ILLINOIS FINANCE AUTHORITY

Tuesday, September 11, 2012

AGENDA

COMMITTEE OF THE WHOLE MEETING
9:30 a.m.
IFA Chicago Office
Two Prudential Plaza
180 North Stetson Avenue, Suite 2555
Chicago, Illinois 60601

I. Call to Order & Roll Call
II. Chairman's Remarks
III. Message from the Executive Director
IV. Consideration of the Minutes
V. Presentation and Consideration of the Financial Statements
VI. Committee Reports
VII. Project Reports and Resolutions
VIII. Other Business
IX. Public Comment
X. Adjournment

BOARD MEETING
10:30 a.m.
Conference Center
One Prudential Plaza
130 East Randolph Street, Suite 750
Chicago, Illinois 60601

I. Call to Order & Roll Call
II. Chairman's Remarks
III. Adoption of the Minutes
IV. Acceptance of the Financial Statements
V. Approval of Project Reports and Resolutions
VI. Other Business
VII. Public Comment
VIII. Adjournment

PROJECT REPORTS AND RESOLUTIONS

AGRICULTURE

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
Beginning Farmer Bonds ***Final (One-Time Consideration)***						
1	A. Dustin & Dee Ellinger	South Litchfield Township (Montgomery County)	$118,000	0	0	JS/LK
	B. Jonathan Dolder	Serena Township (LaSalle County)	$446,650	0	0	JS/LK
Agri-Debt Guarantee ***Final (One-Time Consideration)***						
2	Brian & Kelly Duncan	Polo (Ogle County)	$423,000 (85% Guarantee amount is $359,550)	N/A	N/A	JS/LK
TOTAL AGRICULTURE PROJECTS			**$987,650**	**0**	**0**	

BUSINESS AND INDUSTRY PROJECTS

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
Airport Facility Revenue Bonds ***Final***						
3	Hawthorne Chicago, LLC	Wheeling (Cook County)	$9,500,000	14	15	RF/BF
Freight Transfer Facilities Revenue Bonds ***Final (One-Time Consideration)***						
4	CenterPoint Joliet Terminal Railroad, LLC	Joliet (Will County)	$80,000,000	See Note (after Agenda Item #12 below)	See Note (after Agenda Item #12 below)	RF/BF
TOTAL BUSINESS AND INDUSTRY PROJECTS			**$89,500,000**	**14**	**15**	

EDUCATIONAL, CULTURAL, AND NON-HEALTHCARE 501(c)(3) PROJECTS

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
501(c)(3) Revenue Bonds ***Final***						
5	Rosalind Franklin University of Medicine & Science	North Chicago (Lake County)	$16,600,000	19	150	RF/BF
501(c)(3) Revenue Bonds ***Final (One-Time Consideration)***						
6	The Art Institute of Chicago	Chicago (Cook County)	$70,000,000	N/A	N/A	RF/BF
7	North Park University	Chicago (Cook County)	$30,000,000	11	115	RF/BF
TOTAL EDUCATIONAL, CULTURAL, AND NON-HEALTHCARE 501(c)(3) PROJECTS			**$116,600,000**	**30**	**265**	

PROJECT REPORTS AND RESOLUTIONS

HEALTHCARE PROJECTS

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
501(c)(3) Revenue Bonds ***Final***						
8	Lutheran Home and Services Obligated Group	Arlington Heights (Cook County)	$120,000,000	9	130	PL/NO
501(c)(3) Revenue Bonds ***Final (One-Time Consideration)***						
9	Rosecrance, Inc.	Rockford (Winnebago County)	$18,000,000	N/A	N/A	PL/NO
TOTAL HEALTHCARE PROJECTS			**$138,000,000**	**9**	**130**	
GRAND TOTAL			**$345,087,650**	**53**	**410**	

RESOLUTIONS

Tab	Action	FM
Resolutions		
10	Resolution for the benefit of Convent of the Sacred Heart of Chicago, Illinois (and the Sacred Heart School Project) authorizing the execution and delivery of a Bond and Loan Agreement, a Tax Exemption Certificate and Agreement, and related documents; and approving related matters	RF/BF
11	Resolution Approving the Execution of Supplemental Bond Indentures to Permit the Exchange of Master Notes Currently held by Various Bond Trustees for Master Notes Provided by "Presence Health Obligated Group", a newly created Parent Company for both Resurrection Health Care Corporation and Provena Health	PL/NO
12	A Resolution Authorizing the Execution and Delivery by the Illinois Finance Authority of a First Supplemental Indenture of Trust relating to its Tax-Exempt Revenue Bonds (Illinois Medical District Commission Project) Series 2006A and its Taxable Revenue Bonds (Illinois Medical District Commission Project) Series 2006B, along with related documents	PL/BF

Note on Jobs for Agenda Item 4: **CenterPoint Joliet Terminal Railroad, LLC** forecasts 16,600 new jobs over the life of the Project. **CenterPoint** notes that 1,250 construction jobs have been created to date (2,000 man hours/job) and that 6,200 will be created during the remaining phases of the build-out. The aggregate employment forecast for the CenterPoint Intermodal Center - Joliet project was previously reported to the IFA Board of Directors in November 2010.

ILLINOIS FINANCE AUTHORITY
180 North Stetson Ave.
Suite 2555
Chicago, IL 60601
312-651-1300
312-651-1350 fax
www.il-fa.com

September 11, 2012

TO:	William A. Brandt, Jr., Chairman	Michael W. Goetz, Vice-Chairman
	Dr. William Barclay	Terrence M. O'Brien
	Gila J. Bronner	Heather D. Parish
	James J. Fuentes	Mayor Barrett F. Pedersen
	Norman M. Gold	Roger E. Poole
	Edward H. Leonard, Sr.	Bradley A. Zeller

RE: Message from the Executive Director

Dear Members of the Authority:

A Diverse Agenda

This month, we are pleased to present a diverse agenda of projects. Cultural institutions, higher education, healthcare, and agriculture are represented by borrowers such as the Art Institute of Chicago, North Park University, Rosalind Franklin University of Medicine and Science, Lutheran Home, Rosecrance, and Sacred Heart School.

CenterPoint – Facilitating Private Investment in Illinois Infrastructure

In particular, we point your attention to the CenterPoint Joliet Intermodal Center Project, one of the largest infrastructure and job creation projects underway in our State. In 2010, CenterPoint and the Illinois Finance Authority ("IFA") worked together to issue $150 million in federally tax-exempt bonds pursuant to the U.S. Department of Transportation's ("USDOT") Freight Transfer Facility Revenue Bond program. This month, IFA is pleased to present for the Board's consideration a second series of bonds for the CenterPoint Joliet Center Project under the same USDOT program. As described more fully in our board summary, this is a multi-year project that is projected to create thousands of permanent as well as union construction jobs in Will County.

Conclusion

As always, we look forward to continuing to work with all of you to fulfill our mission of financing projects that create and retain jobs for the people of Illinois.

Respectfully,

Christopher B. Meister
Executive Director

Attachment: Monthly Bonds Activity Report; Schedule of Debt

Bonds Issued and Outstanding
as of August 31, 2012

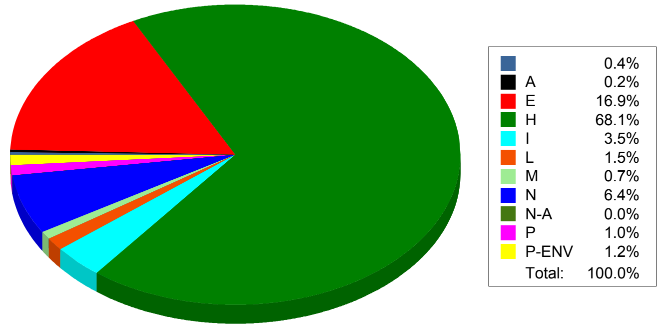
Bonds Issued Since Inception of Illinois Finance Authority

#	Market Sector	Principal Amount ($)
422	Agriculture **	67,693,408
87	Education	4,518,193,100
187	Healthcare *	18,312,661,708
84	Industrial	958,703,853
26	Local Government	420,155,000
17	Multifamily/Senior Housing	194,047,900
121	501(c)(3) Not-for Profits	1,774,870,041
8	Exempt Facilities Bonds	275,700,000
8	Environmental issued under 20 ILCS 3515/9	326,630,000
960		$ 26,848,655,009

* Includes CCRC's

** Number of Agriculture bonds has been adjusted to reflect the actual number of Beginner Farmer Bonds

Bonds Issued Since Inception

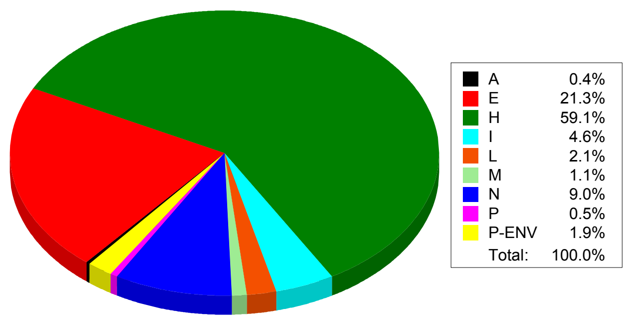


Schedule of Bonds Outstanding by Market Sector
Includes IFA and it's Predecessor Authorities

Market Sector	Amount of Original Issue	Principal Outstanding
Agriculture	306,163,114	91,685,108
Education	5,998,100,730	5,197,660,922
Healthcare *	16,633,073,159	14,396,071,241
Industrial	1,348,687,939	1,117,249,281
Local Government	955,878,413	513,827,144
Multifamily/Senior Housing	708,325,396	268,794,225
501(c)(3) Not-for Profits	2,765,726,842	2,191,779,154
Exempt Facilities Bonds	130,500,000	130,090,000
Environmental issued under 20 ILCS 3515/9	555,195,000	469,771,479
	$ 29,401,650,592	$ 24,376,928,554

* Includes CCRC's

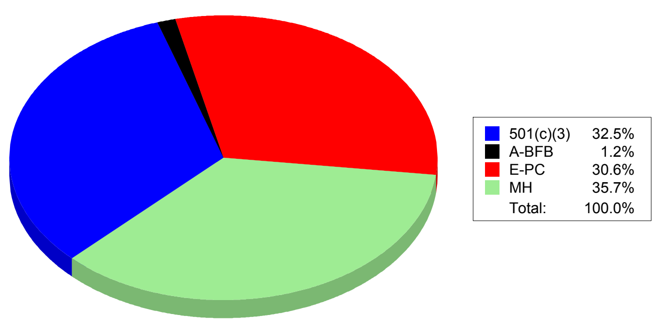
Principal Outstanding by Market Sector



Bonds Issued - Current Fiscal Year

#	Market Sector	Principal Issued
3	Agriculture - Beginner Farmer	642,700
1	Education	15,960,000
1	501(c)(3) Not-for-Profit	17,000,000
1	MultiFamily/Senior Housing	18,630,000
6		$ 52,232,700

Bonds Issued - Current Fiscal Year



Bonds Issued between July 01, 2012 and August 31, 2012

Bond Issue		Date Issued	Initial Interest Rate	Principal Issued	Bonds Refunded
A-BFB	Beginner Farmer Bonds, Series 2013A	07/01/2012	Various-See Below	642,700	0
501(c)(3)	Carmel Catholic High School, Series 2012	07/10/2012	DP-VRB 1.23%	17,000,000	8,500,000
MH	St. Anthony of Lansing, Series 2012	07/13/2012	6.50%	18,630,000	0
E-PC	Lake Forest College, Series 2012	07/24/2012	4.25% to 5.75%	15,960,000	0
		Total Bonds Issued as of August 31, 2012		**$ 52,232,700**	**$ 8,500,000**

Legend: Fixed Rate Bonds as shown
DP-VRB = initial interest rate at the time of issuance on a Direct Purchase Bond
VRB = initial interest rate at the time of issuance on a Variable Rate Bond that does not include the cost of the LOC arrangement.
Beginner Farmer Bonds interest rates are shown in section below.

Beginner Farmer Bonds Funded between July 01, 2012 and August 31, 2012

Borrower	Date Funded	Initial Interest Rate	Loan Proceeds	Acres	County
Justison, Patricia	07/25/2012	3.75%	209,000	38.00	Macon
Voumard, Scott & Angela	08/08/2012	3.75%	248,700	89.26	Madison
Barth, Brian C.	08/24/2012	3.75%	185,000	97.00	Bond
	Total Beginner Farmer Bonds Issued		**$ 642,700**	**224.26**	

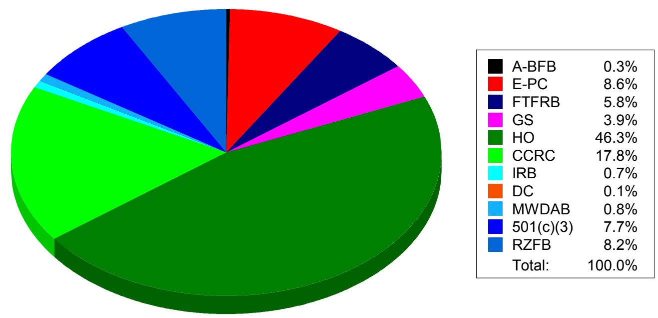
As of January 1, 2012, the amount of private activity volume cap available to the Illinois Finance Authority and allocable to Beginning Farmer Bonds is $15,000,000. In addition, the maximum of any Beginning Farmer Bond is $488,600.

Bonds Issued - Fiscal Year Comparison
for the Period Ending August 31, 2012

Fiscal Year 2011

#	Market Sector	Principal Issued
40	Agriculture - Beginner Farmer	7,002,064
5	Education	221,290,000
1	Freight Transfer Facilities Bonds	150,000,000
2	Gas Supply	100,000,000
15	Healthcare - Hospital	1,195,055,000
5	Healthcare - CCRC	458,705,000
3	Industrial Revenue	17,329,184
1	Financially Distressed Cities	1,985,000
1	Midwest Disaster Area Bonds	20,200,000
4	501(c)(3) Not-for-Profit	199,535,000
8	Recovery Zone Facilities Bonds	211,488,000
85		$ 2,582,589,248

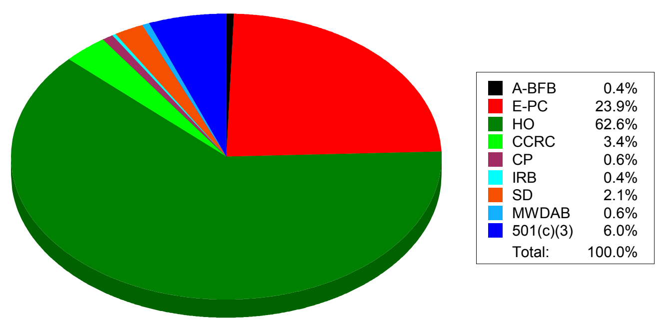
Bonds Issued in Fiscal Year 2011



Fiscal Year 2012

#	Market Sector	Principal Issued
41	Agriculture - Beginner Farmer	8,764,759
3	Education	474,685,000
14	Healthcare - Hospital	1,242,038,200
2	Healthcare - CCRC	66,765,000
1	Healthcare-Community Provider	12,700,000
2	Industrial Revenue	7,295,000
1	Local Government Schools	42,010,000
1	Midwest Disaster Area Bonds	11,066,000
13	501(c)(3) Not-for-Profit	118,256,846
78		$ 1,983,580,805

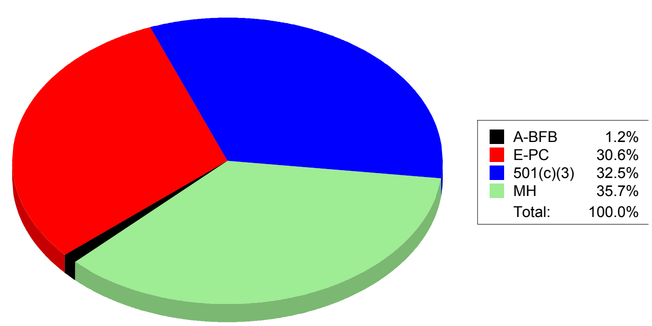
Bonds Issued in Fiscal Year 2012



Fiscal Year 2013

#	Market Sector	Principal Issued
3	Agriculture - Beginner Farmer	642,700
1	Education	15,960,000
1	501(c)(3) Not-for-Profit	17,000,000
1	MultiFamily/Senior Housing	18,630,000
6		$ 52,232,700

Bonds Issued in Fiscal Year 2013

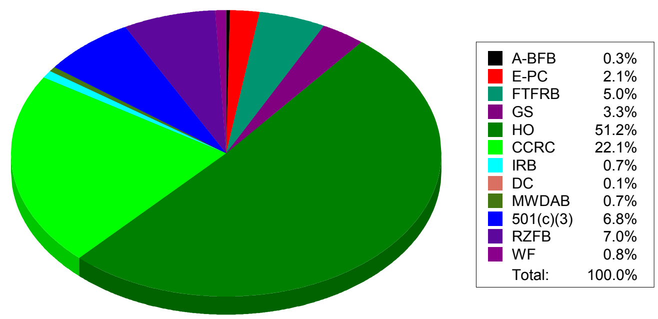


Bonds Issued - Calendar Year Comparison
as of August 31, 2012

Calendar Year 2010

#	Market Sector	Principal Issued
52	Agriculture - Beginner Farmer	9,374,497
5	Education	64,000,000
1	Freight Transfer Facilities Bonds	150,000,000
2	Gas Supply	100,000,000
20	Healthcare - Hospital	1,545,643,433
7	Healthcare - CCRC	667,855,000
4	Industrial Revenue	20,029,184
1	Financially Distressed Cities	1,985,000
1	Midwest Disaster Area Bonds	20,200,000
9	501(c)(3) Not-for-Profit	205,356,062
8	Recovery Zone Facilities Bonds	211,488,000
1	Water Facilities	25,000,000
111		$ 3,020,931,176

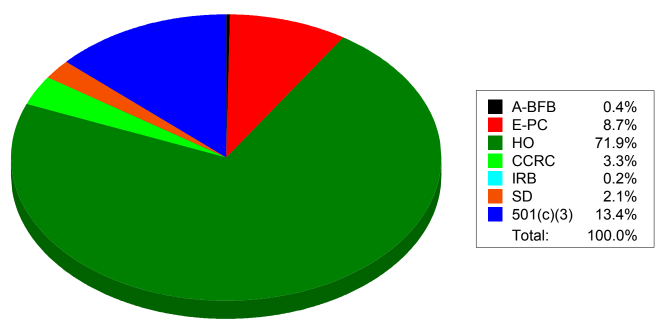
Bonds Issued in Calendar Year 2010



Calendar Year 2011

#	Market Sector	Principal Issued
40	Agriculture - Beginner Farmer	7,832,465
2	Education	177,390,000
13	Healthcare - Hospital	1,459,760,000
2	Healthcare - CCRC	66,765,000
1	Industrial Revenue	3,795,000
1	Local Government Schools	42,010,000
9	501(c)(3) Not-for-Profit	272,851,846
68		$ 2,030,404,311

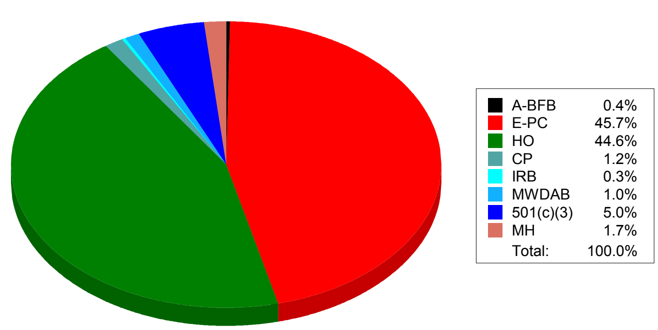
Bonds Issued in Calendar Year 2011



Calendar Year 2012

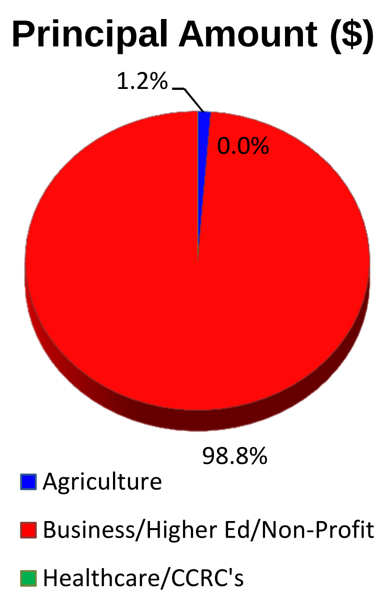
#	Market Sector	Principal Issued
16	Agriculture - Beginner Farmer	4,051,389
4	Education	490,645,000
7	Healthcare - Hospital	479,513,200
1	Healthcare-Community Provider	12,700,000
1	Industrial Revenue	3,500,000
1	Midwest Disaster Area Bonds	11,066,000
7	501(c)(3) Not-for-Profit	54,240,000
1	MultiFamily/Senior Housing	18,630,000
38		$ 1,074,345,589

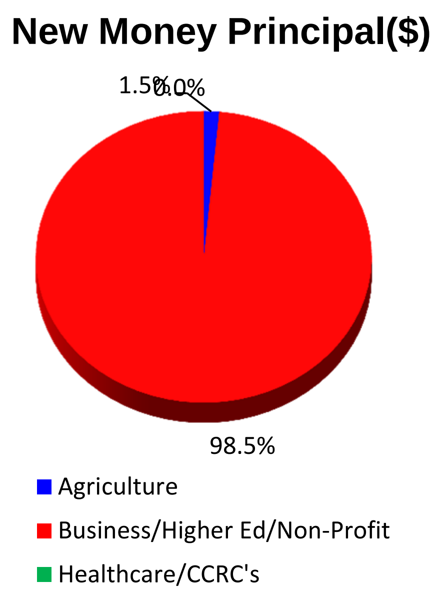
Bonds Issued in Calendar Year 2012

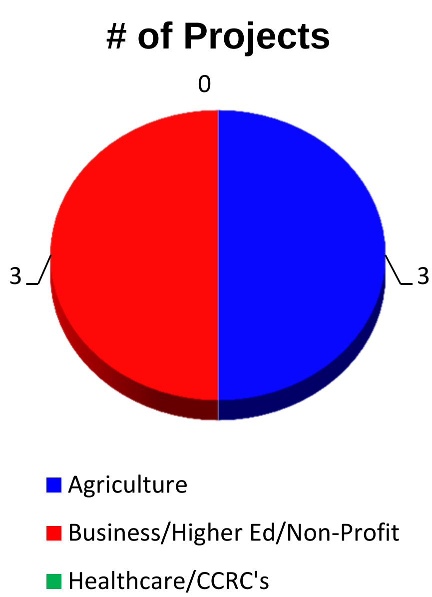


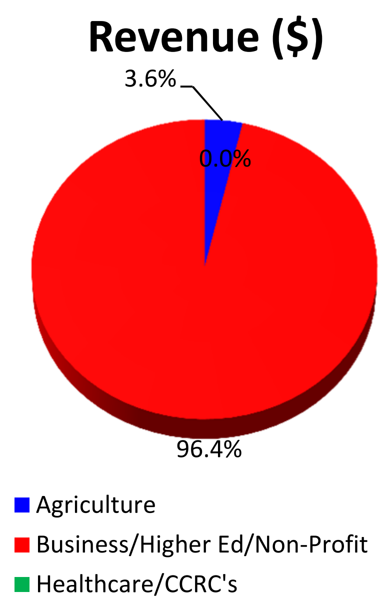
Illinois Finance Authority
Project Revenue
Fiscal Year 2013

Market Sector	Principal Amount ($)	New Money ($)	#	Revenue ($)
Agriculture	$ 642,700.00	$ 642,700.00	3	$ 9,340.50
Business/Higher Ed/Non-Profit	51,590,000.00	43,090,000.00	3	250,446.00
Healthcare/CCRC's	-	-	0	-
	$ 52,232,700.00	$ 43,732,700.00	6	$ 259,786.50



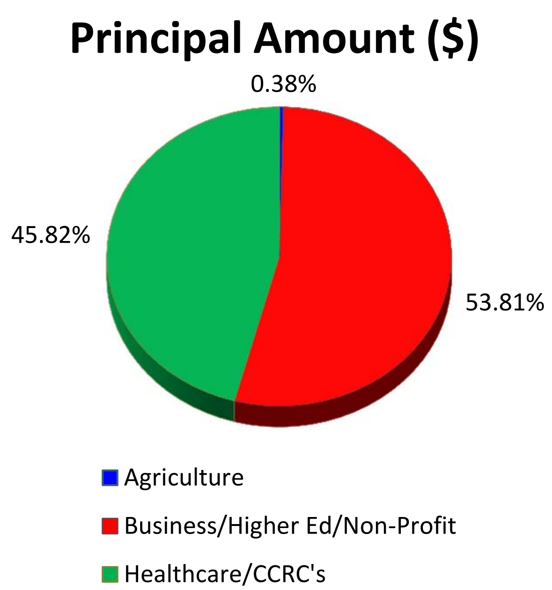


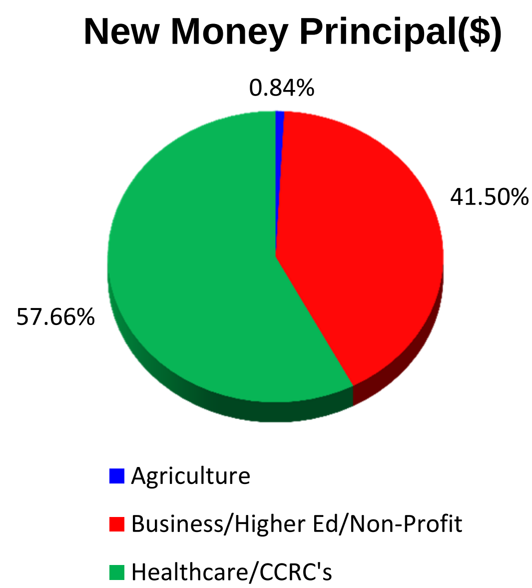


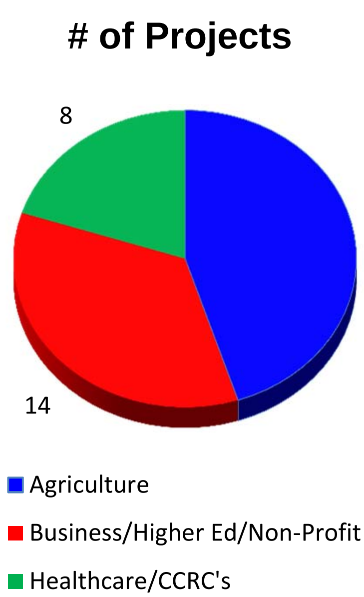


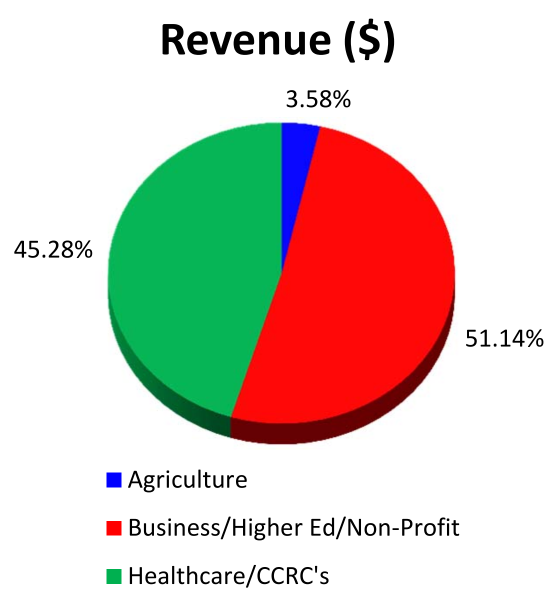
Illinois Finance Authority
Project Revenue
Calendar Year 2012

Market Sector	Principal Amount ($)	New Money ($)	#	Revenue ($)
Agriculture	$ 4,051,388.99	$ 4,051,388.99	18	$ 58,970.83
Business/Higher Ed/Non-Profit	578,081,000.00	201,031,000.00	14	842,750.60
Healthcare/CCRC's	492,213,200.00	279,293,200.00	8	746,244.75
	$ 1,074,345,588.99	$ 484,375,588.99	40	$ 1,647,966.18









ILLINOIS FINANCE AUTHORITY

Schedule of Debt [a]

Conduit debt issued under the Illinois Finance Authority Act [20 ILCS 3501/845-5(a)] which does not constitute an indebtedness or an obligation, either general or moral, or a pledge of the full faith or a loan of the Authority, the State of Illinois or any Political Subdivision of the State within the purview of any constitutional or statutory limitation or provisions with special limited obligations of the Authority secured under provisions of the individual Bond Indentures and Loan Agreements with the exception of the bonds identified below in Section I (b) -- General Purpose Moral Obligation/State Component Parts -- which are subject to the $28.15B cap in Section 845-5(a).

Section I (a)

		Principal Outstanding		Program Limitations	Remaining Capacity
		June 30, 2012	August 31, 2012		
Illinois Finance Authority "IFA" [b]					
383	Agriculture	$ 56,106,900	$ 56,749,600		
90	Education	4,096,631,500	4,099,113,500		
256	Healthcare	12,567,258,400	12,425,468,200		
70	Industrial Development [includes Recovery Zone/Midwest Disaster]	793,260,000	783,296,600		
20	Local Government	235,995,000	235,995,000		
18	Multifamily/Senior Housing	157,841,200	176,199,700		
99	501(c)(3) Not-for Profits	1,247,224,800	1,253,408,300		
5	Exempt Facilities Bonds	130,090,000	130,090,000		
941	**Total IFA Principal Outstanding**	**$ 19,284,407,800**	**$ 19,160,320,900**		
Illinois Development Finance Authority "IDFA" [b]					
2	Education	13,666,400	13,666,400		
5	Healthcare	198,620,000	198,620,000		
53	Industrial Development	337,338,600	333,952,700		
20	Local Government	261,252,100	261,252,100		
10	Multifamily/Senior Housing	95,496,700	92,594,500		
80	501(c)(3) Not-for Profits	881,344,300	864,795,800		
168	**Total IDFA Principal Outstanding**	**$ 1,787,718,100**	**$ 1,764,881,500**		
Illinois Rural Bond Bank "IRBB" [b]					
14	Bond Bank Revenue Bonds	16,825,000	16,580,000		
14	**Total IRBB Principal Outstanding**	**$ 16,825,000**	**$ 16,580,000**		
71	**Illinois Health Facilities Authority "IHFA"**	**$ 1,797,621,000**	**$ 1,771,983,000**		
45	**Illinois Educational Facilities Authority "IEFA"**	**$ 1,169,762,000**	**$ 1,158,456,000**		
561	**Illinois Farm Development Authority "IFDA" [f]**	**$ 34,935,500**	**$ 34,935,500**		
1,800	**Total Illinois Finance Authority Debt**	**$ 24,091,269,400**	**$ 23,907,156,900**	**$ 28,150,000,000**	**$ 4,242,843,100**

Issued under the Illinois Finance Authority Act [20 ILCS 3501/845-5(a)]

Section I (b)

		Principal Outstanding		Program Limitations	Remaining Capacity
		June 30, 2012	August 31, 2012		
General Purpose Moral Obligations					
Illinois Finance Authority Act [20 ILCS 3501/801-40(w)]					
14	Issued through IRBB - Local Government Pools	16,825,000	$ 16,580,000		
7	Issued through IFA - Local Government Pools	25,305,000	25,305,000		
2	Issued through IFA - Illinois Medical District Commission	39,120,000	39,120,000		
23	**Total General Moral Obligations**	**$ 81,250,000**	**$ 81,005,000**	**$ 150,000,000**	**$ 68,995,000**
Financially Distressed Cities Moral Obligations					
Illinois Finance Authority Act [20 ILCS 3501/825-60]					
2	Issued through IFA	$ 3,240,000	$ 3,240,000		
1	Issued through IDFA	2,430,000	2,430,000		
3	**Total Financially Distressed Cities**	**$ 5,670,000**	**$ 5,670,000**	**$ 50,000,000**	**$ 44,330,000**
State Component Unit Bonds [c]					
14	Issued through IRBB	$ 16,825,000	$ 16,580,000		
2	Issued through IDFA [j]	69,685,000	69,685,000		
10	Issued through IFA [j]	97,810,900	97,810,900		
26	**Total State Component Unit Bonds**	**$ 184,320,900**	**$ 184,075,900**		

Designated exclusive Issuer by the Governor of the State of Illinois to issue Midwest Disaster Area Bonds in Illinois, February 11, 2010.

Section I (c)

		Principal Outstanding		Program Limitations	Remaining Capacity
		June 30, 2012	August 31, 2012		
2	**Midwest Disaster Bonds [Flood Relief]**	**$ 30,680,435**	**$ 30,680,435**	**$ 1,515,271,000**	**$ 1,474,010,000**

Designated by the Governor of the State of Illinois to manage and coordinate the re-allocation of Federal ARRA Volume Cap and the issuance of Recovery Zone Bonds in the State of Illinois to fully utilize RZBs before December 31, 2010.

Section I (d)

		ARRA Act of 2009 Volume Cap Allocated [h]	City/Counties Ceded Voluntarily to IFA	Bonds Issued as of August 31, 2012	Available "Ceded" Volume Cap
-	**Recovery Zone Economic Development Bonds;**	**$ 666,972,000**	**$ 16,940,000**	**$ 12,900,000**	**$ 4,040,000**
8	**Recovery Zone Facilities Bonds**	**$ 1,000,457,000**	**$ 292,400,000**	**$ 216,330,000**	**$ 76,070,000**
-	**Qualified Energy Conservation Bonds**	**$ 133,846,000**	**$ -**	**$ 12,500,000**	**$ -**

Issued under the Illinois Finance Authority Act [20 ILCS 3501/845-5(b)]

Section II

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2012	August 31, 2012		
Illinois Power Agency	**$ -**	**$ -**	**$ 4,000,000,000**	**$ 4,000,000,000**

ILLINOIS FINANCE AUTHORITY

Schedule of Debt [a]

Illinois Finance Authority Act [20 ILCS 3501 Section 825-65(f); 825-70 and 825-75] - see also P.A. 96-103 effective 01/01/2010

Section III	Principal Outstanding June 30, 2012	Principal Outstanding August 31, 2012	Program Limitations	Remaining Capacity
Clean Coal, Coal ,Renewable Energy and Energy Efficiency Projects	**$ -**	**$ -**	**$ 3,000,000,000** [d]	**$ 3,000,000,000**

Issued under the Illinois Finance Authority Act [20 ILCS 3501 Sections 830-25 (see also P.A.96-103); 830-30; 830-35; 830-45 and 830-50]

Section IV		Principal Outstanding June 30, 2012	Principal Outstanding July 31, 2012	Program Limitations	Remaining Capacity	State Exposure
Agri Debt Guarantees [Restructuring Existing Debt]		**$ 14,991,100**	**$ 14,797,300**	**$ 160,000,000**	**$ 145,202,700**	**$ 12,566,000**
83	**Fund # 994 - Fund Balance $ 10,037,502**					
AG Loan Guarantee Program		**$ 15,186,800**	**$ 14,456,000**	**$ 225,000,000** [e]	**$ 210,544,000**	**$ 12,287,300**
36	**Fund # 205 - Fund Balance $ 7,751,853**					
9	Agri Industry Loan Guarantee Program	$ 8,207,725	$ 7,769,700			6,604,200
2	Farm Purchase Guarantee Program	956,064	956,100			812,700
15	Specialized Livestock Guarantee Program	3,812,465	3,519,300			2,991,400
10	Young Farmer Loan Guarantee Program	2,210,585	2,210,600			1,879,000
119	**Total State Guarantees**	**$ 30,177,900**	**$ 29,253,300**	**$ 385,000,000**	**$ 355,746,700**	**$ 24,853,300**

Issued under the Illinois Finance Authority Act [20 ILCS 3501 Sections 825-80 and 825-85

Section V			Principal Outstanding June 30, 2012	Principal Outstanding August 31, 2012	Appropriation Fiscal Year 2013	Fund Balance
133	Fire Truck Revolving Loan Program	**Fund # 572**	**$ 16,140,930**	**$ 19,760,930**	**$ 6,003,342**	**$ 936,909**
10	Ambulance Revolving Loan Program	**Fund # 334**	**$ 671,227**	**$ 671,227**	**$ 7,006,800**	**$ 3,489,178**

Note: Due to deposits in transit, the Cash Balance at the Illinois Office of the Comptroller may differ from the Illinois Finance Authority's General Ledger.

Issued under the Illinois Environmental Facilities Financing Act [20 ILCS 3515/9]

Section VI		Principal Outstanding June 30, 2012	Principal Outstanding August 31, 2012	Program Limitations	Remaining Capacity
Environmental [Large Business]					
6	Issued through IFA	122,988,800	122,901,500		
17	Issued through IDFA	346,870,000	346,870,000		
23	**Total Environmental [Large Business]**	**$ 469,858,800**	**$ 469,771,500**	**$ 2,425,000,000**	**$ 1,955,228,500**
Environmental [Small Business]		-	$ -	**$ 75,000,000**	**$ 75,000,000**
23	**Total Environment Bonds Issued under Act**	**$ 469,858,800**	**$ 469,771,500**	**$ 2,500,000,000**	**$ 2,030,228,500**

Illinois Finance Authority Funds at Risk

Section VII #		Original Amount	Principal Outstanding June 30, 2012	Principal Outstanding August 31, 2012
	Participation Loans			
24	Business & Industry	23,020,157.95	5,105,506.90	4,740,031.63
5	Agriculture	6,079,859.01	1,759,093.06	1,748,390.46
29	**Participation Loans exluding Defaults & Allowances**	**$ 29,100,016.96**	**$ 6,864,599.96**	**$ 6,488,422.09**
	Plus: Legacy IDFA Loans in Default		**910,631.89**	**966,265.91**
	Less: Allowance for Doubtful Accounts		**1,377,989.75**	**1,280,431.00**
	Total Participation Loans		**$ 6,397,242.10**	**$ 6,174,257.00**
0	**Illinois Facility Fund**	**$ 1,000,000.00**	**$ -**	**-**
4	**Local Government Direct Loans**	**$ 1,289,750.00**	**$ 218,423.96**	**218,423.96**
3	**FmHA Loans**	**$ 963,250.00**	**$ 265,068.23**	**261,577.32**
2	**Renewable Energy [RED Fund]**	**$ 2,000,000.00**	**$ 1,579,752.12**	**1,564,856.34**
38	**Total Loans Outstanding**	**$ 34,353,016.96**	**$ 8,460,486.41**	**$ 8,219,114.62**

[a] Total subject to change; late month payment data may not be included at issuance of report.

[b] State Component Unit Bonds included in balance.

[c] Does not include Unamortized issuance premium as reported in Audited Financials.

[d] Program Limitation reflects the increase to $3 billion effective 01/01/2010 under P.A. 96-103.

[e] Program Limitation reflects the increase from $75 million to $225 million effective 01/01/2010 under P.A. 96-103.

[f] Beginner Farmer Bonds are currently updated annually; new bonds will be added under the Illinois Finance Authority when the bond closes.

[g] Midwest Disaster Bonds - Illinois Counties eligible for Midwest Disaster Bonds include Adams, Calhoun, Clark, Coles, Crawford, Cumberland, Douglas, Edgar, Hancock, Henderson, Jasper, Jersey, Lake, Lawrence, Mercer, Rock Island, Whiteside and Winnebago.

[h] Recovery Zone Bonds - Federal government allocated volume cap directly to all 102 Illinois counties and 8 municipalities with population of 100,000 or more. [Public Act 96-

[i] IFA is working with all of the 110 entities to encourage voluntary waivers to ensure that these resources are used to support project financing before the program expires on December 31, 2010.

[j] Includes EPA Clean Water Revolving Fund

[k] Midwest Disaster Bonds - P.O.B. Development LLC was issued in the amount of $11,066,000 but only $485,435.09 has been advanced to the borrower.

MINUTES OF THE AUGUST 14, 2012 MEETING OF THE COMMITTEE OF THE WHOLE 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 Committee of the Whole Meeting on August 14, 2012, at 9:30 a.m. in the Chicago Office of the IFA, 180 North Stetson Avenue, Suite 2555, Chicago, Illinois 60601.

IFA Committee of the Whole Members Present:

1. Michael W. Goetz, Vice Chairman
2. James J. Fuentes
3. Norman M. Gold (via audio conference)
4. Edward H. Leonard, Sr.
5. Terrence M. O'Brien
6. Heather D. Parish
7. Mayor Barrett F. Pedersen
8. Roger E. Poole
9. Bradley A. Zeller

IFA Committee of the Whole Members Excused:

1. William A. Brandt, Jr., Chairman
2. Dr. William Barclay
3. Gila J. Bronner

IFA Staff Present:

Christopher B. Meister, Executive Director
Richard Frampton, Vice President
Pamela A. Lenane, Vice President and Acting General Counsel
Ximena Granda, Assistant Chief Financial Officer
Norma Sutton, Agency Procurement Officer
James Senica, Senior Financial Analyst
Brad R. Fletcher, Legal/Financial Analyst
Nora O'Brien, Legal/Financial Analyst
Terrell Gholston, Procurement Analyst
Sohair Omar, Policy/Operations Analyst
David Papirnik, Intern

IFA Financial Advisor Present:

Courtney Shea, Acacia Financial Group, Inc.

Guests Present:

Claire Bushey, Crain Communications, Inc.
Marj Halperin, Marj Halperin Consulting (via audio conference)
Kevin Riordan, Mesirow Insurance Services, Inc.

I. Call to Order & Roll Call

The Committee of the Whole Meeting was called to order at 9:32 a.m. by Vice Chairman Goetz. The Assistant Secretary of the Board, Mr. Fletcher, called the roll. There were seven members present.

Mr. Gold joined the Meeting via audio conference at 9:35 a.m. and was added to the roll by Mr. Fletcher. There now being seven members physically present and one member participating via audio conference, a quorum was reached. Mayor Pedersen arrived in person at 10:13 a.m. He was added to the roll by Mr. Fletcher.

II. Chairman's Remarks

Vice Chairman Goetz informed those present that Chairman Brandt was unavailable to attend today's Committee of the Whole Meeting. Furthermore, Vice Chairman Goetz requested those present at the Committee of the Whole Meeting to introduce themselves for the record.

III. Message from the Executive Director

Executive Director Meister informed those present that IFA had recently completed a lengthy procurement process whereby Mesirow Insurance Services, Inc. was selected to provide insurance brokerage services for the agency. Mr. Meister introduced Kevin Riordan, Vice President for Mesirow Insurance Services, Inc. to the Committee of the Whole.

Mr. Riordan explained that his firm was able to broker significantly increased coverage for the IFA, per occurrence, for a very favorable associated cost increase. He explained that his firm conducted due diligence in connection with ascertaining the most cost effective providers available for the IFA, and as a result two providers were selected.

Executive Director Meister thanked Mr. Riordan for his appearance before the Committee of the Whole.

Mr. Meister took time to congratulate Ms. Lenane, President of the National Association of Health and Educational Facilities Finance Authorities ("NAHEFFA"), whom has been invited to a White House conference in connection with rural healthcare. Additionally, Rich Frampton, whom serves on the Board of Directors of the Council of Development Finance Agencies ("CDFA"), has been appointed to the Clean Energy + Bond Finance Initiative – a task force created by a partnership between Clean Energy Group and CDFA. Mr. Meister described his excitement of this appointment, as renewable energy at the federal government level has traditionally been associated with providing equity rather than tools for debt financing.

Furthermore, Mr. Meister explained that he was invited to speak at the National Conference of State Legislatures ("NCSL") Summit held last week here in Chicago on behalf of the Office of Governor Pat Quinn. His presentation focused on energy policy and IFA's role.

Mr. Meister also informed the members of the Committee of the Whole that he was proud to attend the opening of KONE Elevators and Escalators in Quad Cities, a Midwestern Disaster Area Bond ("MDAB") project financed by the IFA. This project was the first MDAB project completed in Illinois. Mr. Meister explained that he is working with the Office of Governor Pat Quinn to educate the Illinois congressional delegation of the imminent sunset date for MDAB provisions in federal tax law.

Finally, Mr. Meister detailed IFA's strengthened balance sheet as IFA was able to play a role in the Illinois Department of Employment Security's recent successful bond financing for the Illinois Unemployment Trust Fund. As a result of IFA's participation, IFA derived some income.

IV. Consideration of the Minutes

Vice Chairman Goetz asked if any members of the Committee of the Whole had any comments in connection with the minutes prepared by the Assistant Secretary of the Board for each of the prior month's Meetings. A voice vote was taken on a motion to recommend approval for each of the prior month's Meetings. The motion prevailed.

V. Presentation and Consideration of the Financial Statements

Mrs. Granda explained that the month of July ended with Net Income of $195,000 or 13.55% below the Fiscal Year ("FY") 2013 Budget. However, the FY 2013 Budget adopted last month by the Board only calls for Net Annual Income of $1,000,000. In fact, July 2012 Net Income was approximately $300,000 greater than July 2011 Net Income.

Total Revenue for the month of July ended at $481,000 or $51,000 below the FY 2013 Budget. Administrative, closing and application fees equal to approximately $424,000 were derived from the following:

- 5 transaction closings (1 in the Non-Healthcare 501(c)(3) market sector, 1 in the Agriculture market sector, 2 in the Business & Industry market sector and 1 in the Local Government market sector);
- 1 amendment in Healthcare market sector; and
- $10,000 in application fees ($4,000 from Fire Truck Revolving Loans).

Total Operating Expenses for the month of July ended at $286,000 or 6.77% below the FY 2013 Budget. This is primarily due to employee related expenses. July 2012 expenses are approximately $29,000 or 9.17% less than July 2011.

Mrs. Granda informed the members of the Committee of the Whole that IFA's General Operating Fund Balance Sheet remains strong. Cash has increased by $9.1 million from July

2011 to July 2012, primarily due to loan pay offs, two SEC settlements and the recovery of bad debt from FY 2012.

IFA also received a recovery of bad debt as of August 13, 2012 for a participation loan in the amount of $138,000. This will show as other income on the August Financial Statements.

IFA continues to work closely with the Office of the State Fire Marshall ("OSFM") and the State of Illinois Comptroller's Office. This past July, the Comptroller's Office under the direction of IFA and OSFM issued loan proceeds to 19 Fire Truck Revolving Loan Fund borrowers for a total of $3.6 million. Moreover, Senate Bill 3373 was signed into law as of August 6, 2012, which should improve management of the Revolving Loan Funds administered jointly by IFA and OSFM.

With respect to the FY 2012 Internal Audit, reports are not yet final, but IFA staff is scheduled to have a meeting with the internal auditors on August 28, 2012 in an effort to finalize the reports. Thereafter, these reports will be discussed at the next regularly schedule Audit Committee Meeting.

Finally, with respect to the FY 2012 Audit by the Office of the Illinois Auditor General, work is scheduled to continue and the external auditors will return to IFA premises on August 20, 2012 to finalize their field work. The Legislative Audit Commission (the "LAC") Meeting is on August 29th. Gila Bronner will represent IFA before the LAC Meeting, which will have on its Consent Calendar the FY 2011 Audit by the Office of the Illinois Auditor General.

VI. Committee Reports

Healthcare Committee

Vice Chairman Goetz reported that the Healthcare Committee reviewed the four projects for the August agenda. The Healthcare Committee recommended approval of the four projects.

Agriculture Committee

Executive Director Meister explained that Robert F. Flider, Acting Director of the Illinois Department of Agriculture joined the Agriculture Committee Meeting as a guest to engage the Agriculture Committee in a discussion of the drought conditions throughout the state and potential programs that may benefit farmers seeking assistance.

Vice Chairman Goetz expressed his gratitude for Mr. Flider's willingness to spend time with the members of the Agriculture Committee.

Infrastructure, Transportation & Energy Committee

Vice Chairman Goetz reported that the Infrastructure, Transportation & Energy Committee met for a significant period of time and covered a wide array of topics. Specifically, Vice Chairman Goetz explained that a proposed pilot program was presented to assist M/W/DBE contractors in obtaining surety bonds and working capital loans in connection with doing business with the State of Illinois. This pilot program would be a partnership with the Small Contractor Initiative of the United States Department of Housing and Urban Development and the United States Small Business Administration.

Furthermore, an overview of the Expanded Transportation Infrastructure Finance and Innovation Act ("TIFIA") Program of the U.S. Department of Transportation was presented to the Infrastructure, Transportation & Energy Committee.

The Infrastructure, Transportation & Energy Committee reviewed the Hawthorne Chicago, LLC project for the August agenda. The Infrastructure, Transportation & Energy Committee recommended approval of the project.

VII. Project Reports

Business & Industry – Industrial Revenue Bonds

Mr. Frampton presented Agenda Item No. 1.

Item No. 1: **Freedman Seating Company, Freedman Building LLC, FSLH, LLC, FSLH, LLC - Series 4545, FSLH, LLC - Series 4501, FSLH, LLC - Series 7346 and FBSA LLC - $7,000,000**

Freedman Seating Company, Freedman Building LLC, FSLH, LLC, FSLH, LLC - Series 4545, FSLH, LLC - Series 4501, FSLH, LLC - Series 7346 and FBSA LLC are requesting approval of a Final Bond Resolution in an amount not-to-exceed Seven Million Dollars ($7,000,000).

Bond proceeds will be used by Freedman Seating Company, Freedman Building L.L.C., FSLH, LLC, FSLH, LLC - Series 4545, FSLH, LLC - Series 4501, FSLH, LLC - Series 7346 and FBSA LLC (collectively, the "Borrowers"), to (i) purchase, renovate, and equip an approximately 170,000 square foot ("SF") building located at 4501 W. Augusta Blvd., Chicago, Illinois, that includes adjacent properties located at 914 N. Kilbourn Ave., 976 N. Kilbourn Ave., both in Chicago, Illinois, for use as a manufacturing facility and the surface parking lot located just north of 4500 W. Chicago Ave., Chicago, Illinois; (ii) refund One Million Eighty-Five Thousand Dollars ($1,085,000) principal amount of the Authority's Industrial Development Revenue Bonds (Freedman Seating Company Project), Series 2005, and originally issued to finance costs of acquisition and installation of seating manufacturing lines and related equipment to convert these bonds to a bank direct purchase mode for Freedman Seating Company, (iii) refund One Million Eight Hundred and Fifty-Five Thousand Dollars ($1,855,000) principal amount of City of Chicago Industrial Development Revenue Bonds, Series 1998 issued to finance costs of acquisition, rehabilitation and equipping of a manufacturing facility and related equipment located at 4545 W. Augusta Blvd., Chicago, Illinois for Freedman Seating Company and Freedman Building L.L.C.,

(iv) paying bond issuance costs, and (v) authorizing the execution of related documents.

Business & Industry – Airport Facility Revenue Bonds

Mr. Frampton presented Agenda Item No. 2.

Item No. 2: **Hawthorne Chicago, LLC - $9,500,000**

Hawthorne Chicago, LLC is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed Nine Million Five Hundred Thousand Dollars ($9,500,000).

The proceeds of the Series 2012 Bonds will be used for the purpose of providing Hawthorne Chicago, LLC (the "Borrower") with all or a portion of the funds for the purpose of (i) financing the acquisition of certain leasehold and related rights in an approximately 8 acre site located at Chicago Executive Airport, 1020 South Plant Road, Wheeling, Illinois (the "Airport"), and the construction, improvement, and equipping thereon of an approximately 10,000 square foot terminal and office building and an adjacent, approximately 30,000 square foot hangar to be owned by the Airport and to be operated by the Borrower for use as a full service fixed base of operations, private and corporate jet aviation facility (the "Project"), and (ii) paying costs of issuance of the Bonds and capitalized interest thereon (collectively with the Project, the "Financing Purposes").

Vice Chairman Goetz inquired if Bonds will be sold to sophisticated investors as the sale will be a Limited Public Offering and the Bonds will be non-rated. Mr. Frampton confirmed that was correct; additionally, the Bonds will be sold in minimum $100,000 denominations in accordance with provisions of the IFA Bond Handbook.

Educational, Cultural, and Non-Healthcare 501(c)(3) – 501(c)(3) Revenue Bonds

Mr. Frampton presented Agenda Item No. 3.

Item No. 3: **Rosalind Franklin University of Medicine & Science - $16,600,000**

Rosalind Franklin University of Medicine & Science is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed Sixteen Million Six Hundred Thousand Dollars ($16,600,000).

Bond proceeds will be used by Rosalind Franklin University of Medicine & Science (the "University", "RFUMS", or the "Borrower") to (i) finance substantially all of the costs of the design, development, construction and equipping of a new student learning center and the design, development, construction, expansion, renovation, and equipping of various other educational facilities for the Borrower, including site improvements, landscaping, and improvements to roads, walkways and parking lots (collectively, the "Project") (ii) fund a portion of interest on the Bonds, if deemed necessary or desirable by the Borrower, (iii) fund a debt service reserve fund for the benefit of the Bonds, if deemed necessary or desirable by the Borrower, and (iv) pay expenses incurred in connection with the issuance of the Bonds (collectively, the "Financing Purposes").

Resolutions

Mr. Frampton presented Agenda Item No. 8.

Item No. 8: **Resolution Authorizing the Execution and Delivery of an Amendment to the Bond and Loan Agreement in Connection with Illinois Finance Authority Industrial Development Revenue Refunding Bonds (Transparent Container Company, Inc. Project), Series 2011**

Healthcare – 501(c)(3) Revenue Bonds

Ms. O'Brien presented Agenda Item No. 4 and Agenda Item No. 5.

Item No. 4: **Lutheran Home and Services Obligated Group - $120,000,000**

Lutheran Home and Services Obligated Group is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed One Hundred Twenty Million Dollars ($120,000,000).

Bond proceeds will be used by Lutheran Home and Services Obligated Group ("Lutheran Homes", "LHS", the "Corporation" or the "Borrower") to (i) pay or reimburse the Borrowers for, or refinance certain indebtedness, the proceeds of which were used for, the payment of certain costs of acquiring, constructing, renovating, remodeling and equipping certain "projects" (as such term is defined in the Illinois Finance Authority Act, as amended) for the Borrowers' senior living community, including, but not limited to, the renovation of an existing long term care facility, totaling approximately 126,000 square feet, known as the Olson Pavilion and the constructing and equipping of four additions to the Olson Pavilion totaling approximately 81,000 square feet, which additions will include 78-bed skilled nursing beds, resident dining rooms, rehabilitation rooms and other common areas; (ii) refund all or a portion of the outstanding Thirteen Million Two Hundred Thousand Dollar ($13,200,000) Illinois Health Facilities Authority Weekly Adjustable Rate Revenue Bonds, Series 2001 (Lutheran Home and Services) (the "Series 2001 Bonds"); (iii) refund all or a portion of the outstanding Fourteen Million Three Hundred and Fifty Thousand Dollar ($14,350,000) Illinois Health Facilities Authority Variable Rate Demand Revenue Refunding Bonds, Series 2003 (Lutheran Home and Services) (the "Series 2003 Bonds" and, together with the Series 2001 Bonds, the "Prior Bonds"); (iv) pay a portion of the interest on the Bonds; (v) establish a debt service reserve fund with respect to the Bonds; and (vi) pay certain expenses incurred in connection with the issuance of the Bonds and the refunding of the Prior Bonds.

Vice Chairman Goetz inquired if the Bonds will be sold to retail investors. Ms. O'Brien confirmed that was correct; additionally, a feasibility study will need to be obtained.

Ms. O'Brien confirmed for the members of the Committee of the Whole that B.C. Ziegler & Company will undertake the marketing of the Bonds.

Item No. 5: **Hospital Sisters Services, Inc. - $550,000,000**

Hospital Sisters Services, Inc. is requesting approval of a Final Bond Resolution in an amount not-to-exceed Five Hundred Fifty Million Dollars ($550,000,000).

Bond proceeds will be used by Hospital Sisters Services, Inc. ("HSSI" or the "Borrower") to: (i) pay or reimburse the Borrower the payment of the costs of acquiring, constructing, renovating, remodeling and equipping certain of their health facilities, including, but not limited to, acquiring , constructing and equipping an approximately 25 bed critical access replacement hospital in Highland, Illinois, and the renovation of a surgery department at St. John's Hospital in Springfield, (ii) refund the outstanding principal amount of IHFA Series 2003A Bonds, IFA Series 2007C Bonds and IFA 2008A Bonds that financed prior projects at multiple locations in Illinois, (iii) pay a portion of the interest accruing on the Bonds, if deemed necessary or advisable, (iv) funding working capital, if deemed necessary or advisable, and (v) pay certain expenses incurred in connection with the issuance of the Bonds.

Ms. Lenane presented Agenda Item No. 6 and Agenda Item No. 7.

Item No. 6: **SwedishAmerican Health System - $45,000,000**

SwedishAmerican Health System is requesting approval of a Final Bond Resolution in an amount not-to-exceed Forty-Five Million Dollars ($45,000,000). This Project is being presented for one-time consideration.

Bond proceeds will be used by SwedishAmerican Health System ("SwedishAmerican", "SAHS", the "Corporation" or the "Borrower") to: (i) finance the construction of an off-campus cancer treatment center, (ii) finance the construction and modernization of the existing Hospital campus owned by SwedishAmerican Health System in Rockford, (iii) pay a portion of the interests accruing on the Bonds, if deemed necessary or advisable, (iv) fund one or more debt service reserve funds, if deemed necessary or advisable and (v) pay certain expenses incurred in connection with the issuance of the Bonds.

Ms. Lenane informed the members of the Committee of the Whole that this is being presented as a one-time final before the Board as the borrower would like to close on the transaction in September to take advantage of the low interest rate environment.

Additionally, Ms. Lenane reported that the Healthcare Committee inquired during its regularly scheduled meeting about minority participation in the underwriting of the Bonds. Ms. Lenane confirmed she spoke with the Chief Financial Officer of SwedishAmerican Health System and is able to report he is amenable to talking with minority co-managers and hearing their respective presentations.

Ms. Parish informed the members of the Committee of the Whole that during the regularly scheduled Healthcare Committee Meeting, it was discussed how to expand the use of minority underwriters in the Healthcare market sector.

Item No. 7: **OSF Healthcare System - $200,000,000**

OSF Healthcare System is requesting approval of a Final Bond Resolution in an amount not-to-exceed Two Hundred Million Dollars ($200,000,000). This Project is being presented for one-time consideration.

The Series 2012 Bonds will be used to refund approximately One Hundred Twenty Million Dollars ($120,000,000) in fixed rate bonds for present value savings and approximately Sixteen Million Dollars ($16,000,000) in variable rate bonds to eliminate the risks associated with variable rate debt and lock-in low cost committed capital. At the same time, OSF plans to take the opportunity to permanently finance its PNC Line relating to debt associated with Ottawa Regional Hospital & Healthcare Center (now known as OSF St. Elizabeth Medical Center) and the 2008 CP program relating to the Glen Park Place expansion. In addition, OSF will finance the reimbursement of certain prior capital expenditures relating to the cost of constructing and equipping a birthing center at Joseph Medical Center (known as the “Bloomington Project”).

Ms. Lenane informed the members of the Committee of the Whole that this is also being presented as a one-time final before the Board as the borrower would like to close on the transaction in September to take advantage of the low interest rate environment.

Vice Chairman Goetz, Mr. Leonard and Ms. Lenane engaged in a discussion concerning the uptick in activity with respect to new construction in the healthcare market sector.

Resolutions

Ms, Lenane presented Agenda Item No. 9.

Item No. 9: **Resolution Approving and Ratifying the Substitution of Credit Facility Provider for Certain Outstanding Bonds Issued on Behalf of Swedish Covenant Hospital; Approving and Ratifying the Replacement of**

Remarketing Agent for Certain Outstanding Bonds Issued on Behalf of Swedish Covenant Hospital; and Authorizing, Approving and Ratifying Certain Other Matters (IFA Series 2008A Variable Rate Revenue Refunding Bonds – Swedish Covenant Hospital Project)

Ms. Omar presented Agenda Item No. 10.

Item No. 10: **Resolution Delegating to the Executive Director of the Illinois Finance Authority the Power to Develop and Administer a Pilot Program in Connection with the Small Contractor Initiative of the United States Department of Housing and Urban Development and the United States Small Business Administration**

Mr. Meister informed the members of the Committee of the Whole of the need to develop this pilot program and engaged in a discussion concerning its importance throughout the state.

VIII. Other Business

None.

IX. Public Comment

None.

X. Adjournment

The Committee of the Whole Meeting adjourned at 10:22 a.m.

Minutes submitted by:
Brad R. Fletcher
Assistant Secretary of the Board

MINUTES OF THE AUGUST 14, 2012 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 on August 14, 2012, at 10:30 a.m. in the Conference Center, One Prudential Plaza, 130 East Randolph Avenue, Suite 750, Chicago, Illinois 60601.

IFA Board Members Present:

1. Michael W. Goetz, Vice Chairman
2. Dr. William Barclay (via audio conference)
3. James J. Fuentes
4. Norman M. Gold (via audio conference)
5. Edward H. Leonard, Sr.
6. Terrence M. O'Brien
7. Heather D. Parish
8. Mayor Barrett F. Pedersen
9. Roger E. Poole
10. Bradley A. Zeller

IFA Board Members Excused:

1. William A. Brandt, Jr., Chairman
2. Gila J. Bronner

IFA Staff Present:

Christopher B. Meister, Executive Director
Richard Frampton, Vice President
Pamela A. Lenane, Vice President and Acting General Counsel
James Senica, Senior Financial Analyst
Brad R. Fletcher, Legal/Financial Analyst
Terrell Gholston, Procurement Analyst
Nora O'Brien, Legal/Financial Analyst
Sohair Omar, Policy/Operations Analyst

IFA Financial Advisor Present:

Courtney Shea, Acacia Financial Group, Inc.

Guests Present:

John F. Bibby, Jr., Jones Day
Nancy Burke, Chapman & Cutler LLP
Claire Bushey, Crain Communications, Inc.
Thomas Butala, News Source, LLC

Ylda Capriccioso, CMAP
Michelle A. Carrothers, OSF Healthcare System
Amy Cobb Curran, Jones Day
Anne Donahoe, Anne Donahoe
Jeremy D. Duffy, Hinshaw & Culbertson LLP
Craig Freedman, Freedman Seating Co., Inc.
Steve Johnson, B. C. Ziegler & Company
Ben Klemz, Barclays Capital Inc.
Terence Mieling, Merrill Lynch & Co., Inc.
Carl W. Moellenkamp, Lutheran Life Communities
Danny Nelson, PFM Asset Management LLC
Megan Rudd, Jones Day
Jeffrey Bruce Sahrbeck, Merrill Lynch & Co., Inc.
Jill Scheibelhut, ImageMaster, Inc.
Tasha Shepherd, Backstrom McCarley Berry & Co., LLC
Steven Washington, Ice Miller LLP
Leslie Richards-Yellen, Hinshaw & Culbertson LLP

I. Call to Order & Roll Call

The Board Meeting was called to order at 10:34 a.m. by Vice Chairman Goetz. The Assistant Secretary of the Board, Mr. Fletcher, called the roll. There being eight members physically present and two members participating via audio conference, a quorum was reached.

II. Chairman's Remarks

Vice Chairman Goetz welcomed members of the Board, IFA staff and all guests present.

III. Adoption of Minutes

Vice Chairman Goetz stated that both the Minutes of the Committee of the Whole Meeting and the Minutes of the Board Meeting, each held on July 10, 2012, were reviewed at the Committee of the Whole Meeting held earlier this morning. Vice Chairman Goetz requested a motion to adopt the Minutes of both Meetings held on July 10, 2012. Mayor Pedersen made a motion and Mr. Poole seconded the motion. A roll call vote was taken and the motion was adopted unanimously.

IV. Acceptance of Financial Statements

Additionally, Vice Chairman Goetz stated that the Financial Statements for the Month ended July 31, 2012 were reviewed at the Committee of the Whole Meeting held earlier this morning. Vice Chairman Goetz requested leave to apply the previous roll call vote in favor of accepting the Financial Statements for the Month ended July 31, 2012. Leave was granted unanimously.

V. Project Approvals

Vice Chairman Goetz asked Mr. Frampton to present the projects to the Board.

Mr. Frampton presented each of the following projects:

Business & Industry – Airport Facility Revenue Bonds

Item No. 2: **Hawthorne Chicago, LLC - $9,500,000**

Hawthorne Chicago, LLC is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed Nine Million Five Hundred Thousand Dollars ($9,500,000).

The proceeds of the Series 2012 Bonds will be used for the purpose of providing Hawthorne Chicago, LLC (the "Borrower") with all or a portion of the funds for the purpose of (i) financing the acquisition of certain leasehold and related rights in an approximately 8 acre site located at Chicago Executive Airport, 1020 South Plant Road, Wheeling, Illinois (the "Airport"), and the construction, improvement, and equipping thereon of an approximately 10,000 square foot terminal and office building and an adjacent, approximately 30,000 square foot hangar to be owned by the Airport and to be operated by the Borrower for use as a full service fixed base of operations, private and corporate jet aviation facility (the "Project"), and (ii) paying costs of issuance of the Bonds and capitalized interest thereon (collectively with the Project, the "Financing Purposes").

Educational, Cultural, and Non-Healthcare 501(c)(3) – 501(c)(3) Revenue Bonds

Item No. 3: **Rosalind Franklin University of Medicine & Science - $16,600,000**

Rosalind Franklin University of Medicine & Science is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed Sixteen Million Six Hundred Thousand Dollars ($16,600,000).

Bond proceeds will be used by Rosalind Franklin University of Medicine & Science (the "University", "RFUMS", or the "Borrower") to (i) finance substantially all of the costs of the design, development, construction and equipping of a new student learning center and the design, development, construction, expansion, renovation, and equipping of various other educational facilities for the Borrower, including site improvements, landscaping, and improvements to roads, walkways and parking lots (collectively, the "Project") (ii) fund a portion of interest on the Bonds, if deemed necessary or desirable by the Borrower, (iii) fund a debt service reserve fund for the benefit of the Bonds, if deemed necessary or desirable by the Borrower, and (iv) pay expenses incurred in connection with the issuance of the Bonds (collectively, the "Financing Purposes").

Healthcare – 501(c)(3) Revenue Bonds

Item No. 5: <u>Hospital Sisters Services, Inc. - $550,000,000</u>

Hospital Sisters Services, Inc. is requesting approval of a Final Bond Resolution in an amount not-to-exceed Five Hundred Fifty Million Dollars ($550,000,000).

Bond proceeds will be used by Hospital Sisters Services, Inc. ("HSSI" or the "Borrower") to: (i) pay or reimburse the Borrower the payment of the costs of acquiring, constructing, renovating, remodeling and equipping certain of their health facilities, including, but not limited to, acquiring , constructing and equipping an approximately 25 bed critical access replacement hospital in Highland, Illinois, and the renovation of a surgery department at St. John's Hospital in Springfield, (ii) refund the outstanding principal amount of IHFA Series 2003A Bonds, IFA Series 2007C Bonds and IFA 2008A Bonds that financed prior projects at multiple locations in Illinois, (iii) pay a portion of the interest accruing on the Bonds, if deemed necessary or advisable, (iv) funding working capital, if deemed necessary or advisable, and (v) pay certain expenses incurred in connection with the issuance of the Bonds.

Item No. 6: <u>SwedishAmerican Health System - $45,000,000</u>

SwedishAmerican Health System is requesting approval of a Final Bond Resolution in an amount not-to-exceed Forty-Five Million Dollars ($45,000,000). This Project is being presented for one-time consideration.

Bond proceeds will be used by SwedishAmerican Health System ("SwedishAmerican", "SAHS", the "Corporation" or the "Borrower") to: (i) finance the construction of an off-campus cancer treatment center, (ii) finance the construction and modernization of the existing Hospital campus owned by SwedishAmerican Health System in Rockford, (iii) pay a portion of the interests accruing on the Bonds, if deemed necessary or advisable, (iv) fund one or more debt service reserve funds, if deemed necessary or advisable and (v) pay certain expenses incurred in connection with the issuance of the Bonds.

VI. Resolutions

Mr. Frampton presented each of the following projects:

Item No. 8: <u>Resolution Authorizing the Execution and Delivery of an Amendment to the Bond and Loan Agreement in Connection with Illinois Finance Authority Industrial Development Revenue Refunding Bonds (Transparent Container Company, Inc. Project), Series 2011</u>

Item No. 9: <u>Resolution Approving and Ratifying the Substitution of Credit Facility Provider for Certain Outstanding Bonds Issued on Behalf of Swedish Covenant Hospital; Approving and Ratifying the Replacement of</u>

Remarketing Agent for Certain Outstanding Bonds Issued on Behalf of Swedish Covenant Hospital; and Authorizing, Approving and Ratifying Certain Other Matters (IFA Series 2008A Variable Rate Revenue Refunding Bonds – Swedish Covenant Hospital Project)

Item No. 10: **Resolution Delegating to the Executive Director of the Illinois Finance Authority the Power to Develop and Administer a Pilot Program in Connection with the Small Contractor Initiative of the United States Department of Housing and Urban Development and the United States Small Business Administration**

Vice Chairman Goetz asked if the members of the Board had any questions related to any of the projects or resolutions presented. There being none, Vice Chairman Goetz requested leave to apply the previous roll call vote in favor of each project and resolution. Leave was granted unanimously.

V. Project Approvals

Vice Chairman Goetz asked Mr. Frampton to present the projects to the Board which may have guests.

Mr. Frampton presented each of the following projects:

Business & Industry – Industrial Revenue Bonds

Item No. 1: **Freedman Seating Company, Freedman Building LLC, FSLH, LLC, FSLH, LLC - Series 4545, FSLH, LLC - Series 4501, FSLH, LLC - Series 7346 and FBSA LLC - $7,000,000**

Freedman Seating Company, Freedman Building LLC, FSLH, LLC, FSLH, LLC - Series 4545, FSLH, LLC - Series 4501, FSLH, LLC - Series 7346 and FBSA LLC are requesting approval of a Final Bond Resolution in an amount not-to-exceed Seven Million Dollars ($7,000,000).

Bond proceeds will be used by Freedman Seating Company, Freedman Building L.L.C., FSLH, LLC, FSLH, LLC - Series 4545, FSLH, LLC - Series 4501, FSLH, LLC - Series 7346 and FBSA LLC (collectively, the "Borrowers"), to (i) purchase, renovate, and equip an approximately 170,000 square foot ("SF") building located at 4501 W. Augusta Blvd., Chicago, Illinois, that includes adjacent properties located at 914 N. Kilbourn Ave., 976 N. Kilbourn Ave., both in Chicago, Illinois, for use as a manufacturing facility and the surface parking lot located just north of 4500 W. Chicago Ave., Chicago, Illinois; (ii) refund One Million Eighty-Five Thousand Dollars ($1,085,000) principal amount of the Authority's Industrial Development Revenue Bonds (Freedman Seating Company Project), Series 2005, and originally issued to finance costs of acquisition and installation of seating manufacturing lines and related equipment to convert these bonds to a bank direct purchase mode for Freedman Seating Company, (iii) refund One Million Eight Hundred and Fifty-Five Thousand Dollars ($1,855,000) principal amount of City of Chicago Industrial Development Revenue Bonds, Series 1998 issued to finance costs of acquisition, rehabilitation and equipping of a manufacturing facility and related equipment located at 4545 W. Augusta Blvd., Chicago, Illinois for Freedman Seating Company and Freedman Building L.L.C., (iv) paying bond issuance costs, and (v) authorizing the execution of related documents.

Craig Freedman, President of Freedman Seating Co., Inc. thanked the members of the Board for their consideration of this financing.

Vice Chairman Goetz thanked Mr. Freedman for his appearance before the Board. Vice Chairman Goetz asked if the members of the Board had any questions related to this project. There being none, Vice Chairman Goetz requested leave to apply the previous roll call vote in favor of this project. Leave was granted unanimously.

Healthcare – 501(c)(3) Revenue Bonds

Item No. 4: **<u>Lutheran Home and Services Obligated Group - $120,000,000</u>**

Lutheran Home and Services Obligated Group is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed One Hundred Twenty Million Dollars ($120,000,000).

Bond proceeds will be used by Lutheran Home and Services Obligated Group ("Lutheran Homes", "LHS", the "Corporation" or the "Borrower") to (i) pay or reimburse the Borrowers for, or refinance certain indebtedness, the proceeds of which were used for, the payment of certain costs of acquiring, constructing, renovating, remodeling and equipping certain "projects" (as such term is defined in the Illinois Finance Authority Act, as amended) for the Borrowers' senior living community, including, but not limited to, the renovation of an existing long term care facility, totaling approximately 126,000 square feet, known as the Olson Pavilion and the constructing and equipping of four additions to the Olson Pavilion totaling approximately 81,000 square feet, which additions will include 78-bed skilled nursing beds, resident dining rooms, rehabilitation rooms and other common areas; (ii) refund all or a portion of the outstanding Thirteen Million Two Hundred Thousand Dollar ($13,200,000) Illinois Health Facilities Authority Weekly Adjustable Rate Revenue Bonds, Series 2001 (Lutheran Home and Services) (the "Series 2001 Bonds"); (iii) refund all or a portion of the outstanding Fourteen Million Three Hundred and Fifty Thousand Dollar ($14,350,000) Illinois Health Facilities Authority Variable Rate Demand Revenue Refunding Bonds, Series 2003 (Lutheran Home and Services) (the "Series 2003 Bonds" and, together with the Series 2001 Bonds, the "Prior Bonds"); (iv) pay a portion of the interest on the Bonds; (v) establish a debt service reserve fund with respect to the Bonds; and (vi) pay certain expenses incurred in connection with the issuance of the Bonds and the refunding of the Prior Bonds.

Carl W. Moellenkamp, Senior VP of Corporate Finance/CFO for Lutheran Life Communities thanked the members of the Board for their consideration of this financing.

Vice Chairman Goetz thanked Mr. Moellenkamp for his appearance before the Board. Vice Chairman Goetz asked if the members of the Board had any questions related to this project. There being none, Vice Chairman Goetz requested leave to apply the previous roll call vote in favor of this project. Leave was granted unanimously.

Item No. 7: **OSF Healthcare System - $200,000,000**

OSF Healthcare System is requesting approval of a Final Bond Resolution in an amount not-to-exceed Two Hundred Million Dollars ($200,000,000). This Project is being presented for one-time consideration.

The Series 2012 Bonds will be used to refund approximately One Hundred Twenty Million Dollars ($120,000,000) in fixed rate bonds for present value savings and approximately Sixteen Million Dollars ($16,000,000) in variable rate bonds to eliminate the risks associated with variable rate debt and lock-in low cost committed capital. At the same time, OSF plans to take the opportunity to permanently finance its PNC Line relating to debt associated with Ottawa Regional Hospital & Healthcare Center (now known as OSF St. Elizabeth Medical Center) and the 2008 CP program relating to the Glen Park Place expansion. In addition, OSF will finance the reimbursement of certain prior capital expenditures relating to the cost of constructing and equipping a birthing center at Joseph Medical Center (known as the "Bloomington Project").

Ms. Lenane attempted to clarify for the Board the present value savings of this refunding transaction before introducing Michelle A. Carrothers, Director of Debt Management & Revenue Cycle for OSF Healthcare System.

Ms. Carrothers thanked the members of the Board for their consideration of this financing.

Vice Chairman Goetz thanked Ms. Carrothers for her appearance before the Board. Vice Chairman Goetz asked if the members of the Board had any questions related to this project. There being none, Vice Chairman Goetz requested leave to apply the previous roll call vote in favor of this project. Leave was granted unanimously.

VII. Other Business

None.

VIII. Public Comment

None.

IX. Adjournment

Vice Chairman Goetz requested a motion to adjourn the Board Meeting. A motion to adjourn was made by Mr. O'Brien and seconded by Mayor Pedersen. A voice vote was taken on the motion. The motion prevailed.

The Board Meeting adjourned at 10:54 a.m.

Minutes submitted by:
Brad R. Fletcher
Assistant Secretary of the Board

Illinois Finance Authority
General Fund - Actual to Budget
Statement of Activities
for Period Ending
August 31, 2012

	Actual August 2012	Budget August 2012	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2013	Budget YTD FY 2013	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2013	% of Budget Expended
REVENUE										
INTEREST ON LOANS	21,539	16,560	4,979	30.07%	43,226	37,579	5,647	15.03%	269,742	16.02%
INVESTMENT INTEREST & GAIN(LOSS)	4,032	2,083	1,949	93.57%	7,302	4,166	3,136	75.28%	25,000	29.21%
ADMINISTRATIONS & APPLICATION FEES	80,735	456,729	(375,994)	-82.32%	504,436	918,294	(413,858)	-45.07%	3,789,504	13.31%
ANNUAL ISSUANCE & LOAN FEES	29,861	30,526	(665)	-2.18%	57,514	61,541	(4,027)	-6.54%	386,222	14.89%
OTHER INCOME	143,308	17,198	126,110	733.28%	148,474	34,396	114,078	331.66%	206,375	71.94%
TOTAL REVENUE	279,475	523,096	(243,621)	-46.57%	760,952	1,055,976	(295,024)	-27.94%	4,676,843	16.27%
EXPENSES										
EMPLOYEE RELATED EXPENSES										
COMPENSATION & TAXES	111,076	124,760	(13,684)	-10.97%	225,575	251,208	(25,633)	-10.20%	1,462,277	15.43%
BENEFITS	19,615	20,158	(543)	-2.69%	39,680	40,316	(636)	-1.58%	244,896	16.20%
TEMPORARY HELP	-		-	0.00%			-	0.00%	-	0.00%
EDUCATION & DEVELOPMENT	150	500	(350)	-70.00%	150	1,000	(850)	-85.00%	6,000	2.50%
TRAVEL & AUTO	4,294	5,000	(706)	-14.12%	5,974	10,000	(4,026)	-40.26%	60,000	9.96%
TOTAL EMPLOYEE RELATED EXPENSES	135,135	150,418	(15,283)	-10.16%	271,379	302,524	(31,145)	-10.30%	1,773,173	15.30%
PROFESSIONAL SERVICES										
CONSULTING, LEGAL & ADMIN	38,140	37,458	682	1.82%	75,695	74,916	779	1.04%	449,500	16.84%
LOAN EXPENSE & BANK FEE	7,966	8,750	(784)	-8.96%	17,931	17,500	431	2.46%	105,000	17.08%
ACCOUNTING & AUDITING	29,415	24,754	4,661	18.83%	55,042	49,508	5,534	11.18%	297,000	18.53%
MARKETING GENERAL	105	1,250	(1,145)	-91.60%	1,944	2,500	(556)	-22.24%	15,000	12.96%
FINANCIAL ADVISORY	8,333	8,333	-	0.00%	16,666	16,666	-	0.00%	100,000	16.67%
CONFERENCE/TRAINING	1,600	2,500	(900)	-36.00%	3,525	5,000	(1,475)	-29.50%	30,000	11.75%
MISC. PROFESSIONAL SERVICES	6,250	6,250	-	0.00%	12,500	12,500	-	0.00%	75,000	16.67%
DATA PROCESSING	2,206	5,833	(3,627)	-62.18%	5,392	11,666	(6,274)	-53.78%	70,000	7.70%
TOTAL PROFESSIONAL SERVICES	94,015	95,128	(1,113)	-1.17%	188,695	190,256	(1,561)	-0.82%	1,141,500	16.53%
OCCUPANCY COSTS										
OFFICE RENT	21,240	22,406	(1,166)	-5.20%	42,480	44,812	(2,332)	-5.20%	268,872	15.80%
EQUIPMENT RENTAL AND PURCHASES	1,046	1,333	(287)	-21.53%	1,987	2,666	(679)	-25.47%	16,000	12.42%
TELECOMMUNICATIONS	1,031	2,917	(1,886)	-64.66%	4,081	5,834	(1,753)	-30.05%	35,000	11.66%
UTILITIES	943	1,000	(57)	-5.70%	1,843	2,000	(157)	-7.85%	12,000	15.36%
DEPRECIATION	3,621	2,708	913	33.71%	7,314	5,416	1,898	35.04%	32,500	22.50%
INSURANCE	1,951	2,083	(132)	-6.34%	3,900	4,166	(266)	-6.39%	25,000	15.60%
TOTAL OCCUPANCY COSTS	29,832	32,447	(2,615)	-8.06%	61,605	64,894	(3,289)	-5.07%	389,372	15.82%

Illinois Finance Authority
General Fund - Actual to Budget
Statement of Activities
for Period Ending
August 31, 2012

	Actual August 2012	Budget August 2012	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2013	Budget YTD FY 2013	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2013	% of Budget Expended
GENERAL & ADMINISTRATION										
OFFICE SUPPLIES	1,168	2,983	(1,815)	-60.84%	4,344	5,966	(1,622)	-27.19%	35,800	12.13%
BOARD MEETING - EXPENSES	2,053	2,917	(864)	-29.62%	4,253	5,834	(1,581)	-27.10%	35,000	12.15%
PRINTING	500	833	(333)	-39.98%	1,092	1,666	(574)	-34.45%	10,000	10.92%
POSTAGE & FREIGHT	2,808	1,250	1,558	124.64%	3,646	2,500	1,146	45.84%	15,000	24.31%
MEMBERSHIP, DUES & CONTRIBUTIONS	369	2,000	(1,631)	-81.55%	1,877	4,000	(2,123)	-53.08%	34,000	5.52%
PUBLICATIONS	-	583	(583)	-100.00%	19	1,166	(1,147)	-98.37%	7,000	0.27%
OFFICERS & DIRECTORS INSURANCE	16,542	16,667	(125)	-0.75%	31,650	33,334	(1,684)	-5.05%	200,000	15.83%
MISCELLANEOUS	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
TOTAL GENL & ADMIN EXPENSES	23,440	27,233	(3,793)	-13.93%	46,881	54,466	(7,585)	-13.93%	336,800	13.92%
LOAN LOSS PROVISION/BAD DEBT	-	-	-	.	-	-	-	0.00%	-	0.00%
OTHER										
INTEREST EXPENSE	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
TOTAL OTHER	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
TOTAL EXPENSES	282,422	305,226	(22,804)	-7.47%	568,560	612,140	(43,580)	-7.12%	3,640,845	15.62%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	(2,947)	217,870	(220,817)	-101.35%	192,392	443,836	(251,444)	-56.65%	1,035,998	18.57%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
TRANSFER	317,153	-	317,153	0.00%	317,153	-	317,153	0.00%	-	0.00%
REVENUE GRANT	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
APPROPRIATIONS FROM STATE	-	-	-	0.00%	-	-	-	0.00%	-	-
NET INCOME/(LOSS)	314,206	217,870	96,336	44.22%	509,545	443,836	65,709	14.80%	1,035,998	49.18%

Illinois Finance Authority
General Fund - Actual to Actual
Statement of Activities
for Period Ending August 31, 2012

	Actual August 2012	Actual August 2011	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2013	Actual YTD FY 2012	Year to Date Variance Actual vs. Budget	YTD % Variance
REVENUE								
INTEREST ON LOANS	21,539	53,087	(31,548)	-59.43%	43,226	288,688	(245,462)	-85.03%
INVESTMENT INTEREST & GAIN(LOSS)	4,032	2,297	1,735	75.53%	7,302	3,843	3,459	90.01%
ADMINISTRATIONS & APPLICATION FEES	80,735	212,201	(131,466)	-61.95%	504,436	257,412	247,024	95.96%
ANNUAL ISSUANCE & LOAN FEES	29,861	35,165	(5,304)	-15.08%	57,514	60,382	(2,868)	-4.75%
OTHER INCOME	143,308	6,667	136,641	2049.51%	148,474	13,595	134,879	992.12%
TOTAL REVENUE	279,475	309,417	(29,942)	-9.68%	760,952	623,920	137,032	21.96%
EXPENSES								
EMPLOYEE RELATED EXPENSES								
COMPENSATION & TAXES	111,076	122,660	(11,584)	-9.44%	225,575	268,696	(43,121)	-16.05%
BENEFITS	19,615	20,150	(535)	-2.66%	39,680	43,048	(3,368)	-7.82%
TEMPORARY HELP	-	-	-	0.00%		-	-	0.00%
EDUCATION & DEVELOPMENT	150	-	150	0.00%	150	-	150	#DIV/0!
TRAVEL & AUTO	4,294	2,971	1,323	44.53%	5,974	6,524	(550)	-8.43%
TOTAL EMPLOYEE RELATED EXPENSES	135,135	145,781	(10,646)	-7.30%	271,379	318,268	(46,889)	-14.73%
PROFESSIONAL SERVICES								
CONSULTING, LEGAL & ADMIN	38,140	29,298	8,842	30.18%	75,695	59,904	15,791	26.36%
LOAN EXPENSE & BANK FEE	7,966	8,926	(960)	-10.76%	17,931	18,113	(182)	-1.00%
ACCOUNTING & AUDITING	29,415	20,705	8,710	42.07%	55,042	41,410	13,632	32.92%
MARKETING GENERAL	105	519	(414)	-79.77%	1,944	519	1,425	274.57%
FINANCIAL ADVISORY	8,333	16,667	(8,334)	-50.00%	16,666	33,334	(16,668)	-50.00%
CONFERENCE/TRAINING	1,600	2,780	(1,180)	-42.45%	3,525	2,780	745	26.80%
MISC. PROFESSIONAL SERVICES	6,250	9,167	(2,917)	-31.82%	12,500	18,334	(5,834)	-31.82%
DATA PROCESSING	2,206	2,569	(363)	-14.13%	5,392	5,295	97	1.83%
TOTAL PROFESSIONAL SERVICES	94,015	90,631	3,384	3.73%	188,695	179,689	9,006	5.01%
OCCUPANCY COSTS								
OFFICE RENT	21,240	22,657	(1,417)	-6.25%	42,480	44,455	(1,975)	-4.44%
EQUIPMENT RENTAL AND PURCHASES	1,046	3,209	(2,163)	-67.40%	1,987	4,302	(2,315)	-53.81%
TELECOMMUNICATIONS	1,031	2,915	(1,884)	-64.63%	4,081	5,822	(1,741)	-29.90%
UTILITIES	943	1,023	(80)	-7.82%	1,843	2,389	(546)	-22.85%
DEPRECIATION	3,621	2,282	1,339	58.68%	7,314	4,566	2,748	60.18%
INSURANCE	1,951	1,946	5	0.26%	3,900	3,890	10	0.26%
TOTAL OCCUPANCY COSTS	29,832	34,032	(4,200)	-12.34%	61,605	65,424	(3,819)	-5.84%

Illinois Finance Authority
General Fund - Actual to Actual
Statement of Activities
for Period Ending August 31, 2012

	Actual August 2012	Actual August 2011	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2013	Actual YTD FY 2012	Year to Date Variance Actual vs. Budget	YTD % Variance
GENERAL & ADMINISTRATION								
OFFICE SUPPLIES	1,168	3,972	(2,804)	-70.59%	4,344	5,569	(1,225)	-22.00%
BOARD MEETING - EXPENSES	2,053	2,135	(82)	-3.84%	4,253	4,885	(632)	-12.94%
PRINTING	500	900	(400)	-44.44%	1,092	1,889	(797)	-42.19%
POSTAGE & FREIGHT	2,808	5,086	(2,278)	-44.79%	3,646	5,480	(1,834)	-33.47%
MEMBERSHIP, DUES & CONTRIBUTIONS	369	1,371	(1,002)	-73.09%	1,877	2,364	(487)	-20.60%
PUBLICATIONS	-	355	(355)	-100.00%	19	452	(433)	-95.80%
OFFICERS & DIRECTORS INSURANCE	16,542	15,261	1,281	8.39%	31,650	30,522	1,128	3.70%
MISCELLANEOUS	-	-	-	0.00%	-	-	-	0.00%
TOTAL GENL & ADMIN EXPENSES	23,440	29,080	(5,640)	-19.39%	46,881	51,161	(4,280)	-8.37%
LOAN LOSS PROVISION/BAD DEBT	-	-	-	.	-	-	-	0.00%
OTHER								
INTEREST EXPENSE	-	-	-	0.00%	-	-	-	0.00%
TOTAL OTHER	-	-	-	0.00%	-	-	-	0.00%
TOTAL EXPENSES	282,422	299,524	(17,102)	-5.71%	568,560	614,542	(45,982)	-7.48%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	(2,947)	9,893	(12,840)	-129.79%	192,392	9,378	183,014	1951.52%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.00%	-	-	-	0.00%
TRANSFER	317,153	-	317,153	0.00%	317,153	-	317,153	0.00%
REVENUE GRANT	-	-	-	0.00%	-	-	-	0.00%
APPROPRIATIONS FROM STATE	-	-	-	0.00%	-	-	-	0.00%
NET INCOME/(LOSS)	314,206	9,893	304,313	3076.04%	509,545	9,378	500,167	5333.41%

Illinois Finance Authority
General Fund
Unaudited
Balance Sheet
for the Two Months Ending August 31, 2012

	Actual August 2011	Actual August 2012
ASSETS		
CASH & INVESTMENTS, UNRESTRICTED	$ 32,516,232	$ 41,285,500
RECEIVABLES, NET	88,500	152,096
LOAN RECEIVABLE, NET	11,301,510	6,174,257
OTHER RECEIVABLES	267,323	52,909
PREPAID EXPENSES	194,098	230,854
TOTAL CURRENT ASSETS	44,367,663	47,895,616
FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION	141,149	101,019
DEFERRED ISSUANCE COSTS	288,887	239,430
OTHER ASSETS		
CASH RESTRICTED, INVESTMENTS & RESERVES	874,347	875,064
VENTURE CAPITAL INVESTMENTS	-	-
OTHER	-	7,669
TOTAL OTHER ASSETS	874,347	882,733
TOTAL ASSETS	$ 45,672,046	$ 49,118,798
LIABILITIES		
CURRENT LIABILITIES	$ 1,655,213	$ 532,251
LONG-TERM LIABILITIES	423,130	353,406
TOTAL LIABILITIES	2,078,343	885,657
EQUITY		
CONTRIBUTED CAPITAL	4,111,479	4,111,479
RETAINED EARNINGS	27,501,548	31,640,819
NET INCOME / (LOSS)	9,378	509,545
RESERVED/RESTRICTED FUND BALANCE	1,732,164	1,732,164
UNRESERVED FUND BALANCE	10,239,134	10,239,134
TOTAL EQUITY	43,593,703	48,233,141
TOTAL LIABILITIES & EQUITY	$ 45,672,046	$ 49,118,798

Illinois Finance Authority
Consolidated - Actual to Budget
Statement of Activities
for Period Ending
August 31, 2012

	Actual August 2012	Budget August 2012	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2013	Budget YTD FY 2013	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2013	% of Budget Expended
REVENUE										
INTEREST ON LOANS	160,137	153,192	6,945	4.53%	320,517	315,841	4,676	1.48%	1,931,461	16.59%
INVESTMENT INTEREST & GAIN(LOSS)	180,346	45,154	135,192	299.40%	222,706	90,308	132,398	146.61%	543,350	40.99%
ADMINISTRATIONS & APPLICATION FEES	80,735	456,729	(375,994)	-82.32%	504,436	918,294	(413,858)	-45.07%	3,789,504	13.31%
ANNUAL ISSUANCE & LOAN FEES	29,861	30,526	(665)	-2.18%	57,514	61,541	(4,027)	-6.54%	386,222	14.89%
OTHER INCOME	196,185	42,198	153,987	364.92%	219,544	84,396	135,148	160.14%	506,375	43.36%
TOTAL REVENUE	647,264	727,799	(80,535)	-11.07%	1,324,717	1,470,380	(145,663)	-9.91%	7,156,912	18.51%
EXPENSES										
EMPLOYEE RELATED EXPENSES										
COMPENSATION & TAXES	111,076	124,760	(13,684)	-10.97%	225,575	251,208	(25,633)	-10.20%	1,462,277	15.43%
BENEFITS	19,615	20,158	(543)	-2.69%	39,680	40,316	(636)	-1.58%	244,896	16.20%
TEMPORARY HELP	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
EDUCATION & DEVELOPMENT	150	500	(350)	-70.00%	150	1,000	(850)	-85.00%	6,000	2.50%
TRAVEL & AUTO	4,294	5,000	(706)	-14.12%	5,974	10,000	(4,026)	-40.26%	60,000	9.96%
TOTAL EMPLOYEE RELATED EXPENSES	135,135	150,418	(15,283)	-10.16%	271,379	302,524	(31,145)	-10.30%	1,773,173	15.30%
PROFESSIONAL SERVICES										
CONSULTING, LEGAL & ADMIN	40,223	39,542	681	1.72%	79,861	79,084	777	0.98%	474,500	16.83%
LOAN EXPENSE & BANK FEE	169,477	170,236	(759)	-0.45%	340,929	340,472	457	0.13%	2,042,832	16.69%
ACCOUNTING & AUDITING	30,714	26,653	4,061	15.24%	57,640	53,306	4,334	8.13%	319,791	18.02%
MARKETING GENERAL	105	1,250	(1,145)	-91.60%	1,944	2,500	(556)	-22.24%	15,000	12.96%
FINANCIAL ADVISORY	8,333	8,333	-	0.00%	16,666	16,666	-	0.00%	100,000	16.67%
CONFERENCE/TRAINING	1,600	2,500	(900)	-36.00%	3,525	5,000	(1,475)	-29.50%	30,000	11.75%
MISC. PROFESSIONAL SERVICES	9,583	9,583	-	0.00%	19,166	19,166	-	0.00%	115,000	16.67%
DATA PROCESSING	2,206	5,833	(3,627)	-62.18%	5,392	11,666	(6,274)	-53.78%	70,000	7.70%
TOTAL PROFESSIONAL SERVICES	262,241	263,930	(1,689)	-0.64%	525,123	527,860	(2,737)	-0.52%	3,167,123	16.58%
OCCUPANCY COSTS										
OFFICE RENT	21,240	22,406	(1,166)	-5.20%	42,480	44,812	(2,332)	-5.20%	268,872	15.80%
EQUIPMENT RENTAL AND PURCHASES	1,046	1,333	(287)	-21.53%	1,987	2,666	(679)	-25.47%	16,000	12.42%
TELECOMMUNICATIONS	1,031	2,917	(1,886)	-64.66%	4,081	5,834	(1,753)	-30.05%	35,000	11.66%
UTILITIES	943	1,000	(57)	-5.70%	1,843	2,000	(157)	-7.85%	12,000	15.36%
DEPRECIATION	3,621	2,708	913	33.71%	7,314	5,416	1,898	35.04%	32,500	22.50%
INSURANCE	1,951	2,083	(132)	-6.34%	3,900	4,166	(266)	-6.39%	25,000	15.60%
TOTAL OCCUPANCY COSTS	29,832	32,447	(2,615)	-8.06%	61,605	64,894	(3,289)	-5.07%	389,372	15.82%

Illinois Finance Authority
Consolidated - Actual to Budget
Statement of Activities
for Period Ending
August 31, 2012

	Actual August 2012	Budget August 2012	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2013	Budget YTD FY 2013	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2013	% of Budget Expended
GENERAL & ADMINISTRATION										
OFFICE SUPPLIES	1,168	2,983	(1,815)	-60.84%	4,343	5,966	(1,623)	-27.20%	35,800	12.13%
BOARD MEETING - EXPENSES	2,053	2,917	(864)	-29.62%	4,253	5,834	(1,581)	-27.10%	35,000	12.15%
PRINTING	500	833	(333)	-39.98%	1,092	1,666	(574)	-34.45%	10,000	10.92%
POSTAGE & FREIGHT	2,808	1,250	1,558	124.64%	3,646	2,500	1,146	45.84%	15,000	24.31%
MEMBERSHIP, DUES & CONTRIBUTIONS	370	2,000	(1,630)	-81.50%	1,877	4,000	(2,123)	-53.08%	34,000	5.52%
PUBLICATIONS	-	583	(583)	-100.00%	19	1,166	(1,147)	-98.37%	7,000	0.27%
OFFICERS & DIRECTORS INSURANCE	16,542	16,667	(125)	-0.75%	31,650	33,334	(1,684)	-5.05%	200,000	15.83%
MISCELLANEOUS	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
TOTAL GENL & ADMIN EXPENSES	23,441	27,233	(3,792)	-13.92%	46,880	54,466	(7,586)	-13.93%	336,800	13.92%
LOAN LOSS PROVISION/BAD DEBT	-	-	-	.	-	-	-	0.00%	-	0.00%
OTHER										
INTEREST EXPENSE	455	455	-	0.00%	909	910	(1)	-0.11%	5,166	17.60%
TOTAL OTHER	455	455	-	0.00%	909	910	(1)	-0.11%	5,166	0.00%
TOTAL EXPENSES	451,104	474,483	(23,379)	-4.93%	905,896	950,654	(44,758)	-4.71%	5,671,634	15.97%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	196,160	253,316	(57,156)	-22.56%	418,821	519,726	(100,905)	-19.42%	1,485,278	28.20%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT		-	-	0.00%		-	-	0.00%	-	0.00%
TRANSFER		-	-	0.00%		-	-	0.00%	-	0.00%
REVENUE GRANT	841,399	-	841,399	0.00%	841,399	-	841,399	0.00%	-	0.00%
TRANSFER FROM STATE		-	-	0.00%		-	-	0.00%	-	-
NET INCOME/(LOSS)	1,037,559	253,316	784,243	309.59%	1,260,220	519,726	740,494	142.48%	1,485,278	84.85%

Illinois Finance Authority
Consolidated Statement of Activities
Comparison
for Period Ending
August 31, 2012

	Actual August 2012	Actual August 2011	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2013	Actual YTD FY 2012	Year to Date Variance Actual vs. Budget	YTD % Variance
REVENUE								
INTEREST ON LOANS	160,137	353,681	(193,544)	-54.72%	320,517	862,128	(541,611)	-62.82%
INVESTMENT INTEREST & GAIN(LOSS)	180,346	172,100	8,246	4.79%	222,706	129,670	93,036	71.75%
ADMINISTRATIONS & APPLICATION FEES	80,735	212,201	(131,466)	-61.95%	504,436	257,412	247,024	95.96%
ANNUAL ISSUANCE & LOAN FEES	29,861	35,165	(5,304)	-15.08%	57,514	60,382	(2,868)	-4.75%
OTHER INCOME	196,185	53,347	142,838	267.75%	219,544	64,527	155,017	240.24%
TOTAL REVENUE	647,264	826,494	(179,230)	-21.69%	1,324,717	1,374,119	(49,402)	-3.60%
EXPENSES								
EMPLOYEE RELATED EXPENSES								
COMPENSATION & TAXES	111,076	122,660	(11,584)	-9.44%	225,575	268,696	(43,121)	-16.05%
BENEFITS	19,615	20,150	(535)	-2.66%	39,680	43,048	(3,368)	-7.82%
TEMPORARY HELP	-	-	-	0.00%	-	-	-	0.00%
EDUCATION & DEVELOPMENT	150	-	150	0.00%	150	-	150	#DIV/0!
TRAVEL & AUTO	4,294	2,971	1,323	44.53%	5,974	6,524	(550)	-8.43%
TOTAL EMPLOYEE RELATED EXPENSES	135,135	145,781	(10,646)	-7.30%	271,379	318,268	(46,889)	-14.73%
PROFESSIONAL SERVICES								
CONSULTING, LEGAL & ADMIN	40,223	31,381	8,842	28.18%	79,861	64,070	15,791	24.65%
LOAN EXPENSE & BANK FEE	169,477	1,225,498	(1,056,021)	-86.17%	340,929	530,607	(189,678)	-35.75%
ACCOUNTING & AUDITING	30,714	22,254	8,460	38.02%	57,640	44,508	13,132	29.50%
MARKETING GENERAL	105	519	(414)	-79.77%	1,944	519	1,425	274.57%
FINANCIAL ADVISORY	8,333	16,667	(8,334)	-50.00%	16,666	33,334	(16,668)	-50.00%
CONFERENCE/TRAINING	1,600	2,780	(1,180)	-42.45%	3,525	2,780	745	26.80%
MISC. PROFESSIONAL SERVICES	9,583	12,500	(2,917)	-23.34%	19,166	25,000	(5,834)	-23.34%
DATA PROCESSING	2,206	2,569	(363)	-14.13%	5,392	5,295	97	1.83%
TOTAL PROFESSIONAL SERVICES	262,241	1,314,168	(1,051,927)	-80.05%	525,123	706,113	(180,990)	-25.63%
OCCUPANCY COSTS								
OFFICE RENT	21,240	22,657	(1,417)	-6.25%	42,480	44,455	(1,975)	-4.44%
EQUIPMENT RENTAL AND PURCHASES	1,046	3,209	(2,163)	-67.40%	1,987	4,302	(2,315)	-53.81%
TELECOMMUNICATIONS	1,031	2,915	(1,884)	-64.63%	4,081	5,822	(1,741)	-29.90%
UTILITIES	943	1,023	(80)	-7.82%	1,843	2,389	(546)	-22.85%
DEPRECIATION	3,621	2,282	1,339	58.68%	7,314	4,566	2,748	60.18%
INSURANCE	1,951	1,945	6	0.31%	3,900	3,890	10	0.26%
TOTAL OCCUPANCY COSTS	29,832	34,031	(4,199)	-12.34%	61,605	65,424	(3,819)	-5.84%

Illinois Finance Authority
Consolidated Statement of Activities
Comparison
for Period Ending
August 31, 2012

	Actual August 2012	Actual August 2011	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2013	Actual YTD FY 2012	Year to Date Variance Actual vs. Budget	YTD % Variance
GENERAL & ADMINISTRATION								
OFFICE SUPPLIES	1,168	3,972	(2,804)	-70.59%	4,343	5,569	(1,226)	-22.01%
BOARD MEETING - EXPENSES	2,053	2,135	(82)	-3.84%	4,253	4,885	(632)	-12.94%
PRINTING	500	900	(400)	-44.44%	1,092	1,889	(797)	-42.19%
POSTAGE & FREIGHT	2,808	5,086	(2,278)	-44.79%	3,646	5,480	(1,834)	-33.47%
MEMBERSHIP, DUES & CONTRIBUTIONS	370	1,371	(1,001)	-73.01%	1,877	2,364	(487)	-20.60%
PUBLICATIONS	-	355	(355)	-100.00%	19	452	(433)	-95.80%
OFFICERS & DIRECTORS INSURANCE	16,542	15,261	1,281	8.39%	31,650	30,522	1,128	3.70%
MISCELLANEOUS	-	-	-	0.00%	-	-	-	0.00%
TOTAL GENL & ADMIN EXPENSES	23,441	29,080	(5,639)	-19.39%	46,880	51,161	(4,281)	-8.37%
LOAN LOSS PROVISION/BAD DEBT	-	-	-	#DIV/0!	-	-	-	#DIV/0!
OTHER								
INTEREST EXPENSE	455	503	(48)	-9.54%	909	1,005	(96)	-9.55%
TOTAL OTHER	455	503	(48)	0.00%	909	1,005	(96)	0.00%
TOTAL EXPENSES	451,104	1,523,563	(1,072,459)	-70.39%	905,896	1,141,971	(236,075)	-20.67%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	196,160	(697,069)	893,229	-128.14%	418,821	232,148	186,673	80.41%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT		-	-	0.00%		-	-	0.00%
TRANSFER		(3,169)	3,169	0.00%	-	(3,169)	3,169	0.00%
REVENUE GRANT	841,399	-	841,399	0.00%	841,399	-	841,399	0.00%
TRANSFERS FROM STATE		-	-	0.00%		-	-	0.00%
NET INCOME/(LOSS)	1,037,559	(700,238)	1,737,797	-248.17%	1,260,220	228,979	1,031,241	450.36%

Illinois Finance Authority
Consolidated
Unaudited
Balance Sheet
for the Two Months Ending August 31, 2012

	Actual August 2011	Actual August 2012
ASSETS		
CASH & INVESTMENTS, UNRESTRICTED	$ 32,516,232	$ 41,285,500
RECEIVABLES, NET	88,500	152,096
LOAN RECEIVABLE, NET	32,785,429	28,635,366
NOTES RECEIVABLE	38,663,637	34,643,937
OTHER RECEIVABLES	717,555	1,100,774
PREPAID EXPENSES	194,098	230,854
TOTAL CURRENT ASSETS	104,965,451	106,048,527
FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION	141,149	101,019
DEFERRED ISSUANCE COSTS	390,718	322,676
OTHER ASSETS		
CASH RESTRICTED, INVESTMENTS & RESERVES	51,391,771	54,428,131
VENTURE CAPITAL INVESTMENTS	2,247,981	-
OTHER	3,000,000	3,000,000
TOTAL OTHER ASSETS	56,639,752	57,428,131
TOTAL ASSETS	$ 162,137,070	$163,900,353
LIABILITIES		
CURRENT LIABILITIES	1,768,780	648,843
BONDS PABYABLE	46,840,000	42,130,000
OTHER LIABILITIES	1,272,627	2,051,731
TOTAL LIABILITIES	49,881,407	44,830,574
EQUITY		
CONTRIBUTED CAPITAL	35,608,692	35,608,692
RETAINED EARNINGS	28,655,681	30,492,093
NET INCOME / (LOSS)	228,979	1,260,220
RESERVED/RESTRICTED FUND BALANCE	35,114,140	39,060,603
UNRESERVED FUND BALANCE	12,648,171	12,648,171
TOTAL EQUITY	112,255,663	119,069,779
TOTAL LIABILITIES & EQUITY	$ 162,137,070	$163,900,353

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Jim Senica and Lorrie Karcher

Date: September 11, 2012

Re: Overview Memo for Beginning Farmer Bonds

- **Borrower/Project Name:** Beginning Farmer Bonds
- **Locations:** Throughout Illinois
- **Board Action Requested:** Final Bond Resolution for the attached projects
- **Amount:** Up to $488,600 maximum of new money for each project
- **Project Type: Beginning Farmer Revenue Bonds**
- **Total Requested: $564,650**
- **Calendar Year Summary:** (as of September 11, 2012)
  - Volume Cap: $15,000,000
  - Volume Cap Committed: $4,427,389
  - Volume Cap Remaining: $10,572,611
  - Average Farm Acreage: 75
  - Number of Farms Financed: 18
- **IFA Benefits:**
  - **Conduit Tax-Exempt Bonds** – no direct IFA or State funds at risk
  - **New Money Bonds:**
    - Convey tax-exempt status
    - Will use dedicated 2012 IFA Volume Cap set-aside for Beginning Farmer Bond transactions
- **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 "Bank")
  - The 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 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

A.

Project Number:	**A-FB-TE-CD-8573**
Borrower(s):	**Ellinger, Dustin & Dee**
Borrower Benefit:	First Time Land Buyer
Town:	Litchfield, IL
IFA Bond Amount:	**$118,000**
Use of Funds:	Farmland –33.74 acres of farmland
Purchase Price:	$118,000 / ($3,497 per ac)
%Borrower Equity	0%
% Other	0%
%IFA	100%
Township:	South Litchfield
County/Region:	Montgomery / Central
Lender/Bond Purchaser	First National Bank of Litchfield / Kevin Niemann
Legislative Districts:	Congressional: 17th
	State Senate: 49th
	State House: 98th

Principal shall be paid annually in installments determined pursuant to a Thirty year amortization schedule, with the first principal payment date to begin one year from the date of closing. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to begin 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.

B.

Project Number:	**A-FB-TE-CD-8574**
Borrower(s):	**Dolder, Jonathan**
Borrower Benefit:	First Time Land Buyer
Town:	Serena, IL
IFA Bond Amount:	**$446,650**
Use of Funds:	Farmland – 122 acres of farmland
Purchase Price:	$486,650 / ($3,989 per ac)
%Borrower Equity	8%
%Other	0%
%IFA	92%
Township:	Serena
County/Region:	LaSalle / Northwest
Lender/Bond Purchaser	National Bank of Earlville / Ed McConville
Legislative Districts:	Congressional: 11th
	State Senate: 38th
	State House: 75th

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

ILLINOIS FINANCE AUTHORITY

NON-CONDUIT

$423,000

BRIAN & KELLY DUNCAN

AGRI-DEBT GUARANTEE

September 11, 2012

REQUEST	Purpose: Provide 85% loan guarantee in favor of Sauk Valley Bank to finance the purchase of stock and refinance the Borrowers' existing loan. Project Description: The proposed loan of $423,000 will finance the purchase of 350 shares of stock in South Morgan Acres, LLC and refinance an existing IFA Guaranteed loan in the amount of $125,500. Program Product Type: Specialized Livestock Guarantee **State Treasurer's Funds at Risk: $359,550** *Conditions:* **1)** Annual LLC Profit/Loss Statements and Balance Sheets and **2)** annual personal financial statements provided to Lender and IFA.
BOARD ACTIONS	Final Resolution-85% Loan Guarantee Voting Record: None prior
MATERIAL CHANGES	N/A
JOB DATA	6 Current jobs — N/A New jobs projected 6 Retained jobs — N/A Construction jobs projected
BORROWER DESCRIPTION	● Type of entity: Individuals ● Location: Polo, Illinois ● When was it established: 1983 ● What does the entity do: Hog Production and Grain Farming ● Who does the entity serve: N/A ● What will new project facilitate: Stock purchase and refinancing Borrowers' loan
PROPOSED STRUCTURE	Originating Bank: Sauk Valley Bank ("Bank") Collateral: 510 shares of Eagle Point, LLC stock and 350 shares of South Morgan Acres, LLC stock Collateral Position: 1st Maturity: 10 years Interest Rate: Fixed for initial 5 years (See confidential Section)
SOURCES AND USES	IFA/Bank Loan: $423,000 — Stock Purchase $297,500 Refinancing Debt: 125,500 **Total $423,000** — **Total $423,000**
RECOMMENDATION	Credit Review Committee recommends approval.

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
September 11, 2012

Project: Brian & Kelly Duncan

STATISTICS

Project Number:	A-SL-GT-8575	Amount:	$423,000
Type:	Specialized Livestock Guarantee	IFA Staff:	Jim Senica
County/Region:	Ogle/Northern Stateline	City:	Polo

BOARD ACTION

Final Resolution-85% Loan Guarantee
State Treasurer's Reserve Funds at risk: $359,550

Credit Review Committee recommends approval
Extraordinary conditions: None

VOTING RECORD

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

PURPOSE

Use of proceeds: Proceeds from the proposed loan of $423,000 will finance the purchase of 350 shares of stock in South Morgan Acres, LLC and refinance an existing IFA Guaranteed loan in the amount of $125,500.

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 Specialized Livestock Guarantee Program is designed to provide family-sized livestock operations the access to capital needed to enter, upgrade, or expand their livestock business. The guarantees are not transferable without the Authority's written consent. The Authority's agricultural guarantee obligations are backed by an IFA reserve capitalized for this program. These guarantees 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.

VOLUME CAP

N/A

JOBS

Current employment:	6	Projected new jobs:	N/A
Jobs retained:	6	Construction jobs:	N/A

ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA /Bank Loan:	$423,000	Uses:	Stock Purchase	$297,500
				Refinancing Debt	125,500
Total		**$423,000**			**$423,000**

FINANCING SUMMARY/STRUCTURE

Security:	1st collateral position on stock.
Structure:	10 year term and amortization.
Interest Mode:	Fixed for initial 5 years
Credit Enhancement:	IFA 85% Guarantee
Personal Guarantees:	N/A
Maturity:	10 years
Estimated Closing Date:	September 25, 2012

PROJECT/BUSINESS BACKGROUND

Summary: Brian Duncan began farming with his father in 1983 when the family had 265 tillable acres, as well as operating a 40 sow farrow to finish operation. Brian built his first hog confinement building in 1985 with the help of a loan from the Illinois Farm Development Authority (IFDA), a predecessor agency to IFA. Over the next few years Brian added additional rented acreage, machinery, grain handling and hog facilities.

In 1990, Brian purchased his father's share of the hog operation, and in 1992 his father retired. Brian added more rented land and expanded the hog operation to 275 sows. By 1995, Brian and his wife were farming 1500 acres and raising 6000 hogs per year with the help of 2 employees. In 1997 they again expanded the hog enterprise to a 700-sow multiple-site operation with contract finishing arrangements with several neighbors for the production.

In 2003 Brian rented and custom farmed 2600 more acres, ran a cattle feedlot, and hired 3 additional employees. In 2004 they began a vertically-integrated venture when he began delivering hogs to Meadowbrook Farms, a producer-owned packing plant in Rantoul, IL. They had purchased shares in Meadowbrook in 2001 with the help of a $90,000 IFDA loan which was paid off in July, 2012.

In 2005, Brian secured a $285,000 loan from Sauk Valley Bank with an IFA Specialized Livestock Guarantee to purchase 510 shares of stock in Eagle Point, LLC, a 5,600 sow farm designed to produce high quality weaner pigs, in Table Grove, IL which allowed the Duncans to expand their hog operation without building additional facilities and investing capital in a depreciable asset. This loan (*IFA Loan # 2005-SL-1202*) will be paid down to approximately $125,500 in early September and its refinancing with funds from this project will provide additional collateral for this new request.

Brian and Kelly Duncan farm approximately 4000 acres, have a 600-head custom cattle feedlot, and market approximately 30,000 hogs with the help of 6 full-time employees.

Project Description: Brian and Kelly Duncan (collectively, the "**Borrower**") will be purchasing 350 shares of stock in South Morgan Acres, LLC and refinance an existing IFA Guaranteed loan of approximately $125,500. South Morgan Acres, LLC is a 3,500 sow farm designed to produce high quality weaner pigs required by the Duncans for their hog finishing operation. South Morgan Acres is managed by a Board of Directors comprised of 5 members that makes all capital decisions, oversees the management of the Company, establishes pig prices, purchases feed and guides the financial operation of the Company.

South Morgan Acres, LLC has retained the services of Carthage Veterinarian Services to service the operation. The veterinarian service has a proven track record through its management of the vet and health of 27 farm operations since 2000. Brian has worked with them through his affiliation with the Eagle Point sow farm.

Project Rationale: The proposed loan will provide the Duncans with the opportunity to replace current Weaned Pig Agreements expiring in the immediate future with a consistent price/pig source, will infuse additional collateral into the current project, and will provide a reduced interest rate on the refinanced portion of the existing IFA Guaranteed loan.

Timing: The proposed transaction is expected to close within 30 days of approval.

OWNERSHIP / ECONOMIC DISCLOSURE STATEMENT

Applicants: Brian and Kelly Duncan

Project Location: 202 S. IL Route 26
Polo, IL 61604

Collateral/
Ownership: Brian and Kelly Duncan

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	N/A		
Originating Bank:	Sauk Valley Bank	Sterling	Terry Heuth
Bank Counsel:	N/A		
IFA Advisors:	Acacia Financial Group, Inc.	Chicago, IL	Courtney Shea
	Public Financial Management, Inc.	Chicago, IL	Shannon Williams
IFA Counsel:	N/A		

LEGISLATIVE DISTRICTS

Congressional:	16
State Senate:	45
State House:	90

ILLINOIS FINANCE AUTHORITY

CONDUIT

September 11, 2012

$9,500,000
Hawthorne Chicago, LLC
(Chicago Executive Airport Project)

REQUEST	**Purpose:** Bond proceeds will be used for the purpose of providing **Hawthorne Chicago, LLC** (the "**Borrower**") with all or a portion of the funds for the purpose of (i) financing the acquisition of certain leasehold and related rights in an approximately 8.0 acre site located at **Chicago Executive Airport**, 1020 South Plant Road, Wheeling, Illinois (the "**Airport**"), and the construction, improvement, and equipping thereon of an approximately 10,000 square foot terminal and office building and an adjacent, approximately 30,000 square foot hangar to be owned by the Airport and to be operated by the Borrower for use as a full service fixed base of operations, private and corporate jet aviation facility (the "**Project**"), and (ii) paying costs of issuance of the Bonds and capitalized interest thereon (collectively with the Project, the "**Financing Purposes**"). **Program:** Airport Facility Revenue Bonds **Volume Cap Required:** This Project is not expected to require any of Illinois Finance Authority's ("IFA's") standard 2012 Private Activity Bond Volume Cap. **Extraordinary Conditions:** No IFA Funds at risk. No State Funds at risk.
BOARD ACTION	Final Bond Resolution
MATERIAL CHANGES	No material changes in structure. Additional details on underlying structure, security, and terms added. Preliminary Bond Resolution approved August 14, 2012: Yeas: 10; Nays: 0; Abstentions: 0; Absent: 2 (Brandt; Bronner); Vacancies: 3
JOBS DATA	N/A Current jobs — 14 New jobs projected N/A Retained jobs — 15 (9 Months) Construction jobs projected
BORROWER DESCRIPTION	● Type of entity: Special purpose entity to develop, finance, construct, and operate the airport hangar as a limited tenant facility ● SIC Code: 4581; SIC Category: Airports, Flying Fields & Services ● Location: Wheeling/Cook/Northeast ● Hawthorne Chicago, LLC is wholly owned by Hawthorne Global Aviation Services, which is a Fixed-Base Operator ("FBO") acquisition and operating company managed by Hawthorne Corporation (www.hawthornecorp.com) with the financial backing of Moelis Capital Partners, LLC ("MCP"). Moelis Capital Partners, LLC is a middle market private equity firm owned by Moelis & Company Holdings LP (www.moelis.com).
CREDIT INDICATORS	● The Borrower is a non-rated special purpose entity (and Delaware limited liability company) established to develop, lease, and operate the subject Project. ● The Bonds will be non-rated and underwritten and sold to one or more institutional investors by Robert W. Baird & Co. Inc. in minimum denominations of $100,000 or more consistent with IFA Bond Program Handbook requirements
STRUCTURE	The Series 2012 Bonds will be secured by (i) a leasehold mortgage to the extent permitted by the airport owner, (ii) a perfected lien on, and pledge of, all capital stock of the Borrower and any direct and indirect subsidiaries thereof, and (iii) a perfected lien on, and security interest in, substantially all of the tangible and intangible properties and assets of the Borrower. Term: Up to 32 years Rate: The interest rate (or rates for term bonds) will be set based on market conditions at the time of pricing.

SOURCES AND USES

Sources:		**Uses:**	
IFA Bonds	$7,500,000	Project Cost	$9,100,000
Equity	2,000,000	Legal & Professional	400,000
Total	**$9,500,000**	**Total**	**$9,500,000**

RECOMMENDATION	Credit Review Committee recommends approval.

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
September 11, 2012

Project: **Hawthorne Chicago, (Chicago Executive Airport Project)**

STATISTICS

IFA Project:	I-AIR-TE-CD-8569	Amount:	$9,500,000 (not-to-exceed amount)
Type:	Airport Facility Revenue Bonds	IFA Staff:	Rich Frampton and Brad R. Fletcher
Location:	Wheeling	County/ Region:	Cook/Northeast

BOARD ACTION

Final Bond Resolution
Airport Facility Revenue Bonds
Credit Review Committee recommends approval

No IFA funds at risk
No extraordinary conditions

VOTING RECORD

Preliminary Bond Resolution approved August 14, 2012:
Yeas: 10; Nays: 0; Abstentions: 0; Absent: 2 (Brandt; Bronner); Vacancies: 3

PURPOSE

The proceeds of the Series 2012 Bonds will be used for the purpose of providing **Hawthorne Chicago, LLC** (the "**Borrower**") with all or a portion of the funds for the purpose of (i) financing the acquisition of certain leasehold and related rights in an approximately 8 acre site located at **Chicago Executive Airport**, 1020 South Plant Road, Wheeling, Illinois (the "**Airport**"), and the construction, improvement, and equipping thereon of an approximately 10,000 square foot terminal and office building and an adjacent, approximately 30,000 square foot hangar to be owned by the Airport and to be operated by the Borrower for use as a full service fixed base of operations, private and corporate jet aviation facility (the "Project"), and (ii) paying costs of issuance of the Bonds and capitalized interest thereon (collectively with the Project, the "**Financing Purposes**").

IFA PROGRAM AND CONTRIBUTION

Airport Facility Revenue Bonds are a form of municipal bond financing that qualifying municipalities or airport authorities can use to finance the expansion of their facilities or pay for upgrades. IFA's issuance will convey federal income tax-exempt status on interest earned on the Bonds paid to bondholders, thereby reducing the Borrower's interest expense.

VOLUME CAP

Airport Facility Revenue Bonds do not require Volume Cap.

SOURCES AND USES OF FUNDS

Sources:			**Uses:**		
IFA Bonds	$	7,500,000	Project Costs	$	9,100,000
Equity		2,000,000	Legal & Professional		400,000
Total	**$**	**9,500,000**	**Total**	**$**	**9,500,000**

JOBS

Current employment:	N/A	Projected new jobs:	14
Jobs retained:	N/A	Construction jobs:	15 (9 months)

FINANCING SUMMARY

Structure/ Security: The Series 2012 Bonds will be sold through a Limited Public Offering (by Robert W. Baird & Co., Inc.) as fixed-rate debt, to be secured by (i) a leasehold mortgage on the Borrower's leasehold interest in a Fixed Base Operation Net Ground Lease Agreement; (ii) all of the Borrower's right, title, and interest in and to the Project; (iii) all other assets of the Borrower; and, (iv) and a perfected lien on, and security interest in, substantially all of the tangible and intangible properties and assets of the Borrower.

To further secure its obligations to repay the IFA Series 2012 Bonds, the Borrower will also (i) grant to the Trustee a collateral assignment of leases and rents relating to the Project, including Tenant Leases (for hangar and office/terminal space), if any, (ii) a security interest in certain personal property situated at the Project, (iii) all revenues derived by the Borrower from its ownership of, and operations at, its FBO operation at the Project, (iv) all of the Borrower's right, title and interest in and to the Project, including all related additions, replacements, substitutions and all other interests in real or personal property, and (v) a "membership interest pledge" under with Hawthorne Global Aviation Services, LLC, the 100% owner of the outstanding membership interests in Hawthorne Chicago, LLC, has pledged and granted to the Trustee (and Bondholders) a first priority security interest the Membership Interests (i.e., capital stock) in Hawthorne Chicago, LLC as security for the repayment of all indebtedness related to the IFA Series 2012 Bonds.

Interest Rate: Bonds are expected to be underwritten and sold by Robert W. Baird & Co., Inc. on a fixed interest rate basis with an anticipated initial interest-only term of one year (with principal payments amortized over the term). The interest rate will be determined at the time of pricing.

Credit Rating: The Bonds will be sold on a non-rated, unenhanced basis and, accordingly, will be sold to one or more institutional investors in minimum denominations of $100,000 pursuant to IFA Bond Program Handbook guidelines. The underlying Borrower is a non-rated entity.

Final Maturity Date: Not-to-exceed 32 years (IFA Bond Resolution parameter; anticipated maturity is 30 years)

Anticipated Closing Date: September 2012 or October 2012

Explanation on Ownership of Completed Facilities: As contemplated, the Borrower will finance construction of the subject facility. Upon completion, Chicago Executive Airport will take title to the facilities and lease the facilities back to Hawthorne Chicago, LLC. Hawthorne's rent payments would equal debt service payments on the Bonds.

Underlying Ground Lease: Hawthorne Chicago LLC (the "Company) is acquiring a development lease from Sovereign Air Center ("Sovereign") at Chicago Executive Airport, Wheeling, Illinois. Sovereign signed a 40-year ground lease in May 2008 to develop an approximately 8.0 acre leasehold into the third FBO at the Airport with 10,000 square feet of terminal and office space and 30,000 square feet of hangar space. Since that time, Sovereign has been unable to secure a financial and operational partner but has made significant progress in preparing the site for development.

On June 14, 2012, the Chicago Executive Airport Board of Directors passed a consent resolution authorizing the assignment of the lease and development rights from Sovereign to Hawthorne Chicago, LLC.

The land upon which the Project is to be constructed and the buildings and improvements to be constructed thereon by Hawthorne Chicago LLC will be leased by the Airport to Hawthorne Chicago LLC pursuant to the Ground Lease.

Leasehold Mortgage: The Mortgage will be a leasehold mortgage that will be extinguished upon expiration or termination of the Ground Lease. The term of the Ground Lease (which expires in 2038) continues beyond the anticipated 30 to 32 maximum final maturity of the Bonds (2032 to 2034 as contemplated by the maximum parameters specified in the IFA Bond Resolution).

BUSINESS SUMMARY

Description: **Hawthorne Chicago, LLC and its affiliates, successors, and assigns** ("**Hawthorne**" or the "**Borrower**"), is a Delaware limited liability company established as a special purpose entity to acquire a 40-year greenfield development lease from Sovereign Air Center to develop an 8-acre leasehold into the third Fixed-Base Operator ("**FBO**") at Chicago Executive Airport in Wheeling, Illinois (Cook County).

The Borrower is wholly owned by Hawthorne Global Aviation Services, which is a FBO acquisition and operating company managed by Hawthorne Corporation (www.hawthornecorp.com). Hawthorne has significant equity investment, including the financial backing of Moelis Capital Partners, LLC ("MCP"). Moelis Capital Partners, LLC is a middle market private equity firm owned by Moelis & Company Holdings LP (www.moelis.com) and indirectly owned by Mr. Kenneth Moelis.

Additional ownership information on the Borrower is described further in the Economic Disclosure Statement section of this IFA Board Summary Report (see pages 6-7).

Background on the Development/ Operating Team: **Hawthorne Global Aviation Services ("Hawthorne Global"** or the **"Parent")** was originally established in 1932 (through its predecessor companies) and is headquartered in North Charleston, South Carolina. Hawthorne Global established its first fixed-base operator in 1932 and is a world class aviation services company and leader in general aviation services and airport management.

Hawthorne Global Aviation Services is one of only a few private U. S. companies with significant airport management experience, and the only one that is specifically focused on general aviation, corporate, and special purpose aviation (e.g., including military, space, and cargo) users.

Hawthorne Global's active participation in projects in the Americas, Europe, India and the Middle East has resulted in an international network focused on general aviation and airport infrastructure. While its size allows for focused, responsive service, Hawthorne Global Aviation Services' corporate relationships enable it to provide global contacts and access to all sizes of institutions. Hawthorne Global Aviation Services has a successful track record of scaling businesses.

Hawthorne Global's core competencies in the aerospace industry span turnaround management, recapitalization plans, aviation management consulting, business plan development & market studies, mergers & acquisition, feasibility studies and due diligence. These capabilities blend with its entrepreneurial spirit to offer a first class aviation services firm.

Hawthorne Global Aviation Services:

- is one of the oldest continually operating aviation companies in the U.S. with over 78 years of direct management and operating experience in fixed based airport operations;
- is one of only a few U.S. companies with airport management experience and familiarity with FAA operator certification standards and procedures, airport operations, construction and maintenance standards as well as experience facilitating airport growth via development and marketing;
- leverages its industry experience and global network to provide leading resources in aviation management; and
- is a leader in U.S. General Aviation Airport management and during calendar 2012 has added FBO operations at (1) MacArthur Airport, Islip (Long Island), New York and (2) at New Orleans (Louisiana) Lakefront Airport.

Background on the General Contractor:

Chapple Design Build is headquartered in Roselle, Illinois and has served the Chicago Metropolitan Area since 1949. Its President, Phil Abbinanti, has over 35 years of experience in design build construction, and the Company's professional design-build staff adds over 70 years of combined experience. Each member of the construction team is dedicated to providing a safe jobsite and the best quality and performance for our customers.

Chapple Design Build has designed and constructed a wide range of projects including Industrial Buildings, Commercial Facilities, Office Buildings, Recreation Facilities, and Religious facilities. Chapple Design Build is a Veteran Owned Business (VOB). See www.chappledb.com for additional information.

Background on Chicago Executive Airport:

Chicago Executive Airport (the "**Airport**"), formerly known as Palwaukee Municipal Airport, is a public airport located 18 nautical miles northwest of Chicago at the Northwest corner of Palatine Road and Milwaukee Ave. (U.S. Hwy. 45/Illinois Hwy. 21) and approximately 0.4 miles west of the I-294/Willow Road interchange.

The airport is publicly (and jointly) owned by the City of Prospect Heights and the Village of Wheeling.

Chicago Executive Airport logs over 167,000 take-offs and landings each year and is the third busiest airport in Illinois, according to the Airport's official website (http://www.palwaukee.org).

Chicago Executive Airport covers an area of 411 acres and has three paved (asphalt) runways. The airport can handle executive jet aircraft in the 20-seat range, such as the Grumman Gulfstream and the Bombardier Challenger. Larger aircraft occasionally visit the field. Occasional military transport aircraft, such as the Lockheed C-130, use the airport when transporting service members to local military facilities such as Great Lakes Naval Training Center or the North Chicago V.A. Hospital.

Major tenants of the airport include two national fixed base operators, Atlantic Aviation and Signature Flight Support, which provide fueling and handling for transient aircraft and a significant portion of the locally based aircraft. Priester Air Charter, Palwaukee Flyers, and several smaller firms and aircraft operators are also present.

PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

The proceeds of the Series 2012 Bonds will be used for the purpose of providing **Hawthorne Chicago, LLC** (the "**Borrower**") with all or a portion of the funds for the purpose of (i) financing the acquisition of certain leasehold and related rights in an approximately 8.0 acre site located at **Chicago Executive Airport**, 1020 South Plant Road, Wheeling, Illinois (the "**Airport**"), and the construction, improvement, and equipping thereon of an approximately 10,000 square foot terminal and office building and an adjacent, approximately 30,000 square foot hangar to be owned by the Airport and to be operated by the Borrower for use as a full service fixed base of operations, private and corporate jet aviation facility (the "Project"), and (ii) paying costs of issuance of the Bonds and capitalized interest thereon (collectively with the Project, the "**Financing Purposes**").

Preliminary Estimated Project Costs are noted below:

Acquisition	$500,000
Construction	7,154,250
Machinery & Equipment	345,200
Interest Reserve	160,971
Working Capital	939,579
Legal & Professional	400,000
Total	**$9,500,000**

ECONOMIC DISCLOSURE STATEMENT

Applicant: Hawthorne Chicago, LLC, c/o Mr. Will Harton, VP-Corporate Development, 3955 Faber Place Drive, Suite 301, North Charleston, SC, 29405; Ph.: 843-553-2203; E-mail: wharton@hawthorne.aero

Project: Hawthorne Chicago Executive Airport Project, Series 2012 Bonds

Location: 1020 South Plant Road, Wheeling, Illinois 60090 (Cook County)

Ownership Information: Hawthorne Chicago, LLC is 100% owned by Hawthorne Global Aviation Services, LLC ("Hawthorne Global"), North Charleston, SC.

- Hawthorne Global is, in turn, managed (and partially owned) by the following members of its senior management team:
  - Steven Levesque, CEO
  - Bruyon Burbage, CFO
  - William E. Harton, VP- Corporate Development
  - Scott Zimmerman, VP-Finance
  - David Brinson, Project Manager
  - Bill Koch, Director
  - Theodore Weise, Director
  - Cameron Burr, Director

- **Moelis Capital Partners** is also a member in Hawthorne Global.
  Moelis was established in 2007 by **Moelis & Company**, a global investment bank. Moelis Capital Partners is a New York-based middle market private equity firm that manages over $700 million of committed private equity capital and a $1.2 billion private equity co-investment program and targets growth equity and control buyouts requiring equity investments of $20 million to $60 million. (See www.moelis.com for additional information.)

Lessor Disclosure: The subject property is currently owned by the Chicago Executive Airport, which is jointly owned by the City of Prospect Heights and the Village of Wheeling.

Sovereign Air Center signed a 40-year development lease where the subject Project is to be located in May, 2008. Hawthorne Chicago, LLC is currently in the process of closing on the purchase of Sovereign Air Center's leasehold interest, which will occur prior to the closing of the IFA Series 2012 Bonds.

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Greenberg Traurig LLP	Orlando, FL	Rhonda Bond-Collins
		Chicago, IL	David Burciaga
Accountant:	Elliot Davis PLLC	Charlotte, NC	
Bond Counsel:	Greenberg Traurig LLP	Chicago, IL	Matt Lewin
		Boston, MA	Benjamin McGuire
Underwriter/Placement Agent:	Robert W. Baird & Co., Inc.	Lansing, MI	Wayne Workman, Rachael Eubanks
Counsel to Underwriter:	Jaffe, Raitt, Heuer & Weiss, P.C.	Southfield, MI	Steve Schafer
Paying Agent:	Wells Fargo Bank, NA	Columbia, MD	Jay Smith
Architect:	Timothy Morgan & Associates	Northbrook, IL	Schuyler Thiel
General Contractor:	Chapple Design Build	Roselle, IL	Phil Abbinati
Environmental Engineers:	SCS Engineers	Downers Grove, IL	
IFA Counsel:	Shanahan & Shanahan LLP	Chicago, IL	James A. Shanahan
IFA Financial Advisor:	Public Financial Management, Inc.	Chicago, IL	Shannon Williams

LEGISLATIVE DISTRICTS

Congressional:	10
State Senate:	29
State House:	57

CONDUIT

$80,000,000 (Not-to-exceed amount – New Money Bonds)
CenterPoint Joliet Terminal Railroad, LLC
September 11, 2012 **(CenterPoint Intermodal Center – Joliet Project)**

REQUEST	**Purpose:** Finance the acquisition of land, and construction and equipping of various capital improvements thereon at CenterPoint Intermodal Center in Joliet, Illinois, a rail-to-truck and truck-to-rail Intermodal facility generally located south and east of the Des Plaines River, east of the Burlington Northern Santa Fe Railway, north of Noel Road, and west of both Illinois 53 and the Union Pacific Railroad, and located within the corporate boundaries of the City of Joliet. Additionally, with respect to the heretofore issued Illinois Finance Authority Surface Freight Transfer Facilities Revenue Bonds, Series 2010 (CenterPoint Joliet Terminal Railroad Project), this financing will authorize a Supplemental Indenture to amend certain documents relating to the Series 2010 Bonds, if deemed necessary and desirable by the Borrower **Project Description:** Finances construction, equipment, and Bond issuance costs and provides permanent financing for CenterPoint Intermodal Center – Joliet. **Program**: Freight Transfer Facilities Revenue Bonds [Special US Dep't. of Transportation ("US DOT") Bond Program authorized under the 2005 Federal Transportation Act ("SAFETEA-LU").] **Volume Cap:** *No State of Illinois or IFA Private Activity Bond Volume Cap will be required.* CenterPoint Properties has applied for and received an allocation from the US DOT to use approximately $1.34 Billion of Freight Transfer Facilities Revenue Bonds to develop and build-out qualified freight transfer facilities as allowed by law. CenterPoint has selected IFA to serve as the conduit issuer to issue bonds to finance this project with the US DOT allocation. **Extraordinary Conditions:** None
BOARD ACTIONS	Final Bond Resolution requested to issue up to $100.0 million of New Money Bonds and approval of a Supplemental Indenture for the Series 2010 Bonds, thereby enabling the Borrower to prospectively re-set the interest rate, combine series, and make other technical changes. Final Bond Resolution (2010-11-04) approved November 10, 2010 (authorized issuance of up to $200.0 million of IFA Bonds in one or more series): Ayes: 10; Nays: 0; Abstentions: 1 (Gold); Absent: 4 (Bronner, DeNard, Fuentes, Herrin); Vacancies: 0 *(Also see p. 3 for Voting Record for Preliminary Bond Resolution approved in 2007.)*
MATERIAL CHANGES	Private Placement Structure with a multi-bank syndicate placed by SunTrust Robinson Humphrey with SunTrust Bank as the lead bank in the syndicate. No material changes in proposed structure from the November 2010 report.
JOBS DATA	4,175 Current FT jobs — 16,600 New jobs projected (over life of project) N/A Retained jobs — 1,250 Union Construction jobs to date (2,000 man hrs./job) 6,200 Construction jobs (over life of project)
BORROWER	● Type of entity: Special Purpose Entity (LLC) to own and develop the subject project for lease or resale to prospective tenants and/or purchasers as allowed under SAFETEA-LU
DESCRIPTION	● Location: Joliet, Illinois (Will County) ● When was it established: Borrower was formed in 2007 as a special purpose entity to own and develop the subject intermodal rail/truck facility ● What does the entity do: Real estate development company ● Who does the entity serve: prospective tenants/users of Joliet Intermodal Center ● What will new project facilitate: improved transportation and logistics efficiencies via truck and rail (Union Pacific Railroad and BNSF Railroad).
CREDIT INDICATORS	● The Bonds will be privately placed to a syndicate of Banks (i.e., Bank direct purchases) that finance CenterPoint Properties' Line of Credit.
PROPOSED STRUCTURE	The proposed Bonds will be Multi-Modal Bonds that will initially be privately placed by SunTrust Robinson Humphrey to a syndicate of Banks (i.e., Bank direct purchases) led by SunTrust Bank. The purchasers (i.e., Banks, which are by definition "Accredited Investors") will be entirely responsible for structuring and securing their ownership interest in the proposed Bond issue. Interest Rates: preliminary estimated range of 2.0% to 5.0%, depending on maturity Maturity: up to 40 years

SOURCES AND USES – ESTIMATED:

Sources:		**Uses:**	
IFA Series 2010 Bonds:	$150,000,000		
IFA Series 2012 Bonds:	75,000,000	Project Costs for Reimburse.	$225,000,000
Future IFA Bonds	911,280,000	Future Project Costs:	1,035,100,000
		Costs of Issuance – Series 2010:	815,000
Equity/Match	124,825,000	Costs of Issuance – Series 2012:	190,000
Total	**$1,261,105,000**	**Total**	**$1,261,105,000**

RECOMMENDATION Credit Review Committee recommends approval

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
September 11, 2012

Project: CenterPoint Joliet Terminal Railroad, LLC (CenterPoint Intermodal Center – Joliet Project)

STATISTICS

IFA Project:	I-FRT-TE-CD-7170B	Amount:	$80,000,000 (not-to-exceed amount for 2012 tranche; estimated 2012 issuance at $75MM)
Type:	Freight Transfer Facilities Revenue Bonds	IFA Staff:	Rich Frampton and Brad R. Fletcher
Location:	Joliet	County/ Region:	Will/Northeast

BOARD ACTION

Final Bond Resolution for New Money Series 2012 Bonds and approval of Supplemental Indenture for Series 2010 Bonds

Conduit Freight Transfer Facilities Revenue Bonds (Tax-Exempt)	Credit Review Committee recommends approval
No IFA funds at risk	No extraordinary conditions

Note: CenterPoint obtained (i) the requisite allocation from the US DOT, and (ii) a commitment from US DOT for transportation grant funds under Title 23 and/or Title 49 through the Illinois Department of Transportation thereby satisfying both required US DOT-related pre-conditions to closing of the initial series of IFA Bonds issued in December 2010 ($150.0 million).

PURPOSE

The overall project involves the acquisition of land, construction of rail improvements, and the construction of all or a portion of an estimated 15 million SF to 20 million SF of related warehousing and distribution facilities (up to 1 million SF each) and related infrastructure located generally on an approximately 4,000 acre site (including approximately 940 acres for two intermodal rail yards) located west of the Union Pacific mainline (Chicago-Springfield-St. Louis line), north of Noel Road and south and east of the Des Plaines River, within the limits of the City of Joliet in Will County.

Certain portions of these intermodal and logistics park facilities are intended to qualify for federally tax-exempt Freight Transfer Facility Revenue Bonds and Highway Infrastructure Facilities Revenue Bonds under a surface transportation finance initiative approved in late 2005 and implemented in early 2006 by the U.S. Department of Transportation.

Approval of the Resolution would also authorize CenterPoint to reset the interest rate and make other technical changes to the IFA Series 2010 Bonds if deemed necessary or desirable by the Borrower. Changes authorized by the Supplemental Indenture would result in a reissuance of the Series 2010 Bonds for tax purposes but not require a new TEFRA Hearing.

IFA CONTRIBUTION

Although the subject Bonds will be issued on a tax-exempt basis for a for-profit entity, Freight Transfer Facility Revenue Bonds and Highway Infrastructure Facilities Revenue Bonds will not require any State of Illinois or IFA Volume Cap. Instead, authorization requests for Tax-Exempt Freight Transfer Facility Revenue Bonds are allocated directly to each project by the US DOT, subject to an initial $15 billion national limitation over the life of the program pursuant to 2005's SAFETEA-LU Act. CenterPoint obtained a direct allocation of approximately $1.34 billion from the US Department of Transportation to enable tax-exempt bonds to be issued for the development of the CenterPoint Intermodal Center – Joliet Project.

CenterPoint has selected IFA to serve as the conduit issuer for its Joliet Intermodal facility project thereby conveying tax-exempt status on bonds issued to permanently finance qualified improvements located at the project site.

VOTING RECORD

Final Bond Resolution (2010-11-04) – authorized the issuance of up to $200.0 million of Bonds in one or more Series:
Ayes: 10; Nays: 0; Abstentions: 1 (Gold); Absent: 4 (Bronner, DeNard, Fuentes, Herrin); Vacancies: 0

Preliminary Bond Resolution (2007-08-23) approved August 7, 2007:
Ayes: 10; Nays: 0; Abstentions: 0 Absent: 4 (Boyles; Fuentes; Herrin; Rivera); Vacancies: 1

ESTIMATED SOURCES AND USES OF FUNDS

Sources:	*IFA Ser. 2010 Bonds	$150,000,000	Uses:	Reimbursement of Prior Costs	$225,000,000
	IFA Ser. 2012 Bonds	75,000,000		Project Cost	1,035,100,000
	Future IFA Bonds	911,280,000		Iss. Costs – IFA Series 2010 Bonds	815,000
	Equity	124,825,000		Iss. Costs – IFA Series 2012 Bonds	190,000
	Total	**$1,261,105,000**		**Total**	**$1,261,105,000**

*** Note:** In connection with the Resolution for the New Money Series 2012 Bonds, CenterPoint is also requesting approval of a Supplemental Indenture that would amend various document terms relating to the Series 2010 Bonds.

Comment: These amounts represent not-to-exceed amounts for the anticipated multi-year, multi-series issue of projects to be financed as required by US DOT.

Although CenterPoint has 5 years to expend bond proceeds under this Program, CenterPoint has determined it more advantageous to issue bonds to reimburse expenditures following completed project build-outs every one to two years.

Related Title 23 Assistance: In addition to the improvements described above, federal "Title 23" funds will be used to finance certain bridge improvements in the south and southeast corner of the Project site and various improvements to I-55 to the west of the Project, in both cases so as to improve access to the Project and accommodate the increased traffic resulting from the Project.

JOBS

Current employment: 4,175 (FT)	Projected new jobs:	16,600+ jobs upon completion of build-out of the project
Jobs retained: Not applicable	Construction jobs:	6,200 Union Construction jobs 5,400 Permanent Industrial Park and Intermodal Facility Jobs 3,100 Permanent Trucking jobs 1,900 Indirect and Induced jobs

Note: According to CenterPoint, there were 220 FT jobs connected with the CenterPoint Joliet project at the time of approval of the previous Bond Resolution approved November 2010.

FINANCING SUMMARY

The proposed Bonds will continue to be issued in multiple series over time (i.e., tranches), as dictated by demand/build-out over the anticipated 5-10 year development period. CenterPoint anticipates that each tranche will be financed according to the following proposed terms:

Structure:	Multi-Modal Bonds that will be underwritten (and are expected to be privately placed in a Bank-held Mode at the time of initial sale) by SunTrust Robinson Humphrey. The Multi-Modal Bonds will initially bear interest in a Bank Rate, in which the Bonds will be purchased by SunTrust Bank, as Agent, in a private placement for a syndicate of financial institutions for an initial anticipated term of 5 years. Bond payments will be amortized over 40 years. The Bonds will be subject to extension and an interest rate reset periodically (or as amended) until maturity while in Bank Purchase Mode, consistent with a bank commercial loan structure.
Bank Security/Collateral:	The purchasing Banks are Accredited Investors and are solely responsible for assuring their financing commitment (i.e., bond purchase) is adequately collateralized.
Credit Ratings:	Not applicable since the Bonds will be purchased directly by the Banks as a direct investment.
Collateral:	Confidential – to be negotiated and finalized directly with the Banks that purchase participation interests.
Proposed Interest Rate Mode:	Initial 5 year fixed rate with reset and extension provisions every 5 years until the final maturity date.
Estimated Interest Rate:	Could range from 2.00% fixed to 5.00% fixed, depending on maturity (as negotiated with the members of the banking syndicate).
Amortization:	approx. 40 years (dependent on useful-life calculation)
Final Maturity Date:	approx. 40 years (dependent on useful-life calculation)
Anticipated Closing Date:	October 2012

PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

Bond proceeds will be issued in one or more Series and used by CenterPoint Joliet Terminal Railroad, LLC (together with any successors, affiliates, and assigns, the "**Borrower**"), for the purpose of providing the Borrower with all or a portion of the funds for the purpose of assisting in financing infrastructure located generally on an approximately 4,000 acre site (including 1,400 acres of industrial buildings and between 15 to 20 million square feet of warehouse/light manufacturing facilities) including the acquisition of the subject land, installation of infrastructure improvements and the construction of facilities for the transfer of freight including, without limitation, rail facilities, warehouse and other storage facilities, cranes, loading docks and other equipment integral to the transfer of freight at a site located in an area generally west of the Union Pacific Railroad's Chicago-St. Louis mainline, west of Illinois Hwy. 53, south and east of both US Highway 6 and the Des Plaines River, and north of Noel Road, within the City of Joliet, in Will County, Illinois. Additionally, bond proceeds may be used to finance the capitalization of any required reserve funds and capitalized interest; and for financing the payment of all or a portion of the costs of issuance of the Bonds (collectively, the "**Project**").

Finally, the Resolution will authorize a Supplemental Indenture and related documents to the $150.0 million outstanding Series 2010 Bonds that would enable the Borrower to re-set the interest rate, combine the Series 2010 Bonds into a single series) and authorize and approve certain other changes that would result in a reissuance of the Series 2010 Bonds for tax purposes, if deemed necessary and desirable by the Borrower.

Estimated project costs relating to the overall build-out of the CenterPoint Joliet Terminal Railroad, LLC project are as follows:

Land Acquisition:	$238,000,000
New Construction:	987,100,000
Equipment:	35,000,000
Total	**$1,260,100,000**

BUSINESS SUMMARY

Description: **CenterPoint Joliet Terminal Railroad, LLC** (together with any successors, affiliates, and assigns, the **"Borrower**") is an Illinois Limited Liability Company formed on April 11, 2007 as a special purpose entity to own and develop the subject freight intermodal facility and logistics park in the City of Joliet, Will County.

The sole Member of the Borrower is **CenterPoint Properties Trust ("CPT")**, a private Maryland Real Estate Investment Trust. CPT is 99% beneficially owned by **CalEast Global Logistics LLC ("CalEast"),** a leading investor in logistics warehouse and related real estate.

CalEast Global Logistics LLC is owned by the **California Public Employees Retirement System ("CalPERS")** and **GIP Co-Investor LLC**, an affiliate of GI Partners (see Economic Disclosure Statement on page 9).

Background on CenterPoint Properties Trust: CPT was originally formed in 1984 as Capital and Regional Properties Corporation. CPT became a publicly traded REIT in 1993 after consolidating with FCLS Investors Group, a Chicago-based industrial development company with 30 years of local development experience.

In March 2006, after 12 years as a public company, CPT was purchased and taken private by CalEast Global Logistics. CalEast is a leading investor in logistics warehouse and related real estate and is a joint venture of CalPERS and GI Partners.

CalPERS is the nation's largest pension fund, with approximately $240 billion in assets. Established in 2001, GI Partners is a leading private investment firm focused on investments in asset-backed businesses and properties in North America and Western Europe with approximately $8.4 billion of capital under management. The firm is active in a number of key sectors, including asset-backed IT services, specialty healthcare and education, leisure, commercial real estate, hospitality, retail and financial services.

CPT's mission is focused on the development, ownership, and active management of industrial real estate and related rail, road, and port infrastructure.

CPT is the largest owner, manager, and developer of industrial real estate in metropolitan Chicago with 21 branded business parks. Along with its affiliates, CPT owns and manages more than 41 million SF of industrial/warehousing space. CPT has an additional 6,200 acres of land available for future development.

Aside from its intermodal facilities under development (as described in further detail below), CPT has an extensive track record of developing successful industrial and warehousing projects in Illinois and SE Wisconsin, including the Ford Chicago Manufacturing Campus (Chicago), International Produce Market (Chicago), O'Hare Express Center and O'Hare Express North (Chicago), California Avenue Business Center (Chicago), McCook Business Center I and II (McCook), BNSF Logistics Park Chicago (Elwood), DuPage National Technology Park (West Chicago), and several other business parks located in Illinois, SE Wisconsin, NW Indiana, Missouri, Georgia, Texas, California and New Jersey.

Chicago's Role as a Logistics Center for the Central U.S.: Intermodal facilities provide for the efficient, direct transfer of goods between ship, rail, or truck. Essentially, intermodal logistics parks are "inland ports" that allow customers to seamlessly ship goods long-haul from the U.S. coasts inland by rail for distribution by truck. Additionally, industrial land adjacent to intermodal facilities allows warehouse/light manufacturing customers to perform bulk breakdown operations, and/or to repackage or assemble products before final delivery by truck to regional warehouses and/or stores.

The Chicago Metropolitan Area has emerged as the largest inland port/freight transfer center in the United States. Currently, the Chicago area supports 1.4 billion SF of industrial property, making the Chicago region one of the largest and most diverse industrial property markets in the U.S.

The Chicago area is also an ideal location for the development of intermodal facilities – it is the only location in the US where all six of the North American Class I railroads intersect. The Class I railroads serving the Chicago area include: (1) Burlington Northern Santa Fe, (2) Canadian National/Soo Line, (3) Canadian Pacific, (4) CSX, (5) Norfolk Southern, and (6) the Union Pacific.

According to CenterPoint, improved productivity/logistics in the Chicago area is important since approximately 60% of freight traveling inland from the coasts either stops in Chicago, or travels through Chicago to other markets. Although it takes only two days for freight to be shipped from the coasts, it can take four days for this rail traffic to move through the City of Chicago.

Development of intermodal facilities around the outer suburbs of Chicago will help reduce rail bottlenecks, reduce truck traffic in the City of Chicago as well as create a more efficient supply chain for goods traveling inland from the coasts.

Development of intermodal facilities in the Chicago metropolitan area will expand the region's effective rail capacity and will also help maintain the Chicago area's status as the key inland rail hub in the Central U.S.

CenterPoint's Intermodal Facility Development Experience:

CPT has completed substantial construction and is operating two intermodal business parks in Illinois including:

(1) **CenterPoint Intermodal Center – Elwood** is located in Elwood, Illinois (Will County), approximately 2 miles south of the CenterPoint Intermodal Center – Joliet (the subject project) along the Burlington Northern Santa Fe's ("BNSF's") main line from LA/Long Beach to Chicago on the former site of the Joliet Arsenal, near I-55 and Arsenal Road. This 2,500 acre development presently includes the 730-acre BNSF Logistics Park Chicago, and over 9 million SF of adjacent warehouse and distribution center space. High profile tenants in the industrial park currently include Wal-Mart (3.4 million SF); Georgia Pacific (1.0 million SF); Potlatch Corporation (624,000 SF), and Sanyo Logistics (300,000 SF). CenterPoint Intermodal Center – Elwood was also financed with $75 million of grants from IDOT and DCEO (DCCA). Total investment to date has been approximately $1 billion.

(2) **CenterPoint Intermodal Center – Rochelle** is located in Rochelle, Illinois (Ogle County), and anchored by the 1,230-acre Union Pacific Global III Intermodal yard. This facility is located near the junction of I-88 and I-39, approximately 75 miles west of Chicago. CPT managed the construction and development of this $181 million intermodal facility for the Union Pacific Railroad. To date, this intermodal facility has created 150 new jobs and is operating 24 hours per day. Additionally, CPT is developing a 362-acre industrial park, CenterPoint Intermodal Center – Rochelle, approximately 1 mile from the Rochelle intermodal facility. Upon build-out, the Rochelle Industrial Park will provide approximately 5 million SF of warehousing/logistics space to prospective users.

New CenterPoint Intermodal Facilities in Pre-Development:

In addition to the proposed CenterPoint Intermodal Center – Joliet, that is the subject of this proposed financing, CenterPoint has several other intermodal projects under development including:

(1) **CenterPoint Intermodal Center – Crete,** an 850-acre facility located approximately 35 miles south of the Chicago Loop. *The IFA Board of Directors approved a Preliminary Bond Resolution for this project in March, 2007 (see next section on IFA Inducement Resolution immediately below)*

(2) **CenterPoint – KCS Intermodal Center** (Kansas City, MO), an approximately 1,300-acre intermodal facility to be constructed south of Kansas City, MO on a portion of the site of the former Richards-Gebaur Air Force Base. An intermodal rail yard is currently operational, and CenterPoint has begun Phase I of the planned six-phase development, including environmental remediation, grading, installing utilities and roads, and improving infrastructure on the site.

(3) **CenterPoint Intermodal Center – Manteca, CA,** a 161 acre integrated logistics park with direct access to Union Pacific's 144 acre Lathrop Intermodal Terminal, one hour east of the Port of Oakland.

Other IFA Intermodal Facility Inducement Resolutions: The IFA Board of Directors has approved Preliminary Bond Resolution/Inducement Resolutions for the following intermodal projects (in addition to the $1.13 billion approved for the subject CenterPoint Intermodal Center – Joliet as induced in August 2007):

1. $591 million for Ridge Property Trust's proposed intermodal facility, near Wilmington (August 2006). This project involves development of an intermodal facility along the BNSF railroad, just west of I-55 and south of the Kankakee River, near Wilmington (Will County), approximately nine (9) miles south of CPT's Elwood Intermodal Center *(IFA Inducement Resolution approved: August 2006)*.
2. $505 million for CenterPoint's proposed intermodal facility in Crete, Illinois, located near Illinois Hwy. 394 and Illinois Hwy. 1 *(IFA Inducement Resolution approved: March 2007).*
3. $576 million for Seneca I-80 Railport Development, LLC's proposed intermodal facility in Seneca (Grundy County), Illinois *(IFA Inducement Resolution approved: January 2010).*

Again, each Project will be responsible for obtaining (i) a US DOT commitment to provide Private Activity Bond allocation for the project and (ii) to obtain US DOT Title 23 or Title 49 grant funding through the Illinois Department of Transportation.

US DOT Freight Transfer Project Allocations: The US Department of Transportation has sole discretion in determining which surface transportation (i.e., private highways, intermodal facilities, and international bridges) receive a portion of US DOT's national $15 Billion allocation of bond issuance authority over the life of this pilot programs initiated under the 2005 Transportation Bill (i.e., "SAFETEA-LU"). Additionally, all qualifying projects must receive either Title 23 Highway Funds or Title 49 Railroad Grant Funds from US DOT (through IDOT).

Rationale for the Joliet Intermodal Facility: The CenterPoint Intermodal Center - Joliet Project is a 3,900-acre state-of-the-art intermodal logistics center and inland port. The logistics center creates a closed campus environment by co-locating distribution centers, an intermodal facility, container storage yards, and export facilities all in one campus. This provides significant logistics and supply chain advantages to companies that locate at the campus. At full build out, development within the park will include an 835-acre Class I railroad intermodal facility, 450 acres of onsite container/equipment management and approximately 20 million square feet of industrial facilities. The project will provide critical transportation capacity for the region and distribution efficiencies for customers, while meeting local community, County and State interests through the creation of approximately 16,000 jobs and millions in new tax revenues.

CenterPoint has several other intermodal projects in various stages of development including, CenterPoint Intermodal Center – Rochelle (operating – as described on p. 6), CenterPoint Intermodal Center – Crete (pre-development), Kansas City (development), Manteca (development) and Elwood (operating).

The subject property site is located approximately:

- 2 miles east of I-55 and the I-55/Arsenal Road interchange;
- 2 miles south of I-80;
- 2 miles west of Illinois Hwy. 53;
- 16 miles west of I-57 and a proposed interchange with the proposed Illiana Expressway (a proposed east-west connector between I-55 and I-65 in NW Indiana, that would also be adjacent to the proposed Peotone airport);

- The project site is located approximately 2 miles north of the CenterPoint Intermodal Center – Elwood.

The CenterPoint Intermodal Center – Joliet has been planned to accommodate goods shipped via both the Union Pacific and BNSF (from the West Coast and Southwest) and, possibly, the Norfolk Southern Railroad from the southeast.

Public benefits of the CenterPoint Intermodal Center – Joliet project include:

1. The Project will help absorb the unmet demand for new Midwestern rail served warehouse/distribution centers, intermodal, and trans-load facilities due to (a) massive increases in the volume of containerized import shipments (b) the increased importance of efficient logistics in transporting products to final destinations.
2. Tax-Exempt Bond Financing will facilitate a lower cost of occupancy that will attract prospective industrial park tenants to Illinois rather than to Indiana or Missouri.
3. Project-related roadway and interchange improvements to the I-55/Arsenal Road interchange, Arsenal Road (the primary access road serving CenterPoint's existing Elwood intermodal facility and also CenterPoint's proposed Joliet intermodal facility), Illinois Hwy 53, and access from the north from connecting roads to I-80, and other surrounding roads will provide superior truck access to the project(s) and encourage peripheral users to locate nearby.
4. The CenterPoint Intermodal Center – Joliet Project will generate property tax revenue for the City of Joliet, and local taxing jurisdictions, and income tax revenue for the State of Illinois.

Development Timetable: Some key benchmarks in CPT's development and financing timetable for Phase I of the CenterPoint Intermodal Center – Joliet include the following:

Completed/Ongoing Activities:

- 2006: Land acquisition for the project began
- Early 2007 (and ongoing): Initial discussions with US DOT and IDOT regarding Title 23/Title 49 Funding
- January 2007: Engineering work commenced by TranSystems Corporation of Kansas City, MO and Cowhey Gundmundson Leder of Itasca, IL
- August 2007: Illinois Finance Authority Board of Directors approves a Preliminary Bond Resolution for CenterPoint's Joliet Intermodal Facility (not-to-exceed amount: $1.34 billion)
- September 2007: Submitted application for the US DOT Private Activity Bond Allocation to the Secretary of the US Department of Transportation
- June 2008: Public water and sewer utility construction commenced
- July 29, 2008: Rezoning to allow for special use as an Intermodal Facility: Agreement made and entered into with City of Joliet
- August 2008: Site topsoil stripping and grading work commenced on Intermodal Facility.
- Fall of 2008: Construction of the Intermodal facility began
- December 30,2008: Completed annexation agreement with the City of Joliet (Document Number R2008-150216)
- December 2008: Mass Grading and Drainage work completed
- July 2009: USACE Wetland Impact and Fill permits completed
- September 2009: Public water and sewer extensions complete
- August 2010: Intermodal facility open for business and UPRR operations commence
- September 2010: UPRR begins first phase of trailer parking expansion project on site
- December 2010: initial tranche of $150.0 million of IFA Bonds closes to provide permanent financing for the initial phase of completed intermodal/warehousing facilities
- Fall 2012: anticipated second tranche of IFA Bonds to provide permanent financing for the second phase of completed intermodal/warehousing facilities at CenterPoint Intermodal Center - Joliet.

ECONOMIC DISCLOSURE STATEMENT

Applicant:	CenterPoint Joliet Terminal Railroad, LLC (Contact: Mr. Daniel J. Hemmer, SVP and General Counsel, CenterPoint Properties Trust, 1808 Swift Drive, Oak Brook, IL 60523-1501; (T) 630-586-8126; (F) 630-586-8010; e-mail: DHemmer@CenterPoint-Prop.com)
Alternate Contact:	Mr. Michael Kraft, CenterPoint Properties Trust, Chief Financial Officer; 1808 Swift Drive, Oak Brook, IL 60523-1501; (T) 630-586-8102; (F) 630-586-8010; e-mail: mkraft@centerpoint-prop.com
Web site:	www.CenterPoint-Prop.com (CenterPoint Properties)
Project name:	CenterPoint Intermodal Center – Joliet
Location:	21703 W. Millsdale Road, Joliet, IL 60421-9647
Organization:	CenterPoint Joliet Terminal Railroad, LLC is an Illinois limited liability company that is 100%-owned by CenterPoint Properties Trust, a Maryland Real Estate Investment Trust.
Ownership:	CenterPoint Properties Trust is in turn owned by CalEast Global Logistics, LLC, 65 East State Street, Suite 1750, Columbus, OH 43215; (T): 614-460-4444; web site: www.caleast.com

- CalEast Global Logistics LLC is a joint venture between the California Public Employees Retirement System and GI Partners. Additional information on the joint venture members follows below:
  - California Public Employees Retirement System (d/b/a "CalPERS"): 100%
    400 Q Street, Room 1820
    Lincoln Plaza East
    Sacramento, CA 95814
    Web site: www.calpers.ca.gov
  - GI Partners
    2180 Sand Hill Road, Suite 210
    Menlo Park, CA 94025
    Web site: www.gipartners.com

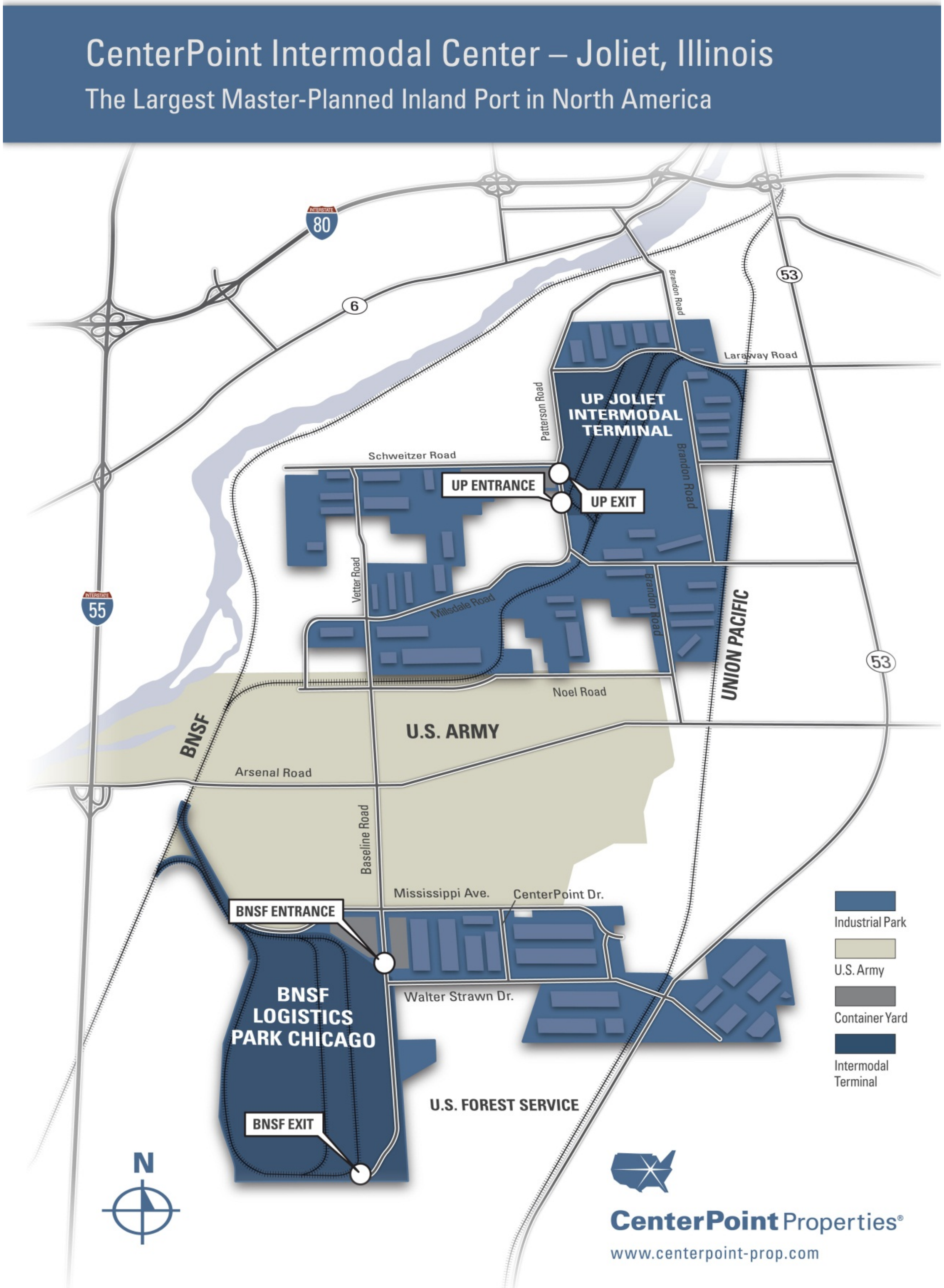
PROFESSIONAL & FINANCIAL

General Counsel:	Latham & Watkins LLP	Chicago, IL	Robert Buday
Borrower's Auditor:	PricewaterhouseCooper LLP	Chicago	
Bond Counsel:	Perkins Coie LLP	Chicago	Bruce Bonjour, Jim Carroll, Marc Oberdorff, Kurt Neumann
Underwriter: (Privately Placed initially to a banking syndicate initially)	SunTrust Robinson Humphrey	Atlanta, GA	Hank Harris
Bank:	SunTrust – National Real Estate Banking	Vienna, VA	Greg Horstman
	SunTrust – Commercial Real Estate Syndications	Atlanta, GA	Marshall Smith
Bond Purchasers through syndication:	Negotiating with additional members of its lending syndicate including: Bank of America; JP Morgan Chase Bank; PNC Bank, Regions Bank; SunTrust; US Bank, and Wells Fargo Bank		
Bank Counsel:	SNR Denton	Chicago	Steve Davidson
Trustee/Fiscal Agent:	US Bank	Chicago	Margaret Drelicharz

Rating Agencies:	Not applicable since the Bonds will be privately placed with commercial banks (i.e., purchased by Accredited Investors)		
Architect:	TranSystems Corporation	Kansas City, MO	
General Contractor:	Ragnar Benson and FCL Builders		
IFA Counsel:	Mayer Brown LLP	Chicago, IL	David Narefsky
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Courtney Shea

LEGISLATIVE DISTRICTS (2012 DISTRICTS)

Congressional:	11, 16
State Senate:	43
State House:	86


CenterPoint Intermodal Center – Joliet, Illinois
The Largest Master-Planned Inland Port in North America
80
6
55
53
Brandon Road
Laraway Road
UP JOLIET INTERMODAL TERMINAL
Patterson Road
Schweitzer Road
UP ENTRANCE
UP EXIT
Vetter Road
Millsdale Road
Noel Road
UNION PACIFIC
BNSF
U.S. ARMY
Arsenal Road
Baseline Road
Mississippi Ave.
CenterPoint Dr.
BNSF ENTRANCE
Walter Strawn Dr.
BNSF LOGISTICS PARK CHICAGO
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CONDUIT

$16,600,000 (not-to-exceed amount)
Rosalind Franklin University of Medicine & Science

September 11, 2012

REQUEST	**Purpose:** Bond proceeds will be used by **Rosalind Franklin University of Medicine & Science** (the "**University**", "**RFUMS**", or the "**Borrower**") to (i) finance substantially all of the costs of the design, development, construction and equipping of a new student learning center and the design, development, construction, expansion, renovation, and equipping of various other educational facilities for the Borrower, including site improvements, landscaping, and improvements to roads, walkways and parking lots (collectively, the "**Project**") (ii) fund a portion of interest on the Bonds, if deemed necessary or desirable by the Borrower, (iii) fund a debt service reserve fund for the benefit of the Bonds, if deemed necessary or desirable by the Borrower, and (iv) pay expenses incurred in connection with the issuance of the Bonds (collectively, the "**Financing Purposes**"). **Program:** 501(c)(3) Revenue Bonds **Extraordinary Conditions:** None. No IFA Funds at risk. No State Funds at risk.
BOARD ACTION	Final Bond Resolution
MATERIAL CHANGES	Bond purchaser identified. Preliminary Bond Resolution approved August 14, 2012: Yeas: 10; Nays: 0; Abstentions: 0; Absent: 2 (Brandt; Bronner); Vacancies: 3
JOB DATA	613 Current jobs — 19 New jobs projected N/A Retained jobs — 150 (12 months) Construction jobs projected
BORROWER DESCRIPTION	● Type of entity: Rosalind Franklin University of Medicine & Science, an Illinois not-for-profit corporation and a 501(c)(3) corporation originally founded in 1911 as The Chicago Medical School, is an affiliate of Rosalind Franklin University Health System. ● Location: North Chicago/Lake/Northeast
CREDIT INDICATORS	● Rosalind Franklin is currently a non-rated entity. The University's existing Series 2003 Bonds are secured by a Direct Pay Letter of Credit with JPMorgan Chase Bank, N.A. ● The proposed Series 2012 Bonds will be purchased directly by JPMorgan Chase Bank, N.A.
STRUCTURE	● Bank-purchased bonds that will bear interest at one or more variable rates to be determined based on market conditions prior to closing. Anticipated initial term of 7 year with renewal provisions. ● The anticipated final maturity date will be not-to-exceed 40 years. ● The Bonds will be a general obligation of the University.
ESTIMATED SOURCES AND USES	IFA Bonds $16,600,000 — Project Costs: $16,268,000 Equity — Costs of Issuance 332,000 **Total $16,600,000** — **Total $16,600,000**
RECOMMENDATION	Credit Review Committee recommends approval.

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
September 11, 2012

Project: Rosalind Franklin University of Medicine & Science

STATISTICS

IFA Project:	E-PC-TE-CD-8566	Amount:	$15,500,000 (not-to-exceed amount)
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Rich Frampton and Brad R. Fletcher
Location:	North Chicago	County/ Region:	Lake/Northeast

BOARD ACTION

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

VOTING RECORD

Preliminary Bond Resolution approved August 14, 2012:
Yeas: 10; Nays: 0; Abstentions: 0; Absent: 2 (Brandt; Bronner); Vacancies: 3

PURPOSE

Bond proceeds will be used by **Rosalind Franklin University of Medicine & Science** (the "**University**" or the "**Borrower**") to (i) finance substantially all of the costs of the design, development, construction and equipping of a new student learning center and the design, development, construction, expansion, renovation, and equipping of various other educational facilities for the Borrower, including site improvements, landscaping, and improvements to roads, walkways and parking lots (collectively, the "**Project**") (ii) fund a portion of interest on the Bonds, if deemed necessary or desirable by the Borrower, (iii) fund a debt service reserve fund for the benefit of the Bonds, if deemed necessary or desirable by the Borrower, and (iv) pay expenses incurred in connection with the issuance of the Bonds (collectively, the "**Financing Purposes**").

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. The IFA's issuance of these Bonds will convey federal tax-exempt status on interest paid to bondholders, thereby enabling bondholders to accept a below market interest rate that is passed through to the borrower.

VOLUME CAP

501(c)(3) Bonds do not require Volume Cap.

SOURCES AND USES OF FUNDS

Sources:	New Money Bonds	$ 16,600,000	**Uses:**	New Project Costs	$ 16,268,000
				Issuance Costs	332,000
	Total:	**$ 16,600,000**		**Total:**	**$ 16,600,000**

Note: The amounts represented above are subject to change prior to closing.

JOBS

Current employment:	613	Projected new jobs:	19
Jobs retained:	N/A	Construction jobs:	150 (12 months) *preliminary*

FINANCING SUMMARY

Bondholder's Security: The Bondholder (JPMorgan Chase Bank, N.A.) will be secured by a general obligation pledge of the University.

Underlying Ratings: Not applicable. Rosalind Franklin University of Medicine & Science is currently a non-rated Borrower. The proposed Bonds will be structured as a bank direct purchase.

Structure/ Interest Rate: The IFA Series 2012 Bonds will bear interest at one or more variable rates to be determined prior to closing based on market conditions and will be purchased directly by JPMorgan Chase Bank, N.A. (which will be the "Direct Purchaser/Lender"). The University's existing IEFA Series 2003 Bonds are currently secured by a Direct Pay Letter of Credit from JPMorgan Chase Bank, N.A.

Maturity: not-to-exceed 40 years

Anticipated Closing Date: September/October 2012

BUSINESS SUMMARY

Background: **Rosalind Franklin University of Medicine & Science** ("**RFUMS**", the "**University**" or the "**Borrower**") is an Illinois not-for-profit corporation and is a 501(c)(3) corporation originally founded in 1911 as The Chicago Medical School.

The University is governed by a 23-member Board of Trustees (see Economic Disclosure Statement section on page 5 for further information).

Description: Rosalind Franklin University of Medicine and Science is a private research university with approximately 2,000 students enrolled in five colleges on a campus located in North Chicago, IL.

Founded in 1911 and completing its first year of instruction in 1912, RFUMS began as The Chicago Medical School and has grown to include the Dr. William M. Scholl College of Podiatric Medicine, the College of Health Professions, the School of Graduate and Post Doctorate Studies, and the College of Pharmacy.

The mission of RFUMS is to serve the nation through the education of health and biomedical professionals and the discovery of knowledge dedicated to improving professional education, community service, and research.

Principal program services consist of instruction and research. Additionally, the University provides limited patient care in connection with its research and medical research activities. An overview of the University's core activities follows below:

Instruction - The primary purpose of the University is to educate and train medical and other healthcare profession students. The University's students are each seeking graduate school and professional training (i.e., and enrolling in Master's or Doctoral programs). In academic 2011-2012, RFUMS had over 2,000 students in its five colleges:

- The Chicago Medical School had 753 enrolled and active students.
- The College of Health Professions had 791 students enrolled in twelve programs.
- The Scholl College of Podiatric Medicine had 382 students;
- The College of Pharmacy had 70 students (and added its first class in August 2011); and
- The School of Graduate and Post Doctorate Studies had 30 students.

Research - A core component of the University's mission is the discovery of knowledge dedicated to improving the health of the general population. In addition to instruction, many University faculty members are engaged in both University-funded and externally funded research projects.

Primary areas of research include structural biology/biochemistry, neuroscience, and cancer cell development biology.

External funding for research activities comes from the National Institute of Health (NIH) and various charitable organizations including the American Diabetes Association, the American Cancer Society, and the American Heart Association.

Patient Care - The University utilizes existing laboratory facilities and personnel to process lab tests for reproductive immunology. Specimens are originated from the Rosalind Franklin University Health System and through outside clinics, private physicians, and diagnostic centers. Annual testing volume averages approximately 68,000 cases.

The *Scholl Foot and Ankle Center* at the Rosalind Franklin University Health System is a fully functioning podiatry clinic that also serves as a training facility for students from the Dr. William M. Scholl College of Podiatric Medicine. Second and third year podiatry students complete required clerkships at the Scholl Foot and Ankle Center, during which time the students participate in direct patient care and develop proficiency in the assessment, diagnosis, and treatment of podiatric maladies. All students are supervised in the clinic by licensed podiatric physicians from Scholl College of Podiatric Medicine.

Please see www.rosalindfranklin.edu and the Illinois Board of Higher Education's website (www.ibhe.state.il.us) for additional information.

Project Impact: The proposed project includes a new building of approximately 46,000 square feet and renovation of 10,000 square feet of existing space. The new and repurposed space will add eight new classrooms, five educational skills labs, office space for new faculty and staff, and new food service facilities.

The University estimates that the increased capacity will enable enrollment to increase by 20% and enable the University to add new professional degree offerings in nursing and other medical specialties.

Student demand for educational programs in the healthcare professions remains strong. In Fiscal Year 2012, the University had 9,648 applications for its 785 openings.

As part of the University's growth strategy, the new building will include expanded and improved student support services including food service, fitness facilities and state-of-the-art educational technology.

PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

Bond proceeds will be used by **Rosalind Franklin University of Medicine & Science** (the "**University**" or the "**Borrower**") to (i) finance substantially all of the costs of the design, development, construction and equipping of a new student learning center and the design, development, construction, expansion, renovation, and equipping of various other educational facilities for the Borrower, including site improvements, landscaping, and improvements to roads, walkways and parking lots (collectively, the "**Project**") (ii) fund a portion of interest on the Bonds, if deemed necessary or desirable by the Borrower, (iii) fund a debt service reserve fund for the benefit of the Bonds, if deemed necessary or desirable by the Borrower, and (iv) pay expenses incurred in connection with the issuance of the Bonds (collectively, the "**Financing Purposes**").

ECONOMIC DISCLOSURE STATEMENT

Applicant:	**Rosalind Franklin University of Medicine & Science**, 3333 Green Bay Road, North Chicago, IL 60030 (c/o Ms. Roberta Lane, Chief Financial Officer, 847-578-8309; roberta.lane@rosalindfranklin.edu)
Applicant Website:	www.rosalindfranklin.edu
Project name:	Rosalind Franklin University of Medicine & Science Series 2012 Bonds
Location:	3333 Green Bay Road, North Chicago (Lake County), IL 60030
Organization:	Illinois Not-for-Profit Corporation
Ownership/ Board of Trustees:	Rosalind Franklin University of Medicine & Science – Board of Trustees:

PROFESSIONAL & FINANCIAL

Borrower:	Rosalind Franklin University	North Chicago, IL	Roberta Lane
Auditor:	Crowe Horwath LLP	Chicago, IL	Cindi Pierce
Borrower's Counsel:	Barnes & Thornberg LLP	South Bend, IN	Alan Feldbaum
Borrower's Financial Advisor (to Rosalind Franklin University):	Mickeni, LLC	Chicago, IL	Kenneth Kerznar
Bank/Bond Purchaser:	JPMorgan Chase Bank, N.A.	Chicago, IL	Deborah Edwards
Counsel to Bond Purchaser:	Foley & Lardner LLP	Chicago, IL	Laura Bilas
Bond Counsel:	Chapman and Cutler LLP	Chicago, IL	Nancy Burke
Bond Trustee:	Not applicable		
Rating Agencies:	Not applicable – the subject Bonds will be bank purchased without a rating		
Architect:	Legat Architects	Chicago, IL	Ted Haug
General Contractor:	G3 Construction Group	Willowbrook, IL	Matt Guidarelli
IFA Counsel:	Greene and Letts	Chicago, IL	Deniece Jordan-Walker
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Courtney Shea

LEGISLATIVE DISTRICTS

Congressional:	10
State Senate:	29
State House:	58

CONDUIT

September 11, 2012

$70,000,000
The Art Institute of Chicago

REQUEST	**Purpose**: Bond proceeds will be used by **The Art Institute of Chicago** ("**AIC**", the "**Institute**", or the "**Borrower**"), together with other funds of the Borrower, to (i) refund all or a portion of the Institute's outstanding Illinois Educational Facilities Authority Adjustable Medium Term Revenue Bonds, The Art Institute of Chicago, Series 1998A (the "**Series 1998A Bonds**"), (ii) refund all or a portion of the Institute's outstanding Illinois Educational Facilities Authority Adjustable Demand Revenue Bonds, Series 2000A (the "**Series 2000A Bonds**"), (iii) refund all or a portion of the Institute's outstanding Illinois Educational Facilities Authority Revenue Refunding Bonds, Series 2003A (the "**Series 2003A Bonds**"), (iv) refund all or portion of the Institute's outstanding Illinois Finance Authority Revenue Bonds, Series 2010B (the "**Series 2010B Bonds**" and, together with the Series 1998A Bonds, the Series 2000A Bonds and the Series 2003A Bonds, the "**Refunded Bonds**"), and (v) pay costs of issuance, if deemed necessary or desirable by the Borrower (collectively, the "**Financing Purposes**"). **Program**: 501(c)(3) Revenue Bonds **Extraordinary Conditions -** None:
BOARD ACTIONS	Final Bond Resolution *(One-time consideration)*
MATERIAL CHANGES	None. This is the first time this Project has been presented to the IFA Board of Directors.
JOB DATA	1,030 FT; 573 PT — Current jobs — N/A (Refunding) — New jobs projected N/A — Retained jobs — N/A (Refunding) — Construction jobs projected
DESCRIPTION	● Location (Chicago/Cook County/Northeast Region) ● The Art Institute of Chicago was incorporated as an Illinois not-for-profit corporation in 1879 as both a museum and school with the visionary purpose to acquire and exhibit art of all kinds and to conduct programs of art education. The museum's collection now encompasses more than 5,000 years of human expression from cultures around the world, and the school's graduate and undergraduate programs are continually ranked among the best in the country. ● The Art Institute of Chicago collects, preserves, and interprets works of art of the highest quality, representing the world's diverse artistic traditions, for the inspiration and education of the public to provide appreciation and education in visual fine arts and design.
CREDIT INDICATORS	● The Institute's current long-term debt ratings are A1/A+ (Moody's/S&P).
PROPOSED STRUCTURE	● The Borrower currently anticipates issuing rated, publicly offered fixed rate debt based on an evaluation of market conditions with its financial advisors and underwriters. The final maturity of the issue is currently expected not to exceed 27 years.
SOURCES AND USES	IFA Ref. Bonds $70,000,000 — Project Costs $70,000,000 Equity 500,000 — Issuance Costs 500,000 **Total $70,500,000** — **Total $70,500,000**
RECOMMENDATION	Credit Review Committee recommends approval.

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
September 11, 2012

Project: The Art Institute of Chicago

STATISTICS

Project Number:	N-NP-TE-CD-8571	Amount:	$70,000,000 (not-to-exceed amount)
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Rich Frampton and Brad R. Fletcher
Location:	Chicago	County/ Region:	Cook/Northeast

BOARD ACTION

Final Bond Resolution *(One-time consideration)*
Conduit 501(c)(3) Revenue Refunding Bonds
Credit Review Committee recommends approval.

No IFA funds at risk
No extraordinary conditions

VOTING RECORD

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

PURPOSE

Bond proceeds will be used by **The Art Institute of Chicago** ("**AIC**", the "**Institute**", or the "**Borrower**"), together with other funds of the Borrower, to (i) refund all or a portion of the Institute's outstanding Illinois Educational Facilities Authority Adjustable Medium Term Revenue Bonds, The Art Institute of Chicago, Series 1998A (the "**Series 1998A Bonds**"), (ii) refund all or a portion of the Institute's outstanding Illinois Educational Facilities Authority Adjustable Demand Revenue Bonds, Series 2000A (the "**Series 2000A Bonds**"), (iii) refund all or a portion of the Institute's outstanding Illinois Educational Facilities Authority Revenue Refunding Bonds, Series 2003A (the "**Series 2003A Bonds**"), (iv) refund all or portion of the Institute's outstanding Illinois Finance Authority Revenue Bonds, Series 2010B (the "**Series 2010B Bonds**" and, together with the Series 1998A Bonds, the Series 2000A Bonds and the Series 2003A Bonds, the "**Refunded Bonds**"), and (v) pay costs of issuance, if deemed necessary or desirable by the Borrower (collectively, the "**financing purposes**").

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 at tax-exempt municipal bond interest rates. 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.

VOLUME CAP

No Volume Cap is required for 501(c)(3) financings.

JOBS

Current employment:	1,030 (FT); 573(PT)	Projected new jobs:	N/A (Refunding)
Jobs retained:	N/A	Construction jobs:	N/A (Refunding)

SOURCES AND USES OF FUNDS (ESTIMATED, SUBJECT TO CHANGE)

Sources:	IFA Refunding Bonds	$70,000,000	Uses:	Refunding	$70,000,000
	Equity	500,000		Issuance Costs	500,000
	Total	**$70,500,000**		**Total**	**$70,500,000**

FINANCING SUMMARY

Structure/
Security: The IFA Series 2012 Refunding Bonds will be sold in Fixed Rate without credit enhancement based on the underlying long-term ratings of The Art Institute of Chicago (see Underlying Ratings section immediately below). Bondholders will be secured solely by a General Pledge of the Institute and will not be secured by a pledge of any real assets of the Institute, nor secured by a lien or security interest in the Institute's collection.

Underlying
Ratings: The Art Institute currently has long-term ratings of A1/A+ (Moody's/S&P). The Institute will be applying for updated Issuer Ratings from both Moody's and S&P in connection with these proposed Series 2012 Fixed Rate Refunding Bonds.

Maturity: Not-to-exceed 27 years

Estimated
Interest Rates: The Art Institute and their financial advisor (Prager & Co., LLC) are evaluating prospective structures based on market conditions along the Senior Manager (Morgan Stanley) and Co-Managers (Loop Capital Markets, LLC and William Blair and Co., LLC).

Timing: Mid-October closing date

Rationale: The proposed refundings of the IFA Series 2003A and 2010B Bonds are being contemplated for economic savings.

The proposed refinancing of the Series 1998A Bonds and 2000A Bonds is being included in this financing to take advantage of the low interest rate environment and to provide a long-term permanent financing of bonds that are callable in 2013. AIC would refinance the 1998A and 2000A Bonds to their respective nominal maturities of 2030 and 2034. The current interest rates are (1) 4.125% on the Series 1998A Bonds and (2) 4.25% on the Series 2000A Bonds. As of 8/29/2012, current yields at those respective maturities are 3.44% and 3.76%.

Savings will depend on the aggregate Par amount that is ultimately refunded.

PROJECT SUMMARY (FOR IFA FINAL BOND RESOLUTION)

Authority proposes to lend the proceeds of the sale of the Bonds to the Borrower, pursuant to a Loan Agreement by and between the Authority and the Borrower (the "*Loan Agreement*") in order to: (i) refund a portion of the Authority's Adjustable Medium Term Revenue Bonds, The Art Institute of Chicago, Series 1998A (the "*Series 1998A Bonds*"), the proceeds of which were used to finance the acquisition of art objects, upgrades to the Borrower's technology systems, and the acquisition and renovation of various facilities at 111 S. Michigan Avenue, 112 S. Michigan Avenue, 37 South Wabash Street, 7 West Madison Street, 116 South Michigan Avenue and 1919 West 43rd Street, Chicago, Illinois (ii) refund a portion of the Authority's Adjustable Demand Revenue Bonds, The Art Institute of Chicago, Series 2000A (the "*Series 2000A Bonds*"), the proceeds of which were used to finance certain technology and equipment purchases and upgrades, the acquisition of art objects, and the acquisition and renovation of facilities and equipment at 111 S. Michigan Avenue, 112 S. Michigan Avenue, 37 South Wabash Street, 14-18 West Randolph Street, and the northwest corner of State Street and Randolph Street commonly known as "Block 36," Chicago, Illinois, (iii) refund a portion of the Authority's Adjustable Demand Revenue Bonds, The Art Institute of Chicago, Series 2003A (the "*Series 2003A Bonds*"), the proceeds of which were used to finance the acquisition, construction, renovation, improvement and equipping of educational and cultural facilities at the following locations, which were originally refinanced and financed with the Illinois Educational Facilities Authority Refunding Revenue Bonds, The Art Institute of Chicago, Series 1993 and the Illinois Educational Facilities Authority Adjustable Demand Revenue Bonds, The Art Institute of Chicago, Series 1985: Michigan Avenue at Adams Street, 112 S. Michigan Avenue and 37 South Wabash Street, Chicago, Illinois, (iv) refund a portion of the Authority's Revenue Bonds, The Art Institute of Chicago, Series 2010B (the "*Series 2010B Bonds*" and, together with the Series 1998A Bonds, the Series 2000A Bonds and the Series 2003A Bonds, the "*Refunded Bonds*"), the proceeds of which were used to refund the outstanding principal amount of the Authority's Adjustable Rate Revenue Bonds, The Art Institute of Chicago, Series 2009B-1 and Series 2009B-2, the proceeds of which were used to finance the "The Modern Wing" of the Borrower located at the intersection of Monroe Street and Columbus Drive, across from Millennium Park to the north and Butler Field to the east, Chicago, Illinois, including a pedestrian bridge attached to The Modern Wing across Monroe Street to Millennium Park and (facilities located at 111 S. Michigan Avenue, Chicago, Illinois and (v) pay a portion of bond issuance costs (collectively, the "Project" or "Financing Purposes").

Estimated project costs are comprised of:

Refunding IEFA and IFA Bonds:	$70,000,000
Total	**$70,000,000**

BUSINESS SUMMARY

Background: **The Art Institute of Chicago** ("**AIC**", the **"Institute**" or the **"Borrower**") was incorporated as an Illinois not-for-profit corporation in 1879. The Institute received its original 501(c)(3) Determination Letter from the IRS in August 1925. The Institute is governed by an independent Board of Trustees (see Page 7 for listing).

Description: The mission of The Art Institute of Chicago is to provide appreciation and education in visual fine arts and design. The Institute fulfills this mission through the following:

- *Museum:* Its museum programs ("Museum") collect, conserve, research, publish, exhibit, and interpret an internationally significant permanent collection of objects of art and present temporary exhibitions of international importance, including loaned objects from other collections.
  - The Museum's permanent collection is comprised of approximately 300,000 works of art, including paintings, sculpture, prints, drawings, photographs, decorative arts, and textiles.

- The Institute believes it has one of the finest collections of French Impressionism outside of Paris, one of the best collections of 19th Century prints and drawings, and a leading collection of Chinese bronzes and jades.
- The Museum is located at 111 S. Michigan Ave. in Chicago.

- *Academics:* Its academic programs ("School"), which offer comprehensive undergraduate and graduate curricula through the School of the Art Institute that prepare visual artists, teachers of art, designers, and others in areas that include written, spoken, and media formats.
  - The School is a degree-granting institution that is fully accredited by the North Central Association of Colleges and Schools, and by the National Association of Schools of Art and Design.
  - The Institute believes that the School is one of the most prestigious and comprehensive professional art schools in the world.
  - In the Fall Term of 2011, the School had approximately 2,980 degree-seeking students. The School also offers 736 permanent beds of student housing at several nearby locations.
  - In the fall term of 2011, the School had a faculty of 155 full-time tenured members, 450 part-time faculty members, and 3 visiting guest faculty.

- *Libraries:* Operation of the Ryerson and Burnham Libraries (the "Libraries"), which are located in the main building of the Institute at 111 South Michigan Avenue in Chicago. These Libraries provide an important reference resource to School students, Museum members, staff, and art scholars internationally.

A five-year summary of Museum attendance and membership follows in the table below:

Table 1: Summary of Museum Attendance and Membership:

FYE June 30	Attendance	Membership
2008	1,434,263	89,288
2009	1,527,369	88,810
2010	1,812,676	100,351
2011	1,431,933	91,796
2012	1,438,158	90,475

Both attendance and membership are significantly influenced by special exhibition activity.

The Art Institute of Chicago currently has three (3)Illinois Educational Facilities Authority ("IEFA") bond issues outstanding, comprised of two Variable Rate issues and one Fixed Rate issue. All payments relating to the three outstanding IEFA bond issues were current as of 9/1/2012.

The Art Institute of Chicago currently has three (3)Illinois Finance Authority bond issues outstanding, each of which is comprised of Fixed Rate debt. All payments relating to the three outstanding IFA bond issues were current as of 9/1/2012.

ECONOMIC DISCLOSURE STATEMENT

Applicant:	The Art Institute of Chicago, 111 S. Michigan Ave., Chicago, IL 60603-6488
Web site:	www.artic.edu/aic
Contact:	Eric Anyah, Senior VP for Finance, (T): 312-499-4265; (F) 312-499-4269; E-mail: eanyah@artic.edu
Project name:	IFA Revenue Refunding Bonds, Series 2012 (The Art Institute of Chicago)
Location:	111 S. Michigan Ave., 112 S. Michigan, Ave., 116 S. Michigan Ave., 7 W. Madison, 162 N. State St., 14-18 W. Randolph St., 37 S. Wabash St., and 1919 W. 43rd Street, all in Chicago (Cook County), IL
Organization:	Illinois 501(c)(3) Corporation
Board Membership:	*See attached list of Board of Trustees (see Page 7)*
Current Land Owner:	Legal title to the Institute's buildings in Grant Park and the land on which they are situated is vested in the Chicago Park District, but the Institute is vested with the sole and permanent right to the use and occupancy of the lands, buildings, and improvements at no cost to the Institute provided the facilities are used to support the Institute's mission.

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Polsinelli Shugart	Chicago, IL	Janet Zeigler
Borrower's Financial Advisor:	Prager & Co., LLC	New York, NY	Susan Fitzgerald Mary Jane Darby
Auditor:	Deloitte & Touche LLP	Chicago, IL	Bridget Flint
Bond Counsel:	Orrick Herrington & Sutcliffe LLP	New York, NY	Richard Chirls Eileen Heitzler
Senior Manager:	Morgan Stanley	Chicago, IL	Bill Mack Eric Wild
Co-Managers:	Loop Capital Markets, LLC	Chicago, IL	Alfred Dinwiddle Won Park
	William Blair and Co., LLC	Chicago, IL	John Peterson
Underwriter's Counsel:	Ungaretti & Harris, LLP	Chicago, IL	Julie Seymour
Trustee:	TBD		
General Contractor:	N/A		
Architects:	N/A		
Rating Agencies:	Moody's Investors Service, Inc.	New York, NY	
	Standard & Poor's Financial Services, LLC	New York, NY	
IFA Counsel:	Chapman and Cutler LLP	Chicago, IL	Bill Corbin
IFA Financial Advisor:	Public Financial Management, Inc.	Chicago, IL	Shannon Williams

LEGISLATIVE DISTRICTS – 2012 Districts (Note: all refinancings are located in the City of Chicago)

For 111 S. Michigan, 112 S. Michigan, 116 S. Michigan, Chicago, 7 W. Madison Ave., 162 N. State St., 14-18 W. Randolph St., and 37 S. Wabash St.:

Congressional:	7
State Senate:	3
State House:	5

For 1919 W. 43rd Street:

Congressional:	4
State Senate:	1
State House:	2

THE ART INSTITUTE OF CHICAGO BOARD OF TRUSTEES:

Trustees	**Life Trustees**	**Ex Officio Honorary Trustees**	**Officers (Cont.)**
Anne Searle Bent	Karen B. Alexander	Rahm Emanuel Mayor, City of Chicago	Walter E. Massey President, School of the Art Institute
Robert **H.** Bergman	Marilynn B. Alsdorf		
Linda Buonanno	E. M.Bakwin		
Lester N. Coney	Lindy Bergman	Amer Ahmad Comptroller, City of Chicago	
A. Steven Crown	Neil G. Bluhm		Julia E. Getzels Executive Vice President General Counsel and Secretary
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Janet Duchossois	John H. Bryan	Bryan Traubert President, Chicago Park District	
John A. Edwardson	Gilda Buchbinder		
Karen Frank	Kay Bucksbaum		Eric Anyah Executive Vice President/ Chief Financial Officer
Denise B. Gardner	John Chapman		
Sarah Garvey	Francie Comer*	Michael P. Kelly General Superintendent and CEO Chicago Park District	
James A. Gordon	Wesley M. Dixon, Jr.		
Kenneth C. Griffin	Fred Eychaner		**Woman's Board**
Joseph P. Gromacki	Marshall Field V		Sarah Garvey, President
Ann Grube	Aaron Fleischman	**Ex Officio Trustees**	
Caryn Harris	Mike Fox	Douglas Druick President and Eloise W. Martin Director, The Art Institute of Chicago	**Board of Governors**
John W. Jordan II	Barbara Franke		Edward Byron Smith, Jr. Chairman
Rita Knox	Stanley M. Freehling		
Eric P. Lefkofsky	Maurice Fulton		
Lawrence F. Levy	Jean Goldman		Stephanie Sick, President*
Robert M. Levy	Juli Grainger	Walter E. Massey President, School of the Art Institute	
John Manley	Richard Gray		**Auxiliary Board**
Nancy Lauter McDougal	Mary Winton Green		Dustin O'Regan, President*
Eric T. McKissack	David C. Hilliard		
Cary **D.** McMillan	Mary J aharis	**Officers**	**Leadership Advisory Committee**
Samuel M. Mencoff	Judy Keller	Thomas J. Pritzker Chairman, Board Of Trustees	
Cynthia Perucca	Barbara Levy Kipper		Dana D. Rice, Co-Chair*
Dustin O'Regan*	Frederick Krehbiel		
Anne Pramaggiore	Anstiss Hammond Krueck	Anne Searle Bent Vice Chair, Board of Trustees	
Thomas **J.** Pritzker	Leonard Lavin		
Mark Pu	Julius Lewis		
J. Christopher Reyes	Barry L. MacLean	Robert M. Levy Vice Chair, Board of Trustees	
Dana D. Rice*	Lewis Manilow		
Linda Johnson Rice	H. George Mann		
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David **J.** Vitale	John W. Rowe		
Frederick H. Waddell	Shirley Welsh Ryan	Frederick H. Waddell Treasurer, The Art Institute of Chicago	
Todd Warnock	Ellen Sandor		
	Gordon Segal		
	Brenda Shapiro		
	Manfred Steinfeld	Douglas Druick President and Eloise W. Martin Director, The Art Institute of Chicago	
	Irving Stenn, Jr.		
	Howard S. Stone		
	Roger Weston		
			*Ex Officio Trustees

CONDUIT

September 11, 2012

$30,000,000 (not-to-exceed amount)
North Park University

REQUEST	**Purpose:** Bond proceeds will be used by North Park University (the "**University**" or the "**Borrower**") and used to (i) finance the costs of the construction and equipping of an approximately 101,000 square foot science and community life building to be located at or near 5125-5143 N. Christiana Avenue, Chicago, Illinois, (ii) refinance existing indebtedness of the Borrower which financed the costs of (a) the acquisition and improvements of neighboring properties all located in the City of Chicago and including 5035 N. Spaulding Avenue, 5049 N. Spaulding Avenue, 5001-13 N. Kedzie Avenue, 5214 N. Spaulding Avenue, 5312 N. Sawyer Avenue, 5349 N. Spaulding Avenue, and 5059 N. Sawyer Avenue, (b) finance capital improvements to the Borrower's Magnuson Campus Center building located at 5000 N. Spaulding Avenue in Chicago, Illinois, and (c) finance capital improvements to Anderson Hall, a university residence hall also located at 5000 N. Spaulding Avenue in Chicago, Illinois, (iii) reimburse the Borrower for miscellaneous repairs, capital improvements, capital expenditures, capital additions and educational equipment and fixtures to various buildings, including construction of the nursing simulation laboratory, renovations to Ohlson House, Lund House and Anderson Hall and including landscaping and site improvements, all at or near the Borrower's campus in Chicago, Illinois and located at 5258 N. Spaulding Avenue, 5148 N. Spaulding Ave., 5111 N. Spaulding Ave., 5130 N. Christiana Ave, 5001-07 N. Spaulding Ave/3246-56 W. Argyle Street, 3225 W. Foster Ave., 5000 N. Spaulding Ave., 3233 W. Carmen Ave., and 3311-3315 W. Foster Ave. (collectively, the "**Project**") and (iv) pay all or a portion of the costs of issuing the Bonds (collectively, the "**Financing Purposes**"). **Program:** 501(c)(3) Revenue Bonds **Extraordinary Conditions:** None. No IFA Funds at risk. No State Funds at risk.
BOARD ACTION	Final Bond Resolution *(one-time consideration)*
MATERIAL CHANGES	None. This is the first time this financing proposal has been presented to the IFA Board of Directors.
JOB DATA	345 (FT) Current jobs; 11 New jobs projected N/A Retained jobs; 115 (20 months) Construction jobs projected (*preliminary*)
BORROWER DESCRIPTION	● Type of entity: North Park University, an Illinois not-for-profit corporation and a 501(c)(3) corporation, was originally founded in 1891. ● Location: Chicago/Cook/Northeast
CREDIT INDICATORS	● North Park University is currently a non-rated entity. The University's existing IDFA Series 199 Bonds and IEFA Series 2005 Bonds are secured by a Direct Pay Letter of Credit with JPMorgan Chase Bank, N.A. ● As presently contemplated, the proposed Series 2012 Bonds will be purchased directly by JPMorgan Chase Bank, N.A.
STRUCTURE	● Bank-purchased bonds that will bear interest that will be reset every seven to ten years. ● The anticipated final maturity date will be in 30 years (i.e., 2042). ● The Bonds will be a general obligation of the University.
SOURCES AND USES	IFA Bonds $30,000,000; Project Costs: $43,775,000 Borrower Equity 14,000,000; Costs of Issuance 225,000 **Total $44,000,000**; **Total $44,000,000**
RECOMMENDATION	Credit Review Committee recommends approval.

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
September 11, 2012

Project: North Park University

STATISTICS

IFA Project:	E-PC-TE-CD-8572	Amount:	$30,000,000 (not-to-exceed amount)
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Rich Frampton and Brad R. Fletcher
Location:	Chicago	County/ Region:	Cook/Northeast

BOARD ACTION

Final Bond Resolution *(one-time consideration)*	
Conduit 501(c)(3) Revenue Bonds	No IFA funds at risk
Credit Review Committee recommends approval	No extraordinary conditions

VOTING RECORD

Not applicable. This is the first time this financing has been presented to the IFA Board of Directors.

PURPOSE

Bond proceeds will be used by North Park University (the "**University**" or the "**Borrower**") and used to (i) finance the costs of the construction and equipping of an approximately 101,000 square foot science and community life building to be located at or near 5125-5143 N. Christiana Avenue, Chicago, Illinois, (ii) refinance existing indebtedness of the Borrower which financed the costs of (a) the acquisition and improvements of neighboring properties all located in the City of Chicago and including 5035 N. Spaulding Avenue, 5049 N. Spaulding Avenue, 5001-13 N. Kedzie Avenue, 5214 N. Spaulding Avenue, 5312 N. Sawyer Avenue, 5349 N. Spaulding Avenue, and 5059 N. Sawyer Avenue, (b) finance capital improvements to the Borrower's Magnuson Campus Center building located at 5000 N. Spaulding Avenue in Chicago, Illinois, and (c) finance capital improvements to Anderson Hall, a university residence hall also located at 5000 N. Spaulding Avenue in Chicago, Illinois, (iii) reimburse the Borrower for miscellaneous repairs, capital improvements, capital expenditures, capital additions and educational equipment and fixtures to various buildings, including construction of the nursing simulation laboratory, renovations to Ohlson House, Lund House and Anderson Hall and including landscaping and site improvements, all at or near the Borrower's campus in Chicago, Illinois and located at 5258 N. Spaulding Avenue, 5148 N. Spaulding Ave., 5111 N. Spaulding Ave., 5130 N. Christiana Ave, 5001-07 N. Spaulding Ave/3246-56 W. Argyle Street, 3225 W. Foster Ave., 5000 N. Spaulding Ave., 3233 W. Carmen Ave., and 3311-3315 W. Foster Ave. (collectively, the "**Project**") and (iv) pay all or a portion of the costs of issuing the Bonds (collectively, the "**Financing Purposes**").

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. The IFA's issuance of these Bonds will convey federal tax-exempt status on interest paid to bondholders, thereby enabling bondholders to accept a below market interest rate that is passed through to the borrower.

VOLUME CAP

501(c)(3) Bonds do not require Volume Cap.

SOURCES AND USES OF FUNDS

Sources:	New Money Bonds	$ 30,000,000	**Uses:**	New Project Costs	$ 43,775,000
	Borrower Equity	14,000,000		Issuance Costs	225,000
	Total:	**$ 44,000,000**		**Total:**	**$ 44,000,000**

Note: The amounts represented above are preliminary and subject to change. Borrower equity reflects University Reserves and amounts collected in connection with the University's capital campaign.

JOBS

Current employment:	345 FT (130 FT faculty; 215 FT staff); 235 PT faculty; 118 PT staff	Projected new jobs:	11
Jobs retained:	N/A	Construction jobs:	115 (20 months) *estimated*

FINANCING SUMMARY

Bondholder's Security: Bondholders will be secured by a general obligation pledge of the University.

Underlying Ratings: Not applicable. North Park University is currently a non-rated Borrower. The proposed Bonds will be structured as a bank direct purchase.

Structure/ Interest Rate: The IFA Series 2012 Bonds will be purchased directly by JPMorgan Chase Bank, N.A. (which will be the "Direct Purchaser/Lender"). The interest rate on the direct purchase bonds is expected to be reset every seven to 10 years. The University's existing IDFA Series 1999 Bonds and IEFA Series 2003 Bonds are currently secured by a Direct Pay Letter of Credit from JPMorgan Chase Bank.

Maturity: 30 years (not-to-exceed parameter)

Anticipated Closing Date: October 2012

BUSINESS SUMMARY

Background: **North Park University** ("**North Park**", the "**University**" or the "**Borrower**") is an Illinois not-for-profit corporation and is a 501(c)(3) corporation originally founded in 1891.

The University is currently governed by a 33-member Board of Trustees (see Economic Disclosure Statement section on page 7 for further information).

Description: North Park University is a liberal arts college established in 1891. The mission of North Park is to prepare students for lives of significance and service through liberal arts, professional studies and theological education.

The University's vision is to fashion a university of uncommon character and enduring excellence where values, learning and service meet. The University offers 37 undergraduate degree majors, 26 minors and 20 special and pre-professional programs. The University also offers graduate degrees in business administration, non-profit administration, nursing, education, music and theology.

Student enrollment is approximately 3,200 comprised of approximately 1,900 traditional undergraduate students and 1,300 graduate and adult learners (including 260 seminary students). According to the University's most recent annual report (FY 2011), North Park's student body was comprised of students from 38 states and 34 foreign countries.

North Park's faculty is presently comprised of 130 full-time faculty members and 235 part-time faculty members and is accredited by the Higher Learning Commission (HCL), a member of the North Central Association of Colleges and Schools.

Please see www.northpark.edu and the Illinois Board of Higher Education's website (www.ibhe.state.il.us) for additional information.

Project Impact: North Park has had a long and rich history in the sciences and nursing. Current science facilities were constructed in the late 1960's and now considered by the University's administration as outdated and inadequate.

The principal facility to be constructed in connection with the proposed IFA Series 2012 Bonds is a 101,000 square foot science and community life building to both address the needs of instruction in the sciences as well as to provide a central location of many aspects of community life for North Park's students. The new facility will provide instructional and laboratory space for academic programs in biology, chemistry, physics, mathematics, and psychology. It will also support the science training needs of the University's nursing program as well as for programs in athletic training, exercise and sport.

North Park's administration assumes that institutional growth and the continuing interest in the sciences (enrollment in the sciences has increased by 35% in recent years) will continue with a marquee science facility. Much renewed attention is being given to the sciences nationally and particularly in elementary and secondary schools. The University believes that a failure to improve science facilities will adversely impact the University's competitive position among prospective students.

North Park's undergraduate program is supported by an array of dynamic co-curricular programs in urban service and global partnership, internships and career exploration, international study, and student residential life. Although educationally strong, each of these programs is hampered by inadequate facilities, dispersed across the campus thereby resulting in poor collaboration between program units and less-than-desirable student engagement.

These programs will receive a new central home in the new building under the rubric, "Center for Student Engagement".

North Park University has completed two successful tax-exempt bond issues in 1999 and 2005 through IDFA/IFA that financed construction of a new Library, a new Student Recreation Center and several other campus improvement projects.

The administration of North Park University views the ongoing availability of tax-exempt bond financing as critical in helping to minimize financing costs, thereby enabling North Park to provide educational opportunities and modern facilities to students at the lowest possible cost. Tax-exempt financing is one aspect of the University's efforts to control the costs of college education.

PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

Bond proceeds will be used by North Park University (the "**University**" or the "**Borrower**") and used to (i) finance the costs of the construction and equipping of an approximately 101,000 square foot science and community life building to be located at or near 5125-5143 N. Christiana Avenue, Chicago, Illinois, (ii) refinance existing indebtedness of the Borrower which financed the costs of (a) the acquisition and improvements of neighboring properties all located in the City of Chicago and including 5035 N. Spaulding Avenue, 5049 N. Spaulding Avenue, 5001-13 N. Kedzie Avenue, 5214 N. Spaulding Avenue, 5312 N. Sawyer Avenue, 5349 N. Spaulding Avenue, and 5059 N. Sawyer Avenue, (b) finance capital improvements to the Borrower's Magnuson Campus Center building located at 5000 N. Spaulding Avenue in Chicago, Illinois, and (c) finance capital improvements to Anderson Hall, a university residence hall also located at 5000 N. Spaulding Avenue in Chicago, Illinois, (iii) reimburse the Borrower for miscellaneous repairs, capital improvements, capital expenditures, capital additions and educational equipment and fixtures to various buildings, including construction of the nursing simulation laboratory, renovations to Ohlson House, Lund House and Anderson Hall and including landscaping and site improvements, all at or near the Borrower's campus in Chicago, Illinois and located at 5258 N. Spaulding Avenue, 5148 N. Spaulding Ave., 5111 N. Spaulding Ave., 5130 N. Christiana Ave, 5001-07 N. Spaulding Ave/3246-56 W. Argyle Street, 3225 W. Foster Ave., 5000 N. Spaulding Ave., 3233 W. Carmen Ave., and 3311-3315 W. Foster Ave. (collectively, the "**Project**") and (iv) pay all or a portion of the costs of issuing the Bonds (collectively, the "**Financing Purposes**").

Estimated Project Costs are comprised of the following:

New Construction:	$36,762,723
Equipment:	3,442,929
Architectural & Engineering:	3,569,348
Total:	**$43,775,000**

ECONOMIC DISCLOSURE STATEMENT

Applicant:	**North Park University**, 3225 W. Foster Ave., Chicago, IL 60625-4895 (Carl E. Balsam, Executive VP and CFO; Ph.: 773-244.5596; email: cbalsam@northpark.edu)
Applicant Website:	www.northpark.edu
Project name:	North Park University Series 2012 Bonds
Locations:	5125-5143 N. Spaulding Avenue (and the locations noted on page 5), Chicago (Cook County), IL 60625
Organization:	Illinois Not-for-Profit Corporation
Ownership/ Board of Trustees:	See Page 7

PROFESSIONAL & FINANCIAL

Borrower:	North Park University	Chicago, IL	Carl Balsam
Auditor:	Capin Crouse LLP	Wheaton, IL	Doug McVey
Borrower's Counsel:	Erickson-Papanek-Peterson-Rose	Northbrook, IL	Julie Peterson
Borrower's Financial Advisor (to North Park University):	John S. Vincent & Co., LLC	Chicago, IL	John Vincent
Bank/Bond Purchaser:	JPMorgan Chase Bank, N.A.	Chicago, IL	Deborah Edwards
Counsel to Bond Purchaser:	Scott & Krause	Chicago, IL	Jim Schraidt
Bond Counsel:	Ice Miller, LLP	Chicago, IL	Patra Geroulis
		Indianapolis, IN	Jeff Lewis
Bond Trustee:	Not applicable		
Rating Agencies:	Not applicable – the subject Bonds will be bank purchased without a rating		
Architect:	VOA Associates, Inc.	Chicago, IL	Bill Ketcham
General Contractor:	W. B. Olson, Inc.	Northbrook, IL	Dave Olson
IFA Counsel:	Ungaretti & Harris	Chicago, IL	Ray Fricke
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Courtney Shea

LEGISLATIVE DISTRICTS

Congressional:	5
State Senate:	8
State House:	15

2012-2013 Board of Trustees
North Park University

Name	Place of Residence	Company Affiliation/Title
Alvarez, Ann R.	Chicago, IL	Casa Central, President & CEO
Anderson, Lars	Framington, MI	U.S. Bank, SVP -National Sales Manager
Applequist, Virgil H.	Palatine, IL	Retired (Exec VP &CEO, American Agricultural Ins. Co.)
Bagley, Thomas	Chicago, IL	Pfingstten Partners, LLCFounder and Senior Managing Director
Bickner, Bruce	Sycamore, IL	Retired (Chairman & CEO, DeKalb Genetics Corp)
Borkowski, Renee	Lake Forest, IL	Razorfish, Regional Vice President, Marketing Strategy
Carstenbrock, Jay P.	Glen Ellyn, IL	Retired (Vice President of Operations Support for BP)
Clay, Grant	Clay Center, KS	Evangelical Covenant Church, Lead Pastor
Dahlstrom, Gail	Etna, NH	Dartmouth-Hitchcock Medical Center, VP for Facilities Mgmt
Edin, Kathryn	Brookline, MA	John F. Kennedy School of Government, Professor of Public Policy
Erickson, Donna	Minneapolis, MN	Prime Time with Kids, Inc. & Starchair, TV Host, Author
Furushima, Randy	Honolulu, HI	New Hope Christian College, Dean & Executive Officer
Griffin, D. Darrell	Chicago, IL	Oakdale Covenant Church, Pastor
Hanson, Dave	Granite Bay, CA	Bayside Covenant Church, Chief Financial Officer
Harris, Donna	Minneapolis, MN	Minnehaha Academy, President
Hawkinson, Paul	Green Oaks, IL	BMO Capital Markets, Managing Director, U.S. Sector Head
Helwig, Dave	Thousand Oaks, CA	Retired (President & CEO West Region, Wellpoint, Inc.)
Helwig, Dawn	Chicago, IL	Milliman, Inc., Actuary
Holmgren, Calla	Salt Lake City, UT	Gardner Women & Newborn Center, Physician
Johnson, Carole J.	Northbridge, MA	Family Continuity Program, Child & Adolescent Psychiatrist
Johnson, Stephen	Warrenville, IL	Fofax, Inc. Senior Vice President of Sales
Jordan, Michael L.	Kerman, CA	La Vina Covenant Church, Pastor
Martz, John	Arvada, CO	Arvada Covenant Church, Pastor
Nyberg, Nancy A.	Naperville, IL	Homemaker/Community Volunteer
Otfinoski, David A.	Chester, CT	Retired (CEO MedKnowledge Group, LLC)
Parkyn, David	c/o North Park University	North Park University, President
Rohler, Amy J.	Jamestown, NY	Community Helping Hands, Director of Ministry
Smith, Efrem D.	Brentwood, CA	Pacific Southwest Conference, Superintendent
Tamte, Karen	Chanhassen, MN	Pediatrician
Tizon, F. Albert	Upper Darby, PA	Palmer Theological Seminary, Assoc Professor of Holisitc Ministry
Walter, Gary	Palatine, IL	The Evangelical Covenant Church, President
Wilson, Louise	Arden Hills, MN	Bethel University, Education Department Chair
Wittrock, Gregory D.	Plymouth, MI	Masco Corp., VP, General Counsel

CONDUIT

September 11, 2012	**$120,000,000** **Lutheran Home and Services Obligated Group**
REQUEST	**Purpose**: Bond proceeds will be used by **Lutheran Home and Services Obligated Group** ("**Lutheran Homes**", "**LHS**", the "**Corporation**" or the "**Borrower**") to (i) pay or reimburse the Borrowers for, or refinance certain indebtedness, the proceeds of which were used for, the payment of certain costs of acquiring, constructing, renovating, remodeling and equipping certain "projects" (as such term is defined in the Illinois Finance Authority Act, as amended) for the Borrowers' senior living community, including, but not limited to, the renovation of an existing long term care facility, totaling approximately 126,000 square feet, known as the Olson Pavilion and the constructing and equipping of four additions to the Olson Pavilion totaling approximately 81,000 square feet, which additions will include 78-bed skilled nursing beds, resident dining rooms, rehabilitation rooms and other common areas; (ii) refund all or a portion of the outstanding $13,200,000 Illinois Health Facilities Authority Weekly Adjustable Rate Revenue Bonds, Series 2001 (Lutheran Home and Services) (the "Series 2001 Bonds"); (iii) refund all or a portion of the outstanding $14,350,000 Illinois Health Facilities Authority Variable Rate Demand Revenue Refunding Bonds, Series 2003 (Lutheran Home and Services) (the "Series 2003 Bonds" and, together with the Series 2001 Bonds, the "Prior Bonds"); (iv) pay a portion of the interest on the Bonds; (v) establish a debt service reserve fund with respect to the Bonds; and (vi) pay certain expenses incurred in connection with the issuance of the Bonds and the refunding of the Prior Bonds. **Program**: Conduit 501(c)(3) Revenue Bonds **Extraordinary Conditions**: None.
BOARD ACTIONS	Final Bond Resolution Preliminary Bond Resolution approved 8/14/2012: Ayes: 10 Nays: 0 Abstentions: 0 Absent: 2 (Brandt, Bronner) Vacancies: 3
MATERIAL CHANGES	There have been no material changes.
JOB DATA	430 Current jobs — 9 New jobs projected N/A Retained jobs — 130 Construction jobs projected
DESCRIPTION	• Lutheran Home and Services Obligated Group consists of Lutheran Home for the Aged, Inc., an Illinois not-for-profit corporation, and Lutheran Home and Services for the Aged, Inc. an Illinois not-for-profit corporation.
CREDIT INDICATORS	• The Bonds will be sold at a fixed rate in a public offering. The Bonds will not carry a rating.
SECURITY	• First mortgage on property and equipment and a gross revenue pledge.
MATURITY	• Not later than 2047 (35 years)
SOURCES AND USES	See below
RECOMMENDATION	Credit Review Committee recommends approval.

SOURCES AND USES

Sources:		Uses:	
IFA Bonds	$105,000,000	Refunding Escrow	$23,355,000
Less: OID	(276,346)	Project Fund	76,676,913
Trustee Held Funds	989,511	Debt Service Reserve Fund	7,740,668
Equity Contribution	5,000,000	Issuance Costs	2,940,584
Total	**$110,713,165**	**Total**	**$110,713,165**

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
September 11, 2012

Project: Lutheran Home and Services Obligated Group

STATISTICS

Project Number: H-SL-TE-CD-8570
Type: 501(c)(3) Revenue Bonds
Location: Arlington Heights

Amount: $120,000,000 (Not-to-Exceed)
IFA Staff: Pam Lenane and Nora O'Brien
County/Region: Cook/Northeast

BOARD ACTION

Final Bond Resolution
Conduit 501(c)(3) Bonds
Credit Review Committee recommends approval

No IFA funds at risk
No extraordinary conditions

VOTING RECORD

Preliminary Bond Resolution approved 8/14/2012:

Ayes: 10 Nays: 0 Abstentions: 0 Absent: 2 (Brandt, Bronner) Vacancies: 3

PURPOSE

Bond proceeds will be used by **Lutheran Home and Services Obligated Group** ("**Lutheran Homes**", "**LHS**", the "**Corporation**" or the "**Borrower**") to: (i) pay or reimburse the Borrowers for, or refinance certain indebtedness the proceeds of which were used for, the payment of certain costs of acquiring, constructing, renovating, remodeling and equipping certain "projects" (as such term is defined in the Illinois Finance Authority Act, as amended) for the Borrowers' senior living community, including, but not limited to, the renovation of an existing long term care facility, totaling approximately 126,000 square feet, known as the Olson Pavilion and the constructing and equipping of four additions to the Olson Pavilion totaling approximately 81,000 square feet, which additions will include 78-bed skilled nursing beds, resident dining rooms, rehabilitation rooms and other common areas; (ii) refund all or a portion of the outstanding $13,200,000 Illinois Health Facilities Authority Weekly Adjustable Rate Revenue Bonds, Series 2001 (Lutheran Home and Services) (the "Series 2001 Bonds"); (iii) refund all or a portion of the outstanding $14,350,000 Illinois Health Facilities Authority Variable Rate Demand Revenue Refunding Bonds, Series 2003 (Lutheran Home and Services) (the "Series 2003 Bonds" and, together with the Series 2001 Bonds, the "Prior Bonds"); (iv) pay a portion of the interest on the Bonds; (v) establish a debt service reserve fund with respect to the Bonds; and (vi) pay certain expenses incurred in connection with the issuance of the Bonds and the refunding of the Prior Bonds.

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.

VOLUME CAP

501(c)(3) bond issues do not require Volume Cap.

JOBS

Current employment: 430 FTE's

Projected new jobs: 9
Construction jobs: 130

ESTIMATED SOUCES AND USES OF FUNDS

Sources:	Multi-Issuer bonds	$105,000,000	Uses:	Refunding Escrow	$23,355,000
	Less: OID	(276,346)		Project Fund	76,676,913
	Trustee Held Funds	989,511		Debt Service Reserve Fund	7,740,668
	Equity Contribution	5,000,000		Issuance Costs	2,940,584
	Total	**$110,713,165**		**Total**	**$110,713,165**

FINANCING SUMMARY/STRUCTURE

Security: First mortgage on property and equipment; gross revenue pledge.

Structure: The Series 2012 Bonds will be structured as fixed rate bonds with a level principal amortization

Interest Rate: Fixed

Interest Mode: Fixed

Credit Enhancement: None

Maturity: Final maturity will be between 2042 and 2047

Rating: The Bonds will not carry a rating.

Estimated Closing Date: October 18, 2012

PROJECT SUMMARY

Lutheran Home and Services Obligated Group ("LHS") consists of Lutheran Home for the Aged, Inc. and Lutheran Home and Services for the Aged, Inc. LHS is issuing the Series 2012 Bonds in order to refund the existing Series 2001 and 2003 Bonds; to fund the repositioning of the Arlington Heights campus (primarily Olson Pavilion) and certain projects of the Lutheran Home for the Aged, Inc., and Lutheran Home and Services for the Aged, Inc.; to (i) pay or reimburse the Borrowers for, or refinance certain indebtedness the proceeds of which were used for, the payment of certain costs of acquiring, constructing, renovating, remodeling and equipping certain "projects" (as such term is defined in the Illinois Finance Authority Act, as amended) for the Borrowers' senior living community, including, but not limited to, the renovation of an existing long term care facility, totaling approximately 126,000 square feet, known as the Olson Pavilion and the constructing and equipping of four additions to the Olson Pavilion totaling approximately 81,000 square feet, which additions will include 78-bed skilled nursing beds, resident dining rooms, rehabilitation rooms and other common areas; (ii) refund all or a portion of the outstanding $13,200,000 Illinois Health Facilities Authority Weekly Adjustable Rate Revenue Bonds, Series 2001 (Lutheran Home and Services) (the "Series 2001 Bonds"); (iii) refund all or a portion of the outstanding $14,350,000 Illinois Health Facilities Authority Variable Rate Demand Revenue Refunding Bonds, Series 2003 (Lutheran Home and Services) (the "Series 2003 Bonds" and, together with the Series 2001 Bonds, the "Prior Bonds"); (iv) pay a portion of the interest on the Bonds; (v) establish a debt service reserve fund with respect to the Bonds; and (vi) pay certain expenses incurred in connection with the issuance of the Bonds and the refunding of the Prior Bonds. Bond counsel has reviewed the average life of the assets that were financed with the prior bonds and has verified that the average life of the bonds will not exceed the remaining average life of the assets. The Certificate of Need (CON) for the project was approved on July 23, 2012. LHS is engaging CliftonLarsonAllen LLP to conduct a feasibility study to determine the viability of the project. For additional detail on the project, please see the attached summary titled "Olson Pavilion at Lutheran Home Project Narrative".

BUSINESS SUMMARY

Description of Business: Lutheran Home and Services Obligated Group ("LHS") consists of Lutheran Home for the Aged, Inc., an Illinois not-for-profit corporation, and Lutheran Home and Services for the Aged, Inc., an Illinois not-for-profit corporation.

Lutheran Home for the Aged, Inc., located in Arlington Heights, Illinois, consists of 334 licensed nursing beds, as well as 58 licensed sheltered care units. Lutheran Home and Services for the Aged, Inc. provides management services to both members of the Obligated Group and operates a 100-unit assisted living facility.

The major repositioning will involve the Olson Pavilion facility. Olson Pavilion, built in the 1970s, currently has capacity for 252 skilled nursing care beds. However, post-construction, a reconfigured Olson Pavilion will have 162 private rooms with private baths, an addition to Olson will have capacity for 78 resident rooms, and the expansion and repositioning will include increased living, dining, and social spaces to fit the new resident-centered care model of the facility.

Lutheran Life Communities ("**LLC**") is a 501(c)(3) organization that serves as the parent organization of Lutheran Homes and Services for the Aged located at 800 W. Oakton Street in the Village of Arlington Heights, Illinois. LLC will not be obligated by the proposed bond issuance. The Lutheran Home dates back to the 1890s when it was founded by a Lutheran Pastor who wanted to create a home-like setting to care for older adults. Over the years, the organization has grown to include 5 senior living communities: Lutheran Home, Wittenberg Village, Pleasant View Luther Home, St. Paul's House, and Luther Oaks. LLC is also currently engaged in a development effort to bring a new retirement community, The Arlington of Naples, to the Naples, Florida area.

OWNERSHIP / ECONOMIC DISCLOSURE STATEMENT

Project name: Lutheran Home and Services Obligated Group
Location: 800 West Oakton Street
Arlington Heights, IL 60004
Borrower: Lutheran Home for the Aged, Inc. and Lutheran Home and Services for the Aged, Inc.
Organization: 501(c)(3) Not-for-Profit Corporation
State: Illinois
Board Members:
<u>Lutheran Home and Services for the Aged</u>
Roger W. Paulsberg (President/CEO), Chairman
Tod A. Kruse, Vice Chairman
Rev. Leroy B. Joesten, Secretary
Robert P. Grossart, Treasurer
Kenneth Markworth
Susan L. Rosborough

<u>Lutheran Home for the Aged</u>
Roger W. Paulsberg (President/CEO), Chairman
Rev. David G. Abrahamson, Vice Chairman
Paula Parks, Secretary/Treasurer
Marilyn Hermann

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Chuhak and Tecson PC	Chicago	Andrew Tecson Kim Boike
Bond Counsel:	Jones Day	Chicago	John Bibby
Underwriter:	B.C. Ziegler and Co.	Chicago	Steve Johnson
Underwriter's Counsel:	Katten Muchin Rosenman LLP	Chicago	Janet Hoffman
Feasibility Consultant:	CliftonLarsonAllen LLP	Chicago	Jeff Vrieze
IFA Counsel:	Sanchez Daniels & Hoffman LLP	Chicago	John Cummins
IFA Financial Advisor:	Acacia Financial Group	Chicago	Courtney Shea

LEGISLATIVE DISTRICTS

Congressional:	10th
State Senate:	27th
State House:	53rd

SERVICE AREA

The facilities are located in suburban Arlington Heights, approximately 20 miles northwest of downtown Chicago, Illinois. Numerous doctors' offices and Northwest Community Hospital are located within its boundaries. The primary service area, based on residency prior to admission to the facilities, is defined to include eleven zip codes within a twelve mile radius of the facility, as follows:

Zip Codes	Communities
60004	Arlington Heights
60005	Arlington Heights
60007	Elk Grove Village
60008	Rolling Meadows
60016	Des Plaines
60018	Des Plaines
60025	Glenview
60056	Mt. Prospect
60067	Palatine
60068	Park Ridge
60070	Prospect Heights

CONDUIT

ILLINOIS FINANCE AUTHORITY

September 11, 2012

$18,000,000
Rosecrance, Inc.

REQUEST	**Purpose**: Bond proceeds will be used by **Rosecrance, Inc.** ("**Rosecrance**", the "**Corporation**" or the "**Borrower**") to (i) pay or reimburse the Users for the costs of acquiring, constructing, remodeling, renovating and equipping certain health care facilities owned by the Users; (ii) currently refund all or a portion of the outstanding County of Winnebago, Series 1998 Bonds; (iii) currently refund all or a portion of the outstanding IDFA, Series 2003 Bonds; (iv) refinance certain taxable mortgage loans of the Users and (v) pay certain expenses incurred in connection with the issuance of the Series 2012 Bonds, the refinancing of the Taxable Loans and the current refunding of the Prior Bonds. **Program**: Conduit 501(c)(3) Revenue Bonds **Extraordinary Conditions**: None.
BOARD ACTIONS	Final Bond Resolution (*One-time consideration)*
MATERIAL CHANGES	None. This is the first time this project has been presented to the IFA Board of Directors.
JOB DATA	550 Current jobs — 0 New jobs projected N/A Retained jobs — 0 Construction jobs projected
DESCRIPTION	● Locations: More than 20 locations in the Chicago and Rockford areas. ● Rosecrance, Inc. was established in 1916 and is incorporated under the State of Illinois law. Rosecrance is a 501(c)(3) not-for-profit corporation exempt from federal income taxes under the Internal Revenue Code.
SECURITY	● Bonds will be secured by real estate
CREDIT INDICATORS	● Rosecrance Health Network, Rosecrance, Inc., and Rosecrance Properties are non-rated entities (Alpine Bank and BMO Harris Bank will be the direct investors/secured lenders)
STRUCTURE	● Bonds will be directly purchased by Alpine Bank and BMO Harris Bank

SOURCES AND USES

Sources:		**Uses:**	
IFA Bonds	$17,500,000	Refund Winnebago County Series 1998 Bonds	$964,898
		Refund IDFA Series 2003 Bonds	8,200,000
		Refund Mortgage Notes	6,994,183
		Capital Projects	1,095,797
		Issuance Costs	245,122
Total	**$17,500,000**	**Total**	**$17,500,000**

RECOMMENDATION	Credit Review Committee recommends approval.

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
September 11, 2012

Project: Rosecrance, Inc.

STATISTICS

Project Number:	H-HO-TE-CD-8577	Amount:	$18,000,000 (Not-to-Exceed)
Type:	501(c)(3) Bonds	IFA Staff:	Pam Lenane and Nora O'Brien
City:	Rockford	County/Region:	Winnebago/Northern Stateline

BOARD ACTION

Final Bond Resolution *(One-time consideration)*
Conduit 501(c)(3) Bonds
Credit Review Committee recommends approval

No IFA Funds at Risk
No Extraordinary Conditions

VOTING RECORD

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

PURPOSE

Bond proceeds will be used to: (i) pay or reimburse the Corporation, Rosecrance Properties and Rosecrance Health Network, each an Illinois not for profit corporation (collectively, the "Users") for the costs of acquiring, constructing, remodeling, renovating and equipping certain health care facilities owned by the Users; (ii) currently refund all or a portion of the outstanding $2,500,000 County of Winnebago, Illinois Adjustable Rate Health Care Facility Revenue Bonds, Series 1998 (Janet Wattles Center Project) (the "*Series 1998 Bonds*"); (iii) currently refund all or a portion of the outstanding $11,900,000 Illinois Development Finance Authority Variable Rate Demand Revenue Bonds (Rosecrance, Inc. Project), Series 2003 (the "*Series 2003 Bonds*") and, together with the Series 1998 Bonds, (the "*Prior Bonds*"); (iv) refinance certain taxable mortgage loans of the Users (the "*Taxable Loans*") and (v) pay certain expenses incurred in connection with the issuance of the Series 2012 Bonds, the refinancing of the Taxable Loans and the current refunding of the Prior Bonds, all as permitted by the Act (collectively, the "*Financing Purposes*").

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance and refinance 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.

VOLUME CAP

501(c)(3) bond issues do not require Volume Cap.

JOBS

Current employment: 550

Projected new jobs: 0
Construction jobs: 0

ESTIMATED SOURCES AND USES OF FUNDS

Sources:		**Uses:**	
IFA Bonds	$17,500,000	Refund Winnebago County Series 1998 Bonds	$964,898
		Refund Illinois Development Finance Authority Series 2003 Bonds	8,200,000
		Refund Mortgage Notes	6,994,183
		Advance Funding of Numerous Capital Projects	1,095,797
		Issuance Costs	245,122
Total	**$17,500,000**	**Total**	**$17,500,000**

FINANCING SUMMARY

Security:	Alpine Bank and BMO Harris Bank will use certain real estate as collateral.
Structure:	The Bonds will be purchased directly by Alpine Bank and BMO Harris Bank.
Interest Rate:	Fixed 7 year SWAP rate + 2.10 x 74% (currently 2.56%) for the fixed component and Floating: 1 month LIBOR in effect on the 1st of each month, plus a margin of 1.53%.
Interest Mode:	Terms are fixed for seven years
Credit Enhancement:	Not applicable since the Bonds will be purchased directly by Alpine Bank and BMO Harris Bank
Maturity:	October 1, 2019 (seven years)
Rating:	The Bonds will not be rated.
Estimated Closing Date:	September 26, 2012

PROJECT SUMMARY

The proceeds of the Bonds will be used to: (i) pay or reimburse the Corporation, Rosecrance Properties and Rosecrance Health Network, each an Illinois not for profit corporation (collectively, the "Users") for the costs of acquiring, constructing, remodeling, renovating and equipping certain health care facilities owned by the Users; (ii) currently refund all or a portion of the outstanding $2,500,000 County of Winnebago, Illinois Adjustable Rate Health Care Facility Revenue Bonds, Series 1998 (Janet Wattles Center Project) (the "*Series 1998 Bonds*"); (iii) currently refund all or a portion of the outstanding $11,900,000 Illinois Development Finance Authority Variable Rate Demand Revenue Bonds (Rosecrance, Inc. Project), Series 2003 (the "*Series 2003 Bonds*" and, together with the Series 1998 Bonds, the "*Prior Bonds*"); (iv) refinance certain taxable mortgage loans of the Users (the "*Taxable Loans*") and (v) pay certain expenses incurred in connection with the issuance of the Series 2012 Bonds, the refinancing of the Taxable Loans and the current refunding of the Prior Bonds, all as permitted by the Act (collectively, the "*Financing Purposes*").

BUSINESS SUMMARY

Rosecrance, a not-for-profit organization, is a national leader in treatment for substance abuse and is one of the largest and most respected providers of community mental health services in the state of Illinois. With almost 100 years of experience serving families, Rosecrance has the administrative structure, professional expertise and long-term stability to provide quality, evidence-based treatment for children, adolescents, adults and families who need care for substance use and mental health disorders. Rosecrance offers inpatient substance abuse treatment and comprehensive outpatient behavioral health services in Rockford, as well as outpatient services in Boone, McHenry and Will counties. Rosecrance has six Chicagoland offices for confidential consultations and prevention and education programs.

Rosecrance was originally established in 1916 by Dr. and Mrs. James Rosecrance of New Milford (Winnebago County), Illinois, who left provisions in their wills for their farm to become an orphanage for boys. Rosecrance expanded its mission in the 1950's to provide residential services for boys and girls with emotional and behavioral disorders. In 1973, Rosecrance assumed operation of the Winnebago County Boy's Farm School (now known as Maryville School) in Durand (Winnebago County).

Rosecrance further expanded its mission in 1982 by opening the first chemical dependency treatment center for adolescents in Northern Illinois. In 1985, Rosecrance began a Drug/Alcohol Family program in cooperation with law enforcement agencies in Winnebago and Boone Counties to provide free early intervention and education classes for referred minors and their families. Beginning in 1986, Rosecrance implemented student assistance programs in the Harlem School District (Loves Park/Machesney Park) and the Rockford School District.

Rosecrance expanded several times during the 1990's. In 1992, Rosecrance took over management of Alcare, a financially distressed 501(c)(3) substance abuse treatment center serving indigent adults in Rockford. In 1994, Rosecrance opened its Fairgrounds Valley Facility to provide prevention and outpatient services for youth and families. Additionally, in 1994, Rosecrance built a school addition to its *Rosecrance on Alpine* facility in Rockford, and opened *Rosecrance at Highland Hospital* in Belvidere to serve adjacent Boone County.

In 1995, Rosecrance constructed a $5.3 million, 68-bed treatment center (Rosecrance on Harrison) to serve adults and their families located at 3815 Harrison Avenue in Rockford. Winnebago County issued $3.6 million of tax-exempt Series 1994 501(c)(3) Revenue Bonds to finance construction of the Harrison Avenue facility. The Series 1994 Winnebago County 501(c)(3) Revenue Bonds were purchased by Bank One (Rockford) as a direct investment for its investment portfolio. The Series 1994 Bonds were refunded with the proceeds of the IDFA Series 2003 Bonds.

In 1999, Rosecrance opened "The Academy Day School", an alternative day school for troubled youth and in 2001, Rosecrance purchased a new facility to house RoseTech Industries, L.L.C., its for-profit affiliate that provide client job training and outplacement services.

Rosecrance currently has more than 20 locations in the Chicago and Rockford areas and serves more than 14,000 families each year.

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Rosecrance, Inc.
Location:	1021 N. Mulford Road Rockford, Illinois 61107 (T) 815-387-5600 (F) 815-316-4638 www.rosecrance.org
Project name:	Rosecrance, Inc.
Organization:	501(c)(3) Not-for-Profit Corporation
State:	Illinois
Contact:	Mr. John Schuster, CFO

Board of Trustees:
Akerlund, Betty
Cook, John R. III
Franchini, Gregory , Secretary
Kneller, Fran
Nielsen, Rev. Loren L.
Porter, Rick
Schumacher, Jody
Thompson, Jon
Vanderwerff, Joe Sr.
Wiermanski, Richard
DiBenedetto, Jeff, Vice Chairman
Mayer, Lee
Paris, Jerry
Pecora, Dan
Shepherd, John
Shifo, Karen
Carynski, Paula
Furst, Tom, Chairman
Lee, Jeffrey
Link, Rodney
Mink, John
Rodriguez, Dr. Angela
Schupbach, Steve
Wilkerson, Margaret , Treasurer
Krup, Randy
Philip W. Eaton, President and CEO

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Ungaretti & Harris	Chicago	Julie Seymour
Bond Counsel:	Jones Day	Chicago	David Kates
Bank:	BMO Harris Bank	Chicago	Michele Janke
	Alpine Bank	Rockford	Pat Morrow
BMO Harris Counsel:	Chapman and Cutler	Chicago	Carol Thompson
Alpine Bank Counsel:	Hinshaw and Culbertson	Rockford	Tom Lester
IFA Financial Advisor:	Public Financial Management, Inc.	Chicago	Shannon Williams
Issuer's Counsel:	Ice Miller LLP	Chicago	Jim Snyder

LEGISLATIVE DISTRICTS

Congressional:	16^{th}
State Senate:	35^{th}
State House:	69^{th}

SERVICE AREA

Rosecrance, Inc. has more than 20 locations in the Chicago and Rockford areas. Service area includes Rockford, Belvidere, Frankford, Geneva, Chicago, McHenry, Naperville, Northfield, Oak Park, and surrounding areas.

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Rich Frampton & Brad R. Fletcher

Date: September 11, 2012

Re: Resolution for the Benefit of Convent of the Sacred Heart of Chicago, Illinois Authorizing the Execution and Delivery of a Bond and Loan Agreement, a Tax Exemption Certificate and Agreement, and Related Documents; and Approving Related Matters

IFA File Number: N-PS-TE-CD-7201

Request:

Convent of the Sacred Heart of Chicago, Illinois, an Illinois not for profit corporation (the "**Borrower**"), and **PNC Bank, N.A.** (the "**Bond Purchaser**"), are requesting approval of a Resolution (i) to authorize execution and delivery of a Bond and Loan Agreement, a Tax Exemption Certificate and Agreement, and related documents and (ii) approving related matters to effectuate the refinancing of all of the outstanding Illinois Finance Authority ("**IFA**") Adjustable Rate Demand Revenue Bonds, Series 2008 Bonds (Sacred Heart Schools Project) (the "**Series 2008 Bonds**") by issuing a Bond (Sacred Heart Schools Project) in an amount not to exceed $20,000,000 in aggregate principal amount (the "**Series 2012 Bond**").

The Series 2008 Bonds are currently secured by a Direct Pay Letter of Credit from Fifth Third Bank, N.A.; the Series 2012 Bond will be privately placed and initially purchased in whole and held as an investment by PNC Bank, N.A.

The original par amount of the Series 2008 Bonds was approximately $22,000,000. The outstanding par amount of the Series 2008 Bonds was approximately $20,000,000 as of September 1, 2012. Bond counsel has determined that a new public hearing (i.e., "TEFRA Hearing") will not be necessary given the scope of the accompanying Resolution. IFA's estimated administrative fee will be $30,000.

Background:

The proceeds of the Series 2008 Bonds, together with other available funds, were used by the Borrower for (i) the financing, refinancing or reimbursement of the Borrower for all or a portion of the costs of the acquisition, design, construction, renovation, restoration, and equipping of certain facilities of the Borrower located at or near 6200 N. Sheridan (the "Project"), (ii) the current refunding of the outstanding $13,900,000 Adjustable Rate Demand Revenue Bonds, Series 2003 (Sacred Heart Schools Project) (the "Series 2003 Bonds"), issued by the Illinois Development Finance Authority, a predecessor of IFA, (iii) the refinancing of an outstanding bank loan in the principal amount of $1,700,000, and (iv) the payment of all or a portion of the costs of issuance of the Bonds, including but not limited to fees for credit enhancement for the Bonds.

All payments relating to the Series 2008 Bonds are current and have been paid as scheduled.

PROFESSIONAL & FINANCIAL

Borrower Counsel:	Chapman and Cutler LLP	Chicago, IL	Christopher Walrath
Bond Counsel:	Chapman and Cutler LLP	Chicago, IL	Nancy Burke Sharone Levy
Bond Purchaser:	PNC Bank, N.A.	Chicago, IL	Jonathan Casiano
Bank Counsel:	Burke Burns & Pinelli, Ltd.	Chicago, IL	Mary Ann Murray
Exiting Trustee:	Amalgamated Bank of Chicago	Chicago, IL	
IFA Counsel:	Kevin Cahill	Chicago, IL	
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Courtney Shea

IFA RESOLUTION NO. 2012-0911-____

RESOLUTION FOR THE BENEFIT OF CONVENT OF THE SACRED HEART OF CHICAGO, ILLINOIS AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND AND LOAN AGREEMENT, A TAX EXEMPTION CERTIFICATE AND AGREEMENT, AND RELATED DOCUMENTS; AND APPROVING RELATED MATTERS.

WHEREAS, the Illinois Finance Authority, a body politic and corporate duly organized and validly existing under and by virtue of the laws of the State of Illinois (the "Authority"), including, without limitation, the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et. seq., as supplemented and amended (the "Act"), is authorized by the laws of the State of Illinois, including without limitation, the Act, to issue its revenue bonds for the purposes set forth in the Act and to permit the expenditure of the proceeds thereof to finance the cost of "industrial projects" (as defined in the Act), including the refunding or advance refunding of any outstanding bonds previously issued for such purpose; and

WHEREAS, the Authority has heretofore issued its Adjustable Rate Demand Revenue Bonds, Series 2008 (Sacred Heart Schools) (the "Series 2008 Bonds") in the original aggregate principal amount of $22,000,000, $20,000,000 of which remains outstanding; and

WHEREAS, the proceeds from the sale of the Series 2008 Bonds were used to (a) finance, refinance or reimburse the Convent of the Sacred Heart of Chicago, Illinois, an Illinois not for profit corporation (the "Corporation"), for all or a portion of the costs of the acquisition, design, construction, renovation, restoration, and equipping of certain facilities of the Corporation, including the renovation and equipping of certain existing facilities to house certain administrative offices and the completion of certain infrastructure improvements, together with related landscaping, site work, equipping or other improvements relating to the Corporation's educational purposes, (b) currently refund the Illinois Development Finance Authority Adjustable Rate Demand Revenue Bonds, Series 2003 (Sacred Heart Schools Project), the proceeds of which were used to finance or reimburse the costs of improvements to educational facilities of the Corporation, including the construction and equipping of a new classroom building, (c) refinance an outstanding bank loan, the proceeds of which were used to purchase certain real estate for use as parking facilities, and (d) pay certain of the costs relating to the issuance of the Series 2008 Bonds, all as permitted by the Act; and

WHEREAS, the Corporation wishes to refinance all of the outstanding Series 2008 Bonds, as permitted by the Act; and

WHEREAS, in furtherance of the purposes set forth in the Act, the Authority wishes to provide for the refinancing of all of the outstanding Series 2008 Bonds by issuing its Revenue Refunding Bond, Series 2012 (Sacred Heart Schools Project) in an amount not to exceed $20,000,000 in aggregate principal amount (the "Bond") and loaning the proceeds from the sale thereof to the Corporation pursuant to the Agreement (as hereinafter defined); and

WHEREAS, PNC Bank, National Association, a national banking association (the "Purchaser"), has agreed to purchase the Bond on a private placement basis; and

WHEREAS, in connection with the issuance of the Bond, it is now necessary, desirable and in the best interests of the Authority to authorize the execution and delivery of (i) a Bond and Loan Agreement (the "Agreement"), among the Authority, the Corporation and the Purchaser and (ii) a Tax Exemption Certificate and Agreement (the "Tax Agreement"), between the Authority and the Corporation; and

WHEREAS, the Authority has caused to be prepared and presented to its members a draft of the Agreement, including the form of Bond attached thereto as Exhibit A, which the Authority proposes to enter into.

NOW, THEREFORE, Be It Resolved by the members of the Illinois Finance Authority as follows:

Section 1. *Bond*. That, in order to provide funds to refinance all of the outstanding Series 2008 Bonds, the Authority hereby authorizes and approves the issuance of the Bond in an aggregate principal amount not to exceed $20,000,000, to be designated the "Illinois Finance Authority Revenue Refunding Bond, Series 2012 (Sacred Heart Schools Project)"; that the form of Bond now before the Authority, subject to appropriate insertions and revisions in order to comply with the provisions of the Agreement be, and the same hereby is, approved; that the Bond shall be executed in the name, for and on behalf of the Authority with the manual or facsimile signature of its Chairman or Vice Chairman (and for purposes of this Resolution, any person duly appointed to any such office on an acting or an interim basis) and attested with the manual or facsimile signature of its Secretary or any Assistant Secretary and the seal of the Authority shall be impressed or imprinted thereon; that the Chairman, the Vice Chairman (and for purposes of this Resolution, any person duly appointed to any such office on an acting or an interim basis) or any other officer of the Authority shall cause the Bond, as so executed and attested, to be delivered to the Purchaser, as bond registrar under the Agreement, for authentication; and that when the Bond is executed on behalf of the Authority in the manner contemplated by the Agreement and this Resolution, it shall represent the approved form of Bond of the Authority; *provided* that the Bond shall bear interest at variable rates pursuant to the Agreement, shall be payable over a term not exceeding thirty (30) years from its date of issuance and shall be privately placed with the Purchaser.

The interest rate on the Bond may be subject to adjustment to (i) a higher or lower rate per annum under certain conditions as further described in the Agreement, or (ii) a taxable rate after a Determination of Taxability as defined and further described in the Agreement.

The Authority hereby authorizes each of the Chairman, Vice Chairman or Executive Director (and, for purposes of this Resolution, any person duly appointed to any such office on an acting or an interim basis) of the Authority (each, an "Authorized Officer") to make a final determination as to the principal amounts, interest rates, maturities, uses of proceeds, mandatory sinking fund redemption dates and amounts (if any) and optional and extraordinary redemption provisions for the Bond and the purchase price and uses of the proceeds of the Bond. The execution by an Authorized Officer of the Agreement pursuant to which the Bond is issued shall constitute such Authorized Officer's approval and the Authority's approval of the final terms and provisions of the Bond.

The Bond and the interest thereon shall be limited obligations of the Authority, payable solely from the income and revenues to be derived by the Authority pursuant to the Agreement (except pursuant to Unassigned Rights (as defined in the Agreement)). The Bond and the interest thereon shall never constitute a general obligation or commitment by the Authority to expend any of its funds other than (i) the proceeds of the sale of the Bond, (ii) the income and revenues derived by the Authority pursuant to the

Agreement (except pursuant to Unassigned Rights), (iii) other amounts available under the Agreement and (iv) moneys arising out of the investment or reinvestment of such proceeds, income, revenues or receipts.

Section 2. *Agreement.* That the Authority is hereby authorized to enter into the Agreement, in substantially the same form as the Agreement now before the Authority; that the form, terms and provisions of the Agreement now before the Authority be, and they hereby are, in all respects approved; that the Authorized Officers of the Authority be, and each of them hereby is, authorized, empowered and directed to execute and deliver, and the Secretary or any Assistant Secretary of the Authority (and for purposes of this Resolution, any person duly appointed to any such office on an acting or an interim basis) be and each of them hereby is, authorized, empowered and directed to attest and to affix the official seal of the Authority to the Agreement in the name, for and on behalf of the Authority, and thereupon to cause the Agreement to be executed, acknowledged and delivered to the Corporation and the Purchaser, in substantially the form now before the Authority or with such changes therein as an Authorized Officer of the Authority shall approve, his/her execution thereof to constitute conclusive evidence of such approval of any and all changes or revisions therein from the form of the Agreement now before the Authority; that when the Agreement is executed, attested, sealed and delivered on behalf of the Authority as hereinabove provided, the Agreement shall be binding on the Authority; that from and after the execution and delivery of the Agreement, the officers, employees and agents of the Authority are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Agreement as executed; and that the Agreement now before the Authority shall constitute, and hereby is made, a part of this Resolution, and a copy of such Agreement shall be placed in the official records of the Authority and shall be available for public inspection at the office of the Authority.

Section 3. *Tax Agreement.* That the Authority is hereby authorized to enter into a Tax Agreement with the Corporation in the form to be approved by bond counsel, by counsel for the Authority and by counsel for the Corporation; that the Authorized Officers of the Authority be, and each of them hereby is, authorized, empowered and directed to execute and deliver the Tax Agreement in the form so approved; that when the Tax Agreement is executed and delivered on behalf of the Authority as hereinabove provided, such Tax Agreement will be binding on the Authority; and that from and after the execution and delivery of the Tax Agreement, the officers, employees and agents of the Authority are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of such Tax Agreement as executed.

Section 4. *Other Documents*. That the Authorized Officers and any other officer of the Authority be, and each of them hereby is, authorized to execute and deliver such documents, certificates and undertakings of the Authority, including but not limited to a bond purchase agreement and an escrow deposit agreement or a supplemental indenture providing for the refinancing of the Series 2008 Bonds and any documentation necessary to identify an interest rate hedge agreement for federal income tax purposes, and to take such other actions as may be required in connection with (i) carrying out and complying with this Resolution and the issuance and sale of the Bond and (ii) the execution, delivery and performance of the Agreement and the Tax Agreement, all as authorized by this Resolution.

Section 5. *Private Placement; Investment Letter; Restrictions on Transfers*. The Authority hereby authorizes the issuance and sale of the Bond to the Purchaser on a private placement basis pursuant to the Agreement.

The Corporation and the Purchaser intend to enter into an agreement containing certain covenants required by the Purchaser as a condition to purchasing the Bonds.

The Purchaser shall deliver an investment letter to the Authority (in the form approved by the General Counsel of the Authority (and, for purposes of this Resolution, any person duly appointed to any such office on an acting or interim basis, the "Authority's General Counsel")) stating, among other things, that the Purchaser is either an accredited investor within the meaning of Regulation D, or a qualified institutional buyer within the meaning of Rule 144A, under the Securities Act of 1933, as amended. The Agreement shall contain restrictions, as the Authority's General Counsel shall determine are necessary or advisable, on the transfer of such Bond by the initial Purchaser thereof or by any bank or financial institution to which the Purchaser transfers such Bond.

Section 6. *Conditions to Effectiveness.* The approvals granted by the Authority pursuant to this Resolution are subject to the Agreement, Tax Agreement and any other document required to carry out and comply with this Resolution being in full conformance with the requirements of the Authority (including the Authority's Bond Program Handbook), except as expressly approved by the Authority's General Counsel or the Executive Director (and, for purposes of this Resolution, any person duly appointed to any such office on an acting or an interim basis) of the Authority, the satisfaction of such condition to be evidenced by an Authorized Officer's execution and delivery of such documents.

Section 7. *Other Acts*. 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 8. *Authority Fee.* The Authority's closing fee shall be payable upon the initial issuance and delivery of the Bond and shall be equal to the sum of $30,000.

Section 9. *Severability*. 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 10. *No Conflict*. That all resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

Section 11. *Effective Date*. That this Resolution shall be in full force and effect immediately upon its passage, as by law provided.

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ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Pam Lenane & Nora O'Brien

Date: September 11, 2012

Re: Resolution Approving the Execution of Supplemental Bond Indentures to Permit the Exchange of Master Notes Currently Held by Various Bond Trustees for Master Notes Provided by a Newly Created Presence Health Obligated Group

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Presence Health ("**Presence**") has recently become the parent of both **Resurrection Health Care Corporation** ("**Resurrection**") and **Provena Health** ("**Provena**"). In furtherance of the affiliation, Presence hopes to combine the Resurrection and Provena obligated groups under a single restated master trust indenture. The new Presence Health master indenture will be a restatement of the existing Resurrection master indenture. All current members of each the two obligated groups, together with Presence Health and Holy Family Medical Center, are expected to be members of the new obligated group. Obligations of the group under the master indenture will be secured by a pledge of "pledged revenues", as well as mortgages on nine hospital facilities owned by members of the obligated group.

In order to implement the new Presence MTI, Presence is requesting that the bond trustee under various of the Provena bond indentures (1998A, 2009A, 2009B, 2009C, 2009D, 2010A, 2010B, 2010C, and 2010D), as well as the bond trustee under the Holy Family 1997 bond indenture (in each case, BONYM), accept Presence Health master notes in exchange for Provena Health master notes. To permit such an exchange, the bond indentures will be supplemented to either add or amend existing "note swap" provisions.

Various of the bond indentures have different requirements for such an amendment and exchange. Certain of the indentures will require bondholder consent, which in certain instances can be provided by the related credit enhancer. Other of the indentures will require consent from a stated percentage of the bondholders, which JPMorgan is attempting to obtain. Consents will obviously be solicited from all of the related bond insurers and letter of credit banks. In each case, the Authority and the bond trustee will need to execute the related supplement.

RESOLUTION NUMBER 2012-0911-____

RESOLUTION APPROVING THE EXECUTION OF SUPPLEMENTAL BOND INDENTURES TO PERMIT THE EXCHANGE OF MASTER NOTES CURRENTLY HELD BY VARIOUS BOND TRUSTEES FOR MASTER NOTES PROVIDED BY A NEWLY CREATED PRESENCE HEALTH OBLIGATED GROUP.

WHEREAS, the **Illinois Finance Authority** (the "*Authority*") has been created by, and exists under, the Illinois Finance Authority Act (the "*Act*"); and

WHEREAS, on December 22, 1997 the Illinois Health Facilities Authority (the "*Health Authority*") issued its $41,000,000 Revenue Bonds, Series 1997 (Holy Family Medical Center) (the "*Holy Family Bonds*") pursuant to a Bond Trust Indenture dated as of December 1, 1997 (the "*1997 Bond Indenture*") and loaned the proceeds thereof to Holy Family Medical Center, an Illinois not for profit corporation ("*Holy Family*"); and

WHEREAS, the payment of the principal of and interest on the Holy Family Bonds is insured pursuant to a financial guaranty insurance policy issued by National Public Finance Guarantee Corporation (as successor to MBIA Insurance Corporation), as bond insurer ("*NPFGC*"); and

WHEREAS, on May 21, 1998 the Illinois Development Finance Authority ("*IDFA*") issued its $175,410,000 Revenue Bonds, Series 1998A (Provena Health) (the "*1998A Bonds*") pursuant to a Bond Trust Indenture dated as of April 15, 1998 (the "*1998 Bond Indenture*") and loaned the proceeds thereof to Provena Health, a not for profit corporation incorporated under the laws of the State of Illinois ("*Provena*"); and

WHEREAS, the payment of the principal of and interest on the 1998A Bonds is insured pursuant to a financial guaranty insurance policy issued by NPFGC; and

WHEREAS, on January 1, 2004 the Illinois Finance Authority (the "*Authority*") succeeded to all the rights and obligations of IDFA and the Health Authority; and

WHEREAS, on June 25, 2009 the Authority issued its $200,000,000 Revenue Bonds, Series 2009A (the "*2009A Bonds*") pursuant to a Bond Trust Indenture dated as of June 1, 2009 (the "*2009A Bond Indenture*") and loaned the proceeds thereof to Provena; and

WHEREAS, on July 9, 2009 the Authority issued its $50,000,000 Variable Rate Demand Revenue Bonds, Series 2009B (Provena Health) (the "*2009B Bonds*"), its $41,000,000 Variable Rate Demand Revenue Bonds, Series 2009C (Provena Health) (the "*2009C Bonds*") and its $25,000,000 Variable Rate Demand Revenue Bonds, Series 2009D (Provena Health) (the "*2009D Bonds*") pursuant to separate Bond Trust Indentures each dated as of July 1, 2009 (the "*2009B Bond Indenture*", the "*2009C Bond Indenture*" and the "*2009D Bond Indenture,*" respectively) and loaned the proceeds thereof to Provena; and

WHEREAS, the payment of the principal of, interest on and purchase price for the Series 2009B Bonds, the Series 2009C Bonds and the Series 2009D Bonds is secured by separate letters of credit each issued by JPMorgan Chase Bank, N.A. ("*JPM*"); and

WHEREAS, on February 11, 2010 the Authority issued its $115,980,000 Revenue Bonds, Series 2010A (the "*2010A Bonds*") and its $10,020,000 Revenue Bonds, Series 2010B (the "*2010B Bonds*") pursuant to separate Bond Trust Indentures each dated as of February 1, 2010 (the "*2010A Bond Indenture*" and the "*2010B Bond Indenture,*" respectively) and loaned the proceeds to Provena; and

WHEREAS, on September 22, 2010 the Authority issued its $31,000,000 Variable Rate Demand Revenue Bonds, Series 2010C (Provena Health) (the "*2010C Bonds*") and its $41,000,000 Variable Rate Demand Revenue Bonds, Series 2010D (Provena Health) (the "*2010D Bonds*") pursuant to separate Bond Trust Indentures each dated as of September 1, 2010 (the "*2010C Bond Indenture*" and the "*2010D Bond Indenture,*" respectively) and loaned the proceeds thereof to Provena; and

WHEREAS, the payment of the principal of, interest on and purchase price for the Series 2010C Bonds is secured by a letter of credit issued by JPM; and

WHEREAS, the payment of the principal of, interest on and purchase price for the Series 2010D Bonds is secured by a letter of credit issued by Union Bank ("*UB*"); and

WHEREAS, Provena and Resurrection Health Care Corporation ("*Resurrection*"), together with certain affiliated corporations, executed that certain System Merger Agreement dated as of June 30, 2011 (the "*System Merger Agreement*") for the purpose of combining the health care systems controlled and operated by Provena and Resurrection respectively (the "*System Merger*"); and

WHEREAS, pursuant to the terms of the System Merger Agreement, Provena-Resurrection Health Network (d/b/a Presence Health) ("*Presence*") became the sole corporate member of both Provena and Resurrection; and

WHEREAS, Provena and Resurrection are each, together with certain of their respective affiliates, members of separate obligated groups (the "*Provena Obligated Group*" and the "*Resurrection Obligated Group*", respectively) created under separate master trust indentures for the purpose of financing certain of the costs of the health care facilities of their respective Obligated Groups; and

WHEREAS, Holy Family is the sole members of a separate obligated group (the "*Holy Family Obligated Group*") created under a separate master trust indenture; and

WHEREAS, in furtherance of the System Merger, Provena and Resurrection have determined it is necessary and desirable to combine the credits of the Provena Obligated Group, the Resurrection Obligated Group and the Holy Family Obligated Group for the purpose of creating a new obligated group (the "*Presence Obligated Group*") with strengthened credit standing and financing ability; and

WHEREAS, the payment of the principal of and interest on the Holy Family Bonds is secured by a Direct Note Obligation issued by Holy Family (the "*Holy Family Obligation*") pursuant to that certain Master Trust Indenture dated as of December 1, 1997 between Holy Family, as the sole member of the Holy Family Obligated Group, and a master trustee named therein; and

WHEREAS, the payment of the principal of and interest on the Holy Family Bonds is guaranteed by Resurrection pursuant to a Guaranty Agreement (the "*Holy Family Guaranty*") among Resurrection, NPFGC and the bond trustee for the Holy Family Bonds (the "*Holy Family Trustee*");

WHEREAS, the obligation of Resurrection pursuant to the Guaranty is secured by a Direct Note Obligation (the "*Guaranty Obligation*") issued pursuant to that certain Master Trust Indenture dated as of August 1, 1999 among the Resurrection Obligated Group and Wells Fargo Bank, N.A., as master trustee; and

WHEREAS, payment of the principal of and interest on each of the 1998A Bonds, the 2009A Bonds, the 2009B Bonds, the 2009C Bonds, the 2009D Bonds, the 2010A Bonds, the 2010B Bonds, the 2010C Bonds and the 2010D Bonds (collectively, the "*Provena Bonds*") is secured by a separate Direct Note Obligation (collectively, the "*Provena Bond Obligations*") issued pursuant to that certain Amended and Restated Master Trust Indenture dated as of May 1, 2009 among the Provena Obligated Group and The Bank of New York Mellon Trust Company, N.A., as master trustee; and

WHEREAS, Provena and Resurrection have requested that the bond trustee for each series of the Provena Bonds accept a Provena-Resurrection Health Care Direct Obligation Note in exchange for the existing Provena Bond Obligations; and

WHEREAS, Resurrection and Holy Family have requested that the Holy Family Trustee and NPFGC accept a Provena-Resurrection Health Care Direct Obligation Note in exchange for the Holy Family Obligation, the Holy Family Guaranty and the Guaranty Obligation in order to permit Holy Family to join the Presence Obligated Group; and

WHEREAS, drafts of the following documents have been previously provided to and are on file with the Authority (collectively, the "*Supplemental Indentures*"):

(a) a Second Supplemental Bond Trust Indenture (the "*Holy Family Supplemental Bond Indenture*") between the Authority and the related bond trustee, supplementing and amending the Holy Family Bond Indenture;

(b) a Second Supplemental Bond Trust Indenture (the "*1998A Supplemental Bond Indenture*") between the Authority and the related bond trustee, supplementing and amending the 1998 Bond Indenture;

(c) a First Supplemental Bond Trust Indenture (the "*2009A Supplemental Bond Indenture*") between the Authority and the related bond trustee, supplementing and amending the 2009A Bond Indenture;

(d) a First Supplemental Bond Trust Indenture (the "*2009B Supplemental Bond Indenture*") between the Authority and the related bond trustee, supplementing and amending the 2009B Bond Indenture;

(e) a First Supplemental Bond Trust Indenture (the "*2009C Supplemental Bond Indenture*") between the Authority and the related bond trustee, supplementing and amending the 2009C Bond;

(f) a First Supplemental Bond Trust Indenture (the "*2009D Supplemental Bond Indenture*") between the Authority and the related bond trustee, supplementing and amending the 2009D Bond Indenture;

(g) a First Supplemental Bond Trust Indenture (the "*2010A Supplemental Bond Indenture*") between the Authority and the related bond trustee, supplementing and amending the 2010A Bond Indenture;

(h) a First Supplemental Bond Trust Indenture (the "*2010B Supplemental Bond Indenture*") between the Authority and the related bond trustee, supplementing and amending the 2010B Bond Indenture;

(i) a First Supplemental Bond Trust Indenture (the "*2010C Supplemental Bond Indenture*") between the Authority and the related bond trustee, supplementing and amending the 2009C Bond Indenture; and

(j) a First Supplemental Bond Trust Indenture (the "*2010D Supplemental Bond Indenture*") between the Authority and the related bond trustee, supplementing and amending the 2009D Bond Indenture ((a) through (j), inclusively, the "*Supplemental Indentures*"); and

WHEREAS, in connection with the foregoing, the following additional documents will be executed and delivered by parties other than the Authority (collectively, the "*Additional Transaction Documents*"):

(a) an Amended and Restated Master Trust Indenture (the "*Master Indenture*") among Presence, Provena, Provena Hospitals, Provena Senior Services, Resurrection, Resurrection Medical Center, Our Lady of the Resurrection Medical Center, Saint Francis Hospital, Saint Joseph Hospital, Saints Mary and Elizabeth Medical Center and Holy Family and The Bank of New York Mellon Trust Company, National Association, as master trustee (the "*Master Trustee*"), providing for, among other things, the issuance thereunder of various Obligations;

(b) if deemed necessary or desirable, one or more amended and restated reimbursement agreements or amendments to existing reimbursement agreements (the "*JPM LOC Agreements*") among the Presence Obligated Group and JPM; and

(c) if deemed necessary or desirable, an amended and restated reimbursement agreement or an amendment to the existing reimbursement agreement among the Presence Obligated Group and UB; and

WHEREAS, there has been previously provided or will be provided prior to the execution and delivery of the Supplemental Indentures:

(a) the consent of the bondholders and NPFGC to the execution and delivery of the Holy Family Supplemental Bond Indenture;

(b) the consent of the bondholders and NPFGC to the execution and delivery of the 1998A Supplemental Bond Indenture;

(c) the consent of the bondholders to the execution and delivery of the 2009A Supplemental Bond Indenture;

(d) the consent of the bondholders and JPM to the execution and delivery of the 2009B Supplemental Bond Indenture;

(e) the consent of the bondholders and JPM to the execution and delivery of the 2009C Supplemental Bond Indenture;

(f) the consent of the bondholders and JPM to the execution and delivery of the 2009D Supplemental Bond Indenture;

(g) the consent of the bondholders to the execution and delivery of the 2010A Supplemental Bond Indenture;

(h) the consent of the bondholders to the execution and delivery of the 2010B Supplemental Bond Indenture;

(i) the consent of the bondholders and JPM to the execution and delivery of the 2010C Supplemental Bond Indenture; and

(j) the consent of the bondholders and UB to the execution and delivery of the 2010D Supplemental Bond Indenture; and

NOW, THEREFORE, BE IT RESOLVED by the Illinois Finance Authority as follows:

Section 1. **Supplemental Indentures**. The Authority does hereby authorize and approve the execution by its Chairman, Vice Chairman or Executive Director (each an "*Authorized Officer*") and the delivery and use of the Supplemental Indentures. The Supplemental Indentures shall be substantially in the forms previously provided to the Authority and hereby approved, or with such changes therein as shall be approved by the Authorized Officer of the Authority executing the same, with such execution to constitute conclusive evidence of such Authorized Officer's approval and the Authority's approval of any changes or revisions therein from the forms of such Supplemental Indentures previously provided to the Authority.

Section 2. **Exchange of Obligations**. The Authority hereby approves (i) the exchange of Provena-Resurrection Health Care Direct Obligation Notes for the existing Provena Bond Obligations and (ii) the exchange of a Provena-Resurrection Health Care Direct Obligation Note for the Holy Family Obligation, the Holy Family Guaranty and the Guaranty Obligation.

Section 3. **Additional Transaction Documents**. The Authority does hereby approve the form of the Additional Transaction Documents. The Additional Transaction Documents shall be in substantially the forms approved by the Authorized Officer executing the Supplemental Indentures, with such execution to constitute conclusive evidence of such Authorized Officer's approval and the Authority's approval of the Additional Transaction Documents.

Section 4. **Authorization and Ratification of Subsequent Acts**. The Members, officers, agents and employees of the Authority are hereby authorized and directed to do all such acts and things and to execute or accept all such documents as may be necessary to carry out and comply with the provisions of these resolutions, the Supplemental Indentures and the Additional Transaction Documents, and to facilitate the exchange of Obligations, and all of the acts and doings of the Members, officers, agents and employees of the Authority which are in conformity with the intent and purposes of these resolutions, whether heretofore or hereafter taken or done, shall be and are hereby authorized, ratified, confirmed and approved. Unless otherwise provided therein, wherever in the Supplemental Indentures or any other document executed pursuant hereto it is provided that an action shall be taken by the Authority, such action shall be taken by the Executive Director or the Treasurer of the Authority, or in the event of the unavailability, inability or refusal of the Executive Director and the Treasurer to act, any two Members of the Authority, each of whom is hereby authorized, empowered, delegated the power and duty and directed to take such action on behalf of the Authority, all within the parameters set forth herein and in the applicable Authority Document.

Section 5. **Separability.** 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 6. **Conflicts.** All resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

Section 7. **Immediate Effect.** This Resolution shall be in full force and effect immediately upon its passage, as by law provided.

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ILLINOIS FINANCE AUTHORITY
Memorandum

To: IFA Board of Directors

From: Pam Lenane & Brad R. Fletcher

Date: September 11, 2012

Re: Resolution Authorizing the Execution and Delivery by the Illinois Finance Authority of a First Supplemental Indenture of Trust Relating to its Tax-Exempt Revenue Bonds (Illinois Medical District Commission Project), Series 2006A and its Taxable Revenue Bonds (Illinois Medical District Commission Project), Series 2006B, Along with Related Documents
IFA Series 2006 File Number: LG-GR-TE-CD-592

Request:

The Illinois Finance Authority (the "**Authority**") has previously issued its Tax-Exempt Revenue Bonds (Illinois Medical District Commission Project), Series 2006A in the aggregate principal amount of $7,500,000 (the "**Series 2006A Bonds**") and its Taxable Revenue Bonds (Illinois Medical District Commission Project), Series 2006B in the aggregate principal amount of $32,500,000 (the "**Series 2006B Bonds**" and with the Series 2006A Bonds, the "**Series 2006 Bonds**") pursuant to and in accordance with the provisions of that certain Indenture of Trust dated as of January 1, 2006 (the "**Original Indenture**") between the Authority and Amalgamated Bank of Chicago (the "**Trustee**").

The execution and delivery of the Supplemental Indenture is conditional upon the following: (i) the consent to the Supplemental Indenture being obtained from a majority in aggregate principal amount of the bondholders thereto and (ii) the delivery of an Opinion of Counsel (as defined in the Original Indenture) that such amendments are authorized by the Original Indenture.

The Illinois Medical District Commission (the "**Commission**") is requesting approval of a Resolution to authorize execution and delivery of a First Supplemental Indenture of Trust (the "**Supplemental Indenture**") to effectuate the full transfer to Assured Guaranty Corp. of the Bond Insurance Policies securing the Series 2006 Bonds and to make certain other amendments. Currently, under the terms of the Original Indenture, the Bond Insurance Policies of CIFG Assurance North America, Inc. secure the Series 2006 Bonds.

Approval of this Resolution will authorize (i) an amendment to Section 5.07 of the Original Indenture, whereby the Commission Representative may now direct the Trustee to suspend funding debt service for any month where the Bond Fund is already funded to the required levels (for each month, 1/6 of the amount of interest due on the next interest payment date and 1/12 of the principal due on the next mandatory sinking fund redemption date); (ii) an amendment to Section 5.13 of the Original Indenture, whereby amounts held in the Commission's Fund may now be released at any time during the calendar year so long as conditions are met, not just on or after each March 2 and September 2; (iii) an amendment to Section 6.10 of the Original Indenture, whereby the address of the Bond Insurer now corresponds to the address of Assured Guaranty Corp. in connection with delivery of any notice that is required to be given to the holders of the Series 2006 Bonds; and (iv) an amendment to Exhibit A, Form of Bond, of the Original Indenture, whereby reference is made to both the Instrument of Transfer and Assumption entered into between CIFG Assurance North America, Inc. and Assured Guaranty Corp. in connection with the Bond Insurance Policies securing the Series 2006 Bonds as well as the Supplemental Indenture referenced herein thus effectuating the transfer of the Bond Insurance Policies securing the Series 2006 Bonds to Assured Guaranty Corp.

Background:

On May 10, 2005, the Commission sought the approval of an Inducement Resolution presented to the Authority in connection with a not-to-exceed $40.0MM bond issue for the primary purpose of financing a portion of the costs of the acquisition, construction, renovation, reconstruction, installation and equipping of certain facilities in Chicago, Illinois to be owned by the Commission. The transaction closed on January

24, 2006; the Series 2006 Bonds bear fixed interest, payable on March 1 and September 1 of each year, which commenced on September 1, 2006.

In connection with the Series 2006 Bonds, the Authority and the Commission entered into a First Amended Loan Agreement and a Second Amended Loan Agreement on July 15, 2009 and March 18, 2010, respectively. An Opinion of Counsel (as defined in the Original Indenture) was delivered in connection with these actions as being authorized.

All payments relating to the IFA Series 2006 Bonds are current and have been paid as scheduled.

PROFESSIONAL & FINANCIAL

Bond Counsel:	Chapman and Cutler LLP	Chicago, IL	Andrea Bacon
Trustee:	Amalgamated Bank of Chicago	Chicago, IL	Ann Longino
IFA Counsel:	Katten Muchin Rosenman LLP	Chicago, IL	Lewis Greenbaum

IFA RESOLUTION NO. 2012-0911-AD__

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY BY THE ILLINOIS FINANCE AUTHORITY OF A FIRST SUPPLEMENTAL INDENTURE OF TRUST RELATING TO ITS TAX-EXEMPT REVENUE BONDS (ILLINOIS MEDICAL DISTRICT COMMISSION PROJECT), SERIES 2006A AND ITS TAXABLE REVENUE BONDS (ILLINOIS MEDICAL DISTRICT COMMISSION PROJECT), SERIES 2006B, ALONG WITH RELATED DOCUMENTS.

WHEREAS, pursuant to and in accordance with the provisions of an Indenture of Trust dated as of January 1, 2006 (the *"Original Indenture"*) between the Illinois Finance Authority (the *"Issuer"*) and Amalgamated Bank of Chicago, as trustee (the "*Trustee*"), on January 31, 2006 the Issuer issued its Tax-Exempt Revenue Bonds (Illinois Medical District Commission Project), Series 2006A in the aggregate principal amount of $7,500,000, all of which are currently outstanding and its Taxable Revenue Bonds (Illinois Medical District Commission Project), Series 2006B in the aggregate principal amount of $32,500,000, all of which are currently outstanding (collectively, the Series 2006A Bonds, the *"Series 2006 Bonds"*); and

WHEREAS, at the request of Illinois Medical District Commission (the *"Commission"*), the Issuer has determined to amend certain provisions of the Original Indenture to effect a full transfer to Assured Guaranty Corp. of the Bond Insurance Policies securing the Series 2006 Bonds and to make certain other amendments; and

WHEREAS, Subsection 9.01(a) of the Original Indenture authorizes the execution and delivery of a supplemental indenture to make such amendments with the consent of the Owners of a majority in aggregate principal amount of the Series 2006 Bonds, the Commission and CIFG Assurance North America, Inc., as the current Bond Insurer;

NOW, THEREFORE, Be It Resolved by the Members of the Illinois Finance Authority as follows:

Section 1. Authorization of Execution and Delivery of Supplemental Indenture. The Issuer does hereby authorize and approve the execution by the Chairman or Executive Director of the Issuer and the delivery of a First Supplemental Indenture of Trust (the *"First Supplemental Indenture"*) between the Issuer and the Trustee, supplementing and amending the Original Indenture, and the Secretary or Assistant Secretary of the Issuer is hereby authorized to attest to, and affix the official seal of the Issuer thereto. The First Supplemental Indenture shall be in substantially the form thereof attached hereto and marked *"Exhibit A"* and hereby approved, with such changes therein as shall be approved by the officers executing the same, with such execution to constitute conclusive evidence of such officers' approval and the Issuer's approval of any changes therein from the form of First Supplemental Indenture attached hereto.

Section 2. Authentication and Delivery of the Amended Series 2006 Bonds. The execution of amended Series 2006 Bonds by the Chairman and the attestation by the Secretary, or the delivery of an allonge to be affixed to the Series 2006 Bonds, as required by the Trustee in accordance with the provisions of the First Supplemental Indenture, is hereby authorized by the Issuer, and if amended Series 2006 Bonds are so requested, the Chairman or Secretary of the Issuer shall deliver the amended Series 2006 Bonds to the Trustee for authentication in exchange for the existing Series 2006 Bonds, which shall be cancelled by the Trustee.

Section 3. *Further Acts*. The Chairman, Secretary, Assistant Secretary and Executive Director are authorized to sign all necessary documents on behalf of the Issuer to comply with the requirements of this Resolution and the First Supplemental Indenture.

Section 4. The execution and delivery of the First Supplemental Indenture by any officer of the Issuer as authorized in Section 1 above is expressly conditioned upon the following:

a. the consent to the First Supplemental Indenture must be obtained from all necessary parties thereto; and

b. the delivery of an Opinion of Counsel (as defined in the Original Indenture) that such amendments are authorized by the Original Indenture.

Section 5. *Ratification of Acts*. All of the acts and doings of the members, officials, officers, agents and employees of the Issuer which are in conformity with the intent and purposes of this Resolution, whether heretofore or hereafter taken or done, shall be and are hereby ratified, confirmed and approved.

Section 6. *No Personal Liability*. No contract, agreement, obligation, or stipulation herein contained or contained in the Series 2006 Bonds, the First Supplemental Indenture, or any other document executed by or on behalf of the Issuer with respect to or in connection with the delivery of the First Supplemental Indenture or the amended Series 2006 Bonds shall be deemed a contract, agreement, stipulation or obligation of any officer, director, agent, or employee of the Issuer, in his or her individual capacity, and no such officer, director, agent, or employee shall be personally liable on the Series 2006 Bonds or be subject to personal liability or accountability by reason of the issuance thereof.

Section 7. *Severability*. If any section, paragraph, clause or provision of this Resolution shall be held to be invalid or ineffective for any reason, the remainder of this Resolution shall continue in full force and effect, it being expressly hereby found and declared that the remainder of this Resolution would have been adopted despite the invalidity or ineffectiveness of such section, paragraph, clause or provision.

Section 8. *Effective Date*. This Resolution shall take effect immediately upon its adoption, and any provisions of any previous resolutions in conflict with the provisions hereof are hereby superseded.

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