

## Footnotes and Explanations

**Please explain any discrepancies and note any additional information relating to the data provided on this report in the space below. Attach additional pages if needed.**

Preparer Information - Type of Accounting Service Performed - I'm and employee of the Management Company, Life Care Centers of America, Inc.

Due to the methodology of reimbursement in lieu of allowable interest and the unknown financing factor that may be used in the future, the interest claimed on Sch 4 for the new HUD loan is shown at actual after applying an allowable percent based on a Medicare calculation at the time of refinancing. Mortgage Loan was refinanced on 12/20/2012.

Mortgage Interest	182,625
Amortize Deferred Financing	<u>2,951</u>
	185,576
Loan Allow %	<u>54.29%</u>
Claimed Mortgage Interest	100,743
Less: Interest Income Recovery	(457)
Mortgage Insurance Premium	<u>40,177</u>
<b>Total shown on Page 7, L/T Interest Claimed</b>	<u><b>140,463</b></u>