



April 13, 2017

**\$10,000,000 (not-to-exceed amount)**  
**Muirfield West LLC (Camcraft, Inc. Project)**

<b>REQUEST</b>	<p><b>Purpose:</b> The Bonds will be issued in one or more series and proceeds will be loaned to <b>Muirfield West LLC</b>, an Illinois limited liability company (the “<b>Borrower</b>”), for the purpose of providing the Borrower with all or a portion of the funds for the purpose of assisting in financing all or a portion of the costs of (i) the acquisition of currently vacant land and the construction thereon of an approximately 100,000 square foot (“SF”) building to be located in Brewster Creek Business Park Bartlett (DuPage County), Illinois, the acquisition and installation of equipment for use therein, all to be used as manufacturing facilities (the “<b>Project</b>”), to be owned by the Borrower and leased from the Borrower for operation by (i) <b>Camcraft, Inc.</b>, an Illinois corporation (“<b>Camcraft</b>”) for producing engine components for cars, trucks, and construction equipment with its street address being 1367 Schiferl Road, Bartlett, Illinois, within the Brewster Creek Business Park, and (ii) <b>Matrix Design LLC</b>, an Illinois limited liability company (“<b>Matrix</b>”) for developing and building robotic automation systems with its street address being 1361 Schiferl Road, Bartlett, Illinois, within the Brewster Creek, Business Park, and to pay all or a portion of permissible costs relating to the issuance of the Bonds.</p> <p><b>Program:</b> Industrial Revenue Bonds</p> <p><b>Volume Cap required:</b> This Project is expected to require up to \$9.3 million of 2017 IFA Volume Cap.</p> <p>No IFA Funds at risk. No State Funds at risk.</p>																
<b>BOARD ACTION</b>	<p><b>Request for Final Bond Resolution</b></p> <p><b>Preliminary Bond Resolution – June 11, 2015:</b> 9 Yeas; 0 Nays; 0 Answering Present; 3 Absent (Goetz; Knox; Leonard); 3 Vacancies</p> <p><b>Material Changes:</b> refinement in project description, budget, and jobs; addition of Matrix Design LLC as a second affiliated tenant of the Borrower.</p>																
<b>JOB DATA (SEE P. 3 FOR EXPLANATION)</b>	<table border="0"> <tr> <td>359 (Hanover Park and South Elgin)</td> <td>Current jobs</td> <td>5-15 (<i>plus 145 transfers from existing locations</i>)</td> <td>New jobs projected - Bartlett (within 2 years of completion)</td> </tr> <tr> <td>N/A</td> <td>Retained jobs</td> <td>30 avg. (50 peak)</td> <td>Construction jobs projected (8 months)</td> </tr> </table>	359 (Hanover Park and South Elgin)	Current jobs	5-15 ( <i>plus 145 transfers from existing locations</i> )	New jobs projected - Bartlett (within 2 years of completion)	N/A	Retained jobs	30 avg. (50 peak)	Construction jobs projected (8 months)								
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N/A	Retained jobs	30 avg. (50 peak)	Construction jobs projected (8 months)														
<b>BORROWER DESCRIPTION</b>	<ul style="list-style-type: none"> <li>Type of business: Camcraft is a manufacturer of precision machined engine components for Original Equipment Manufacturers (OEMs) in the automotive, heavy duty truck, and construction equipment markets while Matrix designs and manufactures robotic automation systems. Many of Camcraft and Matrix’ customers are among the largest industrial companies in the world and include Caterpillar, Cummins, Eaton, GM, and Parker Hannifin.</li> <li>Location: Bartlett/DuPage/Northeast</li> <li>The proposed project will enable both Camcraft, Inc. (and its Matrix Design LLC affiliate) to expand manufacturing capacity and capabilities, while supporting additional customer growth and new customer product development plans.</li> </ul>																
<b>CREDIT INDICATORS</b>	<ul style="list-style-type: none"> <li>The Series 2017 Bonds will be purchased directly by First American Bank Corporation (“First American”). First American is the primary relationship bank and provides the Borrower (and affiliates) with loans and other credit facilities. (As with all of the Authority’s privately-held manufacturing borrowers, the Borrower and its affiliates are not rated entities.)</li> </ul>																
<b>STRUCTURE</b>	<ul style="list-style-type: none"> <li>Term: 21 year final maturity (April 2038)</li> <li>Rate: The Series 2017 Bonds will be issued in one or more series and purchased directly by First American Corp. The Bonds are expected to bear an interest rate ranging between 2.75% and 3.75% for the initial term (through April 2028).</li> </ul>																
<b>SOURCES AND USES</b>	<table border="0"> <tr> <td><b>Sources:</b></td> <td></td> <td><b>Uses:</b></td> <td></td> </tr> <tr> <td>IFA Bond</td> <td>\$9,300,000</td> <td>New Project</td> <td>\$12,220,000</td> </tr> <tr> <td>Equity</td> <td><u>3,104,000</u></td> <td>Costs of Issuance</td> <td><u>184,000</u></td> </tr> <tr> <td><b>Total</b></td> <td><b><u>\$12,404,000</u></b></td> <td><b>Total</b></td> <td><b><u>\$12,404,000</u></b></td> </tr> </table>	<b>Sources:</b>		<b>Uses:</b>		IFA Bond	\$9,300,000	New Project	\$12,220,000	Equity	<u>3,104,000</u>	Costs of Issuance	<u>184,000</u>	<b>Total</b>	<b><u>\$12,404,000</u></b>	<b>Total</b>	<b><u>\$12,404,000</u></b>
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<b>RECOMMENDATION</b>	<p>Credit Review Committee recommends approval.</p>																

**ILLINOIS FINANCE AUTHORITY**  
**BOARD SUMMARY**  
**April 13, 2017**

**Project: Muirfield West LLC  
(Camcraft, Inc. Project)**

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**STATISTICS**

IFA Project:	I-ID-TE-CD-8740/12285	Amount:	\$10,000,000 ( <i>not-to-exceed amount</i> )
Type:	Industrial Revenue Bonds	IFA Staff:	Rich Frampton and Brad R. Fletcher
Location:	Bartlett	County/	
		Region:	DuPage / Northeast

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**BOARD ACTION**

Final Bond Resolution	
Conduit Industrial Revenue Bond	No IFA funds at risk
Credit Review Committee recommends approval	No extraordinary conditions

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**VOTING RECORD**

Preliminary Bond Resolution – June 11, 2015: 9 Yeas; 0 Nays; 0 Answering Present; 3 Absent (Goetz; Knox; Leonard); 3 Vacancies

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**PURPOSE**

Bond proceeds will be loaned to **Muirfield West LLC**, an Illinois limited liability company (the “**Borrower**” and “**Project Owner**”), and an affiliate of **Camcraft, Inc. and Matrix Design LLC** (together, Camcraft and Matrix are the “**Tenants**”, “**Operating Companies**”, and “**Corporate Guarantors**”) for the purpose of providing the Borrower with all or a portion of the funds for the purpose of assisting in financing all or a portion of the costs of acquiring land, and constructing and equipping a new manufacturing facility to be owned by the Borrower and leased to the Operating Companies and to be located in the Brewster Lake Business Park in Bartlett (DuPage County), Illinois, paying capitalized interest, and paying bond issuance costs (collectively, the “**Financing Purposes**”).

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**IFA PROGRAM AND CONTRIBUTION**

The Authority’s Industrial Revenue Program provides tax-exempt financing for qualifying manufacturing projects.

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**VOLUME CAP**

The Authority’s Industrial Revenue Bond Program provides low interest rate financing for qualifying manufacturing projects. IFA’s issuance of the Industrial Revenue Bond will enable the Borrower to obtain a lower interest rate on this capital project. IFA will provide up to \$9.3 million of 2017 Volume Cap for the project.

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**SOURCES AND USES OF FUNDS**

<b>Sources:</b>		<b>Uses:</b>	
IFA Bond	\$9,300,000	New Project Cost:	\$12,220,000
Equity	<u>3,104,000</u>	Costs of Issuance:	<u>184,000</u>
<b>Total</b>	<b><u>\$12,404,000</u></b>	<b>Total</b>	<b><u>\$12,404,000</u></b>



Camcraft, Inc. was established in 1950. Camcraft and Matrix will each be an Operating Company/Corporate Guarantor/Lessee of the Project.

Owners of 7.5% or more of (i) Muirfield West LLC, (ii) Camcraft, Inc., and (iii) Matrix Design LLC are identified in the Economic Disclosure Statement section of this report (see pp. 5-6).

**Background:** **About Camcraft, Inc.:** Camcraft was purchased by the Bertsche family in 1986. At that time the Company employed 50. Poised for growth, the Bertsche family relocated Camcraft to expanded facilities in Hanover Park, where the Company now employs 249 (with 35 due to transfer to the new manufacturing facility financed with the Series 2017 Bonds upon completion; the new Bartlett facility is located 6 miles due west of Camcraft's Hanover Park facility).

Camcraft works with its OEM customers to design, engineer, and manufactures precision machined components for cars, heavy duty trucks, and construction equipment. Applications include fuel injector bodies and nozzles, control valves (used in variable valve timing, stability control systems, and continuously variable transmissions), hydraulic components for industrial applications, and large scale products (e.g., fuel system parts for diesel locomotives and marine engine high pressure pumps and other industrial applications). Customers are concentrated in North America and include many of the largest OEM manufacturers in the world (including Caterpillar and Cummins).

**Prior IFA (IDFA) Series 1993 Bonds for Camcraft, Inc.:** In December 1993, the Illinois Development Finance Authority issued \$4.2 million of Industrial Revenue Bonds on behalf of Camcraft, the proceeds of which were used to finance the acquisition of manufacturing equipment and various improvements. Camcraft redeemed its IDFA Series 1993 Bonds as of 11/1/2011 (almost 3 years in advance of 7/1/2014, the original final maturity date). All payments were made as scheduled.

**Website link** (home page scans the factory floor and demonstrates jobs in process): [www.camcraft.com](http://www.camcraft.com). Also see YouTube.com – type “Camcraft, Inc.” in search box.

**About Matrix Design LLC:** Matrix works closely with end users to develop, build, and install robotic automation systems. Specializing in machine tending, deburring, and a range of material handling systems, Matrix has built a reputation for designing and delivering the most optimal and robust industrial automation systems to manufacturers worldwide. Matrix customers include Borg Warner, Cummins, Inc., Eaton, Inc., Fiat Chrysler, General Motors Corp., and Parker Hannifin. Matrix currently employs 110, all of whom will relocate to the new combined Camcraft/Matrix Design LLC building in Bartlett.

Matrix has been affiliated under common ownership with Camcraft and Muirfield West LLC since 2013.

**Website link:** [www.matrixdesignllc.com](http://www.matrixdesignllc.com). Also see YouTube at the following link (or type “Matrix Design, LLC” in search box:  
[https://www.youtube.com/channel/UCi\\_Mz4TBvPnYXMdZjA0nVaA](https://www.youtube.com/channel/UCi_Mz4TBvPnYXMdZjA0nVaA)

**Rationale:** This Project will enable both Camcraft, Inc. and its Matrix Design LLC affiliate to diversify and expand manufacturing capabilities and capacity in order to satisfy customer demand. Tax-exempt Industrial Revenue Bond financing will enable the companies to finance this capital expansion project at the lowest possible interest cost. Camcraft and Matrix will each be able to divert savings attained with the IFA Bonds to invest in additional equipment or other capital expenditures.

Camcraft's operations are currently based in an approximately 85,000 SF facility at 1080 Muirfield Dr., Hanover Park. The new Bartlett facility will be located approximately 6.1 miles west of Camcraft's Hanover Park facility, thereby enabling the Hanover Park facility to provide engineering and other technical support to the new, Bartlett facility.

Additionally, the new facilities will enable Camcraft's Matrix Design LLC automation equipment affiliate to expand its production capacity while providing room to accommodate future expansion. Matrix currently operates in approximately leased space totaling approximately 35,000 SF and is located approximately 6.2 miles west of the new subject project in Bartlett (and approximately 12.3 miles west of Camcraft's existing facility in Hanover Park).

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### PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

Bond proceeds will be loaned to **Muirfield West LLC**, an Illinois limited liability company (the "**Borrower**"), for the purpose of providing the Borrower with all or a portion of the funds for the purpose of assisting in financing all or a portion of the costs of (i) the acquisition of currently vacant land and the construction thereon of an approximately 100,000 square foot ("SF") building to be located in Brewster Creek Business Park Bartlett (DuPage County), Illinois, the acquisition and installation of equipment for use therein, all to be used as manufacturing facilities (the "**Project**"), to be owned by the Borrower and leased from the Borrower for operation by (i) **Camcraft, Inc.**, an Illinois corporation ("**Camcraft**") for producing engine components for cars, trucks, and construction equipment with its street address being 1367 Schiferl Road, Bartlett, Illinois, within the Brewster Creek Business Park, and (ii) **Matrix Design LLC**, an Illinois limited liability company ("**Matrix**") for developing and building robotic automation systems with its street address being 1361 Schiferl Road, Bartlett, Illinois, within the Brewster Creek, Business Park, and to pay all or a portion of permissible costs relating to the issuance of the Bonds.

Muirfield West LLC is a special purpose entity formed in 1986 by the principal owners of Camcraft, Inc. to develop, construct, finance, and own a manufacturing facility for lease to Camcraft, Inc. and to other Camcraft affiliates (including Matrix Design LLC).

Estimated Project costs consist of the following (subject to change):

Land	\$1,584,000
Building (including Arch./Eng./Pre-Devel. Costs)	9,836,000
Machinery & Equipment	<u>800,000</u>
<b>Total New Money Project Costs</b>	<b><u>\$12,220,000</u></b>

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### ECONOMIC DISCLOSURE STATEMENT

Applicant: Muirfield West LLC, c/o Mr. James O'Donnell, Vice President, Camcraft, Inc., 1080 Muirfield Drive, Hanover Park (DuPage County), IL 60153; Ph.: 630-263-1376

Website: [www.camcraft.com](http://www.camcraft.com)

Project name: IFA Industrial Revenue Bond (Camcraft, Inc. Project) - Series 2017

Locations: 1361 Schiferl Rd. and 1367 Schiferl Rd., Brewster Creek Business Park, Bartlett (DuPage County), IL 60103

Ownership

Information: All management employees or individuals holding a 7.5% or greater ownership (or LLC membership) interest (i.e., IFA's private company disclosure threshold) in Muirfield West LLC, Camcraft, Inc., and Matrix Design LLC are listed below:

**Muirfield West LLC**, an Illinois limited liability company (Borrower/Obligor and Lessor):

- Michael Bertsche, West Chicago, IL
- Patrick Bertsche, St. Charles, IL
- Daniel Bertsche, West Chicago, IL
- William Bertsche, Wood Dale, IL
- Lorraine Miller, West Chicago, IL

**Camcraft, Inc.**, an Illinois Corporation (Operating Company/Corporate Guarantor and Lessee/Tenant):

- Michael Bertsche, West Chicago, IL
- Patrick Bertsche, St. Charles, IL
- Bernard Bertsche, Campton Hills, IL

**Matrix Design LLC**, an Illinois limited liability company (Operating Company/Corporate Guarantor and Lessee/Tenant):

- Michael Bertsche, West Chicago, IL
- Patrick Bertsche, St. Charles, IL
- Bernard Bertsche, Campton Hills, IL

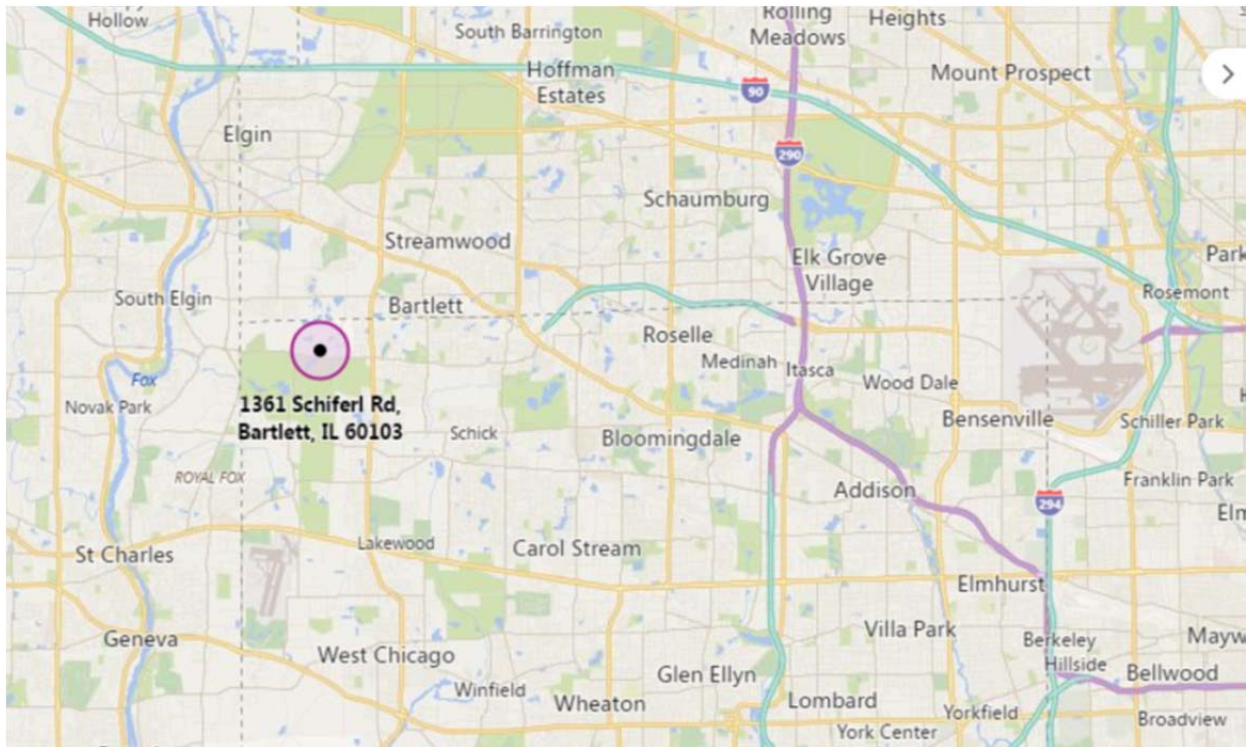
**PROFESSIONAL & FINANCIAL**

Borrower’s Counsel:	Momkus McClusky LLC	Lisle, IL	Raya Bogard
External CPA:	CGJ Partners, LLP	Schaumburg, IL	Richard DeMayo
Bank (Direct Purchaser/ Lender):	First American Bank Corp.	Elk Grove Village, IL	Steve Eikenberry, Ross VanBeek
Bond Counsel:	Greenberg Traurig LLP	Chicago, IL	Tom Smith
Bank Counsel:	First American Bank Corp. (in-house)	Elk Grove Village, IL	James Berton
IFA Counsel:	Hart Southworth & Witsman	Springfield, IL	Sam Witsman
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Phoebe Selden

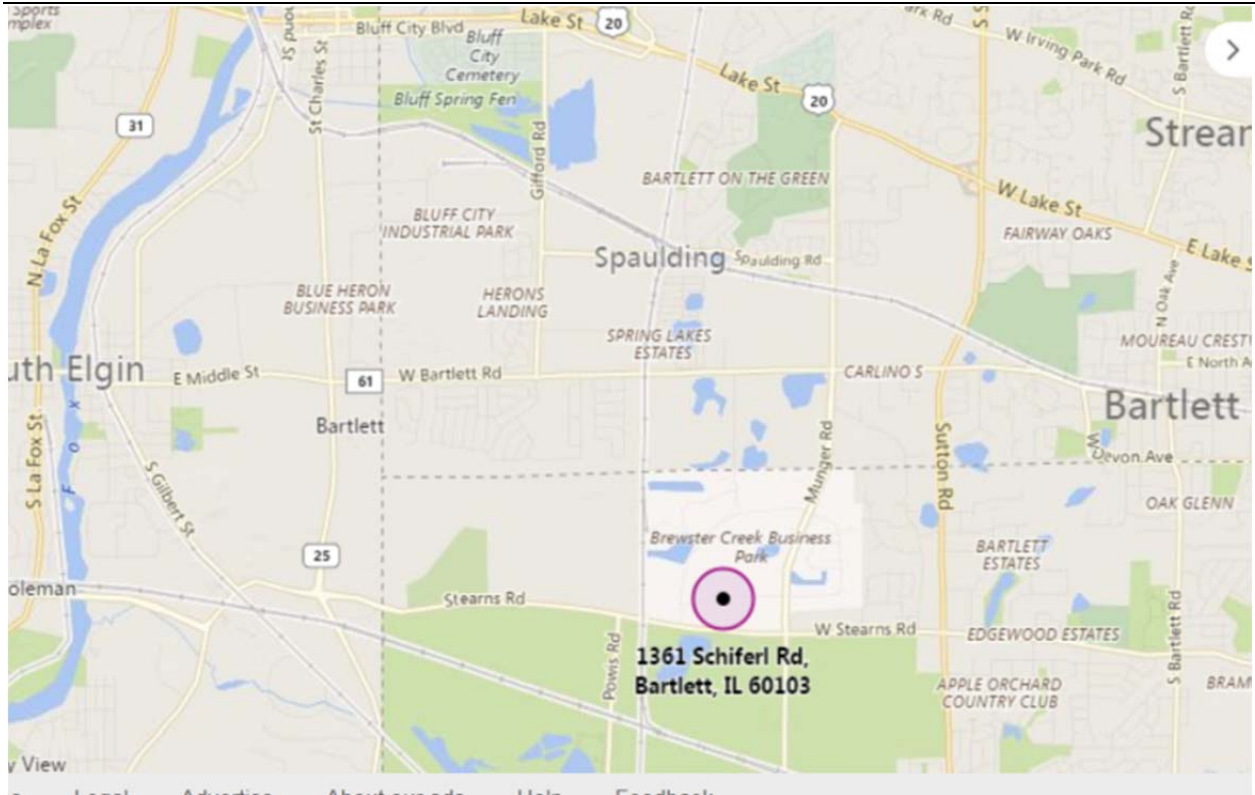
**LEGISLATIVE DISTRICTS**

Congressional:	6
State Senate:	25
State House:	49

**PROJECT LOCATION – Area Map and Local Map**

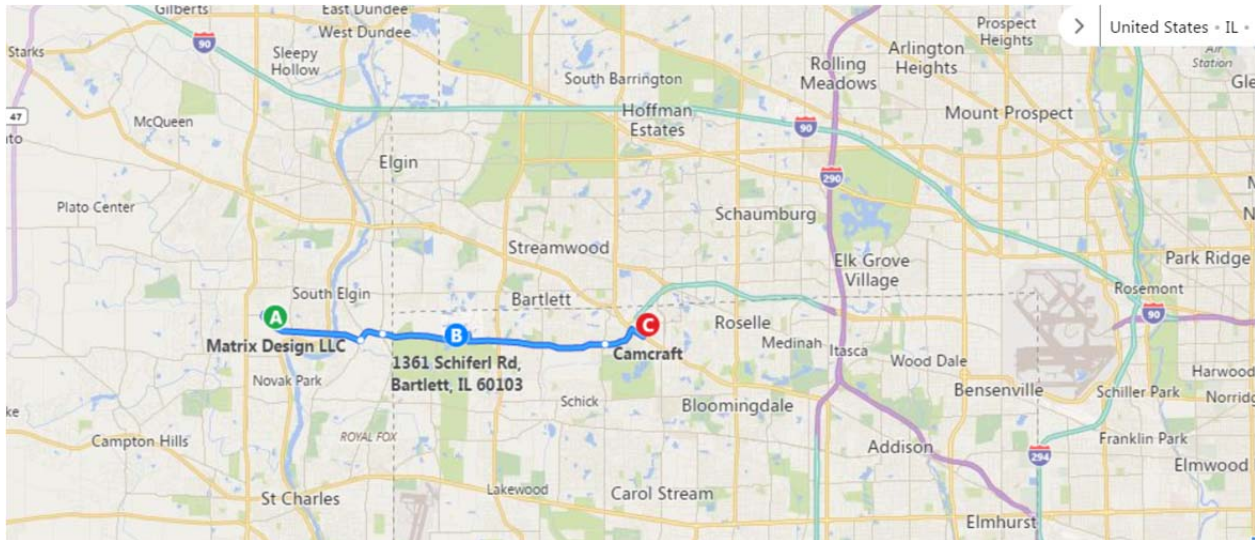


Source: Bing Maps



Source: Bing Maps

**Map of all 3 Sites- see below:** (A) South Elgin (Matrix Design- leased)  
(B) New Bartlett Facility (Camcraft & Matrix Design)  
(C) Existing Camcraft Facility (HQ) – primary mfg. facility



Source: Bing Maps