

VICTORY HILLS SENIOR LIVING COMM.
COVER SHEET

FOR THE 12 PERIODS ENDED DECEMBER 31, 2007

	01/31/07	02/28/07	03/31/07	04/30/07	05/31/07	06/30/07	07/31/07	08/31/07	09/30/07	10/31/07	11/30/07	12/31/07	Y-T-D
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL
TOTAL REVENUE													
TOTAL OPERATING EXPENSE													
NET OPERATING INCOME	5,556.78	3,327.80	109,369.52	171,607.37	181,779.68	171,974.69	151,934.81	151,600.63	151,974.69	151,668.97	181,974.06	212,241.64	1,296,172.71
INCOME BEFORE DEPRECIATION	3,327.80	1,178.56	117,785.56	151,934.81	155,160.63	151,974.69	151,934.81	155,160.63	151,974.69	151,668.97	148,059.71	172,488.10	1,062,688.33
NET INCOME (LOSS)	2,228.98	(1,971.50)	51,596.96	25,672.36	(87,040.88)	26,619.05	(65,037.53)	(70,880.31)	39,974.33	28,434.39	(51,864.04)	39,753.54	203,484.38
													(409,383.82)
PRIVATE RD													
INDEPENDENT RD	48.00		1,410.00	1,431.00	1,464.00	1,566.00	1,513.00	1,564.00	1,596.00	1,594.00	1,478.00	1,577.00	10,288.00
TOTAL RD	51.00		1,485.00	1,526.00	1,564.00	1,566.00	1,513.00	1,564.00	1,596.00	1,594.00	1,478.00	1,577.00	10,302.00
PRIV. SERV. PER PRIV. RES.-ALF	99.00		120.00	124.00	124.00	124.00	124.00	124.00	90.00	91.00	100.00	100.00	836.00
AVG MED REV. PER MED RES.-ALF			3,015.00	3,081.00	3,151.00	3,151.00	3,151.00	3,151.00	2,999.00	3,117.00	3,080.00	3,172.00	21,628.00
AVG RENT PER OCC. UNIT-ALF	60.40		102.45	101.69	113.29	113.29	113.29	113.29	79.88	108.59	140.94	178.53	1,168.00
AVG RENT PER OCC. UNIT-IND	60.40		2,194.47	2,262.94	2,338.98	2,338.98	2,338.98	2,338.98	2,109.33	2,210.20	2,296.54	2,652.46	16,720.08
AVG RENT PER OCC. FACILITY	60.40		1,457.43	1,457.43	1,457.43	1,457.43	1,457.43	1,457.43	1,463.79	1,509.60	1,485.16	1,531.95	10,538.38
AVERAGE NUMBER OF RESIDENTS	99.00		100.50	100.50	100.50	100.50	100.50	100.50	100.50	100.50	100.50	100.50	1,205.22
ALF UNITS AVAILABLE	41.00		44.00	44.00	44.00	44.00	44.00	44.00	44.00	44.00	44.00	44.00	440.00
PERCENTAGE OCCUPIED UNIT-ALF	51.00		53.00	53.00	53.00	53.00	53.00	53.00	53.00	53.00	53.00	53.00	359.02
IND UNITS AVAILABLE	77.35		83.01	83.01	83.01	83.01	83.01	83.01	83.01	83.01	83.01	83.01	624.00
PERCENTAGE OCCUPIED UNITS IND	51.00		49.22	49.22	50.45	50.45	50.45	50.45	47.80	46.83	47.80	47.80	322.74
TOTAL UNITS AVAILABLE	72.85		76.00	76.00	76.00	76.00	76.00	76.00	76.00	76.00	76.00	76.00	580.00
TOTAL UNITS OCCUPIED	92.00		93.50	92.38	92.38	92.38	92.38	92.38	94.43	94.54	94.19	96.15	561.17
TOTAL PERCENTAGE OCCUPIED	123.00		123.00	123.00	123.00	123.00	123.00	123.00	123.00	123.00	123.00	123.00	984.00
	74.80		76.02	75.11	76.97	76.97	76.97	76.97	76.77	76.86	76.58	78.17	78.41
FOOD COST PER RESIDENT PER DAY			3.95	3.50	4.51	3.35	4.41	3.55	4.41	3.55	3.55	3.89	27.20
OPERATING MARGIN			30.46	14.45	14.64	10.95	15.31	10.95	15.31	10.95	21.23	18.73	18.01

REV RESIDENT LATE FEES INCL REVERSE JUL & AUG LATE FEES \$400.
CLIST INCENTIVES INCL NEW PRESIDENTS REFERRAL \$746.
DISHES INCL SYSCO CUPS/PLATES \$372.
W/SIG HIGH DUE TO UNDER ACCRUED PRIOR MO.
FOOT/VOTES CONTRIB ON NEXT PAGE.
PREPARED BY: SUNWEST MANAGEMENT, INC. DISTRIBUTION LIST: JON HARDER
DARRYL FISHER COURTNEY BRODIE JOHNNY DHR MISSY MCALLISTER
MELISSA WILLIAMS ANDREA SCHOEITKE GARY NELSON

VICTORY HILLS SENIOR LIVING COMM.
CENSUS REPORT

FOR TAB 12 PERIODS ENDED DECEMBER 31, 2007

	PERIODIC ACTIVITY ENDING												YTD ACTUAL
	01/21/07 ACTUAL	02/28/07 ACTUAL	03/31/07 ACTUAL	04/30/07 ACTUAL	05/31/07 ACTUAL	06/30/07 ACTUAL	07/31/07 ACTUAL	08/31/07 ACTUAL	09/30/07 ACTUAL	10/31/07 ACTUAL	11/30/07 ACTUAL	12/31/07 ACTUAL	
OCCUPANCY INFORMATION													
PVT ALF SGL OCC	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	8,979.00
PVT ALF DBL OCC	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	1,559.00
ALF UNITS AVAILABLE	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	424.00
AVG PVT ALF SGL OCC	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	31.69
AVG PVT ALF DBL OCC	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	3.12
AVG ENTS SGL OCC	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	47.61
AVG ST ALF MED LVL	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	21.92
FOOD COST PER RESIDENT PER DAY	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	16,502.00
PVT IND SGL OCC RES	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	71.92
IND UNITS AVAILABLE	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	560.00
ST ALF LVL 1	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	836.00
AVERAGE RESIDENT DAY	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	803.08
RESIDENT DAYS	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	21,020.00
OCCUPIED UNITS	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	3,121.92
PERCENTAGE OCCUPIED	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	47.36
PERCENTAGE OCCUPIED	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	66.90

VICTORY HILLS SENIOR LIVING COMM.,
MONTHLY INCOME STATEMENT RECAP 1
FOR THE THREE YEAR PERIODS ENDED DECEMBER 31, 2007

	PERIODIC ACTIVITY ENDING												Y.T.D. ACTUAL
	01/01/07 ACTUAL	02/28/07 ACTUAL	03/31/07 ACTUAL	04/30/07 ACTUAL	05/31/07 ACTUAL	06/30/07 ACTUAL	07/31/07 ACTUAL	08/31/07 ACTUAL	09/30/07 ACTUAL	10/31/07 ACTUAL	11/30/07 ACTUAL	12/31/07 ACTUAL	
REVENUE													
REV-PRIVATE-ALF	.00	.00	.00	.00	.00	85,079.00	86,751.00	86,576.96	99,526.96	94,399.15	99,736.89	671,316.08	
REV-PVT-DB-OC-ALF	.00	.00	.00	.00	4,222.80	6,287.00	6,472.96	4,128.10	4,562.96	4,187.50	4,187.50	36,945.80	
REV-PVT-SERV-ALF-L1	.00	.00	.00	.00	.00	424.30	1,820.30	1,677.35	1,800.00	3,198.75	4,172.50	9,440.58	
REV-PVT-SERV-ALF-L2	.00	.00	.00	.00	.00	.00	.00	.00	.00	1,800.00	1,800.00	3,600.00	
REV-PVT-SERV-ALF-L3	.00	.00	.00	.00	.00	.00	.00	.00	.00	660.00	1,800.00	2,460.00	
REV-PVT-SERV-ALF-L4	.00	.00	.00	.00	.00	.00	.00	.00	.00	2,400.00	2,400.00	2,400.00	
REV-MED-ALF-L1	.00	.00	.00	.00	4,270.00	4,270.00	1,716.82	3,084.00	4,610.00	1,200.00	1,240.00	20,550.00	
REV-MED-ALF-L2	.00	.00	.00	.00	72,933.85	72,933.85	72,933.85	72,933.85	72,933.85	72,933.85	72,933.85	729,338.50	
REV-MED-ALF-L3	.00	.00	.00	.00	90.00	90.00	71.00	131.00	1,530.30	1,530.30	1,070.00	5,124.41	
REV-MED-ALF-L4	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	1,353.50	
REV-GUEST ROOM	.00	.00	.00	.00	.00	31.00	720.00	430.00	.00	123.50	13.50	2,095.00	
REV-RESIDENT MEALS	.00	.00	.00	.00	.00	230.00	230.00	125.00	.00	230.00	230.00	1,750.00	
REV-MEDICAL SUPPLIES	.00	.00	.00	.00	.00	2,148.00	2,148.00	2,148.00	2,148.00	2,148.00	2,148.00	9,448.00	
REV-BARBER & BEAUTICIAN	.00	.00	.00	.00	.00	68.00	30.00	49.11	46.50	.00	.00	305.61	
REV-CLEANING FEES	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	590.00	
REV-CABLE TV	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	1,000.00	
REV-RENT CONCESSIONS	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	305.61	
REV-SERVICE LEVEL CONC-ALF	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	590.00	
REV-RENT-OTHERS	.00	.00	.00	.00	382.67	1,385.00	2,145.76	1,566.55	1,589.32	1,388.13	1,454.20	11,800.00	
TOTAL REVENUE	.00	.00	.00	.00	109,389.53	177,607.57	181,779.68	175,974.69	185,668.97	187,974.06	212,241.64	1,296,172.71	
GROSS PROFIT	.00	.00	.00	.00	109,389.53	177,607.57	181,779.68	175,974.69	185,668.97	187,974.06	212,241.64	1,296,172.71	
CONTROLLABLE OPERATING EXPENSES													
NURSING	.00	.00	.00	.00	19.93	3,692.15	3,813.48	3,813.48	3,813.48	3,813.48	3,813.48	26,722.96	
NURSING SUPERVISOR	.00	.00	.00	.00	16.25	5,279.08	5,279.08	11,011.25	10,616.00	10,616.00	15,317.50	75,176.28	
CAREGIVER WAGES	.00	.00	.00	.00	480.00	10,638.00	21,762.08	18,983.37	20,656.91	18,028.52	18,028.52	137,233.22	
MED AIDES	.00	.00	.00	.00	.00	.00	.00	9,973.67	.00	.00	.00	9,450.02	
NURSING PURCHASED SERVICES	.00	.00	.00	.00	.00	89.67	378.84	289.40	.00	314.38	415.45	2,299.75	
NURSING SUPPLIES	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	611.14	
NURSING SMALL EQUIPMENT	.00	.00	.00	.00	.00	.00	402.33	.00	.00	.00	.00	523.03	
TOTAL NURSING	.00	.00	.00	.00	896.25	25,945.48	36,468.91	43,139.32	35,388.33	33,976.85	37,882.26	252,023.37	
RESIDENT RELATIONS/MARKETING	.00	.00	.00	.00	.00	3,037.47	3,424.98	3,739.76	3,671.91	4,137.92	3,902.05	26,916.69	
ACT DIRECTOR SALARY	.00	.00	.00	.00	.00	.00	30.14	1,247.15	1,247.15	1,247.15	1,247.15	6,299.22	
SPECIAL EVENTS/PROMOTIONAL	.00	.00	.00	.00	.00	2,826.41	403.74	532.05	532.05	1,024.33	518.87	5,266.91	
MEDIA ADVERTISING	.00	.00	.00	.00	.00	176.67	159.48	1,158.22	850.96	747.51	618.87	4,266.91	
MARKETING PERSONNEL	.00	.00	.00	.00	.00	.00	.00	2,800.00	2,886.06	2,832.43	3,018.50	12,174.09	
CUSTOMER INCENTIVES	.00	.00	.00	.00	.00	.00	771.00	.00	.00	.00	.00	771.00	
TOTAL RESIDENT RELATIONS/MARKETING	.00	.00	.00	.00	213.88	6,260.55	4,568.17	9,168.91	15,114.28	9,482.64	11,108.54	63,277.01	
DIETARY	.00	.00	.00	.00	151.94	3,380.00	3,380.00	3,380.00	3,380.00	3,380.00	3,380.00	23,815.94	
DIET SUPERVISOR SALARY	.00	.00	.00	.00	458.38	8,901.56	8,901.56	8,901.56	8,901.56	8,901.56	8,901.56	57,832.00	
KITCHEN PERISHS SALARY	.00	.00	.00	.00	269.13	4,209.18	4,778.81	5,428.44	6,738.94	6,516.19	4,151.44	31,983.31	
FOOD PURCHASES	.00	.00	.00	.00	.00	11,946.62	12,858.79	10,498.61	13,754.48	10,808.88	12,298.61	87,236.71	
DIETARY CHEMICALS	.00	.00	.00	.00	.00	.00	511.35	166.54	159.12	182.35	233.25	1,293.27	
DIETARY SUPPLIES	.00	.00	.00	.00	.00	808.91	571.40	621.40	670.30	407.90	385.05	3,102.95	
DIETARY PURCHASED SERVICES	.00	.00	.00	.00	.00	.00	382.37	300.06	241.00	13.97	132.61	1,326.94	
DIETARY SMALL EQUIPMENT	.00	.00	.00	.00	.00	.00	265.24	.00	.00	.00	.00	622.84	
TOTAL DIETARY	.00	.00	.00	.00	883.45	29,249.67	31,322.65	28,330.47	33,588.74	28,033.02	26,544.24	213,625.14	
HOUSEKEEPING & LAUNDRY	.00	.00	.00	.00	116.06	5,083.48	6,467.98	4,139.54	3,716.64	5,159.99	4,661.04	37,331.16	
HOUSEKEEPING SALARY	.00	.00	.00	.00	.00	76.82	47.33	126.51	126.51	126.51	126.51	1,424.29	
HOUSEKEEPING SUPPLIE	.00	.00	.00	.00	.00	.00	280.31	105.98	101.26	104.4	99.86	600.86	
HOUSEKEEPING CHEMICALS	.00	.00	.00	.00	.00	1.08	223.63	236.18	223.63	230.49	234.69	1,408.16	
LAUNDRY	.00	.00	.00	.00	.00	.00	477.67	477.67	466.94	7.50	.00	617.74	
TOTAL HOUSEKEEPING & LAUNDRY	.00	.00	.00	.00	116.06	5,185.41	6,515.29	4,801.51	4,873.23	5,744.13	5,186.45	41,894.93	

VICTORY HILLS SENIOR LIVING CO., INC.
MONTHLY INCOME STATEMENT RECAP 1
INCOME STATEMENT
FOR THE TWELVE PERIODS ENDED DECEMBER 31, 2007

	PERIODIC ACTIVITY ENDING												Y-T-D ACTUAL
	02/28/07 ACTUAL	03/28/07 ACTUAL	04/30/07 ACTUAL	05/31/07 ACTUAL	06/30/07 ACTUAL	07/31/07 ACTUAL	08/31/07 ACTUAL	09/30/07 ACTUAL	10/31/07 ACTUAL	11/30/07 ACTUAL	12/31/07 ACTUAL		
BANK CHARGES	.00	.00	.00	.00	.00	.00	5.00	15.00	555.45	94.62	36.60	506.67	
LICENSES & FEES	.00	.00	.00	.00	499.00	.00	14.00	20.00	21.00	209.46	109.46	1,693.27	
MANAGEMENT FEES	.00	.00	.00	318.97	.00	12,472.32	12,794.58	12,518.23	12,551.49	13,200.94	14,365.60	90,722.08	
LEGAL & ACCOUNTING	.00	.00	.00	.00	1,922.27	562.50	.00	.00	.00	.00	.00	4,467.77	
PURCHASED SERVICES	.00	.00	.00	.00	15.00	3,306.00	30.00	24.00	21.00	20.00	653.00	4,071.00	
LEASED EQUIPMENT	.00	.00	.00	.00	.00	.00	.00	.00	715.49	.00	931.45	1,657.94	
TAX PENALTIES	.00	.00	.00	.00	.00	.00	.00	18.09	.00	.00	.00	18.09	
TOTAL ADMINISTRATIVE & GENERAL	.00	.00	.00	388.97	14,492.13	46,301.02	12,999.01	72,594.78	14,506.87	13,627.62	15,813.93	100,624.33	
TOTAL NONCONTROLLABLE EXPENSES	.00	.00	.00	774.00	32,318.77	49,718.92	44,990.12	50,731.99	44,791.43	46,900.25	63,864.71	335,990.18	
TOTAL OPERATING EXPENSES	.00	.00	.00	3,371.80	117,782.56	151,934.81	153,190.63	156,700.14	157,234.58	148,059.71	172,488.10	1,002,688.33	
NET INCOME FROM OPERATIONS	.00	.00	.00	2,228.98	31,386.96	21,672.56	26,619.05	19,274.53	28,434.39	39,914.35	39,753.34	213,484.38	
OTHER INCOME AND EXPENSE													
OTHER REVENUE & EXPENSE	.00	.00	.00	.00	(269.15)	(894.91)	(1,785.95)	(1,982.46)	(6,722.81)	(3,244.23)	(3,983.31)	6,265.22	
INTEREST INCOME	.00	.00	.00	.00	.00	.00	21,000.00	.00	.00	.00	.00	(8,894.51)	
SERVICE FEE	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	25,000.00	
MISCELLANEOUS INCOME	.00	.00	.00	.00	.00	.00	.73	.00	(.60)	.00	.00	(2,091.00)	
MISCELLANEOUS EXPENSE	.00	.00	.00	2,128.52	.00	.00	.00	.00	.00	.00	.00	2,129.63	
TOTAL OTHER REVENUE & EXPENSE	.00	.00	.00	2,128.52	(269.15)	(894.91)	23,214.78	(1,982.46)	(6,722.81)	(3,244.23)	(3,983.31)	6,265.22	
INTEREST & DEBT SERVICE	.00	.00	.00	.00	1,632.00	6,914.93	7,135.75	7,687.24	7,978.38	8,073.13	7,774.28	49,178.48	
INTEREST EXPENSE	.00	.00	.00	32.87	2,043.15	41,862.81	37,832.72	37,571.57	37,688.13	42,393.02	37,890.72	309,333.22	
BUILDING LEASE	.00	.00	.00	.00	2,532.89	39,827.28	46,276.68	46,558.51	46,558.48	46,558.47	46,558.47	274,270.78	
LEASE EXPENSE TIC	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	.00	
TOTAL INTEREST & DEBT SERVICE	.00	.00	.00	2,076.02	76,998.49	88,605.02	90,445.15	92,117.32	92,144.89	97,024.62	92,173.47	631,884.98	
NET INCOME BEFORE DEPRECIATION	.00	.00	.00	(1,973.56)	(35,193.37)	(60,057.55)	(87,040.88)	(70,880.31)	(66,897.69)	(53,866.04)	(46,454.42)	(434,791.35)	
DEPRECIATION & AMORTIZATION	.00	.00	.00	3,750.00	3,750.00	3,750.00	3,813.83	3,813.83	3,813.83	3,813.83	3,920.21	30,423.53	
EQUIPMENT	.00	.00	.00	3,750.00	3,750.00	3,750.00	3,813.83	3,813.83	3,813.83	3,813.83	3,920.21	30,423.53	
TOTAL DEPRECIATION & AMORTIZATION	.00	.00	.00	3,750.00	3,750.00	3,750.00	3,813.83	3,813.83	3,813.83	3,813.83	3,920.21	30,423.53	
EARNINGS BEFORE INCOME TAX	.00	.00	.00	(5,723.56)	(28,893.37)	(65,797.55)	(90,854.71)	(74,694.14)	(60,801.52)	(57,679.87)	(50,334.63)	(434,791.35)	
NET INCOME (LOSS)	.00	.00	.00	(5,723.56)	(28,893.37)	(65,797.55)	(90,854.71)	(74,694.14)	(60,801.52)	(57,679.87)	(50,334.63)	(434,791.35)	