

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 an employee of the Management Company, Life Care Centers of America, Inc.

On January 28, 2020, the Capital Source loan was paid off and refinanced through South Bank mortgage in the amount \$3,500,000.

Calculating allowable interest. The interest income recorded will be used to offset against interest expense.

South Bank Funding Interest Expense	237,537
South Bank Funding Amort of Deferred Financing	<u>14,590</u>
Total Interest Expense	252,127
Allowable Percentage	<u>71.95%</u>
Net Claimed Mtg Interest	181,405
Less: Interest Income Recovery	<u>(16)</u>
Long Term Interest Claimed	<u>181,389</u>