Appendix 16.2
Sample Cash Flow Chart

All Funds Flow Through AR Lender, Operator routinely makes draws

Governmental Payors

Medicare, Medicaid, etc.

Payments on AR line

Advances of AR Loan Proceeds

Fund back of Excess Collections

Non-Governmental Payors

Residents, Private Insurance, etc.

Operator's Account (DACA)**

* DACA (Immediate) in favor of the AR Lender with provisions or second lien for future notification in favor of FHA Lender
** DACA (Future notification) in favor of FHA Lender

Payables

Wages, Payroll Taxes

Rent

Operator's Operating Account (DACA)**

Daily Sweep

Operator's Account (DACA)**

Daily Sweep

Tenant Rent Account^

Monthly Rent, Auto Debit

Employees

Payroll Account

Vendors

- Sources
- Deposit Accounts
- Uses

FHA Lender

Remainder after P&I, Escrows, IMR

Borrower