



July 14, 2016

**\$35,000,000 (not to exceed)
Washington and Jane Smith Community – Beverly d/b/a Smith Village**

REQUEST	<p>Purpose: Bond proceeds will be used by Washington and Jane Smith Community – Beverly d/b/a Smith Village (the “Corporation” the “Borrower” or “Smith Village”) to (i) currently refund the Series 2005A Illinois Finance Authority Bonds (“Prior Bonds”), (ii) currently refund the Series 2005B-2 Illinois Finance Authority Bonds (“Prior Bonds”), and (iii) pay for a portion of the costs of issuance.</p> <p>Program: Conduit 501(c)(3) Revenue Bonds</p> <p>Extraordinary Conditions: None.</p>																				
BOARD ACTION	<p>Final Bond Resolution Voting Record (June 9, 2016) – Preliminary Bond Resolution – 9 Yeas; 0 Nays; 0 Abstain; 5 Absent (Fuentes, Horne, O’Brien, Tessler, Yonover); 1 Vacancy.</p>																				
MATERIAL CHANGES	<p>The not to exceed amount increased from \$32,000,000 to \$35,000,000; sources and uses updated.</p>																				
JOB DATA	<table border="0"> <tr> <td style="padding-right: 20px;">271 FTE</td> <td style="padding-right: 20px;">Current jobs</td> <td style="padding-right: 20px;">N/A</td> <td>New jobs projected</td> </tr> <tr> <td>N/A</td> <td>Retained jobs</td> <td>N/A</td> <td>Construction jobs projected</td> </tr> </table>	271 FTE	Current jobs	N/A	New jobs projected	N/A	Retained jobs	N/A	Construction jobs projected												
271 FTE	Current jobs	N/A	New jobs projected																		
N/A	Retained jobs	N/A	Construction jobs projected																		
DESCRIPTION	<ul style="list-style-type: none"> ● Location (Chicago/Cook County/Northeast Region) ● Washington and Jane Smith Community – Beverly d/b/a Smith Village, is an Illinois not-for-profit corporation. Smith Village is located in Chicago’s Beverly neighborhood and operates a continuing care retirement community consisting of 149 independent living units, 57 traditional assisted living units, 24 memory care assisted living units, and 100 skilled nursing beds. 																				
CREDIT INDICATORS	<ul style="list-style-type: none"> ● Smith Village is currently a non-rated entity. ● The Prior Bonds to be refunded are currently floating rate debt. 																				
STRUCTURE/SECURITY	<ul style="list-style-type: none"> ● The plan of finance contemplates the direct purchase of the Series 2016 Bonds, issued in one or more series, by First Midwest Bank and First Merit Bank. ● The Bonds will be secured by a first mortgage on (i) Borrower’s interest in the community and all fixtures and property, (ii) all assets of the Borrower including inventory, accounts receivable, leasehold improvements and equipment and (iii) pledge of gross revenues including an assignment of interest in all rents and leases. ● The Bonds will be issued as floating rate debt and will be swapped to fixed rate debt. ● The final maturity of the Bonds is expected to be no later than August 1, 2046 (i.e. 30 years) 																				
SOURCES AND USES ESTIMATED	<table border="0"> <tr> <td colspan="2">Sources:</td> <td colspan="2">Uses:</td> </tr> <tr> <td style="padding-right: 40px;">IFA Bonds</td> <td style="padding-right: 40px;">\$32,165,000.00</td> <td style="padding-right: 40px;">Refunding of Series 2005 Bonds</td> <td>\$30,500,000.00</td> </tr> <tr> <td style="padding-right: 40px;">Transfer Series 2005 Trustee-Held Funds</td> <td style="padding-right: 40px;"><u>3,987,438.62</u></td> <td style="padding-right: 40px;">Refunding of Series 2005B-2 Bonds</td> <td>5,000,000.00</td> </tr> <tr> <td></td> <td></td> <td style="padding-right: 40px;">Costs of Issuance</td> <td><u>\$652,438.62</u></td> </tr> <tr> <td>Total</td> <td><u>\$36,152,438.62</u></td> <td>Total</td> <td><u>\$36,152,438.62</u></td> </tr> </table>	Sources:		Uses:		IFA Bonds	\$32,165,000.00	Refunding of Series 2005 Bonds	\$30,500,000.00	Transfer Series 2005 Trustee-Held Funds	<u>3,987,438.62</u>	Refunding of Series 2005B-2 Bonds	5,000,000.00			Costs of Issuance	<u>\$652,438.62</u>	Total	<u>\$36,152,438.62</u>	Total	<u>\$36,152,438.62</u>
Sources:		Uses:																			
IFA Bonds	\$32,165,000.00	Refunding of Series 2005 Bonds	\$30,500,000.00																		
Transfer Series 2005 Trustee-Held Funds	<u>3,987,438.62</u>	Refunding of Series 2005B-2 Bonds	5,000,000.00																		
		Costs of Issuance	<u>\$652,438.62</u>																		
Total	<u>\$36,152,438.62</u>	Total	<u>\$36,152,438.62</u>																		
RECOMMENDATION	<p>Credit Review Committee recommends approval.</p>																				

**ILLINOIS FINANCE AUTHORITY
 BOARD SUMMARY
 July 14, 2016**

Project: Washington and Jane Smith Community – Beverly d/b/a Smith Village

STATISTICS

Project Number: 12344	Amount: \$35,000,000 (not-to-exceed amount)
Type: 501(c)(3) Revenue Bonds	IFA Staff: Pam Lenane
Location: Chicago	County/Region: Cook County/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

Voting Record (June 9, 2016) – Preliminary Bond Resolution – 9 Yeas; 0 Nays; 0 Abstain; 5 Absent (Fuentes, Horne, O’Brien, Tessler, Yonover); 1 Vacancy.

PURPOSE

Bond proceeds will be used by **Washington and Jane Smith Community – Beverly d/b/a Smith Village** (the “Corporation” the “Borrower” or “Smith Village”) to (i) currently refund the Series 2005A Illinois Finance Authority Bonds (“Prior Bonds”), (ii) currently refund the Series 2005B-2 Illinois Finance Authority Bonds (“Prior Bonds”), and (iii) pay for a portion of the costs of issuance.

IFA PROGRAM AND CONTRIBUTION

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

VOLUME CAP

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

ESTIMATED SOURCES AND USES OF FUNDS

<u>Sources:</u>		<u>Uses:</u>	
IFA Bonds	\$32,165,000.00	Refunding of Series 2005A IFA Bonds	\$30,500,000.00
Transfer from Series 2005 Trustee-Held Funds	<u>3,987,438.62</u>	Refunding of Series 2005B-2 IFA Bonds	5,000,000.00
		Costs of Issuance	<u>\$652,438.62</u>
Total	<u>\$36,152,438.62</u>	Total	<u>\$36,152,438.62</u>

JOBS

Current employment: 271	Projected new jobs: N/A
Jobs retained: N/A	Construction jobs: N/A

FINANCING SUMMARY

Structure:	The plan of finance contemplates the direct purchase of the Series 2016 Bonds, issued in one or more series, by First Midwest Bank and First Merit Bank. The Bonds will be secured by a first mortgage on (i) Borrower’s interest in the community and all fixtures and property, (ii) all assets of the Borrower including inventory, accounts receivable, leasehold improvements and equipment and (iii) pledge of gross revenues including an assignment of interest in all rents and leases.
Interest Rate:	First Midwest Bank and First Merit Bank will set the rate on the day of pricing.
Interest Rate Modes:	The Bonds will be issued as floating rate debt and swapped to fixed rate debt.
Underlying Ratings:	Smith Village is currently non-rated.
Maturity:	The final maturity on the debt is expected to be no later than August 1, 2046 (i.e., 30 years)
Estimated Closing Date:	August 2016

PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

Bond proceeds will be used by **Washington and Jane Smith Community – Beverly d/b/a Smith Village** (the “**Corporation**” the “**Borrower**” or “**Smith Village**”) to (i) currently refund the Series 2005A Illinois Finance Authority Bonds (“Prior Bonds”), (ii) currently refund the Series 2005B-2 Illinois Finance Authority Bonds (“Prior Bonds”), and (iii) pay for a portion of the costs of issuance.

BUSINESS SUMMARY

Washington and Jane Smith Community – Beverly d/b/a Smith Village, is an Illinois not-for-profit corporation. Smith Village is located in Chicago’s Beverly neighborhood and operates a continuing care retirement community consisting of 149 independent living units, 57 traditional assisted living units, 24 memory care assisted living units, and 100 skilled nursing beds.

Smith Village’s related corporate parent and operating organizations (“Affiliates”) include Washington and Jane Smith Home d/b/a Smith Senior Living, Washington and Jane Smith Community – Orland Park d/b/a Smith Crossing, and Smith Cares LLC. Smith Senior Living is the sole member of Smith Cares, which provides nursing services to residents of Smith Village and Smith Crossing.

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Washington and Jane Smith Community – Beverly d/b/a Smith Village
Site Address:	Smith Village 2320 W 113 th Place Chicago, IL 60643
Contact:	Raymond Marneris Chief Financial Officer Smith Senior Living 2320 W. 113 th Place, Suite 2326 Chicago, IL 60643 773-474-7350 rmarneris@smithseniorliving.org
Website:	www.smithvillage.org

Project name: Washington and Jane Smith Community – Beverly d/b/a Smith Village, Series 2016
Bonds

Organization: Illinois 501(c)(3) Not-for-Profit Corporation

Board Members (501(c)(3)):

Kay E. Thurn, Chair
Steven J. Murphy, Vice Chair
Hugh J. Ahern
Thomas L. Hogan
Ann Haskins
Anne Z. Schaible
Michael P. Stanton

PROFESSIONAL & FINANCIAL

Borrower’s Counsel:	Quarles & Brady LLP	Chicago, IL	Margaret Utterback
Bond Counsel:	Chapman and Cutler LLP	Chicago, IL	John Bibby
Auditor:	CliftonLarsonAllen LLP	Oak Brook, IL	Jim Thomas
Borrower’s Financial Advisor:	Starshak Winzenburg & Co.	Chicago, IL	Joe Starshak
Placement Agent:	B.C. Ziegler and Company	Chicago, IL	Steve Johnson
Banks:	First Midwest Bank	Itasca, IL	Mike Taylor
	FirstMerit Bank	Chicago, IL	Timothy Fossa
Bank Counsel:	Chapman and Cutler LLP	Chicago, IL	Carol Thompson
Bond Trustee:	Wells Fargo Corporate Trust Services	Chicago, IL	Scott Wells
IFA Counsel:	Sanchez Daniels & Hoffman LLP	Chicago, IL	John Cummins
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Phoebe S. Selden

LEGISLATIVE DISTRICTS

Congressional: 1
State Senate: 14
State House: 27

[Space Intentionally Left Blank]

