

## **APPENDIX 4**

### **FINANCIAL FEASIBILITY AND REASONABLENESS OF EXPENDITURES AND COSTS**

- **CERTIFICATION BY CPA**
- **F4.A.I CAPITAL COSTS CHART**

Navigator Homes of Martha's Vineyard

Analysis of the Reasonableness of Assumptions Used for and  
Feasibility of Financial Projection

For the Years Ending December 31, 2022  
Through December 31, 2029

*Prepared by:*  
*FORVIS*  
*November 11, 2022*

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November 11, 2022

Massachusetts Department of Public Health  
Navigator Homes of Martha's Vineyard

FORVIS, LLP ("FORVIS") has completed our report dated November 11, 2022 (the "Study") on our examination of the financial projection of Navigator Homes of Martha's Vineyard (the "Corporation") as of and for each of the eight years ending December 31, 2029. The Study is presented, in all material respects, in accordance with guidelines for presentation of a financial projection established by the AICPA.

The Study was undertaken to evaluate the Corporation's ability to generate sufficient funds to meet its operating expenses, working capital needs, and other financial requirements, including the debt service requirements associated with the proposed United States Department of Agriculture ("USDA") Community Facilities Guaranteed Loan Program of approximately \$8,500,000 (the "Guaranteed Loan"), and Direct Loan of approximately \$36,000,000 (the "Direct Loan") (collectively, the "USDA Loans").

This Executive Summary and Analysis of Management's Assumptions related to the Study is rendered to be used by Massachusetts Department of Public Health ("DPH") in its Determination of Need ("DON") Application Factor 4(a) and should not be distributed or relied upon for any other purpose.

In our opinion, the underlying assumptions provided by management of Navigator Homes of Martha's Vineyard (the "Manager" and collectively, "Management") are suitably supported and provide a reasonable basis for Management's projection. However, there will usually be differences between the projected and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.

The projection indicates that sufficient funds could be generated to meet the Corporation's operating expenses, working capital needs and other financial requirements, including the debt service requirements associated with the USDA Loans, during the projection period. However, the achievement of any projection is dependent upon future events, the occurrence of which cannot be assured.

In conformance with all professional standards for such opinions, and in our professional judgment, the estimates of debt service coverage and probability of debt repayment appear reasonable, with respect to the USDA Loans.

Very truly yours,

**FORVIS, LLP**

FORVIS, LLP

# Navigator Homes of Martha's Vineyard

## **EXECUTIVE SUMMARY**

### *Background*

Navigator Homes of Martha's Vineyard (the "Corporation") is recently formed non-profit 501(c)(3) organization to develop and construct a replacement skilled nursing facility (the "Project") for Windemere Nursing and Rehabilitation Center ("Windemere") located in Oak Bluffs, Massachusetts. The Project is a 70 bed skilled nursing facility, to replace Windemere, in accordance with the specifics of the Green House Project.

The affairs of the Corporation are managed by a board of directors (the "Board") whose members are volunteers. All corporate powers of the Corporation are exercised by or under the authority of the Board. The Board currently has eight members.

The proposed Project will replace Windemere, the only nursing facility located on Martha's Vineyard. The existing facility is an affiliate of and located inside the structure of Martha's Vineyard Hospital (the "Hospital"), which is a member of Mass General Brigham Incorporated.

### *Scope of Analysis*

Massachusetts state regulation for Determination of Need ("DON") 105 CMR 100.210 (4)(a) requires all applicants to include "*prospective financial information such as a forecast or a projection, for the subsequent five-year period prepared in accordance with the attestation standards established by the American Institute of Certified Public Accountants*"

For the purposes of determining the five-year period, applicants shall 1) project a total of 60 months for the report, and 2) use the year following the projected first full year of operation of the project, or the beginning of the fiscal year immediately following the projected date of the application submission date, as appropriate, as the beginning of the five-year period for the projection, unless the end of the preceding fiscal year ends within 3 months of the projected application submission date, in which case the 60 month projection can begin with the current fiscal year.

The scope of our analysis was limited to an analysis of the eight-year financial projection for the Corporation for the fiscal years-ending 2022 through 2029 prepared by Management, and the supporting documentation in order to render an opinion as to the reasonableness of assumptions used in the preparation and feasibility of the Study.

### *Key Performance Indicators*

The Key Performance Indicators fall into three primary categories: profitability, liquidity, and solvency. Profitability metrics are used to assist in the evaluation of management performance in how efficiently resources are utilized. Liquidity metrics, including common ratios such as "days of available cash and investments on hand", measure the quality and adequacy of assets to meet current obligations as they come due. Solvency metrics measure the company's ability to take on and service debt obligations. Additionally, certain metrics can be applicable to multiple categories.

The following table summarizes the Key Performance Indicators for the Project.

<b>Net Operating Margin</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Total revenues	\$ 11,481	\$ 12,706	\$ 12,986	\$ 13,272	\$ 13,567
Total expenses	8,829	9,307	9,495	9,685	9,881
Net Operating (\$)	2,652	3,399	3,491	3,587	3,686
<b>Net Operating (%)</b>	<b>23.1%</b>	<b>26.7%</b>	<b>26.9%</b>	<b>27.0%</b>	<b>27.2%</b>
<b>Days Cash on Hand</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Cash on hand	\$ 2,648	\$ 3,891	\$ 4,651	\$ 5,463	\$ 6,388
Total expenses less depreciation and amortization	10,488	10,966	11,142	11,309	11,481
Daily operating expenses	29	30	31	31	31
<b>Days cash on hand</b>	<b>92</b>	<b>130</b>	<b>152</b>	<b>176</b>	<b>203</b>
<b>Debt Service Coverage Ratio</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Income Available for Debt Service	\$ 2,446	\$ 3,211	\$ 3,314	\$ 3,418	\$ 3,525
Annual Debt Service	1,659	1,659	2,308	2,308	2,306
<b>Annual Debt Service Coverage Ratio</b>	<b>1.47x</b>	<b>1.94x</b>	<b>1.44x</b>	<b>1.48x</b>	<b>1.53x</b>

Source: Management

The following table summarizes the projected Key Performance Indicators for the Project for the fiscal year 2027 and related benchmarks.

<b>Key Performance Indicators</b>				
<b>Key Performance Indicators:</b>	<b>The Project</b>	<b>Benchmarks</b>		
	<b>2027</b>	<b>Lower Quartile</b>	<b>Median</b>	<b>Upper Quartile</b>
Net Operating Margin	26.9%	6.60%	13.60%	20.10%
Days Cash on Hand	152	24	55	99
Debt Service Coverage Ratio	1.44x	0.6x	1.6x	4.3x

Source: Management and CliftonLarsonAllen 2020 Industry Trend Report

## **ANALYSIS OF MANAGEMENT'S ASSUMPTIONS**

The following section summarizes the benchmarking analysis of the assumptions used in Management's financial projection.

Benchmarking can be valuable to help identify areas of concern and gain perspective on how the Project compares to others. However, it should be recognized that comparison of the Project's operations to industry benchmarks involves some limitations. The unique characteristics of each facility and lack of standardized reporting creates difficulty in arriving at benchmarks that can be relied upon exclusively as performance indicators. Therefore, the analysis is intended strictly for use as points of reference to assist in the identification of significant variances for which further detailed analyses may be required. With regard to benchmarks contained in these reports, it is important to look at ranges rather than specific targets, since issues like operating philosophy, management competency, physical plant and resident expectations can significantly impact these numbers.

### **Operating Revenues**

Operating revenue is driven by two major components, rate and occupancy. In the following analysis assumed private pay fees and stabilized occupancy for the Project have been benchmarked to data provided by the Green House Project for six other Green House facilities.

The following table summarizes the assumed number of beds, bed mix, revenue mix, and current year daily fees for the Project.

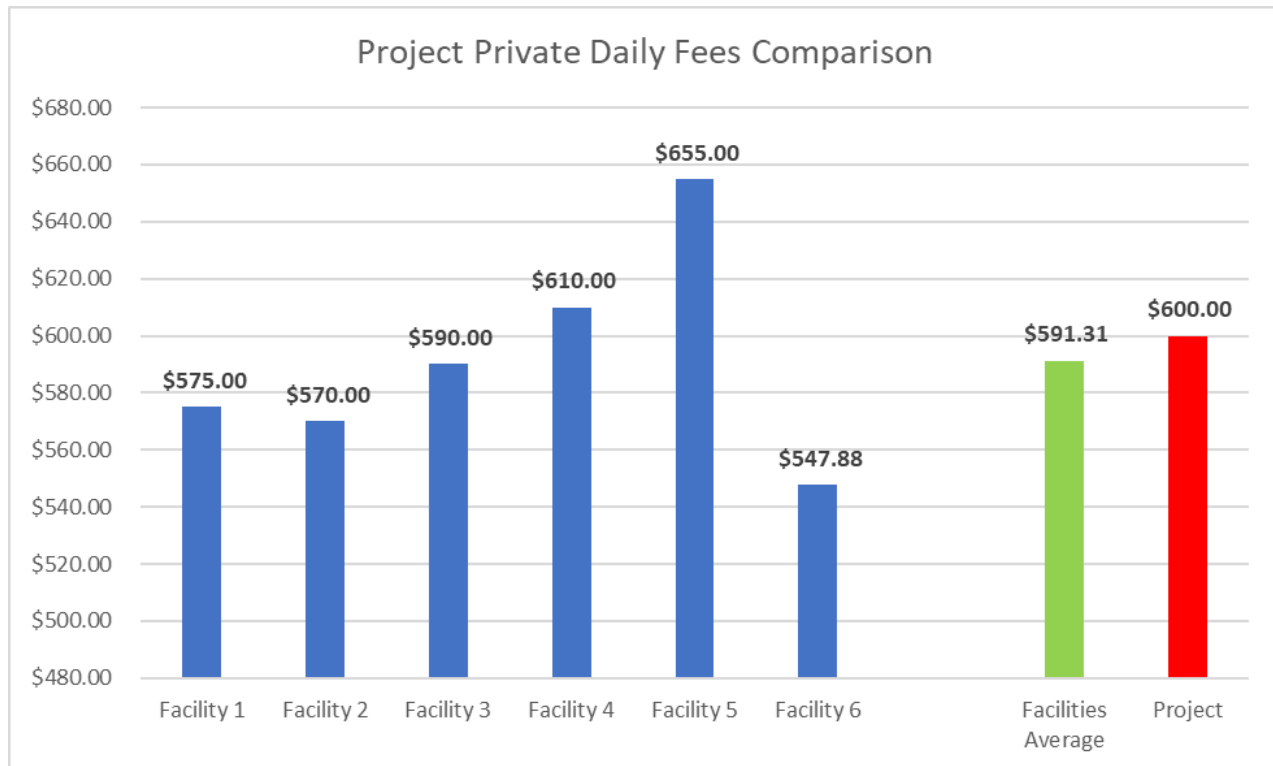
<b>Payor Mix and Daily Fees</b>				
	<b>Number of Beds</b>	<b>Bed Mix</b>	<b>Revenue Mix</b>	<b>Daily Fee</b>
Private	26	37.1%	49.2%	\$600
Medicaid	30	42.9%	26.9%	\$328
Medicare	11	15.7%	17.4%	\$690
Managed Medicare	3	4.3%	6.5%	\$500
Total/Weighted Average	70	100.0%	100.0%	\$493

Source: Management

*Daily Fees*

Service fee revenue for residents living in the nursing beds is based upon the assumed occupancy and the daily fee of the respective bed. The daily fees are assumed to increase 3.0 percent for private pay residents, 2.0 percent for Medicaid, and 1.0 percent for Medicare residents annually during the projection period.

The following table summarizes the current 2022 private pay daily fees for six comparable Greenhouse facilities and the current 2022 private pay daily fees for the Project.



Source: Management and Green House Project

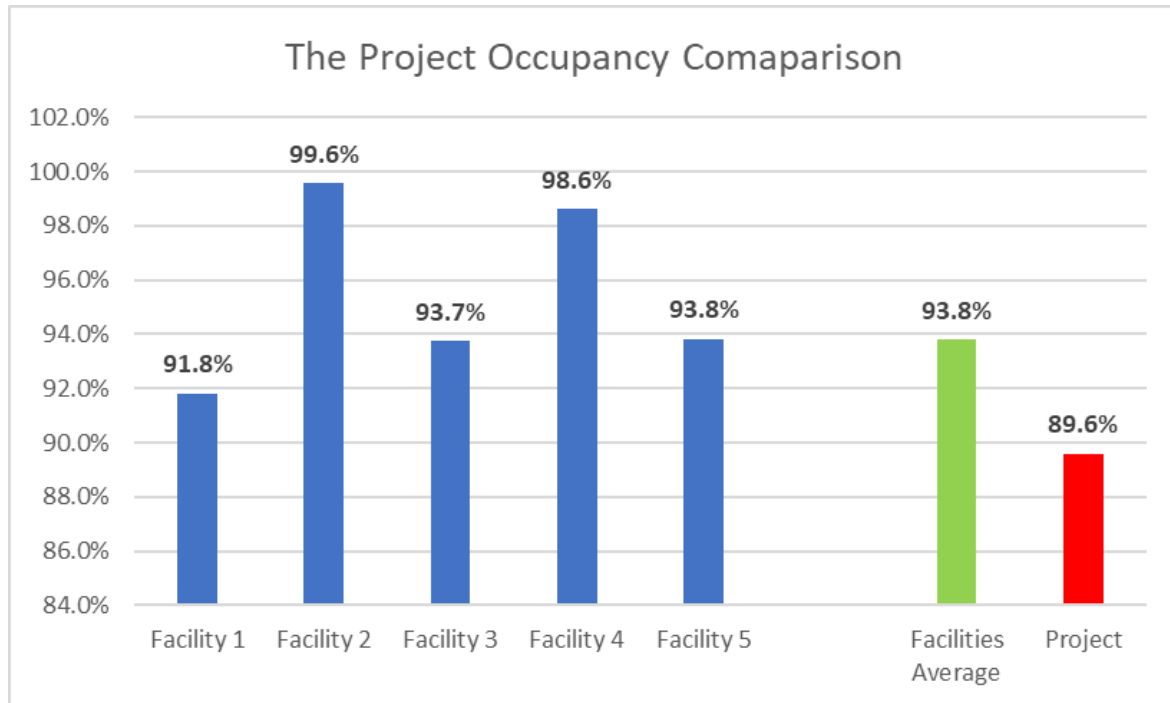
**Observations:**

- Management assumes a private pay daily fee of \$600.00
- Management assumes a higher private pay daily fee than the average daily fee of the six comparable Green House Facilities.
- The assumed private pay daily fee for Project falls within the range of the benchmarks.



*Resident Occupancy*

Management assumes that the nursing beds are to average 86.8 percent occupancy during fiscal year 2025, increase to 89.6 percent occupancy during fiscal year 2026, and throughout the remainder of the projection period. The following table summarizes the occupancy for five comparable Greenhouse facilities to the Project.



Source: Management and Green House Project

**Observations:**

- Management assumes that the Project will achieve a stabilized occupancy of 89.6 percent in fiscal year 2026.
- Management assumes a lower occupancy than the average of the six comparable Green House facilities.
- The assumed stabilized occupancy at the Project falls below the range of the benchmarks.

*Green House Utilization*

The proposed Project would replace the Windemere nursing facility and consist of five Green House buildings, totaling 70 skilled nursing beds. Each building will have approximately 14 available beds. Construction of the five buildings is assumed to be complete in October 2024. After Certificate of Occupancy ("CO"), is received on the five Green House buildings, Management has planned for a one-month process to receive and complete the licensure transfer process from Windemere allowing for occupancy to begin in November 2024. Windemere will transfer over its residents to the Project beginning in November 2024. Management plans to balance the number of Medicaid residents with a more favorable payor mix of Private Pay and Medicare Residents over time.

The following table summarizes the historical and year-to-date utilization for Windemere and the assumed projected utilization for the Project.

Utilization of the Green House Beds							
Month/Year	Average Occupied Beds				Total <sup>(4)</sup>	Average Beds Available	Bed Occupancy Percentage <sup>(1)</sup>
	Private Pay	Medicaid	Medicare	Managed Medicare			
Historical <sup>(5)</sup> :							
2019	8.5	37.7	0.3	-	46.4	61.0	76.1%
2020	7.5	43.3	1.4	-	52.2	61.0	85.7%
2021	5.4	34.4	0.5	-	40.4	61.0	66.2%
2022 <sup>(1) (2) (3)</sup>	3.9	33.1	0.4	-	37.3	39.0	96.7%
Projected:							
2024	1.5	4.9	0.6	0.2	7.2	70.0	10.3%
2025	19.7	29.1	10.0	2.7	61.5	70.0	87.9%
2026 - 2029	24.7	24.7	10.4	2.9	62.7	70.0	89.6%

Source: Management

(1) Year to date occupancy through July 1, 2022.

(2) Due to COVID constraints Windemere limited the number of occupied residents, decreasing the number of available beds from 61.0 to 39.0

(3) Prior to COVID Windemere average annual occupancy was 96.7%, or 59.0 occupied beds of the licensed 61.0 available beds.

(4) As of September 1, 2022 there is currently an fifteen-person waitlist for Windemere.

(5) Historical utilization is for Windemere.

The following table summarizes the assumed occupancy and payor mix for the Project beginning in November 2024.

Monthly Fill In– Project							
Month/Year	Average Occupied Beds				Cumulative Move Ins	Average Beds Available	Bed Occupancy Percentage
	Private Pay	Medicaid	Medicare	Managed Medicare			
2024:							
November 2024	8.0	28.5	2.5	1.0	40.0	70.0	57.1%
December 2024	2.0	2.0	2.0	-	46.0	70.0	65.7%
2025:							
January 2025	2.0	2.0	2.0	1.0	53.0	70.0	75.7%
February 2025	2.0	1.0	2.0	-	58.0	70.0	82.9%
March 2025	2.0	(1.0)	2.0	0.9	61.9	70.0	88.4%
April 2025	1.9	(1.0)	-	-	62.7	70.0	89.6%
May 2025	1.0	(1.0)	-	-	62.7	70.0	89.6%
June 2025	1.0	(1.0)	-	-	62.7	70.0	89.6%
July 2025	1.0	(1.0)	-	-	62.7	70.0	89.6%
August 2025	1.0	(1.0)	-	-	62.7	70.0	89.6%
September 2025	1.0	(1.0)	-	-	62.7	70.0	89.6%
October 2025	1.0	(1.0)	-	-	62.7	70.0	89.6%
November 2025	1.0	(1.0)	-	-	62.7	70.0	89.6%
<b>Average beds</b>	<b>24.7</b>	<b>24.7</b>	<b>10.4</b>	<b>2.9</b>	<b>62.7</b>		<b>89.6%</b>

Source: Management

## Operating Expenses

We analyzed Management's assumptions for operating expenses for reasonableness and supportability as it related to the Project. Operating expenses are driven primarily by three components, full time employee staffing, salaries, and non-salary expenses.

Operating expenses was benchmarked against two different sources:

- The 2020 Healthcare Provider Cost Reporting Information System (HCRIS) Medicare data ("HCRIS Data"). The Centers for Medicare & Medicaid Services (CMS) ensure that facilities provide up to date data in their cost reports that are then summarized in the HCRIS Data which consists of 12,401 total skilled nursing facilities.
- Selected Green House facilities, provided by Green House Project.

### *Total Expense Per Resident Day*

The following tables summarizes total expense per resident day by expense departments for the Project 2027 data compared to the lower quartile, median, and upper quartile from the HCRIS Data by expense department.

<b>Total Expense Per Resident Day</b>				
	<b>Benchmarks <sup>(1)</sup></b>			<b>The Project</b>
	<b>Lower Quartile</b>	<b>Median</b>	<b>Upper Quartile</b>	<b>2027</b>
Administrative and General	\$ 53.41	\$ 69.47	\$ 89.76	\$ 47.18
Maintenance services	\$ 11.64	\$ 14.50	\$ 19.30	\$ 8.22
Dining services	\$ 20.12	\$ 23.77	\$ 30.01	\$ 18.54
Health services	\$ 123.32	\$ 157.77	\$ 207.78	\$ 213.80
Resident services	\$ 2.76	\$ 4.68	\$ 7.71	\$ 10.43
Housekeeping	\$ 8.89	\$ 11.96	\$ 16.34	\$ 7.35
Benefits	\$ 16.74	\$ 25.50	\$ 39.00	\$ 74.25
<b>Total Expense Per Resident Day</b>	<b>\$ 236.88</b>	<b>\$ 307.64</b>	<b>\$ 409.92</b>	<b>\$ 379.76</b>

Source: Management and HCRIS Data

(1) Benchmark data from the HCRIS Data is assumed to be inflated 2.0 percent annually to 2027 dollars.

## Observations:

- Management assumes the Project's total expense per resident day is between the median and upper quartile benchmark.
- The assumed total expense per resident day for administrative and general, maintenance, dining services, housekeeping are below the lower quartile benchmark
- The assumed total expense per resident day for health services and benefits are above the upper quartile benchmark.
- Health services expenses at the Project include CNAs who are assumed to be utilized as "Shahbazim" according to the Green House staffing model, which can include duties beyond the traditional scope of practice of a CNA such as cooking, cleaning, laundry, and activities.

*Total Salary Expense Per Resident Day*

The following tables summarizes total salary expense per resident day by expense departments for the Project 2027 data compared to the lower quartile, median, and upper quartile from the FORVIS HCRIS Medicare Data by expense department.

<b>Total Salary Expense Per Resident Day</b>				
	<b>Benchmarks <sup>(1)</sup></b>			<b>The Project</b>
	<b>Lower Quartile</b>	<b>Median</b>	<b>Upper Quartile</b>	<b>2027</b>
Administrative and General	\$ 9.65	\$ 13.82	\$ 22.08	\$ 24.27
Maintenance services	\$ 2.17	\$ 3.17	\$ 5.19	\$ 1.71
Dining services	\$ 9.15	\$ 12.48	\$ 18.77	\$ 3.42
Health services	\$ 85.30	\$ 123.80	\$ 181.55	\$ 184.21
Resident services	\$ 2.37	\$ 4.47	\$ 8.10	\$ 8.11
Housekeeping	\$ 6.30	\$ 9.30	\$ 14.27	\$ 3.28
<b>Total Expense Per Resident Day</b>	<b>\$ 114.98</b>	<b>\$ 167.03</b>	<b>\$ 249.98</b>	<b>\$ 225.00</b>

Source: Management and HCRIS Data

(1) Benchmark data from the HCRIS Data is assumed to be inflated 2.0 percent annually to 2027 dollars.

## Observations:

- Management assumes the Project's total salary expense per resident day is above the upper quartile benchmark.
- The assumed total expense per resident day for maintenance, dining services, and housekeeping are below the lower quartile benchmark
- The assumed total expense per resident day for administrative and general, health services and resident services are above the upper quartile benchmark.
- Health services salary expense at the Project include CNAs who are assumed to be utilized as "Shahbazim" according to the Green House staffing model, which can include duties beyond the traditional scope of practice of a CNA such as cooking, cleaning, laundry, and activities

*Full Time Employees*

A full-time equivalent employee ("FTE") is assumed to represent 2,080 hours of time paid annually. Salaries and related payroll taxes such as federal employment and unemployment taxes, state employment and unemployment taxes, and workers compensation insurance were assumed to increase 2.0 percent annually during the projection period. Employee benefits such as health insurance and other miscellaneous benefits for the entire Project assumed to be approximately 33.0 percent of total salaries and to increase 2.0 percent annually during the projection period.

The following table summarizes the assumed staffing levels for all departments in the first stabilized year of occupancy (2027).

<b>FTEs by Department</b>	
	<b>FTEs</b>
Administration and general	5.5
Activities	2.1
Dining services	1.1
Healthcare	70.0
Housekeeping and laundry	1.5
Maintenance and grounds	0.6
Total FTEs	80.8

Source: Management

*Health Care Staffing*

The following table summarizes the assumed health care hours per resident day for each year of the projection.

<b>Health Care Hours Per Resident Day</b>						
<b>Health Care FTE's</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
<i>ST Rehab house Positions:</i>						
RN	0.4	4.6	4.7	4.7	4.7	4.7
CNA	1.0	11.7	12.1	12.1	12.1	12.1
<i>LT House Positions:</i>						
RN	0.5	6.1	6.3	6.3	6.3	6.3
LPN	0.5	6.1	6.3	6.3	6.3	6.3
CNA	3.4	39.5	40.7	40.7	40.7	40.7
<b>Total Health Care FTE</b>	<b>5.9</b>	<b>68.0</b>	<b>70.0</b>	<b>70.0</b>	<b>70.0</b>	<b>70.0</b>
<b>Hours Per Year</b>	<b>347</b>	<b>2,080</b>	<b>2,080</b>	<b>2,080</b>	<b>2,080</b>	<b>2,080</b>
<b>Total Health Care Hours</b>	<b>2,028</b>	<b>141,440</b>	<b>145,538</b>	<b>145,538</b>	<b>145,538</b>	<b>145,538</b>
<b>Occupancy</b>	<b>5.3</b>	<b>60.8</b>	<b>62.7</b>	<b>62.7</b>	<b>62.7</b>	<b>62.7</b>
<b>Days in a year</b>	<b>61</b>	<b>365</b>	<b>365</b>	<b>365</b>	<b>365</b>	<b>365</b>
<b>Total Resident Days</b>	<b>322</b>	<b>22,192</b>	<b>22,886</b>	<b>22,886</b>	<b>22,886</b>	<b>22,886</b>
<b>Health Care Hours per Resident Day</b>	<b>6.3</b>	<b>6.4</b>	<b>6.4</b>	<b>6.4</b>	<b>6.4</b>	<b>6.4</b>
<b>Target Benchmark</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>	<b>3.7</b>

Source: Management and HCRIS Data

(1) The Project is assumed to open in November 2024.

Observations:

- Assumed health care hours per resident day for the Project are higher than the benchmarks.
- CNAs at the Project are assumed to be utilized as “Shahbazim” according to the Green House staffing model, which can include duties beyond the traditional scope of practice of a CNA such as cooking, cleaning, laundry, and activities.

*Health Care Wage Related Expenses*

The following table summarizes the average direct healthcare hourly wage for CNAs, RNs, and LPNs for the Project and four comparable Green House facilities in the first stabilized year of occupancy (2027).

<b>Direct Care FTEs Hourly Wages</b>						
	<b>Benchmarks <sup>(1)</sup></b>					<b>The Project</b>
	<b>Facility 1</b>	<b>Facility 2</b>	<b>Facility 3</b>	<b>Facility 4</b>	<b>Average</b>	<b>2027</b>
CNAs	\$ 13.25	\$ 16.56	\$ 20.43	\$ 21.09	\$ 17.83	\$ 24.37
RNs	\$ 41.96	\$ 33.12	\$ 36.43	\$ 51.89	\$ 40.85	\$ 42.03
LPNs	\$ 22.08	\$ 27.60	\$ 28.71	\$ 57.54	\$ 28.98	\$ 32.29

Source: Management and Green House Project

(1) Benchmark data is assumed to be inflated 2.0 percent annually to 2027 dollars.

## Observations:

- Management assumes CNA average hourly rates of \$24.37, RN average hourly rates of \$42.03, and LPN average hourly rates of \$32.29 for the Project in fiscal year 2027.
- The assumed average hourly wages for RNs, LPNs and CNAs are higher than the range of the benchmarks, adjusted for inflation.
- RNs, LPNs, and CNAs positions are assumed to be paid according to union requirements.

*Non- Health Care Wage Related Expenses*

The following table summarizes the average hourly wage for non healthcare FTEs for the Project and three comparable Green House facilities in the first stabilized year of occupancy (2027).

<b>Non-Healthcare FTE Hourly Wages</b>					
	<b>Benchmarks <sup>(1)</sup></b>				<b>The Project</b>
	<b>Facility 1</b>	<b>Facility 2</b>	<b>Facility 3</b>	<b>Average</b>	<b>2027</b>
Administrative and General	\$ 65.14	\$ 45.27	\$ 39.81	\$ 50.07	\$ 99.20
Director Nursing	\$ 68.45	\$ 47.25	\$ 45.64	\$ 53.78	\$ 42.98
Maintenance	\$ 22.08	\$ 20.98	\$ 29.94	\$ 24.33	\$ 33.56
Food Coordinator	\$ 21.53	\$ 3.35	\$ 37.16	\$ 30.68	\$ 33.56
Activity Director	\$ 23.74	\$ 31.15	\$ 19.87	\$ 24.92	\$ 36.36
Housekeeping	\$ 17.67	\$ 18.12	\$ 17.39	\$ 17.72	\$ 24.85
<b>Total Average</b>	<b>\$ 36.43</b>	<b>\$ 32.69</b>	<b>\$ 31.63</b>	<b>\$ 33.59</b>	<b>\$ 45.09</b>

Source: Management and Green House Project

(1) Benchmark data from the 2020 State of Senior Housing is assumed to be inflated 2.0 percent annually to 2027 dollars.



## Observations:

- Management assumes the Project's non-healthcare average hourly wage is higher than the non-salary average hourly wage of the benchmarks.
- The assumed average hourly wage for administrative and general, maintenance, food coordinator, activity director, and housekeeping are higher than benchmarks
- The assumed average hourly wage for the director of nursing is below the benchmark.

**SUMMARY**

The financial ratios and benchmarks analyzed throughout this analysis demonstrate that the Project consistently falls within the range of the benchmarks. Operating occupancy is below the range of benchmarks and private pay daily fees fall within the range of benchmarks when compared to the six other Green House facilities. Total expense per resident day falls within the median and upper quartile benchmark and total salary expense per resident day is above the upper quartile. The Green House model has staffing requirement that differ from traditional nursing facilities that are represented by HCRIS data.

Our engagement was performed under the guidelines of the American Institute of Certified Public Accountants, ("AICPA"). We make no representation regarding the sufficiency for Management's purposes of the procedures Management selected, and those procedures will not necessarily disclose all significant matters about Management's projection or reveal errors in the underlying information, instances of fraud, or illegal acts, if any. This report was prepared by FORVIS on the basis that we were provided with all relevant information from Management concerning Management's projection.



Circulation	0	0	2,793	2,918	0	0	2,793	2,918	\$1,955,660		\$670.27965	
Elevator / Stairs	0	0	0	0	0	0	0	0	\$0		\$670.27965	
<b>Total - Departmental SF</b>	<b>0</b>	<b>0</b>	<b>10,260</b>	<b>10,718</b>	<b>0</b>	<b>0</b>	<b>10,260</b>	<b>10,718</b>	<b>\$7,184,057</b>		\$670.27965	
Exterior wall		0		510		0		510	\$341,843		\$670.27965	
									<b>\$7,525,900</b>			
<b>æenhouse 4</b>												
Day Room	0	0	241	252	0	0	241	252	\$168,748		\$670.27965	
Dining	0	0	370	387	0	0	370	387	\$259,074		\$670.27965	
Activities	0	0	521	544	0	0	521	544	\$364,804		\$670.27965	
Residents Rooms	0	0	3,975	4,152	0	0	3,975	4,152	\$2,783,297		\$670.27965	
Nursing & Support, etc.	0	0	430	449	0	0	430	449	\$301,086		\$670.27965	
Bathrooms,SPA	0	0	338	353	0	0	338	353	\$236,668		\$670.27965	
Support / Storage, Mech, etc.	0	0	763	797	0	0	763	797	\$534,253		\$670.27965	
Dietary services	0	0	469	490	0	0	469	490	\$328,394		\$670.27965	
Administration	0	0	130	136	0	0	130	136	\$91,026		\$670.27965	
Staff support	0	0	230	240	0	0	230	240	\$161,046		\$670.27965	
<b>Subtotal - Departmental SF</b>	<b>0</b>	<b>0</b>	<b>7,467</b>	<b>7,800</b>	<b>0</b>	<b>0</b>	<b>7,467</b>	<b>7,800</b>	<b>\$5,228,397</b>		\$670.27965	
Circulation	0	0	2,793	2,918	0	0	2,793	2,918	\$1,955,660		\$670.27965	
Elevator / Stairs	0	0	0	0	0	0	0	0	\$0		\$670.27965	
<b>Total - Departmental SF</b>	<b>0</b>	<b>0</b>	<b>10,260</b>	<b>10,718</b>	<b>0</b>	<b>0</b>	<b>10,260</b>	<b>10,718</b>	<b>\$7,184,057</b>		\$670.27965	
Exterior wall		0		510		0		510	\$341,843		\$670.27965	

<b>æenhouse 5</b>												
Day Room	0	0	241	252	0	0	241	252	\$168,748		\$670.27965	
Dining	0	0	370	387	0	0	370	387	\$259,074		\$670.27965	
Activities	0	0	521	544	0	0	521	544	\$364,804		\$670.27965	
Residents Rooms	0	0	3,975	4,152	0	0	3,975	4,152	\$2,783,297		\$670.27965	
Nursing & Support, etc.	0	0	430	449	0	0	430	449	\$301,086		\$670.27965	
Bathrooms,SPA	0	0	338	353	0	0	338	353	\$236,668		\$670.27965	
Support / Storage, Mech, etc.	0	0	763	797	0	0	763	797	\$534,253		\$670.27965	
Dietary services	0	0	469	490	0	0	469	490	\$328,394		\$670.27965	
Administration	0	0	130	136	0	0	130	136	\$91,026		\$670.27965	
Staff support	0	0	230	240	0	0	230	240	\$161,046		\$670.27965	
<b>Subtotal - Departmental SF</b>	<b>0</b>	<b>0</b>	<b>7,467</b>	<b>7,800</b>	<b>0</b>	<b>0</b>	<b>7,467</b>	<b>7,800</b>	<b>\$5,228,397</b>		\$670.27965	
Circulation	0	0	2,793	2,918	0	0	2,793	2,918	\$1,955,660		\$670.27965	
Elevator / Stairs	0	0	0	0	0	0	0	0	\$0		\$670.27965	
<b>Total - Departmental SF</b>	<b>0</b>	<b>0</b>	<b>10,260</b>	<b>10,718</b>	<b>0</b>	<b>0</b>	<b>10,260</b>	<b>10,718</b>	<b>\$7,184,057</b>		\$670.27965	
Exterior wall		0		510		0		510	\$341,843		\$670.27965	

TOTAL 5 HOUSES - 70 BEDS
51300
56140
51,300
56,140
\$37,629,500
\$670.27965