

Illinois Finance Authority

May 8, 2007

11:30 AM

Board Meeting

The Mid America Club
200 E. Randolph Drive, 80th Floor
Chicago, Illinois



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**ILLINOIS FINANCE AUTHORITY
BOARD MEETING
May 8, 2007
Chicago, Illinois**

**EXECUTIVE SESSION
8:30 a.m.
Illinois Finance Authority
180 N. Stetson, Suite 2555**

- Opening Remarks
- Executive Director's Report
- Financials
- Staff Reports
- Project Reports
- Adjournment

**BOARD MEETING
11:30 a.m.
Mid-America Club
200 E. Randolph Drive, 80th Floor
Chicago, Illinois**

AGENDA

- Call to Order
- Chairman's Report
- Roll Call
- Executive Director's Report
- Acceptance of Financials
- Approval of Minutes
- Project Approvals
- Resolutions / Amendments

AGRICULTURE

Tab	Project	Location	Amount	New Jobs	Const Jobs	FM
Agri-Debt Guarantee						
1	Dail Family Farms, Inc.	Erie	170,000	0	0	CM
2	Richard C. and Tresa M. Litz	Pana	170,000	0	0	ER
Solid Waste Disposal Facilities Bonds						
Agribusiness Loan Guarantee						
<i>Final</i>						
Beginning Farmer Bonds						
3	Jayson A. Stamberger	LaMoille	250,000	0	0	CM
	Timothy W. Buettner	Sublette	105,430	0	0	CM
	Jason A. Skidmore	Robinson	175,000	0	0	ER
TOTAL AGRICULTURE PROJECTS			870,430	-	-	

HEALTHCARE

Tab	Project	Location	Amount	New Jobs	Const Jobs	FM
501(c)(3) Bonds						
<i>Preliminary</i>						
4	Sherman Health System and Sherman Hospital	Elgin	150,000,000	0	0	PL/DS
501(c)(3) Bonds						
<i>Final</i>						
5	Central Baptist Village	Norridge	26,000,000	0	0	PL/DS
6	Palos Community Hospital	Palos Heights, Orland Park, Lemont, Oak Lawn	200,000,000	0	225	PL/DS
TOTAL HEALTHCARE PROJECTS			376,000,000	0	225	

COMMUNITIES AND CULTURE

Tab	Project	Location	Amount	New Jobs	Const Jobs	FM
501(c)(3) Bonds						
<i>Preliminary</i>						
7	Elgin Academy	Elgin	11,500,000	5	50	TA
501(c)(3) Bonds						
<i>Final</i>						
8	Sindesmos Hellenikes-Kinotitos of Chicago (also known as Holy Trinity Hellenic Orthodox Church)	Deerfield	12,400,000	7	30	RKF
9	Planned Parenthood Chicago and Gemini Office Development LLC	Chicago and Aurora	10,000,000	47	150	SCM
10	SOS Children's Village Illinois, Inc.	Chicago and Lockport	9,000,000	46	100	SCM
11	UNO Charter School Network	Chicago	13,000,000	60	50	SCM
12	Noble Network of Charter Schools	Chicago	16,000,000	80	120	SCM
13	The Chicago Theater Group, Inc. d/b/a the Goodman Theater	Chicago	3,800,000	0	25	SCM
Community Rehabilitation Providers Facilities Acquisition Pooled Financing Program						
501(c)(3) Bonds						
<i>Preliminary</i>						
14	Bridgeway, Inc. and Broadway Foundation	Macomb	3,000,000	10	15	ST
15	Good Shepherd Manor Group	Momence	1,800,000	0	0	ST
16	Kankakee County Training Center for the Disabled, Inc.	Bradley	1,650,000	0	0	ST
17	RAVE (Rehabilitation and Vocational Education), Inc.	Jonesboro	2,300,000	0	0	ST
18	Trinity Services, Inc.	Joliet	3,750,000	0	0	ST
19	St. Coletta's of Illinois	Tinley Park	5,400,000	0	0	ST/TA
Rural Development Loan						
20	Will Township Road District	Peotone	110,000	0	2	KC
Local Government Loan Program						
21	Village of Waynesville	Waynesville	500,000	0	0	KC
Local Government Revenue Bonds						
22	Local Government 2007 Pool	Multiple	6,600,000	0	26	KC/EW
TOTAL COMMUNITIES AND CULTURAL PROJECTS			100,810,000	255	568	

BUSINESS AND INDUSTRY

Tab	Project	Location	Amount	New Jobs	Const Jobs	FM
Participation Loans						
23	CIF Industries, Inc.	Staunton	200,000	7	15	RP
24	API Holdings, LLC	Granite City	475,000	5	50	RP
Industrial Revenue Bonds Preliminary						
25	Walter Mulica, Belmont Sausage Company and an LLC to be formed	Elk Grove Village	8,000,000	60	40	SCM
26	INX International Ink Company and its affiliates, successors and assigns	Homewood	10,000,000	9	20	RKF
27	Chicago Gear – D. O. James Corporation and its affiliates, successors, and assigns	Chicago	5,300,000	15	25	RKF
28	47 Asphalt Company (K-Five Construction)	Newark	5,750,000	17	0	ST
Industrial Revenue Bonds Final						
29	Ezine, Inc. and 4243 W. Belmont LLC	Chicago	4,500,000	150	25	RKF
30	2643 Chicago Ave., LLC	Chicago	5,000,000	19	5	ST
31	Peddinghaus Corporation	Bradley	3,600,000	0	20	TA
TOTAL BUSINESS AND INDUSTRY PROJECTS			42,825,000	282	200	

HIGHER EDUCATION

Tab	Project	Location	Amount	New Jobs	Const Jobs	FM
501(c)(3) Bonds Final						
32	The University of Chicago	Chicago	250,000,000	300	200	RKF
33	University Educational Student Housing Corporation (Dwight Building Project)	Chicago	95,000,000	18	150	RKF
TOTAL HIGHER EDUCATION PROJECTS			345,000,000	318	350	

GRAND TOTAL			865,505,430	855	1,343	
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RESOLUTIONS

Tab	Project	FM
Amendatory Resolutions		
34	Request to extend until July 30, 2007 a commitment for a participation loan for Midway Broadcasting Company	SCM
35	Amendatory Resolution to Authorize the Execution and Delivery of a Waiver of Certain Provisions of the Loan Agreement relating to Illinois Educational Facilities Authority Revenue Bonds, Lake Forest College, Series 1998.	TA
36	Amend and Restate Trust Indenture, Loan Agreement, and related documents to Extend Final Maturity Date for Toyal America, Inc. Series 1997 Industries Development Revenue Refunding Bonds.	RKF
37	Amendatory Resolution to Authorize the Execution and Delivery of a Modification Agreement and related documents for Slovak American Charitable Association, IDFA Series 2000 501(c)(3) Revenue Bonds	RKF

Other

Consideration of and/or appointment of an Executive Director of the Illinois Finance Authority

Adjournment

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**Illinois Finance Authority
Executive Director's Report
May 8, 2007**

To: IFA Board of Directors and Office of the Governor

From: Jill Rendleman, Interim Executive Director

I. Financial Performance

Consolidated Results:

Illinois Finance Authority's financial position remains strong with total assets of \$150,193,064 consisting of Equity of \$91,317,441 and liabilities of \$58,875,624. This compares favorable to the April 2006 balance sheet of \$150,750,052 in total assets comprising of \$87,710,572 in Equity and \$61,039,480 in liabilities and Bonds Payable.

Gross Income YTD for April ended at \$12 million or \$1.4 million above plan. The above plan results are primarily due to Administration Fee Income and Investment Income. Operating expenses ended at \$8.7 million generating a net income of \$3.3 million or about \$1 million above plan.

II. Sales Activities

The significant number of project approvals compliments the increase in gross revenues as an indication that business development and marketing efforts continue to bring results. Funding Managers will be presenting 33 projects totaling \$865,505,430 for approval in May 2007. Healthcare projects total \$376,000,000; Higher Education projects total \$345,000,000; Agriculture projects total \$870,430; Communities and Culture total \$100,810,000; and Business and Industry total \$42,825,000. These projects are expected to create 855 new jobs and 1,343 construction jobs.

HealthCare: During April, the Healthcare team met with several large hospital systems to discuss upcoming financings. Two equipment financings closed, each for \$2.5 million: Rockford Hospital financed by Chase Equipment Leasing Group, and Illinois Valley Community Hospital, a COB transaction financed with GE Commercial Finance Group. Staff is conducting a market survey of large hospital systems. Responses are planned to be shared with survey recipients. Funding Managers met with several large hospitals to discuss the Investment Management and Arbitrage Rebate Program. The hospitals were very interested in investing their construction funds in this Program. The Healthcare team also met with

several underwriters to discuss the healthcare market. Healthcare Funding Managers made 77 business development calls during April.

Higher Education: April was a productive month in Higher Ed. Closings included the \$90 million Bradley University bond issue and the Federation of Independent Illinois Colleges and Universities (FIICU) Revenue Anticipation Note Program. Higher Ed staff has begun development of a sprinkler/HVAC financing program to help the market address the need to comply with a State mandate that all college dorms are equipped with sprinklers by 2013. A program concept is under review by the Associated Colleges of Illinois (ACI) and the FIICU, and a survey to evaluate market demand is planned to be distributed in May. Staff attended the annual meeting of the ACI in Chicago where interest in such a program was high. Staff is working with the Energy Resource Center of the University of Illinois to finalize a report of the Public University Energy Hedging Program. Illinois Board of Higher Education (IBHE) Board Chair is scheduled to meet with IFA in May to discuss this hedging proposal and other IFA financing products. Work continues on the Higher Ed product matrix and other IFA product materials, as well as a capital needs analysis to be used as baseline data for this market. Members of the Higher Ed team will participate in a legislative luncheon in Springfield on May 8.

Agriculture: The Ag team continues to focus on the ethanol market with business development calls to potential developers. During April, Funding Managers made 12 calls to discuss ethanol projects. Additional calls include 25 bank calls, 16 bank visits, 9 producer calls, 8 Legislator visits, and 3 County Extension visits.

Funding Managers made presentations at three conferences on the topic of renewable energy financing. Two conferences, held in Princeton and Quincy, were sponsored by the Illinois Electric Council. The third conference was a DCEO peer exchange held in Shelbyville. A meeting with State Treasurer, Alexi Giannoulias, reviewed the State Treasurer's programs and IFA programs.

Communities and Culture: An early May meeting is scheduled with Lake County and Waukegan lenders and realtors to present the features and documentation procedures of the Single Family Mortgage program. Representatives of the City of Waukegan will present their roll out plans.

Presentations about IFA local government programs were made at the Rural Development Engineers Workshop and a seminar sponsored by Representative Bill Mitchell for municipalities in his district regarding local government financing needs. Both presentations addressed short-term loan financing as well as long-term bonding. Several seminar/conference opportunities are developing: with regional staff of DCEO and the Illinois Municipal League (IML) for a half day seminar focused on Community Development and Financing needs in the Galesburg area; with IML for IFA to present at 4 workshops to be held around the state for newly elected officials; and with Township Officials of Illinois for a conference/exhibit in Springfield.

Funding Managers met with financial partners interested in local government stand-alone bond issues. We anticipate closing the local government pooled bond program in late June or early July. Discussion continues with the Illinois State Board of Education (ISBE), Chapman and Cutler, other state bonding authorities and underwriters regarding the possibility of issuing Qualified Zone Academy Bonds on a statewide basis with IFA being the coordinating issuer. Dialogue continues regarding the possibility of an advance purchasing program for natural gas targeted to units of local government. IFA staff made 44 business contacts in this market segment.

Industry and Commerce: Application volume and inquiries for Industrial Revenue Bonds continue to increase, while at the same time the volume cap required to close these projects is in short supply. We are pursuing volume cap transfers with home rule municipalities where IFA projects are located. In calls to banks, attorneys, local government officials and industry forums, Funding Managers continue to cross-sell participation loans and other IFA bonds in their discussions of IRB's.

Funding Managers presented to approximately 50 bankers and businessmen at a DCEO Lender's Forum held in Bloomington. Funding Managers made 114 business development calls and a number of legislative calls during April.

III. Marketing and Public Relations

We continue to make progress on longer term projects including updating all product information, simplifying applications, and the development of a product matrix and baseline market survey in each market sector, as well as updates throughout the IFA web site. Creative concepts are in progress for the annual report and a literature system to include brochures for major markets and certain program areas. Other projects include developing improved mailing lists and list management capabilities, and working with the ACT system to improve its utilization and efficiency for business development. A structure has been introduced for formalizing call plans and coordinating strategic plan goals with the performance plan. In strategic planning, we held our market sector meetings and are in the process of planning the FY08 planning meetings to take place in June and July.

Freedom of Information Act Requests during April:

- AFSCME Council 31 request for information related to Resurrection Health Care transaction, 2005
- SEIU request for extensive information related to bond transactions and other business relationships with JPMorgan Chase

IV. Human Resources and Operations: During April, we completed Open Enrollment for plan year 2008 staff benefits, including the introduction of a new health care option involving a high deductible health care plan combined with a health care savings account. We also completed the third quarter

EEOC/Affirmative Action report, compliance with the Personal Information Act, submission of the JCAR response, the filing and conclusion of a Workman's Compensation claim, preparation for and participation in the Senate Appropriations Committee Hearing, and researching and placing a staff member on unpaid leave.

V. Legal & Legislative Issues

In an unprecedented Illinois legislative move, the Senate voted unanimously for passage of IFA's Economic Development/Multi-state Bonding Authority Bill which will allow the IFA to issue bonds from the multi-state development of health care systems and other initiatives. The bill to increase IFA's bonding authority also passed with both Democratic and Republican votes. All IFA originated bills have passed through the Senate or the House and are now moving into the next respective legislative committee hearings. IFA has also proposed that legislation clarifying the IFA exemption from the Personnell Code of the State be considered and this has been approved by legislative staff members to be included in an appropriate corresponding piece of legislation. IFA executive director, members of the management team, financial advisor Bill Morris, and senior counsel Kimberly Copp met before the Senate Appropriations Commission on April 20, 2007 and presented IFA's current financial and strategic plan to the Commission. A summary of all IFA state and federal legislation can be found directly following this report.

On a federal level, IFA is working with the Council of Development Finance Agencies (CDFA) and National Association of Higher Education Finance Authorities (NAHEFA) on a legislative initiative that would allow Federal Home Loan Banks to provide Aaa/AAA/AAA Letters of Credit to member banks to support IRB and 501(c)(3) projects. Currently the FHLB can only provide these LOC's to support housing financing. CDFA has also proposed legislation that will allow small issuances for industrial development bond sales to receive bank qualified treatment. These changes would reduce costs and interest rates and expand and improve the financial market since these bonds play an integral role in the financial development of urban and rural communities.

VI. Audit and Compliance

The IFA Compliance Audit is complete. The Auditor General held an exit meeting on April 12, 2007 at the office of the IFA. Participating in the meeting were the executive director and management staff. The Authority received 7 material findings, down from 9 findings the previous year. The findings are less in severity compared to last year.

The Audit Committee will review the findings in its next meeting and a copy of the Compliance Report will be distributed board members.

Legislation

CDFA Proposes Changes for Small-Issue IDBs

BY ALISON L. MCCONNELL

Small-issue industrial development bond sales of less than \$3 million would receive bank-qualified treatment under a legislative proposal unveiled by the Council of Development Finance Agencies this week.

The council also released a proposal to allow nonprofit organizations to directly issue bank-qualified bonds in small amounts.

The CDFA, a national advocacy group for state and local governments and municipal authorities that provide economic development financing programs, has long lobbied for more favorable tax rules for small-issue IDBs, which are currently not eligible for bank-qualified treatment. The tax code allows banks to deduct interest on monies borrowed to purchase tax-exempt bonds only from issuers that reasonably expect to issue no more than \$10 million of public-purpose or 501(c)(3) bonds per year.

IDBs' exclusion from the bank-qualified pool, enacted along with other restrictions in the 1986 tax reform act, "was so onerous that banks virtually exited from the direct purchase of industrial development bonds," according to the council.

CDFA executive director Toby Rittner said many in the municipal bond market are concerned that the bank-qual-

ified restrictions are stymieing economic development. "Projects and growth are being hindered by these outdated limitations," he said in a press release issued by the council late Tuesday.

The CDFA's first proposal is straightforward — it would allow IDBs of less than \$3 million to be eligible for bank-qualified status. That "modest change"

"Small nonprofits often find it difficult to borrow in the capital markets, [so] having the ability to work with a local lender ... will gain them access."

Bob Lind, CDFA

would effectively open the financial markets "for the small manufacturer to place an industrial development bond with the company's local bank. These changes would reduce costs and interest rates, but also expand and improve the financial market," since bank-qualified bonds play an integral role in the financial development of urban and rural communities, the council argued.

The change is necessary to "encourage small manufacturer development, expand access to IDBs, provide affordable access to capital financing, as well as maintain and spur manufacturing jobs," the CDFA added.

The second proposal would give nonprofits the ability to directly sell bank-qualified issues of tax-exempt bonds in amounts less than \$3 million. Nonprofits often can borrow so-called 501(c)(3) bond proceeds from state and local government issuers, but the change would "level the playing field" and enable the groups to access the bond market themselves with the help of a local bank, the council said.

"The various 501(c)(3) nonprofit organizations in a community, besides providing much-needed social services, are often also large employers," said Bob E. Lind, chairman of the CDFA's legislative committee and director of business finance for Minneapolis. "Small nonprofits often find it difficult to borrow in the capital markets, [so] having the ability to work with a local lender on a bank-qualified revenue bond will gain them access."

The CDFA will soon send a package to Capitol Hill to highlight these and other legislative initiatives. The group is also working to build a broad coalition of "interested parties focused on enacting these changes," according to Rittner. □

Bill Would Let FHLBs Issue LOCs for Development Deals

BY ANDREW ACKERMAN

Rep. Sander Levin, D-Mich., introduced legislation Tuesday that would allow the 12 Federal Home Loan Banks to provide credit enhancements to tax-exempt economic development bond transactions.

The legislation would change the federal tax code allowing FHLBs to issue letters of credit for small industrial development bond deals or transactions involving small nonprofit health care facilities, colleges, or universities.

The tax code would have to be amended because currently only housing bonds can be backed by a federal guarantee and still retain their tax-exempt status.

Levin's bill is essentially identical to previous ones introduced in Congress by Rep. Phil English, R-Pa., that came after the Internal Revenue Service began auditing deals in which the banks had issued what it dubbed "illegal federal guarantees" on the bonds. Those bills were never acted upon.

However, Levin's bill, unlike the previous one, is co-sponsored by Paul E. Kanjorski, D-Pa., chairman of the House Financial Services Committee's subcommittee on capital markets, insurance, and government sponsored enterprises, as well as by English and Rep. Deborah Pryce, R-Ohio, so it has a better chance of being

voted on by the panel.

Charles A. Samuels, an attorney at Mintz Levin Cohn Ferris Glovsky and Popeo PC here, predicted the bill will be enacted by Congress.

"This is a very inexpensive piece of legislation that's only going to have a modest effect in the big picture of deals but a very significant effect for a very select group of small governments and institutions," Samuels said.

Samuels represents the National Council of Health Facilities Finance Authorities and the National Association of Higher Education Facilities Authorities, who support the legislation, he said. The National League of Cities also supports it.

Levin said in a statement yesterday, "This legislation will help provide our communities with access to capital at the lowest possible costs. The needs are almost limitless, but resources unfortunately are not, and this legislation will help those scarce resources go farther."

Supporters argue that the bill is crucial for local projects financed by small issuers that have trouble accessing capital markets. They also note that it would put the FHLB system on the same level as Fannie Mae and Freddie Mac, two other government-sponsored enterprises who are permitted to issue letters of credit in support of tax-exempt bonds.

As with previous bills, Levin's would

apply to bonds sold after enactment, leaving previously issued debt uncovered and still open to IRS scrutiny.

Bond insurers have said they would oppose such legislation, arguing that it would permit FHLBs to enter into a market that is already well served by private firms, would reduce the fiscal discipline that the capital markets currently imposed on issuers, and would significantly limit the tax revenues currently paid to the federal, state, and local governments, based on the assumption that private credit enhancers would be displaced by the banks.

Those arguments were made by Gary C. Dunton, the president and chief executive officer of MBIA Inc., speaking on behalf of the Association of Financial Guaranty Insurers last month at a debate sponsored by the conservative-leaning American Enterprise Institute. He added that the proposal would create a double government subsidy because the bonds would retain their tax-exempt status and would also be backed by the GSEs, which panelists said already reduces the banks' borrowing costs by at least 40 basis points.

Though the volume of bonds that could be enhanced by the banks is not known, the Congressional Budget Office has estimated that \$6 million would be diverted from federal coffers if FHLBs were allowed to provide letters of credit for tax-exempt deals. □

ILLINOIS FINANCE AUTHORITY ACT LEGISLATIVE AMENDMENTS
20 ILCS 3501/801-1 ET SEQ. (the "Act")
(as of May 1, 2007)

ILCS Code Sec. (§)	Amend. and Type of Amend. (S – Substantive) (T – Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
§801-5, §801-10 and New §801- 50	Economic Development (S)	Sen. James Clayborne, Jr. (D) (57 th District, East St. Louis, IL) Rep. Thomas Holbrook (D) (113 th District, Belleville, Illinois)	Amendment authorizes the IFA to provide access to financing for projects located outside the State for organizations (i.e. higher education, industrial, cultural, etc.) that have a significant presence in the State or are financing a project located within the State. Amendment No. 1 prohibits the IFA from financing international projects and financing out of state projects secured by State credit enhancement (moral ob, state guarantees, etc.).	Legislation will reduce overall financing costs related to bond issuances for Illinois businesses; increase employment opportunities for State residents; allow the State to control usage of its initiatives (i.e., "prevailing wage") that assist State residents; and allow the IFA to be competitive with jurisdictions that have the authority to issue bonds outside of their jurisdiction.	SB1317 (as amended by Amendment No. 1) This bill passed out of the Senate and is now assigned to the House Executive Committee (4/30/07).

ILCS Code Sec. (S)	Amend. and Type of Amend. (S – Substantive) (T – Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
§801-10, §830-25 and §830-35	Bio-Energy (S)	<p>Sen. Deanna Demuzio (D) (49th District, Carlinville, IL)</p> <p>Co-sponsors, Senate:</p> <p>Dan Rutherford (R)</p> <p>Pamela Althoff (R)</p> <p>Randall Hultgren (R)</p> <p>Gary Dahl (R)</p> <p>John Jones (R)</p> <p>Todd Sieben (R)</p> <p>HOUSE:</p> <p>Ron Stephens (R)</p> <p>Thomas Holbrook (R)</p> <p>David Ries (R)</p> <p>Daniel Beiser (D)</p> <p>Jim Watson (R)</p>	<p>Amendments expand the definition of “agribusiness” to include ethanol and other bio-energy businesses; permit the IFA to issue State guarantees for such ethanol and other bio-energy businesses in an aggregate amount not to exceed \$340,000,000; and provide maximum limits for state guarantees for energy related agribusinesses in the amount of \$10 million and bio-diesel projects in the amount of \$20 million.</p>	<p>Investing in bio-energies supports the State’s economy and agricultural community; increases energy independence in the State; increases the State’s ability to entice bio-energy facilities to locate in Illinois and promotes economic development for the benefit of agri-business throughout the State.</p>	<p>SB0057</p> <p>This bill unanimously passed out of the Senate on 2/23/07. It was referred to the House Executive Committee on 4/30/07.</p>

ILCS Code Sec. (§)	Amend. and Type of Amend. (S – Substantive) (T – Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
§801-1, §801-10, §801-40, §825-60, §825-65, §830-25 and New § §850-5, §850- 10, §850-15, §850-20, §850-25, §850-30, §850-35, §850-40 and §850-45	Broadband Deployment Assistance (S)	Rep. David Miller (D) (29 th District, Dolton, IL)	Amendments permit the IFA to finance projects through the issuance of loans, bonds, guarantees or other forms of indebtedness to expand broadband services throughout the State. The IFA will be authorized to issue state guarantees in an aggregate amount not to exceed \$50,000,000 and to issue bonds secured by the State moral obligation in an aggregate amount not to exceed \$100,000,000 (not to exceed \$5 million for any single project).	Increases State's ability to expand its broadband infrastructure and provide access to broadband services to underserved areas in the State which will improve educational opportunities for State residents.	HB 1458 This bill was re-referred to the House Rules Committee on 3/23/07.
§845-5	Total Debt/Bond Limit is \$25,200,000,000 (S)	Sen. Jeff Schoenberg (D) (9 th District, Evanston, IL) Rep. Gary Hannig	Increases Authority's general debt limit from \$25,200,000,000 to \$28,017,711,000. (NOTE: Dollar amount changed from \$30,000,000,000 as a result of Amendment No. 1)	Increases Authority's ability to provide economic assistance to State businesses, institutions and organizations for projects that promote the IFA's mission.	SBI327, as amended by Amendment No. 1. This bill passed out of the Senate and has been assigned to the House Executive Committee (4/30/07).

ILCS Code Sec. (§)	Amend. and Type of Amend. (S – Substantive) (T – Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
§825-65 and §825-75	Clean Coal (T)	Sen. Susan Garrett (D) (29 th District, Highwood, IL) Rep. Dan Reitz (D) (116 th District, Sparta, IL)	Amendments will conform the Act to certain amendments that were made to the DCEO Statute by the General Assembly's enactment of P.A. 94-651 (eff. 6/21/05). The conforming amendments authorize the IFA to issue clean coal and energy bonds for "new facilities" as defined in the DCEO Statute. Amendments will also clarify that projects for such "new facilities" may qualify for moral obligation credit enhancement and provide that IFA clean coal and energy bonds that benefit from a moral obligation designation conform to the existing procedures set forth in the Act that relate to the issuance of other moral obligation bonds issued under the Act. (NOTE: Amendment No. 3 changes definition of "clean coal and energy projects" to include new electric generating facilities or new gasification facilities instead of "new facilities.")	Provides conformity between the Act and the DCEO Statute.	SB0066, as amended by Amendment No. 3. This bill passed out of the Senate on 3/22/07 and has been referred to the House Executive Committee (4/30/07).
§825-85(b) and §825-80(c)	Ambulance & Fire Truck Revolving Fund (T)	Sen. Susan Garrett (D) (29 th District, Highwood, IL) Rep. Dan Reitz (D) (116 th District, Sparta, IL)	Amendments permit the IFA to use monies in the Fire Truck and Ambulance Revolving Loan Funds (the "Funds") to reimburse itself for all reasonable costs and expenses incurred in connection with administering the Funds and related programs.	Provides the IFA with the ability to reimburse itself for overseeing the Funds and the programs.	NOTE: Amendment No. 3 to SB0066 deletes this provision. Therefore, this provision is no longer included. See also HB1413.

ILCS Code Sec. (§)	Amend. and Type of Amend. (S – Substantive) (T – Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
§801-25	Quorum/ Affirmative Vote (T)	Sen. Susan Garrett (D) (29 th District, Highwood, IL) Rep. Dan Reitz (D) (116 th District, Sparta, IL)	Amendment provides that a quorum of the Board is established if a “majority” of the appointed members of the IFA Board are physically present at a meeting; also provides that a matter is deemed approved by the Board if it is approved by a majority of the members of the Board.	Allows the IFA to establish a quorum and vote on matters with a majority of the appointed board members; IFA will not be hampered in conducting business if number of members fall below 15.	NOTE: Amendment No. 3 to SB0066 deletes this provision. Therefore, this provision is no longer included. See also HB1412.
§801-40(r)	Direct Loan Program (T)	Sen. Susan Garrett (D) (29 th District, Highwood, IL) Rep. Dan Reitz (D) (116 th District, Sparta, IL)	Amendment deletes from Section 801-40(r) of the Act the requirement that a direct loan be approved by at least eight members of the IFA Board because Board quorum and voting approval requirements are set forth in Section 801-25 of the Act.	Makes the Direct Loan approval consistent with approval requirements in other sections of the IFA Act.	SB0066, as amended by Amendment No. 3. This bill passed out of the Senate on 3/22/07 and has been referred to the House Executive Committee (4/30/07).

ILCS Code Sec. (§)	Amend. and Type of Amend. (S – Substantive) (T – Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
New §801-40(x)	Swap/ Derivatives (T)	Sen. Susan Garrett (D) (29 th District, Highwood, IL) Rep. Dan Reitz (D) (116 th District, Sparta, IL)	Amendment copies Section 820-20(n) of the Act to Section 801-40(x) of the Act to clarify that the IFA may enter into Swap's and other derivative agreements for all IFA programs.	Clarifies that the IFA may enter into swap and other derivative agreements for all IFA programs.	SB0066, as amended by Amendment No. 3. This bill passed out of the Senate on 3/22/07 and has been referred to the House Executive Committee (4/30/07).
New §801-50	Non-impairment (T)	Sen. Susan Garrett (D) (29 th District, Highwood, IL) Rep. Dan Reitz (D) (116 th District, Sparta, IL)	Amendment copies Section 820-45 of the Act to a "new" Section 801-50 of the Act to clarify that any pledge of revenues or other moneys made by the IFA or the State will be binding and will not be impaired by future actions of the IFA or the State for all IFA programs.	Provides comfort to bondholders and other finance professionals that pledges of the State and the IFA will not, subsequently, be negatively affected.	SB0066, as amended by Amendment No. 3. This bill passed out of the Senate on 3/22/07 and has been referred to the House Executive Committee (4/30/07).
§845-40	Signing Authority (T)	This amendment has not yet been presented.	Expand signatory authority to include the Executive Director.	Provides flexibility in the event certain parties are not available to sign necessary IFA documents.	* See HB1412 below.
§801-30	Borrowing Authority (T)	This amendment has not yet been presented.	Amendment will grant the IFA the authority to borrow money and make grants.	Will clarify that the IFA may borrow money and make grants instead of relying upon implied powers granted via corporate powers.	

ILCS Code Sec. (§)	Amend. and Type of Amend. (S – Substantive) (T – Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
§801-40(c)	Bond Issuance Authorizations (T)	This amendment has not yet been presented.	Amendment will provide that interest rates on IFA bond issuances may be implemented or established by a participating health institution, a private institution of higher learning or a cultural institution, in addition to the IFA, but only to the extent of an authorizing resolution approved by the IFA Board; the authorizing resolution may also provide for conversion of the interest rate(s) on bonds upon the stated conditions of the resolution or upon the direction of the IFA, the participating health institution, a private institution of higher education, a cultural institution or a provider of credit or liquidity support for the bonds.	Provides flexibility for interest rate changes under the authorizing bond resolution, as approved by the IFA Board.	
§845-40	Secretary and Treasurer (T)	This amendment has not yet been presented.	Amendment will provide that the Authority may invest and reinvest any moneys that are held pursuant to a trust agreement, trust indenture, indenture of mortgage or deed of trust or any agreement with a participating health institution, a private institution of higher education or a cultural institution to which the IFA is a party, in such obligations or investments as are provided in or permitted by such instrument.	Clarifies that IFA bond proceeds deposited into certain accounts established under various trust indentures and other agreements may be invested as provided in such trust indentures and agreements.	

ILCS Code Sec. (§)	Amend. and Type of Amend. (S – Substantive) (T – Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
		<p>Co-Sponsors:</p> <p>Senate:</p> <p>Dale E. Risinger (R)</p> <p>Kirk W. Dillard (R)</p> <p>House:</p> <p>Elaine Nekritz (D)</p> <p>Michal Tryon (R)</p> <p>Jim Durkin (R)</p> <p>Michael K. Smith (D)</p> <p>Jim Watson (R)</p> <p>Kenneth Dunkin (D)</p> <p>William B. Black (R)</p> <p>Patrick J.</p>			

ILCS Code Sec. (§)	Amend. and Type of Amend. (S – Substantive) (T – Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
New Act*	Small Business Protection Act (S)	Verschoore (D) John E. Bradley (D) Dan Reitz (D)	Amendment enacts the Small Business Protection Act.	Requires, prior to the provision of "outside assistance" (defined as "grants, loans, tax incentives or other financial assistance or incentives (i) provided by the State, any unit of local government, any school district or any not-for-profit entity that receives governmental funding and (ii) provided to any State agency, unit of local government, school district or not-for-profit entity), the completion of certain due diligence including publication of notice and holding of a hearing to allow small businesses to voice an objection to the provision of outside assistance.	HB0577 This bill was re-referred to House Rules Committee on 3/23/07.
New Act*	Regional Planning Act (S)	Rep. Suzanne Bassi (R) (54 th District, Palatine, IL) Rep. Julie Hamos (D) (18 th District, Evanston, IL) Rep. Kathleen A. Ryg (D) (59 th District, Vernon Hills, IL) Rep. Kurt	Provides for a review process for Projects of Regional Significance; Imposes a fee on counties and municipalities to be used to promote comprehensive land use and transportation planning; Provides for the General Assembly to match the fees; Requires the Board to review and make recommendations to designate a Metropolitan Planning Organization to coordinate decision-making.	The IFA would be directed to supervise, manage, control and approve all bond issuance's related to the newly created Metropolitan Planning Organization.	HB1134 This bill was placed on calendar for second reading on 3/21/07.
§801-25,	Technical	Rep. Kurt	Makes technical amendments to the IFA Act	Contains some of the exact provisions of SB0066	HB1412

ILCS Code Sec. (§)	Amend. and Type of Amend. (S – Substantive) (T – Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
§801-40, §845-40 and New §801-50	Amendments to IFA Act (T)	Granberg (D) (107 th District, Centralia, IL)	SIMILAR to some of the provisions of SB0066 (prior to Amendment No. 3).	(the IFA's technical amendment bill). In particular, contains the following provisions (all of which are also in SB0066): - amends Section 801-25 of the Act (Quorum Requirements); - amends Section 801-40(r) of the Act (General Powers and Duties – Direct Loans); - amends Section 801-40 of the Act (General Powers and Duties - Derivatives); and - amends Section 820-45 of the Act (Pledge of Revenues by the Authority). In addition to the above, amends section 845-40 of the IFA Act to clarify that the Executive Director may sign checks of the IFA. (NOTE: this provision is not included in SB0066).	This bill was re-referred to House Rules Committee on 3/23/07.
§825-85(b) and §825-80(c)	Ambulance & Fire Truck Revolving Fund (T)	Rep. Kurt Granberg (D) (107 th District, Centralia, IL)	Permits the IFA to use monies in the Fire Truck and Ambulance Revolving Loan Funds (the "Funds") to reimburse itself for all reasonable costs and expenses incurred in connection with administering the Funds and related programs.	Amends the IFA Act to provide that the IFA may reimburse itself for administrative costs and expenses from the fire truck revolving loan fund and the ambulance revolving loan fund. This bill is substantially similar to SB0066 (before Amendment No. 3).	HB1413 This bill was re-referred to House Rules Committee on 3/23/07.
§801-10, §830-20 and §830-35	Bio-Energy (S)	Rep. Kurt Granberg (D) (107 th District, Centralia, IL)	Amends the IFA Act to include ethanol and bio-energy production within the definition of "agribusiness." The bill also authorizes the issuance of bonds or notes of up to \$340 million for ethanol and bio-energy projects.	This bill is somewhat similar to SB0057 (IFA's bio-energy bill). There are some significant differences. The main difference is that SB0057 permits the IFA to issue state guarantees for energy-related agribusinesses in an amount not to exceed \$340 million (with a maximum guarantee of \$10 million for such projects or \$20 million for bio-diesel projects). HB1414 permits the IFA to issue state guarantees for agribusinesses (in an amount of up to \$10 million per agribusiness or \$20 million for a bio-diesel business), it provides that any such guarantee will be included in the existing \$75 million state guarantee limit. Therefore, the IFA is not granted any increased authority to issue state guarantees. HB1414, however, provides that the IFA may issue up to	HB1414 This bill was re-referred to House Rules Committee on 3/23/07.

ILCS Code Sec. (§)	Amend. and Type of Amend. (S – Substantive) (T – Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
New §825-80	Economic Development (S)	Rep. Kurt Granberg (D) (107 th District, Centralia, IL)	Amends the IFA Act to provide that whenever the IFA is authorized to provide financial assistance to organizations, the IFA may provide that assistance for the purpose of funding projects outside of the State if the organization or an affiliate also either (i) has a principal office in Illinois or (ii) is financing a project located in Illinois. It further provides that an “organization” includes higher education, industrial, cultural, housing, healthcare and other organizations.	It appears that this bill attempts to permit the IFA to finance projects located outside of the State similar to IFA’s Bill, SB1317 (the economic development amendment). HB1415, however, is much less detailed than SB1317. As a result, if HB1415 were enacted, it may raise questions as to its scope. Additionally, HB1415 does not include legislative findings which are helpful in establishing the constitutionality of the amendment.	HB1415 This bill was re-referred to House Rules Committee on 3/23/07.
§845-5	Total Debt/Bond Limit is \$25,200,000,000 (S)	Rep. Kurt Granberg (D) (107 th District, Centralia, IL)	Substantially similar to SB1327 PRIOR to Amendment No. 1.	Increases the IFA’s aggregate bonding authority from \$25.2 billion to \$30 billion. It also clarifies that bonds issued under the IL Environmental Facilities Financing Act are excluded from this limit.	HB1416 This bill was re-referred to House Rules Committee on 3/23/07.
§825-65 and §825-75	Clean Coal (T)	Rep. Kurt Granberg (D) (107 th District, Centralia, IL) Co-Sponsors: John Bradley (D) Patrick Verschoore (D) Dan Reitz (D)	Bill is the exact same as the “clean coal” provisions of SB0066 PRIOR to Amendment No. 3 (i.e., uses definition of “new facilities”).	Amends the IFA Act to revise the definition of “clean coal and energy projects” to include gasification facilities.	HB1417 This bill was re-referred to House Rules Committee on 3/23/07.

ILCS Code Sec. (§)	Amend. and Type of Amend. (S – Substantive) (T – Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
New Act*	Illinois Urban Development Authority Act (S)	Brandon Phelps (D) Michael Smith (D) Thomas Holbrook (R) Daniel Beiser (D) Jack McGuire (D) Donald Moffitt (R)	Creates the Illinois Urban Development Authority Act.	Purpose of the IUDA is to make available through IUDA funds for industrial projects, commercial projects and housing projects to a municipality with a municipal poverty rate greater than 3% in excess of the statewide average. The IUDA may issue revenue bonds under the supervision of the IFA. The IUDA may issue revenue bonds in an aggregate amount not to exceed \$500 million. Interest earned on bonds issued by the IUDA is exempt from State income taxes.	HB1497 This bill passed out of the House and has been referred to the Senate Rules Committee.

ILCS Code Sec. (§)	Amend. and Type of Amend. (S – Substantive) (T – Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
§801-10 and New §825-12	Conservation Project (S)	(D) Constance Howard (D) Deborah Graham (D) LaShawn Ford (D) Al Riley (D) SENATE: Sen. Jacqueline Collins (D)	Amends IFA Act to include a definition of “conservation projects.”	Amends the IFA Act to include in the definition of “project” certain “conservation projects.” A “conservation project” includes any project is intended to create or expand open space or to reduce energy usage through efficiency measures. “Open space” is defined under Section 10 of the Illinois Open Land Trust Act. The bill grants the IFA authority to develop a program to provide low-interest loans to individuals, businesses and units of local government for conservation projects in the State of Illinois.	HB1677 This bill was re-referred to House Rules Committee on 3/23/07.
§825-60, §825-65, §830-25, and new	Broadband Deployment Assistance	Ron Stephens (R) Rep. Kurt Granberg (D) (107 th District, Centralia, IL)	Amendments permit the IFA to finance projects through the issuance of loans, bonds, guarantees or other forms of indebtedness to expand broadband services throughout the	Increases State’s ability to expand its broadband infrastructure and provide access to broadband services to underserved areas in the State which will improve educational opportunities for State	HB1859 This bill was re-referred to

ILCS Code Sec. (§)	Amend. and Type of Amend. (S – Substantive) (T – Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
§850-5, §850-10, §850-15, §850-20, §850-25, §850-30, §850-35, §850-40 and §850-45	(S)		State. The IFA will be authorized to issue state guarantees in an aggregate amount not to exceed \$50,000,000 and to issue bonds secured by the State moral obligation in an aggregate amount not to exceed \$100,000,000 (not to exceed \$5 million for any single project). NOTE: This bill is substantially similar to HB1458.	residents.	House Rules Committee on 3/23/07. See also, HB1458.
§830-5	Technical Amendment (T)	Rep. Tom Cross (R) (84 th District, Plainfield, IL) (House Republican Leader)	Makes a technical amendment to Section 830-5 of the IFA Act.	Bill amends Section 830-5 of the IFA Act by deleting “the” before the word “costs.”	HB2827 This bill was re-referred to House Rules Committee (4/27/07).
§805-10	Technical Amendment (T)	Rep. Tom Cross (R) (84 th District, Plainfield, IL) (House Republican Leader)	Makes a technical amendment to Section 805-10 of the IFA Act.	Bill amends Section 805-10 of the IFA Act by deleting “the” before the word “following.”	HB3109 This bill was re-referred to House Rules Committee on 4/27/07
Senate Bills: §801-1 and §815-10*	First 2007 General Revisory Act (T)	Sen. William R. Haine (D) (56 th District, Alton, IL) Rep. Sydney Mathias (R) (53 rd District, Arlington Heights, IL)	Amendment renumbers sections of various acts, including the Authority’s Act, to eliminate duplication; corrects obsolete cross references and technical errors; and makes stylistic changes.	Amendment corrects certain stylistic errors in the Authority’s Act (i.e., adding periods and commas and correcting a technical numbering mistake in Section 801-1.	SB0223 This bill passed out of the Senate and was referred to House Executive Committee on 4/30/07.
§825-90*(New)	Public Private Partnerships for Transportation Act	Sen. Don Harmon (D) (39 th District, Oak Park, IL.)	Amendment will authorize the Authority to apply for an allocation of tax-exempt bond financing provided by the Federal Safe, Accountable, Flexible, Efficient	Allows the Authority to apply for an allocation of tax-exempt bond financing authorization as provided under federal laws and/or programs.	SB0378 This bill was placed on

ILCS Code Sec. (§)	Amend. and Type of Amend. (S – Substantive) (T – Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
	(S)	Sen. Kirk Dillard (R) (24 th District, Westmont, IL)	Transportation Equity Act: A Legacy for Users (SAFETEA-LU), as well as financing available under any other federal law or program.		calendar for third reading 3/21/07. Senate third reading deadline was extended to 5/31/07. SB0453
§801-15*	Finance/Housing Authority – LT Governor (S)	Sen. Ira Silverstein (D) (8 th District, Chicago, IL)	Amendment will make the Lieutenant Governor an ex officio, non-voting member of the Authority's Board of Directors.	Adds an ex-officio member to the Authority's Board.	This bill was referred to the Rules Committee on 2/8/07. SB1617
New §825-90	Emerald Ash Borer Fund (S)	Sen. Jeff Schoenberg (D) (9 th District, Evanston, IL) Co-sponsors: Sen. Michael Noland Sen. Dan Kotowski Sen. Susan Garrett Sen. Linda Holmes Sen. Kirk Dillard Sen. Matt Murphy	Amends IFA Act to establish the Emerald Ash Borer Revolving Loan Fund.	Amends IFA Act to establish the Emerald Ash Borer Revolving Loan Fund (the "Fund"). Pursuant to the Fund, the IFA may make low- or zero-interest loans to units of local government for the reforestation of trees on public lands that are within quarantine areas infested by the emerald ash borer. Loans are to be made with the "assistance" of the Dept. of Natural Resources and Dept. of Agriculture. Loans cannot exceed \$5,000,000 to any one unit of local government. Loans are to be made out of monies appropriated into the Fund. Loan terms may not exceed 20 years.	As initially introduced loans under the Fund were to be administered by the Dept. of Ag. and not the IFA. Senate Floor Amendment No. 1 (adopted on 3/22/07), amended the bill to provide that IFA administer the loans with the assistance of Dept. of Ag. and Dept.

ILCS Code Sec. (§)	Amend. and Type of Amend. (S – Substantive) (T – Technical)	Sponsor(s)	Suggested Legislative Amendment	Effect of Amendment	Bill No.
		HOUSE: Rep. Julie Hamos (D)			of Nat. Resources. The bill passed out of Senate and was assigned to the House Executive Committee (4/30/07).

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Illinois Finance Authority
Consolidated

Balance Sheet
for the Ten Months Ending April 30, 2007

	April 2006	April 2007	April Budget	Variance to budget
ASSETS				
CASH & INVESTMENTS, UNRESTRICTED	\$ 32,605,317	\$ 28,468,669	\$ 21,373,546	\$ 7,095,123
LOAN RECEIVABLE, NET	75,849,985	83,006,721	84,300,413	(1,293,692)
ACCOUNTS RECEIVABLE	2,065,748	467,945	500,000	(32,055)
OTHER RECEIVABLES	61,546	919,435	303,920	615,515
PREPAID EXPENSES	182,400	209,584	170,110	39,474
TOTAL CURRENT ASSETS	110,764,996	113,072,354	106,647,989	6,424,365
FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION	114,134	162,733	137,339	25,394
DEFERRED ISSUANCE COSTS	1,090,493	836,212	964,382	(128,170)
OTHER ASSETS				
CASH, INVESTMENTS & RESERVES	29,865,752	27,330,404	30,469,023	(3,138,619)
VENTURE CAPITAL INVESTMENTS	5,164,735	5,714,091	6,977,456	(1,263,364)
OTHER	3,749,941	3,077,270	4,079,109	(1,001,839)
TOTAL OTHER ASSETS	38,780,429	36,121,765	41,525,588	(5,403,822)
TOTAL ASSETS	\$ 150,750,052	\$ 150,193,064	\$ 149,275,298	\$ 917,767
LIABILITIES				
CURRENT LIABILITIES	\$ 1,075,152	\$ 1,364,942	\$ 917,519	\$ 447,423
LONG-TERM LIABILITIES	61,964,328	57,510,681	58,017,803	(507,124)
TOTAL LIABILITIES	63,039,480	58,875,624	58,935,322	(59,700)
EQUITY				
CONTRIBUTED CAPITAL	36,061,462	36,061,462	36,061,462	(0)
RETAINED EARNINGS	13,000,024	15,015,018	15,015,018	-
NET INCOME / (LOSS)	6,624,442	3,267,556	2,290,090	977,466
RESERVED/RESTRICTED FUND BALANCE	19,303,495	24,279,992	24,279,992	0
UNRESERVED FUND BALANCE	12,721,150	12,693,412	12,693,412	(0)
TOTAL EQUITY	87,710,572	91,317,440	90,339,975	977,466
TOTAL LIABILITIES & EQUITY	\$ 150,750,052	\$ 150,193,064	\$ 149,275,298	\$ 917,768

**Illinois Finance Authority
Consolidated - Detail
Balance Sheet
for the Ten Months Ending
April 30, 2007**

	General Fund	Bond Fund	Firetruck Revolving Fund	Non Major Funds YTD	YTD 2007
Assets					
Current assets:					
Cash and cash equivalents – unrestricted	2,878,605	-	-	14,786,288	17,664,893
Investments – unrestricted	2,977,747	-	-	1,999,375	4,977,122
Restricted current assets:					
Cash and cash equivalents	-	836,031	1,925,137	-	2,761,168
Accrued interest receivable	-	541,312	8,000	6,519	555,830
Restricted investments	-	61,356	-	-	61,356
Receivables:					
Accounts	467,945	-	-	-	467,945
Interest and other	213,862	-	-	74,167	288,029
Prepaid expenses and deposits	209,585	-	-	-	209,585
Total Current Assets	6,747,742	1,438,699	1,933,137	16,866,349	26,985,927
Noncurrent assets:					
Restricted Noncurrent assets					
Cash and cash equivalents	-	-	-	21,801,062	21,801,062
Interest receivable	-	83,575	-	80,000	163,575
Guarantee payments receivable	-	-	-	459,048	459,048
Allowance for doubtful accounts	-	-	-	(433,526)	(433,526)
Deferred issuance costs, net of accumulated amortization	-	211,368	-	-	211,368
Investments	-	8,445,473	-	-	8,445,473
Bonds and notes receivable	-	47,234,300	-	-	47,234,300
Loans receivable	-	-	8,247,715	661,380	8,909,095
Allowance for doubtful accounts	-	-	-	(216,401)	(216,401)
Investments in partnerships and companies	-	-	-	5,714,091	5,714,091
Loans Receivable	27,591,645	-	-	4,984,068	32,575,713
Allowance for doubtful accounts	(2,495,986)	-	-	-	(2,495,986)
Due from other funds long term	2,896,703	-	-	712,374	3,609,077
Property and equipment, at cost	418,897	-	-	5,500	424,397
Accumulated depreciation	(256,989)	-	-	(4,675)	(261,664)
Deferred issuance costs, net of accumulated amortization	-	-	-	624,843	624,843
Total Noncurrent Assets:	28,154,271	55,974,716	8,247,715	34,387,764	126,764,466
Total Assets	34,902,013	57,413,415	10,180,852	51,254,113	153,750,393
Liabilities					
Current liabilities:					
Accounts payable	57,481	-	-	-	57,481
Accrued expenses	747,718	-	-	-	747,718
Accrued interest payable	-	621,461	-	2,760	624,221
Due to employees	33,827	-	-	-	33,827
Due to primary government	297,490	-	-	25,000	322,490
Current portion of Long term debt	-	-	-	55,394	55,394
Total Current Liabilities	1,136,516	621,461	-	83,154	1,841,131
Noncurrent liabilities:					
Long-term debt	-	-	-	772,666	772,666
Bonds payable	-	55,350,000	-	-	55,350,000
Deferred revenue net of accumulated amortization	145,272	-	-	879,051	1,024,323
Due to other funds - long term	-	-	-	3,557,329	3,557,329
Deferred loss on early extinguishment of Debt	-	(112,495)	-	-	(112,495)
Total Noncurrent Liabilities	145,272	55,237,505	-	5,209,045	60,591,822
Total Liabilities	1,281,788	55,858,965	-	5,292,199	62,432,953
Net Assets					
Invested in capital assets	161,909	-	-	825	162,733
Restricted	-	1,554,450	10,180,852	21,580,171	33,315,473
Unrestricted	33,458,316	-	-	24,380,918	57,839,234
Total Net Assets	33,620,224	1,554,450	10,180,852	45,961,914	91,317,440

**Illinois Finance Authority
Consolidated - Actual to Budget
Statement of Activities
for Period Ending April 30, 2007**

	Actual April 2007	Budget April 2007	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2007	Budget YTD FY 2007	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2007	% of Budget Expended
REVENUE										
INTEREST ON LOANS	290,815	281,354	9,461	3.36%	2,901,966	2,915,705	(13,739)	-0.47%	3,478,413	83.43%
INVESTMENT INTEREST & GAIN(LOSS)	206,721	177,172	29,549	16.68%	2,399,985	1,771,713	628,272	35.46%	2,126,056	112.88%
ADMINISTRATIONS & APPLICATION FEES	468,500	436,150	32,350	7.37%	5,485,648	4,402,500	1,083,148	24.60%	5,394,200	101.70%
ANNUAL ISSUANCE & LOAN FEES	86,354	85,000	1,354	1.59%	919,586	1,140,000	(220,414)	-19.33%	1,310,000	70.20%
OTHER INCOME	11,183	38,353	(27,170)	-70.99%	259,209	385,528	(126,320)	-32.77%	462,634	56.03%
TOTAL REVENUE	1,063,572	1,018,429	45,143	4.43%	11,966,395	10,615,446	1,350,949	12.73%	12,771,303	93.70%
EXPENSES										
EMPLOYEE RELATED EXPENSES										
COMPENSATION & TAXES	238,133	249,799	(11,666)	-4.67%	2,497,571	2,496,478	1,093	0.04%	2,996,075	83.36%
BENEFITS	23,059	28,499	(5,440)	-19.09%	268,159	283,000	(16,841)	-5.91%	342,000	78.41%
TEMPORARY HELP	13,689	8,494	5,195	61.17%	79,758	76,446	3,312	4.33%	84,940	93.90%
EDUCATION & DEVELOPMENT	2,195	-	2,195	#DIV/0!	7,652	17,700	(10,048)	-56.77%	23,600	32.43%
TRAVEL & AUTO	18,885	11,000	7,885	71.68%	136,998	111,000	25,998	23.42%	135,000	101.48%
TOTAL EMPLOYEE RELATED EXPENSES	295,961	297,792	(1,830)	-0.61%	2,990,139	2,986,624	3,515	0.12%	3,581,615	83.49%
PROFESSIONAL SERVICES										
CONSULTING, LEGAL & ADMIN	147,977	51,335	96,642	188.26%	1,330,239	1,013,335	316,904	31.27%	1,116,000	119.20%
LOAN EXPENSE & BANK FEE	219,818	209,008	10,810	5.17%	2,334,910	2,194,303	140,607	6.41%	2,612,319	89.38%
ACCOUNTING & AUDITING	25,601	31,392	(5,791)	-18.45%	300,468	313,916	(13,448)	-4.28%	376,700	79.76%
MARKETING GENERAL	11,605	20,834	(9,229)	-44.30%	58,107	208,333	(150,226)	-72.11%	250,000	23.24%
FINANCIAL ADVISORY	20,000	29,167	(9,167)	-31.43%	233,508	291,667	(58,159)	-19.94%	350,000	66.77%
CONFERENCE/TRAINING	770	2,700	(1,930)	-71.48%	14,216	18,000	(3,784)	-21.02%	25,400	55.97%
MISCELLANEOUS PROFESSIONAL SERVICES	4,370	5,250	(880)	-16.76%	33,728	102,500	(68,772)	-67.10%	113,000	29.85%
DATA PROCESSING	4,370	3,200	1,170	36.56%	29,339	32,000	(2,661)	-8.31%	38,400	76.40%
TOTAL PROFESSIONAL SERVICES	430,141	352,886	77,255	21.89%	4,334,316	4,174,034	160,282	3.84%	4,881,819	88.79%
OCCUPANCY COSTS										
OFFICE RENT	25,565	26,709	(1,144)	-4.28%	254,468	267,090	(12,622)	-4.73%	320,508	79.40%
EQUIPMENT RENTAL AND PURCHASES	4,386	3,750	636	16.97%	41,215	37,500	3,715	9.91%	45,000	91.59%
TELECOMMUNICATIONS	6,656	5,667	989	17.45%	67,647	56,667	10,980	19.38%	68,000	99.48%
UTILITIES	1,698	750	948	126.36%	10,503	7,500	3,003	40.03%	9,000	116.70%
DEPRECIATION	3,825	4,750	(925)	-19.48%	38,023	47,500	(9,477)	-19.95%	57,000	66.71%
INSURANCE	1,881	1,166	715	61.34%	13,526	11,667	1,859	15.94%	14,000	96.62%
TOTAL OCCUPANCY COSTS	44,010	42,792	1,218	2.85%	425,381	427,924	(2,543)	-0.59%	513,508	82.84%
GENERAL & ADMINISTRATION										
OFFICE SUPPLIES	7,384	7,833	(449)	-5.74%	83,131	78,333	4,798	6.12%	94,000	88.44%
BOARD MEETING - EXPENSES	3,583	2,666	917	34.40%	37,380	26,667	10,713	40.17%	32,000	116.81%
PRINTING	1,561	1,166	395	33.83%	13,570	11,667	1,903	16.31%	14,000	96.93%
POSTAGE & FREIGHT	3,048	2,916	132	4.54%	21,718	29,166	(7,448)	-25.54%	35,000	62.05%
MEMBERSHIP, DUES & CONTRIBUTIONS	894	2,876	(1,982)	-68.91%	38,200	28,751	9,449	32.86%	34,500	110.72%
PUBLICATIONS	329	167	162	97.11%	7,975	1,667	6,308	378.38%	2,000	398.73%
OFFICERS & DIRECTORS INSURANCE	14,746	13,500	1,246	9.23%	136,246	135,000	1,246	0.92%	162,000	84.10%
MISCELLANEOUS	-	167	(167)	-100.00%	5,406	1,667	3,739	224.27%	2,000	270.28%
TOTAL GENERAL & ADMINISTRATION EXPENSES	31,546	31,291	254	0.81%	343,625	312,918	30,707	9.81%	375,500	91.51%
LOAN LOSS PROVISION	25,000	25,000	-	0.00%	391,931	250,000	141,931	56.77%	300,000	130.64%
OTHER	690	717	(27)	-3.76%	7,175	7,170	5	0.07%	8,604	83.39%
INTEREST EXPENSE	690	717	(27)	-3.76%	7,175	7,170	5	0.07%	8,604	83.39%
TOTAL OTHER	827,348	750,477	76,871	10.24%	8,492,766	8,158,689	334,077	4.09%	9,661,046	87.91%
TOTAL EXPENSES	236,225	267,952	(31,728)	-11.84%	3,473,629	2,456,757	1,016,872	41.39%	3,110,257	111.68%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS)	(1,658)	(16,667)	15,009	-90.05%	(206,072)	(166,667)	(39,406)	23.64%	(200,000)	103.04%
NET INCOME/(LOSS) ON INVESTMENT	234,567	251,285	(16,718)	-6.65%	3,267,557	2,290,090	977,466	42.68%	2,910,257	112.28%

**Illinois Finance Authority
Consolidated
Statement of Activities
Comparison
April 2007 and April 2006**

	Actual April 2007	Actual April 2006	Current Month Variance Actual vs Actual	Current % Variance	Actual YTD FY 2007	Actual YTD FY 2006	Year to Date Variance Actual vs. Actual	YTD % Variance
REVENUE								
INTEREST ON LOANS	290,815	(380,010)	670,825	-176.51%	2,901,966	2,125,548	776,418	36.53%
INVESTMENT INTEREST & GAIN(LOSS)	206,721	148,495	58,225	39.21%	2,399,985	1,940,178	459,807	23.70%
ADMINISTRATIONS & APPLICATION FEES	468,500	202,874	265,626	130.93%	5,485,648	3,806,235	1,679,414	44.12%
ANNUAL ISSUANCE & LOAN FEES	86,354	172,627	(86,273)	-49.98%	919,586	1,018,077	(98,491)	-9.67%
OTHER INCOME	11,183	14,107	(2,924)	-20.73%	259,209	4,339,630	(4,080,421)	-94.03%
TOTAL REVENUE	1,061,572	158,093	905,479	572.75%	11,966,395	13,229,668	(1,263,273)	-9.55%
EXPENSES								
EMPLOYEE RELATED EXPENSES	238,133	215,678	22,454	10.41%	2,497,571	2,118,458	379,112	17.90%
COMPENSATION & TAXES	21,059	17,820	5,239	29.40%	268,159	207,701	60,457	29.11%
BENEFITS	13,689	7,175	6,514	90.78%	79,758	56,626	23,133	40.85%
TEMPORARY HELP	2,195	-	2,195	#DIV/0!	7,652	10,893	(3,240)	-29.75%
EDUCATION & DEVELOPMENT	18,885	19,256	(371)	-1.92%	136,998	126,147	10,851	8.60%
TRAVEL & AUTO								
TOTAL EMPLOYEE RELATED EXPENSES	295,961	259,930	36,032	13.86%	2,990,139	2,519,825	470,313	18.66%
PROFESSIONAL SERVICES	147,977	127,714	20,263	15.87%	1,330,239	817,838	512,401	62.65%
CONSULTING, LEGAL & ADMIN	219,818	(473,773)	693,591	-146.40%	2,334,910	1,709,400	625,510	36.62%
LOAN EXPENSE & BANK FEE	25,601	34,340	(8,739)	-25.45%	300,468	371,289	(70,821)	-19.07%
ACCOUNTING & AUDITING	11,605	20,381	(8,776)	-43.06%	103,493	145,386	(41,893)	-28.81%
MARKETING GENERAL	20,000	8,125	11,875	146.15%	233,508	80,615	152,893	189.66%
FINANCIAL ADVISORY	770	450	320	71.11%	14,216	14,786	(569)	-3.85%
CONFERENCE/TRAINING	-	19,613	(19,613)	-100.00%	33,728	60,344	(26,617)	-44.11%
MISCELLANEOUS PROFESSIONAL SERVICES	4,370	7,072	(2,702)	-38.21%	29,339	33,546	(4,207)	-12.54%
DATA PROCESSING								
TOTAL PROFESSIONAL SERVICES	430,141	(256,078)	686,219	-267.97%	4,334,516	3,190,951	1,143,565	35.84%
OCCUPANCY COSTS	25,565	16,306	9,258	56.78%	254,468	156,914	97,554	62.17%
OFFICE RENT	4,386	8,729	(4,343)	-49.75%	21,465	19,750	1,715	8.68%
EQUIPMENT RENTAL AND PURCHASES	6,656	6,192	464	7.49%	67,647	57,555	10,092	17.53%
TELECOMMUNICATIONS	1,698	678	1,019	150.28%	10,503	7,722	2,780	36.00%
UTILITIES	3,825	3,736	88	2.37%	38,023	26,378	11,646	44.15%
DEPRECIATION	1,881	1,151	730	63.42%	13,526	9,621	3,905	40.59%
INSURANCE								
TOTAL OCCUPANCY COSTS	44,010	36,793	7,217	19.62%	425,381	279,655	145,726	52.11%
GENERAL & ADMINISTRATION	7,384	9,961	(2,578)	-25.88%	83,131	74,294	8,836	11.89%
OFFICE SUPPLIES	3,583	2,662	921	34.62%	37,380	39,914	(2,534)	-6.35%
BOARD MEETING - EXPENSES	1,561	1,489	72	4.82%	13,570	9,443	4,126	43.70%
PRINTING	3,048	3,319	(271)	-8.16%	27,461	27,461	(5,743)	-20.91%
POSTAGE & FREIGHT	894	2,923	(2,029)	-69.41%	38,200	37,265	935	2.51%
MEMBERSHIP, DUES & CONTRIBUTIONS	329	200	129	64.49%	7,975	1,700	6,275	369.14%
PUBLICATIONS	14,746	10,982	3,764	34.27%	136,246	90,224	46,023	51.01%
OFFICERS & DIRECTORS INSURANCE	-	1,500	(1,500)	-100.00%	5,406	4,235	1,170	27.63%
MISCELLANEOUS								
TOTAL GENERAL & ADMINISTRATION EXPENSES	31,546	33,036	(1,491)	-4.51%	343,625	284,537	59,088	20.77%
LOAN LOSS PROVISION	25,000	25,000	-	0.00%	391,931	170,138	221,792	130.36%
OTHER	690	736	(46)	-6.21%	7,175	7,629	(454)	-5.95%
INTEREST EXPENSE	690	736	(46)	-6.21%	7,175	7,629	(454)	-5.95%
TOTAL OTHER	690	736	(46)	-6.21%	7,175	7,629	(454)	-5.95%
TOTAL EXPENSES	827,348	99,417	727,931	732.20%	8,492,766	6,452,735	2,040,031	31.61%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS)	236,225	58,677	177,548	302.59%	3,473,629	6,776,932	(3,303,304)	-48.74%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	(1,658)	(11,183)	9,526	-85.18%	(206,072)	(152,491)	(53,582)	35.14%
NET INCOME/(LOSS)	234,567	47,494	187,073	393.89%	3,267,557	6,624,442	(3,356,885)	-50.67%

**Illinois Finance Authority
Participations
30-60-90-120-180 Day Delinquencies**

as of **4/30/2007**

Loan #	Borrower Name	Due Date	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 + Days
Participations									
10018	EAGLE THEATER CORPORATIO	4/18/2007	\$2,303.96	.00	.00	.00	.00	.00	.00
10009	CAYWOOD'S YOUTH CENTER, IN	3/27/2007	\$0.00	3,405.42	.00	.00	.00	.00	.00
10024	FOWLER PROPERTIES, LLC	4/7/2007	\$2,310.49	.00	.00	.00	.00	.00	.00
10025	FREEPOR T AREA ECONOMIC DE	4/28/2007	\$1,340.00	.00	.00	.00	.00	.00	.00
10049	SHULTS MACHINE	4/5/2007	\$2,700.00	.00	.00	.00	.00	.00	.00
10105	BECKER, DAVID & PATRICIA	4/29/2007	\$1,507.28	.00	.00	.00	.00	.00	.00
10061	YOUNG, CLINTON (PRECISION P	4/24/2007	\$1,683.32	.00	.00	.00	.00	.00	.00
10073	BAXTER, JAY & COLLEEN	4/29/2007	\$565.00	.00	.00	.00	.00	.00	.00
10095	RICHARD EXCAVATING, INC.	4/15/2007	\$1,375.79	.00	.00	.00	.00	.00	.00
9			\$13,785.84	3,405.42	.00	.00	.00	.00	.00
FMHA									
10064	GRAYSON HILL ENERGY, LLC	4/1/2007	\$1,443.27	.00	.00	.00	.00	.00	.00
10065	SUBLETTE DEVELOPERS, INC.	3/1/2007	\$0.00	2,216.78	.00	.00	.00	.00	.00
10066	UTLRA PLAY SYSTEMS, INC.	4/1/2007	\$1,314.77	.00	.00	.00	.00	.00	.00
10067	DEREL'S BBQ	1/1/2007	\$0.00	.00	.00	100,671.82	.00	.00	.00
4			\$2,758.04	2,216.78	.00	100,671.82	.00	.00	.00
13			\$16,756.88	5,622.20	.00	100,671.82	.00	.00	.00

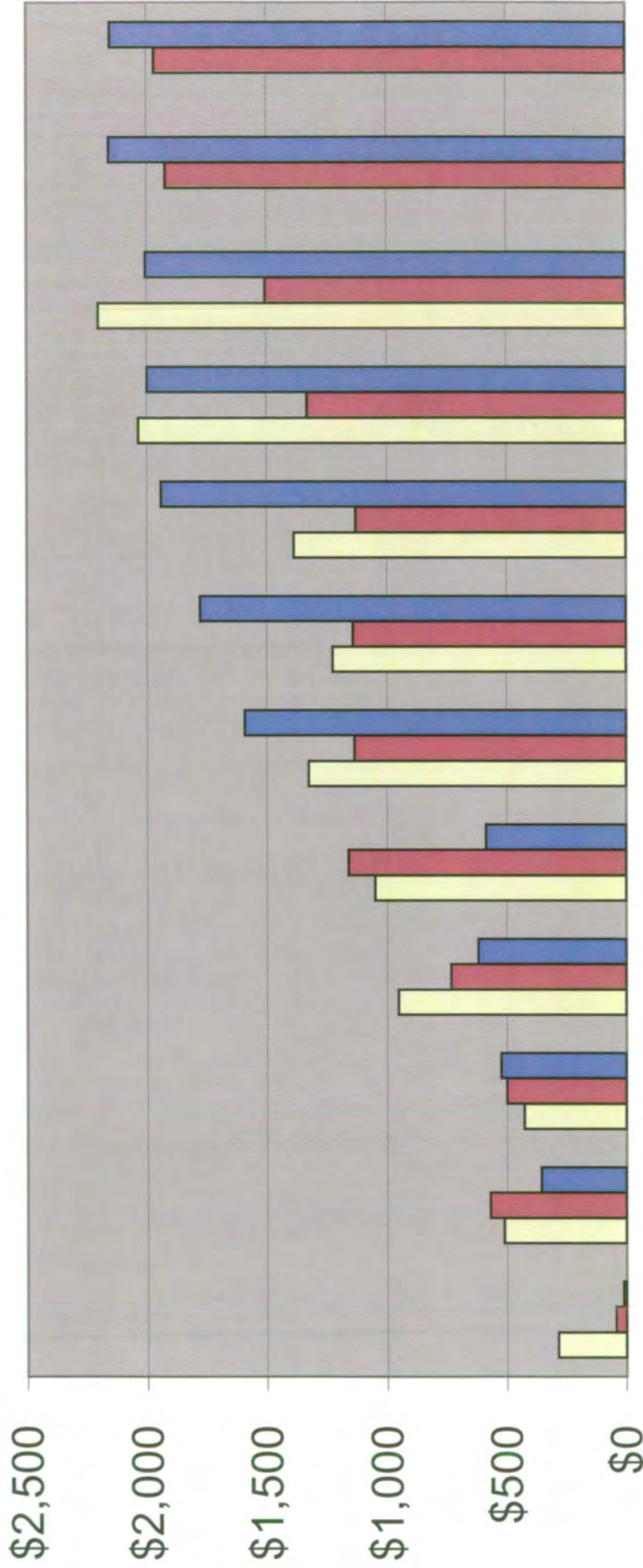
Illinois Finance Authority
 Audit Findings
 Update as of April 30, 2007

Total Number of 7

Item Number	Description	Status Action Items/ Action Items Completed	Percentage Completed
FY 04 Findings			
06-02	Failure to Monitor Bond Compliance	7/8	87.5%
FY 05 Findings			
06-01	Noncompliance with the Personnel Code	Under Review	25%
FY 06 Findings			
06-03	Missing and Incomplete Documents in State Guaranteed Agriculture Loans	Complete	100%
06-04	Contract Not Executed Timely	Complete	100%
06-05	Approval of Incomplete Travel and Marketing Reimbursement Forms	4/5	80%
06-06	Inadequate Processing and Untimely Deposit of Cash Receipts and Refunds	2/3	66.7%
06-07	Missing Documents from Personnel File	Complete	100%

<50% = Partially Completed or under review
 60% = Substantially Completed
 100% = Completed

Cumulative Net Income Non-Appropriated



	July	Aug	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun
FY 2007 Actual	\$285	\$512	\$428	\$953	\$1,050	\$1,326	\$1,226	\$1,387	\$2,035	\$2,202		
FY 2007 Plan	\$44	\$570	\$501	\$733	\$1,161	\$1,136	\$1,142	\$1,130	\$1,332	\$1,505	\$1,920	\$1,967
Actual FY06	\$12	\$356	\$524	\$618	\$586	\$1,592	\$1,778	\$1,940	\$1,998	\$2,004	\$2,157	\$2,152

(In thousands)

MINUTES OF THE APRIL 10, 2007 MEETING OF THE BOARD OF DIRECTORS OF THE ILLINOIS FINANCE AUTHORITY

The Board of Directors (the "Board") of the Illinois Finance Authority (the "IFA"), pursuant to notice duly given, held a Board Meeting at 11:30 a.m., on April 10, 2007 at the Mid America Club, 200 E. Randolph Street, 80th floor, Chicago, Illinois:

Members present:

David C. Gustman, Chair
Magda M. Boyles
Ronald E. DeNard
James J. Fuentes
Martin H. Nesbitt
Andrew W. Rice
Lynn F. Talbott
Bradley Zeller

Members absent:

Dr. Roger D. Herrin
Terrence O'Brien
Juan Rivera
Joseph Valenti

Vacancies:

One (1)

Members participating by telephone:

Edward H. Leonard, Sr.
Michael Goetz

GENERAL BUSINESS

Call to Order and Roll Call

Chairman Gustman called the meeting to order at 11:45 a.m. with the above members present. Chairman Gustman thanked everyone for attending and noted that there were a large number of projects being presented for approval. Chairman Gustman also noted that while the Board does move through the approval process quickly, that ample time and consideration of the projects is given at the 8:30 a.m. meeting of the Committee of the Whole, which is held prior to the Board Meeting.

Chairman Gustman asked Carla Burgess Jones, Secretary, to call the roll. Ms. Burgess Jones called the roll. There being eight (8) members physically present and two (2) members participating via telephone, Ms. Burgess Jones declared a quorum present.

Interim Executive Director's Report

Chairman Gustman asked Interim Executive Director Rendleman to give her report. Interim Executive Director Rendleman welcomed everyone and announced that the Board would approve over \$1 billion dollars for projects located throughout the State.

Acceptance of Financial Statements

Financial statements for the nine-month period ending March 31, 2007 were accepted by the Board. Chairman Gustman noted that the financial statements are reviewed by the Board at the 8:30 a.m. meeting of the Committee of the Whole of the Board.

Minutes

Chairman Gustman asked Carla Burgess Jones, Secretary to take a roll call vote for approval of the minutes of the March 13, 2007 Meeting of the Board and the March 22, 2007 Special Meeting of the Board. Motion moved by Mr. Nesbitt and seconded by Ms. Talbott. Minutes of the March 13, 2007 Meeting of the Board and the March 22, 2007 Special Meeting of the Board were approved by a roll call vote with 10 ayes, 0 nays, and 0 abstentions.

Projects

Chairman Gustman asked Interim Executive Director Rendleman to present the projects for consideration to the Board. Chairman Gustman reminded everyone that the Board considered each of the projects to be presented in detail at the 8:30 a.m. meeting of the Committee of the Whole of the Board. Director Rendleman presented the following projects to the Board for approval:

- No. 1:** **A-SG-TX-GT-7078 – Shane D. Hansen**
Request for approval of the issuance of a specialized livestock guarantee in an amount not-to-exceed \$457,300 to finance a 2,400 head swine finishing facility located in Aledo, Illinois. (07-04-01).

Chairman Gustman asked if the Board had any questions with respect to Project no. 1. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 1. Leave was granted. Project no. 1 was approved with 10 ayes, 0 nays, and 0 abstentions.

- No. 2:** **P-SW-TE-CD-6203 – Illinois River Energy, LLC**
Request for preliminary approval of the issuance of conduit Solid Waste Disposal Facilities Revenue Bonds in an amount not-to-exceed \$30,000,000 and an Agri-Industry Loan Guarantee in an amount not-to-exceed \$30,000,000 to finance the i) construction of a 50 million gallon capacity expansion ethanol plant; ii) acquisition and installation of machinery and equipment, including qualifying solid waste disposal facilities; and iii) payment of cost of issuance for a project located in Rochelle, Illinois. This project is expected to create 15 new jobs and 100-300 construction jobs over an 18-month period. The issuance of Solid Waste Disposal Facilities Revenue Bonds is subject to an allocation of volume cap from the Governor’s Office of Management and Budget (“GOMB”) and the issuance of the Agri-Industry Loan Guarantee is subject to the approval of GOMB. (07-04-02).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 2. Funding Manager Steven Trout introduced John May of Stern Brothers and Richard Ruebe, CEO of GTL Resources USA, Inc. Mr. Ruebe described the history of the Illinois River Energy, LLC. He explained that the purpose of the financing is to expand an existing ethanol plant. Mr. Ruebe also thanked the Board and IFA for consideration of the project. Chairman Gustman asked if the Board had any questions with respect to Project no. 2. There being none,

Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 2. Leave was granted. Project no. 2 was approved with 10 ayes, 0 nays, and 0 abstentions.

No. 3 **I-ID-TX-MO-6221 – Rentech Energy Midwest Corp.**

Request for approval of an amendatory bond resolution for the issuance of Clean Coal and Energy Moral Obligation Bonds (“Clean Coal Bonds”) in an amount not-to-exceed \$150,000,000 (which was previously preliminarily approved on November 14, 2006) and Environmental and Water Facility Bonds (“Water Facility Bonds”) in an amount not-to-exceed \$150,000,000 to finance i) the construction and rehabilitation of real estate; ii) the acquisition and installation of machinery and equipment; iii) legal and professional costs; iv) capitalized interest; and v) a debt service reserve fund to convert an existing nitrogen fertilizer plant from natural gas to an integrated fertilizer and fuel production facility using coal gasification for a project located in East Dubuque, Illinois. This project is expected to create 110 new jobs over a one-year period and 1,500-2,000 construction jobs over a 42-month period. The issuance of Water Facility Bonds for this project is subject to an allocation of volume cap from GOMB. The allocation of the Clean Coal Bonds for this project is subject to the approval of GOMB. (07-04-03).

Chairman Gustman asked if the Board had any questions with respect to Project no. 3. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 3. Leave was granted. Project no. 3 was approved with 10 ayes, 0 nays, and 0 abstentions.

No. 4: **P-SW-TE-CD-6203 – Unified Biofuels Technology, LLC**

Request for approval of an amendatory bond resolution for the issuance of Solid Waste Disposal Facilities Bonds in an amount not-to-exceed \$115,000,000 (increased from \$100,000,000, which was preliminarily approved on September 26, 2007) and Exempt Water Facilities Bonds in an amount not-to-exceed \$11,000,000 to finance i) the acquisition and improvement of a 70-acre site in Griggsville, Illinois and a 62-acre site in Royal, Illinois; ii) the construction of 113,400,000 gallon capacity ethanol plant at each site; iii) the acquisition and installation of machinery and equipment, including qualifying solid waste disposal and exempt water facilities; and iv) the payment of issuance costs for projects located in Griggsville and Royal, Illinois. This project is expected to create 100 new jobs and 400 construction jobs over 20 months. The issuance of bonds for this project is subject to an allocation of volume cap from GOMB. (07-04-04).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 4. Funding Manager Steven Trout introduced John May of Stern Brothers and Walker Filbert, President of the Western Illinois Ethanol Project. Mr. Filbert thanked the Board and IFA for consideration of the project. Chairman Gustman asked if the Board had any questions with respect to Project no. 4. There being none, Chairman Gustman requested leave to apply the last

unanimous vote in favor of Project no. 4. Leave was granted. Project no. 4 was approved with 10 ayes, 0 nays, and 0 abstentions.

No. 5: **A-FB-TE-CD-7085 – Wendell Zimmerman**
Request for approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$157,500 for the purchase of 63 acres of farmland located in Belle Rive, Illinois. (07-04-05).

A-FB-TE-CD-7086 – Joseph Chappellear
Request for approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$232,400 for the purchase of approximately 53 acres of farmland located in Mechanicsburg, Illinois. (07-04-05).

A-FB-TE-CD-7087 – Erin Rosenthal
Request for approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$232,400 for the purchase of approximately 53 acres of farmland located in Ogden, Illinois. (07-04-05).

A-FB-TE-CD-7088 – Kevin & Brooke Klauser
Request for approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$104,000 for the purchase of approximately 80 acres of farmland located in Liberty, Illinois. (07-04-05).

A-FB-TE-CD-7089 – Kevin Gale
Request for approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$150,000 for the purchase of approximately 42 acres of farmland located in Galva, Illinois. (07-04-05).

A-FB-TE-CD-7090 – Kraig Gale
Request for approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$150,000 for the purchase of approximately 42 acres of farmland located in Galva, Illinois. (07-04-05).

A-FB-TE-CD-7091 – Eric Michael Kelsey
Request for approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$250,000 for the purchase of approximately 76 acres of farmland located in Granville, Illinois. (07-04-05).

A-FB-TE-CD-7092 – Reggie and Melinda Roth
Request for approval of the issuance of Beginning Farmer Bonds in an amount not-to-exceed \$122,535 for the purchase of approximately 40 acres of farmland located in Gridley, Illinois. (07-04-05).

Chairman Gustman asked if the Board had any questions with respect to Project no. 5. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of

Project no. 5. Leave was granted. Project no. 5 was approved with 10 ayes, 0 nays, and 0 abstentions.

At this time, Chairman Gustman requested a vote on Project nos. 14 and 30 because both projects require a member of the Board to abstain from voting and Members Goetz and Leonard would only be available for a limited period of time, via telephone, to participate in the meeting.

No. 14: N-PF-TE-CD-7075 – St. Coletta’s of Illinois Foundation
Request for preliminary approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$5,400,000 to i) refinance prior bonds; ii) refinance a taxable note; and iii) fund professional and bond issuance costs. This project is expected to create 21 new jobs. **(07-04-14).**

Chairman Gustman asked if the Board had any questions with respect to Project no. 14. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Mr. Nesbitt and seconded by Mr. Fuentes. Chairman Gustman asked Secretary Burgess Jones to take a roll call vote. Project no. 14 was approved with 9 ayes, 0 nays, and 1 abstention (Boyles). Member Boyles abstained because her employer (a law firm) represents the borrower on an unrelated matter.

No. 30: E-PC-TE-CD-7079 – The University of Chicago
Request for preliminary approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$250,000,000 to provide i) permanent financing for a portion of capital project development costs; and ii) possible financing for future projects for projects located in Chicago, Illinois. The project is expected to create 50-300 new jobs within 2 years and 150-200 construction jobs over 12-24 months. **(07-04-30).**

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 30. Funding Manager Rich Frampton introduced Mr. Bill Hogan, Comptroller of the University of Chicago. Mr. Hogan thanked the Board and IFA for consideration of the project and noted that the University has a long standing relationship with the IFA. Chairman Gustman asked if the Board had any questions with respect to Project no. 30. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Ms. Talbott and seconded by Mr. Fuentes. Chairman Gustman asked Secretary Burgess Jones to take a roll call vote. Project no. 30 was approved with 9 ayes, 0 nays, and 1 abstention (Boyles). Member Boyles abstained because her employer (a law firm) represents the borrower on an unrelated matter.

No. 6: H-HO-TE-CD-7061 – Palos Community Hospital
Request for preliminary approval of the issuance of Conduit 501(c) (3) Revenue Bonds in an amount not-to-exceed \$200,000,000 to i) refund prior bonds; ii) construct a power plant and multi-level parking facility; iii) fund future capital expenditures at the hospital; iv) pay for interest during the construction period; and v) pay for costs of issuance for a project located in Palos Heights, Orland

Park, Lemont and Oak Lawn, Illinois. This project is expected to create 225 construction jobs. (07-04-06).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 6. Funding Manager Pam Lenane introduced Andy Stefo, Chief Financial Officer of Palos Community Hospital and Hugh Rose, Corporate Treasurer of Palos Community Hospital. Mr. Stefo thanked the Board and IFA for consideration of the project. Mr. Smith noted that the bond issue would assist the hospital with its growth. Chairman Gustman asked if the Board had any questions with respect to Project no. 6. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Mr. Rice and seconded by Mr. Zeller. Chairman Gustman asked Secretary Burgess Jones to take a roll call vote. Project no. 6 was approved with 10 ayes, 0 nays, and 0 abstentions.

At this time, Board Members Goetz and Leonard withdrew from the meeting (via telephone participation) decreasing the number of voting members participating in the meeting from ten (10) members to eight (8) members, all being physically present.

No. 7: H-HO-TE-CD-7057 – Illinois Valley Community Hospital
Request for final approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$2,500,000 to pay or reimburse the borrower for the cost of acquiring certain capital equipment, including without limitation, a CT scanner, an MRI system and Calutech Coach, X-Ray equipment, hardware and software for a picture archiving and communication system, all related attachments, accessories and software and other hospital equipment and improvements for a project located in Peru, Illinois. (07-04-07).

Chairman Gustman asked if the Board had any questions with respect to Project no. 7. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Mr. DeNard and seconded by Mr. Zeller. Chairman Gustman asked Secretary Burgess Jones to take a roll call vote. Project no. 7 was approved with 8 ayes, 0 nays, and 0 abstentions.

No. 8: N-NP-TE-CD-7082 – Greater Peoria Young Men’s Christian Association
Request for preliminary approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$3,000,000 to finance i) the construction of a 10,200 square foot building expansion; and ii) the renovation/remodeling of certain portions of the existing structure for a project located in Peoria, Illinois. This project is expected to create 1 new job and 25 construction jobs over 6 months. (07-04-08).

No. 9: N-NP-TE-CD-7081 – Peoria Association for Retarded Citizens, Inc. (a.k.a. Peoria ARC)
Request for preliminary approval of the issuance of Conduit 501(c) (3) Revenue Bonds in an amount not-to-exceed \$6,500,000 to i) refund prior bonds; and ii) pay costs of issuance. (07-04-09).

Chairman Gustman asked if the Board had any questions with respect to Project nos. 8 and 9. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project nos. 8 and 9. Leave was granted. Project nos. 8 and 9 were approved with 8 ayes, 0 nays, and 0 abstentions.

No. 10: E-PC-TE-CD-7022 – Sindesmos Hellenikes-Kinotetos of Chicago (also known as Holy Trinity Hellenic Orthodox Church) and its affiliates, successors and assigns

Request for preliminary approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$12,400,000 to i) refinance existing conventional taxable debt; ii) expand existing facilities through the construction of a gymnasium, a youth center and additional classroom space; and iii) pay capitalized interest and costs of issuance for a project located in Deerfield, Illinois. The project is expected to create 7 new jobs and an average of 30 construction jobs over a 24-month period. (07-04-10).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 10. Funding Manager Rich Frampton introduced Mr. Gus Kaloudis, Board Member of Hellenic American Academy Foundation. Mr. Kaloudis thanked the Board and IFA for consideration of the project and gave a brief history of the organization and a description of the project. Chairman Gustman asked if the Board had any questions with respect to Project no. 10. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 10. Leave was granted. Project no. 10 was approved with 8 ayes, 0 nays, and 0 abstentions.

No. 11: N-NP-TE-CD- 6032 – Noble Network of Charter Schools

Request for preliminary approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$16,000,000 to finance i) the acquisition of a building, construction and renovations; ii) the payment of capitalized interest; iii) a debt service reserve; and iv) bond issuance costs for a project located in Chicago, Illinois. The project is expected to create 80 new jobs and 120 construction jobs. (07-04-11).

No. 12: N-NP-TE-CD-7072 – UNO Charter School Network

Request for preliminary approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$13,000,000 to i) finance construction and renovation; ii) refinance existing debt; iii) fund a debt service reserve; and iv) pay certain bond issuance costs for a project located in Chicago, Illinois. The project is expected to create 60 new jobs and 50 construction jobs. (07-04-12).

Chairman Gustman asked if the Board had any questions with respect to Project nos. 11 and 12. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project nos. 11 and 12. Leave was granted. Project nos. 11 and 12 were approved with 8 ayes, 0 nays, and 0 abstentions.

No. 13: **N-NP-TE-CD-7071 – Presbyterian Homes**
Request for preliminary approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$30,000,000 to i) refund prior bonds; and ii) pay certain bond issuance costs. **(07-04-13).**

No. 15: **N-PS-TE-CD-7093 – Loyola Academy**
Request for preliminary approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$21,500,000 to i) refinance outstanding debt; ii) renovate existing academic buildings and athletic facilities; iii) purchase real estate; iv) capitalize interest; and v) fund professional and bond issuance costs for a project located in Wilmette and Glenview, Illinois. The project is expected to create 50 construction jobs over 36 months. **(07-04-15).**

No. 16: **N-NP-TE-CD-6210 – The Center: Resources for Teaching and Learning**
Request for final approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$1,900,000 to i) refinance existing debt; and ii) pay certain bond issuance costs for a project located in Arlington Heights, Illinois. The project is expected to create 9 new jobs and 15 construction jobs. **(07-04-16).**

Chairman Gustman asked if the Board had any questions or comments with respect to Project nos. 13, 15 and 16. There being no comments or questions, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project nos. 13, 15 and 16. Leave was granted. Project nos. 13, 15 and 16 were approved with 8 ayes, 0 nays, and 0 abstentions.

No. 17: **N-NP-TE-CD-7005 – Holy Family Ministries**
Request for final approval of the issuance of Conduit Industrial Revenue Bonds in an amount not-to-exceed \$4,500,000 for i) the acquisition of land, construction, and machinery and equipment; ii) professional expenses; and iii) bond issuance costs for a project located in Chicago, Illinois. The project is expected to create 17 new jobs and 300 construction jobs. **(07-04-17).**

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 17. Funding Manager Sharnell Curtis Martin introduced Mr. Joe Pringle, Capital Campaign Chair and Dr. Susan Work, President of Holy Family Ministries. Mr. Pringle thanked the Board and IFA for consideration of the project and gave a history of the organization as well as a description of the project. Chairman Gustman asked if the Board had any questions with respect to Project no. 17. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 17. Leave was granted. Project no. 17 was approved with 8 ayes, 0 nays, and 0 abstentions.

No. 18: **N-NP-TE-CD-6271 – Fenwick High School**
Request for final approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$16,500,000 to i) finance the construction and acquisition of equipment and land; ii) finance capitalized interest; and iii) pay

bond issuance costs for a project located in Oak Park, Illinois. This project is expected to create 1 new job and 100 construction jobs. (07-04-18).

Chairman Gustman asked if the Board had any questions with respect to Project no. 18. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 18. Leave was granted. Project no. 18 was approved with 8 ayes, 0 nays, and 0 abstentions.

No. 19: N-NP-TE-CD-7058 – Easter Seals Metropolitan Chicago, Inc.

Request for final approval of the issuance of Conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed \$9,000,000 to i) finance construction and the acquisition of equipment; and ii) pay bond issuance costs for projects located in Chicago, Rockford and Waukegan, Illinois. The projects are expected to create 50 new jobs and 200 construction jobs. (07-04-19).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 19. Funding Manager Sharnell Curtis Martin introduced Mr. Dan Popp, Chief Financial Officer of the Easter Seals. Mr. Popp thanked the Board and IFA for consideration of the project and noted that his organization is excited about the project. He also gave an overview of the project. Chairman Gustman asked if the Board had any questions with respect to Project no. 19. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 19. Leave was granted. Project no. 19 was approved with 8 ayes, 0 nays, and 0 abstentions.

No. 20: L-GP-7083 – Village of Palmyra

Request for final approval of the issuance of Local Government Pooled Bonds in an amount not-to-exceed \$415,000 to i) refinance prior bonds; and ii) make improvements to the borrower's (park) golf course located in Palmyra, Illinois. (07-04-20).

No. 21: L-GP-7077 – Riverton Area Fire Protection District

Request for final approval of the issuance of Local Government Pooled Bonds in an amount not-to-exceed \$1,130,000 to finance the construction of a new fire house located in Riverton, Illinois. The project is expected to create 6 construction jobs. (07-04-21).

No. 22: L-GP-7076 – Mount Zion Fire Protection District

Request for final approval of the issuance of Local Government Pooled Bonds in an amount not-to-exceed \$750,000 to finance the construction of an addition to an existing fire station located in Mount Zion, Illinois. The project is expected to create 10 construction jobs. (07-04-22).

No. 23: L-GP-7074 – Downs Community Fire Protection District

Request for final approval of the issuance of Local Government Pooled Bonds in an amount not-to-exceed \$2,560,000 to i) acquire land; ii) construct a new

building; and iii) purchase furnishings for a project located in Downs, Illinois. The project is expected to create 10 construction jobs. (07-04-23).

- No. 24:** **L-GP-7064 – Curran-Gardner Township Public Water District**
Request for final approval of the issuance of Local Government Pooled Bonds in an amount not-to-exceed \$2,865,000 to finance water system updates in Curran Gardner Township Public Water District in Springfield, Illinois. (07-03-24).
- No. 25:** **L-GP-7073 – City of Petersburg**
Request for final approval of the issuance of Local Government Pooled Bonds in an amount not-to-exceed \$210,000 to purchase and remodel a building to be used as the city hall in Petersburg, Illinois. (07-04-25).
- No. 26:** **L-GP-7054 – Momence Park District**
Request for final approval of the issuance of Local Government Pooled Bonds in an amount not-to-exceed \$135,000 to finance renovations and improvements for the park district in Momence, Illinois. (07-04-26).

With respect to Project nos. 20 through 26, Interim Executive Director Rendleman described the Authority's Local Government Pooled Bond Program and noted that if the bonds are secured by the moral obligation of the State, the issuance of the bonds is subject to approval of the GOMB.

Chairman Gustman asked if the Board had any questions with respect to Project nos. 20 through 26. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project nos. 20 through 26. Leave was granted. Project nos. 20 through 26 were approved with 8 ayes, 0 nays, and 0 abstentions.

- No. 27:** **P-SW-TE-CD-6203 - United Science Industries, Inc.**
Request for preliminary approval of the issuance of a Debt Service Reserve Fund in an amount not-to-exceed \$1,000,000 to provide the borrower with a source of funds to pay principal and interest on a working capital line of credit in the event the State of Illinois comptroller fails to pay the borrower's approved claims on the Illinois EPA Leaking Underground Storage Tank Fund for a project located in Woodlawn, Illinois. The project is expected to create 14 new jobs. (07-04-27).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 27. Funding Manager Steven Trout introduced Mr. Jay Koch, CEO & President of United Science Industries, Inc., Dennis Hillen, Vice-President of Finance and John May of Stern Brothers. Mr. Koch thanked the Board and IFA for consideration of the project and noted that the fund helps the company while it is waiting for reimbursement from the State. Chairman Gustman asked if the Board had any questions with respect to Project no. 27. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 27. Leave was granted. Project no. 27 was approved with 8 ayes, 0 nays, and 0 abstentions.

No. 28: **I-ID-TE-CD-7064 – Peddinghaus Corporation**
Request for preliminary approval of the issuance of Industrial Revenue Bonds in an amount not-to-exceed \$3,600,000 to finance i) the construction of an approximately 29,700 sq. ft. two-story manufacturing facility; ii) the purchase and installation of meat processing equipment, HVAC and refrigeration systems; iii) office and parking space; and iv) professional issuance costs for a project located in Bradley, Illinois. The project is expected to create 20 construction jobs over 9 months. The issuance of bonds for this project is subject to an allocation of volume cap from GOMB. (07-04-28).

No. 29: **E-PC-TE-CD-7075 – The Federation of Independent Illinois Colleges and Universities Revenue Anticipation Note Program**
Request for final approval of the issuance of Conduit Not-for-Profit Revenue Anticipation Notes in an amount not-to-exceed \$7,000,000 to provide working capital and to fund issuance costs for Elmhurst College and Lincoln College. (07-04-29).

Chairman Gustman asked if the Board had any questions with respect to Project nos. 28 and 29. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project nos. 28 and 29. Leave was granted. Project nos. 28 and 29 were approved with 8 ayes, 0 nays, and 0 abstentions.

Resolutions/Project Revisions/Amendatory Resolutions

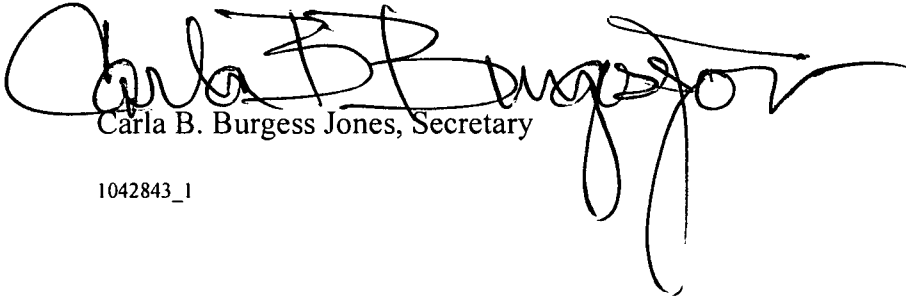
No. 31: **Amendatory Resolution to increase the not-to-exceed amount for the DeKalb SLF LP project from \$7.4 million to \$8.5 million.** Request to increase the not-to-exceed amount for a series of bonds from \$7.4 million to \$8.5 million due to favorable changes in daily reimbursement rates to SLF facilities and a decrease in the project interest rate on the bonds. (07-04-31).

No. 32: **Resolution Adopting policies of the Board regarding Remote Attendance at Board Meetings.** Resolution adopting and approving a remote Attendance Policy for the Authority's Board Members. (07-04-32).

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 31. Funding Manager Rich Frampton introduced Mr. Mark Laubacher, President, The Laubacher Company, an advisor to DeKalb SLF LP. Mr. Laubacher thanked the Board for consideration of the amendatory resolution. Chairman Gustman asked if the Board had any questions with respect to Project nos. 31 and 32. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project nos. 31 and 32. Leave was granted. Project nos. 31 and 32 were approved with 8 ayes, 0 nays, and 0 abstentions.

Chairman Gustman asked if there was any other business to come before the Board. There being no further business Chairman Gustman requested a motion to adjourn. Upon a motion by Mr. DeNard and seconded by Mr. Rice, the meeting adjourned at approximately 12:35 p.m.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Carla B. Burgess Jones". The signature is written in a cursive, flowing style with some loops and a long horizontal stroke at the end.

Carla B. Burgess Jones, Secretary

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**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007**

Project: Dail Family Farms Inc.

STATISTICS

Project Number:	A-DR-TX-GT-7103	Amount:	\$170,000
Type:	Agri-Debt Guarantee	IFA Staff:	Cory Mitchell
Location:	Erie		

BOARD ACTION

Approval to initiate an 85% loan guarantee in favor of Sauk Valley Bank and Trust in Sterling. \$170,000 of State Treasurer's Agricultural Reserve Risk funds at risk.

Staff recommends approval, subject to satisfying all conditions of the bank loan, as well as:

- *Receipt of satisfactory appraisal to insure an LTV of 80% or less
- *Assignment of Life Insurance Policy on Borrower in the amount of \$100,000
- *Contract guarantee from Dail Farms Inc. to Dail Family Farms Inc.

PURPOSE

The proposed loan proceeds will be used to refinance term and operating debt in order to improve working capital and overall cash flow.

IFA PROGRAM AND CONTRIBUTION

The Authority's Agriculture Guarantee Program guarantees up to 85% of a bank's loans to Illinois farmers and agribusiness owners. The Agri-Debt Restructuring Guarantee Program is available to assist farmers to consolidate and extend the term of agricultural debt. The guarantees are not transferable without the Authority's written consent. The Authority's agricultural guarantee obligations are backed by an IFA reserve funded for this program and are also full faith and credit obligations of the State of Illinois.

IFA's issuance of guarantees helps borrowers obtain debt financing at reduced rates of interest and improved terms

VOTING RECORD

None. This is the first time that this project has been presented to the IFA Board of Directors.

SOURCES AND USES OF FUNDS

Sources:	IFA	\$170,000	Uses:	Purchase Sows	\$166,667
	Sauk Valley Bank and Trust	<u>\$30,000</u>		Refinance Debt	<u>\$33,333</u>
	Total	<u>\$200,000</u>		Total	<u>\$200,000</u>

JOBS

Current employment:	N/A	Projected new jobs:	0
Jobs retained:	N/A	Construction jobs:	0

BUSINESS SUMMARY

Background: After being involved in pork production for more than 20 years, Todd Dail joined his mother and father in 2003 to create a new corporation named Dail Family Farms Inc.(DFFI). Each were 1/3 owners in the corporation which sole purpose was to produce weaner pigs that are sold to Dale Farms Inc(DFI). In early 2005 Todd's parents redeemed their stock in DFFI making Todd Dail sole owner and President of DFFI. Currently DFFI has around 1124 sows producing weaner pigs and lease the facilities from JMTR Farms, LLC, an entity owned by Todd and his parents which owns all of the hog facilities. DFFI purchases the corn and feedstuffs from DFI and spreads the hog manure on DFI acres. Todd's parents are grain farmers on 660 acres and operate a hog finishing operation all running under the same corporate name of Dale Farms Inc. DFI will finish 20,000 hogs annually with the majority under contract with Meadowbrook Farms, LLC in Rantoul, Illinois. The operations of DFFI and DFI have consistently employed Todd and his wife, Todd's parents and three full-time employees. Labor is shared amongst the entities and expensed back to each entity evenly.

Project Rationale: Sauk Valley Bank and Trust has requested an Agri-Debt Guarantee for a loan in the amount of \$200,000. The IFA guarantee will properly combine and structure existing debt used to purchase sows for Dail Family Farms Inc. over the past 24 months. The IFA guarantee will also allow the bank to structure the loan over 5 years, allowing for improved working capital, lower interest expense to the borrower and improved cash flow for the operation.

Transaction: Sauk Valley Bank and Trust will structure a 5 year loan with monthly P & I in the amount of \$200,000 to re-structure debt. This loan will be secured by livestock, equipment, assignment of life insurance policy, contract guarantee from Dail Farms Inc. and real estate.

FINANCING SUMMARY

Borrower: Dail Family Farms, Inc.

Security: 1st lien on livestock, 1st lien on Equipment, 2nd mortgage on residence, contract guarantee from Dail Farms Inc. and assignment of life insurance policy on the borrower in the amount of \$100,000

Structure: 5 year term, 5 year amortization with monthly P&I

PROJECT SUMMARY

The borrower has purchased sows over the past 24 months totaling \$200,000. Sauk Valley Bank and Trust have been involved with the financing of these sows and will initiate a term loan to refinance and re-structure the \$200,000 to improve cash flow, working capital and lower the interest expense. The loan will be secured by a 1st lien on livestock, 1st lien on Equipment, 2nd mortgage on residence and assignment of life insurance policy on the borrower in the amount of \$100,000.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Dail Family Farms, Inc.

Location: 8475 Albany Road
Erie, Illinois 61250

Organization: Corporation

State: Illinois

Ownership: Todd A. Dail

PROFESSIONAL & FINANCIAL

Accountant: Latta-Harris-Hanon and Penningroth, LLP.

Attorney: N/A

Bank: Sauk Valley Bank and Trust, Kurtis Downs-Ag Representative

IFA Financial Advisors: D.A. Davidson & Co. Chicago Bill Morris
Scott Balice Strategies, Inc. Chicago Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 16th Don Manzullo

State Senate: 36th Mike Jacobs

State House: 71st Mike Boland

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007**

Project: Richard C. and Tresa M. Litz

STATISTICS

Project Number:	A-AD-GT-7101	Amount:	\$170,000
Type:	Agri-Debt Guarantee	IFA Staff:	Eric Reed
Location:	Pana	SIC Code	Grain Farming

BOARD ACTION

Approval to initiate an 85% loan guarantee in favor of Peoples Bank & Trust in Pana.
\$ 170,000 of State Treasurer's Agricultural Reserve Risk funds at risk
Staff recommends approval, subject to satisfying all conditions of the bank loan as well as:
 ***No further capital expenditures > \$5K without prior consent of bank and IFA.**
 ***Borrower to maintain crop insurance coverage equal to term debt obligations.**

PURPOSE

The proposed loan proceeds will provide for the refinancing of the borrower's current equipment debt and carryover operating debt. By refinancing, the borrower will be able to extend the debt amortization and improve cash flow.

IFA PROGRAM AND CONTRIBUTION

The Authority's Agriculture Guarantee Program guarantees up to 85% of a bank's loans to Illinois farmers and agribusiness owners. The Agri-Debt Restructuring Guarantee Program is available to assist farmers to consolidate and extend the term of agricultural debt. The guarantees are not transferable without the Authority's written consent. The Authority's agricultural guarantee obligations are backed by an IFA reserve funded for this program and are also full faith and credit obligations of the State of Illinois

IFA's issuance of guarantees helps borrowers obtain debt financing at reduced rates of interest and improved terms

VOTING RECORD

None. This is the first time that this project has been presented to the IFA Board of Directors.

SOURCES AND USES OF FUNDS

Sources:	IFA Guarantee	\$170,000	Uses:	Refinance Equip	\$125,887
	Peoples Bank & Trust	<u>\$30,000</u>		Carryover Debt	<u>\$74,113</u>
	Total	<u>\$200,000</u>		Total	<u>\$200,000</u>

JOBS

Current employment:	N/A	Projected new jobs:	0
Jobs retained:	N/A	Construction jobs:	0

BUSINESS SUMMARY

Background: Richard and Tresa Litz, who are both in their mid-50's, live in southern Shelby County, Illinois. The Litz's own 103 acres of their 800 acre farming operation. Their operation has experienced liquidity problems and carryover debt in the past two years due to recent land purchases, unexpected repair expenses, and conservation expenses incurred. The land purchases made by the borrowers have been executed on contract for deed with family members, who wished to sell their land. In 2007, the borrowers will produce 400 acres of corn, 407 acres of soybeans, and 16 acres of wheat.

Mr. and Mrs. Litz's children have recently graduated from college, which will reduce their family living expenses. Tresa Litz has operated a beauty shop for many years in her house. She recently obtained full time employment as a U.S. Postal carrier in Assumption, which will provide increased, stable income for the Litzs.

Project Rationale: The borrower's have experienced recurring liquidity problems as mentioned above. In an effort to improve their loan portfolio, Peoples Bank & Trust is seeking guarantees for this borrower. The borrower's LOC for 2007 has already been approved at Peoples Bank & Trust, subject to the approval of the IFA guaranteed loan. With the approval of the proposed restructuring for the Litzs, Peoples Bank & Trust will be able to offer more favorable financing terms to the borrowers.

Transaction: Peoples Bank & Trust will originate a 30 year loan, secured by a 2nd REM on 94 acres. The payments will be annual principal and interest. A real estate appraisal was obtained 4/23/07, which stated a value of \$319,826.

FINANCING SUMMARY

Borrower: Richard C. and Tresa M. Litz
Security: 2nd mortgage on 94 acres
Structure: 30 year term with 30 year amortization and annual P & I.

PROJECT SUMMARY

The proposed loan proceeds will provide for the refinancing of the borrower's current equipment debt and carryover operating debt. By refinancing, the borrower will be able to extend the debt amortization and improve cash flow. The \$200,000 loan will be amortized over 30 years with annual debt service.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Richard C. and Tresa M. Litz
Location: RR 3 Box 97 County: Shelby
Pana, IL 62557
Organization: Sole-Proprietorship
State: Illinois
Ownership: Richard C. and Tresa M. Litz

PROFESSIONAL & FINANCIAL

Accountant: N/A
Attorney: N/A
Bank: Peoples Bank & Trust Nick Epley, VP
IFA Financial Advisors: D.A. Davidson & Co. Chicago Bill Morris
Scott Balice Strategies, Inc. Chicago Lois Scott

LEGISLATIVE DISTRICTS

Congressional: Phil Hare-17th **State Senate:** Deanna Demuzio-49th **State House:** Gary Hannig-98th

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors
From: Eric Reed & Cory Mitchell/lk
Date: May 8, 2007
Re: Overview Memo for Beginning Farmer Bonds

- **Borrower/Project Name:** Beginning Farmer Bonds
- **Locations:** Throughout Illinois
- **Board Action Requested:** Final Bond Resolutions for each attached project
- **Amounts:** Up to \$250,000 maximum of new money for each project
- **Project Type: Beginning Farmer Revenue Bonds**
- **IFA Benefits:**
 - **Conduit Tax-Exempt Bonds** – no direct IFA or State funds at risk
 - **New Money Bonds:**
 - convey tax-exempt status
 - will use dedicated 2007 IFA Volume Cap set-aside for Beginning Farmer transactions
- **Volume Cap:** Issuance of these bonds is subject to an allocation of Volume Cap from the Governor's Office of Management and Budget.
- **IFA Fees:**
 - One-time closing fee will total 1.50% of the bond amount for each project
- **Structure/Ratings:**
 - Bonds to be purchased directly as a nonrated investment held until maturity by the Borrower's Bank
 - The Borrower's Bank will be secured by the Borrower's assets, as on a commercial loan
 - Interest rates, terms, and collateral are negotiated between the Borrower and the Participating Bank, just as with any commercial loan
 - Workouts are negotiated directly between each Borrower and Bank, just as on any secured commercial loan
- **Bond Counsel:** **Burke, Burns & Pinelli, Ltd**
Stephen F. Welcome, Esq.
Three First National Plaza, Suite 4300
Chicago, IL 60602

Project Number: A-FB-TE-CD-7098
Funding Manager: Cory Mitchell
Borrower(s): Jayson A. Stamberger
Town: LaMoille, IL
Amount: \$250,000
Use of Funds: Farmland – 50 acres
Purchase Price: \$250,000 / (\$5,000 per ac)
 % Borrower Equity 0%
 % Other Agency 0%
 % IFA 100%
County: Bureau
Lender/Bond Purchaser: Amcore Bank NA, John Theisinger
Legislative Districts: Congressional: 11th, Jerry Weller
State Senate: 38th, Gary Dahl
State House: 76th, Frank Mautino

Principal shall be paid annually in installments determined pursuant to a Twenty five year amortization schedule, with the first principal payment date to begin on August 20, 2008. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to begin on August 20, 2008 with the twenty fifth and final payment of all outstanding balances due twenty five years from the date of closing.

*** Jayson A. Stamberger:** Note shall bear simple interest at the expressed rate. The expressed rate shall be 5.5% fixed for the first 5 years and adjust every 5 years thereafter to 1.25% above the Weekly Average Yield of US Treasury Securities at a 5 year Constant Maturity. The rate shall never be lower than 5.0%. Lender will charge 0.5% points. **Fee: \$3,750**

Project Number: A-FB-TE-CD-7099
Funding Manager: Cory Mitchell
Borrower(s): Timothy W. Buettner
Town: Sublette, IL
Amount: \$105,430
Use of Funds: Farmland – 34.27 acres
Purchase Price: \$210,938 / (\$6,155 per ac)
 % Borrower Equity 0%
 % Other Agency 50%
 % IFA 50%
County: Lee
Lender/Bond Purchaser: First State Bank, Craig Ayers
Legislative Districts: Congressional: 11th, Jerry Weller
State Senate: 38th, Gary Dahl
State House: 76th, Frank Mautino

Principal shall be paid annually in equal installments determined pursuant to a Thirty year amortization schedule, with the first principal payment date to be one year from the date of closing in the amount of \$3,514.33. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to be one year from the date of closing with the thirtieth and final payment of all outstanding balances due thirty years from the date of closing.

*** Information enclosed in the border is to be considered confidential and may be exempt from disclosure under the Freedom of Information Act**

***Timothy W. Buettner:** Note shall bear simple interest at the expressed rate. The expressed rate shall be 6.58% variable for the first 5 years and then adjust every 5 years thereafter to 2.07 basis points above the 5 year US Treasury Bond rate on the 1st of the month prior to adjustment. **Fee: \$1,581**

Project Number:	A-FB-TE-CD-7100
Funding Manager:	Eric Reed
Borrower(s):	Jason A. Skidmore
Town:	Robinson, IL
Amount:	\$175,000
Use of Funds:	Farmland – 68.3 acres
Purchase Price:	\$175,000 / (\$2,562 per ac)
%Borrower Equity	0%
%Other Agency	0%
%IFA	100%
County:	Clark
Lender/Bond Purchaser	First Robinson Savings Bank, NA / Chris Harris
Legislative Districts:	Congressional: 15 th , Timothy Johnson State Senate: 55 th , Dale Righter State House: 109 th , Roger Eddy

Principal shall be paid annually in equal installments determined pursuant to a Twenty year amortization schedule, with the first principal and interest payment date to be on May 1, 2008 in the amount of \$14,047.23 with the twentieth and final payment of all outstanding balances due twenty years May 1, 2028.

***Jason A. Skidmore:** Note shall bear simple interest at the expressed rate. The expressed rate shall be 5.00% fixed for the duration of the loan. **Fee: \$2,625**

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007**

Project: Sherman Health System and Sherman Hospital

STATISTICS

Project Number: H-HO-TE-CD-6178	Amount: \$150,000,000 (Not to exceed amount)
Type: 501(c)(3) Bond	IFA Staff: Pamela Lenane and Dana Sodikoff
Locations: Elgin	

BOARD ACTION

Preliminary Bond Resolution	Staff recommends approval
Conduit 501(c)(3) Bonds	No IFA Funds at Risk

PURPOSE

Proceeds will be used to a) refund all outstanding par amount of IHFA Series 1997 bonds and b) pay costs of issuance.

IFA CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest earned on the Bonds paid to bondholders and thereby reducing the borrower's interest expense. 501(c)(3) bond issues do not require Volume Cap.

VOTING RECORD

This is the first time this project has been presented to the Board.

ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA bonds	<u>\$150,000,000</u>	Uses: Refund 1997 Bonds	\$133,883,000
			Debt Service Reserve Fund	14,600,000
			Issuance Costs	<u>1,517,000</u>
Total		<u>\$150,000,000</u>	Total	<u>\$150,000,000</u>

JOBS

Current employment: 1,578 FTEs	Projected new jobs: N/A (straight refunding)
Jobs retained: 1,578 FTEs	Construction jobs: N/A (straight refunding)

BUSINESS SUMMARY

Background: The Sherman Health System (the "System") is one of the largest networks of healthcare facilities in the far northwest suburbs of Chicago, Illinois. The System offers a comprehensive array of services through Sherman Health Systems (the "Parent Corporation"), Sherman Hospital (the "Hospital"), Sherman West Court (the "Nursing Home"), Sherman Home Health Care Corporation ("Home Care"), Sherman Health Foundation (the "Foundation"), Health Visions Inc. ("Health Visions") and certain joint ventures.

The Hospital owns and operates the Hospital Facility, which is located in Elgin, Illinois, approximately 38 miles northwest of Chicago. The Hospital was formed in 1945 when the ownership and administration of the Hospital Facility was assumed by the Sherman Hospital Association. Over its history, the Hospital Facility has expanded its capacity to meet the growing demand for care; its present licensed capacity of 363 beds and 47 bassinets was established in 1996. The Hospital Facility currently has 258 staffed beds (234 acute beds and 24 sub-acute beds) and had an occupancy rate for staffed beds for the fiscal year ended April 30, 2006 of 64.7% for acute beds and 78.0% for sub-acute beds.

Description: The principal operating corporation in the System is the Hospital, which owns and operates Sherman Hospital in Elgin, Illinois. Sherman hospital is an acute care hospital providing a broad range of inpatient and outpatient services. Sherman Hospital has provided residents of the northwest suburbs of Chicago with healthcare services for over a century.

Service Area: Sherman Hospital and the nursing facility operated by the Nursing Home are located in Elgin, Illinois, approximately 30 miles northwest of Chicago, Illinois. The primary service area includes the cities and surrounding communities of Elgin, South Elgin, Huntley, Algonquin, Lake in the Hills, Dundee, Carpentersville, Bartlett, Streamwood and Crystal Lake. The primary service area ("PSA") accounted for 86% of admissions in 2005. The secondary service area ("SSA"), consisting of surrounding communities in Kane, McHenry, DuPage and Cook Counties, accounted for 14% of admissions in 2005.

PROJECT SUMMARY

The proceeds of this financing will solely be used to refund the outstanding IHFA Series 1997 Bonds, currently \$129,710,000.

FINANCING SUMMARY

Security/Collateral: The Bonds will constitute Parity Obligations of the Sherman Health Obligated Group, secured by a note under Sherman Health's Master Trust Indenture.

Structure: Rated fixed rate bonds (See Confidential Section)

Maturity: August 1, 2037 (likely final maturity is 2030 or 2031, however Sherman desires to maintain flexibility to amortize the debt over a longer period if the underlying assets provide such flexibility. Amortizing over a longer period would improve debt service coverage metrics and be a credit positive for Sherman. The relatively flat tax-exempt yield curve benefits such an approach as the yield "penalty" for extending the final maturity is negligible).

Credit Rating: A+/Baa 1, (S&P/Moody's) current ratings

ECONOMIC DISCLOSURE STATEMENT

Project name: Sherman Health System and Sherman Hospital
Location: 934 Center Street
Elgin, IL 60120
Applicant: Sherman Health System and Sherman Hospital
Organization: 501(c)(3) Not-for-Profit Corporation
State: Illinois
Board of Directors: Richard Jakle (Chairman, Sherman Health Systems)
Terry Dunning (Chairman, Sherman Hospital)

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	McGuire Woods LLP	Chicago	Kevin Dougherty
Bond Counsel:	Jones Day	Chicago	Lynn Coe
Financial Advisor	Kaufman Hall	Chicago	Therese Wareham
Underwriter:	Morgan Stanley	Chicago	Bruce Gurley
Underwriter's Counsel:	Sonnenschein Nath & Rosenthal LLP	Chicago	Steve Kite
Bond Trustee:	TBD		
Accountant	McGladrey and Pullen	Chicago	Jim Grigg
Issuer's Counsel:	Office of Kevin Cahill	Chicago	Kevin Cahill
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 14- J. Dennis Hastert
State Senate: 22- Steven J. Rauschenberger
State House: 43- Ruth Munson

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007**

Project: Central Baptist Village

STATISTICS

Project Number:	H-HO-TE-CD-7066	Amount:	\$26,000,000 (Not to exceed amount)
Type:	501(c)(3) Bonds	IFA Staff:	Pam Lenane and Dana Sodikoff
Locations:	Norridge, IL		

BOARD ACTION

Final Bond Resolution	Requesting a waiver of IFA Policy regarding the
Conduit 501(c)(3) Bonds	sale of unrated and unenhanced debt and an
No IFA funds at Risk	exception to the IFA Policy regarding the sale of
No Extraordinary Conditions	unrated and unenhanced debt

PURPOSE

Bond proceeds will be used to: 1) refund all of the Series 1999A Fixed Rate & Series 1999B Variable Rate Bonds, 2) fund the costs of various campus renovations, 3) fund a debt service reserve fund and 4) pay for certain costs of issuance relating to the Series 2007 Bonds. The proposed Series 2007 Bonds will be structured as 100% Fixed Rate creating cash flow savings (present value savings) and mitigating any future interest rate risk. Given the flat yield curve environment, Central Baptist has decided to extend the final maturity to 2037 from the existing final maturity in 2032.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest earned on the Bonds paid to bondholders and thereby reducing the borrower's interest expense. 501(c)(3) bond issues do not require Volume Cap.

VOTING RECORD

The IFA gave its approval for a Preliminary Bond Resolution on March 22, 2007 by the following vote:

Ayes – 10 Nays – 0 Absent – 4 Vacancies – 1 Absentations – 0

ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA bonds	\$24,500,000	Uses:	Refunding Escrow	\$22,940,000
	Trustee Held Funds	1,885,000		Debt Service Reserve Fund	1,495,000
	Equity Contribution*	<u>200,000</u>		Renovation Fund	1,500,000
				Issuance Costs*	<u>650,000*</u>
	Total	<u>\$26,585,000</u>		Total	<u>\$26,585,000</u>

*The borrower will make an equity contribution for all costs of issuance in excess of the 2% Federal tax law limit.

JOBS

Current employment: 168 FTEs	Projected new jobs: N/A
Jobs retained: 168 FTEs	Construction jobs: N/A

BUSINESS SUMMARY

Background: Central Baptist Village (“CBV”) is an Illinois 501(c)(3) Senior Living organization established in 1896. CBV operates a nursing facility located on a 10 acre site in Norridge, Illinois which is licensed annually by the Illinois Department of Public Health (IDPH) to operate 154 beds (124 licensed for skilled nursing care and 30 licensed for sheltered care). CBV also maintains an independent living building which has a capacity of 99 residents.

Service Area: The facilities are located in Norridge, Illinois, approximately 12 miles northwest of downtown Chicago. Some of the neighboring communities include Park Ridge, Des Plaines, Niles, Norwood Park, Schiller Park, Rosemont and Harwood Heights.

Outstanding Tax-Exempt Bonds: CBV currently only has the Series 1999A&B Bonds tax-exempt bonds outstanding. The following chart is provided for further detail of the Series 1999A&B Bonds which are outstanding. Please note that the Series 2007 Bonds will refund all existing tax-exempt debt.

	Maturity	Coupon	Par Amount
Series 1999A Fixed Rate Bonds			
Serial Bond	11/15/2007	5.900%	\$175,000
Serial Bond	11/15/2008	6.000%	\$180,000
Serial Bond	11/15/2009	6.100%	\$190,000
First Term Bond	11/15/2026	6.750%	5,855,000
Final Term Bond	11/15/2029	7.125%	3,000,000
Series 1999B Bonds			
Variable Rate Demand Bonds (1)	11/15/2029	Variable	12,310,000
		Total	\$21,710,000

(1) The Series 1999B Bonds reset weekly. 2/21/07 reset of 3.65%. Max Rate of 15%.

PROJECT SUMMARY

The proceeds of the proposed bond deal will be used to 1) refund all of the Series 1999A&B Bonds, 2) fund the costs of various campus renovations, 3) fund a debt service reserve fund and 4) pay for certain costs of issuance relating to the Series 2007 Bonds.

FINANCING SUMMARY

Security/Collateral: Gross revenue pledge, mortgage and master notes under a master indenture. Covenants and other legal provisions are expected to be consistent with those in use for similar financings.

Structure: The Series 2007 Tax-Exempt Bonds are 100% Fixed Rate assumed to amortize from 2007 to 2037 and are expected to be structured with serial bonds amortizing from 2007 – 2017 and term bonds maturing in 2027 and 2037.

Maturity: It is assumed that the maturity of the bonds will be extended from the original maturity in 2029 to a final maturity in 2037.

Credit Rating(s): The Series 2007 Bonds will not be rated and will not be credit-enhanced.

Waiver: The bonds will be sold in denominations less than \$100,000 (i.e. \$1,000, \$5,000). The Borrower has requested a waiver of our unrated and non-credit enhanced debt policy. They have met the conditions for a waiver for the \$26,000,000 refunding and have asked

for an exception to a waiver for \$1,500,000 of new money, which credit review has approved.

Conditions for Waiver:

- The bonds are being issued to refund bonds of the Authority, or a predecessor Authority, and will result in cost savings; and
- The Borrower is not currently in default on any bonds and has not missed a payment date relative to any such bonds in the immediately preceding three year

ECONOMIC DISCLOSURE STATEMENT

Applicant: Central Baptist Village, 4750 North Orange Avenue, Norridge, Illinois 60656
Organization: 501(c)(3) Not-for-Profit Corporation
State: Illinois
Board of Trustees: Lee Heinrich- President
John M. Smith- Vice President
Lionel Barnes- Treasurer
Noel N. Lee- Secretary
Gene Hockett
Judy Marzinke
Paul Odlyzko
Paul Oskarson
Herbert J. Schoene
Rev. Eldon Schroeder
Rev. Fred Folkerts
Connie M. Leeper
Lynn R. Conrad
Columbus Bryant
Harry McIntyre
H. Ray Ege
Judith Dunne Bernardi
Raymond McGovern

PROFESSIONAL & FINANCIAL

Bond Counsel:	Jones Day	Chicago	John Bibby
Underwriter:	Ziegler Capital Markets Group	Chicago	Steven Johnson
			Dan Hermann
			Bill Claus
Underwriter's Counsel:	Sonnenschein Nath & Rosenthal LLP	Chicago	Steven Kite
Bond Trustee:	Amalgamated Bank of Chicago	Chicago	Remonia Jamison
Accountant:	Frost, Ruttenberg and Rothblatt, P.C.		Deerfield
Issuer's Counsel:	Chapman & Cutler	Chicago	Chuck Jarik
IFA Advisor:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 9- Janice D. Schakowsky
State Senate: 10- James A. DeLeo
State House: 20- Michael P. McAuliffe

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007**

Project: Palos Community Hospital

STATISTICS

Project Number: H-HO-TE-CD-7061	Amount: \$200,000,000 (Not to exceed amount)
Type: 501(c)(3) Bonds	IFA Staff: Pam Lenane and Dana Sodikoff
Locations: Palos Heights, Orland Park, Lemont, Oak Lawn	

BOARD ACTION

Final Bond Resolution	No extraordinary conditions
Conduit 501(c)(3) Bonds	Staff recommends approval
No IFA funds at risk	

PURPOSE

Bond proceeds will be used to: (i) current refund the Hospital's Series 1994 and Series 1998 Bonds outstanding in the principal amount of \$96,500,000, (ii) construct a power plant and multi-level parking facility, (iii) fund future capital expenditures at the hospital, (iv) pay for interest during the construction period and (v) pay for costs of issuance.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest earned on the Bonds paid to bondholders and thereby reducing the borrower's interest expense. 501(c)(3) bond issues do not require Volume Cap.

VOTING RECORD

Preliminary Bond Resolution, April 10, 2007:

Ayes: 8	Nays: 0	Abstentions: 0	Absent: 6	Vacancies: 1
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ESTIMATED SOURCES AND USES OF FUNDS

Series 2007A			
Sources:		Uses:	
Bond Par:	\$57,450,000	Refunding of Prior Bonds	\$41,500,000
		Routine CapEx	\$15,000,000
		Cost of Issuance /	
		Underwriter's Discount	\$430,875
		Bond Insurance	\$494,825
		Contingency	\$24,300
Sub-Total:	\$57,450,000	Sub-Total:	\$57,450,000
Series 2007B			
Sources:		Uses:	
Bond Par:	\$123,040,000	Power Plant /	
Issue Premium:	\$8,522,842	Parking Facility	\$ 68,678,873
		Refunding of Prior Bonds	\$55,000,000
		Capitalized Interest	\$5,070,831
		Cost of Issuance /	
		Underwriter's Discount	\$1,230,400
		Bond Insurance	\$1,581,030
		Contingency	\$1,708
Sub-Total	\$131,562,842	Sub-Total	\$131,562,842
Total Sources:	\$189,012,842	Total Uses:	\$189,012,842

JOBS

Current employment:	3,000 FTEs	Projected new jobs:	N/A
Jobs retained:	3,000 FTEs	Construction jobs:	225

BUSINESS SUMMARY

Background/Description: The St. George Corporation (the Corporation) is an Illinois not-for-profit corporation created in the year 2000 which serves as the parent corporation and sole corporate member of two not-for-profit corporations, Palos Community Hospital (PCH), and acute care hospital located in Palos Heights, Illinois with outpatient satellite facilities in the surrounding community, and St. George Wellness Center (SGWC) which operates the Palos Health and Fitness Center (the Center) located in Orland Park, Illinois. It is the vision of the Corporation to be the leading community based health care organization providing quality inpatient, outpatient and preventive services while supporting people in achieving optimum health in response to the needs of the southwest suburban community.

The primary operating entity of the Corporation is PCH. Opened in 1972 with 265 beds, PCH has grown to its current licensed bed capacity of 436, of which 369 are in operation, by responding to population growth and service demands with major building additions and modernizations in 1975, 1978, 1992, 1995 and 2006. In addition to accommodating inpatient demand, these facility expansions have provided for the growth of outpatient, emergency and ancillary departments in response to volume demands, technology, and service developments including single room maternity care, interventional cardiology and open heart surgery. PCH also operates three satellite facilities; the Primary Care Center in Orland Park, the Family Health Center in Homer township and the Palos Immediate Care Center in Palos Heights. These facilities provide access to non-urgent outpatient treatment and diagnostic services. PCH provides home based services through Palos Community Hospital Home Health Care, Hospice and Private Duty with offices in Lemont, Illinois. PCH is also a partner with St. Francis and Little Company of Mary Hospitals in the Southwest Hospital MRI Center located in Oak Lawn, Illinois. It is the Mission of PCH that all of its services – preventive, curative or palliative—shall be delivered with quality of the highest caliber and that PCH shall be committed to continually responding to the health care needs of the community with services that are readily available in a form that enhances their efficient use by physicians and patients.

Along with traditional health services, PCH makes its resources available to support many community health initiatives and programs responsive to the needs of the community. Examples of community services provided by PCH include: Asthma Education Program, Chemical Dependency services, Diabetes Fair & Diabetes Self-Management Program, Home Delivered Meals, *Lifeline* (crisis line), Osteoporosis Program, Parent-Child Health Education, Physician Referral Service, Psychiatric Services (inpatient & outpatient), Speakers Bureau, and a number of different Support Groups.

In addition, PCH provides annual health screenings for skin, prostate & colorectal cancer. PCH regularly offers programs on smoking cessation, depression/emotional health, prenatal care/childbirth preparation, caregiving, heart disease, and diabetes. Through its numerous outreach activities, PCH is recognized as the area leader in community education services. PCH also participates in and sponsors a variety of annual community events including a 5K run (benefits Y-ME), Women's Day, Heart Month & a Heart Walk (benefits American Heart Association). Its Speakers Bureau & Health Fair participation reaches thousands in community. PCH's home delivered meals program provides over 30,000 home delivered meals annually to home-bound seniors in our community. PCH's Senior Resource department provides assistance to seniors with Medicare and hospital paperwork. In addition, a variety of community publications including Perspective magazine and Community Calendar are mailed to residents – reaching over 150,000 homes.

Service Area: Primary service area includes: Palos Heights, Palos Hills, Palos Park, Midlothian, Oak Forest, Orland Park, and Tinley Park.

Existing Bonds: Outstanding IHFA Bonds: Series 1985B (\$15 million)*
Outstanding IDFA Bonds: Series 1994 (\$76.5 million) and Series 1998 (\$20 million)**

* Outstanding Series 1985B bonds are intended to be cash defeased at closing.

** Outstanding Series 1994 and Series 1998 bonds will be refunded with the Series 2007 financing. The current bonds are being refunded to complement the investment structure that is on par with the hospital's current and future financial strategy. This refunding also eliminates bank renewal risk, bank pricing risk, and credit spread risk associated with the original VRDNs.

PROJECT SUMMARY

The proceeds of the proposed bond deal will be used to current refund the Hospital's Series 1994 and Series 1998 Bonds outstanding in the principal amount of \$96,500,000, construct a power plant and multi-level parking facility, fund future capital expenditures at the hospital, pay for interest during the construction period and pay for costs of issuance.

FINANCING SUMMARY

Security/Collateral: All Series 2007 Bonds will be insured by MBIA, an accredited 'AAA' rated bond insurance provider. Also, the Series 2007 bonds will have a negative pledge, which is a covenant in the bond agreement whereby the borrower agrees not to pledge any assets if such pledging would result in less security for the agreement's bondholders.

Structure: The Series 2007 bonds will be a combination of fixed and variable rate bonds in several series. Series 2007A bonds will be Auction Rate and Series 2007B will be Fixed Rate Bonds. Bond insurance will be purchased for all of the bonds.

Maturity: Not to exceed 40 years / 2047

Credit Rating(s): All bonds will be secured by MBIA, an accredited 'AAA' rated bond insurance. The Obligated Group consisting of Palos Community Hospital and the St. George Corporation is currently rated AA and Aa3 by S&P and Moody's, respectively. Palos Community Hospital will be refunding all of the existing debt and will not be applying for an underlying rating.

ECONOMIC DISCLOSURE STATEMENT

Project name: Palos Community Hospital
Locations: Palos Heights, Orland Park, Lemont, Homer Township
Applicant: Palos Community Hospital
Organization: 501(c)(3) Not-for-Profit Corporation
State: Illinois
Board of Trustees:

**St. George Corporation
Board of Directors**
Dr. Terrence Moisan
Thomas Courtney
Sister Margaret Wright
Joseph Neverauskas
Edward Mulcahy, CPA
Sister Anna Doyle
George Gallagher
Bishop John Gorman
Robert Boucek
Richard Nogal, J.D.
Dr. Jerome Murphy

**Palos Community Hospital
Board of Directors**
Dr. Terrence Moisan
Lynn Egan
Sister Margaret Wright
Richard Nogal, J.D.
Carole Ruzich
Robert Boucek
Sister Anna Doyle
Thomas Barcelona
Joseph Neverauskas
Thomas Courtney
John Barry
Christie Server
Philip Salvador, CPA
Margaret Lustig

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Ungaretti & Harris LLP	Chicago	Tom Fahey Julie Seymour
Bond Counsel:	Jones Day	Chicago	Mike Mitchell
Underwriter:	Goldman, Sachs & Co.	Chicago	Jay Sterns
Underwriter's Counsel:	Katten Muchin Rosenman LLP	Chicago	Renee Friedman
Bond Trustee:	TBD	Chicago	
Accountant:	Deloitte & Touche LLP	Chicago	Michelle Agrest
Issuer's Counsel:	Burke Burns & Pinelli	Chicago	Mary Ann Murray
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	13 th	Judy Biggert
	3 rd	Daniel William Lipinski
State Senate:	14 th	Emil Jones, Jr.
	18 th	Edward D. Mahoney
	41 st	Christine Radogno
State House:	27 th	Monique D. Davis
	35 th	Kevin Joyce
	81 st	Renee Kosel
	82 nd	Jim Durkin

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007**

Project: Elgin Academy

STATISTICS

Number:	N-PS-TE-CD-7111	Amount:	\$11,500,000
Type:	501(c)(3) Bonds	IFA Staff:	Townsend S. Albright
Locations:	Elgin	SIC Code:	8211

BOARD ACTION

Preliminary Bond Resolution	No Extraordinary conditions
Conduit	Staff recommends approval
No IFA funds at risk	

PURPOSE

Proceeds will be used to (i) finance the construction of a Media Center on the Applicant's campus, (ii) capitalize interest, and (iii) fund professional and bond issuance costs.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax exempt status on interest paid to bondholders thereby reducing the borrower's interest rate.

VOTING RECORD

Preliminary Bond Resolution; no prior vote.

SOURCES AND USES OF FUNDS

Source:		Uses:	
IFA Bonds	<u>\$11,500,000</u>	Project Costs	\$10,200,000
		Capitalized interest	\$1,000,000
		Legal and professional costs	<u>300,000</u>
Total	<u>\$11,500,000</u>	Total	<u>\$11,500,000</u>

JOBS

Current employment:	73	Projected new jobs:	5
Jobs retained:	N/A	Construction jobs:	50 (15 months)

BUSINESS SUMMARY

Background: Elgin Academy (the “Applicant”, the “Academy”) is a coeducational college preparatory school located in Elgin, Illinois. The Academy is an Illinois 501(c)(3) corporation as designated by the Internal Revenue Code. Chartered in 1839, The Academy is the oldest coeducational non-sectarian college preparatory school west of the Allegheny Mountains. It has been, from its founding, an independent school dedicated to a classical curriculum, the development of high moral character, and a true spirit of community.

The Academy recently began its “Building the Future” fundraising campaign. It plans to undertake a campus improvement plan that includes construction of the proposed Media Center, and the upgrade and renovation of campus facilities.

In 2006, the Academy entered into an agreement with Summit School Inc. to take over the operations of Summit Academy, an Elgin private school which offers preschool through eighth grade curricula. Combined enrollment for both institutions is currently 610 students. With the consolidation to one campus in the 2007-2008 academic year, the Academy expects to realize substantial cost and efficiency benefits from the consolidation. The Academy’s students are drawn from diverse geographical and socioeconomic backgrounds. The school draws from more than 30 communities located in the Fox Valley area including Elgin, Barrington, St. Charles, Dundee, and Algonquin. The Academy provides tuition assistance for needy students. Elgin Academy is accredited by the Independent Schools Association of the Central States, and recognized by the State of Illinois.

The Academy is the Sponsor of the Cupola Foundation, a not for profit corporation formed to rehabilitate, hold, and operate an apartment complex in Rockford. The project consists of 268 units and is subject to HUD regulation and the Low Income Housing Preservation and Resident Ownership Act of 1990. A list of Academy Directors is included for IFA Board review.

Project

Description: Elgin Academy intends to use the net proceeds of the proposed financing to provide funds for the construction and equipping of an approximately 40,500 sq. ft. The Center is designed as a LEEDS-certified structure under the criteria of the U.S. Green Building Council. It will house the Academy’s Fine Arts department and the Black Box Theater, which serves student activities and will be available for community arts and theater groups to rent space. The facility will become a campus hub which houses the Academy’s print and electronic collections, and will be fully integrated into the campus computer and technology resources. The facility will have state of the art math and science labs for use by Middle and Upper School students.

Remarks: Using tax-exempt financing will permit the Academy to obtain the lowest cost of capital for financing the project. This will permit the Academy to better conserve its financial resources so as to support its non-profit mission.

FINANCING SUMMARY

Security: Direct Pay Letter of Credit from a rated bank to be determined.
Structure: Weekly multi-mode floating rate bonds
Collateral: Pledge of operating earnings, investment earnings, capitalized interest, and donations.
Maturity: 30 years

PROJECT SUMMARY

Elgin Academy intends to use the net proceeds of the Authority loan to provide funds for the (i) constructing and equipping of an approximately 40,500 sq. ft. Media Center on its campus located at 350 Park Street, Elgin, Kane County, Illinois, (iii) capitalize interest, and (iii) fund professional and bond issuance costs

Project Costs	
New Construction and Equipment	<u>\$10,200,000</u>
Total	<u>\$10,200,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant: Elgin Academy
 Project names: Media Center Project
 Locations: 350 Park Street, Elgin, Kane County, Illinois 60120
 Contact Person: Gerald O'Keefe, Director of Finance and Operations, 847-695-0300
 Organization: 501(c)(3) Corporation
 State: Illinois

Board of Trustees:

OFFICERS

Antonis Theodorou, Chair

Steven Flexman, Vice Chair
 Harold D. Rider, Treasurer
 Edward Williams, Secretary

MEMBERS

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 Erika Digman-Siddiqui
 John Gialluisi
 Janet Hughes
 George Karas
 Fred Masnato
 Alexandra Voutiritsas Noon '91

Robin Pearson
 Keith Rauschenberger
 Phillip Rudolph
 Bill Skok
 Becky Vento
 John Weck

EX OFFICIO

John Cooper
 Claire Suevel

Margie Ward
 John Ludwig '63

PROFESSIONAL & FINANCIAL

Counsel:	TBD		
Accountant:	Resnick Group, P.C.	Skokie, IL	
Bond Counsel:	TBD		
Underwriter:	William Blair & Company	Chicago	Thomas E. Lanctot
Placement Agent:			
Underwriter's Counsel:	TBD		
LOC Bank Counsel:			
Issuer's Counsel:	Mayer Brown Rowe & Maw	Chicago	David Narefsky
Trustee:	TBD		
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 14th

State Senate: 92nd

State House: 43rd

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007**

Project: Sindesmos Hellenikes-Kinotitos of Chicago (also known as Holy Trinity Hellenic Orthodox Church)

STATISTICS

Project Number: E-PC-TE-CD-7022	Amount: \$12,400,000 (not-to-exceed amount)
Type: 501(c)(3) Revenue Bonds	IFA Staff: Rich Frampton
Location: Deerfield	

BOARD ACTION

Final Bond Resolution
Conduit Tax-Exempt and Taxable 501(c)(3) Revenue Bonds
No IFA funds at risk
Staff recommends approval
No extraordinary conditions

PURPOSE

The proposed project will enable the Academy to refinance existing conventional taxable debt that financed the acquisition of the Academy's facility at 1085 Lake Cook Road in Deerfield, and to expand the existing facilities through construction of a gymnasium, a youth center, and additional classroom space. Additionally, bond proceeds may be used to pay capitalized interest and costs of issuance.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bond that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax exempt status on interest paid to bondholders thereby reducing the borrower's interest rate.

VOTING RECORD

Preliminary Bond Resolution, April 10, 2007:

Ayes: 8 Nays: 0 Abstentions: 0

Absent: 6 (Goetz, Herrin, Leonard, O'Brien, Rivera, Valenti) Vacancies: 1

PRELIMINARY ESTIMATED SOURCES AND USES OF FUNDS

Sources: IFA Series 2007 Bonds	\$12,200,000	Uses: Project Cost	\$12,304,000
Equity	<u>188,000</u>	Issuance Costs	<u>84,000</u>
Total	<u>\$12,388,000</u>	Total	<u>\$12,388,000</u>

The proposed Bonds will be secured by additional pledged real estate (with no existing mortgage) that will enable financing for close to 100% of project cost.

JOBS

Current employment:	12	Projected new jobs:	7
Jobs retained:	N/A	Construction jobs:	30 average (24 months for both phases)

BUSINESS SUMMARY

Background: **Sindesmos Hellenikes-Kinotitos of Chicago**, also known as **Holy Trinity Hellenic Orthodox Church** (“**Holy Trinity**” or, also, “**Holy Trinity Greek Orthodox Church**”), was established in 1897 and is incorporated as a not-for-profit religious corporation under Illinois law. Holy Trinity was the first Greek Orthodox Parish in the Midwest and the second in the United States. Holy Trinity’s operations are subject to oversight by (1) the **Hellenic Orthodox Parish Metropolis of Chicago (the “Chicago Metropolis”)**, an entity with 501(c)(3) status under the Internal Revenue Code, and which is in turn, subject to the by-laws of (2) the **Greek Orthodox Archdiocese of America (the “Archdiocese”)**, an entity that also has 501(c)(3) status under the Internal Revenue Code. Holy Trinity will the Chicago Metropolis’ 501(c)(3) status as the vehicle to convey 501(c)(3) ownership and status to the Project.

Holy Trinity is the Founding Institution [acting through its Parish Council (see list of Parish Council Members on p. 6) and through its affiliation with the Chicago Metropolis] of the **Hellenic American Academy Foundation (the “Academy”)**. The Academy was incorporated as a not-for-profit corporation under Illinois law in October 2005 (see list of Board of Trustees on pp. 6-7). The Academy also applied to the IRS for its own, stand-alone, 501(c)(3) status in 2006.

Because of unforeseen delays, the Academy still has yet to receive its own stand-alone 501(c)(3) Letter of Determination from the IRS, Holy Trinity has decided to continue to own the subject property and to also serve as the initial borrower on the subject financing.

Holy Trinity contemplates conveying the subject property to the Academy following the Academy’s receipt of an appropriate 501(c)(3) Determination Letter from the IRS. This is consistent with Holy Trinity’s objective of establishing the Academy as an independent, self-funding educational organization.

It is the objective of both Holy Trinity’s Parish Council and the Board of Trustees of the Hellenic American Academy Foundation for the Academy to ultimately emerge as a legally and fiscally independent entity. In the meantime, Holy Trinity will fully support this transaction as required by MB Financial Bank, the proposed secured lender/bond purchaser/investor of the proposed Bonds.

The Academy itself was formed as the result of a merger between the Socrates Greek-American School (“Socrates School”) of Chicago and the St. George’s School of Northfield, which were merged to form the Hellenic American Academy in 2006.

The Academy is managed by an 86-member Board of Trustees (see pp. 6-7). The Chairman of the Board is Mr. Dimitrios Logothetis of Ernst & Young LLP. Day-to-day operations are managed by Mr. Demetrios Kotsakis, who has served as Executive Director since the Academy’s formation in 2005.

Description: Hellenic American Academy Foundation is a newly formed entity incorporated in 2005 that merged together the Socrates School (Holy Trinity Greek Orthodox’ Daytime (K-8) and Greek Evening/Weekend School) with St. George Greek Orthodox Church’s Northfield Branch School (Pre-School). With the formation of the Academy, the mission has evolved from providing part-time, extra-curricular education to a stand-alone, comprehensive day school, with the support of Holy Trinity.

Although a newly-formed entity, the Academy’s predecessors and founders have approximately 100 years of operating history. The Socrates School was originally established in 1908 in Chicago and was the first Greek language school in the United States. The School has relocated several times since its inception. Prior to its 2006 relocation to Deerfield, the School was located at 5701 N. Redwood Drive, adjacent to Holy Trinity Church (6041 W. Diversey), where it had been located since 1976. With the migration of many target students to the suburbs, Holy Trinity

decided to relocate the Socrates School to Deerfield. Although Holy Trinity relocated Socrates School, Holy Trinity Church remains at 6041 W. Diversey in Chicago. Simultaneously, St. George Greek Orthodox Church made a decision to merge its Northfield Branch School with the Socrates School to form the Academy. St. George's had operated a Northfield pre-school for the previous 13 years.

By merging the pre-school with the K-8 Socrates School, the Academy can now provide comprehensive pre-school, grade school education to its students. Although the Academy's focus is on general education (language arts and math), the Academy also provides the teaching of Greek mythology, history, geography, and culture.

The Academy was formed to integrate existing fulltime pre-school and K-8 (day school) at a single facility. The Academy also provides part-time K-12 programs (evenings and weekends) and adult education in Greek language, history, and culture on evenings and weekends.

The Academy had 89 full-time and 360 part-time students enrolled as of 3/21/2007.

The Academy's facility presently includes 11 classrooms, a science laboratory, a computer laboratory, and library. Additionally, the proposed project will finance construction of an addition to existing service bays that will be expanded and reconfigured to provide an auditorium.

The proposed project will enable the Academy to refinance conventional taxable debt incurred to purchase the Academy's facility at 1085 Lake Cook Road in Deerfield, and to construct a gymnasium, a youth center, and provide additional classroom space.

The proposed project will enable the Academy to increase its full-time enrollment to 243, from 89 currently.

FINANCING SUMMARY

Bondholder

Security: The Bonds will be structured a Direct Purchase as a direct portfolio investment by MB Financial Bank (as "Secured Lender/Bond Purchaser/Investor") to be held in its entirety (i.e., a single bond) by the Bank until maturity (or until refinanced by another bank, at which time the subject bonds must be refunded and reissued by IFA). Resale of these Bonds will be prohibited in the secondary market, as customary for lender-purchased bonds.

Bank Collateral: MB Financial Bank will secured by a first mortgage on the subject property located at 1085 Lake Cook Rd. in Deerfield. Holy Trinity, as the Initial Obligor, will also pledge a first mortgage on certain real estate owned by Holy Trinity Greek Orthodox (i.e., the former Socrates School facility) located at 5701 N. Redwood Drive in Chicago as additional collateral to secure the proposed bonds. The Financial Summary section of this report describes MB Financial Bank's proposed collateral further (confidential).

Additionally, it is anticipated that after the Academy receives its 501(c)(3) Letter of Determination, the underlying documents will be amended (pursuant to IFA consent) enabling the Academy to become the obligor on the subject bonds and owner of the Project. Upon executing this contemplated conveyance of the Project, Holy Trinity Greek Orthodox would then provide a corporate guarantee on the Academy's debt, as required by MB Financial Bank, as Secured Lender/Bond Purchaser/Investor. As presently contemplated by MB Financial Bank, Holy Trinity's corporate guarantee would be subject to extinguishment provisions based on the Academy attaining certain debt service coverage and balance sheet benchmarks (as consistent with the intent for the Academy to emerge as an independently governed, financially independent, entity over time).

Final Maturity
Date: 6/1/2037 anticipated (30 years)

Interest Rates: MB Financial Bank will purchase the subject Bonds priced fixed for an initial 10-year period indexed to a spread set based on 90-day LIBOR.

PROJECT SUMMARY (FOR IFA FINAL BOND RESOLUTION)

Bond proceeds will be used by Sindesmos Hellenikes-Kinotitos of Chicago (also known as Holy Trinity Greek Orthodox Church) to finance, refinance, or reimburse all or a portion of the costs of (i) the acquisition and renovation (including, but not limited to replacement of the building's existing HVAC system and partial roof replacement), equipping therein, and conversion of an existing, approximately 20,471 SF building located on an approximately 5.0 acre site into a school/educational facility for use by the Hellenic American Academy (the "Academy") located at 1085 Lake Cook Rd., Deerfield (Lake County), IL 60015-5221 (the "Property"), (2) construction of a new, approximately 40,000 SF addition (to be undertaken in one or more phases), comprised of a gymnasium, student center/auditorium, classroom space, a kitchen, and other uses consistent with the Academy's educational mission thereon, (iii) to pay capitalized interest, (iv) to refinance certain taxable indebtedness incurred by the Academy in connection with the initial acquisition and its renovations to the Property, and (v) to pay certain costs of issuance (collectively, the "Project").

A summary of project costs follows:

Building Acquisition:	\$3,100,000
Completed Renovations:	1,800,000
New Gymnasium, Classroom Expansion, Kitchen, HVAC Improvements, Partial Roof Replacement, and Equipping:	7,300,000
Capitalized Interest and Contingency:	
Construction Soft Costs:	<u>104,000</u>
Total:	\$12,304,000

ECONOMIC DISCLOSURE STATEMENT

Borrower: Holy Trinity Greek Orthodox [Sindesmos Hellenikes-Kinotitos of Chicago and its affiliates, successors, and assigns] (c/o Mr. Dimitrios G. Logothetis, President – Parish Council, 6041 W. Diversey Ave., Chicago (Cook County), IL 60639; (T) 773-622-5979; (F) 773-622-8833)

Tenant: Hellenic American Academy Foundation, (c/o Mr. Demetrios Kotsakis, Executive Director, Hellenic American Academy, 1085 Lake Cook Rd., Deerfield (Lake County), IL 60015-5221; (T) 847-317-9650)
Web Site: www.hellenicamericanacademy.org

Project name: Hellenic American Academy Series 2007 Bonds

Location: 1085 Lake Cook Road, Deerfield (Lake County), IL 60015-5221

Organization:

- **Initial Obligor and Founding Member of Borrower:**
Sindesmos Hellenikes-Kinotitos of Chicago (Holy Trinity Greek Orthodox)
an Illinois 501(c)(3) Corporation (see note below)
- **Affiliate of Borrower:**
Hellenic American Academy Foundation
Illinois not-for-profit corporation (application for 501(c)(3) Letter of Determination submitted 9/2006)

Note: Holy Trinity Greek Orthodox is affiliated (and ultimately subject to oversight) by both the (1) **Hellenic Orthodox Parish Metropolis of Chicago (the "Chicago Metropolis")**, an entity with 501(c)(3) status under the Internal Revenue Code, and (2) the **Greek Orthodox Archdiocese**

of America (the "Archdiocese"), also an entity with 501(c)(3) status under the Internal Revenue Code.

Trustees/
Directors:

See p. 6 for List of Parish Council Members for Holy Trinity Greek Orthodox Church.
See pp. 6-7 for List of Board of Trustees for the Hellenic American Academy.

Current
Property

Owners:

Holy Trinity Greek Orthodox already owns the subject property located at 1085 Lake Cook Road in Deerfield.

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Gus Kaloudis	Chicago, IL	Gus Kaloudis
Auditor:	To be determined (and subject to approval of MB Financial Bank)		
Bond Counsel:	Greenberg Traurig, LLP	Chicago, IL	Matt Lewin
Bond Purchaser:	MB Financial Bank	Rosemont, IL	John Sassaris, John Hall
Bank Counsel	Burke Burns & Pinelli, Ltd.	Chicago, IL	Mary Ann Murray
Trustee:	Not applicable. The subject bond will be held in its entirety by MB Financial Bank as an investment until maturity or refunded.		
Architect:	Axios Consultants & Design	Chicago, IL	Elias Papageorge
General Contractor:	Subject to bid by Holy Trinity		
IFA Counsel:	Bell Boyd & Lloyd LLP	Chicago, IL	Pawel Chudzicki
IFA Financial			
Advisors:	D.A. Davidson & Co.	Chicago, IL	Bill Morris
	Scott Balice Strategies, Inc.	Chicago, IL	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	10	Mark Steven Kirk
State Senate:	29	Susan Garrett
State House:	58	Karen May

Holy Trinity Hellenic Orthodox Parish Council Members

Konstantinos Alexakos	Demitrios Logothetis
Stanley Andreakis	Dimitrios Papanikos
James Anton	Nicholas Pishos
Dr. Steve Ballis	Spiros Pissios
Michael Beladakis	Georgia Plevritis
Dimitrios Demos	Kyriakos Pontikes
Demetra Diakopoulos	George Rodinos
Dimitri Galetsis	Antonios Samiotakis
Steve Giannos	George Svarnias
John Giourdas	George Tsakanikas
Vasilios Karahalios	Sotirios Vergakis
Dr. Spiro Karras	Steve Vrettos
Dr. John Kiriklakis	

Hellenic American Academy Foundation, Board of Trustees: 2006 – 2007

**Demetrios G. Logothetis, Ernst & Young LLP,
Chairman of the Board**

Helen Alexander
Endowment Committee Chair

Dr. Olga Peplos-Analitis

Stanley Andreakis
Membership Committee Chair

Spiros Agnelos
Golf Event Chair

Dr. Tom Adams

Jim Anton

John Apostolou

Andrew A. Athens

Jim Argyropoulos

Dr. Michael J. Bakalis

Dr. Steve Ballis
N.S.G.F. Fest Committee Chair

Trifon Beladakis

George Berbas
Dr. Constantine Bokis

Dr. George K. Bovis

Mike Beladakis
Organizations Committee Chair

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Dr. Jenna Constantine

Dr. Angelos Costas

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Maria Davlantes

Demetrios Demos

Spero Droulias Asst. Treasurer

Dr. Michael Fortsas

Jerry Gianakakos

Aris Halikias

Dr. Elias G. Gikas

John Giourdas Secretary and Raffle Comm. Chair
Christina Hiotis
Phil. Committee Chair

Gus G. Kaloudis Legal Advisor

Legal Committee Chair

Markella Kaloudis
Database Committee Chair

Father George K. Kaloudis
Alumni Committee Chair

Vailios G. Kaloudis

Frank Kamberos

Violetta Kapsalis
Heritage Committee Chair

Vasilios Karahalios

Spyros Karahalios

Mike Karamouzis
Investment Committee Chair

Thanos Karras

Dr. Spiros Karras Co-Chairman
School Board Committee Chair

Dr. Constantine Kiamos
Education Committee Chair

Frank Klopas
Sports Program Committee Chair

Dr. Louis Karras

George Katsoudas

Dr. John Kiriklakis

Demetrios Kotsakis Honorary Chairman

Stefanos Kotsakis

Dan Kuesis
Strategic Planning Committee Chair

Paul C. Liliou

Dr. Jim Limperis

Steve Livaditis

Effie Logotheis
Young Adult Committee Chair

Peter G. Logotheis

George Londos

Dimitios Kourkouvis

Diamond Mendonides
Public Relations Committee Chair

Peter Maroutsos Treasurer
Finance Committee Chair

Stacey Parthenis
Marketing Committee Chair

Dr. Peter Petrovas

Dr. Demetrius Petrovas

Spiros Pissios

Nicolas Pishos

Kyriakos Pontikes
Exchange Program Committee Chair

Dr. Thodote Pontikes

Dr. John K. Pontikes

Bruce Robbins

Andonis Samiotakis
Audit Committee Chair

Georgia Plevritis

Dr. John Sarantopoulos

Peter Skirouris

Dr. Sam Speron

Angelos Spyrtos

George Svarnias

Ted Svarnias

Tom Souleles

Dr. Philip Theodoropoulos

George Tsakanikas

Dinos Tsoros

Paul Vadevoulis

Jim Vadevoulis
Buildings/Infr. Committee Chair

John Vavilis

Sotirios Vergakis
Maintenance Committee Chair

Endy Zemednides
Government Committee Chair

John Economou, Culture Committee Chair

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007**

**Project: Planned Parenthood Association (Chicago Area) and Gemini Office
Development LLC**

STATISTICS

Deal Number:	N-NP-TE-CD-7096	Amount:	\$10,000,000 (not-to-exceed amount)
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Sharnell Curtis Martin
Location:	Aurora and Chicago	SIC Code:	8011 (Offices and Clinics of Doctors of Medicine)

BOARD ACTION

Final Bond Resolution	Staff recommends approval
Conduit 501(c)(3) Revenue Bonds	No extraordinary conditions
No IFA funds at risk	

PURPOSE

Bond proceeds will be used to finance the acquisition of land, construction and renovation, acquisition of machinery and equipment, to pay capitalized interest and to pay certain professional and bond issuance costs.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest earned on the Bonds and thereby reduce the borrower's interest expense

VOTING RECORD

This is the first time that this project is being presented to the IFA Board of Directors.

SOURCES AND USES OF FUNDS

Sources:	IFA Bond	\$10,000,000	Uses:	Project Costs	\$9,285,000
	Equity	<u>1,550,000</u>		Refinancing	1,700,000
				Bond Issuance Costs	340,000
				Capitalized Interest	<u>225,000</u>
	Total Sources	<u>\$11,550,000</u>		Total Uses	<u>\$11,550,000</u>

The source of equity for this project is from gifts from two private donors; the Appleton Foundation and the Buffet Foundation.

JOBS

Current employment:	159	Projected new jobs:	47
Jobs retained:	N/A	Construction jobs:	150

BUSINESS SUMMARY

Background: Planned Parenthood Association, Chicago Area (“Planned Parenthood” or the “Applicant”) is an Illinois not-for-profit organization and was incorporated in 1947. The organization’s purpose is to foster strong, healthy families through provision of services, dissemination of research regarding family planning throughout the Chicago metropolitan area.

The Applicant serves the greater Chicago land area and provides family planning and reproductive healthcare services to more than 54,000 individuals annually at ten health centers.

The Applicant is the sole member of the 21st Century Office Development LLC and 21st Century Office Management LLC, a for profit entity formed with the purpose of developing and managing real estate. Furthermore 21st Century is the sole member of Gemini Office Development LLC and Gemini Office Management LLC.

Description: The proposed financing will finance three separate facilities located in Chicago and Aurora. The Aurora location will finance the acquisition of land, construction and equipping of a 22,000 square foot family planning center located at 240 N. Oakhurst Drive in Aurora, Illinois (DuPage County). This facility will be a full service facility and will accommodate an additional 13,000 visits per year.

The project financing will also include the refinancing of two facilities located within the Austin and Roseland communities of Chicago. The Austin facility is located at 5937 W. Chicago Avenue in Chicago, Illinois (Cook County). This facility will house clinical services, community education offices, and meeting space to foster community education outreach and teen education clinic. This center accommodates 8,000 visits per year.

The Roseland facility is located at 11250 S. Halsted in Chicago, Illinois (Cook County). This facility will house a health center and community education offices and teen education clinic. This center accommodates 8,400 visits per year.

FINANCING SUMMARY

Security: The bonds will be secured by a Direct Pay Letter of Credit from Charter One Bank
Structure: 7-day Variable Rate Demand Bonds
Maturity: 25 Years
Bank Collateral: Mortgage on subject real estate and lien on business assets
Credit Rating: The bonds will bear the credit rating of the credit enhancement securing the bonds, Charter One Bank Letter of Credit. Charter One has a credit rating of AA-.

PROJECT SUMMARY

Bond proceeds will be used to finance the purchase of land and buildings construction/renovation and equip facilities located at:

240 N. Oakhurst Drive, Aurora, Illinois (DuPage County)

Bond proceeds will be used to refinance existing debt for Planned Parenthood owned facilities located at:

5937 W. Chicago Avenue, Chicago, Illinois (Cook County)
11250 S. Halsted Avenue, Chicago, Illinois (Cook County)

Bond proceeds will be used to renovate Planned Parenthood owned facilities located at:

6059 South Ashland Avenue, Chicago, Illinois (Cook County)
18 South Michigan Avenue, Chicago, Illinois (Cook County)
1200 North LaSalle Street, Chicago, Illinois (Cook County)
6353 North Broadway, Chicago, Illinois (Cook County)

1152 North Milwaukee, Chicago, Illinois (Cook County)
 1567 North Aurora Road, Naperville, Illinois (Cook County)
 1314 North Roselle Road, Schaumburg, Illinois (Cook County)
 14470 South LaGrange Road, Orland Park, Illinois (Cook County)

Project costs are estimated as follows:

Construction	\$5,400,000
Renovations	1,495,000
Land	1,150,000
Machinery and Equipment	720,000
Building	<u>520,000</u>
Total Project Costs	<u>\$9,285,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant: Planned Parenthood Association Chicago Area and Gemini Office Development LLC
 Project name: Planned Parenthood Association (Chicago Area) Expansion Projects
 Locations: 240 N. Oakhurst Drive in Aurora, Illinois (DuPage County)
 5937 W. Chicago Avenue in Chicago, Illinois (Cook County)
 11250 S. Halsted in Chicago, Illinois (Cook County)
 6059 South Ashland Avenue, Chicago, Illinois (Cook County)
 18 South Michigan Avenue, Chicago, Illinois (Cook County)
 1200 North LaSalle Street, Chicago, Illinois (Cook County)
 6353 North Broadway, Chicago, Illinois (Cook County)
 1152 North Milwaukee, Chicago, Illinois (Cook County)
 1567 North Aurora Road, Naperville, Illinois (Cook County)
 1314 North Roselle Road, Schaumburg, Illinois (Cook County)
 14470 South LaGrange Road, Orland Park, Illinois (Cook County)
 Organization: 501(c)(3) Corporation and Limited Liability Company
 State: Illinois
 Board Members: Susan Nathanson, Chair Leslie Darling, Vice-Chair Wendlyn Mitchell, Vice Chair
 Margo McCoy Reese, Secretary Carole Brite Karen Berkowitz
 Liza Cruzat Brooks Walter Carr Frona Daskal
 Lawrie Dean Randall Doubet-King Mark Erwin
 Larry Faines Arlene Faulk Marilynn Frederiksen
 Jennifer Friedes Audrey Gaynor Joanne Howard
 C. Hadlai (Tex) Hull Daphne Johnson Kathryn Lansing
 Dawn Lehman Stacy Tessler Landau Phyllis Mandler
 Ashima Mehta Elizabeth Cohn Morris Susan Musich
 Grace Allen Newton John Peterson Rabbi Aaron Petuchowski
 Nicole Paster Putzel Kathleen Roach Paul Williams
 Rachel Winpar
 Land Sellers: NY Oakhurst, LLC
 Members: Michael Butler
 Mark Butler

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Sonnenschein Narth & Rosenthal	Chicago	Mary Wilson
Accountant:	Clifton Gunderson	Chicago	John Quinn
Bond Counsel:	Katten Muchin Rosenman	Chicago	Janet Hoffman
LOC Bank:	Charter One	Chicago	Glenn Mazade
Underwriter:	RBC Capital Markets	Chicago	Jim Pass
Underwriter's Counsel:	Chapman and Cutler	Chicago	Nancy Burke

Issuer's Counsel:	Law Offices of Kevin Cahill	Chicago	Kevin Cahill
Trustee:	Amalgamated Bank of Chicago	Chicago	Michelle Martelo
IFA Financial Advisor:	D. A. Davidson	Chicago	Bill Morris
	Scott Balice Strategies	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Chicago Avenue Location

Congressional: 7—Danny Davis
State Senate: 39—Don Harmon
State House: 78—Deborah Graham

Aurora Location

Congressional: 13—Judy Biggert
State Senate: 48—Randy Hultgren
State House: 96—Joe Dunn

Halsted Street Location

Congressional: 2—Jesse Jackson Jr.
State Senate: 14—Emil Jones, Jr.
State House: 28—Rob Rita

Ashland Avenue Location

Congressional: 1—Bobby Rush
State Senate: 3—Mattie Hunter
State House: 6—Esther Golar

Michigan Avenue Location

Congressional: 7—Danny Davis
State Senate: 13—Kwame Raoul
State House: 26—Elga L. Jeffries

LaSalle Street Location

Congressional: 7—Danny K. Davis
State Senate: 6—John J. Cullerton
State House: 12—Sara Feigenholtz

Broadway Street Location

Congressional: 9—Janice D. Schakowky
State Senate: 7—Carol Ronen
State House: 14—Harry Osterman

Milwaukee Avenue Location

Congressional: 4—Luis V. Gutierrez
State Senate: 2—William Delgado
State House: 4—Cynthia Soto

Aurora Road Location

Congressional: 13—Judy Biggert
State Senate: 48—Randall M. Hultgren
State House: 96—Joe Dunn

Roselle Road Location

Congressional: 8—Melissa Bean
State Senate: 22—Michael Noland
State House: 44—Fred Crespo

LaGrange Road Location

Congressional: 13—Judy Biggert
State Senate: 19—M. Maggie Crotty
State House: 37—Kevin A. McCarthy

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007**

Project: SOS Children's Village Illinois, Inc.

STATISTICS

Deal Number:	N-NP-TE-CD-6211	Amount:	\$9,000,000 (not-to-exceed amount)
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Sharnell Curtis Martin
Location:	Chicago and Lockport	SIC Code:	8322 and 8361 (Children's Social Services and Children's Residential Services)

BOARD ACTION

Final Bond Resolution	Staff recommends approval
Conduit Qualified 501(c)(3) Revenue Bonds	No extraordinary conditions
No IFA funds at risk	

PURPOSE

Bond proceeds will be used to finance the acquisition of land, construction and renovation, acquisition of machinery and equipment, professional expenses and to pay certain bond issuance costs

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest earned on the Bonds and thereby reduce the borrower's interest expense

VOTING RECORD

Preliminary Bond Resolution: November 14, 2006

Ayes: 9 Nays: 0 Abstentions: 0
Absent: 6 (Boyles, DeNard, Herrin, Nesbitt, Rice, Rivera)

SOURCES AND USES OF FUNDS

Sources:	IFA Bond	\$8,500,000	Uses:	Project Costs	\$9,230,000
	DCFS Grant	<u>1,000,000</u>		Bond Issuance Costs	<u>270,000</u>
	Total Sources	<u>\$9,500,000</u>		Total Uses	<u>\$9,500,000</u>

JOBS

Current employment:	22	Projected new jobs:	46
Jobs retained:	N/A	Construction jobs:	100

BUSINESS SUMMARY

Background: SOS Children's Village Illinois, Inc. ("SOS" or the "Applicant") is an Illinois not-for-profit corporation established in 1988. The organization's management includes Tim McCormick, Chief Executive Officer and Dina Tsourdinis, Chief Financial Officer.

Description: The organization is a child welfare agency that builds villages for abandoned children and those removed from abusive homes. Part of the agency's mission is also to reunite siblings in a desirable foster parent home that provides care, stability and structure. Program services include: Day Care, Foster Care, Independent Living, and Teen Parenting.

Remarks: The new facility to be located at or near 7557 S. Parnell in Chicago will serve as a community and children learning center that provides Day Care for more than 70 SOS children, Job and Life Skills training. In addition to the construction of the new community center, renovations will be made to SOS's corporate headquarters located at 223 W. Jackson in Chicago as well at SOS's various residential group homes across the City of Chicago.

FINANCING SUMMARY

Security: The Bonds are expected to be secured by a Direct Pay Letter of Credit provided by Charter One Bank.

Structure: 7-day Variable Demand Bonds

Maturity: 25 Years

Bank Collateral: First mortgage on the subject real estate and first lien on furnishings and equipment financed.

Credit Rating: The credit rating for this transaction will reflect that of the Letter of Credit provider, Charter One Bank AA-.

PROJECT SUMMARY

Bond proceeds will be used to finance the acquisition of land and construction of a building located at or near 7557 S. Parnell in Chicago, Illinois (Cook County), finance renovations at 223 W. Jackson Blvd in Chicago, Illinois (Cook County) and other locations to be identified, finance acquisition of furnishings and equipment for use therein and to pay certain bond issuance costs. Project costs are estimated as follows:

Construction/Renovations	\$7,480,000
Machinery and Equipment	1,355,000
Contingency	295,000
Land	<u>100,000</u>
Total Project Costs	<u>\$9,230,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant: SOS Children's Village Illinois, Inc., 223 W. Jackson Boulevard, Chicago, IL 60606

Project name: SOS Children's Villages New Facility

Location: 7557 S. Parnell, Chicago, Illinois (Cook County)
223 W. Jackson Blvd., Chicago, Illinois (Cook County)

Organization: 501(c)(3) Corporation

State: Illinois

Board of Directors:

Terry Athas	Sarah Beardsley Tetzlaff	Linda Celesia
Gregory Coler	Charleye Hawk	David L. Hoffman
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Scott Sillers	Joseph Skender	Ted Weldon
Collins Whitfield	Davie Williams	

Land Sellers: K & H Land Development, LLC

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Gardner Carton and Douglas	Chicago	Lori Holmes
Accountant:	Clifton Gunderson, LLP	Oak Brook, IL	
Bond Counsel:	McGuire Woods	Chicago	Paul Durbin
LOC Bank:	Charter One Bank	Chicago	Lovetta Spencer
Underwriter:	Mesirow Financial, Inc.	Chicago	Bill Carney
Underwriter's Counsel:	McGuire Woods	Chicago	Paul Durbin
Issuer's Counsel:	Chapman and Culter	Chicago	Chuck Jarik
Trustee:	Bank of New York	Chicago	Diane Swanson
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

McGuire Woods has received a waiver from the Authority's General Counsel to serve in the dual role of Bond and Underwriter's counsel for this transaction.

LEGISLATIVE DISTRICTS

Chicago

Congressional: 1 – Bobby L. Rush
State Senate: 16 – Jacqueline Collins
State House: 31 – Mary Flowers

Lockport

Congressional: 13 – Judy Biggert
State Senate: 43 – Arthur Wilhelmi
State House: 85 – Brent Hassert

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007**

Project: UNO Charter School Network

STATISTICS

Deal Number:	N-NP-TE-CD-7072	Amount:	\$13,000,000 (not-to-exceed amount)
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Sharnell Curtis Martin
Location:	Chicago	SIC Code:	8211

BOARD ACTION

Final Bond Resolution	Staff recommends approval
Conduit Qualified 501(c)(3) Revenue Bonds	No extraordinary conditions
No IFA funds at risk	

PURPOSE

Bond proceeds will be used to finance construction and renovation, refinancing existing debt, fund a debt service reserve and to pay certain bond issuance costs.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest earned on the Bonds and thereby reduce the borrower's interest expense

UNO participates in the Illinois Charter Capital Program (ICCP) sponsored by the Illinois Facilities Fund. The ICCP is a program that utilizes a U.S. Department of Education Grant for credit enhancement for Charter Schools that uses bond financing for capital improvement projects. This project is the second bond transaction that UNO will utilize to finance three new campuses expansions.

The IFA issued \$6 million in tax-exempt bonds on behalf of UNO in 2006 under the ICCP program. The bond proceeds were used to finance the opening of two Chicago campuses located at 1641 W. 16th Street and 2845 W. Barry in Chicago.

VOTING RECORD

Preliminary Bond Resolution, April 10, 2007:

Ayes: 8 Nays: 0 Abstentions: 0

Absent: 6 (Goetz, Herrin, Leonard, O'Brien, Rivera, Valenti) Vacancies: 1

SOURCES AND USES OF FUNDS

Sources:	IFA Bonds	\$13,000,000	Uses:	Project Costs	\$8,645,000
	IFF Grant	<u>1,300,000</u>		Refinancing	2,800,000
				Debt Service Reserve	1,300,000
				Common Debt Ser. Res.	1,300,000
				Cost of Issuance	<u>255,000</u>
	Total Sources	<u>\$14,300,000</u>		Total Uses	<u>\$14,300,000</u>

JOBS

Current employment:	76	Projected new jobs:	60
Jobs retained:	N/A	Construction jobs:	50

BUSINESS SUMMARY

Background: The UNO Charter School Network (“UCSN” or the “Applicant”) was founded in 1998 and is a co-educational, public charter school that provides a comprehensive K-8 program serving approximately 1,025 students at three campus locations Octavio Paz located at 2401 W. Congress Parkway and 2651 W. 23rd Street and Rufino Tamayo located at 5135 S. California Boulevard. The Octavio Paz campuses opened in 1998 and its second campus in 2001 and the Rufino Tamayo campus opened in 2005.

The UNO Charter School Network is managed by the United Neighborhood Organization (“UNO”), a nonprofit community based organization dedicated to revitalizing and improving Chicago’s immigrant neighborhoods.

UCSN’s strategic plan consists of expanding its charter network in Hispanic area of Chicago to assist the overcrowding in the Chicago Public School system while providing school choices to area parents. All UCSN campuses follow the Structured English Immersion program which requires that all instruction be conducted in English.

Description: The proposed campus will open fall 2007 as K-8 elementary schools and will have acquired the former Miserecordia Home facility located at 2916 W. 47th Street in Chicago and operate the new Miserecordia Campus. The new campus will accommodate between 225 and 297 students. The campus will employ 60 new full-time permanent positions once the campus is operating at full capacity.

UCNS participates in the Illinois Charter Capital Program (ICCP) sponsored by the Illinois Facilities Fund. The ICCP is a program that utilizes a U.S. Department of Education Grant for credit enhancement for Charter Schools that use bond financing for capital improvement projects. This project is the second bond transaction that UCNS will utilize to finance three new campuses expansions.

The IFA has issued \$6 million in tax-exempt bonds on behalf of UCNS in 2006 under the ICCP program. The bond proceeds were used to finance the opening of two Chicago campuses located at 1641 W. 16th Street and 2845 W. Barry in Chicago.

FINANCING SUMMARY

Security:	The Bonds will be secured with credit enhancement provided by ACA Insurance.
Structure:	Fixed interest rate of 6%
Maturity:	30 years
Collateral:	First mortgage on subject real estate and first lien on all receivables, equipment and furnishings.
Credit Rating:	The credit rating for this transaction will reflect that of the credit enhancement provider, ACA Insurance. ACA carries a rating of A by S&P.

PROJECT SUMMARY

Bond proceeds will be used to finance renovations to the former Misericordia facility located at 2916 W. 47th Street in Chicago, refinancing existing debt, fund a debt service reserve and to pay certain bond issuance costs. Total project costs are for construction and renovations and estimated at \$8,645,000.

ECONOMIC DISCLOSURE STATEMENT

Applicant: UNO Charter School Network
954 W. Washington Blvd., 3rd Floor, Chicago, IL 60607
Telephone: (312) 432-6301 Fax: (312) 432-0077
Mr. Andrew Alt, Director, Charter School Operations

Project name: Misericordia Campus
Location: 2916 W. 47th Street
Chicago, IL 60632

Organization: 501(c)(3) Corporation
State: Illinois

Board of Directors: Juan Rangel, President
Guadalupe Gallo-Brinkman, Vice-President
Timothy Fidler, Treasurer
Dan Sichelski, Secretary
Father George Schopp
Veronica Alanis
Fred d'Escoto
Mary Jane Castro Solis

Land Sellers: Miserecordia of Chicago

PROFESSIONAL & FINANCIAL

Sponsor:	Illinois Facilities Fund	Chicago	Jill Levine
Sponsor's Counsel	Sidley Austin Brown & Wood	Washington, DC	Peter Canzano
Borrower's Counsel:	Burke Burns & Pinelli, Ltd	Chicago	Stephen Welcome
Accountant:	Ostrow, Reisin, Berk & Adams, Ltd	Chicago	Jim Quaid
Bond Counsel:	Greenberg Traurig	Chicago	Matt Lewin
Credit Enhancement:	ACA Insurance	Chicago	Thea Okin
Underwriter:	RBC Capital Markets	Chicago	James Pass
Underwriter's Counsel:	Katten Muchin & Rosenman LLP	Chicago	Janet Hoffman
Issuer's Counsel:	Ice Miller	Chicago	Tom Smith
Trustee:	Cole Taylor Bank	Chicago	Gloria Parish
IFA Financial Advisor:	D. A. Davidson	Chicago	Bill Morris
	Scott Balice Strategies	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 4 –Luis Gutierrez
State Senate: 1 – Antonio Munoz
State House: 1 – Susan Mendoza

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007**

Project: Noble Network of Charter Schools

STATISTICS

Deal Number:	N-NP-TE-CD-7080	Amount:	\$16,000,000 (not-to-exceed amount)
Type:	501(c)(3) Revenue Bonds	PA:	Sharnell Curtis Martin
Location:	Chicago	SIC Code:	8211

BOARD ACTION

Final Bond Resolution	Staff recommends approval
Conduit Qualified 501(c)(3) Revenue Bonds	No extraordinary conditions
No IFA funds at risk	

PURPOSE

Bond proceeds will be used to finance acquisition of a building, construction/ renovations, to pay capitalized interest, fund a debt service reserve and to pay certain bond issuance costs.

IFA PROGRAM and CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest earned on the Bonds and thereby reduce the borrower's interest expense.

Noble Network of Charter Schools participates in the Illinois Charter Capital Program (ICCP) sponsored by the Illinois Facilities Fund (IFF). The ICCP is a program that utilizes a U.S. Department of Education Grant for credit enhancement for Charter Schools that use bond financing for capital improvement projects.

This is the second bond issue the Authority issued on behalf of Noble under the ICCP program. In 2006, \$14.5 million in tax-exempt bonds were used to finance the opening of two Chicago campuses located at 1337 W. Ohio and 4131 W. Cortland in Chicago.

VOTING RECORD

Preliminary Bond Resolution, April 10, 2007:

Ayes: 8 Nays: 0 Abstentions: 0

Absent: 6 (Goetz, Herrin, Leonard, O'Brien, Rivera, Valenti) Vacancies: 1

SOURCES AND USES OF FUNDS

Sources:	IFA Bonds	\$16,000,000	Uses:	Project Costs	\$14,150,000
	Equity	3,000,000		Capitalized Interest	3,000,000
	IFF Grant	<u>1,550,000</u>		Debt Service Reserve	1,550,000
				Common Debt Serv. Res.	1,550,000
				Cost of Issuance	<u>300,000</u>
Total Sources		<u>\$20,550,000</u>	Total Uses		<u>\$20,550,000</u>

JOBS

Current employment:	101	Projected new jobs:	80
Jobs retained:	N/A	Construction jobs:	120

BUSINESS SUMMARY

Background: Noble Network Charter Schools (“NNCS”, “Noble” or the “Applicant”) began as a partnership between Noble Network Charter School and the Northwestern University Settlement House in 1998. NNCS admitted its first students in the fall of 1999. The NNCS’s mission is to provide a quality education to a largely low-income , Latino population to improve the quality their quality of life.

Tax-Exempt Bonds were issued in the name of the Northwestern University Settlement House on behalf of Noble Street Charter School since NNCS was a start up organization in 1999 and a Letter of Credit would be needed in order to obtain credit enhancement for the \$3 million bond issue to build the NNCS building located at 1010 Noble Street In Chicago, Illinois.

Description: NNCS’s first charter high school Noble Street Charter High School (“Noble Street”) is among one of the highest ranked public high schools in Chicago. Noble Street’s current enrollment is approximately 480 students, most of whom come from surrounding neighborhoods. Noble Street provides a rigorous college preparatory curriculum requiring four years in five core subjects including: English, Math, Science, History and Foreign Language. Noble Street is housed in the Northwestern University Settlement House.

The school is open to all students in Chicago but the selection process is determined by lottery. 82% of the school’s students are Hispanic, 10% African American, 7% Caucasian, and 1% Asian American.

Project: The new high school campuses will open in August 2007, and will be located at 1448 W. Superior Street and 3645 W. Chicago Avenue in Chicago, Illinois. Each campus will enroll approximately 530 students and employ 40 staff members. The campuses will utilize the same academic model as the original Noble Street School. Noble may make some additional minor renovations to the existing campuses located at 1010 N. Noble Street, 1337 W. Ohio Street and 4131 W. Cortland in Chicago, Illinois.

Noble participates in the Illinois Charter Capital Program (ICCP) sponsored by the Illinois Facilities Fund. The ICCP is a program that utilizes a U.S. Department of Education Grant for credit enhancement for Charter Schools that use bond financing for capital improvement projects.

The IFA has issued \$14.5 million in tax-exempt bonds on behalf of Noble in 2006 under the ICCP program. The bond proceeds were used to finance the opening of two Chicago campuses located at 1337 W. Ohio and 4131 W. Cortland in Chicago.

FINANCING SUMMARY

Security: The Bonds will be secured with credit enhancement provided by ACA Insurance.
Structure: Fixed interest rate of 6%.
Maturity: 30 years
Collateral: First mortgage on subject real estate and first lien on all receivables, equipment and furnishings.
Credit Rating: The credit rating for this transaction will reflect that of the credit enhancement provider, ACA Insurance. ACA carries a rating of A by S&P.

PROJECT SUMMARY

Bond proceeds will be used to acquire a building located at 3645 W. Chicago Avenue in Chicago (Cook County), Illinois; finance renovations/construction at two facilities; located at 3645 W. Chicago Avenue in Chicago (Cook County), and 1448 W. Superior Street in Chicago (Cook County), capitalize a debt service fund, pay capitalized interest and to pay certain bond issuance costs. Bond proceeds may also be used to make some additional minor renovations to the existing campuses located at 1010 N. Noble Street, 1337 W. Ohio Street and 4131 W. Cortland in Chicago (Cook County), Illinois.

Project costs are as follows:

Construction and Renovation	\$10,750,000
Building	3,150,000
Contingency	<u>250,000</u>
Total Project Costs	<u>\$14,150,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant: Noble Network of Charter Schools
1010 Noble Street
Chicago, IL 60622
Telephone (773) 862-1449 Fax (773) 278-7536
Mr. Ron Manderschied, President

Project name: Noble Network of Charter Schools New Facilities

Locations: 1448 W. Superior Street 3645 W. Chicago Avenue
Chicago, IL 60622 Chicago, IL 60651

Organization: 501(c)(3) Corporation
State: Illinois

Board of Directors: Kathleen Elliott Marj Lundy Allan B. Muchin
Karen Howland Ron Manderschied Anne Mueller
Sherry John Michael Milkie Jean Sheridan
Patricia M. Johnson Dr. Sylvia Manning Daniel W. Vittum, Jr.
Ema Lopez Robert M. Montgomery David Weinberg

Land Sellers: Chicago Commons Association (an Illinois not-for-profit corporation)

PROFESSIONAL & FINANCIAL

Sponsor:	Illinois Facilities Fund	Chicago	Jill Levine
Sponsor's Counsel	Sidley Austin Brown & Wood	Washington, DC	Peter Canzano
Borrower's Counsel:	Bell Boyd & Lloyd	Chicago	Ken Peterson
Accountant:	Ostrow, Reisin, Berk & Adams, Ltd	Chicago	Jim Quaid
Bond Counsel:	Greenberg and Traurig	Chicago	Matt Lewin
Credit Enhancement:	ACA Insurance	Chicago	Thea Okin
Underwriter:	RBC Capital Markets	Chicago	James Pass
Underwriter's Counsel:	Katten Muchin & Rosenman LLP	Chicago	Janet Hoffman
Issuer's Counsel:	Ice Miller, LLP	Chicago	Tom Smith
Trustee:	Cole Taylor Bank	Chicago	Ann Logino
IFA Financial Advisor:	D. A. Davidson	Chicago	Bill Morris
	Scott Balice Strategies	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

For Cortland, Ohio and Superior locations

Congressional: 4 – Luis V. Gutierrez
State Senate: 2 – William Delgado
State House: 4 – Cynthia Soto

For Chicago Avenue location

Congressional: 7 – Danny Davis
State Senate: 5 – Ricky Hendon
State House: 10 – Annazette Collins

For Noble Street location

Congressional: 4 – Luis V. Gutierrez
State Senate: 5 – Ricky Hendon
State House: 10 – Annazette Collins

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007

Project: The Chicago Theatre Group, Inc. d/b/a The Goodman Theatre

STATISTICS

Deal Number:	N-NP-TE-CD-7110	Amount:	\$3,800,000
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Sharnell Curtis Martin
Location:	Chicago	SIC Code:	7922 (Theaters)

BOARD ACTION

Final Bond Resolution	Staff recommends approval
Qualified 501(c)(3) Revenue Bonds	No extraordinary conditions
No IFA funds at risk	

PURPOSE

Bond proceeds will be used to finance the acquisition and renovation of a facility and to pay certain bond issuance costs.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest earned on the Bonds and thereby reduce the borrower's interest expense

This project is the first to be considered as part of the JP Morgan Direct Placement Bond Financing Program. This program is targeted at businesses and 501(c)(3) organizations who can utilize Industrial Revenue Bonds and 501(c)(3) bonds to finance capital improvement projects up to \$5 million. The structure under this program allows costs on these transactions to be capped and therefore more cost effective for the borrower.

VOTING RECORD

This is the first time this Project has been presented to the IFA Board.

SOURCES AND USES OF FUNDS

Sources:	IFA Bond	<u>\$3,800,000</u>	Uses:	Project Costs	\$3,700,000
				Bond Issuance Costs	<u>100,000</u>
Total Sources		<u>\$3,800,000</u>	Total Uses		<u>\$3,800,000</u>

JOBS

Current employment:	150	Projected new jobs:	N/A
Jobs retained:	N/A	Construction jobs:	25

BUSINESS SUMMARY

Background: The Chicago Theatre Group operates the Goodman Theatre (“Goodman” or the “Theater”) which was founded in 1925 as part of the Art Institute of Chicago. In 1976, the Goodman Theatre became an independent not-for-profit arts organization under the auspices of the Chicago Theatre Group, a 501(c)(3) corporation.

In 1999, the Theater relocated from the Art Institute campus to its current facility. The construction of the new Goodman Theater in Chicago’s new theater district was located at 170 N. Dearborn. The IFA’s predecessor, the Illinois Development Finance Authority, issued bonds on behalf of the project.

In addition to the theatrical productions, the Goodman provides an Arts on Education Program. This comprehensive program provides community outreach services including a free student subscription series which serves over half of Chicago’s public high schools.

Description: The Goodman is acquiring a vacant building located at 363 West Pershing Road in Chicago, Illinois. This project provides a larger facility to be used as the scenery shop, prop shop and warehousing space. Employees working in these departments will transfer from the downtown location to the Pershing Street location.

FINANCING SUMMARY

Security: The Bonds will be purchased directly by Chase Bank and held as an investment.
Structure: The Bonds will have a fixed interest rate set at closing, currently estimated at 4.58%.
Maturity: Seven year term with a 20-year amortization.
Bank Collateral: First mortgage on the subject real estate and first lien on furnishings and equipment financed.
Credit Rating: The credit rating for this transaction will reflect that of the Letter of Credit provider, Chase Bank AA.

PROJECT SUMMARY

Bond proceeds will be used to finance the acquisition and renovation of a facility located at 363 W. Pershing Road, Chicago, Illinois (Cook County), finance machinery and equipment and to pay certain professional and bond issuance costs. Project costs are estimated as follows:

Land	\$1,500,000
Building	1,000,000
Renovations	1,050,000
Machinery and Equipment	<u>150,000</u>
Total Project Costs	<u>\$3,700,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant: The Chicago Theatre Group, Inc. d/b/a The Goodman Theatre
170 N. Dearborn Street, Chicago, IL 60609 (Cook County)
Peter Calibraro, Director of Finance

Project name: Goodman Theater Scene Shop

Location: 363 W. Pershing Road
Chicago, IL 60609 (Cook County)

Organization: 501(c)(3) Revenue Bonds

State: Illinois

Board Members: *See pages 4-5*

Land Sellers: CWS Pershing, LLC
355 East 35th Street
Chicago, IL 60616

Members: This organization is owned by the Chicago White Sox organization

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Sonnenschein, Nath & Rosenthal	Chicago	Mary Wilson
Accountant:	Virchow Krause & Co.	Chicago	Sheldon Holzman
Bond Counsel:	Seyfarth Shaw	Chicago	James Schraidt
Bond Purchaser:	Chase Bank	Chicago	Peter Coburn
Underwriter's Counsel:	Seyfarth Shaw	Chicago	James Schraidt
Issuer's Counsel:	Law Offices of Kevin Cahill	Chicago	Kevin Cahill
IFA Financial Advisor:	D. A. Davidson	Chicago	Bill Morris
	Scott Balice Strategies	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 7 – Danny Davis
State Senate: 3 – Mattie Hunter
State House: 6 – Esther Golar

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Leon Dreimann
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Paul H. Dykstra*
Partner, Bell Boyd & Lloyd LLC

Robert Falls*
*Artistic Director,
The Goodman Theatre*

Frank Galati
*Associate Director,
The Goodman Theatre*

Harold Gershowitz
Ruth Ann M. Gillis*
President, Business Services Company, Exelon

Mary Louise Gorno
Partner, Lantern Partners

Laurence O. Gray
*President & CEO,
Gray & Company*

A. Keith Green
*Vice President, Product Design,
Allstate Insurance Co.*

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Select Comfort Corporation
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Senior Vice President, Senior Client Manager, Bank of America
Alice Young Sabl*
Roche Schulfer*
Executive Director, Goodman Theatre
Vincent A. F. Sergi
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Life Trustees in **bold**;
* denotes Executive Committee member.
Updated on March 21, 2007

To: Members of the IFA Board

From: Steven Trout

Date: May 2, 2007

Re: Overview of the Proposed IFA Issuance of Community Providers Facilities Acquisition Program Refunding Bonds

The Illinois Association of Rehabilitation Facilities (“IARF”) has asked IFA to issue \$15,495,000 in bonds to refinance outstanding maturities of 6 participants in a pooled IDFA bond issue done in 1997. Two prospective participants would like IFA to issue \$1,310,000 in additional bonds to finance new capital projects. The underwriter anticipates that the refunding bond issue would consist of \$16,450,000 in 501(c)(3) bonds and \$355,000 in taxable bonds to finance costs of issuance in excess of 2% of the anticipated amount tax-exempt bonds.

The financing is led by Municipal Capital Markets, Inc. (“MuniCap”), a Dallas-based underwriter that specializes in financing for community providers of health care and social services. MuniCap underwrote two issues for IFA, a \$5,330,000 bond issue for 2 participants in an IARF program in 2006 and \$4,920,000 bond for 2 members of the Illinois Primary Health Care Association (“IPHCA”) in 2004. MuniCap also underwrote \$268,020,000 in bonds via 15 issues for IDFA between 1990 and 2002.

The financing team is the same group that financed the IFA issues and recent IDFA issues.

MuniCap is competing with Griffin Kubik Stephens & Thompson (“GKST”) to refinance Series 1997 IARF bonds. IFA induced refinancing bonds for Peoria ARC and St. Coletta’s in April 2007 based on receipt of executed applications from each borrower. GKST is seeking to arrange financings on a stand-alone basis while MuniCap is seeking to complete the refinancing on a pooled basis. I have been insisting on receipt of a completed application and written request for IFA to induce the project prior to preparing to include to the project in the Board agenda. MuniCap has asked IFA to induce the issuance of bonds for St. Coletta’s; based on a resolution St. Coletta’s would like to stay in the pool.

MuniCap is seeking to close this issue in June, prior to July 1, the next payment date on the Series 1997 bonds. They expect S&P to confirm its BBB rating on IARF bonds.

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007**

Project: Bridgeway, Inc. and Broadway Foundation

STATISTICS

Project Number:	N-NP-TE-CD-7121	Amount:	\$3,000,000 (not-to-exceed amount)
Type:	501(c)(3) Bonds	IFA Staff:	Steve Trout
Location:	Monmouth		

BOARD ACTION

Preliminary Bond Resolution	Staff recommends approval
Conduit Tax-Exempt 501(c)(3) Revenue Bonds	No IFA funds at risk
No extraordinary conditions	

PURPOSE

To refinance Bridgeway Inc.'s and Bridgeway Foundation's portion of outstanding Series 1997 Illinois Development Finance Authority Community Rehabilitation Providers Facilities Acquisition Bonds, finance a new project located in Monmouth, IL, capitalize a debt service reserve and pay costs of issuance.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest paid to bondholders thereby reducing the borrower's interest rate.

VOTING RECORD

None. This is the first time this project has been presented to the IFA Board.

JOBS

Current employment:	450	Projected new jobs:	10
Jobs retained:	NA	Construction jobs: to be determined	15

BUSINESS SUMMARY

Description: Bridgeway, Inc., is a 501 c (3) corporation founded in 1993 that provides social services across 13,400 square miles which includes 10 Illinois and 3 Iowa counties. Bridgeway employs 450 individuals and serves approximately 8,900 clients per year.

History: Bridgeway Inc.'s predecessor, Spoon River Center, was organized as an Illinois not-for-profit corporation in 1971. Bridgeway Inc. was formed October 1, 1993 by the consolidation of programs and services from McDonough County Rehabilitation Center (MCRC) and Harrington Family Services into Spoon River Center, which was then renamed Bridgeway, Inc ("the Center"). MCRC retained its fixed assets and equity after contributing its programs to the Center. In June 1996, Bridgeway, Inc., combined by merger its fixed assets with the fixed assets retained MCRC and named the new entity Bridgeway Foundation. The Internal Revenue Service has designated both Bridgeway Inc. and Bridgeway Foundation as 501(c)(3) corporations.

Background: The Center was formed to provide alcohol and drug abuse prevention and treatment, community support, family and rehabilitation services on an outpatient and residential basis. The Foundation

holds real property and improvements for the benefit of the Center. The Center leases certain property from the Foundation for programmatic facilities.

The Foundation and the Center will be jointly and severally liable for repayment of the Bonds.

The Center is affiliated with several other not-for-profit corporations by common management. Related parties include Bridgeway Foundation, Bridgeway Management Systems, Harrington Family Services Foundation, Residential Facilities Corporation, MCRC Rehabilitation, Inc., and MCRC Housing, Inc.

Programs: These human service corporations have served for decades the growing needs and challenges of providing community-based health and human services in west-central Illinois and eastern Iowa. These services are designed to assist and empower people in maximizing their potential for personal development and growth in all areas of human functioning.

Bridgeway serves any person who can benefit from its array of services without regard to disability, dependent status, race color, national origin or age. The Center bills its clients on a sliding scale based on income for services provided. Its programs are primarily funded by the Illinois Department of Human Services and the Illinois Department of Children & Family Services. Bridgeway is a CARF accredited organization and is also funded in part through contributions from the United Way, United Fund and Community Chest.

Bridgeway provides the following services to its participants: Childcare and Pre-School services, Family Services, Behavioral Health Services, Rehabilitation, Recovery and Day Services, Residential Services, Substance Abuse Services, Vocational Services.

Project: Bridgeway is one of six proposed participants in a pooled financing to refinance its portion of outstanding Series 1997 IDFA Community Facilities Rehabilitation Providers Facilities Acquisition Bonds. The Illinois Association of Rehabilitation Facilities (IARF) is sponsoring the proposed financing program and sponsored many other financing programs, once of which resulted in IDFA's issuance of the Series 1997 Bonds. IARF serves as a program administrator for these programs, by bringing two or more Illinois rehabilitation facilities borrowing needs together in order to benefit from economies of scale of issuance costs, as well as to achieve a rated bond issue ("BBB"), which would not otherwise be achieved, if each of the participants issued their own bonds. This proposed issuance would be IFA's second issuance for this program, continuing a relationship that IDFA has maintained with IARF since 1990, which included the issuance of \$268,020,000 in bonds via 15 issues since then.

FINANCING SUMMARY

Bonds: Tax-exempt 501(c)(3) Bonds fully amortizing over 12 years
Co-Obligors: Bridgeway Foundation and Bridgeway Inc.
Collateral: General obligation pledge of the Borrower
First Mortgage on Bridgeway's financed properties
Credit Rating: BBB rating anticipated

PROJECT SUMMARY

Bond proceeds will be used to refinance Bridgeway's portion of outstanding Series 1997 Illinois Development Finance Authority Community Rehabilitation Providers Facilities Acquisition Bonds, to finance the construction and equipping of a new Day Training facility to be located at Industrial Park Drive, Lot O, in Monmouth, to fund the Debt Service Reserve and to pay costs of issuance. The Series 1997 Bonds issued for Bridgeway financed: a) costs of acquisition of improvements to real property located at 2323 Windish Drive in Galesburg, used for outpatient counseling, Day Training Programs, client workshops and administrative offices, b) costs of acquisition of land at 137 College in Kewanee and construction of an outpatient clinic, c) capitalize a debt service reserve and d) pay a portion of costs of issuance.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Bridgeway, Inc., 900 South Deer Road, Macomb, IL 61455
 Project name: Bridgeway, Inc.
 Location: Headquarters: 900 South Deer Road, Macomb
 Industrial Park Drive, Lot O, Monmouth, IL
 Landowner: Bridgeway, Inc.
 Organization: Illinois 501(c)(3) organization
 Board
 Membership:

Bridgeway Foundation Board

Bridgeway, Inc. Board

James E. Gray	Chairman	Mark Blackburn	Chairman
Dennis Iverson	Vice-Chairman	David Garner	Vice-Chairman
Steve Pastorelli		G.S. Bond	
Janet Schreck		Bill Herrmann	
James Starnes	CEO/President	Bill Murphy	
Steve Tibbitts		Steve Pastorelli	
Luan Ippensen	Secretary	Gordon Snowden	
Phil Arnold	Treasurer	James Starnes	President
		Susan Wernsman	
		Phil Arnold	Treasurer
		Luan Ippensen	Secretary

PROFESSIONAL & FINANCIAL

Sponsor/Administrator:	Illinois Assoc. of Rehabilitation Facilities (IARF)	Springfield, IL	Bridget Ganey
Issuer Counsel:	Law Office of Kevin Cahill	Chicago	Kevin Cahill
Bond Counsel:	Pugh Jones Johnson & Quandt, PC	Chicago	Scott Bremer
Underwriters:	Municipal Capital Markets Group	Dallas	Kendal Cornwall
Underwriters Counsel:	Glast Phillips & Murray	Dallas	John Stasney
Trustee:	Marine Bank	Springfield, IL	George Laubner
Trustee's Counsel:	Hart, Southfield, & Witsman	Springfield, IL	Samuel J. Witsman, Esq
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: Lane Evans 17th
 State Senate: John M. Sullivan 47th
 State House: Richard P. Myers 94th

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007**

Project: Good Shepherd Manor Foundation

STATISTICS

Project Number:	N-NP-TE-CD-7114	Amount:	\$1,800,000 (not-to-exceed amount)
Type:	501(c)(3) Bonds	IFA Staff:	Steve Trout
Location:	Momence, IL		

BOARD ACTION

Preliminary Bond Resolution as a participant in a \$16.805 million pooled financing Conduit Tax-Exempt 501(c)(3) Revenue Bonds No extraordinary conditions	Staff recommends approval No IFA funds at risk
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PURPOSE

To refinance Good Shepherd Manor's portion of certain outstanding Series 1997 Illinois Development Finance Authority Community Rehabilitation Providers Facilities Acquisition Bonds, capitalize a debt service reserve and pay costs of issuance.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest paid to bondholders thereby reducing the borrower's interest rate.

VOTING RECORD

None. This is the first time this project has been presented to the IFA Board.

JOBS

Current employment:	95	Projected new jobs:	0
Jobs retained:	NA	Construction jobs:	0

BUSINESS SUMMARY

Background: The Good Shepherd Manor Foundation (the "Foundation") was incorporated in 1981 as an Illinois not-for-profit corporation. The foundation holds property leased to Good Shepherd Group Homes, Inc, which is an Illinois not-for-profit corporation that began operations in August, 1996.

Description: Good Shepherd Manor seeks to serve the needs of men with developmental disabilities who are not capable of earning their own livelihood or meeting their basic needs in a non-structured environment. In doing so, Good Shepherd Manor also seeks to serve the needs of the families of these handicapped residents who, in their great concern for their loved ones, are anxious for their happiness and physical and social well-being, especially when the family will no longer be here to provide for them.

Programs: Good Shepherd Manor is a residential facility for 127 men with developmental disabilities in Momence, IL, about 60 miles South of Chicago. The Brothers of the Good Shepherd and a staff of over 160 professional personnel are involved with the high standards of caring for the residents. The Brothers were founded in 1951 to help the less fortunate, and operate other programs in the United States, Canada, Ireland and England.

The Manor offers academic and vocational stimulation to prevent regression and to develop skills. Programs and daily activities for the men to stimulate the body, mind and spirit include broad range health care, instruction in academics, functional life skills, leisure and living skills, vocational training, regular recreation in a large gymnasium and on an athletic field, and Special Olympics competition.

A Work Center allows the men to perform appropriate jobs in a workshop setting for local industry, giving the residents meaningful work. Services performed for industry are sorting, packaging, repackaging, labeling, assembling and mailing.

Project: The Good Shepherd Manor Foundation is one of six proposed participants in a pooled financing to refinance their portion of outstanding Series 1997 IDFA Community Facilities Rehabilitation Providers Facilities Acquisition Bonds. The Illinois Association of Rehabilitation Facilities (IARF) is sponsoring the proposed financing program and sponsored many other financing programs, one of which resulted in IDFA's issuance of the Series 1997 Bonds. IARF serves as a program administrator for these programs, by bringing two or more Illinois rehabilitation facilities borrowing needs together in order to benefit from economies of scale of issuance costs, as well as to achieve a rated bond issue ("BBB"), which would not otherwise be achieved, if each of the participants issued their own bonds. This proposed issuance would be IFA's second issuance for this program, continuing a relationship that IDFA maintained since 1990 that included the issuance of \$268,020,000 in bonds via 15 issues.

FINANCING SUMMARY

Bonds: Tax-exempt 501(c)(3) Bonds fully amortizing over 12 years
Security / Collateral: General obligation pledge of the Borrower. Shared first mortgage on the financed facility.
Credit Rating: BBB rating anticipated

PROJECT SUMMARY

Good Shepard Manor Foundation is requesting financing for the "pay and cancel" refunding of the outstanding maturities of its portion Series 1997 Illinois Developmental Finance Authority Community Rehabilitation Providers Facilities Acquisition program Revenue Bonds. The Foundation's loan from the proceeds of the Issuer's Series 1997 Bonds, was used for the construction of four 8-bed group homes on land owned by the Foundation at 4129 North Routes 1 & 17 in Momence. The financing was also used to refinance commercial loan secured by two 16 - bed group homes.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Good Shepherd Manor Group Homes, Inc.
Location: 4129 N. Routs 1 & 17, P.O Box 260. Momence IL 60954
Organization: Illinois 501(c)(3) organization
Board::
Steve Hoekstra Owner/General Manager Hoekstra Transportation
D. Robert O'Loughlin School Counselor Retired
James Sullivan Sales Manger Chicago Hardware & Fixtures

PROFESSIONAL & FINANCIAL

Sponsor/Administrator:	Illinois Assoc. of Rehabilitation Facilities (IARF)	Springfield, IL	Bridget Ganey
Issuer Counsel:	Law Office of Kevin Cahill	Chicago	Kevin Cahill
Bond Counsel:	Pugh Jones Johnson & Quandt, PC	Chicago	Scott Bremer
Underwriters:	Municipal Capital Markets Group	Dallas	Kendal Cornwall
Underwriters Counsel:	Glast Phillips & Murray	Dallas	John Stasney
Trustee:	Marine Bank	Springfield, IL	George Laubner
Trustee's Counsel:	Hart, Southfield, & Witsman	Springfield, IL	Samuel J. Witsman, Esq
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	Gerald C. "Jerry" Weller	11 th District
State Senate:	Debbie Defrancesco Halvorson	40 th District
State House:	Lisa M. Dugan	79 th District

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007**

Project: Kankakee County Training Center for the Disabled, Inc.

STATISTICS

Project Number:	N-NP-TE-CD-7113	Amount:	\$1,650,000 (not-to-exceed amount)
Type:	501(c)(3) Bonds	IFA Staff:	Steve Trout
Location:	Bradley		

BOARD ACTION

Preliminary Bond Resolution	Staff recommends approval
Conduit Tax-Exempt 501(c)(3) Revenue Bonds	No IFA funds at risk
No extraordinary conditions	

PURPOSE

To refinance Kankakee County Training Center's portion of certain outstanding Series 1997 Illinois Development Finance Authority Community Rehabilitation Providers Facilities Acquisition Bonds, capitalize a debt service reserve and pay costs of issuance.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest paid to bondholders thereby reducing the borrower's interest rate.

VOTING RECORD

None. This is the first time this project has been presented to the IFA Board.

JOBS

Current employment:	193	Projected new jobs:	0
Jobs retained:	0	Construction jobs:	0

BUSINESS SUMMARY

Description: The Kankakee County Training Center for the Disabled, Inc. ("the Center" or "KCTC") was incorporated in 1996 as an Illinois not-for-profit corporation. The Center provides vocational rehabilitative services to the developmentally disabled adults of Kankakee County. KCTC serves approximately 220 clients in 5 locations with 60,000 square feet of production, office and warehouse space and has a waiting list of over 30 individuals.

Programs: KCTC's program can be summarized as follows:

Community Integrated Living Arrangements, (CILA)--KCTC currently owns twelve CILA homes, each of which houses three to five adults with developmental disabilities. Each resident pays his or her own rent, as well as groceries. Each home is staffed by individuals who assist residents with daily living skills. CILA homes are located in the community and have been purchased and renovated by the Center to accommodate the disabled. KCTC has constructed or renovated all of its CILA homes to comply with Department of Human Services standards and all the local fire and disaster codes.

Rehabilitation Program: KCTC provides people with developmental disabilities opportunities for community employment, as well as personal, social, or community services that will assist them in becoming independent.

Production Program: The Center provides vocational training opportunities and paid compensation to people with developmental disabilities who provide business customers with quality products in a timely fashion. KCTC operates this program in two vocational buildings.

Job Placement: KCTC develops jobs for the adults with developmental disabilities and seek to place its consumers in positions outside of the Center. The Center runs this program with two employment specialists and two part-time job coaches.

Special Olympics: KCTC sponsors the following events at the Special Olympics: Track & Field, Basketball, Bowling, Softball, T-Ball. The Specials Olympics is competitive event for people with disabilities in which every gets to play, and everyone gets to win, regardless of strength or ability.

Project: KCTC is one of six proposed participants in a pooled financing to refinance its portion of outstanding Series 1997 IDFA Community Facilities Rehabilitation Providers Facilities Acquisition Bonds. The Illinois Association of Rehabilitation Facilities (IARF) is sponsoring the proposed financing program and sponsored many other financing programs, once of which resulted in IDFA's issuance of the Series 1997 Bonds. IARF serves as a program administrator for these programs, by bringing two or more Illinois rehabilitation facilities borrowing needs together in order to benefit from economies of scale of issuance costs, as well as to achieve a rated bond issue ("BBB"), which would not otherwise be achieved, if each of the participants issued their own bonds. This proposed issuance would be IFA's second issuance for this program, continuing a relationship that IDFA maintained with IARF since 1990, which included the issuance of \$260,020,000 in bonds.

FINANCING SUMMARY

Bonds: Tax-exempt 501(c)(3) Bonds fully amortizing over 7 years
Collateral: General obligation pledge of the Borrower
First Mortgage on the Center's financed properties
Credit Rating: BBB rating anticipated

PROJECT SUMMARY

KCTC is requesting financing for the "pay and cancel" refunding of their Series 1997 Illinois Developmental Finance Authority Community Rehabilitation Providers Facilities Acquisition program Revenue Bonds. The Series 1997 bond financing was used to (i) refund its loan from Issuer's Series 1992 Bonds and Series 1994A Bonds (ii) refinance one commercial bank loan used to acquire one group home located at 801 W. Walnut in Kankakee, Illinois, one group home located at 1161 Cardinal Drive, Bradley Illinois and one group home located at 490 S. Cleveland, Bourbonnais, Illinois, and to refinance one commercial bank loan used to acquire one group home located at 588 Beckman Drive, Kankakee, Illinois (iii) to purchase one group home located at 520 W. Donald in Kankakee, Illinois (iv) to construct additional offices at 333 S. Schuyler Avenue and to pave parking facilities at 333 S. Schuyler Avenue, Bradley, Illinois; (v) to construct loading docks at area recycling center located at 1360 E. Locust, Kankakee, Illinois; (vi) to construct an addition to the group home located at 490 S. Cleveland Bourbonnais, Illinois; (vii) for working capital; (viii) to refinance an SBA loan with respect to 333 and 353 S. Schuyler Avenue, Bradley, Illinois; and (ix) the balance (a) to fund its reserve account in the Reserve Fund for the Series 1997 Bonds and (b) pay a portion of its costs of issuance.

ECONOMIC DISCLOSURE STATEMENT

Applicant: The Kankakee County Training Center for the Disabled, Inc., 333 Schuyler Street, Bradley, Illinois 60915 (Contact: Stephen Mitchell, Executive Director 815/92-4022)
Location: 333 Schuyler Street, Bradley, Illinois 60915
Organization: Illinois 501(c)(3) organization
Board Membership:

Board Member	Position
Ryland Gagnon	President
Barry A Jaffe	Vice President
Jason Tanner	2nd Vice President
Tom Ryan	Treasurer
Steven Spraker	Secretary

PROFESSIONAL & FINANCIAL

Sponsor/Administrator:	Illinois Assoc. of Rehabilitation Facilities (IARF)	Springfield, IL	Bridget Ganey
Issuer Counsel:	Law Office of Kevin Cahill	Chicago	Kevin Cahill
Bond Counsel:	Pugh Jones Johnson & Quandt, PC	Chicago	Scott Bremer
Underwriters:	Municipal Capital Markets Group	Dallas	Kendal Cornwall
Underwriters Counsel:	Glast Phillips & Murray	Dallas	John Stasney
Trustee:	Marine Bank	Springfield, IL	George Laubner
Trustee's Counsel:	Hart, Southfield, & Witsman	Springfield, IL	Samuel J. Witsman, Esq
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: Lane Evans 17th
State Senate: John M. Sullivan 47th
State House: Richard P. Myers 94th

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007**

Project: RAVE (Rehabilitation and Vocational Education), Inc.

STATISTICS

Project Number: N-NP-TE-CD-7120	Amount: \$2,300,000 (not-to-exceed amount)
Type: 501(c)(3) Bonds	IFA Staff: Steve Trout
Location: Jonesboro	

BOARD ACTION

Preliminary Bond Resolution	Staff recommends approval
Conduit Tax-Exempt 501(c)(3) Revenue Bonds	No IFA funds at risk
No extraordinary conditions	

PURPOSE

To refinance Rehabilitation and Vocational Education, Inc. (RAVE) portion of certain outstanding Series 1997 Illinois Development Finance Authority Community Rehabilitation Providers Facilities Acquisition Bonds, capitalize a debt service reserve and pay costs of issuance.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest paid to bondholders thereby reducing the borrower's interest rate.

VOTING RECORD

None. This is the first time this project has been presented to the IFA Board.

JOBS

Current employment: TBD	Projected new jobs: 0
Jobs retained: 0	Construction jobs: 0

BUSINESS SUMMARY

Description: Rehabilitation and Vocational Education Program, Inc., ("the Center" or "RAVE") was organized in 1974, and incorporated as an Illinois not-for-profit corporation for the purpose of developing service to mentally, physically, emotionally, socially, and vocationally handicapped persons. The purpose of RAVE, Inc., is to provide and be a major influence in the development of services to supplement, develop and expand the maximum opportunities for individuals who are developmentally challenged in the community and to provide for the care, welfare, safety, and security of said individuals for personal development, skills, and training.

Programs: RAVE programs can be summarized as follows:
Developmental Training – The purpose of Developmental Training is to server individuals who, due to the nature of their aptitudes and abilities, will require a more extensive and long term program in order to achieve their personal and vocational potential. Provision for intensive services, training, education, and support to adults will be conducted to enable the individual to live in the least restrictive, appropriate community environment and will be provided on a limited basis and/or procured through another source.

Work Adjustment Training: The purpose of Work Adjustment Training is to provide adults who are vocationally challenged and require on year or less of vocational and/or social training through vocational counseling, interpersonal/situational counseling, case management, development training, social recreation, independent living skill, and ancillary services in order to maximize potential for sheltered or competitive employment.

Sheltered Employment: The purpose of the Sheltered Employment program is to assist adults who are vocationally challenged and who maintain 25% of the industrial minimum and increase current level of functioning through vocational counseling, case management, developmental training, recreational activities, contract work, and placement referrals in order to maintain Sheltered Employment status and/or maximize potential to obtain and maintain competitive employment or entry to Regular Work Program.

Regular Work Program: The purpose of the Regular Work Program is to assist adults who are vocationally challenged and who have potential to maintain 50% of the industrial minimum and increase current level of functioning through vocational counseling, interpersonal/situational counseling, case management, contract work, on the job evaluations and ancillary services in order to maintain Regular Work Program status.

Project: RAVE is one of six proposed participants in a pooled financing to refinance its portion of outstanding Series 1997 IDFA Community Facilities Rehabilitation Providers Facilities Acquisition Bonds. The Illinois Association of Rehabilitation Facilities (IARF) is sponsoring the proposed financing program and sponsored many other financing programs, once of which resulted in IDFA's issuance of the Series 1997 Bonds. IARF serves as a program administrator for these programs, by bringing two or more Illinois rehabilitation facilities borrowing needs together in order to benefit from economies of scale of issuance costs, as well as to achieve a rated bond issue ("BBB"), which would not otherwise be achieved, if each of the participants issued their own bonds. This proposed issuance would be IFA's second issuance for this program, continuing a relationship that IDFA has maintained with IARF since 1990, which included the issuance of \$268,020,000 via 15 issues.

FINANCING SUMMARY

Bonds: Tax-exempt 501(c)(3) Bonds fully amortizing over 7 years
Collateral: General obligation pledge of the Borrower
First Mortgage on the Center's financed properties
Credit Rating: BBB rating anticipated

PROJECT SUMMARY

RAVE is requesting financing for the "pay and cancel" refunding of their Series 1997 Illinois Developmental Finance Authority Community Rehabilitation Providers Facilities Acquisition program Revenue Bonds. The Series 1997 bond financing was used to (i) refund its loans from the Issuer's Series 1991 and Series 1194A Bonds (ii) replace the roofs at the facilities located at 214 West Davie and Route 146, both in Anna, Illinois, (iii) for a new phone system to be located at the 214 West Davie, Anna, Illinois facility, and (iv) the balance to fund its reserve account in the Reserve Fund for Series 1997 Bonds, and (v) pay a portion of its costs of issuance.

ECONOMIC DISCLOSURE STATEMENT

Applicant: R.A.V.E Inc and R.A.V.E Residential Services, Inc., 1390 State Route 127 South, Jonesboro, Illinois 62952-2488 (Contact: Edward Newton, Board Chairman 618/833-6838)
Location: State Route 127 South, Jonesboro, Illinois 62952-2488
Organization: Illinois 501(c)(3) organization
Board Membership:

Board Member	Position
Edward Newton	Board Chairman
Bob Bolanowski	Board Chairman
Gary Griffith	Executive Director

PROFESSIONAL & FINANCIAL

Sponsor / Administrator:	Illinois Assoc. of Rehabilitation Facilities (IARF)	Springfield, IL	Bridget Ganey
Issuer Counsel:	Law Office of Kevin Cahill	Chicago	Kevin Cahill
Bond Counsel:	Pugh Jones & Johnson, PC	Chicago	Scott Bremer
Participant's Counsel:			
Underwriters:	Municipal Capital Markets Group	Dallas	Kendal Cornwall
Underwriters Counsel:	Glast Phillips & Murray	Dallas	John Stasney
Trustee:	Marine Bank	Springfield, IL	George Laubner
Trustee's Counsel:	Hart, Southfield, & Witsman	Springfield, IL	Samuel J. Witsman, Esq
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	Jerry F. Costello	12 th District
State Senate:	David Luechtefeld	58 th District
State House:	Mike Bost	115 th District

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007**

Project: Trinity Services, Inc.

STATISTICS

Project Number:	N-NP-TE-CD-7116	Amount:	\$3,750,000 (not-to-exceed amount)
Type:	501(c)(3) Bonds	IFA Staff:	Steve Trout
Location:	Joliet		

BOARD ACTION

Preliminary Bond Resolution	Staff recommends approval
Conduit Tax-Exempt 501(c)(3) Revenue Bonds	No IFA funds at risk
No extraordinary conditions	

PURPOSE

To refinance Trinity Services, Inc.'s portion of outstanding Series 1997 Illinois Development Finance Authority Community Rehabilitation Providers Facilities Acquisition Bonds, capitalize a debt-service reserve, and to pay costs of issuance.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest paid to bondholders thereby reducing the borrower's interest rate.

VOTING RECORD

None. This is the first time this project has been presented to the IFA Board.

JOBS

Current employment:	947	Projected new jobs:	0
Jobs retained:	0	Construction jobs:	0

BUSINESS SUMMARY

History: Trinity Services Inc., a nonprofit, non-sectarian organization, was founded in 1950 as the Trinity School in Joliet, Illinois, by a group of parents of children with developmental disabilities. Until 1987 Trinity remained a school for children and adults with mental retardation. Since then, Trinity has grown to include a wide range of programs, supports, and services for children and adults with developmental disabilities and/or behavioral health needs. In addition to the school, Trinity Services now provides residential services, adult learning programs, Behavioral Health Programs, supportive employment, and a host of support businesses. Trinity serves more than 1,400 people in the south and northwest suburban regions of Chicago, Illinois, as well as northern Nevada.

Recognition: In October of 2004, Trinity Services received a four-year term of accreditation from The Council on Quality and Leadership making the organization one of only a handful of disability providers in the world to be awarded the prestigious Four-Year Value-Added™ accreditation. Previously, Trinity had been accredited for four consecutive three-year periods from The Council, which is the highest rating an organization can receive.

In Search of America's Best Nonprofits by Richard Steckel and Jennifer Lehman singled out Trinity Services and Art Dykstra for their exemplary leadership in the field of disabilities and nonprofit management.

The Chicago Tribune featured the Roxy, a club for persons with mental illness, in a January 2005 feature article. The *New York Times* and *San Francisco Chronicle* highlighted Trinity's Staff Recognition and Retention Programs in a feature article in 2002.

Trinity Services has also earned Preferred Provider status from the Illinois Department of Mental Health/Developmental Disabilities (DMH/DD).

Funding/

Contributions: Trinity Services Inc. receives funding from the Illinois Department of Human Services, Illinois Department of Public Aid, Office of Rehabilitation Services, Department of Children and Family Services, and tuition reimbursement from local school districts. Trinity is also supported by donations from foundations, corporations, businesses, service organizations, churches, and numerous individuals.

The Trinity Foundation was formed in 1989 with the mission of supporting and funding the work and goals of Trinity Services. The ventures operated by the Foundation are distinct from Trinity Services' support businesses. By creating this separate funding entity, Trinity Services has been able to wean itself off of its sole reliance on government funds. The Trinity Foundation has been one of the main factors in solidifying the financial well-being of Trinity Services for years to come.

Program

Background: Trinity Services offers multiple programs in addition to its Trinity Autism Support Center and Family Counseling Program:

Adult Services: Trinity began providing services to adults with developmental disabilities in 1952. There are five main centers in which these services are carried out: Joliet, Frankfort, Mokena, New Lenox, and Wilmington. Adult Learning programs serve adults over the age of 21 from Trinity's residential programs as well as persons living at home or served by other agencies. Curricula range from teaching basic skills for independent living--health and safety, for example--to more advanced skills needed in finding a job, maintaining personal finances, and achieving self-reliance.

One of Adult Learning's most rewarding innovations is the Horticulture program. Small groups learn about foliage plants, flowers, vegetables, and seasonal plants. Safe Now® is an exciting new addition to Adult Learning. People working at this site package a variety of non-toxic cleaners for use by Trinity, other agencies and the community. Trinity serves more than 400 people in its five Adult Learning programs.

Behavioral Health: The headquarters for the Behavioral Health Program is located in downtown Lockport in a converted bank building. The program has three major components: Day Treatment Services, Community Living Programs, and the Center for persons with dual diagnoses.

The Day Treatment Program provides a structured setting with a daily program of therapeutic and planned activities. All are accomplished in a friendly, non-threatening atmosphere in which one feels comfortable and supported. Individual, group, and family therapy is also available 5 days a week at the Center. In addition to day treatment, another facet of Lockport Center is the provision of group homes and apartments for persons not yet ready to live in the community independently. The Community Living Program is designed for those individuals who, with support and mental health services, are able to live in the community. For persons capable of more independent living, Lockport Center supports an apartment program that provides intermittent supervision and access to full-time support from staff members and peers as needed. It serves more than 70 people with mental health needs.

Oak Avenue and Hoff Road Centers: The Centers are a subdivision of Trinity's Behavioral Health Program. Services offered at the Oak and Hoff Road Centers include individual and group therapy, adult day treatment, outpatient therapy, and family support services. These services are provided to individuals who have been dually diagnosed with both a mental illness and mild mental retardation.

Children's Services -- Trinity School: Founded in 1950, the School Program is the original program at Trinity Services. The School Program serves children aged 3-21 whom the mainstream school system is unable to serve. The children in the School Program have mild mental retardation, severe to profound mental retardation, or autism, and some have multiple disabilities (a combination of developmental, physical, or mental disabilities). The School Program serves more than 35 persons with disabilities in a wide area including LaSalle, Grundy, Cook, Dekalb, Will, and Kendall Counties.

Community Living Programs: Trinity's Community Living Programs comprise 6 Networks of community homes of 2 to 8 Individuals and apartments, which provide for more independent living. These homes, or CILAs (Community-Integrated Living Arrangements), are located in residential neighborhoods throughout the Southwest Chicago suburbs. Community Living Programs serve more than 400 persons with disabilities. Each home is staffed around the clock by Trinity's independent living counselors, who support the persons living in the home to become as much a part of the community as possible.

Respite & Family Support: Due to the need for in-home respite for persons with disabilities and their families, Trinity's Respite Program was established. Families, guardians, and foster families of individuals who are mentally and/or developmentally disabled are qualified to receive respite care services. There is no fee to families for respite care provided by Trinity Services. The Respite program is funded through a grant from the Illinois Department of Human Services. Respite services are limited to 180 hours a year per child, and a maximum of 10 hours of respite care per day.

STRIDES: Special Trinity Riders Involved in Developing Equestrian Skills (STRIDES), was started in 1990 as a therapeutic riding program for children and adults with developmental disabilities in the Will, Grundy and South Cook County region. The Annual STRIDES Ride-A-Thon, held the last Saturday in August, began in 1992..

Supported Employment: Career Access Network provides organized and planned services to assist persons with disabilities in securing career employment. A variety of assistive employment services are available to enable a person to attain his or her career employment goals. Career Access Network is a service not only to people served by Trinity, but to anyone with a disability in the Will, Cook and Grundy County areas.

Supported Employment is an additional service offered by Career Access Network. Individuals participating in this program receive assistance in becoming employed--often for the first time. The Drop-In Center was developed to further support individuals who have attained employment. Workplace issues such as conflict resolution and getting along with your boss are presented in a group format. Persons who are struggling in their new job can bring their problems to the group for discussion. In addition, the Drop-In Center plans numerous social events.

TLCs (Trinity Living Centers): Trinity Living Centers, or TLC's, are located near Trinity's main campus. These three 16-person residential programs enable adults with developmental disabilities to live with greater independence. TLC staff provide assistance in social, recreational, personal care, and daily living skills. Typically, there are several staff available during the day and evening hours to work with individuals in needed areas and to provide support for recreational activities. There is always staff support overnight as well.

Project: Trinity Services, Inc. is one of six proposed participants in a pooled financing to refinance their portion of outstanding Series 1997 IDFA Community Facilities Rehabilitation Providers Facilities Acquisition Bonds. The proposed financing program and a number of other financing programs, which resulted in the issuance of the Series 1997 Bonds were sponsored by the Illinois Association of Rehabilitation Facilities (IARF). IARF serves as a program coordinator, by bringing two or more

Illinois rehabilitation facilities borrowing needs together in order to benefit from economies of scale of issuance costs, as well as to achieve a rated bond issue (“BBB”), which would not otherwise be achieved, if each of the participants issued their own bonds. This proposed issuance would be IFA’s second issuance for this program, continuing a relationship that IDFA has maintained with IARF since 1990, which included the issuance of \$268,020,000 in bonds via 15 bond issues.

FINANCING SUMMARY

Bonds: Tax-exempt 501(c)(3) Bonds fully amortizing over 12 years
Obligors: Trinity Services, Inc.
Collateral: General obligation pledge of the Borrower
First Mortgage on Trinity Services, Inc.’s financed properties
Credit Rating: BBB rating anticipated

PROJECT SUMMARY

Bond proceeds will be used to refinance Trinity Services, Inc.’s portion of outstanding Series 1997 Illinois Development Finance Authority Community Rehabilitation Providers Facilities Acquisition Bonds, capitalize a debt-service reserve, and to pay costs of issuance.

Trinity Services’ portion of the Series 1997 Bond proceeds were used for one “new money” group home project and was used to refund their Series 1990A, 1992, 1994C and 1995A bonds. The Series 1990 bonds were used to finance three group homes. The Series 1990A bonds financed the acquisition of seven group homes. Series 1992 bonds were used to finance three sites that offer employment, therapeutic or administration services. Series 1994C bonds financed seven residential facilities. Series 1995A bonds financed eleven group homes. Series 2007 bonds will be used to refinance all properties mentioned except two previously sold whose proceeds have been escrowed for defeasance of bonds on 7/1/07 and two that will be sold in the near future.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Trinity Services, Inc., 100 N. Gougar Rd., Joliet, IL 60432-9787
Location: 1000 N. Gougar Rd., Joliet, IL 60432-9787
Organization: Illinois 501(c)(3) organization
Board
Membership: Raymond McShane Chairman
Ken Stromsland Vice-Chairman
Barbara Hall Secretary
Jan Agazzi Treasurer
Art Dykstra President
Robert Brumund
William lipsey
Barbara McGoldrick
Joseph Tryner

PROFESSIONAL & FINANCIAL

Sponsor Administrator:	Illinois Assoc. of Rehabilitation Facilities (IARF)	Springfield, IL	Bridget Ganey
Issuer Counsel:	Law Office of Kevin Cahill	Chicago	Kevin Cahill
Bond Counsel:	Pugh Jones & Johnson, PC	Chicago	Scott Bremer
Participant's Counsel:	George Troha	Joliet, IL	George Troha
Accountant:	McEnerney & Associates	Arlington Heights, IL	Jim McEnerney
Underwriters:	Municipal Capital Markets Group	Dallas	Fred Cornwall Kendal Cornwall
Underwriters Counsel:	Glast Phillips & Murray	Dallas	John Stasney
Trustee:	Marine Bank, Springfield	Springfield, IL	George Laubner
Trustee's Counsel:	Hart, Southfield, & Witsman	Springfield, IL	Samuel J. Witsman, Esq
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	11 th	Gerald C. "Jerry" Weller
State Senate:	41 st	Christine Radogno
State House:	81 st	Renee Kosel

SERVICE LOCATIONS

TRINITY SERVICES INC.

Supported Employment

2627 E. Cass, Joliet, IL 60435 SEP leased
2014 E. Washington St., Joliet, IL 60432 Career Connections

School

11600 Francis Rd, Mokena, IL 60448 leased

Developmental Training

Joliet DT 100 N. Gougar Road, Joliet, IL 60432
9419 Corsair Rd., Frankfort, IL 60423 Frankfort DT 464-0635
14623 W. Edison, New Lenox, IL 60451 Woodworking Shop leased
1111 E. Washington St. Joliet, IL 60433 Trinity Distribution Center
2721 W. Jefferson St. Suite 200, Joliet, IL 60435 DT Jefferson
1805 Ferro Drive, New Lenox, IL 60451 New Lenox DT (Safe Now)
1197 S. Buchanan, Wilmington, IL 60481 Wilmington DT
222 S. Water Street, Wilmington, IL 60481 WILMINGTON DROP IN
217 N. First Street, Units A & C, Wilmington, IL 60481 Trinity Barkery leased

ICFDD 16< fewer

3360 Uglan Lane, Joliet, IL 60432 TLC1
3302 Horseshoe Lane, Joliet, IL 60432 TLC2
3360 Francis Drive, Joliet, IL 60432 TLC3

CILA GROUP HOMES

1200 S. Cedar Rd., Suite 1C, New Lenox, IL 60451 CILA East Admin. leased
1331 Cooper Street, New Lenox, IL 60451
13253 W. 184th Street, Mokena, IL 60448
23843 Western Avenue, Park Forest, IL 60466
25037 Whispering Oaks Lane, Crete, IL 60417
21906 S. Merrill, Sauk Village, IL 60411
1401 S. Cherry Hill Road, Joliet, IL 60433 Hobby Acres
21040 Cherry Hill, (15 Mills Road) Joliet, IL 60435
8352 W. Dralle, Frankfort, IL 60423
210 Haines, New Lenox, IL 60451
18701 Rose Lane, Mokena, IL 60448
21410 Jeffery Drive, Matteson, IL 60443
2502 Erskine, New Lenox, IL 60451
13 Honey Lane, New Lenox, IL 60451
33 E. Nebraska St., Frankfort, IL 60423
356 Exchange St., Crete, IL 60417
1200 S. Cedar Rd., Suite 2H-2J, New Lenox, IL 60451 CILA Admin. leased
13016 W. Rt. 6, Mokena, IL 60448
2660 North Cedar Road, New Lenox, IL 60451

TRINITY SERVICES INC.

15922 Gougar Road, Lockport, IL 60441 **Lockport Gougar**
225 W. Wood Street, New Lenox, IL 60451
30545 S. Walsh Road, **Manhattan**, IL 60442
20704 **Ridgeland** Avenue, Frankfort, IL 60423
16404 S. Sweedler Road, Manhattan, IL 60442
23816 **South Cedar** Road, Manhattan, IL 60442
24409 S. Cedar Rd., Manhattan, IL 60442 **Hanover Cedar**
2302 E. Washington St., Joliet, IL 60433
14949 W. **Bruns Road**, Manhattan, IL 60442
17415 **Bernhard** Road, Elwood, IL 60421
1020 **Murphy Drive**, Joliet, IL 60435
2522 **Golfview**, Joliet, IL 60435
Eight (8) Intermittent CILA Apartments - Birches complex leased
2613A E. Cass St., Joliet, IL 60435 **Net 5 Administration - Lori's Office** leased
1903 Center Street, Crest Hill, IL 60435
1151 **West Park Front**, Joliet, IL 60435
106 S. **Midland**, Joliet, IL 60435
1410 **Glenwood**, Joliet, IL 60435
2014 E. Washington St., Joliet, IL 60435 **Apartment**
1018 W. **Jefferson**, Joliet, IL 60435
1128 **William St.**, Joliet, IL 60435
1216 **Wilcox**, Joliet, IL 60435
327 S. **Oakview Ave.**, Joliet, IL 60433
1909 **Delrose** Street, Joliet, IL 60435
427 W. Francis Road, New Lenox, IL 60451 **Petals & Twigs**
580 W. **First Street**, Braidwood, IL 60408
848 Cambridge Court (**Partridge Run**), Wilmington, IL 60481
411 **Prairie Lane**, Wilmington, IL 60481
573 **Cermak**, Braidwood, IL 60408
240 W. **Baltimore**, Wilmington, IL 60481
222 S. Water Street, Wilmington, IL 60481 **Mill Race Apt.**
32150 **West River Road (A)**, Wilmington, IL 60481 HUD Apts.
32152 **West River Road (A)**, Wilmington, IL 60481 HUD Apts.
143 N. **Mitchell Street**, Braidwood, IL 60408 HUD Apts.

BEHAVIORAL HEALTH

Group Homes

1980 Mills Road, Joliet, IL 60433 **Mills Road House**
2259 **Highland Park**, Joliet, IL 60435
2002 S. **State Street**, Lockport, IL 60441
1133 **Caton Farm** Road, Lockport, IL 60441 815-723-7184
17331 Gougar Road, Lockport, IL 60441 **Purdy Farm**
17150 **Hoff Road (House)**, Elwood, IL 60421

TRINITY SERVICES INC.

16145 Bruce Road, Lockport, IL 60441 **STRIDES TRAILER**
27655 Gougar Road, Manhattan, IL 60442 **Manhattan Gougar**
18130 Oak Ave., Lockport, IL 60441 **PODS Men's phone**
5203 N. Woodview, Peoria, IL 61614
1240 Iroquois Dr., Suite 510, Naperville, IL 60540 **DuPage Administration** leased
1062 Alton Court, Naperville, IL 60540 leased
1908 Turtle Cove, Naperville, IL 60540 leased
16935 W. Old New Lenox Road, Joliet, IL 60433
16830 S. Gaylord, Lockport, IL 60441
15544 W. Spencer Road, New Lenox, IL 60451
873 Gougar Road, Joliet, IL 60432 **Joliet Gougar**
1900 N. Raynor Ave., Crest Hill, IL 60435

11600 Francis Rd., Mokena, IL 60448 **Autism** leased

PSR Programs

18100 Oak Avenue, Lockport, IL 60441
2301 Glenwood Ave, Joliet, IL 60435 **Glenwood DT**
1017 S. State Street, Lockport, IL 60441 **Roxy**
17154 Hoff Road, Elwood, IL 60421 **Hoff DT**
7230 Arbor Drive, Cottage #1 Tinley Park, IL 60477 **PSR**

Family Counseling Agency

62 W. Washington St., Joliet, IL 60435 **Family Counseling Agency**
3650 W. 183rd Street, Homewood, IL 60430
1395C Main Street, Crete, IL 60417 leased

RENO, NEVADA Program

240 S. Rock Blvd. #133, Reno, NV 89502-2365 **Reno Office** leased
8455 Offenhauser Dr. #517, Reno, NV 89511 **SLA Enclave** leased
400 E. Queen Way, Sparks, NV 89431 leased
929 Pinewood Drive, Sparks, NV 89434 leased
773 Glen Meadow Drive, Sparks, NV 89434 leased
1627 Clover Leaf Drive, Sparks, NV 89434 leased
240 S. Rock Blvd. #133, Reno, NV 89502-2365 **Work Center** leased
240 S. Rock Blvd. #133, Reno, NV 89502-2365 **Vocational Rehab.** leased
220 S. Rock Blvd. #15, Reno, NV 89502-2365 **Reno Day Program** leased

ADMINISTRATION

100 N. Gougar Road, Joliet, IL 60432 **Administration**
1111 E. Washington Street, Joliet, IL 60432 **Maintenance**

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2007**

Project: St. Coletta's of Illinois Foundation

STATISTICS

Number:	N-PF-TE-CD-7075	Amount:	\$5,400,000
Type:	501(c)(3) Bonds	IFA Staff:	Steven Trout
Locations:	Tinley Park	SIC Code:	8361

BOARD ACTION

Preliminary Bond Resolution	No Extraordinary conditions
Conduit	Staff recommends approval
No IFA funds at risk	

PURPOSE

To refinance St. Coletta's portion of certain outstanding Series 1997 Illinois Development Finance Authority Community Rehabilitation Providers Facilities Acquisition Bonds, capitalize a debt service reserve and pay costs of issuance.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax exempt status on interest paid to bondholders thereby reducing the borrower's interest rate.

IFA CONTRIBUTION

Conveyance of federal tax-exempt status on Bonds. 501(c)(3) bond issues do not require Volume Cap.

VOTING RECORD

Preliminary Bond Resolution, April 10, 2007:
Ayes: 9 Nays: 0 Abstentions: 1 (Boyles)
Absent: 4 (Herrin, O'Brien, Rivera, Valenti) Vacancies: 1

JOBS

Current employment:	3,301	Projected new jobs:	0
Jobs retained:	N/A	Construction jobs:	N/A

BUSINESS SUMMARY

Background: St. Colleta's Foundation (the "Applicant", the "Foundation") is a not for profit organization providing support and fund raising for the special need individuals utilizing St. Colleta's of Illinois (the "Agency") programs. In addition to support, the Foundation owns all of the Agency's property and receives annual rental payments from the Agency.

The Agency was founded in 1949 and sponsored by the Sisters of St. Francis of Assisi. The Agency is a social service organization which provides residential, educational, and vocational services to approximately 400 individuals with developmental disabilities without regard to race, religion, or economic background. The Agency offers services in its headquarters facility, which includes the Kennedy School and vocational training center, and in over 30 properties at which it provides administrative, residential including Children's Group Homes and Community Integrated Living Arrangements ("CILA"), vocational training and other services. The Agency operates in 15 different communities in Chicago's southern suburbs. A list of locations is provided for Board review. The Agency is accredited by the Commission on Accreditation of Rehabilitation Facilities, a national accrediting entity. The Agency is surveyed every three years and it is currently accredited through August, 2009. A list of Foundation Board members is provided for IFA Board review.

Vocational Training: The Agency's vocational programs received a large boost with the opening of the Sr. Anne Mary Rischar Center. The Center provides opportunities for 250 individuals with special needs helping them to become self sufficient and to learn the responsibilities of work. An area of concentration is warehouse work. The Agency has trained individuals in the proper use of a fork lift truck and other types of equipment.

Educational Services: The Lt. Joseph P. Kennedy Jr. School provides elementary through high school education to children who are developmentally disabled or autistic. In addition to classes the students participate in pre-vocational skills that will help them prepare for job training and independent living. Sports, special events, and field trips are scheduled throughout the year. Currently, the school serves 72 students. The student/teacher ratio is approximately 9:1.

Residential Services: The Agency provides children's group homes and CILA arrangements for adults so to provide the least restrictive living environments for its clients to achieve their greatest potential.

Project: St. Coletta's is one of six proposed participants in a pooled financing to refinance its portion of outstanding Series 1997 IDFA Community Facilities Rehabilitation Providers Facilities Acquisition Bonds. The Illinois Association of Rehabilitation Facilities (IARF) is sponsoring the proposed financing program and sponsored many other financing programs, once of which resulted in IDFA's issuance of the Series 1997 Bonds. IARF serves as a program administrator for these programs, by bringing two or more Illinois rehabilitation facilities borrowing needs together in order to benefit from economies of scale of issuance costs, as well as to achieve a rated bond issue ("BBB"), which would not otherwise be achieved, if each of the participants issued their own bonds. This proposed issuance would be IFA's second issuance for this program, continuing a relationship that IDFA maintained with IARF since 1990, which included the issuance of \$260,020,000 in bonds.

FINANCING SUMMARY

Bonds: Tax-exempt 501(c)(3) Bonds fully amortizing over 7 years
Collateral: General obligation pledge of the Borrower
First Mortgage on the Center's financed properties
Credit Rating: BBB rating anticipated

PROJECT SUMMARY

Proceeds will be used to 1) refinance St. Coletta's portion of certain outstanding Series 1997, 1998, 2000 and 2002 Illinois Development Finance Authority Community Rehabilitation Providers Facilities Acquisition Bonds, 2) finance one "new money" project, 3) capitalize a debt service reserve and 4) pay costs of issuance.

New Money financing	\$326,000
Debt refinancing	<u>\$4,290,000</u>
Total	<u>\$4,616,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant:	St. Colleta's of Illinois Foundation	
Project names:	Refunding Project	
Location:	18350 Crossing Drive, Tinley Park, Cook County, Illinois 60487	
Organization:	501(c)(3) Corporation	
State:	Illinois	
Board of Directors:	Mr. Kenton Bobb	Chairperson
	Mr. Patrick McShane	Vice-Chairperson
	Mr. Richard Hyland	Secretary/Treasurer
	Mr. John Gembara	Board Member
	M. Joseph Kobel	Board Member
	Mr. Jeff Kowalis	Board Member
	Mr. James McLaughlin	Board Member
	Mr. Larry Obermeier	Board Member
	Sr. Sylvia Anne Shledon, OSF	Board Member
	Mr. William Vitucci	Board Member
	Mr. Wayne Kottmeyer	Board Member (non-voting)

PROFESSIONAL & FINANCIAL

Sponsor/Administrator:	Illinois Assoc. of Rehabilitation Facilities (IARF)	Springfield, IL	Bridget Ganey
Issuer Counsel:	Law Office of Kevin Cahill	Chicago	Kevin Cahill
Bond Counsel:	Pugh Jones Johnson & Quandt, PC	Chicago	Scott Bremer
Underwriters:	Municipal Capital Markets Group	Dallas	Kendal Cornwall
Underwriters Counsel:	Glast Phillips & Murray	Dallas	John Stasney
Trustee:	Marine Bank	Springfield, IL	George Laubner
Trustee's Counsel:	Hart, Southfield, & Witsman	Springfield, IL	Samuel J. Witsman, Esq
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	11 th	Gerald C. "Jerry" Weller
State Senate:	19 th	M. Maggie Crotty
State House:	37 th	Kevin A. McCarthy

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007

Project: Will Township Road District

STATISTICS

Number:	L-GP- 7115	Amount:	\$110,000 (not to exceed)
Type:	Rural Development Loan	Location:	Peotone, Illinois
IFA Staff:	Kristi Conrad		

BOARD ACTION

Preliminary Approval	No extraordinary conditions
Rural Development Loan	No IFA funds at risk
Staff recommends approval	

PURPOSE

Provide financing make roadway renovations that include rebuilding tow miles of road whose base has failed.

IFA PROGRAM AND CONTRIBUTION

In participation with the Rural Development Administration's intermediary Relending Program, IFA will finance business facilities and community development projects in eligiblerural areas containing populations of less than 25,000. Projects eligible include financing for fixed assets such as real estate and equipment acquisitions. Applicants are required to demonstrate the ability to repay debt and must demonstrate that conventional financing was not available for the project.

A reserve fund has been established to defray potential losses to IFA in the event of default of a Rural Development loan. The Rural Development Loan fund balance is currently in excess of \$2 million.

The IFA's Rural Development Loan Program, in participation with the Rural Development Administration's Intermediary Relending Program, finances business facilities and community development projects in rural areas with populations under 25,000. The Program finances up to 75% of fixed asset project costs, with a maximum of loan amount of \$250,000 at a 6% capped interest rate.

VOTING RECORD

This is the first time that this project has been presented for Board consideration.

SOURCES AND USES OF FUNDS

Sources:	RD Loan	\$99,750	Uses: Road Updates	<u>\$133,000</u>
	District Equity	33,250		
	Total	<u>\$133,000</u>	Total	<u>\$133,000</u>

JOBS

Current employment:	0	Projected new jobs:	0
Jobs retained:	0	Construction jobs:	2

BUSINESS SUMMARY

Background: Will Township is located in Will County. The population was 1,568 as of the 2000 census. Will Township was formed from the former townships of Carcy and Sherburn on an unknown date.

Will Township is entrusted with the responsibilities of maintaining, and upgrading roads and bridges within its jurisdiction, providing general assistance to qualified recipients under statutory and emergency guidelines, and valuing property in uniform and equitable manner for tax purposes.

Project: The Will Township Road District wishes to secure financing for roadway renovations. Specifically, the District would like to rebuild two miles of road that has structural damage.

FINANCING SUMMARY

Obligor: Will Township Road District

The Debt: Debt Certificates will be issued by the Township to evidence the payment obligation of the Township under an installment contract. Installment contracts and leases are authorized by Section 17(b) of the Debt Reform Act for the purchase of real or personal property. The maximum term of an installment contract is 20 years. A township's payment obligation under an installment contract constitutes a binding and enforceable promise to pay the amount borrowed plus the interest thereon. The township will be expected to agree to appropriate amounts annually to pay the principal and interest on the installment contract. There is no separate levy available for the purpose of making such payments. Debt incurred pursuant to an installment contract or a lease counts against a township's 2.875% debt limitation under the Debt Limitation Act.

Repayment: Net revenues from road and general funds

Security: State Intercept Revenues

Structure: The IFA's will purchase Will Township's bonds at an interest rate of 4%.

Maturity: The subject loan will have a 10-year term, with annual P & I, and will be fully amortized over that period.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Will Township Road District
Project names: Will Township Road District
Location: 30317 S. Will Center Road, Peotone, IL 60468
Organization: Road District
Road Commissioner: Bruce Hamann

PROFESSIONAL & FINANCIAL

Accountant: Burke Montague & Associates, LLC
IFA Financial Advisors: D.A. Davidson & Co. Chicago Bill Morris
Scott Balice Strategies, Inc. Chicago Lois Scott
Local Bond Council: Chapman & Cutler or Froelich (to be selected by township)

LEGISLATIVE DISTRICTS

Congressional: 11th – Gerald C. "Jerry" Weller
State Senate: 40th – Debbie DeFrancesco Halvorson
State House: 79th – Lisa M. Dugan

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007**

Project: Village of Waynesville

STATISTICS

Number:	L-GP-7104	Amount:	\$500,000 (not to exceed)
Type:	Local Government Interim Loan	Location:	Waynesville, Illinois
IFA Staff:	Kristi Conrad		

BOARD ACTION

Final Resolution	No extraordinary conditions
Local Government Interim Loan	IFA funds at risk
Staff recommends approval	

PURPOSE

Provide financing for the construction of a building to house a water filtration system as well as waterlines to connect a water-well to the plant.

IFA PROGRAM AND CONTRIBUTION

IFA's Local Government Interim Loan Program was authorized by the Authority's Board to provide units of local government that intend to participate in IFA's Local Government Pool with short-term financing until the Pool closes. These loans are funded from the Authority's Local Government Debt Service Reserve, which was established by the Illinois Rural Bond Bank with funds appropriated by the General Assembly in 1990. The IFA will provide an interim loan at 5.5% and expects to be repaid from proceeds from the Pool bond issue, which is expected to close in 2007.

VOTING RECORD

This is the first time that this project has been presented for Board consideration.

SOURCES AND USES OF FUNDS

Sources:	IFA Interim Loan	\$315,000	Uses: Water Storage Tank	\$300,000
			Costs of Issue	<u>15,000</u>
	Total	<u>\$315,000</u>	Total	<u>\$315,000</u>

JOBS

Current employment:	0	Projected new jobs:	0
Jobs retained:	0	Construction jobs:	0

BUSINESS SUMMARY

Background: The Village of Waynesville, located in DeWitt County, covers less than 1 square mile. According to the 2000 U.S. census, the Village has a population of 452 people. Waynesville is approximately 25 miles southwest of Bloomington.

Waynesville is one of the oldest settlements in central Illinois. The area was first settled around 1825, by Prettyman Marvel and his wife. They cleared an area of land near the present location of the Village and were followed shortly thereafter by several other settlers.

Project: The proposed project consists of construction of a new building and waterlines.

FINANCING SUMMARY

- The Loan:** The interim loan will be at a rate of 5.5% and will be provided to Waynesville no later than August, 2007. Therefore, the IFA will purchase the Village's bonds at a rate of 5.5%. The Village will participate in the IFA's next local government pooled bond issuance and will reimburse the IFA (in its entirety) from pooled bond proceeds. The bonds will be Alternate Revenue Bonds, with the Water Systems's net revenues pledged as the primary revenue source. In the event that the net revenues are insufficient to pay principal and interest on the bonds, the Village has committed to collect ad valorem property taxes levied to pay debt service on the bonds. The Village must document that the primary revenues are sufficient to provide 1.25 times debt service coverage on the bonds in order to pledge ad valorem property taxes to repay the bonds without passing a voter referendum to do so. The Village will pass a "backdoor referendum" authorizing issuance of the bonds unless a sufficient number of voters petition to require referendum approval. In the event that there are not adequate funds for debt service payment, the Village will pledge its interceptable state revenues (State Income Tax, State Sales Tax, State Replacement Tax, and Motor Fuel Tax).
- Collateral:** The bonds are general obligations of the Village and are payable from (i) net revenues of the Water System and (ii) ad valorem property taxes levied against all of the taxable property in the Village without limitation as to rate or amount. The bonds will also be secured by the Village's interceptable State revenues.
- Structure:** Principal is expected to be due on February 1, beginning in 2008 with a final maturity in 2037. Interest will be fixed rate and payable each August 1 and February 1, beginning August 1, 2007. The bonds are subject to redemption prior to maturity.
- Maturity:** 30 years

PROJECT SUMMARY

The Village of Waynesville will use the proceeds of the interim loan to (i) construct a new building and waterlines and certain costs associated with the issuance of the Local Government Securities and the Bonds.

Total costs are estimated at \$315,000 and will not exceed \$500,000

ECONOMIC DISCLOSURE STATEMENT

Applicant: The Village of Waynesville
Project names: The Village of Waynesville
Location: 200 E. 2nd St. P.O. Box 60 Waynesville, IL 61778
Organization: Illinois Municipality
Village Clerk: Fran Garrett

PROFESSIONAL & FINANCIAL

Bond Counsel:	Chapman and Cutler LLP	Chicago	Chuck Jarik
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 15th – Timothy V. Johnson
State Senate: 44th – Bill Brady
State House: 87th – Bill Mitchell

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007**

Project: Local Government 2007 A Pool

STATISTICS

Number:	L-G-MO-7119	Amount:	\$6,600,000 (not to exceed)
Type:	Local Government Pooled Bond Program 2007 A	IFA Staff:	Eric Watson
		Location:	Mt. Zion Fire Protection District Riverton Area Fire Protection District Village of Palmyra Momence Park District City of Petersburg City of Benton Curran Gardner Water District

BOARD ACTION

Final Bond Resolution to purchase bonds from the following communities:

- Mt. Zion Fire Protection District
- Riverton Area Fire Protection District
- Village of Palmyra
- Momence Park District
- City of Petersburg
- City of Benton
- Curran Gardner Water District

No extraordinary conditions
Local Government Pooled Bond
Staff recommends approval

IFA CONTRIBUTION AND CONTRIBUTION

IFA's Local Government Pooled Bond Program combines the needs of more than one unit of local government into a pooled bond issue, with the IFA serving as the financing conduit. The pooling process allows local governments to realize savings by sharing fixed costs and achieving economies of scale. In addition, the issues are supported by the "moral obligation" of the State of Illinois. This, coupled with the bonds double-tax exemption offers participants an lower overall borrowing rate. **Subject to appropriate security being provided by the borrower. Subject to Moral Obligation of the State of Illinois.**

VOTING RECORD

The following entities were approved by the Board on an individual basis on April 10, 2007:

- | | |
|--|---------------------------------|
| ▪ Mt. Zion Fire Protection District | ▪ Momence Park District |
| ▪ Riverton Area Fire Protection District | ▪ City of Petersburg |
| ▪ Village of Palmyra | ▪ Curran Gardner Water District |

Ayes: 8 Nays: 0 Absent: 6 Vacancies: 1 Abstentions: 0

The **City of Benton** was approved by the Board on an individual basis on October 10, 2006:

Ayes –8 Nays – 0 Absent –6 Vacancies – 0 Abstention- 1 (Gustman)

This is the first time the 2007 A pool has been presented to the Board in its entirety.

SOURCES AND USES OF FUNDS

Sources:	IFA bonds	<u>\$6,600,000</u>	Uses:	Underwriter's Discount	\$105,000
				Project Amounts	6,125,000
				IFA Non Asset Bond	300,000
				Local Bond Counsel	21,000
				Other Fees	30,000
				IFA Fee	16,000
				Other	<u>3,000</u>
	Total	<u>\$6,600,000</u>	Total		<u>\$6,600,000</u>

*In addition, we are requesting a debt service reserve contribution, not to exceed \$25,000. This will be combined with IFA issued non asset bonds (not to exceed \$300,000) that will be used to secure a Guaranteed Investment Contract (GIC). This investment mechanism serves to fund a debt service reserve, which has historically served as security for local government pooled issues since 1990. Further explanation is provided below in the "Security" section of the Board Write-up.

FINANCING SUMMARY

The Bonds: As a conduit, the IFA Bonds will be Revenue Bonds. The underlying bonds issued by the local government participants will be the following:

- Mt. Zion Fire Protection District – Promissory Note, secured by an escrow agreement
- Riverton Area Fire Protection District – Promissory Note, secured by an escrow agreement
- Village of Palmyra – Alternate Revenue Bonds
- Momence Park District – Limited Tax Bonds
- City of Petersburg – Debt Certificates
- City of Benton – General Obligation Bonds
- Curran Gardner – Revenue Bonds
- IFA – Non Asset Bonds

Security: The security is dependent upon the underlying debt issued and is reflected in the following:

Promissory Note, secured by an escrow agreement - The note is secured by the District's pledge of ad valorem taxes, limited by statute as to rate and amount, levied upon all taxable property with the District and subject to annual appropriation. Property taxes received will automatically escrowed in proportion to the annual debt service.

Alternate Revenue Bonds - The bonds are secured by a pledge of (i) applicable fund fees/charges, and if such net revenues are insufficient to meet debt service, then (ii) ad valorem property taxes are levied against all of the taxable property in the District/Village without limitation as to rate or amount, and (iii) the District/Village's interceptable State revenues.

Limited Tax Bonds - The Bonds will be secured by the District's annual levy of ad valorem taxes of up to a applicable dollar amount.

Debt Certificates - The payment obligation under such an installment contract and on such certificates constitutes a binding and enforceable promise to pay the amount borrowed plus the interest thereon. The municipality will be expected to agree to annually appropriate amounts sufficient to pay the principal and interest on the installment contract and the debt certificates. There will be no separate levy available for the purpose of making such payments. The Certificates will be secured by the City's pledge of (i) available General Fund revenues and (ii) its interceptable state revenues for payment (ie Illinois sales, income, and personal property replacement taxes).

General Obligation Bonds: Benton is a home rule entity that passed an ordinance dedicating a revenue source (via property tax levy) for the payment of annual debt service on the loan (and eventual bonds). In the event that there are not adequate funds for debt service payment, Benton pledged interceptable state revenues (State Income Tax, State Sales Tax, and State Replacement Tax) to pay debt service on the loan or bonds.

Revenue Bonds—The bonds will be Revenue Bonds payable from water system revenues pledged as the primary revenue source. The District must document that the primary revenues are sufficient to provide 1.25 times debt service coverage on the bonds.

Non Asset Bonds – Since the inception of the Illinois Rural Bond Bank (IRBB) in 1990, additional security was provided to local government pools by the IRBB via funding of a debt service reserve (DSR). The DSR provides security for all pools issued in totality, not for each pool individually. To date, the reserve is valued at an amount exceeding \$8.5 million (\$7.8 million in IRBB non asset bond issuance and \$700,000 of equity contributions). The DSR must be adequately funded so as to be able to fully fund annual debt service (of all pools issued to date).

In order to fund the DSR, non-asset bonds in combination with an equity contribution are used to purchase a Guaranteed Investment Contract (GIC). Interest earned from the GICs must be adequate to pay for the bi-annual non-asset bond payments. Therefore, it is necessary at times for the IRBB (now the IFA) to make an equity contribution in order for the GIC to be sizable enough for interest earnings to meet the non-asset bonds interest obligations.

Since the creation of the IFA, there has not been a new-issuance (as opposed to a refunding issue) local government pool of a sizable nature to require additional funding of the DSR, until now. The fact that the 2007A pool is a new issuance of \$6 million that will go out 30 years and non-asset bonds historically issued are subject to mature prior to the 2007 A pool's maturity it is necessary to fund the DSR. AG Edwards anticipates that the IFA will need to issue no more than \$300,000 in non-asset bonds and make an equity contribution of no more than \$15,000.

Structure: Principal is expected to be due on February 1, with a final maturity of the pool anticipated in 2037. Interest will be fixed rate and payable each August 1 and February 1, beginning February 1, 2008. The bonds are subject to redemption prior to maturity.

ECONOMIC DISCLOSURE STATEMENT

Applicants and Locations: Mt. Zion Fire Protection District 110 West Main St., Mt. Zion IL 62549-1747
Riverton Area Fire Protection District 405 E. Jefferson Street, Riverton, IL 62561
Village of Palmyra PO Box 113 Palmyra 62674
Momence Park District 79 East Mill St. P.O. Box 665, 60954
City of Petersburg P.O. Box 139. Petersburg, IL 62675
City of Benton P.O. Box 640, Benton, IL 62812
Curran Gardner 3382 Hazlett, Springfield, 62707

Project name: Local Government 2007 A Pool

Organizations: Illinois Municipalities, Fire Protection Districts, Park District, Water District

PROFESSIONAL & FINANCIAL

Issuer's Counsel:	Chapman & Cutler	Chicago	Chuck Jarik
IFA Bond Counsel:	Chapman & Cutler, LLP	Chicago	Chuck Jarik
Underwriter:	AG Edwards & Co., LLP	St. Louis	Anne E. Noble
Trustee:	US Bank	St. Louis	Brian Kabbes
IFA Financial Advisor:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007**

Project: CIF Industries Inc

STATISTICS

Project Number:	B-LL-TX-7105	Amount:	\$200,000
Type:	Participation Loan	IFA Staff:	Rick Pigg
Location:	Staunton, IL	NAICS Code:	811110

BOARD ACTION

Purchase of Participation Loan from First National Bank Staunton Illinois
\$200,000.00 IFA funds at risk
Staff recommends approval subject to compliance with all bank's terms and conditions.
Additional requirement LTV not to exceed 80% of appraisal

PURPOSE

Permanent financing of the new building and land

IFA PROGRAM AND CONTRIBUTION

Under its Participation Loan Program, the Authority participates in bank loans financing capital projects for business, industry, farmers and agri-industry, and not-for-profit corporations. The Authority will participate in loans for up to 10 years at a rate of interest that is variable or fixed for up to 5 years at 100 basis points above the 3 month LIBOR. The Authority shares pro-rata in the Bank's collateral and generally advances funds at rates up to 80% of appraised fair market value for real estate, 65% of cost for new equipment and 65% of orderly appraised liquidated value for used equipment.

IFA's participation reduces the borrower's interest expense.

VOTING RECORD

No voting record. This is the first time that the Board of Directors has reviewed this project.

SOURCES AND USES OF FUNDS

Sources:	IFA Participation:	\$200,000	Uses: Real Estate	<u>\$400,000</u>
	First National Bank	<u>\$200,000</u>		
	Total:	<u>\$400,000</u>	Total:	<u>\$400,000</u>

JOBS

Current employment: 18
Jobs retained: 18

Projected new jobs: 7
Construction jobs: 15

BUSINESS SUMMARY

- Description:** CIF is a corporation was incorporated in November 1, 2005. CIF is a welding and fabrication shop. They are a fabricating shop that specializes in containers and roll off equipment beds. In 1968 Richard Clark established Clark Welding as a part time welding and fabrication shop. After several years it and several partners it developed into a fabrication shop that specialized in containers and roll off equipment beds Other items that were sold included trailers, truck bodies and general fabrication. The business continued at the same location in Benld, IL. In 1980 Richard Clark and Richard Clark Jr. became partners in Clark Welding and continued on in the same line with a greater emphasis on containers and trailers for the recycling industry. In 1985 Illinois Truck and Trailer Inc. was formed with the owners being Cliff Crispens and Richard Clark Jr. In 1987 the company moved to its present location in Dorchester. The company continued in the same business and branched out into equipment trailers where Richard Clark Jr established a sales network of dealers for the equipment trailers. They also did contact work for the State of Illinois and Utility companies. The company was dissolved in 1990. Richard Clark Jr. reestablished Clark welding in 1990 with an emphasis on sales to the metal recycling industry almost exclusively. During that time there was a heavy emphasis on repairs and service with less manufacturing during the first two years. Later there was more emphasis on manufacturing. The company struggles with its goals and went through several owners until Richard Clark Jr, established sales goals, secured new equipment and reorganized the company to deal exclusively with the metal recycling industry. In November of 2005 Richard Clark Jr. purchased Richard Clark III's share of the CIF Industries and formed CIF Industries Inc. Sales have shown steady growth.
- The Project:** This new project will allow for maximum use of space as well as better workflow and make the business more efficient. The project will finance the acquisition of 6 acres just outside of Staunton and finance the improvements consisting of 2 new buildings and upgraded electrical service. The expansion plan involves moving to a location with an area of 5-10 acres. Construction of a minimum of two building, one for painting and one for manufacturing and offices is planned. The office may be constructed separately or as an addition to the manufacturing area. The paint structure will be located away from the office and manufacturing area. The main manufacturing building is a 60x120x18 metal structure with a concrete floor and 6 overhead doors. The paint building 40x80x18 metal structure with one overhead door. The office space will also include a parts department for maintenance as well as manufacturing parts and an eventual display area for sales. The expansion plan will allow for an increase in efficiency and profit. Currently all painting is done at a rented building 6 miles from the manufacturing. This requires a truck driver to transport equipment back and forth from the two separate facilities as well as a painter who is largely unsupervised. It is estimated from employee records that we spend 20 man hours minimum per week moving equipment and material at the manufacturing location due to lack of space. This does not include time, fuel or other expenses for transporting finished goods to the paint facility. Current manufacturing space is approximately 5500 sq ft spread through three buildings. The new space will allow them to increase there output 175-350% depending on whether they work one or two shifts. In either case it will allow them to increase output to match the increase in sales demand.
- Bank Request:** First National Bank has asked the IFA to participate in the permanent financing of the purchase real estate for CIF Industries, Inc. The IFA's participation would be \$200,000.

FINANCING SUMMARY

Obligor: CIF Industries Inc.
Guarantor: Richard C Clark Jr.
Collateral: First mortgage on subject real estate, Aggregate LTV not to exceed 80%.
Assets: Value Discounted
Real Estate \$425,000.00 \$340,000.00 (80%)
Structure: 7.875% fixed, one year interest only, converting into 3 year principal and interest based upon 20 year amortization (maximum).

PROJECT SUMMARY

The project will finance the acquisition of 6 acres just outside of Staunton and finance the improvements consisting of 2 new buildings and upgraded electrical service.

ECONOMIC DISCLOSURE STATEMENT

Applicant: CIF Industries Inc
Organization: Corporation

PROFESSIONAL & FINANCIAL

Accountant:	William A Gregurich CPA	Auburn, IL	Willam Gregurich
Bank:	First National Bank	Staunton, IL	William E Vogt
IFA Counsel:	Dykema Gossett	Chicago	David T. Cellitti
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: John M. Shimkus, 19th
State Senate: William R. Haine, 56th
State House: Jay C. Hoffman, 112th

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007**

Project: **API Holdings, LLC**

STATISTICS

Project Number:	B-LL-TX-7107	Amount:	\$475,000
Type:	Participation Loan	IFA Staff:	Rick Pigg
Location:	Granite City, IL	NAICS Code:	531120

BOARD ACTION

Purchase of Participation Loan from Partners Bank, Glen Carbon, Illinois
\$475,000 IFA funds at risk
Staff recommends approval subject to compliance with all bank's terms and conditions.

PURPOSE

Provide permanent financing of the new building.

IFA PROGRAM AND CONTRIBUTION

Under its Participation Loan Program, the Authority participates in bank loans financing capital projects for business, industry, farmers and agri-industry, and not-for-profit corporations. The Authority will participate in loans for up to 10 years at a rate of interest that is variable or fixed for up to 5 years at 100 basis points above the 3 month LIBOR. The Authority shares pro-rata in the Bank's collateral and generally advances funds at rates up to 80% of appraised fair market value for real estate, 65% of cost for new equipment and 65% of orderly appraised liquidated value for used equipment.

IFA's participation reduces the borrower's interest expense

VOTING RECORD

No voting record. This is the first time that the Board of Directors has reviewed this project.

SOURCES AND USES OF FUNDS

Sources:	IFA Participation:	\$475,000	Uses:	Land	100,000
	Partners Bank	475,000		Site Improvements	190,000
	Equity Contribution	<u>350,000</u>		Building	650,000
				Office Shell & Finish	310,000
				Equip. & Moving	<u>50,000</u>
	Total:	<u>\$1,300,000</u>		Total:	<u>\$1,300,000</u>

The equity contribution will pay for the land, equipment and moving expenses, and \$200,000 of remaining construction costs.

JOBS

Current employment: 40
Jobs retained: 40

Projected new jobs: 5
Construction jobs: 50

BUSINESS SUMMARY

Background: Arnette Pattern Company / Midwest Machining and Fabricating is a family owned and operated business located in Granite City, Illinois since 1948. The family includes William Zimmer and his three sons who are all journyemen wood/ metal pattern makers and all take an active part in the supervision of daily operations.
 Arnette Pattern Company has grown from a basic pattern shop to now include a state of the art machining and fabricating facility with approximately 30,000 square foot of work space. The latest building addition consists of 6,700 square feet dedicated to the expansion of the steel fabrication department. Modern equipment and experienced personnel have been added to insure proper operation of these new facilities.
 Arnette Pattern Company has recently acquired an Aluminum Foundry that has been in operation for 25 years. Several types of aluminum alloys are being poured.
 Serving the Foundry and Metal Casting Industry for over 50 years, API specializes in wood, metal and urethane patterns, general machining, cnc machining, ferrous and non ferrous castings, sand cores and metal fabrication for a wide range of industries. They are a single source supplier foundry and metal fabrication needs.

The Project: Arnette Pattern Company has been in operation since 1948. Currently owned by three brothers, the company is purchasing five acre tract of property in a Granite City industrial park and constructing a 25,000 sq ft. industrial building. Additional space is needed due to dramatic company growth.. The collateral is the real estate with no more that 80% LTV. During 2004, one of API's competitors closed, and between years 2005 and 2006 API hired five of its former competitor's employees. These employees brought many of their clients with them. This has contributed greatly to company growth and the need for expansion.

Bank Request: The bank is requesting IFA to participate in a \$950,000 loan. The IFA loan amount will be \$475,000.

FINANCING SUMMARY

Obligor: API Holdings, LLC

Guarantor: Arnett Pattern Company, Inc. (AP) – Unlimited, David Zimmer – limited to 24% ownership, Gary Zimmer – limited to 48% ownership, Paul Zimmer – limited to 26% ownership.

Collateral: 1st mortgage on the real estate.

	Gross BV	Eligible	Adv. Rate	Net Collateral
RE & Improvements (New Building)	1,250,000	1,250,000	80%	1,000,000
Inventory	-	-	50%	-
Line of Credit				1,000,000
\$950,000 CRE				<u>(950,000)</u>
Net Term Collateral				50,000

Structure: 7.25% for the initial 6 months and then adjusting to 6.875% fixed for 5 years. The 6.875% rate is blended based on Partners Band rate of 7.25% and the IFA rate of 6.5% (Partners Bank will receive a .5% servicing fee on the IFA participation amount).

6 initial payment of interest only, then 59 regular monthly payments of principal and interest and one final payment of all unpaid principal and interest due at maturity.

Primary Source: Cash flow generated from rents from Arnette Pattern Company Inc
Secondary Source: Operating income from Arnette Pattern Company, Inc.

PROJECT SUMMARY

To provide permanent financing on the construction of a 25,000 square foot commercial building.

ECONOMIC DISCLOSURE STATEMENT

Applicant: API Holding, LLC
Organization: Corporation

PROFESSIONAL & FINANCIAL

Accountant:	Anderson CPAs	Bellville, IL	Charles Anderson
Bank:	Partners Bank	Glen Carbon, IL	Tim Fristzsche
IFA Counsel:	Dykema Gossett	Chicago	David T. Cellitti
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: John M. Shimkus, 19th
State Senate: William R. Haine, 56th
State House: Jay C. Hoffman, 112th

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007

Project: Walter Mulica, Belmont Sausage Company and an LLC to be formed

STATISTICS

Deal Number:	I-ID-TE-CD-7094	Amount:	\$8,000,000
Type:	Industrial Revenue Bonds	IFA Staff:	Sharnell Curtis Martin
Location:	Elk Grove Village	SIC Code:	2013 (Sausages and other prepared meats)

BOARD ACTION

Preliminary Bond Resolution	Staff recommends approval
Conduit Industrial Revenue Bonds	No extraordinary conditions
No IFA funds at risk	

PURPOSE

Bond proceeds will be used to finance renovations, acquisition of equipment and to pay certain bond issuance costs.

IFA PROGRAM AND CONTRIBUTION

The Authority's Industrial Revenue Bond Program provides low interest rate financing for qualifying industrial projects. IFA's issuance of Industrial Revenue Bonds will exempt income earned on the Bonds from federal income tax and thereby enable the Borrower to obtain a lower interest rate on the debt.

Elk Grove Village has ceded approximately \$2.8 million of their 2007 Home-Rule Volume Cap to the IFA to support industrial projects located in Elk Grove Village. The Company is seeking the remaining \$5.2 million in Volume Cap from IFA. **Issuance of these bonds is subject to an allocation of Volume Cap from Elk Grove Village and the Governor's Office of Management and Budget.**

VOTING RECORD

Preliminary Bond Resolution, no previous voting record.

SOURCES AND USES OF FUNDS

Sources:	IFA Bond	<u>\$8,000,000</u>	Uses:	Project Costs	\$7,860,000
				Bond Issuance Costs	<u>140,000</u>
	Total Sources	<u>\$8,000,000</u>		Total Uses	<u>\$8,000,000</u>

JOBS

Current employment:	60	Projected new jobs:	60
Jobs retained:	N/A	Construction jobs:	40

BUSINESS SUMMARY

Background: Belmont Sausage Company (“Belmont” or the “Company”) was established as an “S Corporation” in 1993 by Walter Mulica. Mr. Mulica is President and manages the day-to-day operations of the Company. The bonds will be issued on behalf of Walter Mulica or a limited liability corporation to be formed and the facility will be leased to the Company while the equipment will be owned by the Company.

Originally a grocer, Mr. Mulica began making and selling his sausage in his own grocery stores. In 2000, Mr. Mulica began to focus on production of his meat products and located to his current facility in Elk Grove Village and began production in 2001. The Company’s product line includes: sausage, bacon, hot dogs, bologna, baked pork, chicken products, smoked ham, smoked pork, smoked turkey, veal products and head cheese.

Belmont’s initial sausage products targeted an Eastern European American market and recently expanded his market to produce products popular to Hispanic Americans and African Americans.

The Company operates one 12 hour shift each day and its major customers include: Wally’s Foods, Nealy Foods, Michoacan and Gerhard. Belmont’s products are sold under other private labels in addition to the Belmont name and include: Gerhard Sausage, Vienna Sausage, Country Boy Snack Stick, Shefko and Steinhouse.

Description: The project is the construction of a 30,000 square foot expansion project added to an existing 88,000 square foot facility located in Elk Grove Village and the acquisition of new smoking equipment.

This is the second facility expansion that the Company will be undertaking within the last two years and is expected to be complete after a six month construction period. The two expansion projects will double Belmont’s original facility and production capacity. Prior to the expansions, the Company was operating at full capacity.

FINANCING SUMMARY

Security: The bonds will be purchased and held as an investment by American Chartered Bank.
Structure: The Bonds will bear a fixed interest rate to be determined.
Maturity: 20 Years
Bank Collateral: First Mortgage on subject real estate, blanket lien on subject machinery and equipment and personal guarantee of Walter Mulica.
Credit Rating: American Chartered Bank, the purchaser of the bonds is an unrated bank and therefore does not have a credit rating.

PROJECT SUMMARY

Bond proceeds will be used to construct a 40,000 square foot addition to a manufacturing facility located at 2201 Estes in Elk Grove Village, Illinois (Cook County), acquisition of machinery and equipment for use therein and to pay certain bond issuance costs. Project costs are estimated as follows:

Construction	\$5,860,000
Machinery and Equipment	<u>2,000,000</u>
Total Project Costs	<u>\$7,860,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant: Walter Mulica and Belmont Sausage Company
2201 Estes, Elk Grove Village, IL 60007 (Cook County)
Walter Mulica, President and CEO
Project name: Belmont Sausage Company Expansion Project
Location: 2201 Estes, Elk Grove Village, IL 60007
Organization: Corporation
State: Illinois
Ownership: Walter Mulica - 100%
Land Sellers: Not Applicable

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Cutler & Associates, Ltd.	Skokie	David Cutler
Bond Counsel:	Ice Miller	Chicago	Tom Smith
Bond Purchaser:	American Chartered Bank	Chicago	Michael Burg
Financial Advisor:	Total Capital Solutions, Inc.	Oak Park	Tony Grant
Issuer's Counsel:	Greene and Letts	Chicago	Allan Walker
IFA Financial Advisor:	D. A. Davidson	Chicago	Bill Morris
	Scott Balice Strategies	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 6 – Peter Roskam
State Senate: 33 – Dan Kotowski
State House: 66 – Carolyn Krause

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007

Project: INX International Ink Company and its affiliates, successors, and assigns

STATISTICS

IFA Project:	I-ID-TE-CD-7097	Amount:	\$10,000,000 (not-to-exceed amount)
Type:	Industrial Revenue Bonds	IFA Staff:	Rich Frampton
Locations:	Homewood		

BOARD ACTION

Preliminary Bond Resolution	
Conduit Industrial Revenue Bonds	No IFA funds at risk
Staff recommends approval	No extraordinary conditions

PURPOSE

Acquisition, renovation, and equipping of a vacant, existing manufacturing facility located in Homewood, Illinois.

IFA CONTRIBUTION

The proposed Bonds will require up to \$10,000,000 of Volume Cap. IFA Staff is working with the Borrower, the Village of Homewood, and the South Suburban Mayors and Managers Association to transfer \$4 million to \$5 million of Home Rule Volume Cap to support this project. Concurrently, the Borrower will be seeking approval of an Inducement Resolution from the Village of Homewood, a Non Home Rule Unit, and Homewood will attempt to obtain a Non Home Rule allocation of Volume Cap for this financing. **Issuance of these bonds is subject to an allocation of Volume Cap from the Village of Homewood and the Governor's Office of Management and Budget.**

VOTING RECORD

None. This is the first time this project has been presented to the IFA Board of Directors.

SOURCES AND USES OF FUNDS

Sources:	IRB	\$10,000,000	Uses:	Project Cost	\$12,000,000
	Equity	<u>2,257,000</u>		Issuance Costs	<u>257,000</u>
	Total	<u>\$12,257,000</u>		Total	<u>\$12,257,000</u>

JOBS

Current employment: 0 (new location)	Projected new jobs: 9 (within 2 years)
Jobs retained: 51	Construction jobs: 20 (average over 8-10 months)

BUSINESS SUMMARY

Description: INX International Ink Company (“INX” or the “Borrower”) was established in 1988 and incorporated under Delaware law. INX is a wholly-owned subsidiary of The INX Group Limited (“IGL” or the “Holding Company”), a Delaware Corporation. IGL operates as a holding company -- its principal operating subsidiaries are INX and Triangle Digital INX Company of San Leandro, California.

IGL, in turn, is a wholly-owned holding company of Sakata INX Corporation (“Sakata” or the “Parent Company”), a Japan-based company with common stock traded publicly on the Tokyo Stock Exchange (Ticker: J.SIC). Predecessors of INX had been in existence since 1960.

Although INX may form a special purpose entity to own the subject real estate or equipment for tax and liability purposes, INX will be the sole entity guaranteeing the proposed JPMorgan Chase LOC that will be securing the proposed bond issue. Accordingly, Sakata INX Corporation will not be providing JPMorgan Chase with a corporate guarantee to further secure the Bank on its LOC commitment.

Background: Originally founded in 1896 as a manufacturer of newspaper inks in Japan, Sakata INX has worldwide operations and major operations location in the U.S., Central and South America, Europe, Japan, and China. Sakata INX has over 40 operating locations worldwide. In 2003, Sakata INX expanded its operations by investing and acquiring companies that provide digital printer inks used in industrial applications, including Triangle Digital (now Triangle Digital INX) of San Leandro, California. Sakata INX believes this strategy will enable them to grow more quickly than its traditional food and consumer good packaging applications. Sakata INX has worldwide sales of over \$1.1 billion, has over 80 manufacturing and research facilities and more than 2000 active customers worldwide.

INX International Ink Company’s U.S. operations primarily focus on manufacturing water-based inks and coatings used in a variety of packaging and commercial printing applications. INX is the leading manufacturer of (1) metal decorative can inks used for sodas and other beverages, (2) single service container inks used in fast food packaging, and (3) inks used in corrugated point of purchase display inks.

INX also manufactures inks used in traditional commercial printing applications including envelopes, business forms, catalogs, magazines, books, newspaper inserts and circulars, paper and paperboard packaging, and other applications.

INX’ production facilities feature automated and fully digitally controlled ink production. INX can produce in custom batch sizes ranging from 5 pounds to 35,000 pounds. INX is also ISO 9000/14001 certified. INX’ product development and research team is available to provide customers with technical support as necessary for a variety of applications.

On April 1, 2007, INX acquired 100% ownership interest in Innovative Solution Inc. of Huntsville, Alabama, a company that manufactures digital printers and related products. This acquisition will help INX and Triangle INX to continue to diversify into inks and services for the digital printing industry.

INX has over 30 facilities in the U.S., including 6 in Illinois. INX’ U.S. Corporate Offices are located in Schaumburg, Illinois at 150 Martingale Rd., just west of Woodfield Mall, and employs approximately 100. INX’ US headquarters have been located in Schaumburg for approximately the last two years and have been located in Illinois for the last 20 years. INX’ US Research and Development Division is located in West Chicago and employs 34. INX’ R&D facility was established in West Chicago in 1989. INX’ has an adjacent production facility in West Chicago that currently employs approximately 65 people. INX also operates a small sales office and service facility at 1419 West Carroll Street in Chicago that employs approximately 4 people.

The proposed project will enable INX to consolidate operations of two Illinois production facilities located at (1) 1001 Morse Ave., Elk Grove Village and (2) and its non-flammable ink lines at 5001 S. Mason Street facility in Chicago (60 total employees currently at the two facilities), and (3) a production facility in Kalamazoo, Michigan at a single production facility in Homewood. The Elk Grove Village operations will be relocated in their entirety while the Chicago facility will be a partial relocation. The Company estimates that this project will retain 51 jobs of 60 existing Illinois jobs at these facilities. Additionally, any displaced Illinois employees will be offered the opportunity to rejoin the Company as new positions are added in Homewood over time. The Company anticipates adding 9 new jobs within two years of the relocation.

FINANCING SUMMARY

Bondholder	
Security:	Bonds will be purchased secured by a Direct Pay Letter of Credit from JPMorgan Chase Bank. JPMorgan Chase & Company's long-term debt is currently rated Aa2/AA-/AA- by Moody's/S&P/Fitch. JPMorgan Chase's short-term ratings are VMIG-1/A-1+/F1+ from Moody's/S&P/Fitch as of 4/20/2007.
Structure:	Bonds will be sold initially with a 10-year initial term (with the bond interest rate to be reset according to market rates after 10 years).
Interest Rate:	7-day variable rate demand bonds. The most current average weekly interest rate on 7-day variable rate demand bonds was approximately 3.80% (excluding the Bank LOC Fee and other ongoing fees) as of 4/18/2007.
Amortization:	30 Years on real estate; 10 years on equipment (estimated)
LOC Bank	
Security:	The Bonds will be a direct obligation of INX International Ink Company. JPMorgan Chase Bank will be secured by a first mortgage on the subject property and a first security interest on project equipment. (If any special purpose entities are formed to own the subject facility, JPMorgan Chase would also be secured by an assignment of rents and leases and a corporate guarantee.) JPMorgan Chase will not require a corporate guarantee from INX' IGL holding company.

PROJECT SUMMARY

Bond proceeds will be used to finance by INX International Ink Company to finance all or a portion of the acquisition, renovation, and equipping of an existing, approximately 79,697 SF manufacturing facility located on an approximately 6.0 acres site at 1000 Maple Avenue, Homewood (Cook County), IL 60430-2047. Renovations will include, but not limited to, loading dock improvements, floor reinforcement, and general electrical upgrades, HVAC upgrades, and other improvements. Additionally, bond proceeds will be used to pay capitalized interest, costs of issuance, and other qualified professional fees. (Collectively, these capital expenditures will comprise the "Project".) The Project will be used to manufacture water soluble ink used in a variety of commercial printing and packaging applications.

Estimated project costs are as follows:

Building Acquisition	\$4,000,000
Renovation	2,100,000
Machinery and Equipment	<u>5,900,000</u>
Total	<u>\$12,000,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant: INX International Ink Company and its affiliates, successors, and assigns (Contact: Ms. Erika Yamamoto, Assistant Treasurer, INX International Ink Company, 150 N. Martingale Rd., Suite 700, Schaumburg (Cook County), IL 60173; Ph.: 630-382-1905; e-mail: erika.yamamoto@inxintl.com)
Web site: www.inxinternational.com
Project name: INX International Ink Company
Location: 1000 Maple Ave., Homewood, IL 60430-2047
Organization: **INX International Ink Company**, a Delaware Corporation
Ownership: Sakata INX Corporation, Osaka, Japan: 100%; Sakata INX Corporation is a publicly-traded company on the Tokyo Stock Exchange. Web site: www.inx.co.jp/english/inx.html

PROFESSIONAL & FINANCIAL

General Counsel:	INX International Ink Company	Schaumburg, IL	Robert Osmundsen
Auditor:	KPMG LLP		Chicago, IL
LOC Bank:	JPMorgan Chase Bank	Chicago	Ellen Rabaldo
LOC Bank Counsel:	To be determined		
Bond Counsel:	To be determined and bid by JPMorgan Securities, Inc.		
Underwriter:	JPMorgan Securities, Inc.	Chicago	Shelley Phillips
Underwriter's Counsel:	To be determined and bid by JPMorgan Securities, Inc.		
Architect:	To be determined		
General Contractor:	To be determined		
Trustee/Fiscal Agent:	Bank of New York	Chicago	
IFA Counsel:	Wildman Harrold	Chicago	Jim Snyder
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 2 Jesse L. Jackson, Jr.
State Senate: 15 James T. Meeks
State House: 29 David E. Miller

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007

Project: Chicago Gear – D. O. James Corporation and its affiliates, successors, and assigns

STATISTICS

IFA Project:	I-ID-TE-CD-7109	Amount:	\$5,300,000 (not-to-exceed amount)
Type:	Industrial Revenue Bond	IFA Staff:	Rich Frampton
Locations:	Chicago		

BOARD ACTION

Preliminary Bond Resolution	
Conduit Industrial Revenue Bonds	No IFA funds at risk
Staff recommends approval	No extraordinary conditions

PURPOSE

Acquisition of land, renovation of existing facilities, and construction of a building addition, and the purchase of machinery and equipment to expand the operations of Chicago Gear, which has been manufacturing shoes at the same location since the 1920's.

IFA PROGRAM AND CONTRIBUTION

The Authority's Industrial Revenue Bond Program provides low interest rate financing for qualifying industrial projects. IFA's issuance of Industrial Revenue Bonds will exempt income earned on the Bonds from federal income tax and thereby enable the Borrower to obtain a lower interest rate on this debt. **Issuance of these bonds is subject to an allocation of Volume Cap from the Governor's Office of Management and Budget.**

VOTING RECORD

None. This is the first time this project has been presented to the IFA Board of Directors.

SOURCES AND USES OF FUNDS

Sources:	IRB	\$5,090,000	Uses:	Project Cost	\$5,046,000
	Equity	<u>96,000</u>		Issuance Costs	<u>140,000</u>
	Total	<u>\$5,186,000</u>		Total	<u>\$5,186,000</u>

The financial summary section of this report explains the sources of project equity (see Page 6).

JOBS

Current employment:	110	Projected new jobs:	15 (within 2 years)
Jobs retained:	110	Construction jobs:	25 (average over 7 months)

BUSINESS SUMMARY

Description: Chicago Gear – D. O. James Corporation, (“Chicago Gear” or the “Company”) is an Illinois S Corporation that was formed in 1985 pursuant to a management buyout by Mr. Wayne Wellman, CEO, and Mr. Frank Romans, President. Prior to 1985, Chicago Gear was an operating subsidiary of the Ex-Cell-O Corporation. Predecessors of Chicago Gear date to 1888.

The Economic Disclosure Section of this report provides a listing of all shareholders with a 7.5% or greater ownership interest in Chicago Gear (see p. 3).

Background: Chicago Gear is a full service gear and gearbox manufacturer. Chicago Gear is a custom engineering and design shop that works with customers to develop solutions. Additionally, Chicago gear also provides job site service calls and gearbox rebuilding/upgrading.

As a job shop, Chicago Gear serves a variety of industries including energy, defense, and replacement parts for industrial machinery and equipment. Chicago Gear also designs and assembles gearboxes used in heavy duty applications, including drawbridges and locks and dams. The Company’s gearboxes are used as components in the Panama Canal. Chicago Gear also has developed offshore production relationships with companies in South Korea and Taiwan for fabrication and assembly of certain gears and gearboxes.

Since its spin-off as an independent company, Chicago Gear has acquired several competitors with complimentary product lines. These acquisitions have increasingly diversified the Company’s customer base. Chicago Gear has a diversified customer base with 350 active accounts including National Oil Well (energy), Raytheon (defense), and United Technologies/Sikorski Helicopter (defense).

In addition, to new products for the energy and mining sectors, defense contractors, and the aerospace industry, Chicago Gear has become a primary source of replacement gears and parts for a variety of heavy machinery manufacturers including John Deere & Company – the Company’s ability to fabricate small orders economically and assure quick delivery enables Chicago Gear to make higher margin sales than large commodity-based runs of new production parts (which have been displaced by offshore manufacturers).

The proposed project will enable Chicago Gear to expand its operations, upgrade its high tolerance milling and machining equipment, and provide room for additional expansion. The project will also demolish a blighted adjacent property. This project will enable Chicago Gear to remain in the same location where it has operated since before 1920.

FINANCING SUMMARY

Bondholder Security: Bonds will be purchased secured by a Direct Pay Letter of Credit from Fifth Third Bank. Fifth Third’s long-term debt is currently rated Aa2 (Stable)/AA- (Stable)/AA- (Negative) by Moody’s/S&P/Fitch. Fifth Third’s short-term ratings are VMIG-1/A-1+/F1+ from Moody’s/S&P/Fitch (as of 4/20/2007).

Structure: Bonds will be underwritten by Fifth Third Securities, Inc., and sold as 7-day variable rate demand bonds.

Interest Rate: 7-day variable rate demand bonds. The most current average weekly interest rate on 7-day variable rate demand bonds was approximately 3.80% (excluding the Bank LOC Fee and other ongoing fees) as of 4/18/2007.

Amortization: 25 Years on real estate; 10 years on equipment (estimated)

LOC Bank Security: Fifth Third Bank will be secured by a blanket first mortgage on the subject property. Additionally, Fifth Third Bank has a blanket first security interest in all accounts receivable, inventory, and equipment that is cross-collateralized with the Bank’s Line of Credit. Fifth Third cross-collateralizes all of Chicago Gear’s long-term and short-term loans and credit facilities. (If any special purpose entities are formed to own the subject

facility, Fifth Third would also be secured by an assignment of rents and leases and a corporate guarantee.)

PROJECT SUMMARY

Bond proceeds will be used to finance (1) the construction of a 10,000 SF addition to, and the renovation and equipping of, Chicago Gear – D.O. James Corporation’s existing manufacturing facility located at 2823 W. Fulton Street, Chicago, Illinois 60612; (2) the improvement of its adjacent properties located at 2841 and 2843 W. Fulton Street and 2842-2900 W. Walnut Street, and the acquisition and improvement of the properties located at 2855 W. Fulton Street and 255 and 259 N. Francisco, all as surface parking lots for the manufacturing facility; and (3) to pay capitalized interest, costs of issuance, and other qualified professional fees. (Collectively, these capital expenditures and costs will comprise the “Project”.) The Project will be used by Chicago Gear – D. O. James Corporation to manufacture industrial gears.

Estimated project costs are as follows:

Land Acquisition, Demolition/New Construction/ Renovation/Parking Lot/Site Improvements	\$850,000
Renovations	46,000
Equipment	<u>4,150,000</u>
Total	<u>\$5,046,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant: Chicago Gear – D. O. James Corporation (Contact: Mr. Danny Lyons, Vice President – Finance, 2823 W. Fulton St., Chicago, IL 60612-1705; Ph.: 773-638-0508 (x37); Fax: 773-638-7161; e-mail: dlyons@cgdj.com)

Web site: www.chicagogear-dojames.com

Project name: Chicago Gear – D. O. James Corporation.

Locations: 2823 W. Fulton St., 2841 W. Fulton St., 2843 W. Fulton St., 2855 W. Fulton Street and 255 and 259 N. Francisco St., Chicago, IL

Organization: **Chicago Gear – D. O. James Corporation.**
Illinois S Corporation

Ownership: Shareholders with a 7.5% or greater ownership interest in Chicago Gear – D. O. James Corporation include the following:
Wayne Wellman, CEO, Naperville, IL: 59.7%
Frank Romans, President, Clarendon Hills, IL: 14.5%
Chris Wellman, 8.2%
Jeff Wellman, 8.2%

PROFESSIONAL & FINANCIAL

General Counsel:	To be determined		
Auditor:	DiGiovanni, McLaren & Associates, P.C.	Worth, IL	
Bond Counsel:	Dykema Gossett PLLC	Chicago	Walter Deitch
LOC Bank:	Fifth Third Bank	Chicago	
LOC Bank Counsel:	Wildman Harrold	Chicago	David Hight
Underwriter:	Fifth Third Securities, Inc.	Chicago	Doug DeAngelis
Underwriter’s Counsel:	Dykema Gossett PLLC	Chicago	Walter Deitch
General Contractor:	To be determined		
Trustee/Fiscal Agent:	To be determined		
Architect:	2MB Design Studio	Des Plaines, IL	Voightec Bialy
IFA Counsel:	Greenburg Traurig LLP	Chicago	Mark McCombs
IFA Financial Advisors:	D.A. Davidson & Co. Scott Balice Strategies, Inc.	Chicago Chicago	Bill Morris Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 7 Danny K. Davis
State Senate: 5 Ricky R. Hendon
State House: 10 Annazette R. Collins

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007**

Project: 47 Asphalt Company (K-Five Construction Corporation)

STATISTICS

Project Number: I-IR-TE-CD-7118	Amount: \$5,750,000 (not-to-exceed)
Type: Industrial Revenue Bond	IFA Staff: Steve Trout
Location: Newark	

BOARD ACTION

Preliminary Bond Resolution	No IFA funds at risk
Conduit Industrial Revenue Bonds	No extraordinary conditions
Staff recommends approval	SIC Code:

PURPOSE

To finance the acquisition and installation of asphalt related manufacturing equipment for the manufacture of asphalt and pay costs of issuance.

IFA PROGRAM AND CONTRIBUTION

The Authority's Industrial Revenue Bond Program provides low interest rate financing for qualifying industrial projects. IFA's issuance of Industrial Revenue Bonds will exempt income earned on the Bonds from federal income tax and thereby enable the Borrower to obtain a lower interest rate on this debt. The Borrower is seeking \$5,500,000 of Volume Cap from IFA. **Issuance of these bonds is subject to an allocation of Volume Cap from the Governor's Office of Management and Budget.**

VOTING RECORD

None. This is the first time this project has been presented to the Board.

ESTIMATED SOURCES AND USES OF FUNDS

Sources: IRB	<u>\$5,500,000</u>	Uses: New Machinery & Equipment	\$5,400,000
		Legal & Professional	<u>\$100,000</u>
Total	<u>\$5,500,000</u>	Total	<u>\$5,500,000</u>

JOBS

Current employment: 350 (600 at peak season)	Projected new jobs: 17
Jobs retained:	Construction jobs: 0

BUSINESS SUMMARY

Description: K-Five Construction Corporation ("K-Five" or "the company") is a family-owned contractor of highway/street asphalt projects that was established as an Illinois corporation in April 1977. K-Five is headquartered in Lemont and operates from area offices and asphalt plants in Lemont, Naperville, Elmhurst, Chicago and Markham, as well as two high production portable concrete plants. K-Five has established wholly owned subsidiaries for each of the asphalt plants. The Company established 47 Asphalt Company as a wholly owned subsidiary to own and serve as borrower for the subject property.

Background: In the early part of the 20th century, William J. Newman and George Krug both owned construction companies. Newman's companies worked on most of the caisson projects that the City's skyscrapers are built upon. Krug's company also did extensive excavating work in Chicago's downtown area. The marriage of William Newman's daughter, Josephine, to George Krug's son, George, provided the future foundation for K-Five Construction. Today all of Josephine and George's children are directly involved in the Company.

From its roots as a residential paving company, K-Five has grown into one of Illinois' largest unionized heavy highway paving contractors. Serving governments, industrial and commercial concerns in the Chicago metropolitan area, K-Five generates substantially over \$100 million in annual sales and employs over 500 workers during the height of the construction season. Public sector clients include among others: Illinois Department of Transportation, Illinois State Toll Highway Authority, City of Chicago, O'Hare International Airport, the counties of Cook, DuPage, Kane, as well as numerous municipalities. Some recent projects include expansions of O'Hare and Midway airports and renovations and improvements to the Stevenson Expressway. Some privately owned projects recently completed include: Comisky Park, United Center and distribution centers for Menards and Home Depot.

In addition to being one of Illinois' leading suppliers of asphalt, K-Five offers many other construction services and believes that it is an industry leader in estimating, quality control and quality assurance, project management, highway general contracting, residential and commercial subcontracting and recycling and disposal of used asphalt and concrete.

Substantially all of K-Five's workforce is subject to various collective bargaining agreements.

FINANCING SUMMARY

The Bonds: The Bonds are expected to be fixed-rate obligations that will amortize and mature over 60 to 84 months.
Collateral: First lien on the subject machinery and equipment
Rating: No credit rating will be sought as the Bonds will be held to maturity by GE Capital.

PROJECT SUMMARY

Bond proceeds will be used to (1) acquire and install asphalt related manufacturing equipment on a 10 acre site located just east of 10425 Joliet Road, Newark, IL; (2) pay legal and professional costs. The list of equipment includes a cold feed system, scalping screens, inclined conveyors, aggregate dryer, mixing drum, pulse jet backhouse, dry additive system, duster blower system, recycle feed bins, command control center and new generation storage system. Project costs are estimated at \$5,400,000.

ECONOMIC DISCLOSURE STATEMENT

Applicant: 47 Asphalt (K-Five Construction Corp.) 13769 Main Street, Lemont, IL 60439 (Contact: Mark Sniegowski, Vice President Finance & Administration, Telephone: 630/257.5600)
Landowner: The site will be leased from Vulcan Materials, a publicly traded corporation
Project Location: No address has been assigned. The project will be located within a 10-acre site within a large parcel of land that is owned by Vulcan Materials. The address on that parcel is 10425 Joliet Road, Newark, IL 60541.
Organization: Illinois Corporation (1977)

PROFESSIONAL & FINANCIAL

Bond Counsel:	Jones Day	Chicago	Richard K. Tomei / Robert Capizzi
Bond Purchaser:	GE Capital Public Finance, Inc.	Oak Brook, IL	
Purchaser's Counsel:	Kutak Rock, LLP	Omaha, NE	Robin Clark
IFA Counsel:	To be determined		
Accountant:	Africk / Chez. P.C.	Chicago	
IFA Counsel:	Pugh Jone, Johnson & Quandt	Chicago	Scott Bremer
IFA Financial Advisor:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	14 th	J. Dennis Hastert
State Senate:	25 th	Chris Lauzen
State House:	50 th	Patricia Reid Lindner

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007

Project: Ezine, Inc. and 4243 W. Belmont LLC

STATISTICS

IFA Project:	I-ID-TE-CD-6142	Amount:	\$4,500,000 (not-to-exceed amount)
Type:	Industrial Revenue Bond	IFA Staff:	Rich Frampton
Locations:	Chicago (2 adjacent sites)		

BOARD ACTION

Final Bond Resolution	
Conduit Industrial Revenue Bonds	No IFA funds at risk
Staff recommends approval	No extraordinary conditions

PURPOSE

(1) Construction and equipping of a building addition to Ezine's existing manufacturing facility in Chicago, and (2) to finance and refinance the acquisition, renovation, and equipping of an adjacent building that will enable Ezine to both consolidate and expand Ezine's operations at a single location.

IFA PROGRAM AND CONTRIBUTION

The Authority's Industrial Revenue Bond Program provides low interest rate financing for qualifying industrial projects. IFA's issuance of Industrial Revenue Bonds will exempt income earned on the Bonds from federal income tax and thereby enable the Borrower to obtain a lower interest rate on this debt. The Borrower is seeking \$4,400,000 of Volume Cap from IFA. **Issuance of these bonds is subject to an allocation of Volume Cap from the Governor's Office of Management and Budget.**

VOTING RECORD

Preliminary Bond Resolution, July 11, 2006:

Ayes: 10 Nays: 0 Abstentions: 1 (Valenti)

Absent: 4 (Boyles, DeNard, Giannoulas, Nesbitt) Vacancies: 0

SOURCES AND USES OF FUNDS

Sources:	IRB	\$4,405,000	Uses:	Project Cost	\$7,374,000
	Equity	<u>3,578,000</u>		Capitalized Interest	549,000
				Issuance Costs	<u>60,000</u>
	Total	<u>\$7,983,000</u>		Total	<u>\$7,983,000</u>

The financial summary section of this report explains the sources of project equity (see Page 6).

JOBS

Current employment:	250	Projected new jobs:	150 (within 2 years)
Jobs retained:	Not applicable	Construction jobs:	25 (average over 10 months)

BUSINESS SUMMARY

Description: Ezine, Inc., (“Ezine” or the “Company”) is an Illinois Corporation established in 1989 by Mr. Ridvan Tatargil, CEO, and his wife Ms. Siw Tatargil, VP and Chief Designer. The Company is 100%-owned by Mr. Tatargil. Ezine is organized as an S Corporation.

4243 W. Belmont LLC (the “LLC”) is an Illinois Limited Liability Company formed as a special purpose entity by the Tatargil’s to purchase, renovate, and equip 4243 W. Belmont Ave. for lease to Ezine, Inc. (Collectively, Ezine, Inc. and the LLC will be referred to as the “Borrower”).

Background: Ezine designs and manufactures luxury bedding and decorative home accessories. Ezine’s initial product line was decorative pillows. The Company has gradually expanded its product lines to include bedding materials (e.g., shams, bed skirts, duvet covers), ottomans, table runners, and linens. Ezine introduced draperies in 2005 and will introduce headboards and quilts in 2006.

Ezine currently employs over 250 people in Chicago and serves over 2,000 customers across the U.S. and Canada, including furniture stores, home accessory stores, department stores and catalog companies.

Ezine’s large customer base is also diversified -- no single customer comprises more than 9% of accounts receivable (i.e., Thomasville Furniture). Most of Ezine’s other large accounts are high-end, regional furniture store chains (including Walter E. Smithe, Plukett Furniture, and Toms-Price in the Chicago area).

Ezine generally reaches new customers through trade shows held in New York, Los Angeles, San Francisco, Atlanta, High Point, NC, and Las Vegas. Ezine employs independent sales representatives working on a commission basis, direct mailings, and in-house sales/customer service representatives to serve its commercial customers. Ezine also sells directly to independent designers through its Belmont Home Décor division.

In addition to its Chicago production/headquarters facility, Ezine operates showrooms in the Chicago (Merchandise Mart), Atlanta, High Point, NC, and will open a new showroom in Las Vegas in January 2007.

Ezine offers its products under several trade names including: (1) Eastern Accents, (2) FeatherSound, (3) Leyla’s, (4) Western Accents, and (5) Belmont Home Décor (retail sales to independent designers).

Ezine’s began advertising its Eastern Accents and FeatherSound product lines in 2005 in several magazines, including Architectural Digest, Elle Décor, Metropolitan Home, Veranda, and Chicago Magazine. Copies of these advertisements are featured on the Company’s web site at www.easternaccents.com/advertisements.

Ezine purchases most raw materials directly from fabric mills worldwide (primarily Turkey, Italy, and China). Ezine introduces new collections twice a year and its catalog includes hundreds of items. Ezine competes with importers and closely-held domestic manufacturers. Management believes that its local design and manufacturing presence enables Ezine to more rapidly adjust to changing market demand than its competitors. Additionally, the Company’s focus on the high-end consumer and its quick turnaround of customer orders helps protect the Company from price-oriented competitors.

This project will enable Ezine, Inc. to both expand and consolidate its Chicago-area facilities at a single location. The new facilities will facilitate material handling, and expand and centralize facilities for warehousing raw materials and semi-finished product. The Company expects its net profit margin will improve substantially after completion of the expanded facility as production efficiencies improve.

FINANCING SUMMARY

Security: Bonds will be purchased directly and held as a portfolio investment by MB Financial Bank, Rosemont, Illinois (the "Bank") until maturity.

Structure: Bonds will be sold initially with a 10-year initial term (with the bond interest rate to be reset according to market rates after 10 years).

Interest Rate: 5.61% Fixed for 10 years (estimated as of 4/28/2007).

Amortization: 30 Years on real estate; 7 years on equipment

Bank/Bondholder
Security: The Bank will be secured by a blanket first security interest in all Company and LLC assets, with a collateral assignment of rents and leases on the 4243 W. Belmont property. The IRB will be cross collateralized with all other Bank debt to Ezine, Inc. and its affiliates.

PROJECT SUMMARY

Bond proceeds will be used to finance (1) construction and equipping of a new, approximately 59,750 SF addition to the Company's existing approximately 60,500 SF manufacturing facility located at 4201 W. Belmont Ave., in Chicago (Cook County), IL 60641-4621, (2) construction of an employee parking lot and other capital improvements both located on, and adjacent to, the 4201 W. Belmont Ave. site, (3) the financing and refinancing of the acquisition, renovation, and equipping of an approximately 14,110 SF building, located at 4243 W. Belmont Ave., in Chicago (Cook County), IL 60641-4642 for use as a manufacturing and prototyping/design facility. Additionally, bond proceeds will be used to pay capitalized interest, costs of issuance, and other qualified professional fees. (Collectively, these capital expenditures will comprise the "Project".)

Estimated project costs are as follows:

Building Acquisition/New Construction/Renovation/ Site Improvements/Site Preparation	\$6,814,000
Equipment	<u>560,000</u>
Total	<u>\$7,374,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant: Ezine, Inc. and 4243 W. Belmont, LLC (Contact: Mr. Ridvan Tatargil, CEO, 4201 W. Belmont Ave., Chicago, IL 60641-4621; Ph.: 773-604-7175; Fax: 773-866-2211; e-mail: Ridvan@easternaccents.com)

Web site: www.easternaccents.com

Project name: Ezine, Inc.

Locations: 4201 W. Belmont Ave. Chicago, IL 60641-4621, and 4243 W. Belmont, Chicago, IL 60641-4642

Organization: **Ezine, Inc.** **4243 W. Belmont LLC**
Illinois S Corporation Illinois Limited Liability Company

Ownership: Mr. Ridvan Tatargil, Chicago, IL: 100%
Mr. Ridvan Tatargil, Member: 50%
Ms. Siw Tatargil, Member: 50%

PROFESSIONAL & FINANCIAL

General Counsel:	Field & Golan LLP	Chicago	
Outside Accountant:	Blackman Kallick Bartelstein LLP	Chicago	
Bond Purchaser:	MB Financial Bank	Rosemont, IL	John Sassaris
Bond Counsel:	Greenberg Traurig LLP	Chicago	Matt Lewin
Bank Counsel:	Burke Burns & Pinelli, Ltd.	Chicago	Mary Ann Murray
Architect:	Thelander Nelson and Assoc., Inc.	Lincolnshire, IL	
General Contractor:	Valenti Builders, Inc.	Northfield, IL	
Structural Engineer:	Robert L. Miller Associates	Des Plaines, IL	
Bank's Inspecting Architect:	Graphics Support Services	Chicago	Victor Zaveduk
Appraiser:	Appraisal Associates, Inc.	Riverside, IL	
Trustee/Fiscal Agent:	Not applicable – Direct Purchase Bonds		
IFA Counsel:	Peck Shaffer & Williams, LLP	Chicago	George Buzard
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	5	Rahm Emanuel
State Senate:	20	Iris Y. Martinez
State House:	39	Maria Antonia (Toni) Berrios

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007**

Project: 2643 Chicago Ave., LLC

STATISTICS

Project Number: I-ID-TE-CD-6276	Amount: \$5,000,000
Type: Industrial Revenue Bond	FM: Steve Trout
Location: Chicago	

BOARD ACTION

Final Bond Resolution	No IFA funds at risk
Conduit Industrial Revenue Bonds	No extraordinary conditions
Staff recommends approval	SIC Code: 541920

PURPOSE

To finance: 1) the acquisition of a 1-acre site and 60,000 square-foot industrial building located at 222 Maplewood in Chicago, 2) renovations to the building,3) the purchase and installation of printing and information technology equipment, and 4) refund \$1,000,000 of City of Chicago Bonds Series 2000.

IFA PROGRAM AND CONTRIBUTION

The Authority's Industrial Revenue Bond Program provides low interest rate financing for qualifying industrial projects. IFA's issuance of Industrial Revenue Bonds will exempt income earned on the Bonds from federal income tax and thereby enable the Borrower to obtain a lower interest rate on this debt. The Borrower is seeking \$4,000,000 of Volume Cap from IFA. **Issuance of these bonds is subject to an allocation of Volume Cap from the Governor's Office of Management and Budget.**

VOTING RECORD

Preliminary Resolution adopted on January 9, 2007 by the following vote:

10 ayes 0 nays 0 abstentions

Absent: 4 (DeNard, Giannoulas, Herrin, Nesbitt and Valenti)

SOURCES AND USES OF FUNDS

Sources: IRB	<u>\$5,000,000</u>	Uses: Project Cost	\$3,820,000
		Refunding Bonds	1,000,000
		Legal & Professional	\$150,000
		Architectural	<u>\$30,000</u>
Total	<u>\$5,000,000</u>	Total	<u>\$5,000,000</u>

JOBS

Current employment:	80	Projected new jobs:	19 (within 2 years)
Jobs retained:	NA	Construction jobs:	5

BUSINESS SUMMARY

Description: Andrès Imaging and Graphics, Inc., is an Illinois corporation that was founded as a custom commercial photo lab to serve major advertising agencies. Andres is now one of Chicago's premier high-end digital and photographic printers, producing large format digital prints that are mounted on various structures and used in point of purchase displays and advertising campaigns.

2643 Chicago, LLC is an Illinois Limited Liability Company established to develop, own and finance real estate and lease it to Andre Imaging and Graphics, Inc.

Background: Andre Schellenberg began the company in January 1975 as custom photo lab known as The Foto Lab to serve major advertising agencies. Andrè was a highly-trained technician who was one of the first commercial printers to offer large format digital display prints in 1990 when digital imaging was in its infancy. Andrès Imaging had a San Diego location, but the primary business location remained at Illinois Street and Michigan Avenue. Following Mr. Schellenberg's death in 1994, his former sales manager, Richard Cappelletti, took over the company, sold the San Diego location and continued Andrè's vision for building a first-class digital imaging business. Andres Imaging has continued to grow, as its business has changed from photo prints to large format digitally-produced images that required more space for personnel, print handling and finishing.

Andrès has kept up with digital imaging technology that enabled the company to provide solution-oriented photo/graphics products and services for Fortune 500 companies. Andrès became known for serving major retail chains across the country, Abercrombie and Fitch, Levi Strauss, The GAP, Harley-Davidson, Alltel and others. Additionally, Andrès is one of the foremost graphics' suppliers for Chicago museums. Top designers, advertising agencies, exhibit houses, retailers select Andrès Imaging & Graphics for their digital photo imaging, and graphic solutions.

Project

Rationale: In 2001 the company moved to its current location at 2643 West Chicago Avenue. Acquiring 42,000 square-feet of space made it possible to purchase larger printing equipment and computer power to offer flatbed rigid substrate inkjet and grand-format printing. Access to additional space and additional printing capabilities caused business to grow much faster than anticipated. Since then, staffing has grown from 50 to 81 and sales have nearly tripled to \$14 million. Demand for ever larger digital images require the fabrication of frames, display and signage. Fulfilling orders for Andres' large graphic projects, requires extensive finishing as well as vast storage space for clients' inventory, as its sales philosophy is to print thousands of copies of an image and ship only as needed. This rapid growth coupled with demand for increasingly large images has caused to Andres Imaging to begin running out of space, even after it recently acquired an adjacent small building next door.

The Project: The project consists of two parts. The first is the acquisition of land and two story structure consisting of 60,000 square feet at 222 Maplewood. The structure will house storage space, production area, and office space for Andrès Images and Graphics. The growth of location will allow the organization to further grow. Currently, growth of the organization is only limited by the space which it currently operates in. The owners expect that Andre Imaging will gradually shift its operations to the new location during the next three years.

The second part of this project consists of equipment purchases that will occur over the period in which the move is going to take place. The expansion of workspace correlates to the machinery necessary to produce large scale digital images. Flat bed printers, turbo printer, roll out printer, and coating machines are all planned to be included within the 60,000 square-foot facility. Also the expansion will be able to house workspace for an anticipated hiring of 99 new employees.

PROJECT SUMMARY

Bond proceeds will be used to (1) acquire a one-acre site and an approximately 60,000 square-foot industrial building located at 222 Maplewood in Chicago, (2) acquire and install new printers, coaters and information technology equipment. Estimated project costs are as follows:

Land and Building Acquisition	\$1,850,000
Renovation and Site Improvements	400,000
New Machinery and Equipment	<u>\$1,570,000</u>
Total	<u>\$3,820,000</u>
Refunding City of Chicago Series 2000 Bonds	<u>\$1,000,000</u>
Total	\$4,820,000

ECONOMIC DISCLOSURE STATEMENT

Applicant:	2643 Chicago Ave, LLC and Andres Imaging and Graphics, Inc., 2643 Chicago Ave, Chicago (Cook County) IL 60622, contact: Philip S. Marrone, Manager, (630-854-5003)
Project Location:	222 North Maplewood Ave., Chicago (Cook County), IL 60612-2110
Organization:	<u>2643 Chicago Ave, LLC.</u> <u>Andres Imaging and Graphics, Inc.</u> Illinois Limited Liability Company Illinois Corporation
Ownership	Richard Capelletti, President: 33.34% Richard Capelletti, President: 65% Daniel Scandige, VP: 33.33% Daniel Scandige, VP: 35% Philip Marrone, CFO: 33.33%

PROFESSIONAL & FINANCIAL

General Counsel:	Much Shelist Freed Denenberg	Chicago	Julie Hanusa
Auditor:	Philip Rae & Co. CPA's PC	Naperville, IL	Philip S. Marrone
Bond Underwriter:	LaSalle Financial Services, Inc.	Chicago	Peter Glick
Bond Counsel:	Wildman Harrold	Chicago	Jim Snyder
LOC Bank	American Chartered Bank	Warrenville, IL	Lou Petritz
LOC Bank Counsel:	Sullivan Hinks & Conway	Oak Brook, IL	John Conway
Wrap LOC Bank:	LaSalle Bank and Trust NA	Chicago	Marc Nelson
Wrap Bank Counsel:	Scott & Kraus, LLC	Chicago	Drew Scott
IFA Counsel:	Ice Miller	Chicago	Tom Smith
Bank Trustee:	US Bank, NA	Chicago	Grace Gorka
IFA Financial Advisor:	D. A. Davidson	Chicago	Bill Morris
	Scott Balice Strategies	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	7 th Danny Davis
State Senate:	5 th Rickey Hendon
State House:	10 th Annazette Collins

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007

Project: **Peddinghaus Corporation**

STATISTICS

Project Number:	I-ID-TE-CD-7064	Amount:	\$3,600,000 (not to exceed)
Type:	Industrial Revenue Bond	FM:	Townsend Albright
Location:	Bradley	SIC Code:	3541 (Machine Tools/Cutting)

BOARD ACTION

Final Bond Resolution	Conduit Industrial Revenue Bonds
No IFA funds at risk	Staff recommends approval
Extraordinary conditions: None	

PURPOSE

Proceeds of the proposed financing will be used to (i) purchase land, demolish the existing structure thereon, and construct a parking area, (ii) fund the construction of an approximately 45,500 Sq. ft. manufacturing facility on land currently owned by the Applicant, (iii) purchase and install overhead cranes, milling machines and related equipment, and (iv) fund professional issuance costs

IFA PROGRAM AND CONTRIBUTION

The Authority's Industrial Revenue Bond Program provides low interest rate financing for qualifying industrial projects. IFA's issuance of Industrial Revenue Bonds will exempt income earned on the Bonds from federal income tax and thereby enable the Borrower to obtain a lower interest rate on this debt. **Issuance of these bonds is subject to an allocation of Volume Cap from the Governor's Office of Management and Budget.**

VOTING RECORD

Voting record from Preliminary IFA Bond Resolution on April 10, 2007:

Ayes: 8 Nays: 0 Abstentions: 0 Absent: 6 (Goetz, Leonard, Herrin, O'Brien, Rivera, Valenti)
Vacancy: 1

SOURCES AND USES OF FUNDS

Source:	IFA Bonds	<u>\$3,570,000</u>	Uses:	Project Costs	\$3,530,000
				Legal and professional costs	<u>70,000</u>
	Total	<u>\$3,600,000</u>		Total	<u>\$3,600,000</u>

JOBS

Current employment:	350	Projected new jobs:	N/A
Jobs retained:	N/A	Construction/installation jobs:	20 (9 months)

BUSINESS SUMMARY

- Background:** Peddinghaus Corporation (the “Applicant”), (“Peddinghaus”), was founded in 1903 by Paul Peddinghaus in Gevelsberg, Germany. The Company has remained a family owned business through four generations and is currently managed by Carl “Anton” Peddinghaus. Since inception, Peddinghaus has served the steel construction, plate fabrication and metal working industries by providing heavy machinery used for cutting, drilling, and punching heavy metals. Peddinghaus machines are used worldwide by heavy metal construction companies. Projects completed include steel bridges, sports stadia, high-rise buildings, and general steel-based buildings worldwide. Peddinghaus is headquartered in Bradley, Illinois and employs approximately 350 FTEs. The Company has engineering facilities in Andrews South Carolina and Vitoria, Spain. International sales and service affiliates are located in Gevelsberg, Germany, the UK, Netherlands, Hong Kong, and Mexico. The shares of the Company are held in the Peddinghaus Family Trust.
- Description:** Proceeds of the proposed financing will be used to fund the construction of (i) an approximately 45,500 sq. ft. manufacturing facility located on a parcel of land the Applicant owns, (ii) purchase an additional parcel of land for a parking area, (iii) purchase install overhead cranes and milling machines, and (vi) fund professional and bond issuance costs. The new facility will house the majority of manufacturing and assembly for the plate processing machines (FBDB-2500 and FBDB-1800/3) and beam drill lines (PCD0100 and BDL-1250).
- Remarks:** The state of the art facility and equipment will increase the Applicant’s manufacturing and assembly processes, keep the Applicant on its projected growth path, and help it maintain its competitive edge. Additionally, Peddinghaus will recognize cost savings as it will replace leased space with the new facility. Tax-exempt financing will reduce the Applicant’s borrowing costs by approximately 2.0%.

FINANCING SUMMARY

- Structure:** The Bonds will be structured as a portfolio investment by First American Bank, Elk Grove Village, Illinois to be held in its entirety as a direct investment by the Bank until maturity (or until refinanced by another source, at which time the subject bonds must be reissued by IFA). Resale of these Bonds will be prohibited in the secondary market, as is customary for lender-purchased bonds.
- Collateral:** First mortgage on existing land, buildings, and first lien on equipment purchased.
- Credit Rating:** Non-rated.
- Maturity:** 20 years at a fixed rate

PROJECT SUMMARY

Proceeds of the proposed financing will be used to (i) purchase a parcel of land located at 283 North Washington Avenue, Bradley, Kankakee County, Illinois, demolish the existing structure thereon, and construct a parking area, (ii) fund the construction of an approximately 45,500 Sq. ft. manufacturing facility on land currently owned by the Applicant which is located at 301 North Washington Avenue, Bradley, Kankakee County, Illinois, (iii) purchase and install overhead cranes, milling machines and related equipment, and (iv) fund professional issuance costs.

Project Costs:	Land	\$ 210,000
	New Construction	2,795,000
	Equipment/installation	<u>525,000</u>
	Total	<u>\$3,530,000</u>

ECONOMIC DISCLOSURE STATEMENT

Applicant/Contact: Peddinghaus Corporation, 300 North Washington Avenue, Bradley, Kankakee County, Illinois 60915
Contact: Greg Kubick, Secretary/Treasurer, 815-937-3800
Project Name: 2007 Expansion Project
Project Location: 301 North Washington Avenue, Bradley, Kankakee County, Illinois 60915, and 283 North Washington Avenue, Bradley, Kankakee County, Illinois 60915
Land Owner: Peddinghaus Corporation
Shareholder Ownership: Peddinghaus Family Trust 100.0%

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	In house		
Accountant:	Smith, Koelling, Dykstra & Ohm, PC	Bourbonnais, IL	Mary Smith
Bond Counsel:	Wildman, Harrold, Allen & Dixon	Chicago, IL	James Snyder
Underwriter/ Placement Agent	First American Bank	Elk Grove Village, IL	Steve Eikenberry
Underwriter's Counsel:	Dykema Gossett PLLC	Chicago, IL	I. Walter Deitch
Trustee:	First American Bank	Elk Grove Village, IL	
Issuer's Counsel:	Dykema Gossett PLLC	Chicago	I. Walter Deitch
IFA Financial Advisor:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 15th Timothy V. Johnson
State Senate: 43rd A.J. Wilhelmi
State House: 86th Jack McGuire

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007**

Project: The University of Chicago

STATISTICS

Project Number:	E-PC-TE-CD-7079	Amount:	\$250,000,000
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Rich Frampton
Location:	Chicago		

BOARD ACTION

Final Bond Resolution	Staff recommends approval
Conduit 501(c)(3) Revenue Bonds	No extraordinary conditions
No IFA funds at risk	

PURPOSE

This project will involve various capital construction and renovation projects to be financed primarily on its Hyde Park campus, but also including nearby buildings, and certain improvements to facilities located at its Gleacher Center facility in downtown Chicago. These capital improvements are anticipated over several years. This financing will provide permanent financing for a portion of these capital project development costs. The University of Chicago may also finance portions of future projects with IFA bond issues beginning in 2008. A detailed listing of the long-term project scope is contained under the Project Summary section of this report (see p. 3).

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are municipal bonds authorized under the Internal Revenue Code that enable 501(c)(3) corporations to finance capital projects furthering support of their mission. IFA's issuance of these Bonds will convey federal tax-exempt status on the interest paid to bondholders, thereby enabling bondholders to accept a below market interest rate that is passed through to the Borrower.

VOTING RECORD

Preliminary Bond Resolution, April 10, 2007:

Ayes: 9 (Phone: Goetz, Leonard)	Nays: 0	Abstentions: 1 (Boyles)
Absent: 4 (Herrin, O'Brien, Rivera, Valenti)		Vacancies: 1

PRELIMINARY ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA New Money (2007A) \$250,000,000	Uses:	*New Project Cost (p.3) \$ 650,000,000
	* Fundraising/Debt <u>401,598,000</u>		Issuance Costs <u>1,598,000</u>
Total	<u>\$651,598,000</u>	Total	<u>\$651,598,000</u>

* Note: The subject project is a multi-phase, multi-year expansion. The University contemplates financing future phases of this project through a combination of fundraising and, prospectively, debt issuance that will be determined by a finance subcommittee of the University's Board of Trustees.

JOBS

Current employment: 9,177 (FT and PT)	Projected new jobs: 50-300 (within 2 years)
Jobs retained: N/A	Construction jobs: 150-200 average (12-24 months)

BUSINESS SUMMARY

Background: The University of Chicago (the "University") is a 501(c)(3) organization incorporated under Illinois law. The University is a private, non-sectarian, co-educational educational and research institution founded by John D. Rockefeller in 1890.

Description: The University's mission is to provide education in liberal and professional studies. The University campus is located on approximately 211 acres in Hyde Park, approximately eight miles south of downtown Chicago. The University's campus is located along the Midway Plaisance, a parkway designed by Frederick Law Olmstead for the City's South Park System used for the Columbian Exposition in 1893.

The University consists of an undergraduate College, and six professional schools (Business, Divinity, Law, Medicine, Public Policy Studies, and Social Service Administration). Additionally, the University also operates the Graham School of General Studies (continuing education for adults) and the Laboratory Schools (K-12 primary and secondary education). The University of Chicago Press is an academic unit of the University and is the largest academic press in the nation.

The University's extensive library resources are comprised of over 7 million print volumes and are located in several departmental libraries campus-wide.

The University had approximately 2,154 full-time faculty and 623 part-time faculty at the beginning of academic year 2006-2007. The University's support staff totals approximately 6,500 full-time and part-time employees, approximately 1,550 of whom are represented by collective bargaining agreements.

Since 2001-2002, applications to the University have increased 21%, which has allowed the University to become more selective and reduced its admissions rate from 44% in 2001-2002 to 40% in 2005-2006. From 1998-1999 to 2005-2006, undergraduate enrollment increased from 3,852 to 4,638, consistent with the University's strategic plan.

Combined undergraduate, graduate/professional, and non-degree enrollment at the Hyde Park campus has increased from 12,989 in 2001-2002 to 14,456 in 2005-2006.

The University has an extensive financial aid program designed to enable the most qualified student to attend the University regardless of their financial circumstances. For the 2005-06 academic year, approximately 46% of all students received financial aid. University-wide expenditures for scholarships and fellowship totaled \$186.7 million. In academic 2005-2006, financial aid represented 42% of total tuition and fee revenues.

The University of Chicago has benefited from several bond financings through IFA and currently has 13 bond issues outstanding, totaling approximately \$886 million as of 6/30/2006. Collectively, these financings are referred to as the "Prior Bonds" and were either secured with Aaa/AAA/AAA-rated bond insurance (for auction rate bonds) or sold based on the University's direct underlying ratings (for both fixed rate and daily/weekly/adjustable rate bonds). All payments on the Prior Bonds were current as of 3/1/2007.

IFA most recently issued \$280 million of Bond for The University of Chicago in late 2004, consisting of a series of three bond issues. The IFA Series 2004A-C Bonds were by the University to finance both new projects and to refinance certain Prior Bonds.

The University IS a member of many cooperative organizations, including the Associated Colleges of the Midwest, the Association of American Universities, the American Council on Education, the Committee on Institutional Cooperation, the Council on Graduate Schools in the U.S., and the North Central Association of Colleges and Secondary Schools, among others.

Beginning in 1986, The University of Chicago separated the operation of its hospital system from the University. Accordingly, The University of Chicago Hospitals was incorporated on October 1, 1986 to assume operations of the hospitals and clinics.

FINANCING SUMMARY

Structure: The University plans to sell Bonds in a combination of Fixed and Variable Rate Modes that will be determined by the University and its financing team based on market conditions near the time of closing. The Bonds will be sold based with (1) Aaa/AAA/AAA-rated municipal bond insurance for auction rate bonds and (2) sold on the direct underlying long-term ratings of the University of Chicago for fixed rate or standard daily or weekly adjustable (variable) interest rate bonds (see Security/Collateral section immediately below).

**Security/
Collateral:** The Bonds will be secured by a general obligation of the University. The Bonds will not be secured by a mortgage or security interest on any of the University's assets, properties, or funds. The University's Long-Term Debt is currently rated Aa1/VMIG1/Stable (Moody's as of 10/11/2004); AA/A-1+/Stable (Standard and Poor's as of 7/6/2005); and AA+/F1+/Stable (Fitch as of 11/9/2004). The University anticipates the proposed bonds will be rated similarly by all three rating agencies. (The University of Chicago long term debt was last rated in Fall 2004 when IFA issued three series of New Money and Refunding Bonds totaling \$280 million.) The University of Chicago is one of only a few IFA borrowers that has its own short-term investment grade credit ratings from all three ratings agencies, thereby enabling the sale of standard variable rate bonds without credit enhancement.

Maturity: The Underwriter expects to structure the issue with Bonds maturing in 30 to 40 years. The final maturity date will be determined prior to the IFA Board's consideration of a Final Bond Resolution for this financing. The final configuration of the Bonds (i.e., the amounts of fixed and variable rate debt) will depend on prevailing market conditions at pricing.

**Estimated
Interest Rates:**

- Fixed Rate Bonds: 4.55% for 30 year bonds, based on estimates as of 4/26/2007.

PROJECT SUMMARY (for IFA Final Bond Resolution)

Bond proceeds will be used by the University of Chicago (the "University") to finance, refinance, or be reimbursed for (i) all or a portion of the costs of the acquisition, construction, renovation, and equipping of certain of its educational facilities located at the University's Hyde Park Campus, and at 10910 S. Langley Avenue, 11023 S. Langley Avenue, 11030 S. Langley Avenue, 727 East 110th Street, and 450 North Cityfront Plaza Drive, all in Chicago, Illinois, (ii) make any deposits to certain funds required to be maintained in accordance with one or more Trust Indentures between the Authority and one or more bank or trust companies having the powers of a trust company, and (iii) and to pay costs of issuance on the Bonds, including the costs of bond insurance or other credit or liquidity enhancement, if any (and collectively, the "Project").

Key elements of the project include (also see capital project budget below):

- The planning, design, and construction of a new South Campus residence hall;
- The renovation, planning, design, and construction of a library addition and steam and chilled water utility plant expansion;
- The planning, design, and construction of the 61st Street and Drexel Office Building;
- The renovation, planning, design, and construction of the Center for Biomedical Discovery;
- The renovation and repairs of the Law School, various research buildings, the 6045 Kenwood Building, and various residence halls; and
- The planning and design for new academic and research facilities, campus safety and infrastructure improvements, laboratory and office renovations, the purchase of scientific equipment, and the completion of various other campus renovations and improvements and the equipping of each of the foregoing

Cost estimates for the various capital construction and renovation projects to be financed total \$650M, a portion of which will be financed by the proposed Series 2007 Bonds (the University may ultimately submit applications to cover additional series of bonds to cover additional qualified costs):

Proceeds of the Series 2007A New Money Bonds will finance a portion of the costs of the capital projects noted below:

New South Campus Residence Hall:	\$130,000,000
Library Addition:	60,000,000
61st and Drexel Office Building	20,000,000
Center for Biomedical Discovery:	170,000,000
Law School Renovation:	15,000,000
Searle Research Building Renovations:	40,000,000
Burton Judson Hall Renovations:	15,000,000
6045 Kenwood Building Renovations:	20,000,000
Steam and Chilled Water Utility Plant Expansion:	100,000,000
Academic Renovations (campus safety/ Infrastructure, general renovations):	<u>80,000,000</u>
Total	\$650,000,000

ECONOMIC DISCLOSURE STATEMENT

Applicant: The University of Chicago, 1225 E. 60th St., Chicago, IL, 60637-2801
 Web site: www.uchicago.edu
 Contact: William J. ("Bill") Hogan, Jr., Comptroller, Ph.: 773/702-1940; whogan@uchicago.edu
 Project name: Series 2007 Capital Construction and Renovation Projects
 Locations: The University of Chicago's Hyde Park Campus, 1225 E. 60th St., Chicago, IL 60637-2801
 Organization: Illinois 501(c)(3) Corporation
 Board Membership: *See attached list of Board of Trustees (p. 5).*
 Current Land Owner: The University of Chicago

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Schiff Hardin LLP	Chicago, IL	Bruce Weisenthal
Auditor:	KPMG LLP		Chicago, IL
Borrower's Financial Consultant:	Public Financial Management, Inc.	Boston, MA	June Matte
Bond Counsel:	Chapman and Cutler, LLP	Chicago, IL	Nancy Burke
Senior Manager:	Goldman Sachs		
Co-Managers:	Morgan Stanley	New York, NY	
	Loop Capital Markets, Inc.	Chicago, IL	Warren Daniels
Underwriter's Counsel:	To be determined by Senior Manager		
Trustee:	University has requested proposals from the following trustees in Chicago: (1) Amalgamated Bank, (2) The Bank of New York, (3) Wells Fargo Corporate Trust, and (4) US Bank. Terms of the Indenture will conform with the IFA Series 2004 Fixed Rate Bonds (The University of Chicago).		
General Contractors:	Berglund Construction	Chicago	
	Bovis Lend Lease	Chicago	
	Gilbane Building Company	Chicago	
	Turner Construction	Chicago	
Architects:	Bauer Latoza	Chicago	
	Murphy Jahn	Chicago	
	Wilson Architects	Boston	
Rating Agencies:	Moody's/S&P/Fitch		
IFA Counsel:	Goldberg Kohn	Chicago	Keith Sigale
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 1 Bobby L. Rush
State Senate: 13 Kwame Raoul
State House: 25 Barbara Flynn Currie

The University of Chicago: Board of Trustees

Chairman of the Board of Trustees: James S. Crown

Vice-Chairman of the Board of Trustees: Andrew M. Alper

Vice-Chairman of the Board of Trustees: Valerie B. Jarrett

Trustees

Andrew M. Alper
David G. Booth
Thomas A. Cole
E. David Coolidge III
Jon S. Corzine
James S. Crown
Katharine P. Darrow
Erroll B. Davis, Jr.
Strachan Donnelley
Craig J. Duchossois
James S. Frank
Jack W. Fuller
Stanford J. Goldblatt
Rodney L. Goldstein
Mary Louise Gorno
Kathryn C. Gould
Sanford J. Grossman
King W. Harris
Kenneth M. Jacobs
Valerie B. Jarrett
Karen L. Katen
Dennis J. Keller
Arthur L. Kelly
Steven A. Kersten
James M. Kilts, Jr.
Michael J. Klingensmith
Michael L. Klowden
Sherry L. Lansing
John C. Martin
Walter E. Massey
Peter W. May
John W. McCarter, Jr.
Joseph Neubauer
Emily Nicklin
Harvey B. Plotnick
Thomas Jay Pritzker
George A. Ranney, Jr.
John W. Rogers, Jr.
Andrew M. Rosenfield
Steven G. Rothmeier
Richard P. Strubel
Byron D. Trott
Marshall Wais, Jr.
Gregory W. Wendt
Jon Winkelreid
Paula Wolff
Paul G. Yovovich
Francis T.F. Yuen
Robert J. Zimmer

Affiliation

Former President, NYC Economic Development Corporation
Chairman and CEO, Dimensional Fund Advisors, Inc.
Chairman of the Executive Committee and Partner, Sidley Austin, LLP
Vice Chairman, William Blair & Company, L.L.C.
Governor, State of New Jersey
President, Henry Crown and Company
Retired Senior Vice President, The New York Times Company
Chancellor, University System of Georgia
President, Center for Humans & Nature
Chief Executive Officer, Duchossois Industries
President and CEO, Wheels, Inc.
Retired President, Tribune Publishing Company
Partner, Winston & Strawn
Chairman and Managing Director Frontenac Company
Partner and Managing Director Lantern Partners
Founder and General Partner, Foundation Capital
Chairman and CEO, Quantitative Financial Strategies, Inc., Grossman Asset Management
Chairman, Harris Holding, Inc.
Deputy Chairman and Head of Lazard North America, Lazard LLC
Managing Director and Executive Vice president, The Habitat Company
Vice Chairman, Pfizer Inc.
Chairman, DeVry Inc.
Managing Partner, KEL Enterprises, L.P.
President, Water Saver Faucet Company
Founding Partner, Centerview Partners
Executive Vice President, Time, Inc.
President and Chief Executive Officer Milken Institute
CEO, The Sherry Lansing Foundation
President & CEO Gilead Sciences, Inc.
President, Morehouse College
President and COO, Triarc Companies, Inc.
President and CEO, The Field Museum
Chairman and CEO, ARAMARK Corporation
Partner, Kirkland & Ellis
President, Paradigm Holdings, Inc.
Chairman and CEO, Global Hyatt Corporation
President and CEO, Chicago Metropolis 2020
Chairman and CEO, Ariel Capital Management L.L.C., Ariel Mutual Funds
Managing Partner, Guggenheim Partners
Chairman and CEO, Great Northern Capital
Vice Chairman, UNext, Inc.
Vice Chairman, Investment Banking Division, Goldman, Sachs & Co.
Chief Executive Officer, Marwais International L.L.C.
Senior Vice President, Capital Research Company
President and Co-COO Goldman, Sachs & Co.
Senior Executive, Chicago Metropolis 2020
President, Lake Capital
Chairman, Pacific Century Insurance Holdings Limited
President, The University of Chicago

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 8, 2007**

**Project: University Educational Student Housing Corporation
(Dwight Building Project)**

STATISTICS

Project Number: E-PC-TE-CD-6245	Amount: \$95,000,000
Type: 501(c)(3) Revenue Bonds	IFA Staff: Rich Frampton
Location: Chicago	

BOARD ACTION

Final Bond Resolution

Conduit 501(c)(3) Student Housing Revenue Bonds

No IFA funds at risk

Staff recommends approval subject to the following conditions on the (1) Senior Series 2007A Bonds and (2) Subordinate Series 2007B Bonds, respectively:

1. Note: The Underwriter anticipates receiving a final rating on the Senior Series 2007A Bonds from Moody's after a final due diligence meeting on 5/7/2007 with a rating determination anticipated on 5/11/2007. If the Senior Series 2007 A Bonds can be sold with an investment grade rating from Moody's (i.e., Baa2 or higher), the Senior Series 2007A Bonds may be sold in denominations of \$5,000. If subsequent to approval of an IFA Bond Resolution on 5/8/2007, the Series 2007A Bonds fail to attain a minimum Moody's rating of Baa2, the Senior Series 2007A Bonds must be sold consistent with policies stated in IFA's Bond Program Handbook (i.e., in minimum \$100,000 denominations to Accredited Investors, or subject to satisfying the applicable permitted exceptions). *Given that it is not anticipated that Moody's will determine the final bond rating until after IFA's 5/8/2007 Board Meeting, this requirement will be stated as a condition in IFA's Bond Resolution.*
2. According to provisions of IFA's Bond Program Handbook, the non-rated Subordinate Series 2007B Bonds must be sold in minimum denominations of \$100,000, be privately placed, and sold to Accredited Investors. As contemplated, the proposed Subordinate Series 2007B Bonds exceed these minimum requirements. Specifically, Citigroup Global Markets, Inc. ("Citigroup" or the "Private Placement Agent"), the Subordinate Series 2007B Bonds will initially be privately placed in minimum denominations of \$1 Million (\$1,000,000) and purchased by an affiliate of Smithfield Properties, which is affiliated with both the Developer and General Contractor of the Project. According to the Private Placement Agreement between IFA, UESHG, and Citigroup, resale of these Series B Subordinate Bonds in the secondary market will also be limited to minimum denominations of \$1,000,000 or greater with an additional certification by any subsequent purchaser verifying that they are an "accredited investor" as defined under Regulation D of the Securities Act of 1933. (The principals of Smithfield Properties, as insiders, will be exempted from these limitations on any bonds resold among Smithfield principals or affiliates.)

PURPOSE

To finance the acquisition and demolition of certain existing structures located at 638-644 S. Clark St., and the renovation of existing buildings at 626 S. Clark St. leading to development of a new student housing facility to be located at 626 S. Clark St. and 638-644 S. Clark St. in Chicago, near Columbia College Chicago. The proposed facility will provide 750 additional student housing beds for Columbia College Chicago (and prospectively other Loop-area higher education institutions).

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax exempt status on interest earned on the Bonds and thereby reduce the borrower's interest expense.

VOTING RECORD

Preliminary Bond Resolution, December 5, 2006:

Ayes: 9 (Leonard, by telephone) Nays: 0 Abstentions: 1 (Gustman)
Absent: 5 (Boyles, DeNard, Gianoullias, O'Brien, Rice) Vacancies: 0

PRELIMINARY ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA Senior Series 2007A	\$78,325,000	Uses:	Project Fund	
	IFA Subord. Series 2007B	10,000,000		(Acquisition)	\$ 79,709,546
	Investment Earnings on			Debt Service Reserve	5,149,569
	Bond Proceeds/Premium	<u>4,915,973</u>		Capitalized Interest	6,191,812
				Issuance Costs	<u>2,190,046</u>
Total		<u>\$93,240,973</u>	Total		<u>\$93,240,973</u>

JOBS

Current employment: 0 Projected new jobs: 18
Jobs retained: N/A Construction jobs: 150 (14 months)

BUSINESS SUMMARY

Background of Borrower & Supporting

Institution: **University Educational Student Housing Corporation** ("UESHC" or the "Borrower") is a non-stock California 501(c)(3) nonprofit public benefit corporation formed in 1999 that received its 501(c)(3) determination letter as a tax-exempt organization from the IRS in April, 2000. Its mission is to (i) provide student housing to college and university students and (ii) own, acquire, develop, lease, and manage student housing facilities.

UESHC's Board Members are listed in the Economic Disclosure Statement section of this report (see Page 6).

Columbia College Chicago ("Columbia" or the "College") has executed a "Letter of Support" to UESHC (1) expressing its support for the Project, and (2) its intention to refer the Project to its students who are seeking housing subject provided that Columbia College Chicago's students receive first priority for signing leases at the Project.

Additionally, pursuant to this "Letter of Support" Columbia College Chicago would serve as the prospective recipient of residual cash flows (i.e., charitable donations) from the project and UESHC. Furthermore, this Letter of Support provides that UESHC will donate the facility to Columbia College Chicago upon repayment of the Bonds. This Letter of Support will be responded to by a Letter of Understanding from UESHC that will be countersigned by Columbia.

According to the Borrower and Underwriter, the Financing Team anticipates an investment grade rating of Baa2 or better from Moody's given the underlying Letter of Support from Columbia College Chicago.

UESHC has not undertaken any mission-related activity prior to development of this student housing project in Chicago's South Loop. Board Members of UESHC have been involved with other non-profits formed specifically to own and develop student housing to college and university students.

Specifically, UESHC Board Member Ben Noble is also President of the **MJH Education Assistance Foundation**, a 501(c)(3) entity that has completed the development of four student housing facilities for DePaul University since 1999. MJH's most recent project with DePaul was for development of **Loft-Right Apartments**, located at 1237 W. Fullerton in Chicago, adjacent to DePaul's Lincoln Park campus. Mr. Noble has substantial experience serving as a management consultant in the student housing industry.

Development of the Loft-Right Apartments was financed with approximately \$85 million of IFA Bonds in December 2004. The Loft-Right project was completed in June 2006, in advance of the scheduled occupancy date of August 15, 2006. The Loft-Right Apartments were constructed and developed by an affiliate of Smithfield Properties, LLC (i.e., Smithfield Construction Group, Ltd.), which has also been engaged to serve as the proposed General Contractor and Developer of this project for UESHC.

Additional information regarding performance of the Loft-Right facility is described on p. 3 under the "Property Manager" Section on The Scion Group, LLC.

Description
of the
Dwight
Building
Project:

The Dwight Building Project will comprise (1) the demolition of the 646 S. Clark St. building and replacement with a 16-story student housing building that will also include (2) the purchase, substantial renovation, and construction of a 6-story addition to the (adjacent) 10-story, 626 S. Clark St. building (commonly known as the "Dwight Building") Upon completion, the Dwight Building Project will be a 16-story student housing facility with ground floor retail space located at 626-646 S. Clark Street.

The Dwight Building Project will be a 16-story student housing facility consisting of (1) approximately 187 residential units containing approximately 750 beds for lease to undergraduate and graduate students of Loop-area higher education institutions, and (2) approximately 8,000 SF of street-level retail space. The Project is located at 626-646 S. Clark Street.

The Dwight Building Project will provide a convenient housing option to students attending colleges and universities in Chicago's South Loop including Columbia College Chicago, Roosevelt University, DePaul University – Loop Campus, Robert Morris College, IIT Graduate and Law School, The School of the Art Institute of Chicago, John Marshall Law School, Kendall College, East West University, and the University of Illinois-Chicago. The Dwight Building Project is located approximately two blocks west of the IFA-financed, 18-story, 1,720 bed, **University Center** (a/k/a Educational Assistance Fund, Inc.) student housing project located at the NE corner of Harrison Street and State Street. The University Center project opened in August 2004, and provides housing to students at Columbia College Chicago, DePaul University, Robert Morris College, and Roosevelt University

According to UESHC, the property currently has appropriate zoning for use as student housing. UESHC has also indicated that Construction Permit plans have been completed and submitted to the City of Chicago for review and approval. The Applicant expects a building permit to construct the Facility to be received by approximately January 31, 2007.

Upon completion of the Dwight Building project, UESHC will provide housing for approximately 750 students in Downtown Chicago. The Dwight Building will include 178 units on 15 floors, and will include approximately 8,000 SF of ground floor retail space. This project will continue the redevelopment of the western edge of Chicago's South Loop neighborhood.

Availability of Tax-Exempt financing will improve project Net Operating Income by reducing interest expense significantly, thereby facilitating development of this Project.

The

Developer: The developer of the Dwight Building Project is **Smithfield Properties XLVI, LLC (“Smithfield 46”, and the “Developer”)**. The Developer is an affiliate of Smithfield Properties Development, L.L.C., an Illinois limited liability company that is operated by W. (William) Harris Smith and Robert Buono.

Smithfield 46 and its affiliates have previously developed over 1,350 beds of student housing including the **Loft Right Apartments** (a.k.a., Fullerton Village Apartments) located one block west of DePaul University’s Lincoln Park Campus. The Loft Right Apartments consist of 160 student apartment suites with kitchen facilities and 580 beds [*see section immediately below and on p. 13 for more information*]. Additionally, another Smithfield affiliate (1001 W. Van Buren, L.L.C.) is currently redeveloping **The Automatic Lofts** building, a 6-story, historically significant structure located one block north of the University of Illinois-Chicago campus that will provide 142 units of student apartment suites as of August 2007. Smithfield previously developed two projects for the School of the Art Institute located at 7 West Madison St., and 162 North State Street.

Smithfield Construction Group, Inc. performs all general contracting functions for Smithfield’s projects and will serve as the general contractor for the Dwight Building project.

Site Acquisition
and
Construction

Loan: **Smithfield XLI LLC**, an Illinois limited liability company affiliated with Smithfield Construction Group Inc. (“**Smithfield 41**” or the “**General Contractor**”, and an affiliate of the Developer) has already acquired the two subject properties, commonly known as 626 S. Clark Street, Chicago, IL and 638-644 S. Clark Street (the “**Project Site**”). On the date of issuance of the IFA Series 2007 Bonds (also defined as the “**Initial Closing**” under the Development Agreement), UESHHC, Smithfield 41, and First American Bank will enter into a **Construction Loan Agreement** under which First American Bank will make a loan to UESHHC.

At the **Property Closing (i.e., property acquisition)**, which is scheduled to occur concurrently with the Initial Closing, UESHHC will acquire the Project Site from Smithfield 41 and shall draw proceeds from the Construction Loan to pay for (i) the acquisition of the Project Site, (ii) to pay all closing costs, and (iii) to pay real estate taxes and insurance expenses incurred to date by Smithfield 41, the Developer, or their affiliates. Additionally, the Series 2007B Bonds shall be delivered to Smithfield 41 prior to or concurrently with the Property Closing as consideration for the sale of the Project Site to UESHHC, at which time Smithfield 41 shall also be released from the Construction Loan.

Development
and
Construction

of Project: The Project will be constructed and developed for the Corporation by Smithfield 46 (as Developer) pursuant to an Agreement for Purchase, Sale and Development of Real Estate by and among Smithfield 46 (Developer), UESHHC, and Smithfield 41 (General Contractor). Smithfield 41 is a party to the Development Agreement solely for the purpose of conveying the Project Site to UESHHC.

Key responsibilities under the Development Agreement include the following:

1. UESHHC will appoint Smithfield 41 as the exclusive developer of the Project, including the demolition (as necessary) of the existing buildings located on the Project Site, excluding, however, the tenant improvements to the ground floor retail premises,
2. UESHHC will agree to provide permanent financing for the Project through the issuance of the IFA Series 2007 Bonds, and
3. UESHHC agrees to provide for the issuance and delivery of the Series 2007B Bonds to Smithfield 41 to pay a portion of the costs of the Project. UESHHC will not receive cash from the issuance of the Series 2007B Bonds.

4. Smithfield 41 agrees to (a) arrange for the Construction Loan on behalf of UESHC on a non-recourse basis, (b) to guaranty or provide credit enhancement, as necessary, for the purpose of (i) financing acquisition of the Project Site and (ii) the development of the Project until substantial completion. Smithfield 41 is solely and exclusively liable for the amounts by which the total actual development cost of the project exceeds the Guaranteed Maximum Price Contract specified in the Development Agreement (except to the extent any overrun is caused by an intentional act or omission by UESHC).

As proposed, the IFA Bonds would close on June 11, 2007, with demolition and construction beginning immediately thereafter and continuing for approximately 14 months. The projected completion date is August 15, 2008, in time for the 2008-2009 academic year.

The Series 2007A Bond Proceeds will not be drawn until the project is substantially completed (as scheduled for 8/15/2008).

According to the draft Preliminary Official Statement for the Series 2007A Bonds as of 4/26/2007, it is anticipated that (1) the total cost of the Project (excluding costs financing through the issuance of the Series 2007B Bonds) will not exceed the Maximum Outstanding Amount of the Construction Loan and that (2) all costs of the Project (other than costs financed through the Series 2007B Bonds) will be financed by the Construction Loan.

The use of the Project as a student housing facility is consistent with the zoning ordinance of the City of Chicago. No additional zoning approvals will be necessary.

Substantial Project

Completion: Bond proceeds deposited in the Project Fund will be held by the Trustee and will only be disbursed to pay the Developer Payment and to the payment of the Construction Loan PayOff Amount to First American Bank upon completion, presently scheduled for 8/15/2008. Bond proceeds will also fund capitalized interest for a six month period following the scheduled completion date, as customary.

Operational

Consultant: **The Scion Group LLC ("Scion" or the "Property Manager")** will be the Operational Consultant for this project. Scion has prepared the financial forecasts for this project. Scion has previously served as the Development Consultant for the University Center Project in which Columbia College Chicago, DePaul University, and Roosevelt University hold ownership interests. Additionally, Scion has managed three properties for DePaul, including the recently completed Loft-Right Apartments (1235-1257 W. Fullerton Avenue) which opened in August 2006 (with construction completed ahead of schedule and under budget).

The Loft-Right Apartments project was chosen among 200 entries to win the "Project of the Year-Student" category award in the 2006 Multifamily Executive Awards sponsored by *Multifamily Executive Magazine* announced in October 2006.

All payments on outstanding IFA (IEFA) bond issues for the five non-recourse student housing project financings to date have been made as scheduled as of 12/1/2006. IFA's five non-recourse student housing project financings include the Loft-Right Apartments, three other MJH Education Assistance Foundation projects, and the University Center Project.

FINANCING SUMMARY

Structure: As proposed IFA would issue two Series of Bonds, Senior Series 2007A Bonds and Subordinate Series 2007B Bonds. A summary of the key terms of each series follows:

- Series 2007A (Senior) Bonds – preliminary and subject to change based on forthcoming discussion with Moody's during week of 4/30 and 5/7

- Fixed rate bonds to be sold by Citigroup Global Markets, Inc. (the “Underwriter”) without credit enhancement in accordance with IFA’s Bond Program Handbook
- Limited recourse obligation of the Borrower payable solely from the “Mortgaged Property”, including all income and revenues derived by the Institution from the operation of the Project, and all moneys and securities on deposit in any fund created under the Trust Indenture. Accordingly, Senior Bondholders will be secured by a 1st Mortgage on the subject property and an assignment of rents, leases, and contract revenues (including 9.5 and 12-month student housing leases).
- Additionally, Senior Bondholders will also be secured by (1) a rate covenant test in order to assure minimum coverage of 1.20 times on the Senior Series 2007A Bonds and (2) a Debt Service Reserve Fund that must be appropriately funded over the life of the Bonds.
- Series 2007B (Subordinate) Bonds:
 - Interest on the Subordinate, Series 2007B Bonds will be subordinate to the Series 2007A Bonds and subject to availability of residual cash flows after all payments coverage tests, and reserve tests relating to the Senior Series 2007A Bonds have been satisfied.
 - The Series 2007B Bonds will be issued as a bullet maturity -- there will be no scheduled principal payments with respect to the Series 2007B Bonds.

Security/
Collateral:

Senior Series 2007A Bonds: The Bonds will be solely secured by (i) a First Mortgage on Project Assets, and (ii) an assignment of rents, leases, and revenues that is senior to the Subordinate Series 2007B Bonds. During the Construction Loan Period (i.e., while First American Bank’s Construction Loan is outstanding), the Construction Loan will be senior to the Series 2007A Bonds.

Subordinate Series 2007B Bonds: The Bonds will be solely secured by (i) a Second Mortgage on Project Assets, and (ii) an assignment of rents, leases, and revenues that is subordinate to the Senior Series 2007A Bonds.

Final Maturity
Dates:

The anticipated final maturity dates for each series are specified below (30 years after project completion):

Senior Series 2007A Bonds: 3/1/2038 (31 Years)

Subordinate Series 2007B Bonds: 9/1/2027 as proposed (20 Years, with no scheduled principal payments until final maturity).

Interest Rates:

Senior Series 2007A Bonds: Fixed Rate Bonds for the Series 2007A Bonds with level debt service payments. Combination of Serial and Term Bonds will maturities from 3/1/2010 to 3/1/38. The Serial and Term Bonds are projected to yield from 4.60% to 4.85%, with an average life of 20.78 years. Estimated True Interest Cost is approximately 5.02%.

Subordinate Series 2007B Bonds: Estimated interest rate of 7.75% on the Subordinate Series 2007B Bonds as of 4/27/2007.

PROJECT SUMMARY

Bond proceeds will be used (i) to finance the acquisition and demolition of an existing two-story structure and related improvements located at 638-644 South Clark Street, located near Columbia College Chicago, (ii) to finance the acquisition, design, construction, and equipping of a 16-story addition adjacent to, and a 6-story addition above, an existing 10-story loft building (the “Facility”) to be located in Chicago’s South Loop, at 626 and 638-646 S. Clark Street, Chicago, IL, near the principal facilities of Columbia College Chicago (the completed building will be approximately 271,500 SF), (iii) to capitalize a Debt Service Reserve Fund, (iv) to make an initial deposit to the

Operation and Maintenance Fund, (v) to provide for the payment of initial operating expenses, (vi) to pay capitalized interest during construction, and (vii) to pay certain costs of issuance relating to the proposed Series 2007A-B IFA Bonds. Collectively, these capital expenditures will comprise the "Project". Upon completion, the project address will be 626 S. Clark Street, Chicago, IL 60605

Upon completion, the Project will operate as an undergraduate and graduate student housing facility and have approximately 178 residential units containing approximately 750 beds, a below-grade parking garage for 21 automobiles, common areas and facilities (including a bike room, laundry room, fitness center, and two-story lounge/study area located on the 11th and 12th floors and facilities for other ancillary uses, including approximately 8,000 SF of street-level retail space.

A summary of project costs follows:

Building Acquisition:	\$9,500,000
Turnkey Construction, Equipping	60,183,295
Contingency:	26,256
Land Acquisition/ Developer Fee/Expenses (Series B):	10,000,000
Total:	\$ 79,709,546

ECONOMIC DISCLOSURE STATEMENT

Applicant: University Educational Student Housing Corporation (c/o Ben Noble, Secretary, University Educational Student Housing Corporation, 603 Great Springs Road, Bryn Mawr, PA, 19010; (P) 610-525-8185; (F) 610-525-8186; blnoble@cfainc.net)

Project name: Dwight Building Project

Location: 626 and 638-646 S. Clark Street, Chicago (Cook County), IL 60605-1711 and 60605-1702

Organization: California Corporation (November 16, 1999)

Board of Directors: University Educational Student Housing Corporation Board of Directors:
Sharon Green, San Francisco, CA, Director & Chief Financial Officer
Benjamin L. Noble, Philadelphia, PA, Director & Secretary

Current Property Owner: Smithfield Properties XLI LLC, 200 W. Huron Street, Chicago, IL 60610.
NorWol Corporation, Manager (Robert Buono, President)
Harris Management, Ltd., Manager (William (W. Harris) Smith, President)

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Hinshaw & Culbertson, LLP Schelberg & Ross LLP	Chicago, IL Los Angeles, CA	Dean Parker
Developer:	Smithfield Properties XLVI LLC c/o Smithfield Properties, LLC	Chicago, IL	Rob Buono
Developer's Counsel:	McGuire Woods LLP	Chicago, IL	Darryl Davidson
Real Estate Counsel:	Kirkland and Ellis LLP Applegate & Thorne-Thomsen LLP	Chicago, IL Chicago, IL	Greg Spitzer Ben Applegate
Auditor:	Isdamer & Company, LLC	Bala Cynwyd, PA	Michael Troped
Advisor to Columbia Coll.:	U.S. Equities Realty	Chicago, IL	Steve Simsic
Bond Counsel:	Chapman and Cutler, LLP	Chicago, IL	Jim Luebchow, Nancy Burke
Senior Manager (Senior Bonds):	Citigroup Global Markets, Inc.	Philadelphia, PA	Ken Becker, Jessica Donnelly
Co-Senior Managers			

(Senior Bonds):	RBC Capital Markets Loop Capital Markets	Chicago, IL Chicago, IL	Jim Pass Warren "Bo" Daniels
Underwriter's Counsel:	Mayer Brown Rowe & Maw LLP	Chicago, IL	David Narefsky, Lorraine Tyson
Rating Agency (Senior Bonds):	Moody's Ratings		New York, NY
Private Placement Agent (Subord. Bonds only):	Citigroup Global Markets, Inc.	Philadelphia, PA	Ken Becker, Jessica Donnelly
Placement Agent's Counsel (Subord. Bonds only):	Mayer Brown Rowe & Maw LLP	Chicago, IL	David Narefsky, Lorraine Tyson
Subordinate Bond Purchaser:	Smithfield Properties XLI, LLC	Chicago, IL	Rob Buono, William Smith Michele Martello Cherie Duve
Trustee:	Amalgamated Bank	Chicago, IL	
Trustee Counsel:	Amalgamated Bank	Chicago, IL	
Printer:	Subject to RFP to bidders including Wold Printing and ImageMaster		
Facility Manager/ Operational Consultant:	The Scion Group LLC	Chicago, IL	Rob Bronstein
Architect:	Booth Hansen Associates, Ltd	Chicago, IL	Charlie Stetson
General Contractor:	Smithfield XLVI, LLC c/o Smithfield Construction Group, Ltd.	Chicago, IL Chicago, IL	William Smith
Civil Engineer:	MJD Engineering	Chicago, IL	
Structural Engineer:	Thornton Tomasetti Engineers	Chicago, IL	
Electrical Engineer:	Innovative Building Concepts	Northbrook, IL	
Mechanical Engineer:	Advance Mechanical	Mount Prospect, IL	
Demolition Contractor:	National Wrecking Company	Chicago, IL	
Elevator Consultant:	Jenkins & Huntington, Inc.	LaGrange, IL	
Technology Consultant:	Onshore Inc.	Chicago, IL	
Landscape Architect:	Wolff Clements & Associates, Ltd.	Chicago, IL	
Geotechnical Eng.:	Ground Engineering Consultants, Inc.	Northbrook, IL	
Appraiser:	Integra Realty Resources, Inc.	Chicago, IL	
Construction Lender for Smithfield XLVI, LLC:	First American Bank	Elk Grove Village, IL	
IFA Counsel:	Sonnenschein Nath & Rosenthal LLP	Chicago, IL	Steve Kite
IFA Financial Advisors:	D.A. Davidson & Co. Scott Balice Strategies, Inc.	Chicago Chicago	Bill Morris Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	7	Danny K. Davis
State Senate:	3	Mattie Hunter
State House:	5	Kenneth Dunkin

Illinois Finance Authority

Memorandum

To: IFA Board of Directors

From: Sharnell Curtis-Martin

Date: May 8, 2007

Re: **Request to Extend until July 30, 2007 a commitment for a Participation Loan for Midway Broadcasting Company (IFA File #B-LL-TX-668)**

ShoreBank and Midway Broadcasting Company have requested that IFA approve a 120-day extension to July 30, 2007 on IFA's commitment to its Participation Loan. The project was completed in February 2007 and the banker from ShoreBank is estimating a late May or early June closing. In addition to an extension, the overall project size increased from \$3 million to \$3.7 million, however, the Authority's participation will not increase and remain at \$1 million..

Midway Broadcasting Corporation ("Midway") is the parent company of WVON-AM, a privately held 1,000-watt radio station with an all-talk format. Midway Broadcasting is a Delaware C-Corporation that was established in December 1976.

The loan financed the acquisition, renovation and conversion of a 53,000 square-foot industrial building located at 1000 East 87th Street, Chicago to house a broadcast studio, executive offices, marketing department and historical museum.

A copy of the original project summary presented for Board approval is included with this memorandum to provide a complete overview of the project. Staff recommends approval of the request.

The voting record of this Participation Loan approval at the October 11, 2005, Board meeting is as follows:

Ayes:	10	Absent:	4 (DeNard, Fuentes, Goetz, Nesbitt)		
Nays:	0	Abstentions:	0	Vacancy:	1

The voting record of this Participation Loan extension was approved at the May 9, 2006, Board meeting is as follows:

Ayes:	9	Absent:	6 (Boyles, Leonard, Nesbitt, O'Brien, Rice, Zeller)
Nays:	0	Abstentions:	0

The voting record of this Participation Loan extension was approved at the November 14, 2006, Board meeting is as follows:

Ayes:	9	Absent:	6 (Boyles, DeNard, Herrin, Nesbitt, Rice, Rivera)
Nays:	0	Abstentions:	0

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY**

Project: Midway Broadcasting Company

STATISTICS

Project Number: B-LL-TX-668	Amount: \$1,000,000
Type: Participation Loan	IFA Staff: Sharnell Curtis Martin
Location: Chicago	NAICS Code: 515112 - Radio Station

BOARD ACTION

Participation Loan
\$1,000,000 IFA funds at risk
Staff recommends approval, subject to conditions

PURPOSE

Provide permanent financing to renovate and convert a 53,000 square-foot industrial building located at 1000 East 87th Street, Chicago to house a broadcast studio, executive offices, marketing department and historical museum.

VOTING RECORD

No voting record. This is the first time that the IFA Board of Directors has reviewed this project.

SOURCES AND USES OF FUNDS

Sources:	IFA Participation:	\$1,000,000	Uses:	Project Costs	\$2,715,000
	ShoreBank Mortgage	2,000,000		Capitalized Interest	170,000
	ShoreBank Equip. Loan	500,000		Refinance Mortgage	950,000
	Midway/Equity:	<u>500,000</u>		Refinance Bridge Loan	100,000
				Closing Costs:	<u>65,000</u>
Total:		<u>\$4,000,000</u>	Total:		<u>\$4,000,000</u>

JOBS

Current employment:	22.5	Projected new jobs:	7.5
Jobs retained:	22.5	Construction jobs:	10 (12 months)

BUSINESS SUMMARY

Description: Midway Broadcasting Corporation ("Midway") is the parent company of WVON-AM, a privately held 1,000-watt radio station with an all-talk format. Midway Broadcasting is a Delaware C-Corporation that was established in December 1976.

Background: WVON has been an important institution in Chicago's African-American community since the 1960s. WVON began operations in 1963 with a Rhythm and Blues (R&B) format and was consistently ranked among the top 5 radio stations in terms of listeners in the Chicago market. When African-Americans were actively involved in the Civil Rights Movement, WVON was a leading source of information for local and national affairs. Between 1969 and 1986, the station experienced several management and ownership changes. In 1976, Pervis Spann and Wesley South formed Midway Broadcasting Corporation and purchased the 1450 frequency. In 1986 Wesley South changed WVON's format from music to talk, providing Chicago with its first African-American radio format. Since then, it has provided a forum for African-Americans to discuss current, social, economic and political issues and a platform for Black Chicago to air its concerns, voice its differences and discuss the issues that affect the African-American society.

Currently WVON is the only station with this format and target audience in the Chicago radio market. WVON has over 350,000 listeners weekly that have the following demographics:

Race: African American 93%, White 4%, Hispanic 2%, Other 1%

Gender: Male 57%, Female 43%

Age: 18 to 25 – 2%

25 to 54 – 73%

54 to 65 – 13%

Over 65 – 12%

Homeowners -59%, Renters - 41%

Income Range: \$25,000 - \$80,000

Melody Spann-Cooper has served as Midway's President and General Manager since 1996 and has grown revenue from \$600,000 to over \$2,100,000 at present. Before then she served as WVON's Program Director since 1989. Ms. Spann-Cooper was appointed by a judge in 1996 to run the station during litigation over ownership issues. This move was made permanent under an April 2002 settlement agreement that gave Mrs. Spann Cooper control of Midway. She also has the proxy rights for her father's shares. Mrs. Spann-Cooper holds a BS degree in Criminal Justice from Loyola University.

Pervis Spann, C.E.O., is the father of Melody Spann-Cooper and was an original owner and founder of Midway Broadcasting. He continues to host "Blues & More" on Mondays though Thursdays from 12am to 5am.

**Industry
Analysis:**

The biggest challenge for Midway will be feigning off conglomerates, including Clear Channel and XM Satellite. Shore Bank believes that these entities may seek to enter WVON's market niche but takes comfort in published articles that have sited its strong ties to the community. These analysts expect the large conglomerates to compete with WVON for ad revenue but doubt that they will be able to replicate WVON's ties to the community that have been established over many years.

Shore Bank anticipates that advertising spending will accelerate following years of gradual recovery from the impact of the 2001 recession. Drivers behind this growth are improving economic and employment outlooks, strengthening local markets, increased spending for political campaigns and sporting events.

A forecast prepared some time ago noted that radio broadcasting expenditures from advertising and satellite radio increased 1.3 percent to \$19.7 billion in 2003. Total spending on broadcast radio advertising increased a slight 1.0 percent to \$19.6 billion in 2003, lagging nominal GDP expansion for only the second time in more than a decade. Spending on satellite radio grew 392.7

percent to \$95.1 million in 2003. Total broadcast & satellite radio spending is forecast to grow at a compound annual rate of 7.9 percent from 2003 to 2008, reaching \$28.8 billion in 2008.

The Project: Midway purchased the former Soft Sheen Products, Inc. facility located at 1000 East 87th Street in Chicago in May 2003 for \$950,000. The property consists of a 53,123 square-foot masonry industrial building sited on 2 acres of land. The building was erected in 1946 and a second story addition was constructed in 1982. The property has not been improved since the purchase and has been vacant but for nearly 3 years. The owners anticipate the following uses for the space:

Offices and Studio (WVON/Midway Broadcasting) –	17,000 SF (32%)
Warehouse Space (Midway Broadcasting) -	10,600 SF (20%)
Rentable Warehouse/Office Space -	<u>25,400 SF (48%)</u>

Total Square Footage	53,000 SF (100%)
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Midway Broadcasting currently operates out of a building that it owns on land that is located at 3350 South Kedzie in Chicago and is leased from the City Water Reclamation District. The asking price is \$375,000. Job Corps operates near this building and has expressed interest but needs government funds to complete the purchase.

Ms. Spann-Cooper purchased the building to begin implementing a strategy to transform Midway Broadcasting into a multi-media conglomerate beyond radio to include a television production facility, recording studios and an interactive museum chronicling the early days of urban radio.

Upon conversion of the property, Midway plans to expand operations to include a multi-media complex that will house radio, television production and other broadcast media operation to ultimately operate on a continuous basis. WVON currently shares its frequency and is on for 15 hours a day (5am to 1pm and 10pm to 5am and special Tuesday midday programming) during the workweek. Ms. Spann-Cooper is seeking to expand programming and to target niches to attract younger listeners.

FINANCING SUMMARY

Obligor: Midway Broadcasting Company
Guarantor: Midway Broadcasting Company and Melody Spann-Cooper
Security: Pro-rata position "*pari passu*" with Shore Bank, Chicago. In the event of a default on this loan, IFA's standard participation agreement provides that the IFA/Bank loan will be paid prior to all other loans including lines-of-credit that the borrower may have established with the Bank.
Structure: IFA will participate in the permanent financing upon completion of construction. Pursuant to Participation Loan guidelines, IFA will lend at a rate of interest that is 200 basis points below the Bank's rate, for a term that will not exceed 10 years, including extensions.

PROJECT SUMMARY

This loan will be used to provide permanent financing to renovate and convert a 53,000 square-foot industrial building located at 1000 East 87th Street, Chicago to house a broadcast studio, executive offices, marketing department and historical museum. Proceeds will be used to refinance a line of credit that will provide construction financing, refinance a mortgage and bridge loan that finance the building acquisition and renovation costs, capitalize interest and pay closing costs and fees.

Project costs are estimated in the following amounts:

Construction costs:	\$1,726,000
Equipment	485,000
Pre-construction services	110,000
Drawings	25,000
General Conditions	65,200

Builder's Risk and Liability Insurance	6,600
Permits	20,000
Fees and Licenses	77,000
Contingency	<u>180,200</u>
Total	\$2,715,000

Rebar Joint Venture is the general contractor and project manager. Johnson & Lee Architects is the project architect.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Midway Broadcasting Company, 1000 E. 87th Street, Chicago, Illinois 60619 (Contact: Melody Spann-Cooper)
Organization: Delaware C-Corporation incorporated in December 1976

PROFESSIONAL & FINANCIAL

Accountant: Rodney Brown & Company Hazel Crest, IL
Bank: Shore Bank Chicago, IL
IFA Counsel: Dykema Gossett Chicago, IL

LEGISLATIVE DISTRICTS

Congressional: 1 Bobby Rush
State Senate: 17 Donne E. Trotter
State House: 33 Marlow Colvin

ILLINOIS FINANCE AUTHORITY

MEMORANDUM

To: IFA Board of Directors

From: Kimberly M. Copp

Date: May 1, 2007

Re: Amendatory Resolution to Authorize the Execution and Delivery of a Waiver of Certain Provisions of a Loan Agreement relating to the Illinois Educational Facilities Authority Revenue Bonds, Lake Forest College, Series 1998.

In September 1998, the Illinois Educational Facilities Authority (the "IEFA"), a predecessor of the Illinois Finance Authority, issued its Illinois Educational Facilities Authority Revenue Bonds, Lake Forest College, Series 1998 (the "Series 1998 Bonds"), in the aggregate principal amount of \$24,995,000. The Series 1998 Bonds are secured by a bond insurance policy issued by MBIA. In connection with the issuance of the Series 1998 Bonds, the IEFA and Lake Forest College (the "College") entered into a Loan Agreement dated September 1, 1998.

Section 2.25 of the Loan Agreement requires the College to meet certain liquidity covenants in order to incur additional debt. The College desires to incur certain additional indebtedness consisting of borrowings made under (a) a tax-exempt working capital program (the "Working Capital Program") and (b) a taxable line of credit (the "Line of Credit"), each in an aggregate principal amount not to exceed \$6,000,000 outstanding at any particular time. In order to enable the College to incur such indebtedness, the College has requested that MBIA and the Authority waive compliance with Section 2.25 of the Loan Agreement.

Under the terms of the Loan Agreement, Section 2.25 of the Loan Agreement may be waived by MBIA and the Authority without the consent of the Trustee or any notice to or consent of Bondholders. Pursuant to such request, MBIA has waived compliance by the College with Section 2.25 of the Loan Agreement in connection with the incurrence, from time to time, of additional indebtedness under the Working Capital Program and/or the Line of Credit; provided that at no time without the further consent of the MBIA shall the aggregate principal amount outstanding under either the Working Capital Program or the Line of Credit exceed \$6,000,000. The College requests the Authority's approval to execute and deliver a similar waiver in a form satisfactory to the IFA's legal counsel.

RESOLUTION 2007-05-37

RESOLUTION AUTHORIZING (i) THE WAIVER OF COMPLIANCE WITH CERTAIN FINANCIAL COVENANTS CONTAINED IN THE LOAN AGREEMENT DATED AS OF SEPTEMBER 1, 1998, RELATING TO THE ILLINOIS EDUCATIONAL FACILITIES AUTHORITY REVENUE BONDS, LAKE FOREST COLLEGE, SERIES 1998, AND (ii) THE EXECUTION AND DELIVERY OF ANY NECESSARY DOCUMENTS REQUIRED TO EFFECT SUCH WAIVER.

WHEREAS, the Illinois Educational Facilities Authority (the "IEFA"), which was consolidated into the Illinois Finance Authority (the "Authority"), has heretofore issued its Revenue Bonds, Lake Forest College, Series 1998 (the "Series 1998 Bonds") in the aggregate principal amount of \$24,995,000; and

WHEREAS, the Series 1998 Bonds were issued pursuant to the terms of a Trust Indenture dated as of September 1, 1998 (the "Indenture"), between the Authority and The Bank of New York Trust Company, N.A., as successor to American National Bank and Trust Company of Chicago, as trustee (the "Trustee"); and

WHEREAS, the proceeds from the sale of the Series 1998 Bonds were loaned to Lake Forest College, an Illinois not for profit corporation (the "Corporation"), pursuant to the terms of the Loan Agreement dated as of September 1, 1998 (the "Loan Agreement"), between the Authority and the Corporation; and

WHEREAS, MBIA Insurance Corporation (the "Bond Insurer") has heretofore issued its Financial Guaranty Insurance Policy Number 27543(1) to secure regularly scheduled payments of principal of and interest on the Series 1998 Bonds; and

WHEREAS, the Corporation desires to incur from time to time certain additional indebtedness (the "Additional Indebtedness") consisting of borrowings made under (a) a tax-exempt working capital program (the "Working Capital Program") and (b) a taxable line of credit (the "Line of Credit"), each in an aggregate principal amount not to exceed \$6,000,000 outstanding at any particular time; and

WHEREAS, Section 2.25 of the Loan Agreement provides that the Corporation may not incur additional Funded Debt (which includes the Additional Indebtedness) unless after giving effect to the incurrence of such additional Funded Indebtedness "(a) the Maximum Annual Debt Service Requirement of all Funded Debt of the Corporation then to be outstanding will be not greater than 12% of an amount equal to the Corporation's Total Revenues-Unrestricted minus Investment Income-Unrestricted plus 10% of the Corporation's Total Endowment, all calculated as of the most recent fiscal year of the Corporation for which audited financial statements are available and (b) the Corporation's Adjusted Unrestricted Net Assets will be not less than 65% of the principal amount of Funded Debt then to be outstanding" (reference is hereby made to the Indenture and the Loan Agreement for the definition of capitalized terms used in this paragraph but not otherwise defined herein); and

WHEREAS, currently the Corporation may be unable to satisfy a covenant contained in Section 2.25 of the Loan Agreement in connection with the incurrence of such Additional Indebtedness; and

WHEREAS, under the terms of the Loan Agreement, the Bond Insurer and the Authority, without the consent of the Trustee or any notice to or consent of the owners of the Series 1998 Bonds, may waive compliance with Section 2.25 of the Loan Agreement; and

WHEREAS, the Bond Insurer has waived compliance by the Corporation with Section 2.25 of the Loan Agreement; and

WHEREAS, the Corporation has requested that the Authority also waive compliance by the Corporation with Section 2.25 of the Loan Agreement; and

WHEREAS, the Authority desires to waive compliance by the Corporation with Section 2.25 of the Loan Agreement in order to enable the Corporation to incur from time to time the Additional Indebtedness;

NOW THEREFORE, Be It Resolved by the Members of the Illinois Finance Authority, as follows:

Section 1. That the Authority hereby waives compliance by the Corporation with Section 2.25 of the Loan Agreement in order to enable the Corporation to incur from time to time the Additional Indebtedness; provided, however, that at no time without the further consent of the Authority shall the aggregate principal amount outstanding under either the Working Capital Program or the Line of Credit exceed \$6,000,000.

Section 2. That the Chairman, the Vice Chairman, the Treasurer, any of the other Members, the Executive Director, the Secretary, any Assistant Secretary and any other officer of the Authority (and for purposes of this Resolution, any person duly appointed to such office on an interim basis, including, without limitation, the Interim Executive Director) be, and each of them hereby is, authorized to execute and deliver such documents, certificates, and undertakings of the Authority, and to take such other actions as may be required, to effect such waiver.

Section 3. That all acts of the officers, employees and agents of the Authority which are in conformity with the purposes and intent of this Resolution be, and the same hereby are, in all respects, ratified, approved and confirmed.

Section 4. That the provisions of this Resolution are hereby declared to be separable, and if any section, phrase or provision hereof shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions of this Resolution.

Section 5. That all resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

Section 6. That this Resolution shall be in full force and effect immediately upon its passage, as by law provided.

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Rich Frampton

Date: May 8, 2007

Re: Amendatory Resolution to present (i) a Form of Supplemental Trust Indenture for purposes of extending the Maturity date, (ii) a form of a replacement bond evidencing the extension of the Maturity Date, (iii) a form of a Supplemental Loan Agreement to be entered into between the Authority and the Borrower, and (iv) a Supplement to the Private Placement Memorandum for Toyal America, Inc. Series 1997 Industrial Development Revenue Refunding Bonds
IDFA Project 1923-IRB

Toyol America, Inc., a Delaware Corporation, (the "Borrower") is seeking approval of the attached Amendatory Resolution in order to extend the Final Maturity Date of the IDFA Series 1997 Industrial Development Revenue Refunding Bonds by ten years from 6/1/2007 to 6/1/2017.

As of 4/1/2007, the outstanding principal amount was \$6,000,000. The Borrower is seeking to extend the final maturity date on all \$6,000,000 of outstanding bonds that were used to finance real estate improvements.

In 1997, IDFA issued \$6.0 million of Refunding Bonds to current refund the original \$6.0 million IDFA Series 1987 Industrial Development Revenue Bonds issued for Alcan-Toyo America, Inc., a predecessor of Toyal America, Inc. Proceeds of the original Series 1987 Bonds were used to finance real estate improvements including the renovation of certain existing facilities and to also construct an addition the aluminum powder manufacturing facility located near the intersection of North Broadway Street (Illinois Hwy. 53/Illinois Hwy. 7) and Caton Farm Road near Joliet in Lockport (Will County), Illinois.

VOTING RECORD

This is the first time this financing has been considered by the IFA Board of Directors.

PROFESSIONAL & FINANCIAL

Borrower/ Toyol America, Inc.:	Bill Stevenson	Lockport, IL	
Bond Counsel:	Ice Miller LLP	Chicago, IL	Tom Smith
LOC Bank:	The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Chicago Branch)	Chicago, IL	Michiro Tanaka
Counsel to LOC Bank:	Breckenridge Law Office	New York, NY	Jim Breckenridge
Placement/ Remarketing Agent:	BNY Capital Markets, Inc.	New York, NY	Daniel deMenocal, Jr.
Counsel to Placement Agent:	BNY Capital Markets, Inc. (in-house counsel)		
Trustee:	Union Bank of California, N.A.	New York, NY	Patricia Phillips-Coward
Issuer's Counsel:	Shefsky & Froelich Ltd.	Chicago, IL	Leslie Carey
IFA Financial Advisors:	D.A. Davidson & Co. Scott Balice Strategies, Inc.	Chicago, IL Chicago, IL	Bill Morris Lois Scott

Attachment:

- Copy of Amendatory Resolution

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Rich Frampton

Date: May 8, 2007

Re: Amendatory Resolution to Authorize the Execution and Delivery of a Modification Agreement and related documents for Slovak American Charitable Association, IDFA Series 2000 [501(c)(3)] Revenue Bonds
IDFA Project 9289-NP

The Slovak American Charitable Association, an 501(c)(3) not-for-profit incorporated under Illinois law (the "Association"), wishes to (1) amend the original Trust Indenture and Loan Agreement between the Illinois Finance Authority and the Association, and (2) to change interest rate mode, and related documents in order to enable the Bonds to be purchased as an investment in their entirety by MB Financial Bank of Rosemont ("MB").

The Bonds currently bear interest at a 7-day floating rate (JPMorgan Securities is the Remarketing Agent) and are secured by a JPMorgan Chase Direct Pay LOC which will expire as of 6/15/2007 – at that time, MB Financial Bank will replace JPMorgan Chase as the Association's lender and has reached a secured lending agreement with the Association under which MB will purchase and hold the subject bonds in their entirety as secured lender/bond purchaser until maturity.

MB expects to originate the bank-held Bonds at an interest rate of less than 7.0% per the Resolution (the anticipated interest rate is between 5.00% and 5.25%, for the initial five year period of the Agreement between the Association and MB. Pursuant to the Resolution, the Bonds will be amortized for a period of between 20 and 30 years. (A new official statement will be required if MB or another financial institution decides to revert to the original LOC-secured structure at any time prior to final maturity.)

VOTING RECORD

This is the first time this financing has been considered by the IFA Board of Directors.

PROFESSIONAL & FINANCIAL

Slovak American Charitable Assoc.:	Zach Schrantz	Chicago, IL	
Counsel:	Burke Burns & Pinelli, Ltd.	Chicago, IL	Steve Welcome
Bond Counsel:	Kutak Rock LLP	Chicago, IL	Jerry Wallack
Secured Lender/ Bond Purchaser:	MB Financial Bank	Rosemont, IL	Santiago Martinez
Credit Enhancement:	None		
Bank Counsel:	MB Financial Bank	Rosemont, IL	
Trustee:	MB Financial Bank		
Issuer's Counsel:	Shefsky & Froelich Ltd.	Chicago, IL	Leslie Carey
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago, IL	Bill Morris
	Scott Balice Strategies, Inc.	Chicago, IL	Lois Scott

Attachment:

- Copy of Amendatory Resolution