOH Recommendation

Contingent approval.

Need Summary

Kateri Residence's occupancy exceeded the 97% planning optimum from 2008 to 2010, with rates of 98.1%, 97.9%, and 98.3%, respectively. The facility also reported Medicaid admissions of 24.5% and 16.7% in 2008 and 2009, respectively, both above the 75% planning averages for New York County during those years.

Program Summary

No negative information has been received concerning the character and competence of the above applicants identified as new members.

Financial Summary

The purchase price for the operating assets is \$14,000,000 and the real property is \$66,000,000, totaling \$80,000,000 plus a maximum cost of \$1,350,000 for the sprinkler system based on invoice. The sprinkler system will be funded through equity. The purchase price will be paid by \$16,000,000 in cash and a \$64,000,000 mortgage at 5.26% over a 10-year term with a 30 year amortization.

There are no project costs associated with this proposal.

Budget:	<i>Revenues:</i>	\$ 64,143,494
	<i>Expenses:</i>	<u>61,287,873</u>
	<i>Gain/(Loss):</i>	\$ 2,855,621

Subject to the noted contingencies, it appears that the applicant has demonstrated the capability to proceed in a financially feasible manner.

Recommendations

Health Systems Agency

There will be no HSA recommendation for this application.

Office of Health Systems Management

Approval contingent upon:

1. The submission of a commitment signed by the applicant which indicates that, within two years from the date of the council approval, the percentage of all admissions who are Medicaid and Medicare/Medicaid eligible at the time of admission will be at least 75 percent of the planning area average of all Medicaid and Medicare/Medicaid admissions, subject to possible adjustment based on factors such as the number of Medicaid patient days, the facility's case mix, the length of time before private paying patients became Medicaid eligible, and the financial impact on the facility due to an increase in Medicaid admissions. The DOH reserves the right to require continued reporting beyond the two year period. [RNR]
2. Submission of a loan commitment for working capital that is acceptable to the Department of Health. [BFA]
3. Submission of an executed building lease agreement that is acceptable to the Department of Health. [BFA]
4. Submission of a commitment acceptable to the Department of Health, for a permanent mortgage from a recognized lending institution at a prevailing rate of interest within 120 days of receipt from the Office of Health Systems Management, Bureau of Architectural and Engineering Facility Planning of approval of final plans and specifications and before the start of construction. Included in the submitted permanent mortgage commitment must be a sources and uses statement and debt amortization schedule, for both new and refinanced debt. [BFA]
5. Confirmation regarding the name of the facility. [CSL]
6. Submission of a photocopy of an executed Certificate of Assumed Name for 150 Riverside Op., LLC acceptable to the Department. [CSL]
7. Submission of a photocopy of an executed proposed Certificate of Amendment to the Certificate of Formation of 150 Riverside Op., LLC acceptable to the Department. [CSL]
8. Submission of a photocopy of an executed Application of Authority of 150 Riverside Op., LLC acceptable to the Department. [CSL]
9. Submission of a photocopy of the executed Operating Agreement of 150 Riverside Op., LLC acceptable to the Department. [CSL]
10. Submission of a photocopy of an executed proposed Certificate of Amendment to the Certificate of Formation of 150 RSD Ventures, LLC, acceptable to the Department. [CSL]
11. Submission of a photocopy of an executed proposed Certificate of Amendment to the Certificate of Formation of DJ River Op., LLC, acceptable to the Department. [CSL]
12. Submission of a photocopy of an executed Application of Authority of DJ River Op., LLC, acceptable to the Department. [CSL]
13. Submission of a photocopy of an executed proposed Certificate of Amendment to the Articles of Incorporation of 150 Riverside Management Group, LLC, acceptable to the Department. [CSL]
14. Submission of a photocopy of the executed Limited Liability Company Agreement of AS River Op., LLC, acceptable to the Department. [CSL]
15. Submission of a photocopy of the executed Limited Liability Company Agreement of DJ River Op., LLC, acceptable to the Department. [CSL]
16. Submission of a photocopy of the executed Limited Liability Company Agreement of 150 Riverside Management Group, LLC, acceptable to the Department. [CSL]
17. Submission of a list providing the name, membership interest and percentage ownership interest in the 2nd Level member and indirect ownership percentage in the Article 28 LLC.
18. Submission of photocopies of Exhibits A and C to the Purchase and Sale agreement.
19. Submission of a photocopy of an executed Certificate of Amendment or Certificate of Dissolution of Kateri Residence, Inc., acceptable to the Department. [CSL]
20. Submission of a photocopy of the executed Lease Agreement of 150 Riverside Op., LLC acceptable to the Department. [CSL]

Approval conditional upon:

1. The transaction provides payment to the Seller for long term care real estate and operations. The Seller has represented and confirmed to the Department that a majority of the sale proceeds will be reinvested into the development of a PACE program and other long term care programs that add capacity in the region. This sale and project approval are conditioned upon the Seller adhering to those commitments. [BFA]

Council Action Date

October 11, 2012.

Need Analysis

Background

Kateri Residence, a 520 bed voluntary not-for-profit facility located at 150 Riverside Drive, 10024, in New York County seeks approval to enter into an asset purchase and sale agreement with 150 Riverside OP. LLC d/b/a The Riverside (The Center).

Kateri Residence exceeded the planning optimum of 97% for 2008, 2009, and 2010. In addition Kateri exceeded New York County and the NYC Region utilization for all years in question.

<u>RHCF Occupancy</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Kateri Residence New York	98.1%	97.9%	98.3%
New York County	96.9%	96.7%	96.5%
NYC Region	94.5%	95.0%	94.8%

<u>RHCF Bed Need</u>	<u>New York City</u>
2016 Projected Need	51,071
Current Beds	43,343
Beds Under Construction	79
Total Resources	43,422
Unmet Need	7,649

Regulations indicate that the Medicaid patient admissions standard shall be 75% of the annual percentage of all Medicaid admissions for the long term care planning area in which the applicant facility is located. Such planning area percentage shall not include residential health care facilities that have an average length of stay 30 days or fewer. If there are four or fewer residential health care facilities in the planning area, the applicable standard for a planning area shall be 75% of the planning area percentage of Medicaid admissions, whichever is less. In calculating such percentages, the Department will use the most current data which have been received and analyzed by the Department.

An applicant will be required to make appropriate adjustments in its admission policies and practices so that the proportion of its own annual Medicaid patients admissions is at least 75% of the planning area percentage of health Systems Agency percentage, whichever is applicable.

Kateri Residence was above the 75 percent planning average for 2008 and 2009. The facility reported Medicaid admissions of 24.5 percent and 16.7 percent in 2008 and 2009, respectively. The 75 percent planning averages for New York County were 21.9 percent in 2008 and 11.7 percent 2009.

Kateri Residence has exceeded the planning optimum for occupancy and the Medicaid Access admissions standard.

Recommendation

From a need perspective, contingent approval is recommended.

Dumont Center for Rehabilitation and Nursing Care	08/2010 to present
New Vanderbilt Rehabilitation and Care Center	01/2010 to present
Sans Souci Rehabilitation and Nursing Center	10/2009 to present

<u>Out-of-State Residential Health Care Facilities</u>	
Forbes Center for Rehabilitation and Healthcare	10/2011 to present

- **INDIVIDUAL BACKGROUND REVIEW:**

Shannon Penson has been a homemaker and has not been employed for the past 10 years. She discloses no ownership interest in health facilities.

Sharon Einhorn discloses employment history for the last 10 years. She has disclosed ownership interest in the following residential health care facilities:

Bellhaven Center for Rehabilitation and Nursing Center	03/2010 to present
Dumont Center for Rehabilitation and Nursing Care	08/2010 to present

Devorah Friedman is NYS licensed speech language pathologist, license number 017276 and is in good standing. She has disclosed ownership interest in the following residential health care facilities:

Bellhaven Center for Rehabilitation and Nursing Center	03/2010 to present
Dumont Center for Rehabilitation and Nursing Care	08/2010 to present
Sans Souci Rehabilitation and Nursing Center	10/2009 to present

Yossie Zucker is a certified public accountant (CPA), license number 094870-1 and is in good standing. He discloses no ownership interest in health facilities.

Jay Eisenstadt is the president and partner of Esplanade Capital LLC, a real estate investment firm. He discloses ownership interest in the following out-of-state residential health care facility:

Forbes Center for Rehabilitation and Healthcare	10/2011 to present
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Helene Scharf is a NYS licensed speech language pathologist, license number 012601 and is in good standing. She discloses no ownership interest in health facilities.

Ann Schon is a bookkeeper at the New Vanderbilt Rehabilitation and Care Center. She discloses ownership interest in the following residential health care facility:

New Vanderbilt Rehabilitation and Care Center	01/2010 to present
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Character and Competence – Analysis:

No negative information has been received concerning the character and competence of the above applicants identified as new members.

A review of Bellhaven Center for Rehabilitation and Nursing Care, Dumont Center for Rehabilitation and Nursing Care, and the New Vanderbilt Rehabilitation and Care Center reveals that a substantially consistent high level of care has been provided since there were no enforcements for the time period reviewed.

A review of operations for San Souci Nursing Home for the period reveals the following:

- The facility was fined \$10,000 pursuant to a Stipulation and Order for surveillance findings on February 11, 2011. Deficiencies were found under 10 NYCRR 415.12(j): Quality of Care – Hydration.

A review of operations for the Sans Souci Rehabilitation and Nursing Center for the period results in a conclusion of substantially consistent high level of care since there were no repeat enforcements.

A review of information provided by the Pennsylvania Department of Health for the Forbes Center for Rehabilitation and Healthcare located in Pittsburgh, Pennsylvania for the period identified above results in a conclusion of substantially consistent high level of care since there were no enforcements.

No changes in the program or physical environment are proposed in this application.

Recommendation

From a programmatic perspective, approva is recommended.

Financial Analysis

Asset Purchase and Sale Agreement

The change in ownership and real property will be effectuated in accordance with an executed asset purchase and sale agreement, the terms of which are summarized below:

<i>Date:</i>	March 27, 2012
<i>Seller:</i>	Kateri Residence
<i>Purchaser of Operating Assets:</i>	150 Riverside OP, LLC
<i>Buyer of Real Property Assets:</i>	150 Riverside, LLC
<i>Purchased Assets:</i>	The real estate and all assets used in operation of the facility. Facilities; equipment; supplies and inventory; prepaid expenses; documents and records; assignable leases, contracts, licenses and permits; telephone numbers, fax numbers and all logos; resident trust funds; deposits; accounts and notes receivable; cash, deposits and cash equivalents;
<i>Excluded Assets:</i>	Any security, vendor, utility or other deposits with any Governmental Entity; any refunds, debtor claims, third-party retroactive adjustments and related documents prior to closing, and personal property of residents.
<i>Purchase Price:</i>	\$14,000,000 for the operating interest and \$66,000,000 for the real property interest totaling \$80,000,000 plus the cost of the new sprinkler system up to a maximum amount of \$1,350,000.
<i>Payment of Purchase Price:</i>	A total deposit of \$5,000,000 paid to the trustee to be held in escrow with the remaining \$75,000,000 to be paid at closing. The sprinkler system will be paid prior to 5 days of closing based on invoice.

Lease Agreement

Facility occupancy is subject to a draft lease agreement, the terms of which are summarized as follows:

<i>Premises:</i>	An 520 bed RHCF located at 150 Riverside Drive, New York
<i>Lessor:</i>	150 Riverside, LLC
<i>Lessee:</i>	150 Riverside OP, LLC
<i>Terms:</i>	10 years commencing on the execution of the lease
<i>Rental:</i>	\$5,129,090 per year (\$427,424 per month)
<i>Provisions:</i>	Lessee is responsible for taxes, insurance, utilities and maintenance

The lease arrangement is a non-arm's length agreement. The applicant has submitted an affidavit attesting to the relationship between the Landlord and operating entity.

The applicant is entering into a ten year lease to allow the operator to decide whether to continue operating the facility at this site or to propose a new location, since the existing facility will be beyond its useful life and relocation maybe inevitable if the costs of operating a nursing home in New York County become financially prohibitive.

Operating Budget

Following is a summary of the submitted operating budget for the RHCF, presented in 2012 dollars, for the first year subsequent to change in ownership:

Revenues:	
Medicaid	\$41,069,550
Medicare	17,781,019
Private Pay	<u>5,292,925</u>
Total Revenues	\$64,143,494
Expenses:	
Operating	\$54,792,101
Capital	<u>6,495,772</u>
Total Expenses	<u>\$61,287,873</u>
Net Income	<u>\$2,855,621</u>
Utilization: (patient days)	187,464
Occupancy	98.77%

The following is noted with respect to the submitted RHCF operating budget:

- The capital component of the Medicaid rate is based on historical cost.
- Expenses include lease rental.
- Medicaid revenues include assessment revenues.
- Medicaid rates are based on actual 2011 rates with no trend to 2012.
- Overall utilization is projected at 98.77%, while utilization by payor source is expected as follows:

Medicaid	79.44%
Medicare	15.81%
Private Pay	4.75%

- Breakeven occupancy is projected at 94.37%.

Capability and Feasibility

The purchase price of \$14,000,000 for the operations will be financed by the proposed members' equity. The purchase price of the real property will be financed by a loan from Capital One Bank of \$64,000,000 at an interest rate of 5.26% for 10 years, with a 30 year amortization, with the remaining \$2,000,000 from the members of 150 Riverside, LLC equity. Presented as BFA Attachment B, is the net worth statement of proposed members, which shows sufficient equity. A letter of interest has been submitted by Capital One bank.

The members of 150 Riverside LLC have submitted an affidavit stating that they will fund the balloon payment, should acceptable financing not be available at the time the loan comes due after the 10 year period. Presented as BFA Attachment E, is the interest and amortization schedule for the ten year term.

Working capital requirements are estimated at \$10,214,646, based on two months of the first year expenses, which \$5,107,323 will be satisfied from the proposed member's equity and the remaining \$5,107,323 will be satisfied through a loan from Capital One Bank at 5.26% over 5 years. A letter of interest has been supplied by the bank. An affidavit from Shanon Penson, an applicant member, states that she is willing to contribute resources disproportionate to her

ownership percentages to cover necessary equity contributions. Presented as BFA Attachment B, is the Net Worth of proposed members, which shows sufficient equity.

The submitted budget indicates that a net income of \$2,855,621 would be maintained during the first year following change in ownership. Presented as BFA Attachment C is the pro-forma balance sheet of 150 Riverside OP, LLC d/b/a The Riverside, which indicates positive members' equity of \$19,107,323 as of the first day of operations.

The budget appears reasonable.

Staff notes that with the expected 2014 implementation of managed care for nursing home residents, Medicaid reimbursement is expected to change from a state-wide price with a cost-based capital component payment methodology to a negotiated reimbursement methodology. Facility payments will be the result of negotiations between the managed long term care plans and the facility. At this point in time, it cannot be determined what financial impact this change in reimbursement methodology will have on this project.

As shown on BFA Attachment D, the facility maintained positive working capital, net assets and a net income from operations in 2010-2011 and as of May 31, 2012.

BFA Attachments F-I, Financial Summaries of affiliated RHCs shows all four facilities have experienced negative working capital and maintained positive equity and net income from operations for the periods shown. The reason for negative working capital is due to the recording of the category due to third party payors as a current liability.

Based on the preceding, and subject to the noted contingencies, it appears that the applicant has demonstrated the capability to proceed in a financially feasible manner, and approval is recommended.

Recommendation

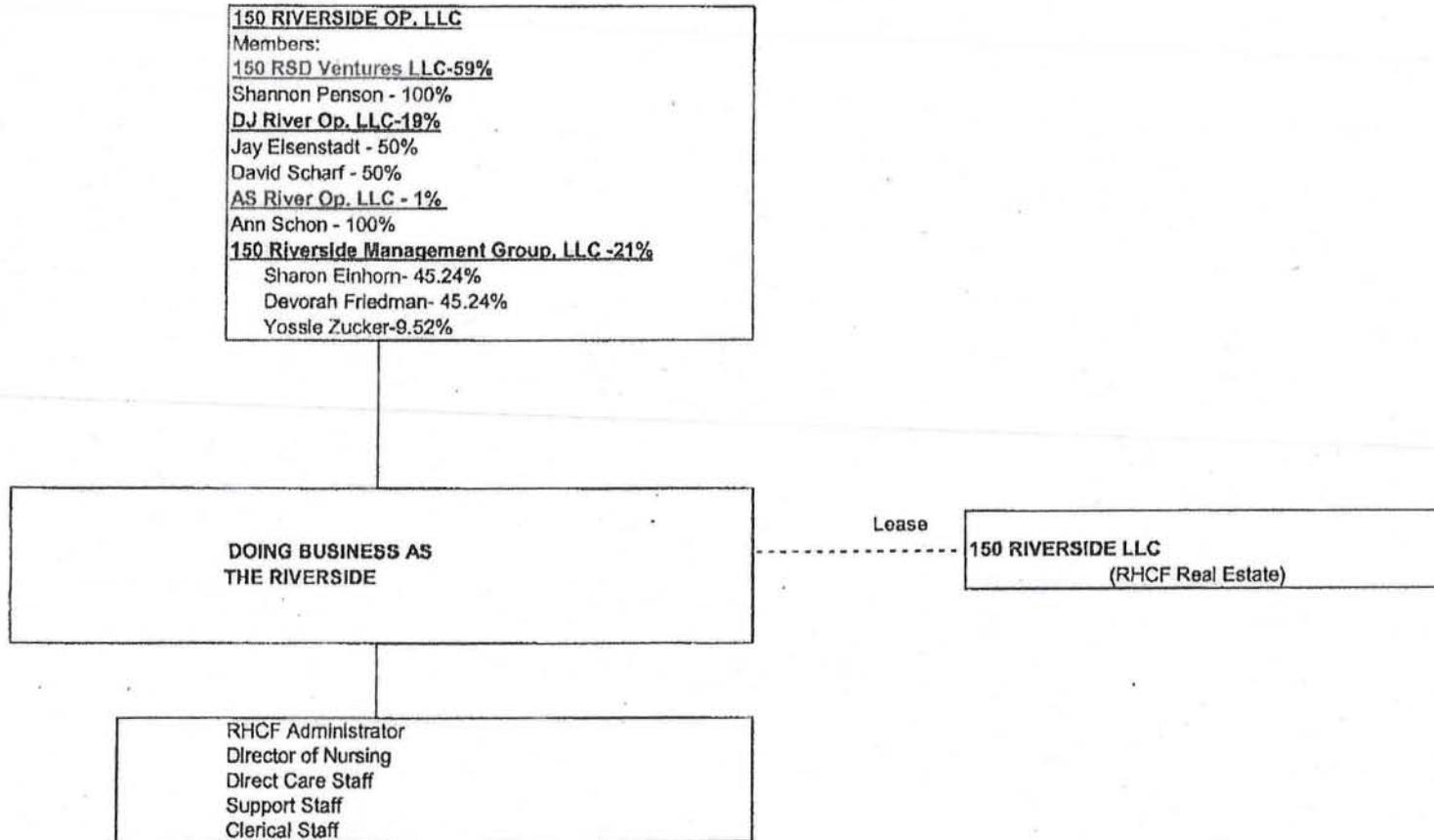
From a financial perspective, contingent approval is recommended.

Attachments

BFA Attachment A	Organizational Chart of proposed entities
BFA Attachment B	Net Worth of Proposed Members
BFA Attachment C	Pro-forma Balance Sheet,
BFA Attachment D	Financial Summary, Kateri residence
BFA Attachment E	Interest and Amortization Schedule
BFA Attachment F	Financial Summary, New Vanderbilt Rehabilitation & Care Center, Inc.
BFA Attachment G	Financial Summary, Sans Souci Rehabilitation & Care Center
BFA Attachment H	Financial Summary, Dumont Center for rehabilitation & Care
BFA Attachment I	Financial Summary, Bellhaven Center for Rehabilitation & Nursing Care
BHFP Attachment	Map

150 RIVERSIDE OP. LLC
Doing Business As
THE RIVERSIDE

ORGANIZATIONAL CHART



150 RIVERSIDE OP, LLC
Doing Business As
THE RIVERSIDE

PRO FORMA BALANCE SHEET

ASSETS

Working Capital	\$10,214,646
Goodwill	\$12,000,000
Equipment	\$2,000,000
Resident Funds	\$541,179
TOTAL ASSETS	\$24,755,825

LIABILITIES AND EQUITY

LIABILITIES

Working Capital Loan	\$5,107,323
Resident Funds	\$541,179
TOTAL LIABILITIES	\$5,648,502

MEMBER EQUITY \$19,107,323

**TOTAL LIABILITIES AND
MEMBER EQUITY \$24,755,825**

Financial Summary- Kateri Residence

	<u>FISCAL PERIOD ENDED</u>			
	<u>5/31/12</u>	<u>12/31/11</u>	<u>12/31/10</u>	<u>12/31/09</u>
ASSETS - CURRENT	\$16,548,250	\$16,548,250	\$20,581,513	\$18,684,899
ASSETS - FIXED AND OTHER	15,087,648	15,087,648	15,362,077	20,050,579
LIABILITIES - CURRENT	8,786,089	8,786,089	16,642,867	15,717,102
LIABILITIES - LONG-TERM	<u>11,830,090</u>	<u>11,830,090</u>	<u>11,299,728</u>	<u>13,490,724</u>
NET ASSETS	\$11,019,719	\$11,019,719	\$8,000,995	\$9,527,652
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INCOME	\$26,310,960	\$64,549,523	\$59,342,392	\$57,445,605
EXPENSE	<u>25,996,187</u>	<u>61,392,343</u>	<u>60,966,873</u>	<u>59,890,967</u>
NET INCOME	\$314,773	\$3,157,180	(\$1,624,481)	(\$2,445,362)
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DEPRECIATION	\$2,072,071	\$2,072,071	\$2,261,067	\$2,317,576
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NUMBER OF BEDS	520	520	520	520
PERCENT OF OCCUPANCY (DAYS)	98.8%	98.8%	98.3%	97.9%
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PERCENT OCCUPANCY (DAYS):				
MEDICAID	81.5%	79.5%	78.0%	78.3%
MEDICARE	14.3%	15.8%	17.5%	17.2%
PRIVATE/OTHER	4.2%	4.7%	4.5%	4.5%
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MEDICAID RATE BREAKDOWN:		<u>2011</u>	<u>2010</u>	<u>2009</u>
OPERATING		\$245.52	\$245.51	\$232.47
CAPITAL		<u>16.60</u>	<u>14.16</u>	<u>16.76</u>
TOTAL		\$262.12	\$259.67	\$249.23

BFA Attachment E

THE RIVERSIDE

MORTGAGE SCHEDULE - LEASE PAYMENT

INTEREST AND AMORTIZATION SCHEDULE

Int. Rate:	5.26%	<u>Loan Amount</u>				
Term:	10					
Amortization	30	64,000,000				
		<u>Interest</u>	<u>Amortization</u>	<u>Total Debt Service</u>	<u>Equity Return Add-On</u>	<u>Total Lease</u>
Interest and Amortization - Year 1:		3,366,400	921,090	4,287,490	841,600	5,129,090
Interest and Amortization - Year 2:		3,317,951	969,540	4,287,490	841,600	5,129,090
Interest and Amortization - Year 3:		3,266,953	1,020,537	4,287,490	841,600	5,129,090
Interest and Amortization - Year 4:		3,213,273	1,074,218	4,287,490	841,600	5,129,090
Interest and Amortization - Year 5:		3,156,769	1,130,721	4,287,490	841,600	5,129,090
Interest and Amortization - Year 6:		3,097,293	1,190,197	4,287,490	841,600	5,129,090
Interest and Amortization - Year 7:		3,034,688	1,252,802	4,287,490	841,600	5,129,090
Interest and Amortization - Year 8:		2,968,791	1,318,699	4,287,490	841,600	5,129,090
Interest and Amortization - Year 9:		2,899,427	1,388,063	4,287,490	841,600	5,129,090
Interest and Amortization - Year 10:		2,826,415	1,461,075	4,287,490	841,600	5,129,090
Total:		31,147,960	11,726,942	42,874,902	8,416,000	51,290,902

Financial Summary- New Vanderbilt Rehabilitation & Care Center

	<u>FISCAL PERIOD ENDED</u>		
	<u>12/31/11</u>	<u>12/31/10</u>	<u>12/31/09</u>
ASSETS - CURRENT	\$6,882,945	\$6,310,544	\$6,062,368
ASSETS - FIXED AND OTHER	4,882,747	5,032,652	4,822,419
LIABILITIES - CURRENT	8,845,135	9,271,935	8,383,403
LIABILITIES - LONG-TERM	<u>2,621,654</u>	<u>2,054,035</u>	<u>2,486,935</u>
EQUITY	\$298,903	\$17,226	\$14,449
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INCOME	\$34,968,852	\$32,163,570	\$33,494,410
EXPENSE	<u>31,746,481</u>	<u>29,797,805</u>	<u>30,512,545</u>
NET INCOME	\$3,222,371	\$2,365,765	\$2,981,865
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NUMBER OF BEDS	320	320	320
PERCENT OF OCCUPANCY (DAYS)	84.2%	88.8%	93.2%
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PERCENT OCCUPANCY (DAYS):			
MEDICAID	84.3%	85.1%	82.0%
MEDICARE	10.5%	10.4%	10.4%
PRIVATE/OTHER	5.2%	4.5%	7.6%
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MEDICAID RATE BREAKDOWN:			
	<u>2011</u>	<u>2010</u>	<u>2009</u>
OPERATING	\$238.86	\$239.00	\$234.59
CAPITAL	<u>20.45</u>	<u>16.85</u>	<u>15.57</u>
TOTAL-RHCF	\$259.31	\$255.85	\$250.16
OPERATING	\$593.50	\$593.51	\$607.31
CAPITAL	<u>60.99</u>	<u>49.60</u>	<u>50.73</u>
TOTAL-VENT	\$654.49	\$643.11	\$658.04
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<u>Member</u>	<u>% Interest</u>		
Ann Schon	10.00%		

Financial Summary- San Souci Rehabilitation & Care Center

	<u>FISCAL PERIOD ENDED</u>	
	<u>12/31/11</u>	<u>12/31/10</u>
ASSETS - CURRENT	\$1,581,259	\$1,534,283
ASSETS - FIXED AND OTHER	2,777,629	2,623,642
LIABILITIES - CURRENT	2,671,011	2,305,012
LIABILITIES - LONG-TERM	<u>759,105</u>	<u>1,036,695</u>
EQUITY	\$928,772	\$816,218
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INCOME	\$12,724,052	\$11,016,267
EXPENSE	<u>11,147,713</u>	<u>10,742,529</u>
NET INCOME	\$1,576,339	\$273,738
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NUMBER OF BEDS	120	120
PERCENT OF OCCUPANCY (DAYS)	95.7%	96.3%
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PERCENT OCCUPANCY (DAYS):		
MEDICAID	71.2%	76.7%
MEDICARE	16.8%	14.3%
PRIVATE/OTHER	12.0%	9.0%
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MEDICAID RATE BREAKDOWN:	<u>2011</u>	<u>2010</u>
OPERATING	\$195.27	\$190.53
CAPITAL	<u>8.48</u>	<u>6.96</u>
TOTAL	\$203.75	\$197.49
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<u>Member</u>	<u>% Interest</u>	
Devorah Friedman	2.00%	

Financial Summary- Dumont Center for Rehabilitation & Nursing Care

	<u>FISCAL PERIOD ENDED</u>	
	<u>12/31/11</u>	<u>7/29/2010-12/31/2010</u>
ASSETS - CURRENT	\$3,976,223	\$3,028,828
ASSETS - FIXED AND OTHER	3,525,324	2,653,338
LIABILITIES - CURRENT	5,198,409	4,177,007
LIABILITIES - LONG-TERM	<u>330,592</u>	<u>1,499,751</u>
EQUITY	\$1,972,546	\$5,408
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INCOME	\$22,409,466	\$9,037,657
EXPENSE	<u>20,330,469</u>	<u>8,236,452</u>
NET INCOME	\$2,078,997	\$801,205
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NUMBER OF BEDS-RHCF	196	196
PERCENT OF OCCUPANCY (DAYS)	94.5%	92.7%
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PERCENT OCCUPANCY (DAYS):		
MEDICAID	77.9%	80.2%
MEDICARE	9.1%	8.8%
PRIVATE/OTHER	13.0%	11.0%
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VENT		
PERCENT OF OCCUPANCY (DAYS)	97.0%	97.9%
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PERCENT OCCUPANCY (DAYS):		
MEDICAID	69.8%	90.4%
MEDICARE	14.1%	4.8%
PRIVATE/OTHER	16.1%	4.8%
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MEDICAID RATE BREAKDOWN:		
	<u>2011</u>	<u>2010</u>
OPERATING	\$215.75	\$205.79
CAPITAL	<u>10.35</u>	<u>27.08</u>
TOTAL-RHCF	\$226.10	\$232.87
OPERATING	\$497.41	\$504.21
CAPITAL	<u>20.99</u>	<u>34.70</u>
TOTAL-Vent	\$518.40	\$538.91
<hr/>		
<u>Members</u>	<u>% Interest</u>	
Devorah Friedman	11.00%	
Sharon Einhorn	9.90%	

Financial Summary- Bellhaven Center for Rehabilitation & Nursing Care

	<u>FISCAL PERIOD ENDED</u>	
	<u>12/31/11</u>	<u>12/31/10</u>
ASSETS - CURRENT	\$4,053,233	\$3,387,534
ASSETS - FIXED AND OTHER	2,556,037	1,836,421
LIABILITIES - CURRENT	4,083,549	4,449,030
LIABILITIES - LONG-TERM	<u>466,672</u>	<u>644,251</u>
EQUITY	\$2,059,049	\$130,674
<hr/>		
INCOME	\$24,002,538	\$22,998,459
EXPENSE	<u>20,724,163</u>	<u>20,995,062</u>
NET INCOME	\$3,278,375	\$2,003,397
<hr/>		
NUMBER OF BEDS	240	240
PERCENT OF OCCUPANCY (DAYS)	96.2%	80.9%
<hr/>		
PERCENT OCCUPANCY (DAYS):		
MEDICAID	81.6%	84.2%
MEDICARE	9.7%	11.4%
PRIVATE/OTHER	8.7%	4.4%
<hr/>		
MEDICAID RATE BREAKDOWN:	<u>2011</u>	<u>2010</u>
OPERATING	\$174.21	\$174.32
CAPITAL	<u>22.06</u>	<u>17.80</u>
TOTAL	\$196.27	\$192.12
<hr/>		
<u>Members</u>	<u>% Interest</u>	
Devorah Friedman	16.50%	
Sharon Einhorn	13.00%	

Project 121407 Kateri Residence

Kateri Residence

