ILLINOIS FINANCE AUTHORITY

Tuesday, January 8, 2013

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 PROJECTS

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
Beginning Farmer Bonds *Final (One-Time Consideration)*						
1	a) Steven R. Herrington	Paris Township (Edgar County)	$337,500	-	-	JS/LK
	b) Keeley Michael Kabala	Atkinson Township (Henry County)	$346,800	-	-	JS/LK
TOTAL AGRICULTURE PROJECTS			**$684,300**	**-**	**-**	

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

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
501(c)(3) Revenue Bonds *Preliminary*						
2	American College of Chest Physicians	Glenview (Cook County)	$18,000,000	16	100	RF/BF
TOTAL EDUCATIONAL, CULTURAL, AND NON-HEALTHCARE 501(c)(3) PROJECTS			**$18,000,000**	**16**	**100**	

HEALTHCARE PROJECTS

Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
501(c)(3) Revenue Bonds *Final*						
3	Franciscan Communities, Inc.	Multiple (Cook, Lake, Will Counties)	$160,000,000	N/A	N/A	PL/NO
501(c)(3) Revenue Bonds *Final (One-Time Consideration)*						
4	Northwestern Memorial HealthCare	Chicago (Cook County)	$150,000,000	N/A	NA	PL/NO
501(c)(3) Revenue Bonds *Preliminary*						
5	Plymouth Place, Inc.	La Grange Park (Cook County)	$35,000,000	N/A	N/A	PL/NO
TOTAL HEALTHCARE PROJECTS			**$345,000,000**	**-**	**-**	
GRAND TOTAL			**$363,684,300**	**16**	**100**	

PROJECT REPORTS AND RESOLUTIONS

RESOLUTIONS

Tab	Action	FM
Resolutions		
6	Resolution Authorizing the Execution and Delivery of an Amendment to the Trust Indenture and Related Documents and Related Matters regarding IFA Series 2008A (Advocate Health Care Network) to Provide Additional Flexibility in Pricing any Remarketed Bonds	PL/NO
7	Resolution Authorizing the Execution and Delivery of a Reissuance Tax Exemption Agreement in Connection with Reissuance for Purposes of Federal Income Taxation of Illinois Health Facilities Authority Revenue Bonds, Series 2003A-1 (Villa St. Benedict Project)	PL/NO

ILLINOIS FINANCE AUTHORITY

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

January 8, 2013

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

RE: Message from the Executive Director

Dear Members of the Authority:

We begin calendar year 2013 with cautious optimism. Total dollar volume of conduit bonds issued by the Authority increased in calendar year 2012 to $2.488 billion from $2.023 billion in calendar year 2011. Likewise, nominal bond issues (excluding beginning farmer bonds) increased to 41 in calendar year 2012 from 28 in calendar year 2011. While both metrics are imperfect measures of the Authority's overall public policy impact as well as its financial stability, both illustrate a positive picture that is reflected in the Authority's revenues through the end of calendar year 2012 - despite continuing difficult economic circumstances.

As to the fiscal cliff, congressional action on January 1, 2013 had little market impact on municipal conduit debt. Also, while the immediate threat to federal tax-exemption of conduit bonds (and to conduit borrowers that rely on federal funding) has temporarily receded, history suggests that as long as large federal deficits persist, so will discussions on all direct and indirect federal expenditures (including municipal bond debt).

Moreover, Congress did not address corporate tax rates, but rather only individual tax rates on January 1, 2012. In the future, any action with respect to corporate tax rates could impact the increasing percentage of the Authority's bond volume structured as bank direct-purchases (approximately $582 million in calendar year 2012).

Finally, we congratulate incoming members of the 98th General Assembly who will be sworn into office on January 9, 2012. We look forward to working with all members of the General Assembly over the next two years to finance capital projects that retain and create jobs for the people of Illinois. We also thank departing members of the 97th General Assembly for their public service and their past support of the Authority and its initiatives.

I look forward to working with the members of the Authority as well as our borrowers and public finance professionals to promote job creation and retention through tax-exempt financing over the next twelve months.

Respectfully,

Christopher B. Meister
Executive Director

Attachments:

Attachment 1 – Board of Directors Dashboard

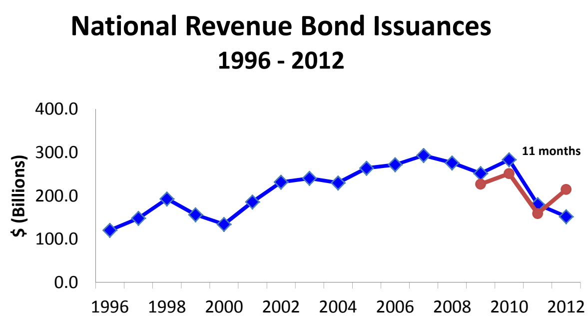
Attachment 2 – Quarterly Bonds Activity Report

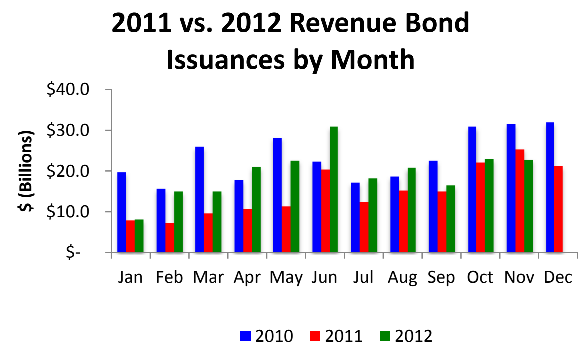
Attachment 3 – Monthly Bonds Activity Report; Schedule of Debt

Illinois Finance Authority
Board of Directors "Dashboard"
December 31, 2012

Section 1: National Market Analysis

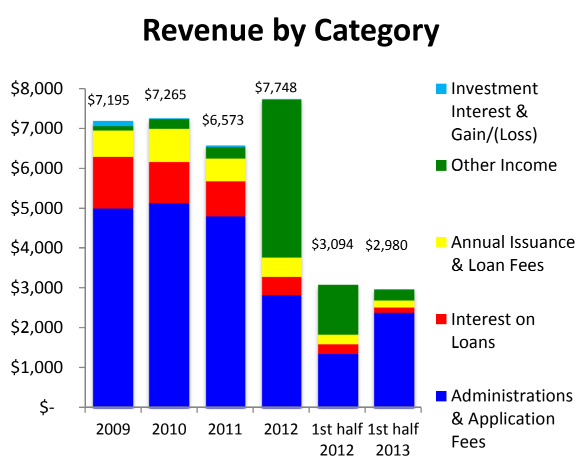
- Revenue Bonds issued in Calendar Year 2012 issuances up 34.9% over same period in Calendar Year 2011.
- Overall Revenue Bond issuance are up over prior period; November Revenue Bonds issued dropped slightly.

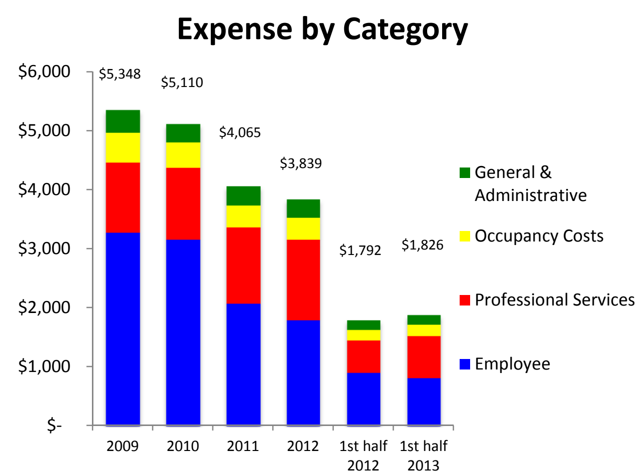


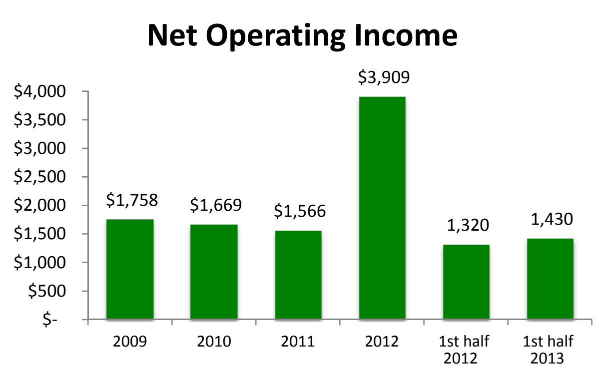


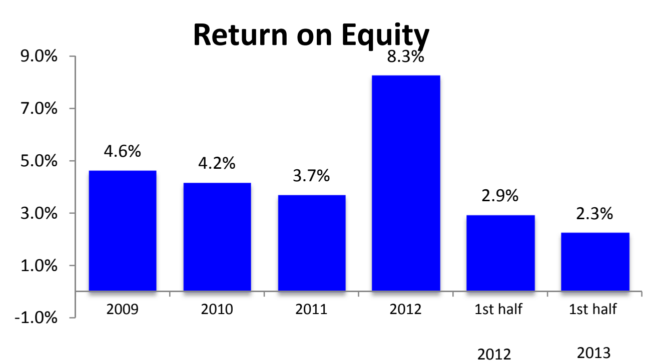
Section 2: IFA Operational Analysis

- In comparing FY12 2nd quarter and FY13 2nd quarter; revenues have decreased by 3.71% due to the SEC settlements received in FY12. Howerever, Administrative/Closing fees have increased by 77.46% for the same time period.
- Expenses have increased by 4.70% due to professional services. However, in comparing FY13 actual to FY13 budget, expenses have increased by only 2.31%.
- Net Income has increased by 8.30% due to the transfers and termination of inactive programs.





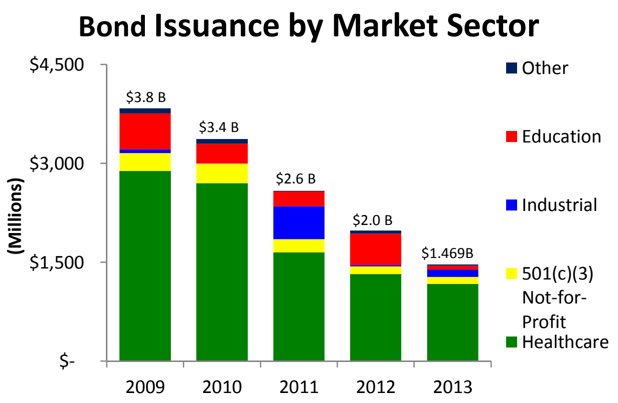


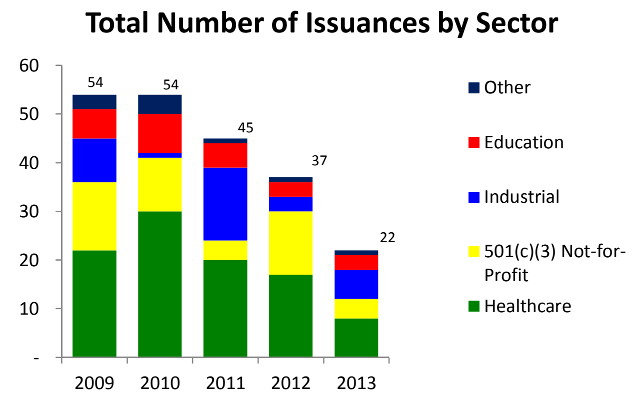


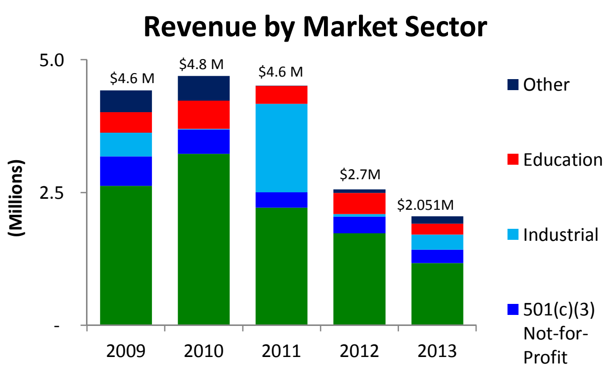
Illinois Finance Authority
Board of Directors "Dashboard"
December 31, 2012

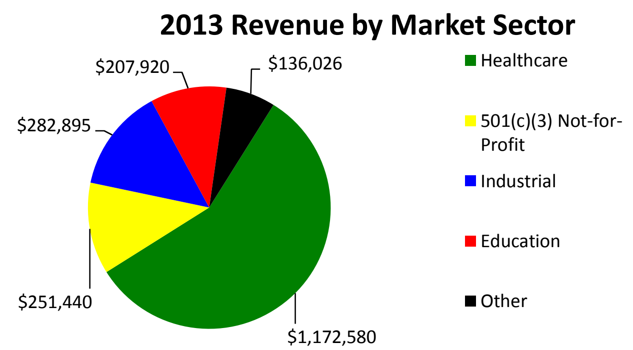
Section 3: Revenue Analysis

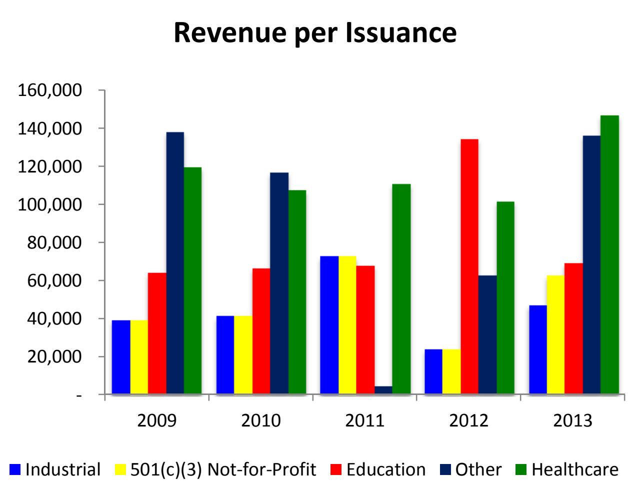
- Healthcare continues to drive the largest dollar volume of issuances and total revenue by sector.

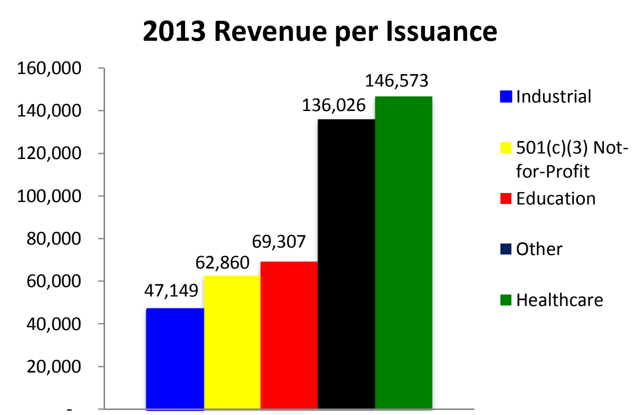












Principal Issued by Month *											
		Year									
Month	Data	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
January	Sum of Principal	-	138,085,000	98,670,000	13,680,000	122,870,000	723,895,000	252,800,000	-	1,000,000	-
	Sum of % of Change			-28.5%	-86.1%	798.2%	489.2%	-65.1%	-100.0%	100.0%	
February	Sum of Principal	22,950,000	31,714,000	85,235,000	243,775,000	57,235,000	383,520,000	233,982,400	224,050,000	437,570,000	-
	Sum of % of Change		38.2%	168.8%	186.0%	-76.5%	570.1%	-39.0%	-4.2%	95.3%	
March	Sum of Principal	72,920,000	243,620,900	221,200,000	429,933,900	67,400,000	647,005,000	43,610,000	177,225,000	40,873,200	-
	Sum of % of Change		234.1%	-9.2%	94.4%	-84.3%	859.9%	-93.3%	306.4%	-76.9%	
April	Sum of Principal	87,500,000	54,890,000	53,160,378	204,725,000	1,217,254,000	504,000,000	277,283,662	-	63,965,000	-
	Sum of % of Change		-37.3%	-3.2%	285.1%	494.6%	-58.6%	-45.0%	-100.0%	100.0%	
May	Sum of Principal	1,112,926,171	374,980,000	67,930,000	239,097,750	1,168,925,000	108,194,732	405,288,433	545,185,000	368,601,000	-
	Sum of % of Change		-66.3%	-81.9%	252.0%	388.9%	-90.7%	274.6%	34.5%	-32.4%	
June	Sum of Principal	62,305,000	137,165,000	131,900,914	394,513,530	817,587,000	475,200,000	287,150,000	120,000,000	106,695,000	-
	Sum of % of Change		120.2%	-3.8%	199.1%	107.2%	-41.9%	-40.1%	-58.2%	-11.1%	
July	Sum of Principal	109,045,000	370,370,000	183,955,000	149,165,000	56,242,400	382,477,000	284,660,000	-	51,590,000	-
	Sum of % of Change		239.6%	-50.3%	-18.9%	-62.3%	580.1%	-25.6%	-100.0%	100.0%	
August	Sum of Principal	77,395,000	317,680,000	416,886,100	695,600,000	110,315,000	383,766,653	172,185,000	195,053,000	-	-
	Sum of % of Change		310.5%	31.2%	66.9%	-84.1%	247.9%	-55.1%	13.3%	-100.0%	
September	Sum of Principal	195,595,000	199,800,000	34,525,000	65,406,650	186,705,000	-	72,000,000	225,430,000	302,335,000	-
	Sum of % of Change		2.1%	-82.7%	89.4%	185.5%	-100.0%	100%	213%	34.1%	
October	Sum of Principal	17,095,000	78,070,000	303,685,000	747,030,000	112,905,000	185,370,000	302,020,000	296,035,000	659,135,000	-
	Sum of % of Change		356.7%	289.0%	146.0%	-84.9%	56.7%	70.8%	-2.0%	122.7%	
November	Sum of Principal	674,465,000	72,530,000	134,980,000	34,691,195	90,609,000	240,000,000	314,850,000	11,540,000	349,412,280	-
	Sum of % of Change		-89.2%	86.1%	-74.3%	161.2%	164.9%	31.2%	-96.3%	2927.8%	
December	Sum of Principal	275,415,000	655,400,000	435,050,000	765,246,784	431,000,000	668,404,820	363,412,184	228,053,846	106,400,068	-
	Sum of % of Change		138.0%	-33.6%	75.9%	-43.7%	55.1%	-45.6%	-37.2%	-53.3%	
Total Sum of Principal		2,707,611,171	2,674,304,900	2,167,177,392	3,982,864,809	4,439,047,400	4,701,833,205	3,009,241,679	2,022,571,846	2,487,576,548	-

"Sum of % of Change" reflects the percent of increase/decrease over the same month in the prior year.

* Does not include Beginner Farmer Bonds issued.

Bonds Issued by Quarter - Calendar Year										
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
1st Quarter	95,870,000	413,419,900	405,105,000	687,388,900	247,505,000	1,754,420,000	530,392,400	401,275,000	479,443,200	0
2nd Quarter	1,262,731,171	567,035,000	252,991,292	838,336,280	3,203,766,000	1,087,394,732	969,722,095	665,185,000	539,261,000	0
3rd Quarter	382,035,000	887,850,000	635,366,100	910,171,650	353,262,400	766,243,653	528,845,000	420,483,000	353,925,000	0
4th Quarter	966,975,000	806,000,000	873,715,000	1,546,967,979	634,514,000	1,093,774,820	980,282,184	535,628,846	1,114,947,348	0
Total Bonds Issued - Calendar Year	2,707,611,171	2,674,304,900	2,167,177,392	3,982,864,809	4,439,047,400	4,701,833,205	3,009,241,679	2,022,571,846	2,487,576,548	0
% Change over Prior Calendar Year		-1.2%	-19.0%	83.8%	11.5%	5.9%	-36.0%	-32.8%	23.0%	-100.0%

Bonds Issued by Quarter - Fiscal Year										
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
1st Quarter		382,035,000	887,850,000	635,366,100	910,171,650	353,262,400	766,243,653	528,845,000	420,483,000	353,925,000
2nd Quarter		966,975,000	806,000,000	873,715,000	1,546,967,979	634,514,000	1,093,774,820	980,282,184	535,628,846	1,114,947,348
3rd Quarter	95,870,000	413,419,900	405,105,000	687,388,900	247,505,000	1,754,420,000	530,392,400	401,275,000	479,443,200	
4th Quarter	1,262,731,171	567,035,000	252,991,292	838,336,280	3,203,766,000	1,087,394,732	969,722,095	665,185,000	539,261,000	
Total Bonds Issued - Fiscal Year	1,358,601,171	2,329,464,900	2,351,946,292	3,034,806,280	5,908,410,629	3,829,591,132	3,360,132,968	2,575,587,184	1,974,816,046	1,468,872,348
% Change over Prior Fiscal Year		71.5%	1.0%	29.0%	94.7%	-35.2%	-12.3%	-23.3%	-23.3%	53.6%

Bonds Issued by Quarter - New Money - Fiscal Year										
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
1st Quarter		332,815,000	324,575,000	374,952,100	747,011,650	288,012,400	730,989,121	308,265,000	204,298,000	192,931,061
2nd Quarter		648,355,000	693,465,000	448,835,000	979,927,183	541,539,000	615,797,688	897,287,184	325,998,846	559,391,369
3rd Quarter	41,940,000	195,919,900	221,690,000	443,963,900	125,595,000	1,189,598,986	253,995,777	308,290,000	153,628,200	
4th Quarter	785,756,179	451,565,000	223,076,292	623,144,280	1,000,621,000	622,409,732	598,482,095	598,100,000	283,606,000	
Total Bonds Issued - Fiscal Year	827,696,179	1,628,654,900	1,462,806,292	1,890,895,280	2,853,154,833	2,641,560,118	2,199,264,680	2,111,942,184	967,531,046	752,322,430
% Change over Prior Fiscal Year		96.8%	-10.2%	29.3%	50.9%	-7.4%	-16.7%	-4.0%	-33.7%	41.9%

Principal Issued/Bonds Refunded by Month

	Year									
Month	2004	2005	2006	2007	2008	2009	2010	2011	2012	
January	-	138,085,000	98,670,000	13,680,000	122,870,000	723,895,000	252,800,000	-	1,000,000	Principal
	-	25,755,000	13,285,000	-	-	205,350,000	155,775,000	-	1,000,000	Refunded
February	22,950,000	31,714,000	85,235,000	243,775,000	57,235,000	383,520,000	233,982,400	224,050,000	437,570,000	Principal
	-	-	52,945,000	96,220,000	45,210,000	113,100,000	90,946,623	50,600,000	292,880,000	Refunded
March	72,920,000	243,620,900	221,200,000	429,933,900	67,400,000	647,005,000	43,610,000	177,225,000	40,873,200	Principal
	53,930,000	191,745,000	117,185,000	147,205,000	62,800,000	255,325,000	29,675,000	42,385,000	31,935,000	Refunded
April	87,500,000	54,890,000	53,160,378	204,725,000	1,217,254,000	504,000,000	277,283,662	-	63,965,000	Principal
	-	11,540,000	-	62,890,000	1,141,790,000	464,985,000	70,420,000	-	69,685,000	Refunded
May	1,112,926,171	374,980,000	67,930,000	239,097,750	1,168,925,000	108,194,732	405,288,433	545,185,000	368,601,000	Principal
	451,164,992	93,060,000	29,915,000	99,375,000	456,397,500	-	55,940,000	67,460,000	93,290,000	Refunded
June	62,305,000	137,165,000	131,900,914	394,513,530	817,587,000	475,200,000	287,150,000	120,000,000	106,695,000	Principal
	28,810,000	10,870,000	-	46,427,000	605,130,000	-	255,625,000	-	101,960,000	Refunded
July	109,045,000	370,370,000	183,955,000	149,165,000	56,242,400	382,477,000	284,660,000	-	51,590,000	Principal
	-	238,695,000	4,749,000	34,830,000	-	-	211,395,000	-	8,500,000	Refunded
August	77,395,000	317,680,000	416,886,100	695,600,000	110,315,000	383,766,653	172,185,000	195,053,000	-	Principal
	43,000,000	239,225,000	255,665,000	123,830,000	65,250,000	35,254,532	9,185,000	192,190,000	-	Refunded
September	195,595,000	199,800,000	34,525,000	65,406,650	186,705,000	-	72,000,000	225,430,000	302,335,000	Principal
	6,220,000	92,955,000	-	4,500,000	-	-	-	22,335,000	152,493,939	Refunded
October	17,095,000	78,070,000	303,685,000	747,030,000	112,905,000	176,870,000	302,020,000	296,035,000	659,135,000	Principal
	-	-	254,960,000	338,880,796	2,400,000	92,425,000	90,325,000	19,680,000	375,340,000	Refunded
November	674,465,000	72,530,000	134,980,000	34,691,195	90,609,000	240,000,000	314,850,000	11,540,000	349,412,280	Principal
	247,055,000	36,575,000	25,095,000	14,230,000	10,275,000	102,145,000	-	12,740,000	101,122,280	Refunded
December	275,415,000	655,400,000	435,050,000	765,246,784	431,000,000	668,404,820	363,412,184	218,053,846	106,400,068	Principal
	71,565,000	68,360,000	144,825,000	213,930,000	80,300,000	288,007,133	2,100,000	169,270,000	95,810,000	Refunded
Total Sum of Principal	2,707,611,171	2,674,304,900	2,167,177,392	3,982,864,809	4,439,047,400	4,693,333,205	3,009,241,679	2,012,571,846	2,487,576,548	Principal
Total Sum of Refunded	901,744,992	1,008,780,000	898,624,000	1,182,317,796	2,469,552,500	1,556,591,665	971,386,623	576,660,000	1,324,016,219	Refunded
Net Bonds Issued	1,805,866,179	1,665,524,900	1,268,553,392	2,800,547,013	1,969,494,900	3,136,741,540	2,037,855,056	1,435,911,846	1,163,560,329	Issued

Bonds Issued includes the value of the Bonds Refunded.

Bonds Issued and Outstanding
as of December 31, 2012

Bonds Issued Since Inception of Illinois Finance Authority

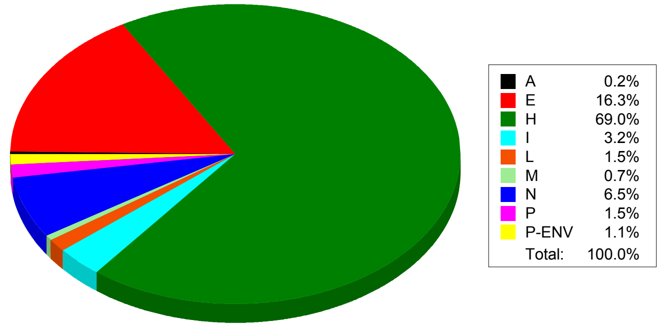
#	Market Sector	Principal Amount ($)
428	Agriculture **	69,471,587
89	Education	4,563,693,100
195	Healthcare *	19,482,691,776
87	Industrial ***	917,516,132
26	Local Government	420,155,000
17	Multifamily/Senior Housing	194,047,900
124	501(c)(3) Not-for Profits	1,867,810,041
11	Exempt Facilities Bonds ***	425,700,000
8	Environmental issued under 20 ILCS 3515/9	326,630,000
985		$ 28,267,715,536

* Includes CCRC's

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

*** Three Peoples Gas bonds moved from Industrial to Exempt Facilities Bonds

Bonds Issued Since Inception



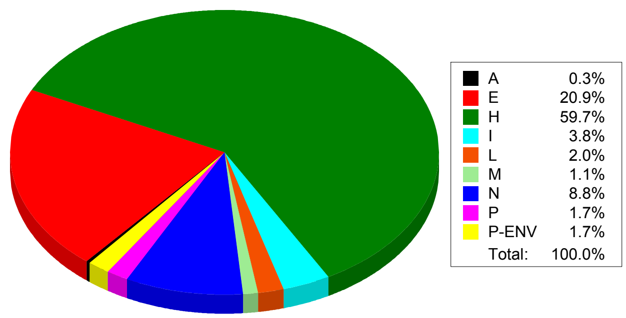
Schedule of Bonds Outstanding by Market Sector
Includes IFA and it's Predecessor Authorities

Market Sector	Amount of Original Issue	Principal Outstanding
Agriculture	270,768,776	82,149,584
Education	5,959,500,730	5,118,947,714
Healthcare *	16,643,823,227	14,593,781,369
Industrial **	1,128,925,218	918,012,214
Local Government	898,218,698	485,115,808
Multifamily/Senior Housing	708,325,396	267,580,668
501(c)(3) Not-for Profits	2,682,846,842	2,149,074,991
Exempt Facilities Bonds **	405,500,000	405,020,000
Environmental issued under 20 ILCS 3515/9	504,095,000	418,210,194
	$ 29,202,003,887	$ 24,437,892,541

* Includes CCRC's

** Three Peoples Gas bonds moved from Industrial to Exempt Facilities Bond

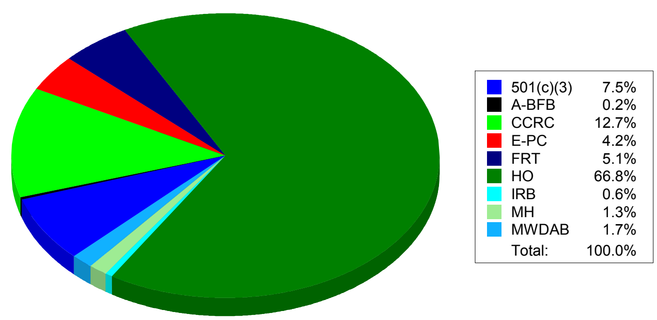
Principal Outstanding by Market Sector



Current Fiscal Year

#	Market Sector	Principal Issued
9	Agriculture - Beginner Farmer	2,557,005
3	Education	61,460,000
6	Healthcare - Hospital	982,530,000
2	Healthcare - CCRC	187,500,068
2	Industrial Revenue	8,112,280
3	Midwest Disaster Area Bonds	25,700,000
1	Freight Transfer Facilities Bonds	75,000,000
4	501(c)(3) Not-for-Profit	109,940,000
1	MultiFamily/Senior Housing	18,630,000
31		$ 1,471,429,353

Bonds Issued - Current Fiscal Year



Bonds Issued between July 01, 2012 and December 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	2,557,005	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
IRB	Freedman Seating Company, Series 2012	09/06/2012	DP-VRB 1.60434%	6,045,000	1,085,000
HO	OSF Healthcare System, Series 2012A	09/26/2012	3.00% to 5.00%	179,845,000	151,408,939
HO	SwedishAmerican Hospital, Series 2012	09/27/2012	4.00% to 5.00%	41,445,000	0
FRT	CenterPoint Joliet Terminal Railroad, Series 2012	09/28/2012	DP-VRB 1.286625%	75,000,000	0
HO	Hospital Sisters Services, Inc., Series 2012A,C,F-I	10/01/2012	DP-VRB 0.8732%	407,835,000	254,980,000
HO	Rosecrance, Inc., Series 2012A&B	10/01/2012	DP-VRB 2.48%	17,360,000	8,200,000
E-PC	Rosalind Franklin University of Medicine & Science, Series 2012	10/02/2012	DP-VRB 1.232%	15,500,000	0
501(c)(3)	Sacred Heart Schools, Series 2012	10/11/2012	DP-VRB 0.91%	20,000,000	20,000,000
MWDAB	ROA Riverside Development, LLC, Series 2012	10/15/2012	DP-VRB 1.87%	10,000,000	0
E-PC	North Park University, Series 2012	10/17/2012	DP-VRB 2.10%	30,000,000	0
501(c)(3)	Art Institute of Chicago, Series 2012A	10/18/2012	3.00% to 5.00%	59,940,000	69,240,000
CCRC	Lutheran Home and Services, Series 2012	10/30/2012	3.00% to 5.75%	98,500,000	23,355,000
IRB	Jonchris, LLC, Series 2012	11/15/2012	DP-VRB 2.20%	2,067,280	2,067,280
HO	Centegra Health System, Series 2012	11/20/2012	4.00% to 5.00%	190,425,000	99,055,000
HO	Advocate Health Care Network, Series 2012	11/29/2012	4.00% to 5.00%	145,620,000	0
MWDAB	Cargill, Incorporated, Series 2012	11/29/2012	VRB 1.55%	11,300,000	0
501(c)(3)	Big Ten Conference, Inc., Series 2012	12/20/2012	DP 2.10%	13,000,000	0
MWDAB	Practice Velocity Holdings, LLC, Series 2012	12/28/2012	DP-VRB LIBOR	4,400,000	0
CCRC	Clare Oaks Project, Series 2012A-C	12/31/2012	7.00%	89,000,068	89,000,068
		Total Bonds Issued as of December 31, 2012		**$ 1,471,429,353**	**$ 726,891,286**

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 December 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
Dolder, Jonathan	10/02/2012	3.00%	446,650	122.00	LaSalle
Chandler, George	11/01/2012	3.40%	488,600	160.00	Henderson
Ellinger, Dustin & Dee	11/13/2012	3.75%	118,000	33.74	Montgomery
Wilson, Matthew D.	12/07/2012	3.25%	75,000	290.00	Jasper & Richland
Landheer, Arian A.	12/07/2012	3.25%	330,000	34.48	Whiteside
Ruppert, Jordan	12/28/2012	4.00%	456,055	157.00	Perry
	Total Beginner Farmer Bonds Issued		**$ 2,557,005**	**1,021.48**	

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.

Agricultural Guarantees Funded between July 01, 2012 and December 31, 2012

Agri Industry Guarantee	Date Funded	Initial Interest Rate	Loan Proceeds	State Guarantee
Roanoke Milling Co.	09/27/2012	5.25%	796,906	677,370
	Total Agri Industry Guarantee		$ 796,906	$ 677,370

Specialized Livestock	Date Funded	Initial Interest Rate	Loan Proceeds	State Guarantee
Duncan, Brian & Kelly	10/01/2012	3.71%	423,000	359,550
J Double R, LLC	10/19/2012	3.75%	1,000,000	850,000
	Total Specialized Livestock		$ 1,423,000	$ 1,209,550
	Total Agriculture Guarantees during the Period		$ 2,219,906	$ 1,886,920

Bonds Issued During the Period

1/1/2012 through 12/31/2012

Bonds	Date Issued	Initial Interest Rate	Principal Issued	Bonds Refunded	Closing Fee	Jobs Created New	Jobs Created Construction
Education-Private College							
University of Chicago, Series 2012A	02/02/2012	2.50% to 5.00%	369,570,000	292,880,000	211,000	39	5,387
Illinois Wesleyan University, Series 2012	05/30/2012	Variable 0.20%	12,900,000	6,275,000	53,700	3	20
Loyola University Chicago, Series 2012B	05/31/2012	2.00% to 5.00%	92,215,000	51,485,000	138,000	25	296
Lake Forest College, Series 2012	07/24/2012	4.25% to 5.75%	15,960,000	0	61,920	3	25
Rosalind Franklin University of Medicine & Science, Series 2012	10/02/2012	DP-VRB 1.232%	15,500,000	0	61,000	19	150
North Park University, Series 2012	10/17/2012	DP-VRB 2.10%	30,000,000	0	85,000	15	11
Education-Private College Issued			**$536,145,000**	**$350,640,000**	**$610,620**	**104**	**5,889**
Education Bonds Issued			**$536,145,000**	**$350,640,000**	**$610,620**	**104**	**5,889**
Healthcare-Continuing Care Retirement Communities							
Lutheran Home and Services, Series 2012	10/30/2012	3.00% to 5.75%	98,500,000	23,355,000	138,000	130	9
Clare Oaks, Series 2012A-C	12/31/2012	7.00%	89,000,068	89,000,068	138,000	0	0
Healthcare-Continuing Care Retirement Communities Issued			**$187,500,068**	**$112,355,068**	**$276,000**	**130**	**9**
Healthcare-Community Provider							
Metropolitan Family Services, Series 2012	06/01/2012	DP-VRB 1.167%	12,700,000	12,700,000	15,400	0	0
Healthcare-Community Provider Issued			**$12,700,000**	**$12,700,000**	**$15,400**	**0**	**0**
Healthcare-Hospitals							
Children's Memorial Hospital, Series 2012A&B	02/28/2012	DP-VRB 0.958%	60,000,000	0	115,000	200	3,000
Edward Hospital, Series 2012	03/02/2012	DP 1.86%	26,025,000	26,025,000	81,025	0	144
Bethesda Home and Retirement Center, Series 2012	03/23/2012	DP 3.09%	1,948,200	0	9,741	0	0
Northwestern Medical Faculty Foundation, Series 2012	04/23/2012	DP-VRB 2.04%	63,965,000	69,685,000	118,695	0	0
Rockford Memorial Hospital, Series 2012	05/02/2012	DP 2.79%	35,075,000	35,530,000	67,556	0	0
Ascension Health Alliance, Series 2012A&E	05/10/2012	5.00%	217,345,000	0	139,115	0	30
University of Chicago Medical Center, Series 2012A	06/28/2012	2.00% to 5.00%	75,155,000	78,205,000	130,155	0	0
OSF Healthcare System, Series 2012A	09/26/2012	3.00% to 5.00%	179,845,000	151,408,939	189,923	6	41
SwedishAmerican Hospital, Series 2012	09/27/2012	4.00% to 5.00%	41,445,000	0	96,445	39	250
Hospital Sisters Services, Inc., Series 2012A,C,F-I	10/01/2012	DP-VRB 0.8732%	407,835,000	254,980,000	211,000	0	700
Rosecrance, Inc., Series 2012A&B	10/01/2012	DP-VRB 2.48%	17,360,000	8,200,000	66,000	0	0
Centegra Health System, Series 2012	11/20/2012	4.00% to 5.00%	190,425,000	99,055,000	195,213	0	0
Advocate Health Care Network, Series 2012	11/29/2012	4.00% to 5.00%	145,620,000	0	138,000	330	427
Healthcare-Hospitals Issued			**$1,462,043,200**	**$723,088,939**	**$1,557,867**	**575**	**4,622**
Healthcare Bonds Issued			**$1,662,243,268**	**$848,144,007**	**$1,849,267**	**705**	**4,631**

ref: T:\Bond Reports\Chris\Re-appointment\Bonds Issued - Annual - Landscape.rpt

Bonds	Date Issued	Initial Interest Rate	Principal Issued	Bonds Refunded	Closing Fee	Jobs Created New	Jobs Created Construction
Industrial-Freight Transfer Facilities Bonds							
CenterPoint Joliet Terminal Railroad, Series 2012	09/28/2012	DP-VRB 1.286625%	75,000,000	0	80,000	10,400	6,200
		Industrial-Freight Transfer Facilities Bonds Issued	**$75,000,000**	**$0**	**$80,000**	**10,400**	**6,200**
Industrial-Industrial Revenue Bonds							
US Acrylic, Inc., Series 2012	06/12/2012	DP-VRB 3.75%	3,500,000	3,555,000	5,000	0	0
Freedman Seating Company, Series 2012	09/06/2012	DP-VRB 1.60434%	6,045,000	1,085,000	38,555	43	15
Jonchris, LLC, Series 2012	11/15/2012	DP-VRB 2.20%	2,067,280	2,067,280	5,000	0	0
		Industrial-Industrial Revenue Bonds Issued	**$11,612,280**	**$6,707,280**	**$48,555**	**43**	**15**
Industrial-Midwest Disaster Area Bonds							
P.O.B. Development LLC, Series 2012	05/15/2012	DP-VRB 3.97%	11,066,000	0	34,305	115	43
ROA Riverside Development, LLC, Series 2012	10/15/2012	DP-VRB 1.87%	10,000,000	0	62,000	55	39
Cargill, Incorporated, Series 2012	11/29/2012	VRB 1.55%	11,300,000	0	70,060	11	60
Practice Velocity Holdings, LLC, Series 2012	12/28/2012	DP-VRB LIBOR	4,400,000	0	27,280	0	0
		Industrial-Midwest Disaster Area Bonds Issued	**$36,766,000**	**$0**	**$193,645**	**181**	**142**
		Industrial Bonds Issued	**$123,378,280**	**$6,707,280**	**$322,199**	**10,624**	**6,357**
Multifamily/Senior Housing Bonds							
St. Anthony of Lansing, Series 2012	07/13/2012	6.50%	18,630,000	0	136,026	47	200
		Multifamily/Senior Housing Bonds Issued	**$18,630,000**	**$0**	**$136,026**	**47**	**200**
		Multifamily/Senior Housing Bonds Issued	**$18,630,000**	**$0**	**$136,026**	**47**	**200**
501(c)(3) Not-for-Profits							
Near North Montessori School, Series 2012	01/13/2012	DP 3.74%	1,000,000	1,000,000	0	0	0
National Hellenic Museum, Series 2012	02/28/2012	DP-VRB 4.25%	8,000,000	0	39,000	11	0
United Methodist Homes and Services, Series 2012	03/20/2012	DP-VRB	8,700,000	1,910,000	41,100	16	30
Solomon Schechter Day Schools, Series 2012	03/23/2012	DP-VRB 3.50%	4,200,000	4,000,000	21,000	0	0
Wolcott School, Series 2012	06/15/2012	DP-VRB	3,000,000	0	15,000	20	22
De La Salle Insitute, Series 2012	06/28/2012	DP-VRB	12,340,000	7,500,000	34,200	2	0
Carmel Catholic High School, Series 2012	07/10/2012	DP-VRB 1.23%	17,000,000	8,500,000	52,500	4	20
Sacred Heart Schools, Series 2012	10/11/2012	DP-VRB 0.91%	20,000,000	20,000,000	30,000	0	0
Art Institute of Chicago, Series 2012A	10/18/2012	3.00% to 5.00%	59,940,000	69,240,000	114,940	0	0
The Big Ten Conference, Inc., Series 2012	12/20/2012	DP 2.10%	13,000,000	0	54,000	5	300
		501(c)(3) Not-for-Profits Issued	**$147,180,000**	**$112,150,000**	**$401,740**	**58**	**372**
		501(c)(3) Not-for Profits Bonds Issued	**$147,180,000**	**$112,150,000**	**$401,740**	**58**	**372**
		55 Bonds Issued During the Period ending 12/31/2012	**$ 2,487,576,548**	**$ 1,317,641,286**	**$3,319,852**	**11,538**	**17,449**

ref: T:\Bond Reports\Chris\Re-appointment\Bonds Issued - Annual - Landscape.rpt

ILLINOIS FINANCE AUTHORITY

Beginner Farmer Bonds Funded between 1/1/2012 and 12/31/2012

Borrower	Date Funded	Initial Interest Rate	Loan Proceeds	Acres	County
Beals, Ronald Lee	02/28/2012	4.00%	32,500	20.00	Jasper
Poole, Jared L. & Jodi L.	03/01/2012	5.00%	273,750	80.00	White
Gavin, Paul J.	03/01/2012	3.90%	161,312	30.73	Warren
Gavin, Andrew M.	03/01/2012	3.90%	258,718	69.12	Warren
Loschen, Tyler S.	03/06/2012	3.00%	170,000	40.00	Ford
Parochetti, Daniel	03/09/2012	4.00%	488,600	119.00	Bureau
Thompson, Teresa Lois	03/12/2012	3.90%	180,000	60.00	Henderson
Thompson, Paul David	03/12/2012	3.90%	366,489	104.00	Henderson
Emmerich, Ben	03/29/2012	3.50%	28,500	10.00	Jasper
Knicely, Adam	05/18/2012	3.50%	30,900	10.20	Jasper
Drew, Jesse R. & Shayna	05/22/2012	5.50%	252,850	88.50	Franklin
Doty, John C.	05/30/2012	4.50%	188,000	47.00	Coles
Kuhl, Joshua J.	06/07/2012	3.75%	267,000	20.00	Richland
Hays, Eric T. & Elizabeth	06/14/2012	3.50%	220,500	126.00	Henry
Norman, Jason & Julie	06/14/2012	3.50%	488,600	184.00	Whiteside
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
Dolder, Jonathan	10/02/2012	3.00%	446,650	122.00	LaSalle
Chandler, George	11/01/2012	3.40%	488,600	160.00	Henderson
Ellinger, Dustin & Dee	11/13/2012	3.75%	118,000	33.74	Montgomery
Wilson, Matthew D.	12/07/2012	3.25%	75,000	290.00	Jasper & Richland
Landheer, Arian A.	12/07/2012	3.25%	330,000	34.48	Whiteside
Ruppert, Jordan	12/28/2012	4.00%	456,055	157.00	Perry
	24 Beginner Farmer Bonds Issued		**$ 5,964,724**	**2,030.03**	

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.

IFA
ILLINOIS FINANCE AUTHORITY

State Guarantees between Fiscal Year 1/1/2012 and December 31, 2012

Agri Industry Guarantee	Date Funded	Initial Interest Rate	Loan Proceeds	State Guarantee
Roanoke Milling Co.	09/27/2012	5.25%	796,906	677,370
	Total Agri Industry Guarantee		$ 796,906	$ 677,370

Specialized Livestock	Date Funded	Initial Interest Rate	Loan Proceeds	State Guarantee
Duncan, Brian & Kelly	10/01/2012	3.71%	423,000	359,550
J Double R, LLC	10/19/2012	3.75%	1,000,000	850,000
	Total Specialized Livestock		$ 1,423,000	$ 1,209,550

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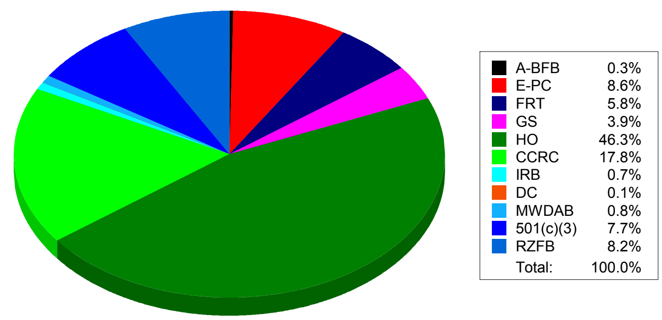
Bonds Issued - Fiscal Year Comparison
for the Period Ending December 31, 2012

Fiscal Year 2011

#	Market Sector	Principal Issued
40	Agriculture - Beginner Farmer	7,002,064
5	Education	221,290,000
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
1	Freight Transfer Facilities Bonds	150,000,000
85		$ 2,582,589,248

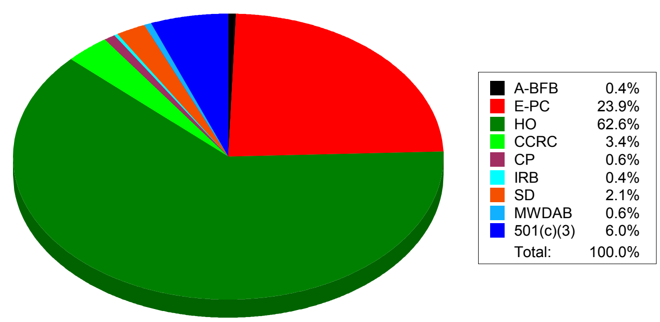
Bonds Issued in Fiscal Year 2011



Fiscal Year 2012

#	Market Sector	Principal Issued
41	Agriculture - Beginner Farmer	8,784,789
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		$ 1,983,600,835

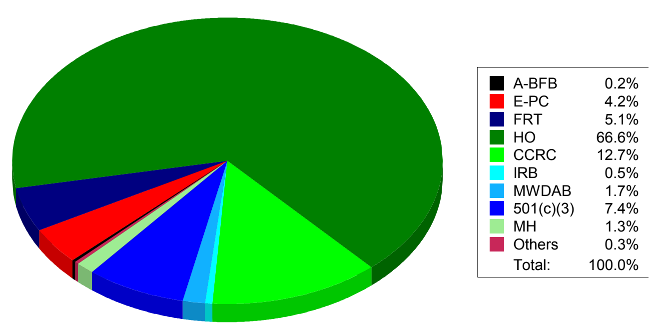
Bonds Issued in Fiscal Year 2012



Fiscal Year 2013

#	Market Sector	Principal Issued
9	Agriculture - Beginner Farmer	2,557,005
3	Education	61,460,000
6	Healthcare - Hospital	982,530,000
2	Healthcare - CCRC	187,500,068
2	Industrial Revenue	8,112,280
3	Midwest Disaster Area Bonds	25,700,000
4	501(c)(3) Not-for-Profit	109,940,000
1	MultiFamily/Senior Housing	18,630,000
1	Freight Transfer Facilities Bonds	75,000,000
31		$ 1,471,429,353

Bonds Issued in Fiscal Year 2013

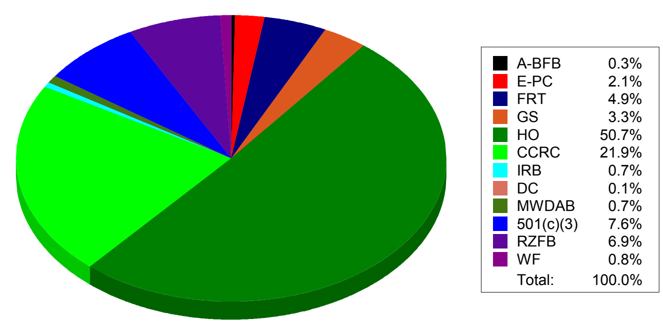


Bonds Issued - Calendar Year Comparison
as of December 31, 2012

Calendar Year 2010

#	Market Sector	Principal Issued
52	Agriculture - Beginner Farmer	9,308,619
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
10	501(c)(3) Not-for-Profit	232,731,062
8	Recovery Zone Facilities Bonds	211,488,000
1	Water Facilities	25,000,000
112		$ 3,048,240,298

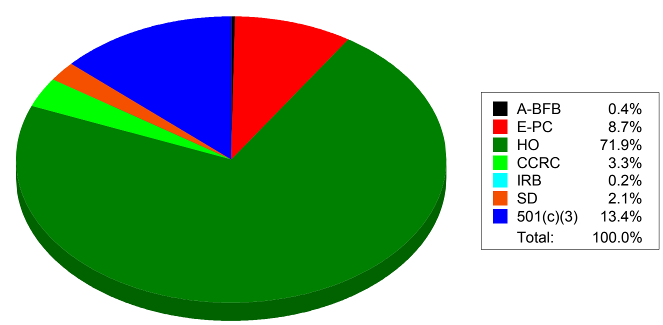
Bonds Issued in Calendar Year 2010



Calendar Year 2011

#	Market Sector	Principal Issued
40	Agriculture - Beginner Farmer	7,853,465
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		$ 2,030,425,311

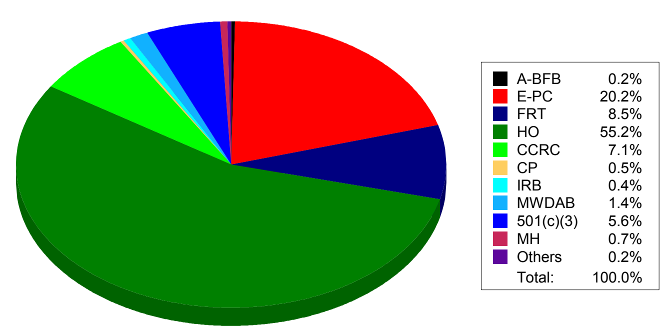
Bonds Issued in Calendar Year 2011



Calendar Year 2012

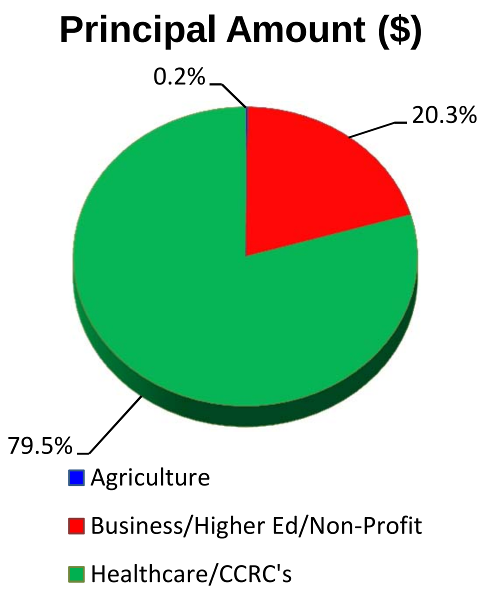
#	Market Sector	Principal Issued
24	Agriculture - Beginner Farmer	5,964,724
6	Education	536,145,000
1	Freight Transfer Facilities Bonds	75,000,000
13	Healthcare - Hospital	1,462,043,200
2	Healthcare - CCRC	187,500,068
1	Healthcare-Community Provider	12,700,000
3	Industrial Revenue	11,612,280
4	Midwest Disaster Area Bonds	36,766,000
10	501(c)(3) Not-for-Profit	147,180,000
1	MultiFamily/Senior Housing	18,630,000
65		$ 2,493,541,272

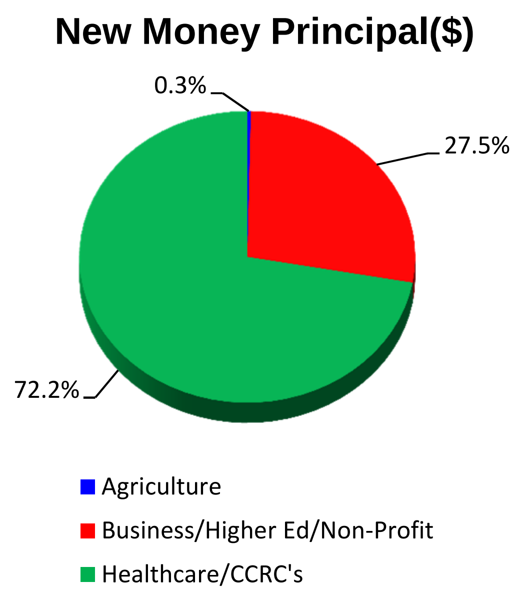
Bonds Issued in Calendar Year 2012

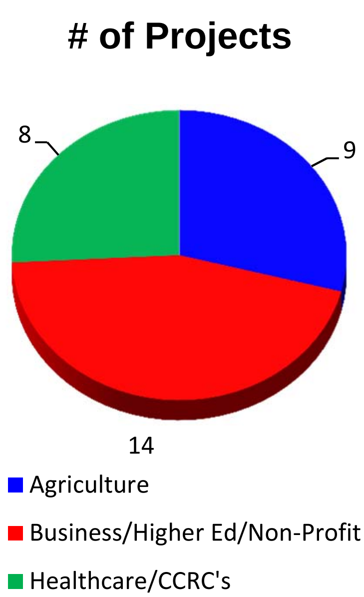


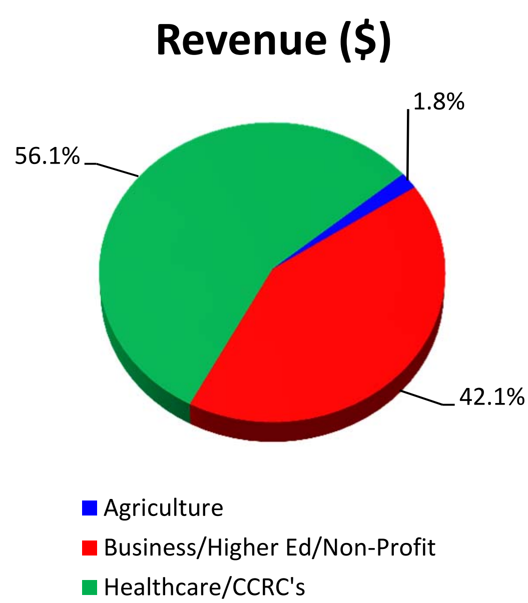
Illinois Finance Authority
Project Revenue
Fiscal Year 2013

Market Sector	Principal Amount ($)	New Money ($)	#	Revenue ($)
Agriculture	$ 2,557,005.00	$ 2,557,005.00	9	$ 37,455.08
Business/Higher Ed/Non-Profit	298,842,280.00	207,250,000.00	14	878,280.50
Healthcare/CCRC's	1,170,030,068.00	544,031,061.44	8	1,172,580.00
	$ 1,471,429,353.00	$ 753,838,066.44	31	$ 2,088,315.58



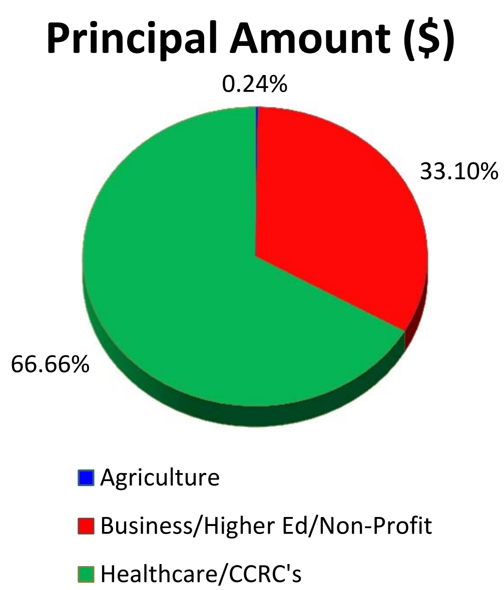


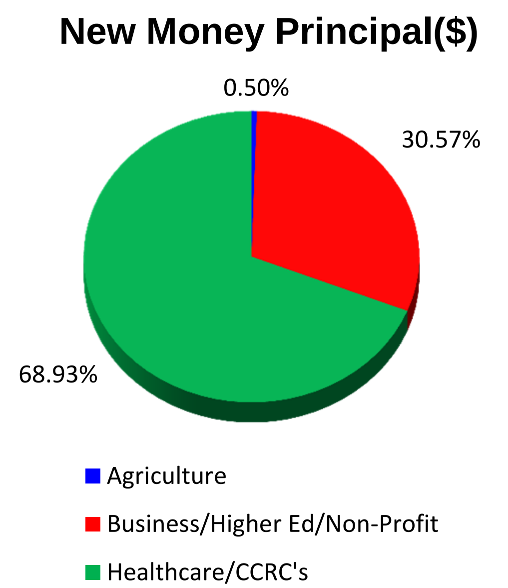


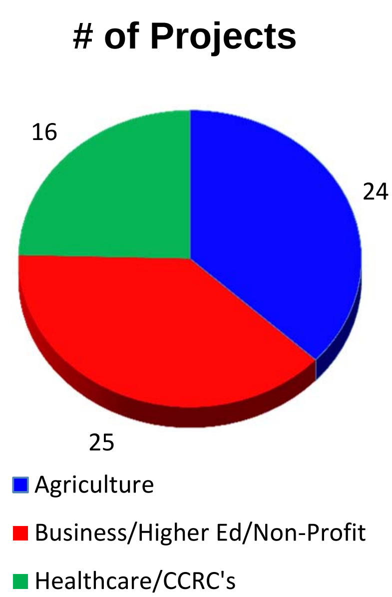


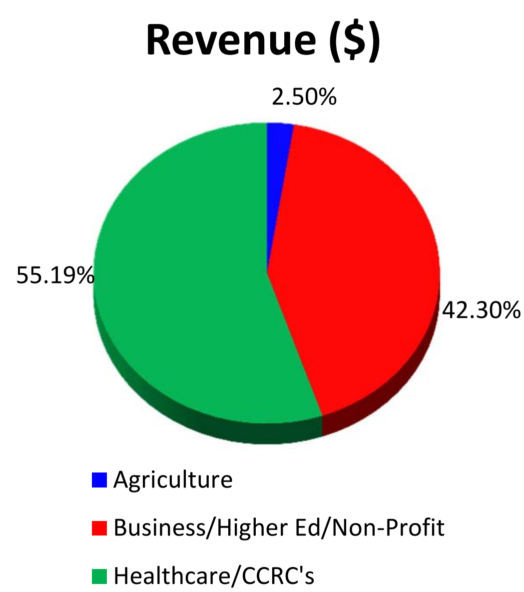
Illinois Finance Authority
Project Revenue
Calendar Year 2012

Market Sector	Principal Amount ($)	New Money ($)	#	Revenue ($)
Agriculture	$ 5,964,724.00	$ 5,964,724.00	24	$ 87,070.86
Business/Higher Ed/Non-Profit	825,333,280.00	365,191,000.00	25	1,470,585.10
Healthcare/CCRC's	1,662,243,268.00	823,324,261.44	16	1,918,824.75
	$ 2,493,541,272.00	$ 1,194,479,985.44	65	$ 3,476,480.71









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 June 30, 2012	Principal Outstanding December 31, 2012	Program Limitations	Remaining Capacity
	Illinois Finance Authority "IFA" [b]				
362	Agriculture	$ 52,193,900	$ 54,750,900		
92	Education	4,096,631,500	4,096,445,300		
262	Healthcare	12,594,858,400	12,887,978,400		
69	Industrial Development [includes Recovery Zone/Midwest Disaster]	643,150,500	727,649,600		
19	Local Government	235,995,000	219,870,000		
18	Multifamily/Senior Housing	157,841,200	175,033,600		
98	501(c)(3) Not-for Profits	1,244,199,800	1,279,629,700		
8	Exempt Facilities Bonds	280,090,000	280,020,000		
928	**Total IFA Principal Outstanding**	**$ 19,304,960,300**	**$ 19,721,377,500**		
	Illinois Development Finance Authority "IDFA" [b]				
2	Education	13,666,400	12,911,400		
5	Healthcare	198,620,000	198,620,000		
45	Industrial Development	212,338,600	190,362,600		
18	Local Government	261,252,100	248,665,800		
10	Multifamily/Senior Housing	95,496,700	92,547,100		
74	501(c)(3) Not-for Profits	881,344,300	826,865,300		
2	Exempt Facilities Bonds	125,000,000	125,000,000		
154	**Total IDFA Principal Outstanding**	**$ 1,787,718,100**	**$ 1,694,972,200**		
	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**		
60	**Illinois Health Facilities Authority "IHFA"**	**$ 1,797,621,000**	**$ 1,507,183,000**		
43	**Illinois Educational Facilities Authority "IEFA"**	**$ 1,169,752,000**	**$ 1,052,171,000**		
401	**Illinois Farm Development Authority "IFDA" [f]**	**$ 27,398,700**	**$ 27,398,700**		
1,600	**Total Illinois Finance Authority Debt**	**$ 24,104,275,100**	**$ 24,019,682,400**	**$ 28,150,000,000**	**$ 4,130,317,600**

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

Section I (b)

		Principal Outstanding June 30, 2012	Principal Outstanding December 31, 2012	Program Limitations	Remaining Capacity
	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	38,440,000		
23	**Total General Moral Obligations**	**$ 81,250,000**	**$ 80,325,000**	**$ 150,000,000**	**$ 69,675,000**
	Financially Distressed Cities Moral Obligations				
	Illinois Finance Authority Act [20 ILCS 3501/825-60]				
2	Issued through IFA	$ 3,240,000	$ 2,595,000		
1	Issued through IDFA	2,430,000	2,430,000		
3	**Total Financially Distressed Cities**	**$ 5,670,000**	**$ 5,025,000**	**$ 50,000,000**	**$ 44,975,000**
	State Component Unit Bonds [c]				
14	Issued through IRBB	$ 16,825,000	$ 16,580,000		
2	Issued through IDFA [j]	63,485,000	69,685,000		
10	Issued through IFA [j]	93,064,700	93,064,700		
26	**Total State Component Unit Bonds**	**$ 173,374,700**	**$ 179,329,700**		

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 June 30, 2012	Principal Outstanding December 31, 2012	Program Limitations	Remaining Capacity
5	**Midwest Disaster Bonds [Flood Relief]**	**$ 30,678,861**	**$ 58,109,796**	**$ 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 December 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**	**$ 215,800,000**	**$ 76,600,000**
-	**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 June 30, 2012	Principal Outstanding December 31, 2012	Program Limitations	Remaining Capacity
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 December 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 December 31, 2012	Program Limitations	Remaining Capacity	State Exposure
	Agri Debt Guarantees [Restructuring Existing Debt]	**$ 14,991,100**	**$ 13,785,400**	**$ 160,000,000**	**$ 146,214,600**	**$ 11,705,900**
80	**Fund # 994 - Fund Balance $ 10,051,597**					
	AG Loan Guarantee Program	**$ 15,186,800**	**$ 14,740,000**	**$ 225,000,000** [e]	**$ 210,260,000**	**$ 12,529,000**
33	**Fund # 205 - Fund Balance $ 7,762,739**					
8	Agri Industry Loan Guarantee Program	$ 8,207,725	$ 7,540,600			6,409,500
2	Farm Purchase Guarantee Program	956,064	949,100			806,700
14	Specialized Livestock Guarantee Program	3,812,465	4,386,800			3,728,800
9	Young Farmer Loan Guarantee Program	2,210,585	1,863,500			1,584,000
113	**Total State Guarantees**	**$ 30,177,900**	**$ 28,525,400**	**$ 385,000,000**	**$ 356,474,600**	**$ 24,234,900**

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 December 31, 2012	Appropriation Fiscal Year 2013	Fund Balance
133	Fire Truck Revolving Loan Program	**Fund # 572**	**$ 16,140,930**	**$ 18,532,024**	**$ 6,003,342**	**$ 2,281,195**
10	Ambulance Revolving Loan Program	**Fund # 334**	**$ 671,227**	**$ 510,240**	**$ 7,006,800**	**$ 3,655,125**

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 December 31, 2012	Program Limitations	Remaining Capacity
	Environmental [Large Business]				
6	Issued through IFA	122,988,800	122,725,200		
16	Issued through IDFA	346,870,000	295,485,000		
22	**Total Environmental [Large Business]**	**$ 469,858,800**	**$ 418,210,200**	**$ 2,425,000,000**	**$ 2,006,789,800**
	Environmental [Small Business]	-	$ -	**$ 75,000,000**	**$ 75,000,000**
22	**Total Environment Bonds Issued under Act**	**$ 469,858,800**	**$ 418,210,200**	**$ 2,500,000,000**	**$ 2,081,789,800**

Illinois Finance Authority Funds at Risk

Section VII

#		Original Amount	Principal Outstanding June 30, 2012	Principal Outstanding December 31, 2012
	Participation Loans			
18	Business & Industry	23,020,157.95	5,105,506.90	5,630,515.02
8	Agriculture	6,079,859.01	1,759,093.06	1,711,908.14
26	**Participation Loans exluding Defaults & Allowances**	**$ 29,100,016.96**	**$ 6,864,599.96**	**$ 7,342,423.16**
	Plus: Legacy IDFA Loans in Default		**910,631.89**	**966,265.91**
	Less: Allowance for Doubtful Accounts		**1,377,989.75**	**1,187,986.57**
	Total Participation Loans		**$ 6,397,242.10**	**$ 7,120,702.50**
4	**Local Government Direct Loans**	**$ 1,289,750.00**	**$ 218,423.96**	**198,820.52**
3	**FmHA Loans**	**$ 963,250.00**	**$ 265,068.23**	**252,264.63**
2	**Renewable Energy [RED Fund]**	**$ 2,000,000.00**	**$ 1,579,752.12**	**1,534,742.28**
35	**Total Loans Outstanding**	**$ 34,353,016.96**	**$ 8,460,486.41**	**$ 9,106,529.93**

[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.

ref: T:\Bond Reports\Schedule of Debt\Schedule of Debt by Market Sector.xlsx\Fiscal Year 2013

Prepared by: J. K. Kuhn
1/3/2013 1:37 PM

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

	Actual December 2012	Budget December 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	17,460	51,222	(33,762)	-65.91%	119,873	137,647	(17,774)	-12.91%	269,742	44.44%
INVESTMENT INTEREST & GAIN(LOSS)	4,982	2,083	2,899	139.17%	29,134	12,498	16,636	133.11%	25,000	116.54%
ADMINISTRATIONS & APPLICATION FEES	291,290	372,063	(80,773)	-21.71%	2,394,769	2,493,630	(98,861)	-3.96%	3,789,504	63.19%
ANNUAL ISSUANCE & LOAN FEES	39,158	34,749	4,409	12.69%	174,141	190,051	(15,910)	-8.37%	386,222	45.09%
OTHER INCOME	21,532	17,198	4,334	25.20%	261,615	103,188	158,427	153.53%	206,375	126.77%
TOTAL REVENUE	374,422	477,315	(102,893)	-21.56%	2,979,532	2,937,014	42,518	1.45%	4,676,843	63.71%
EXPENSES										
EMPLOYEE RELATED EXPENSES										
COMPENSATION & TAXES	113,449	121,434	(7,985)	-6.58%	666,636	738,993	(72,357)	-9.79%	1,462,277	45.59%
BENEFITS	19,751	21,658	(1,907)	-8.81%	119,133	122,948	(3,815)	-3.10%	244,896	48.65%
TEMPORARY HELP	-		-	0.00%			-	0.00%	-	0.00%
EDUCATION & DEVELOPMENT	-	500	(500)	-100.00%	595	3,000	(2,405)	-80.17%	6,000	9.92%
TRAVEL & AUTO	7,937	5,000	2,937	58.74%	24,569	30,000	(5,431)	-18.10%	60,000	40.95%
TOTAL EMPLOYEE RELATED EXPENSES	141,137	148,592	(7,455)	-5.02%	810,933	894,941	(84,008)	-9.39%	1,773,173	45.73%
PROFESSIONAL SERVICES										
CONSULTING, LEGAL & ADMIN	121,062	37,458	83,604	223.19%	316,392	224,748	91,644	40.78%	449,500	70.39%
LOAN EXPENSE & BANK FEE	7,920	8,750	(830)	-9.49%	48,022	52,500	(4,478)	-8.53%	105,000	45.74%
ACCOUNTING & AUDITING	25,592	24,754	838	3.39%	166,516	148,524	17,992	12.11%	297,000	56.07%
MARKETING GENERAL	71	1,250	(1,179)	-94.32%	2,388	7,500	(5,112)	-68.16%	15,000	15.92%
FINANCIAL ADVISORY	43,894	8,333	35,561	426.75%	85,559	49,998	35,561	71.12%	100,000	85.56%
CONFERENCE/TRAINING	(94)	2,500	(2,594)	-103.76%	9,020	15,000	(5,980)	-39.87%	30,000	30.07%
MISC. PROFESSIONAL SERVICES	19,254	6,250	13,004	208.06%	66,171	37,500	28,671	76.46%	75,000	88.23%
DATA PROCESSING	(47,706)	5,833	(53,539)	-917.86%	22,487	34,998	(12,511)	-35.75%	70,000	32.12%
TOTAL PROFESSIONAL SERVICES	169,993	95,128	74,865	78.70%	716,555	570,768	145,787	25.54%	1,141,500	62.77%
OCCUPANCY COSTS										
OFFICE RENT	9,938	22,406	(12,468)	-55.65%	117,731	134,436	(16,705)	-12.43%	268,872	43.79%
EQUIPMENT RENTAL AND PURCHASES	980	1,333	(353)	-26.48%	7,278	7,998	(720)	-9.00%	16,000	45.49%
TELECOMMUNICATIONS	3,225	2,917	308	10.56%	16,338	17,502	(1,164)	-6.65%	35,000	46.68%
UTILITIES	853	1,000	(147)	-14.70%	5,759	6,000	(241)	-4.02%	12,000	47.99%
DEPRECIATION	6,841	2,708	4,133	152.62%	24,073	16,248	7,825	48.16%	32,500	74.07%
INSURANCE	1,953	2,083	(130)	-6.24%	11,714	12,498	(784)	-6.27%	25,000	46.86%
TOTAL OCCUPANCY COSTS	23,790	32,447	(8,657)	-26.68%	182,893	194,682	(11,789)	-6.06%	389,372	46.97%

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

	Actual December 2012	Budget December 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	3,097	2,983	114	3.82%	18,709	17,898	811	4.53%	35,800	52.26%
BOARD MEETING - EXPENSES	2,606	2,917	(311)	-10.66%	14,291	17,502	(3,211)	-18.35%	35,000	40.83%
PRINTING	567	833	(266)	-31.93%	3,295	4,998	(1,703)	-34.07%	10,000	32.95%
POSTAGE & FREIGHT	1,179	1,250	(71)	-5.68%	8,376	7,500	876	11.68%	15,000	55.84%
MEMBERSHIP, DUES & CONTRIBUTIONS	14,536	2,000	12,536	626.80%	23,007	22,000	1,007	4.58%	34,000	67.67%
PUBLICATIONS	45	583	(538)	-92.28%	561	3,498	(2,937)	-83.96%	7,000	8.01%
OFFICERS & DIRECTORS INSURANCE	16,519	16,667	(148)	-0.89%	97,600	100,002	(2,402)	-2.40%	200,000	48.80%
MISCELLANEOUS	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
TOTAL GENL & ADMIN EXPENSES	38,549	27,233	11,316	41.55%	165,839	173,398	(7,559)	-4.36%	336,800	49.24%
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	373,469	303,400	70,069	23.09%	1,876,220	1,833,789	42,431	2.31%	3,640,845	51.53%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	953	173,915	(172,962)	-99.45%	1,103,312	1,103,225	87	0.01%	1,035,998	106.50%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
TRANSFER	9,500	-	9,500	0.00%	326,653	-	326,653	0.00%	-	0.00%
REVENUE GRANT	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
APPROPRIATIONS FROM STATE	-	-	-	0.00%	-	-	-	0.00%	-	-
NET INCOME/(LOSS)	10,453	173,915	(163,462)	-93.99%	1,429,965	1,103,225	326,740	29.62%	1,035,998	138.03%

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

	Actual December 2012	Actual December 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	17,460	35,587	(18,127)	-50.94%	119,873	249,478	(129,605)	-51.95%
INVESTMENT INTEREST & GAIN(LOSS)	4,982	3,333	1,649	49.47%	29,134	15,723	13,411	85.30%
ADMINISTRATIONS & APPLICATION FEES	291,290	260,548	30,742	11.80%	2,394,769	1,349,495	1,045,274	77.46%
ANNUAL ISSUANCE & LOAN FEES	39,158	38,154	1,004	2.63%	174,141	226,750	(52,609)	-23.20%
OTHER INCOME	21,532	78,653	(57,121)	-72.62%	261,615	1,252,863	(991,248)	-79.12%
TOTAL REVENUE	374,422	416,275	(41,853)	-10.05%	2,979,532	3,094,309	(114,777)	-3.71%
EXPENSES								
EMPLOYEE RELATED EXPENSES								
COMPENSATION & TAXES	113,449	132,982	(19,533)	-14.69%	666,636	769,042	(102,406)	-13.32%
BENEFITS	19,751	18,614	1,137	6.11%	119,133	116,469	2,664	2.29%
TEMPORARY HELP	-	282	(282)	0.00%		619	(619)	0.00%
EDUCATION & DEVELOPMENT	-	-	-	0.00%	595	150	445	296.67%
TRAVEL & AUTO	7,937	2,841	5,096	179.37%	24,569	23,751	818	3.44%
TOTAL EMPLOYEE RELATED EXPENSES	141,137	154,719	(13,582)	-8.78%	810,933	910,031	(99,098)	-10.89%
PROFESSIONAL SERVICES								
CONSULTING, LEGAL & ADMIN	121,062	61,557	59,505	96.67%	316,392	217,625	98,767	45.38%
LOAN EXPENSE & BANK FEE	7,920	48,841	(40,921)	-83.78%	48,022	123,023	(75,001)	-60.97%
ACCOUNTING & AUDITING	25,592	30,780	(5,188)	-16.86%	166,516	140,035	26,481	18.91%
MARKETING GENERAL	71	65	6	9.23%	2,388	1,785	603	33.78%
FINANCIAL ADVISORY	43,894	(54,150)	98,044	-181.06%	85,559	29,185	56,374	193.16%
CONFERENCE/TRAINING	(94)	50	(144)	-288.00%	9,020	9,317	(297)	-3.19%
MISC. PROFESSIONAL SERVICES	19,254	(45,822)	65,076	-142.02%	66,171	13	66,158	508907.69%
DATA PROCESSING	(47,706)	2,558	(50,264)	-1964.97%	22,487	19,585	2,902	14.82%
TOTAL PROFESSIONAL SERVICES	169,993	43,879	126,114	287.41%	716,555	540,568	175,987	32.56%
OCCUPANCY COSTS								
OFFICE RENT	9,938	21,603	(11,665)	-54.00%	117,731	119,947	(2,216)	-1.85%
EQUIPMENT RENTAL AND PURCHASES	980	878	102	11.62%	7,278	9,780	(2,502)	-25.58%
TELECOMMUNICATIONS	3,225	3,946	(721)	-18.27%	16,338	14,554	1,784	12.26%
UTILITIES	853	869	(16)	-1.84%	5,759	6,393	(634)	-9.92%
DEPRECIATION	6,841	4,075	2,766	67.88%	24,073	20,867	3,206	15.36%
INSURANCE	1,953	1,945	8	0.41%	11,714	11,670	44	0.38%
TOTAL OCCUPANCY COSTS	23,790	33,316	(9,526)	-28.59%	182,893	183,211	(318)	-0.17%

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

	Actual December 2012	Actual December 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	3,097	3,096	1	0.03%	18,709	15,826	2,883	18.22%
BOARD MEETING - EXPENSES	2,606	2,245	361	16.08%	14,291	13,351	940	7.04%
PRINTING	567	526	41	7.79%	3,295	3,917	(622)	-15.88%
POSTAGE & FREIGHT	1,179	1,021	158	15.48%	8,376	8,000	376	4.70%
MEMBERSHIP, DUES & CONTRIBUTIONS	14,536	11,563	2,973	25.71%	23,007	23,821	(814)	-3.42%
PUBLICATIONS	45	412	(367)	-89.08%	561	1,131	(570)	-50.40%
OFFICERS & DIRECTORS INSURANCE	16,519	15,343	1,176	7.66%	97,600	92,059	5,541	6.02%
MISCELLANEOUS	-	-	-	0.00%	-	-	-	0.00%
TOTAL GENL & ADMIN EXPENSES	38,549	34,206	4,343	12.70%	165,839	158,105	7,734	4.89%
LOAN LOSS PROVISION/BAD DEBT	-	-	-	.	-	-	-	0.00%
OTHER								
INTEREST EXPENSE	-	-	-	0.00%	-	-	-	0.00%
TOTAL OTHER	-	-	-	0.00%	-	-	-	0.00%
TOTAL EXPENSES	373,469	266,120	107,349	40.34%	1,876,220	1,791,915	84,305	4.70%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	953	150,155	(149,202)	-99.37%	1,103,312	1,302,394	(199,082)	-15.29%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.00%	-	-	-	0.00%
TRANSFER	9,500	9,571	(71)	0.00%	326,653	17,989	308,664	0.00%
REVENUE GRANT	-	-	-	0.00%	-	-	-	0.00%
APPROPRIATIONS FROM STATE	-	-	-	0.00%	-	-	-	0.00%
NET INCOME/(LOSS)	10,453	159,726	(149,273)	-93.46%	1,429,965	1,320,383	109,582	8.30%

Illinois Finance Authority
General Fund
Unaudited
Balance Sheet
for the Six Months Ending December 31, 2012

	Actual December 2011	Actual December 2012
ASSETS		
CASH & INVESTMENTS, UNRESTRICTED	$ 35,115,057	$ 43,362,055
RECEIVABLES, NET	59,374	97,425
LOAN RECEIVABLE, NET	9,520,785	5,408,794
OTHER RECEIVABLES	80,628	51,738
PREPAID EXPENSES	123,129	152,096
TOTAL CURRENT ASSETS	44,898,973	49,072,108
FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION	131,935	134,260
DEFERRED ISSUANCE COSTS	271,975	225,076
OTHER ASSETS		
CASH RESTRICTED, INVESTMENTS & RESERVES	874,526	875,408
VENTURE CAPITAL INVESTMENTS	-	-
OTHER	(14,837)	(17,749)
TOTAL OTHER ASSETS	859,689	857,659
TOTAL ASSETS	$ 46,162,572	$ 50,289,103
LIABILITIES		
CURRENT LIABILITIES	$ 858,532	$ 802,593
LONG-TERM LIABILITIES	399,332	332,949
TOTAL LIABILITIES	1,257,864	1,135,542
EQUITY		
CONTRIBUTED CAPITAL	4,111,479	4,111,479
RETAINED EARNINGS	27,501,548	31,640,819
NET INCOME / (LOSS)	1,320,383	1,429,965
RESERVED/RESTRICTED FUND BALANCE	1,732,164	1,732,164
UNRESERVED FUND BALANCE	10,239,134	10,239,134
TOTAL EQUITY	44,904,708	49,153,561
TOTAL LIABILITIES & EQUITY	$ 46,162,572	$ 50,289,103

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

	Actual December 2012	Budget December 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	155,842	193,795	(37,953)	-19.58%	919,749	969,130	(49,381)	-5.10%	1,931,461	47.62%
INVESTMENT INTEREST & GAIN(LOSS)	49,340	45,154	4,186	9.27%	410,260	270,924	139,336	51.43%	543,350	75.51%
ADMINISTRATIONS & APPLICATION FEES	291,290	372,063	(80,773)	-21.71%	2,394,769	2,493,630	(98,861)	-3.96%	3,789,504	63.19%
ANNUAL ISSUANCE & LOAN FEES	39,158	34,749	4,409	12.69%	174,141	190,051	(15,910)	-8.37%	386,222	45.09%
OTHER INCOME	64,422	42,198	22,224	52.67%	463,592	253,188	210,404	83.10%	506,375	91.55%
TOTAL REVENUE	600,052	687,959	(87,907)	-12.78%	4,362,511	4,176,923	185,588	4.44%	7,156,912	60.96%
EXPENSES										
EMPLOYEE RELATED EXPENSES										
COMPENSATION & TAXES	113,449	121,434	(7,985)	-6.58%	666,636	738,993	(72,357)	-9.79%	1,462,277	45.59%
BENEFITS	19,751	21,658	(1,907)	-8.81%	119,133	122,948	(3,815)	-3.10%	244,896	48.65%
TEMPORARY HELP	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
EDUCATION & DEVELOPMENT	-	500	(500)	-100.00%	595	3,000	(2,405)	-80.17%	6,000	9.92%
TRAVEL & AUTO	7,937	5,000	2,937	58.74%	24,569	30,000	(5,431)	-18.10%	60,000	40.95%
TOTAL EMPLOYEE RELATED EXPENSES	141,137	148,592	(7,455)	-5.02%	810,933	894,941	(84,008)	-9.39%	1,773,173	45.73%
PROFESSIONAL SERVICES										
CONSULTING, LEGAL & ADMIN	123,145	39,542	83,603	211.43%	328,890	237,252	91,638	38.62%	474,500	69.31%
LOAN EXPENSE & BANK FEE	169,406	170,236	(830)	-0.49%	1,017,030	1,021,416	(4,386)	-0.43%	2,042,832	49.79%
ACCOUNTING & AUDITING	26,891	26,653	238	0.89%	174,311	159,918	14,393	9.00%	319,791	54.51%
MARKETING GENERAL	71	1,250	(1,179)	-94.32%	2,388	7,500	(5,112)	-68.16%	15,000	15.92%
FINANCIAL ADVISORY	43,894	8,333	35,561	426.75%	85,559	49,998	35,561	71.12%	100,000	85.56%
CONFERENCE/TRAINING	(94)	2,500	(2,594)	-103.76%	9,020	15,000	(5,980)	-39.87%	30,000	30.07%
MISC. PROFESSIONAL SERVICES	22,587	9,583	13,004	135.70%	86,169	57,498	28,671	49.86%	115,000	74.93%
DATA PROCESSING	(47,706)	5,833	(53,539)	-917.86%	22,487	34,998	(12,511)	-35.75%	70,000	32.12%
TOTAL PROFESSIONAL SERVICES	338,194	263,930	74,264	28.14%	1,725,854	1,583,580	142,274	8.98%	3,167,123	54.49%
OCCUPANCY COSTS										
OFFICE RENT	9,938	22,406	(12,468)	-55.65%	117,731	134,436	(16,705)	-12.43%	268,872	43.79%
EQUIPMENT RENTAL AND PURCHASES	980	1,333	(353)	-26.48%	7,278	7,998	(720)	-9.00%	16,000	45.49%
TELECOMMUNICATIONS	3,225	2,917	308	10.56%	16,338	17,502	(1,164)	-6.65%	35,000	46.68%
UTILITIES	853	1,000	(147)	-14.70%	5,759	6,000	(241)	-4.02%	12,000	47.99%
DEPRECIATION	6,841	2,708	4,133	152.62%	24,073	16,248	7,825	48.16%	32,500	74.07%
INSURANCE	1,953	2,083	(130)	-6.24%	11,714	12,498	(784)	-6.27%	25,000	46.86%
TOTAL OCCUPANCY COSTS	23,790	32,447	(8,657)	-26.68%	182,893	194,682	(11,789)	-6.06%	389,372	46.97%

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

	Actual December 2012	Budget December 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	3,097	2,983	114	3.82%	18,708	17,898	810	4.53%	35,800	52.26%
BOARD MEETING - EXPENSES	2,606	2,917	(311)	-10.66%	14,291	17,502	(3,211)	-18.35%	35,000	40.83%
PRINTING	567	833	(266)	-31.93%	3,295	4,998	(1,703)	-34.07%	10,000	32.95%
POSTAGE & FREIGHT	1,179	1,250	(71)	-5.68%	8,376	7,500	876	11.68%	15,000	55.84%
MEMBERSHIP, DUES & CONTRIBUTIONS	14,536	2,000	12,536	626.80%	23,007	22,000	1,007	4.58%	34,000	67.67%
PUBLICATIONS	45	583	(538)	-92.28%	561	3,498	(2,937)	-83.96%	7,000	8.01%
OFFICERS & DIRECTORS INSURANCE	16,519	16,667	(148)	-0.89%	97,600	100,002	(2,402)	-2.40%	200,000	48.80%
MISCELLANEOUS	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
TOTAL GENL & ADMIN EXPENSES	38,549	27,233	11,316	41.55%	165,838	173,398	(7,560)	-4.36%	336,800	49.24%
LOAN LOSS PROVISION/BAD DEBT	-	-	-	.	-	-	-	0.00%	-	0.00%
OTHER										
INTEREST EXPENSE	909	455	454	99.78%	3,182	2,730	452	16.56%	5,166	61.60%
TOTAL OTHER	909	455	454	0.00%	3,182	2,730	452	16.56%	5,166	0.00%
TOTAL EXPENSES	542,579	472,657	69,922	14.79%	2,888,700	2,849,331	39,369	1.38%	5,671,634	50.93%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	57,473	215,302	(157,829)	-73.31%	1,473,811	1,327,592	146,219	11.01%	1,485,278	99.23%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT		-	-	0.00%		-	-	0.00%	-	0.00%
TRANSFER		-	-	0.00%		-	-	0.00%	-	0.00%
REVENUE GRANT	-	-	-	0.00%	841,399	-	841,399	0.00%	-	0.00%
TRANSFER FROM STATE		-	-	0.00%		-	-	0.00%	-	-
NET INCOME/(LOSS)	57,473	215,302	(157,829)	-73.31%	2,315,210	1,327,592	987,618	74.39%	1,485,278	155.88%

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

	Actual December 2012	Actual December 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	155,842	499,965	(344,123)	-68.83%	919,749	1,184,964	(265,215)	-22.38%
INVESTMENT INTEREST & GAIN(LOSS)	49,340	142,640	(93,300)	-65.41%	410,260	309,738	100,522	32.45%
ADMINISTRATIONS & APPLICATION FEES	291,290	260,548	30,742	11.80%	2,394,769	1,349,495	1,045,274	77.46%
ANNUAL ISSUANCE & LOAN FEES	39,158	38,154	1,004	2.63%	174,141	226,750	(52,609)	-23.20%
OTHER INCOME	64,422	118,791	(54,369)	-45.77%	463,592	1,448,384	(984,792)	-67.99%
TOTAL REVENUE	600,052	1,060,098	(460,046)	-43.40%	4,362,511	4,519,331	(156,820)	-3.47%
EXPENSES								
EMPLOYEE RELATED EXPENSES								
COMPENSATION & TAXES	113,449	132,982	(19,533)	-14.69%	666,636	769,042	(102,406)	-13.32%
BENEFITS	19,751	18,614	1,137	6.11%	119,133	116,469	2,664	2.29%
TEMPORARY HELP		282	(282)	0.00%	-	619	(619)	0.00%
EDUCATION & DEVELOPMENT	-	-	-	0.00%	595	150	445	296.67%
TRAVEL & AUTO	7,937	2,841	5,096	179.37%	24,569	23,751	818	3.44%
TOTAL EMPLOYEE RELATED EXPENSES	141,137	154,719	(13,582)	-8.78%	810,933	910,031	(99,098)	-10.89%
PROFESSIONAL SERVICES								
CONSULTING, LEGAL & ADMIN	123,145	63,640	59,505	93.50%	328,890	230,123	98,767	42.92%
LOAN EXPENSE & BANK FEE	169,406	629,981	(460,575)	-73.11%	1,017,030	1,173,790	(156,760)	-13.36%
ACCOUNTING & AUDITING	26,891	36,246	(9,355)	-25.81%	174,311	149,327	24,984	16.73%
MARKETING GENERAL	71	65	6	9.23%	2,388	1,785	603	33.78%
FINANCIAL ADVISORY	43,894	(54,150)	98,044	-181.06%	85,559	29,185	56,374	193.16%
CONFERENCE/TRAINING	(94)	50	(144)	-288.00%	9,020	9,317	(297)	-3.19%
MISC. PROFESSIONAL SERVICES	22,587	(42,489)	65,076	-153.16%	86,169	20,011	66,158	330.61%
DATA PROCESSING	(47,706)	2,558	(50,264)	-1964.97%	22,487	19,586	2,901	14.81%
TOTAL PROFESSIONAL SERVICES	338,194	635,901	(297,707)	-46.82%	1,725,854	1,633,124	92,730	5.68%
OCCUPANCY COSTS								
OFFICE RENT	9,938	21,603	(11,665)	-54.00%	117,731	119,947	(2,216)	-1.85%
EQUIPMENT RENTAL AND PURCHASES	980	878	102	11.62%	7,278	9,780	(2,502)	-25.58%
TELECOMMUNICATIONS	3,225	3,946	(721)	-18.27%	16,338	14,555	1,783	12.25%
UTILITIES	853	869	(16)	-1.84%	5,759	6,393	(634)	-9.92%
DEPRECIATION	6,841	4,075	2,766	67.88%	24,073	20,867	3,206	15.36%
INSURANCE	1,953	1,945	8	0.41%	11,714	11,670	44	0.38%
TOTAL OCCUPANCY COSTS	23,790	33,316	(9,526)	-28.59%	182,893	183,212	(319)	-0.17%

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

	Actual December 2012	Actual December 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	3,097	3,096	1	0.03%	18,708	15,825	2,883	18.22%
BOARD MEETING - EXPENSES	2,606	2,245	361	16.08%	14,291	13,351	940	7.04%
PRINTING	567	526	41	7.79%	3,295	3,917	(622)	-15.88%
POSTAGE & FREIGHT	1,179	1,021	158	15.48%	8,376	8,000	376	4.70%
MEMBERSHIP, DUES & CONTRIBUTIONS	14,536	11,563	2,973	25.71%	23,007	23,821	(814)	-3.42%
PUBLICATIONS	45	412	(367)	-89.08%	561	1,131	(570)	-50.40%
OFFICERS & DIRECTORS INSURANCE	16,519	15,343	1,176	7.66%	97,600	92,059	5,541	6.02%
MISCELLANEOUS	-	-	-	0.00%	-	-	-	0.00%
TOTAL GENL & ADMIN EXPENSES	38,549	34,206	4,343	12.70%	165,838	158,104	7,734	4.89%
LOAN LOSS PROVISION/BAD DEBT	-	-	-	0.00%	-	-	-	#DIV/0!
OTHER								
INTEREST EXPENSE	909	503	406	80.72%	3,182	3,016	166	5.50%
TOTAL OTHER	909	503	406	0.00%	3,182	3,016	166	0.00%
TOTAL EXPENSES	542,579	858,645	(316,066)	-36.81%	2,888,700	2,887,487	1,213	0.04%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	57,473	201,453	(143,980)	-71.47%	1,473,811	1,631,844	(158,033)	-9.68%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT		-	-	0.00%		-	-	0.00%
TRANSFER		-	-	0.00%		(8)	8	0.00%
REVENUE GRANT	-	-	-	0.00%	841,399	-	841,399	0.00%
TRANSFERS FROM STATE		-	-	0.00%		-	-	0.00%
NET INCOME/(LOSS)	57,473	201,453	(143,980)	-71.47%	2,315,210	1,631,836	683,374	41.88%

Illinois Finance Authority
Consolidated
Unaudited
Balance Sheet
for the Six Months Ending December 31, 2012

	Actual December 2011	Actual December 2012
ASSETS		
CASH & INVESTMENTS, UNRESTRICTED	$ 35,115,057	$ 43,362,055
RECEIVABLES, NET	59,374	97,425
LOAN RECEIVABLE, NET	29,533,139	26,421,748
NOTES RECEIVABLE	37,157,437	34,643,937
OTHER RECEIVABLES	842,292	942,771
PREPAID EXPENSES	123,129	152,096
TOTAL CURRENT ASSETS	102,830,428	105,620,032
FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION	131,935	134,260
DEFERRED ISSUANCE COSTS	364,514	304,425
OTHER ASSETS		
CASH RESTRICTED, INVESTMENTS & RESERVES	54,785,541	55,540,152
VENTURE CAPITAL INVESTMENTS	2,247,981	-
OTHER	3,000,000	3,000,000
TOTAL OTHER ASSETS	60,033,522	58,540,152
TOTAL ASSETS	$ 163,360,399	$164,598,869
LIABILITIES		
CURRENT LIABILITIES	992,675	880,746
BONDS PAYABLE	46,840,000	41,885,000
OTHER LIABILITIES	1,869,204	1,708,354
TOTAL LIABILITIES	49,701,879	44,474,100
EQUITY		
CONTRIBUTED CAPITAL	35,608,692	35,608,692
RETAINED EARNINGS	28,655,681	30,492,093
NET INCOME / (LOSS)	1,631,836	2,315,210
RESERVED/RESTRICTED FUND BALANCE	35,114,140	39,060,603
UNRESERVED FUND BALANCE	12,648,171	12,648,171
TOTAL EQUITY	113,658,520	120,124,769
TOTAL LIABILITIES & EQUITY	$ 163,360,399	$164,598,869

MINUTES OF THE DECEMBER 11, 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 December 11, 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. William A. Brandt, Jr., Chairman
2. Michael W. Goetz, Vice Chairman
3. Gila J. Bronner
4. James J. Fuentes
5. Norman M. Gold
6. Lerry Knox
7. Edward H. Leonard, Sr.
8. Terrence M. O'Brien
9. Mayor Barrett F. Pedersen
10. Roger E. Poole
11. Bradley A. Zeller

IFA Committee of the Whole Members Excused:

1. Dr. William Barclay
2. Heather D. Parish
3. Mordecai Tessler

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 (via teleconference)
Brad R. Fletcher, Legal/Financial Analyst
Nora O'Brien, Legal/Financial Analyst
Terrell Gholston, Procurement Analyst
Sohair Omar, Policy/Operations Analyst

IFA Financial Advisor Present:

Courtney Shea, Acacia Financial Group, Inc.

I. Call to Order & Roll Call

The Committee of the Whole Meeting was called to order at 9:34 a.m. by Chairman Brandt. The Assistant Secretary of the Board, Mr. Fletcher, called the roll. There being eleven members physically present, a quorum was reached.

II. Chairman's Remarks

Chairman Brandt acknowledged the holiday season and deferred remarks until a later time.

III. Message from the Executive Director

Executive Director Meister wished a happy holiday season to members of the Board, IFA staff and all guests present.

Mr. Meister congratulated new Board members Mr. Knox and Mr. Tessler as their appointments have been approved by the Illinois Senate Executive Appointments Committee. Their respective confirmations will now be considered by the full Senate for a vote. Likewise, Mr. Meister congratulated Mr. Leonard and Mr. Zeller on being re-appointed to the Board by Governor Pat Quinn.

With respect to the diverse agenda being presented at this month's Board Meeting, Mr. Meister noted that Midwestern Disaster Area Bonds must be issued by the end of this calendar year. According to Mr. Meister, IFA has expended a great deal of resources in promoting this disaster recovery tool; more specifically, he suggested to various congressional staff members during a recent visit to Washington, D.C. that Congress may want to consider an extension of the Midwestern Disaster Area Bond provision in federal law as Congress contemplates how best to help victims of Hurricane Sandy on the East Coast.

Executive Director Meister also provided the Board with some context on the Cubic Transportation Systems Chicago, LLC financing that will be presented by Mr. Frampton. Mr. Meister is hopeful that IFA can facilitate the financing of more public-purpose infrastructure projects in the future. Mr. Meister complimented Mr. Frampton on his work regarding this matter.

Mr. Meister stated that he and Mr. Fuentes have been working diligently on reinvigorating IFA's Venture Capital program. Mr. Fuentes has recently engaged in some meetings concerning potential opportunities for IFA. More specifically, Mr. Fuentes attended the startup hub inside the Merchandise Mart, 1871.

Finally, Mr. Meister stated that thanks to the diligent efforts of Ms. Bronner, IFA's Fiscal Year ("FY") 2012 Financial Audit Report has been completed and is under review by the Office of the Illinois Auditor General. He is hopeful that it will be released before the end of the calendar year, and noted that Mrs. Granda will provide greater detail concerning IFA's two findings relating to Government Auditing Standards.

IV. Consideration of the Minutes

Chairman Brandt requested a motion to adopt the Minutes of the Committee of Whole Meeting held on November 13, 2012. Mayor Pedersen made a motion and Mr. Leonard seconded the motion. A voice vote was taken and the minutes were approved unanimously.

VI. Committee Reports

Agriculture Committee

Vice Chairman Goetz reported that the Agriculture Committee reviewed one Beginning Farmer Bond project for this month's agenda and recommended it for approval.

Audit Committee

Ms. Bronner stated that she represented the Audit Committee at the exit conference with IFA's auditors concerning the FY 2012 Financial Audit Report. Upon release, a full report to the Board will be made.

Venture Capital Committee

Mr. Fuentes confirmed that he attended 1871, which is a collaborative work space for digital technology entrepreneurs, and provided background on the investment risk associated with attempting to select viable companies as he provided various examples. However, Mr. Fuentes suggested that there may be opportunities in which IFA could participate in a safer, collective investment vehicle that would pool money from multiple investors and generate a more modest return.

Mr. Fuentes also detailed his understanding of Energy Foundry - a new Chicago-based investment fund that will provide seed money for smart-grid projects. Mr. Fuentes will provide greater detail as it becomes available and will update the Venture Capital Committee accordingly.

Finally, Mr. Fuentes described the consequences of ascertaining which companies IFA should make an investment in as part of IFA's Venture Capital portfolio. While offering specifics regarding companies he has become aware of, Mr. Fuentes explained that some opportunities will present a greater job impact to the State of Illinois in the near-future while other opportunities have a greater long-term economic impact as they are in the infancy stage of development.

Chairman Brandt inquired as to the membership of IFA's Venture Capital Committee. Executive Director Meister informed the Board that membership will have to be revisited.

Mr. Gold questioned why IFA is considering renewing its Venture Capital program given the recent costs. Mr. Fuentes explained that it is a statutory provision of the Illinois Finance

Authority Act that allows for IFA to pursue venture capital investments as an economic development tool.

Chairman Brandt confirmed that while recent history has indicated that IFA's Venture Capital program had been rife with expensive compliance costs, the overall historical return of the fund had been respectable. Accordingly, Chairman Brandt expressed his desire to explore restarting the Venture Capital program, consistent with the wishes of the Office of the Governor and the Illinois General Assembly. However, IFA will need to learn from past mistakes (e.g. exit strategy, types of investments, etc.).

Mr. Zeller, Mr. Goetz, Mr. Fuentes, Mr. O'Brien and Ms. Bronner engaged in further discussion concerning the compliance requirements. Chairman Brandt explained that the Venture Capital program can play an integral role towards IFA's mission to create jobs and foster economic development.

Executive Director Meister reminded members of the Board that during the last fiscal year, IFA's investment in Smart Signal Corporation returned a payout of over $1 million.

Compensation Committee

Mr. O'Brien reported that the Compensation Committee met earlier in the morning, at which time they considered Governor Quinn's nomination of Mr. Meister as Executive Director for a one-year term. There was a consensus among the Compensation Committee members to re-appoint Mr. Meister for a one-year term with a slight increase in compensation.

Chairman Brandt explained the statutory provisions concerning the appointment of the Executive Director position.

Healthcare Committee

Mr. Goetz reported that the Healthcare Committee reviewed one project for this month's agenda and recommended it for approval.

V. Presentation and Consideration of the Financial Statements

Mrs. Granda explained that Total Revenue for November ended at $475,851 or $43,482 or 10.06% above the FY 2013 Budget. In November, there were four closings: two in the Business & Industry market sector and two in the Healthcare market sector. These fees totaled $408,273. Year-to-Date Total Revenue for the period ended November 30, 2012 was $2,605,111, an amount that was $145,412 or 5.91% above the FY 2013 budget.

Comparing Actual Total Revenues for FY 2013 to Actual Total Revenues for FY 2012, FY 2013 is unfavorable by $72,924 or 2.72% below the Actual Total Revenues for FY 2012. This was primarily due to U.S. Securities & Exchange Commission settlements received in FY 2012.

Total Expenses for November ended at $299,763 or $12,213 or 3.91% below the FY 2013 Budget. Year-to-Date Total Expenses ended at $1,502,753 or $27,636 or 1.81% below the FY 2013 Budget.

Comparing Actual Total Expenses for FY 2013 to Actual Total Expenses for FY 2012, FY 2013 is down by $23,044 or 1.51%.

November ended with a Net Income of $176,088 or $55,695 or 46.26% above the FY 2013 Budget. This is primarily due to administrative and closing fees. In fact, Year-to-Date Net Income is $1,419,511 or $490,201 or 52.75% above the FY13 Budget. This is due to administrative and closing fees, recovery of bad debt, transfers received from Venture Capital portfolio sale and the close-out of the Title IX program.

IFA's balance sheet remains strong. In November, there was one loan payoff for a total of $212,047. Total Loan payoffs for FY 2013 are $377,988 (from three loans).

Mrs. Granda noted that IFA staff will prepare Financial Projections for the next Board Meeting to be held in January.

Concerning audit matters, Mrs. Granda stated the exit conference for the FY 2012 Financial Audit Report being conducted by the Office of the Illinois Audit General was held on December 4th. There were the following two Government Auditing Standards findings:

- Inadequate Controls over Monitoring Covenant Compliance; and
- Inadequate Controls over Financial Reporting.

Both of these findings were classified as significant deficiencies. Accordingly, IFA staff is working on a corrective action plan.

The final draft of the FY 2012 Financial Audit Report was reviewed by IFA and the Representation Letter was thereafter signed on December 7th. IFA staff anticipates the report to be released before the end of the calendar year.

This will be the first time the report gets released by the required time frame and Mrs. Granda thanked the Office of the Illinois Auditor General for its steadfast pace. The FY 2012 Financial Audit Report will be discussed at the next Audit Committee meeting.

Finally, Mrs. Granda stated that internal audit reports are final; the reports will also be discussed at the next Audit Committee Meeting.

Executive Director Meister reiterated that the Office of the Illinois Auditor General has assigned new staff to oversee IFA audit matters being conducted by E.C. Ortiz & Co., LLP.

Chairman Brandt expressed his pleasure that IFA currently has no participation loans on its "watchlist". This is a significant accomplishment when also considering the efforts to facilitate a grant to satisfy debt service on Illinois Medical District Series 2006 Bonds and to likewise successfully conclude the REG Danville LLC matter. Chairman Brandt thanked staff for their hard work.

Mr. Poole thanked Mrs. Granda for her presentation.

II. Project Reports and Resolutions

Mr. Senica presented the following project:

Agriculture – Beginning Farmer Bonds

Item No. 1: **Jordan Ruppert - $456,055**

Jordan Ruppert is requesting approval of a Final Bond Resolution in an amount not-to-exceed Four Hundred Fifty-Six Thousand and Fifty-Five Dollars ($456,055). Bond proceeds will be used to finance the acquisition of approximately 157 acres of farmland located in Swanick Township in Perry County. This financing is being presented for one-time consideration.

Mr. Frampton presented each of the following projects and resolutions:

Business & Industry – Midwestern Disaster Area Revenue Bonds

Item No. 2: **Practice Velocity Holdings, LLC - $6,000,000**

Practice Velocity Holdings, LLC is requesting approval of a Final Bond Resolution in an amount not-to-exceed Six Million Dollars ($6,000,000) of Midwestern Disaster Area Revenue Bond financing. This financing is being presented for one-time consideration.

Bond proceeds will be used by Practice Velocity Holdings, LLC, an Illinois limited liability company (and hereinafter the "Company"), to provide the Company with a portion of the funds to be applied, together with funds from other sources, to (i) pay or reimburse the Company for the costs of acquiring, constructing, remodeling, renovating and equipping a building and related improvements, all to be owned and operated by the Company (and comprising the "Project") with portions of the Project to be occupied by various affiliates of the Company, (ii) pay interest on the Bonds during the construction of the Project, and (iii) pay certain expenses incurred in connection with the issuance of the Bonds, all as permitted by the Act (and together with the Project comprising the "Financing Purposes").

Chairman Brandt inquired if Mr. Frampton is expecting a busy end to the calendar year given the fast-approaching sunset date of the Midwestern Disaster Area Bonds. Mr. Frampton confirmed that staff will be working diligently to close several projects currently scheduled to close before December 31st.

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

Item No. 3: <u>Melrose Cooperative Nursery Inc. D/B/A The Catherine Cook School - $17,500,000</u>

Melrose Cooperative Nursery Inc. D/B/A The Catherine Cook School is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed Seventeen Million Five Hundred Thousand Dollars ($17,500,000) of 501(c)(3) Revenue Bonds.

Bond proceeds will be loaned to the Melrose Cooperative Nursery Inc. D/B/A The Catherine Cook School, an Illinois not-for-profit corporation (and hereinafter, the "Borrower"), and will be used to provide the Borrower with all or a portion of the funds to (i) construct and furnish a new 25,000 square foot addition to the Borrower's existing campus, the main address of which is located at 226 West Schiller Street, Chicago, Illinois, which addition is currently expected to include a new library, eleven new classrooms, two new middle school science rooms, a lower school discovery center, and a rooftop playground and will include property located on the 1400 block of N. North Park Avenue and a vacated alley located immediately adjacent to the west side of the Borrower's existing facility (and comprising the "Project"); (ii) refinance the Borrower's outstanding IFA Series 2007 Revenue Bonds; and (iii) pay certain costs incurred in connection with the issuance of the Bonds, all as permitted by the Act (and together with the Project comprising the "Financing Purposes").

Local Government and Government Purpose – Local Government Revenue Bonds

Item No. 4: <u>Cubic Transportation Systems Chicago, Inc. - $120,000,000</u>

Cubic Transportation Systems Chicago, Inc. is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed One Hundred Twenty Million Dollars ($120,000,000) of Government Purpose Revenue Bonds.

Bond proceeds will be issued to finance the acquisition and installation of an Open Payment Fare Collection System (hereinafter the "Project") to be owned by the Chicago Transit Authority (hereinafter, the "CTA") with payments on the Bonds derived solely from a senior lien on fixed contract revenues to be paid by the CTA to Cubic Transportation Systems Chicago, Inc. under terms of the related Open Payment Fare Collection System Contract. Additionally, bond proceeds may be used to pay expenses incurred in connection with the issuance of the Bonds (and together with the Project comprising the "Financing Purposes").

Chairman Brandt asked Mr. Frampton when he expects this financing to return to the Board for consideration of a Final Bond Resolution. Mr. Frampton explained that financing will return when the Open Payment Fare Collection System is substantially completed, which is anticipated during the fourth quarter of calendar year 2013.

Mr. Knox requested further clarification and an explanation of the proposed terms. Mr. Frampton explained that this would be a structured financing that would be solely secured by a senior lien of fixed contract revenues payable by the Chicago Transit Authority. Pursuant to the CTA-Cubic Transportation Systems Chicago, Inc. contract, all fixed CTA contract payments would be made to a Custodial Agent/Bond Trustee that would (1) first pay debt service on the proposed IFA Series 2013 Bonds and (2) then remit any residual amount to Cubic Transportation Systems Chicago, Inc.

Additionally, Mr. Frampton explained that because the bond financed assets would be owned by the CTA, the Bonds would be issued as government purpose bonds as presently contemplated. Additionally, Mr. Frampton noted that because Cubic Transportation Systems Chicago, Inc. would receive bond proceeds at closing (upon conveyance of the Project to the CTA), Cubic Transportation Systems Chicago, Inc. would be deemed the Borrower on a nominal basis. Mr. Frampton reiterated that the Bonds would be solely secured by the senior lien structure on fixed contract payments and that the Bonds would not be an obligation of either the CTA or Cubic Transportation Systems Chicago, Inc.

Resolutions

Item No. 6: **Resolution for the Benefit of Chicago Academy of Sciences Authorizing the Execution and Delivery of a Bond and Loan Agreement, a Tax Compliance Certificate, and Related Documents; and Approving Related Matters**

Item No. 7: **Resolution Authorizing the Execution and Delivery of an Amended and Restated Bond and Loan Agreement in Connection with Illinois Finance Authority Charter School Revenue Bond (LEARN Charter School Project), Series 2011**

Item No. 8: **Resolution of Intent Requesting an Initial Allocation of Calendar Year 2013 Private Activity Bond Volume Cap in the Amount of $75,000,000**

Chairman Brandt inquired as to how much Volume Cap IFA utilized as compared to how much Volume Cap will carry-forward into calendar year 2013. Mr. Frampton provided a brief summation of those Industrial Development Bond projects that used volume cap during calendar year 2012 and detailed his expectations for Industrial Development Bonds next calendar year.

Ms. Lenane presented the following project:

Healthcare – 501(c)(3) Revenue Bonds

Item No. 5a: **Ingalls Health System – $90,000,000**

Ingalls Health System is requesting approval of a Final Bond Resolution in an amount not-to-exceed Ninety Million Dollars ($90,000,000) of 501(c)(3) Revenue Bonds. This financing is being presented for one-time consideration.

Bond proceeds will be used by Ingalls Health System (hereinafter the "Corporation") to: (i) refund all of the Illinois Health Facilities Authority Revenue Bonds, Series 1994 (Ingalls Health System Project); (ii) pay or reimburse the Corporation for the payment of the cost of acquiring, constructing, renovating, remodeling and equipping certain of its health facilities, including without limitation the renovation of the Corporation's intensive care unit and heart catheterization laboratory; (iii) pay a portion of the interest on the Series 2013 Bonds; (iv) provide working capital; (v) establish a debt service reserve fund for the benefit of the Series 2013 Bonds, if deemed necessary or desirable; and (vi) pay certain expenses incurred in connection with the issuance of the Series 2013 Bonds and the refunding of the Series 1994 Bonds.

Chairman Brandt asked Ms. Lenane when she expects this financing to close. Ms. Lenane, upon conferring with Ms. O'Brien, indicated that this will likely close in February 2013. Furthermore, Ms. Lenane explained that this borrower is taking advantage of a low-interest rate environment, similar to other recent one-time considerations presented to the Board.

Mr. Goetz inquired about minority underwriter participation with respect to this financing. Ms. Lenane informed the Board that she is aware that Ingalls Health System has been contacting minority underwriting firms to participate in the bond issue.

Chairman Brandt provided context as to the creation of the Diversity Committee at IFA. Despite IFA's role as a conduit finance agency, the Diversity Committee successfully brought to fruition more participation from minority underwriters in certain public offerings. Accordingly, Chairman Brandt expressed his pleasure that inclusion of minority- and women-owned underwriting firms in IFA financings have succeeded beyond expectations and as a result their participation is more commonplace than in the past.

However, the Diversity Committee has lost several members due to Board changeover. Therefore, membership on the Diversity Committee will have to be revisited to reinvigorate policies and ideas that encourage more successful diversity initiatives at IFA.

Healthcare – Taxable and Tax-Exempt Revenue Bonds and Subordinated Revenue Refunding Bonds

Item No. 5b: <u>Clare Oaks - $90,000,000</u>

Withdrawn.

Chairman Brandt presented the following resolutions to the Board:

Resolutions

Item No. 10: <u>Resolution to Adopt the Report of the Compensation Committee of the Illinois Finance Authority</u>

Chairman Brandt asked if the members of the Board had any questions related to the resolution presented. There being none, Chairman Brandt requested a motion to adopt the resolution. Mr. Fuentes made a motion and Mr. Goetz seconded the motion. A voice vote was taken and the resolution was approved unanimously.

Item No. 9: <u>Resolution Appointing the Executive Director of the Illinois Finance Authority for One-year Term of Office</u>

Chairman Brandt asked if the members of the Board had any questions related to the resolution presented. There being none, Chairman Brandt requested a motion to adopt the resolution. Mayor Pedersen made a motion and Mr. Goetz seconded the motion. A voice vote was taken and the resolution was approved unanimously.

Mr. Meister thanked members of the Board for their consideration.

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 DECEMBER 11, 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 December 11, 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. William A. Brandt, Jr., Chairman
2. Michael W. Goetz, Vice Chairman
3. Gila J. Bronner
4. James J. Fuentes
5. Norman M. Gold
6. Lerry Knox
7. Edward H. Leonard, Sr.
8. Terrence M. O’Brien
9. Mayor Barrett F. Pedersen
10. Roger E. Poole
11. Bradley A. Zeller

IFA Board Members Excused:

1. Dr. William Barclay
2. Heather D. Parish
3. Mordecai Tessler

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
Brad R. Fletcher, Legal/Financial Analyst
Nora O’Brien, Legal/Financial Analyst
Terrell Gholston, Procurement Analyst

IFA Financial Advisor Present:

Courtney Shea, Acacia Financial Group, Inc.

I. Call to Order & Roll Call

The Board Meeting was called to order at 10:39 a.m. by Chairman Brandt. The Assistant Secretary of the Board, Mr. Fletcher, called the roll. There being eleven members present, a quorum was reached.

II. Chairman's Remarks

Chairman Brandt welcomed members of the Board, IFA staff and all guests present. Given historical difficulties in attaining a quorum, Chairman Brandt expressed his pleasure that Governor Quinn has four Board appointments awaiting confirmation by the Illinois Senate. Of these four, two are re-appointments – Leonard and Zeller – and two are new members of the Board – Knox and Tessler. Chairman Brandt stated that he is hopeful these four appointments will be confirmed in early January.

With fourteen members of the Board, Chairman Brandt expressed the Board's continued desire to hold Board meetings in downstate Illinois.

Executive Director Meister announced that he was honored to have been nominated again for the position of Executive Director of IFA. Mr. Meister thanked Chairman Brandt, Compensation Committee Chairman O'Brien and members of the Board for their vote of confidence in re-appointing him for another one-year term. Mr. Meister expressed his pleasure in having the opportunity to continue to serve.

Chairman Brandt provided statutory background on the nominating process for the Executive Director position of IFA.

III. Adoption of the Minutes

Chairman Brandt stated that both the Minutes of the Committee of the Whole Meeting and the Minutes of the Board Meeting, each held on November 13, 2012, were reviewed at the Committee of the Whole Meeting held earlier this morning. Additionally, Chairman Brandt stated that the Financial Statements for the Month ended November 30, 2012 were reviewed at the Committee of the Whole Meeting held earlier this morning. Chairman Brandt requested a motion to adopt the Minutes of both Meetings held on November 13, 2012 and accept the Financial Statements for the Month ended November 30, 2012. Mayor Pedersen made a motion and Mr. Goetz seconded the motion. A roll call vote was taken and the motion was adopted unanimously.

IV. Acceptance of the Financial Statements

See Agenda Item III.

V. Approval of Project Reports and Resolutions

Chairman Brandt asked Mr. Frampton to present the projects to the Board.

Mr. Frampton presented each of the following projects:

Agriculture – Beginning Farmer Bonds

Item No. 1: **Jordan Ruppert - $456,055**

Jordan Ruppert is requesting approval of a Final Bond Resolution in an amount not-to-exceed Four Hundred Fifty-Six Thousand and Fifty-Five Dollars ($456,055). Bond proceeds will be used to finance the acquisition of approximately 157 acres of farmland located in Swanick Township in Perry County. This financing is being presented for one-time consideration.

Business & Industry – Midwestern Disaster Area Revenue Bonds

Item No. 2: **Practice Velocity Holdings, LLC - $6,000,000**

Practice Velocity Holdings, LLC is requesting approval of a Final Bond Resolution in an amount not-to-exceed Six Million Dollars ($6,000,000) of Midwestern Disaster Area Revenue Bond financing. This financing is being presented for one-time consideration.

Bond proceeds will be used by Practice Velocity Holdings, LLC, an Illinois limited liability company (and hereinafter the "Company"), to provide the Company with a portion of the funds to be applied, together with funds from other sources, to (i) pay or reimburse the Company for the costs of acquiring, constructing, remodeling, renovating and equipping a building and related improvements, all to be owned and operated by the Company (and comprising the "Project") with portions of the Project to be occupied by various affiliates of the Company, (ii) pay interest on the Bonds during the construction of the Project, and (iii) pay certain expenses incurred in connection with the issuance of the Bonds, all as permitted by the Act (and together with the Project comprising the "Financing Purposes").

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

Item No. 3: **Melrose Cooperative Nursery Inc. D/B/A The Catherine Cook School - $17,500,000**

Melrose Cooperative Nursery Inc. D/B/A The Catherine Cook School is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed Seventeen Million Five Hundred Thousand Dollars ($17,500,000) of 501(c)(3) Revenue Bonds.

Bond proceeds will be loaned to the Melrose Cooperative Nursery Inc. D/B/A The Catherine Cook School, an Illinois not-for-profit corporation (and hereinafter, the "Borrower"), and will be used to provide the Borrower with all or a portion of the funds to (i) construct and furnish a new 25,000 square foot addition to the Borrower's existing campus, the main address of which is located at 226 West Schiller Street, Chicago, Illinois, which addition is currently expected to include a new library, eleven new classrooms, two new middle school science rooms, a lower school discovery center, and a rooftop playground and will include property located on the 1400 block of N. North Park Avenue and a vacated alley located immediately adjacent to the west side of the Borrower's existing facility (and comprising the "Project"); (ii) refinance the Borrower's outstanding IFA Series 2007 Revenue Bonds; and (iii) pay certain costs incurred in connection with the issuance of the Bonds, all as permitted by the Act (and together with the Project comprising the "Financing Purposes").

Local Government and Government Purpose – Local Government Revenue Bonds

Item No. 4: <u>Cubic Transportation Systems Chicago, Inc. - $120,000,000</u>

Cubic Transportation Systems Chicago, Inc. is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed One Hundred Twenty Million Dollars ($120,000,000) of Government Purpose Revenue Bonds.

Bond proceeds will be issued to finance the acquisition and installation of an Open Payment Fare Collection System (hereinafter the "Project") to be owned by the Chicago Transit Authority (hereinafter, the "CTA") with payments on the Bonds derived solely from a senior lien on fixed contract revenues to be paid by the CTA to Cubic Transportation Systems Chicago, Inc. under terms of the related Open Payment Fare Collection System Contract. Additionally, bond proceeds may be used to pay expenses incurred in connection with the issuance of the Bonds (and together with the Project comprising the "Financing Purposes").

Healthcare – 501(c)(3) Revenue Bonds

Item No. 5a: <u>Ingalls Health System – $90,000,000</u>

Ingalls Health System is requesting approval of a Final Bond Resolution in an amount not-to-exceed Ninety Million Dollars ($90,000,000) of 501(c)(3) Revenue Bonds. This financing is being presented for one-time consideration.

Bond proceeds will be used by Ingalls Health System (hereinafter the "Corporation") to: (i) refund all of the Illinois Health Facilities Authority Revenue Bonds, Series 1994 (Ingalls Health System Project); (ii) pay or reimburse the Corporation for the payment of the cost of acquiring, constructing, renovating, remodeling and equipping certain of its health facilities, including without limitation the renovation of the Corporation's intensive care unit and heart catheterization laboratory; (iii) pay a portion of the interest on the Series 2013 Bonds; (iv) provide working capital; (v) establish a debt service reserve fund for the benefit of the Series 2013 Bonds, if deemed necessary or desirable; and (vi) pay certain expenses incurred in connection with the issuance of the Series 2013 Bonds and the refunding of the Series 1994 Bonds.

Healthcare – Taxable and Tax-Exempt Revenue Bonds and Subordinated Revenue Refunding Bonds

Item No. 5b: Clare Oaks - $90,000,000

Withdrawn.

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

Chairman Brandt asked Mr. Frampton to present the resolutions to the Board.

Mr. Frampton presented each of the following resolutions:

Resolutions

Item No. 6: Resolution for the Benefit of Chicago Academy of Sciences Authorizing the Execution and Delivery of a Bond and Loan Agreement, a Tax Compliance Certificate, and Related Documents; and Approving Related Matters

Item No. 7: Resolution Authorizing the Execution and Delivery of an Amended and Restated Bond and Loan Agreement in Connection with Illinois Finance Authority Charter School Revenue Bond (LEARN Charter School Project), Series 2011

Item No. 8: Resolution of Intent Requesting an Initial Allocation of Calendar Year 2013 Private Activity Bond Volume Cap in the Amount of $75,000,000

Item No. 9: Resolution Appointing the Executive Director of the Illinois Finance Authority for One-year Term of Office

Item No. 10: Resolution to Adopt the Report of the Compensation Committee of the Illinois Finance Authority

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

VI. Other Business

None.

VII. Public Comment

None.

VIII. Adjournment

Chairman Brandt requested a motion to adjourn the Board Meeting. A motion to adjourn was made by Mayor Pedersen and seconded by Mr. O'Brien. A voice vote was taken and the motion was adopted unanimously.

The Board Meeting adjourned at 10:51 a.m.

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

MINUTES OF THE DECEMBER 20, 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 Special Board Meeting on December 20, 2012, at 9:30 a.m. in the Chicago Office of the IFA, 180 North Stetson Avenue, Suite 2555, Chicago, Illinois 60601.

IFA Board Members Present:

1. William A. Brandt, Jr., Chairman
2. Michael W. Goetz, Vice Chairman (via audio conference)
3. Gila J. Bronner
4. James J. Fuentes
5. Lerry Knox
6. Terrence M. O'Brien
7. Heather D. Parish
8. Mayor Barrett F. Pedersen
9. Mordecai Tessler
10. Bradley A. Zeller (via audio conference)

IFA Board Members Excused:

1. Dr. William Barclay
2. Norman M. Gold
3. Edward H. Leonard, Sr.
4. Roger E. Poole

IFA Staff Present:

Christopher B. Meister, Executive Director
Pamela A. Lenane, Vice President and Acting General Counsel
Brad R. Fletcher, Legal/Financial Analyst
Nora O'Brien, Legal/Financial Analyst
Sohair Omar, Policy/Operations Analyst
Rob Gelles, Fellow

IFA Financial Advisor Present:

None.

I. Call to Order & Roll Call

The Special Board Meeting was called to order at 9:34 a.m. by Ms. Parish. The Executive Director, Mr. Meister, informed Ms. Parish that a quorum was not likely due to weather conditions. However, it was his expectation that a quorum may be reached if the Special Board Meeting were delayed and reconvened at a later time.

Ms. Parish, the sole Board member physically present, stated that the Special Board Meeting would be delayed due to lack of a quorum. Ms. Parish announced that (i) the Special Board Meeting would reconvene at 1:30 p.m. in the Chicago Office of the IFA, 180 North Stetson Avenue, Suite 2555, Chicago, Illinois 60601 and (ii) the Special Board Meeting would have no change in the agenda at such time.

The Assistant Secretary of the Board, Mr. Fletcher, called the roll. There being one member physically present (Parish) and four members participating via audio conference (Brandt, Goetz, Tessler, Zeller), the Assistant Secretary of the Board confirmed a quorum had not been attained.

Therefore, the Assistant Secretary of the Board recorded the following guests present:

- Alan M. Bell, Charity & Associates, P.C.
- Claire Bushey, Crain Communications, Inc. (via audio conference)
- Brienne Callahan, Marj Halperin Consulting, Inc. (via audio conference)
- Brian P. Crowley, Franczek Radelet P.C. (via audio conference)
- Courtney Shea, Acacia Financial Group, Inc. (via audio conference)

Ms. Parish reiterated that the Special Board Meeting had been delayed and as a result an attempt to reach a quorum would occur when the Special Board Meeting reconvenes at 1:30 p.m. pursuant to notice duly given. Finally, Ms. Parish informed those present that the teleconference number for the reconvened Special Board Meeting would be the same.

(Following the announcement made by Ms. Parish at the original Special Board Meeting, the Assistant Secretary of the Board posted a public notice of the delayed Special Board Meeting at IFA's principal office where the reconvened Special Board Meeting was to occur and a public notice of the delayed Special Board Meeting on IFA's website.)

The Special Board Meeting was delayed from 9:38 a.m. until 1:30 p.m.

The Special Board Meeting was reconvened and called to order at 1:30 p.m. by Chairman Brandt. The Assistant Secretary of the Board called the roll. There being eight members physically present and one member participating via audio conference, a quorum was reached.

Vice Chairman Goetz joined via audio conference at 1:33 p.m.

The Assistant Secretary of the Board noted for the record that all guests of the original Special Board Meeting were also present at the reconvened Special Board Meeting following the delay, with the exception of Ms. Shea.

II. Chairman's Remarks

Chairman Brandt welcomed members of the Board, IFA staff and all guests present. Chairman Brandt noted that the Clare Oaks project had been withdrawn on previous occasions from IFA Board Meeting agenda due to ongoing negotiations. Nevertheless, the Board is now prepared to act on this financing to facilitate the bond closing before the end of calendar year 2012.

Chairman Brandt thanked members of the Board for participating in this Special Board Meeting, as occasions where the Board must meet other than at those times regularly scheduled are rare.

Executive Director Meister provided context on Clare Oaks for the benefit of those present.

Chairman Brandt clarified that the U. S. Bankruptcy Court recently entered an Order confirming Clare Oaks' Plan of Reorganization which will be substantially consummated with this financing.

III. Approval of Project Report

Executive Director asked Ms. Lenane to present the project to the Board.

Ms. Lenane presented the following project, following a brief summation of Clare Oaks:

Healthcare – Taxable and Tax-Exempt Revenue Bonds and Subordinated Revenue Refunding Bonds

Item No. 1: **Clare Oaks - $90,000,000**

Clare Oaks, an Illinois not-for-profit corporation, is requesting approval of a Bond Exchange and New Issue Resolution in an amount not-to-exceed Ninety Million Dollars ($90,000,000) of Taxable and Tax-Exempt Revenue Bonds and Subordinated Revenue Refunding Bonds. This financing is being presented for one-time consideration.

On November 15, 2012, the U. S. Bankruptcy Court entered an Order confirming Clare Oaks' Plan of Reorganization (hereinafter, the "Plan"). In accordance with the Plan and the Confirmation Order, Clare Oaks has requested that the Illinois Finance Authority (hereinafter, the "Authority") issue not to exceed Ninety Million Dollars ($90,000,000) in aggregate principal amount of the following series of bonds: (i) Taxable Revenue Bonds, Series 2012A-1 (Clare Oaks) (the "Series 2012A-1 Bonds"), Revenue Bonds, Series 2012A-2 (Clare Oaks) (the "Series 2012A-2 Bonds") and its Taxable Revenue Bonds, Series 2012A-3 (Clare Oaks) (the "Series 2012A-3 Bonds" and, together with the Series 2012A-1 Bonds and the Series 2012A-2 Bonds, the "Series 2012A Bonds"), (ii) Subordinated Revenue Refunding Bonds, Series 2012B (Clare Oaks) (the "Series 2012B Bonds"), (iii) Subordinated Revenue Refunding Bonds, Series 2012C-1 (Clare Oaks) (the "Series 2012C-1 Bonds"), (iv) Subordinated Revenue Refunding

Bonds, Series 2012C-2 (Clare Oaks) (the "Series 2012C-2 Bonds"), and (v) Subordinated Revenue Refunding Bonds, Series 2012C-3 (Clare Oaks) (the "Series 2012C-3 Bonds" and, together with the Series 2012C-1 Bonds and the Series 2012C-2 Bonds, the "Series 2012C Bonds" and, together with the Series 2012A Bonds and the Series 2012B Bonds, the "Series 2012 Bonds");

The Series 2012A Bonds will be issued in order to provide a portion of the funds necessary to (i) refinance the Borrower's Debtor-in-Possession Loan; (ii) pay or reimburse Clare Oaks for the costs of certain projects owned or to be owned by Clare Oaks, including but not limited to the renovation, remodeling and equipping of certain facilities of Clare Oaks; (ii) pay a portion of the interest on the 2012 Bonds, if deemed necessary or advisable by the Authority or Clare Oaks; (iv) provide working capital, if deemed necessary or advisable by the Authority or Clare Oaks; (v) fund one or more debt service reserve funds for the benefit of the Series 2012 Bonds, if deemed necessary or advisable by the Authority or Clare Oaks; (vi) fund a rent reserve fund; (vii) fund a liquidity support fund and (viii) pay certain expenses incurred in connection with the issuance of the Series 2012 Bonds.

The Series 2012 Bonds will be purchased by certain owners of the Series 2006 Bonds, namely Sovereign Bank, N.A., MB Financial, Invesco, Ltd., Pioneer Investment Management, Inc., Lord Abbett & Co., LLC and other affiliated entities.

The Series 2012B Bonds and the Series 2012C will be issued in exchange for the outstanding Illinois Finance Authority Series 2006 Bonds, as described in the Resolution, with each holder of Series 2006 Bonds to receive a ratable share of the Series 2012B Bonds and the Series 2012C Bonds based upon the principal amount of the Series 2006 Bonds owned by each holder.

Chairman Brandt asked if the members of the Board had any questions related to the project presented. There being none, Chairman Brandt requested a motion to approve the project. Mayor Pedersen made a motion and Ms. Bronner seconded the motion. A roll call vote was taken and the project was granted approval unanimously.

IV. Other Business

None.

VII. Public Comment

None.

VIII. Adjournment

Chairman Brandt requested a motion to adjourn the Board Meeting. A motion to adjourn was made by Ms. Bronner and seconded by Ms. Parish. A voice vote was taken and the motion was adopted unanimously.

The Board Meeting adjourned at 1:43 p.m.

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

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Jim Senica and Lorrie Karcher

Date: January 8, 2013

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 (approval is recommended subject to obtaining an allocation of 2013 Volume Cap for Beginning Farmer Bond projects)
- **Amount:** Up to $501,100 maximum of new money for each project
- **Project Type: Beginning Farmer Revenue Bonds**
- **Total Requested: $684,300**
- **Calendar Year Summary:** (as of January 8, 2013)
  - Volume Cap: Note Request is Pending – 2013 amount is to-be-determined
  - Volume Cap Committed: $684,300
  - Volume Cap Remaining: To be determined
  - Average Farm Acreage: 51
  - Number of Farms Financed: 2
- **IFA Benefits:**
  - **Conduit Tax-Exempt Bonds** – no direct IFA or State funds at risk
  - **New Money Bonds:**
    - Convey tax-exempt status
    - Will use dedicated 2013 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-8594**
Borrower(s):	**Herrington, Steven R.**
Borrower Benefit:	First Time Land Buyer
Town:	Paris, IL
IFA Bond Amount:	**$337,500**
Use of Funds:	Farmland – 45 acres of farmland
Purchase Price:	$337,500 / ($7,500 per acre)
%Borrower Equity	0%
%Other	0%
%IFA	100%
Townships:	Paris
Counties/Regions:	Edgar / Southeastern
Lender/Bond Purchaser	State Bank of Chrisman / John Brinkerhoff
Legislative Districts:	Congressional: 15
	State Senate: 51
	State House: 102

Principal shall be paid annually in installments determined pursuant to a thirty-year (30-year) amortization schedule calculated at the initial interest rate, 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. The note will have a 30-year amortization and maturity.

B.

Project Number:	**A-FB-TE-CD-8595**
Borrower(s):	**Kabala, Keeley Michael**
Borrower Benefit:	First Time Land Buyer
Town:	Elgin, IL
IFA Bond Amount:	**$346,800**
Use of Funds:	Farmland – 57.5 acres of farmland
Purchase Price:	$346,800 / ($6,031 per acre)
%Borrower Equity	20%
%Other	0%
%IFA	80%
Townships:	Atkinson
Counties/Regions:	Henry / Northwest
Lender/Bond Purchaser	Farmers National Bank / Michael Urish
Legislative Districts:	Congressional: 17
	State Senate: 37
	State House: 74

Principal shall be paid annually in installments determined pursuant to a thirty-year amortization schedule calculated at the initial interest rate, 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. The note will have a 30-year amortization and maturity.

CONDUIT

January 8, 2013

$18,000,000
American College of Chest Physicians

REQUEST	**Purpose**: Bond proceeds will be issued on behalf of the **American College of Chest Physicians** (“**ACCP**”, the “**College**”, or the “**Borrower**”) and used, together with certain other funds, to (i) finance, refinance, or reimburse all or a portion of the costs associated with the acquisition of land, and the acquisition, design, development, construction, furnishing and equipping of a new building and related improvements thereon located at 2595 Patriot Blvd. in Glenview (Cook County), Illinois to be used as an educational and training facility including one or more simulators, an auditorium, classrooms, administrative offices and various other educational and training facilities (the **“Project”**), and, prospectively to also, (ii) pay capitalized interest during construction; fund a debt service reserve fund; fund certain working capital expenditures relating to the project; and, to pay certain expenses incurred in connection with the issuance of the Bond, if these prospective uses of bond proceeds are deemed necessary or desirable by the Borrower (and together with the Project, the “**Financing Purposes**”). **Program**: Conduit 501(c)(3) Revenue Bond **Extraordinary Conditions**: None.
BOARD ACTION	Preliminary Bond Resolution
MATERIAL CHANGES	None – this is the first time this matter has been presented to the IFA Board of Directors.
JOB DATA	92 Current jobs — 16 New jobs projected (12-24 months) N/A Retained jobs — 100 Construction jobs projected (12 months)
DESCRIPTION	● Location: Glenview / Cook County / Northeast ● Type of entity: American College of Chest Physicians is an Illinois not-for-profit corporation and 501(c)(3) organization. The mission of the American College of Chest Physicians is to promote the prevention, diagnosis, and treatment of chest diseases (including cardiopulmonary diseases), critical care, and sleep medicine through education, communication, and research. The ACCP is a global organization comprised of 18,700 members located in 100 countries. ● American College of Chest Physicians is also the sole member of its philanthropic arm, The CHEST Foundation, which is a 501(c)(3) supporting foundation incorporated in the State of Illinois in 1996.
CREDIT INDICATORS	● The Borrower is a non-rated entity. ● The IFA 501(c)(3) Revenue Bond (American College of Chest Physicians Project), Series 2013 will be purchased directly by **Northside Community Bank** (Wintrust Financial) (the “**Bank**” or “**Bond Purchaser**”). The Bank will be the secured lender and the direct bond investor.
SECURITY	● The Bank is expected to be secured by a valid, perfected, first-priority mortgage and security interest in the real property and all fixtures, equipment and other personal property related to or used in connection with the real property of the Borrower located at 2595 Patriot Blvd., Glenview (Cook County), Illinois 60026. ● Additionally, until the ACCP sells its present facility located at 3300 Dundee Road, Northbrook (Cook County), IL 60062, the Bank will also be secured by a mortgage on the Northbrook facility. (Upon sale of the Northbrook facility, ACCP intends to pay down the conventional term loan on the new facility in Glenview.)
MATURITY	● Not-to-exceed 30 Years
INTEREST RATE	● Northside Community Bank (Wintrust Financial) will establish an interest rate with an initial term of 10 years. The initial interest rate will be negotiated and established prior to closing and is currently estimated at between 2.50% and 3.50%.
SOURCES AND USES	See table below
RECOMMENDATION	Credit Review Committee recommends approval.

SOURCES AND USES

Sources:		**Uses:**	
IFA Bond	$18,000,000	Project costs	$22,159,200
Conventional Term Loan	6,000,000	Capitalized Interest	390,000
		Legal & Professional/ Contingency	1,450,800
Total	**$24,000,000**	**Total**	**$24,000,000**

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
January 8, 2013

Project: American College of Chest Physicians

STATISTICS

Project Number:	N-NP-TE-CD-8596	Amount:	$18,000,000 (not-to-exceed amount)
Type:	501(c)(3) Revenue Bond	IFA Staff:	Rich Frampton and Brad R. Fletcher
Locations:	Glenview	County/ Region:	Cook County/Northeast

BOARD ACTION

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

VOTING RECORD

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

PURPOSE

Purpose: Bond proceeds will be issued on behalf of the **American College of Chest Physicians** ("**ACCP**", the "**College**", or the "**Borrower**") and used, together with certain other funds, to (i) finance, refinance, or reimburse itself for all or a portion of the costs associated with the acquisition of land, and the acquisition, design, development, construction, furnishing and equipping of a new building and related improvements thereon located at 2595 Patriot Blvd. in Glenview (Cook County), Illinois to be used as an educational and training facility including one or more simulators, an auditorium, classrooms, administrative offices and various other educational and training facilities (the **"Project"**), and, prospectively to also, (ii) pay capitalized interest during construction; fund a debt service reserve fund; fund certain working capital expenditures relating to the project; and, to pay certain expenses incurred in connection with the issuance of the Bond, if these prospective uses of bond proceeds are deemed necessary or desirable by the Borrower (and together with the Project, the "**Financing Purposes**").

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bond financing 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 Bond 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

Sources:	IFA Bond	$18,000,000	Uses:	Project Costs	$22,159,200
	Conventional Term Loan	6,000,000		Capitalized Interest	390,000
				Legal & Professional/Contingency	1,450,800
	Total	**$24,000,000**		**Total**	**$24,000,000**

JOBS

Current employment:	92	Projected new jobs:	16 (12-24 months)
Jobs retained:	N/A	Construction jobs:	100 (12 months)

FINANCING SUMMARY

Structure/ Security:	The Bond will be purchased directly by **Northside Community Bank** (the "**Bank**" or "**Bond Purchaser**") and held as an investment. The Bank is expected to be secured by a valid, perfected, first-priority mortgage and security interest in the real property and all fixtures, equipment and other personal property related to or used in connection with the real property associated with the Project.
Interest Rate:	The Bank is expected to establish an initial interest rate for 10 years (with reset provisions at the end of the initial term), amortized over 30 years. During the construction period, interest-only payments will be made; monthly principal and interest payments will begin thereafter (anticipated in the second year). The interest rate will be set at pre-closing based on prevailing market conditions, currently estimated at between 2.50% and 3.50%.
Maturity:	Final maturity date – 30 years from issuance date. Wintrust Financial Corporation's initial interest rate period will be set for an initial term of 10 years (with corresponding reset provisions thereafter).
Estimated Closing Date:	February 2013
Rationale:	The proposed Bond will reduce monthly payments that will help the American College of Chest Physicians keep its fixed charges (including debt service payments) as low as possible. The new ACCP building will include new administrative headquarters and provide for expanded professional educational and training facilities. The new facility will improve educational and professional training opportunities for Chest Physicians and other health professionals by providing access to innovations in care (including the use of new training simulators), thereby improving the health and quality of life for the general public. The Project will be a significant employer and integral in the continued build-out of The Glen, a mixed-use development in Glenview (www.theglentowncenter.com) located on the site of the former Glenview Naval Air Station. The new educational and professional training facilities will provide expanded onsite training capabilities and capacity. The new location within The Glen will offer ACCP training attendees nearby hotel and dining options and drive increased spending at other local businesses while retaining the ACCP's operations in the area. The new, approximately 48,500 square foot building will be Silver LEED-certified and is expected to be completed in Fall 2013.

PROJECT SUMMARY (FOR PRELIMINARY BOND RESOLUTION)

Purpose: Bond proceeds will be loaned to the **American College of Chest Physicians** ("**ACCP**", the "**College**", or the "**Borrower**") and used, together with certain other funds, for the purposes of (and including but not limited to) providing the Borrower with all or a portion of the funds necessary to (i) finance, refinance or reimburse itself for all or a portion of the costs of the acquisition, design, development, construction, furnishing and equipping of certain of its educational facilities, including without limitation, the acquisition, design, development, construction and equipping of new educational and training facilities, including but not limited to one or more simulators, an auditorium, classrooms, administrative offices and various other educational and training facilities, and including site improvements, landscaping and improvements to roads, walkways and parking lots to be located at 2595 Patriot Blvd., Glenview (Cook County), Illinois (and collectively, the "**Project**"), (ii) finance a portion of the interest on the Bond, (iii) finance certain working capital expenditures related to the Project, if deemed necessary or desirable by the Borrower, (iv) fund a debt service reserve fund, if deemed necessary or desirable by the Borrower, and (v) pay certain costs relating to the issuance of the Bond, if deemed necessary or desirable by the Borrower, all as permitted under the Illinois Finance Authority Act (and collectively with the Project, the "**Financing Purposes**").

The estimated Project Costs are comprised of the following items (subject to change):

Land Acquisition	$2,550,000
New Construction	15,938,783
Machinery/Equip.	1,682,033
Architectural & Engineering	1,988,384
Legal & Professional	840,471
Contingency	610,329
Capitalized Interest	390,000
Total	**$24,000,000**

BUSINESS SUMMARY

Description: The **American College of Chest Physicians** ("**ACCP**" or the "**Borrower**") was established in 1935 and is incorporated under State of Illinois law. The Borrower is a 501(c)(3) not-for-profit corporation exempt from federal income taxes under the Internal Revenue Code.

ACCP is governed by a 17-member Board of Regents (see p. 5).

Background: The mission of the American College of Chest Physicians is to promote the prevention, diagnosis, and treatment of chest diseases through education, communication, and research. The ACCP was incorporated on July 31, 1942 and its vision is to be the global leader in providing education in cardiopulmonary, critical care, and sleep medicine and to promote diversity to optimize health, advance patient care, and support research while fostering health equity. The ACCP, a global organization comprised of 18,700 members located in 100 countries, offers a breadth of innovative continuing medical education courses, publishes a leading journal, *CHEST*, confers a variety of clinical research awards, and engages in state-of-the art simulation training. By embracing a multidisciplinary membership and a diverse and innovative approach to education techniques, the ACCP has become the global leader in providing clinical education in pulmonary, critical care, and sleep medicine.

As a certified provider of globally recognized continuing medical education, the ACCP understands the need for diverse and innovative education techniques that focus on best practices and learner-centered strategies. The ACCP Simulation Education Program combines evidence-based medicine with highly sophisticated simulation education techniques and advanced hands-on learning for practicing physicians and their teams. The ACCP Simulation Program provides numerous courses throughout the year, located at ACCP headquarters in Northbrook, Illinois; regional locations in the United States; and key locations around the world. The ACCP also incorporates simulation education into its Advanced Clinical Training Certificate Programs that provide physicians with the opportunity to refresh or master their skills in critical care ultrasonography, bronchoscopy, airways management, mechanical ventilation, and critical care management. In addition to simulation, the ACCP has implemented diverse education methods beyond the standard lecture, including problem- and case-based learning, role-playing, and other techniques. Each year the ACCP conducts a 5-day annual scientific program around the country to ensure its members and other health-care professionals are exposed to the latest developments in the field of chest medicine.

The ACCP also develops clinical practice guidelines in disciplines encompassed by its members. These guidelines serve as a vehicle to ensure optimal care at the bedside. The ACCP's anti-thrombotic guidelines represent the premier standard of care. The College is also well known for its lung cancer diagnosis and treatment guidelines. The ACCP is also committed to ensuring that patients are well informed about prevention and treatment options relating to lung disease. It has a robust library of patient education materials that span from understanding a diagnosis to learning how to use devices relating to the treatment of respiratory diseases. Through its website, chestnet.org, members, clinicians, and patients are able to access its vast educational resources.

The College has been associated with discovering the causal relationship between smoking and lung cancer in the 1950s and has supported tobacco prevention and cessation. The ACCP also led the way to ban smoking on airplanes.

The ACCP produces and distributes monthly publications in print and online. ACCP's premier peer-reviewed publication *CHEST* features cutting-edge research and relevant insights in clinical chest medicine through print, online, and mobile editions. More than 350,000 readers turn to *CHEST* online each month for the latest in pulmonary, critical care, and sleep medicine. Through the *CHEST* journal website, readers are able to access current articles as well as those archived back to 1935. The College also publishes a monthly newspaper, *CHEST Physician,* that is distributed to an audience of 23,000 and combines articles about the latest developments in chest medicine as well as including news from the College. *ACCP NewsBrief*, a weekly e-newsletter for members, offers a variety of resources to aid in continuing education and practice management.

ECONOMIC DISCLOSURE STATEMENT

Applicant:	American College of Chest Physicians, 3300 Dundee Road, Northbrook, IL 60062
Contact:	Mr. P. Stratton Davies, CPA, Senior Vice President and Chief Financial Officer: (T) 847-498-8330; email: sdavies@chestnet.org
Website:	www.chestnet.org
Site Locations:	2595 Patriot Blvd., Glenview (Cook County), IL 60026
Project name:	IFA 501(c)(3) Revenue Bond (American College of Chest Physicians Project), Series 2013
Organization:	Illinois not-for-profit established as a 501(c)(3) corporation under the Internal Revenue Code
ACCP Board:	The Board of Regents is the governing body of the ACCP and is composed of the following members:

- The President
- The President-Elect
- The President-Designate
- The Immediate Past President
- The Chair of the Council of Governors
- The Chair of the Council of NetWorks
- The Chair of the Council of Global Governors
- The CHEST Foundation, President and Trustee
- Nine Regents-at-Large

2012-2013 ACCP Board of Regents

Darcy D. Marciniuk, MD, FCCP, *President and Chair*
Michael Baumann, MD, FCCP, *President-Elect and Vice-Chair*
Curtis Sessler, MD, FCCP, *President-Designate*
Suhail Raoof, MBBS, FCCP, *Immediate Past President*
Francis J. Podbielski, MD, FCCP, Chair, *Council of Governors and Membership*
Burton Lesnick, MD, FCCP, *Chair, Council of NetWorks*
Panagiotis K. Behrakis, MD, FCCP, *Chair, Council of Global Governors*
John Studdard, MD, FCCP, *The CHEST Foundation, President and Trustee*

Regents-at-Large
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Clayton T. Cowl, MD, FCCP
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Susan M. Harding, MD, FCCP
Angeline A. Lazarus, MBBS, FCCP
Scott Manaker, MD, PhD, FCCP
Janet R. Maurer, MD, FCCP
Barbara A. Phillips, MD, FCCP
Gerard A. Silvestri, MD, FCCP

Ex Officio Members
Paul A. Markowski, CAE, Secretary, *ACCP Executive Vice President & CEO*
Alan Fein, MD, FCCP, *Vice-Chair, Council of Governors*
Thomas Fuhrman, MD, FCCP, *Vice-Chair, Council of Networks*
Richard S. Irwin, MD, Master FCCP, CHEST, *Editor in Chief*
Paraschiva A. Postolache, MD, FCCP, *Vice-Chair, Council of Global Governors*

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Vedder Price P.C.	Chicago, IL	Michael Reed
Auditor:	Crowe Horwath LLP	Chicago, IL	Stuart Miller
Borrower's Advisor:	Mickeni, LLC	Chicago, IL	Ken Kerzner
Bond Counsel:	Chapman & Cutler LLP	Chicago, IL	Nancy Burke
Bank/Direct Bond Purchaser:	Northside Community Bank (Wintrust Financial Corp.)	Skokie, IL and Chicago, IL	Kandace Lenti, Melissa Mancini
Bank/Purchaser's Counsel:	Ungaretti & Harris LLP	Chicago, IL	Julie Seymour
Architect:	Perkins + Will	Chicago, IL	Michael Palmer
General Contractor:	Pepper Construction	Tinley Park, IL	Brian Forsythe
IFA Counsel:	To be determined		
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Courtney Shea

LEGISLATIVE DISTRICTS

Congressional:	10
State Senate:	29
State House:	57

CONDUIT

January 8, 2013

$160,000,000
Franciscan Communities, Inc.

REQUEST	**Purpose**: The proceeds will be used by **Franciscan Communities, Inc.** ("**FC**") and/or **University Place, Inc.** ("**UP**") (collectively, FC and UP are referred to hereinafter as "**Borrower**" and/or "**Proposed Obligated Group**") to: (i) refund various series of bonds previously issued through the Illinois Finance Authority or the Illinois Health Facilities Authority; (ii) refund bonds previously issued through the Indiana Health Facility Financing Authority; (iii) refund bonds previously issued through Cuyahoga County, Ohio; (iv) fund new money projects for certain of the Proposed Obligated Group facilities; (v) establish one or more Debt Service Reserve Funds; and (vi) provide for the payment of costs of issuance associated with the Series 2013 Bonds. **Program**: Conduit 501(c)(3) Revenue Bonds (Multi-State) **Extraordinary Conditions**: None.
BOARD ACTIONS	Final Bond Resolution
MATERIAL CHANGES	None. Preliminary Bond Resolution approved November 13, 2012: Yeas: 11; Nays: 0; Abstentions: 0; Absent: 3 (Brandt, Barclay and Bronner); Vacancies: 1
JOB DATA	1,707 Current jobs; N/A New jobs projected N/A Retained jobs; 0 Construction jobs projected
DESCRIPTION	Illinois Locations: Cook, Will, and Lake Counties ● Upon completion of the financing, the Proposed Obligated Group will operate eight facilities in three states with an aggregate of 1,912 total units, including 511 entrance fee independent living units, 238 rental independent living units, 387 assisted living/sheltered units, and 776 nursing units. The new money projects will be at the Proposed Obligated Group's eight facilities that are located in three states.
CREDIT INDICATORS	● The plan of finance contemplates the issuance of approximately $100 million of tax-exempt fixed rate investment grade bonds (expected rating BBB- by Fitch) and no more than $35 million of variable rate direct-placed bank debt, comprised of no more than $15 million of variable rate tax-exempt debt and no more than $20 million of variable rate taxable debt.
SECURITY	● The security for the Bonds will be a gross revenue pledge of the Proposed Obligated Group under a Master Trust Indenture and a mortgage or leasehold mortgage on all properties in the Proposed Obligated Group.
MATURITY	● Bonds will mature no later than February15, 2048
SOURCES AND USES	See table below
RECOMMENDATION	Credit Review Committee recommends approval.

Sources and Uses

Sources:		**Uses**:	
IFA Bonds (including bank debt)	$128,000,000	Payoff of Existing Debt	$106,000,000
Refunding DSRF	7,000,000	Project Fund	18,000,000
		New DSRF	8,700,000
		Cost of Issuance	2,300,000
Total	**$135,000,000**	**Total**	**$135,000,000**

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
January 8, 2013

Project: Franciscan Communities, Inc.

STATISTICS

Project Number:	H-SL-TE-CD-8587	Amount:	$160,000,000 (not-to-exceed)
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Pam Lenane and Nora O'Brien
Locations:	Multiple	County/ Region:	Cook/Will/Lake Counties/Northeast Region

BOARD ACTION

Final Bond Resolution
Conduit 501(c)(3) Revenue Bonds (Multi-State)
Credit Review Committee recommends approval

No IFA funds at risk
No extraordinary conditions

VOTING RECORD

Preliminary Bond Resolution approved November 13, 2012:
Yeas: 11; Nays: 0; Abstentions: 0; Absent: 3 (Brandt, Barclay and Bronner); Vacancies: 1

PURPOSE

Bond proceeds will be used to: (i) currently refund all of the following Variable Rate Demand Bonds ("VRDB") previously issued through the Illinois Finance Authority or Illinois Health Facilities Authority for FC: Series 1996B, Series 2006A, and Series 2006B; (ii) advance or currently refund a portion or all of the following Adjustable Rate Bonds previously issued through the Illinois Finance Authority for FC: Series 2003D, Series 2003E-1, Series 2003E-2, Series 2003E-3, and Series 2004B; (iii) advance or currently refund all of the following Fixed Rate Bonds previously issued through the Illinois Finance Authority for FC: Series 2004A; (iv) advance or currently refund all of the following bonds previously issued through the Indiana Health Facility Financing Authority for FC: Series 2003A and Series 2003B, and; (v) advance or currently refund all of the following bonds previously issued through the Indiana Health Facility Financing Authority for UP: Series 2001A and Series 2001B; (vi) currently refund all of the Series 2004E Bonds that were previously issued through Cuyahoga County in Ohio for FC; (vii) fund new money projects for certain of the Proposed Obligated Group facilities; (viii) establish one or more Debt Service Reserve Funds for the Series 2013 Bonds; and (ix) provide for payment of the costs of issuance associated with the Series 2013 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 missions. IFA's issuance will convey federal tax-exempt status on interest paid to bondholders, thereby reducing a borrower's interest expense.

VOLUME CAP

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

ESTIMATED SOURCES AND USES OF FUNDS

Sources:		**Uses**:	
IFA Bonds (including bank debt)	$128,000,000	Payoff of Existing Debt	$106,000,000
Refunding DSRF	7,000,000	Project Fund	18,000,000
		New DSRF	8,700,000
		Cost of Issuance	2,300,000
Total	**$135,000,000**	**Total**	**$135,000,000**

JOBS

Current employment:	1,707	Projected new jobs:	N/A
Jobs retained:	N/A	Construction jobs:	0

FINANCING SUMMARY

Credit Enhancement:	None
Structure:	Up to $104 million of the Series 2013 Bonds (the "Bonds") are expected to be sold with a BBB- (investment grade) rating from Fitch as fixed rate serial and term bonds. These Bonds are expected to amortize from 2013 to 2048. Additionally, up to $31 million of the Series 2013 Bonds will be structured as a combination of taxable and tax-exempt variable rate bank directly-purchased debt.
Interest Rate:	Up to $104 million of Bonds will be sold as fixed rate bonds with interest rates expected to yield from two percent (2.0%) to 5.70 percent (5.70%). The maximum $31 million of directly-placed bank debt is expected to be issued as variable rate debt (taxable and tax-exempt) tied to a percentage of LIBOR or LIBOR plus a defined credit spread.
Interest Rate Modes:	Fixed and Variable
Underlying Ratings:	Expected BBB- (investment grade) by Fitch (private rating to be delivered on January 7, 2013). The bank direct purchase bonds will be non-rated.
Maturity:	Not later than February 15, 2048
Estimated Closing Date:	February 25, 2013

PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

Bond proceeds will be used to: (i) currently refund all of the following Variable Rate Demand Bonds ("VRDB") previously issued through the Illinois Finance Authority or Illinois Health Facilities Authority for FC: Series 1996B, Series 2006A, and Series 2006B; (ii) advance or currently refund a portion or all of the following Adjustable Rate Bonds previously issued through the Illinois Finance Authority for FC: Series 2003D, Series 2003E-1, Series 2003E-2, Series 2003E-3, and Series 2004B; (iii) advance or currently refund all of the following Fixed Rate Bonds previously issued through the Illinois Finance Authority for FC: Series 2004A; (iv) advance or currently refund all of the following bonds previously issued through the Indiana Health Facility Financing Authority for FC: Series 2003A and Series 2003B, and; (v) advance or currently refund all of the following bonds previously issued through the Indiana Health Facility Financing Authority for UP: Series 2001A and Series 2001B; (vi) currently refund all of the Series 2004E Bonds previously issued through Cuyahoga County in Ohio for FC; (vii) fund new money projects for certain Proposed Obligated Group facilities; (viii) establish one or more Debt Service Reserve Funds for the Series 2013 Bonds; and (ix) provide for payment of the costs of issuance associated with the Series 2013 Bonds.

BUSINESS SUMMARY

Background:

The **Franciscan Sisters of Chicago Service Corporation** ("**FSCSC**") is the sole corporate member of FC and UP, which are collectively the "Borrower". FSCSC is sponsored by and is a senior care ministry of the Franciscan Sisters of Chicago ("**FSC**"). Through its various ministries, FSC has provided community-based housing and healthcare services to seniors for over 115 years. The vision of FSCSC (including the Proposed Obligated Group) is to become the optimal means which frees all those served to experience the fullness of their lives. All financial obligations of FC and UP associated with the proposed debt issuance (and all other expenses) have been, and will continue to be, the sole obligations of the Proposed Obligated Group.

Discussion:

FC is currently comprised of seven facilities, including five facilities in the greater Chicago area, one facility in Indiana, and one facility in Ohio. Collectively, the FC communities are also referred to herein as the "FC Obligated Group." FC is an Indiana 501(c)(3) eligible corporation. University Place ("UP") (formerly known as Franciscan Eldercare Services, Inc.) is a single site continuing care retirement community located in West Lafayette, Indiana. As a strategic part of the proposed financing, UP would become a member of the FC Obligated Group. Hereinafter, FC and UP will be also referred to, collectively, as the "Proposed Obligated Group."

Upon completion of the financing, the Proposed Obligated Group will operate eight facilities in three states with an aggregate of 1,912 total units, including 511 entrance fee independent living units, 238 rental independent living units, 387 assisted living/sheltered units, and 776 nursing units.

Proceeds of the Series 2013 Bonds will primarily be used to refund certain VRDBs, Adjustable Rate Bonds, and Fixed Rate Bonds (with the issuance of fixed rate bonds) previously issued for FC and UP. FC and UP had previously issued unrated and unenhanced bonds. FC and UP are not currently in default on any bonds and have not missed a payment date relative to any bonds in the immediately preceding three years, and, to the best of FC's and UP's knowledge, have never defaulted on a payment on any of the FC and UP bond issues.

Rationale:

The purpose of the refunding and restructuring is to take advantage of today's relatively low fixed interest rates for senior living providers. The refunding will allow FC and UP to favorably reduce variable interest rate exposure (i.e., from approximately 54% to approximately 17% of the overall debt structure for the Proposed Obligated Group). In addition to locking in attractive fixed interest rates, the Proposed Obligated Group will use this opportunity to extend the principal amortization of its debt. In general, the principal payments for the next 20 years will be somewhat lower than they would have been without the refunding, and principal will be amortized over a longer period of time. This will create cash flow savings following the refunding.

UP would be brought into the FC Obligated Group to integrate all operations into the Proposed Obligated Group moving forward. The proposed strategy is consistent with FSCSC's strategy to combine FC and UP into one Proposed Obligated Group.

The Proposed Obligated Group's pro forma historical financial information is highlighted below.

Total Operating Revenue by Community ($000s)

	For the Years Ended June 30,				
COMMUNITY	**2009**	**2010**	**2011**	**2012**	**Fiscal Quarter Ended September 30, 2012**
Addolorata Villa	$ 17,198	$ 17,423	$ 17,093	$ 17,613	$ 4,578
Franciscan Village	17,393	16,899	16,982	17,531	4,365
Marian Village	7,330	7,280	7,251	7,472	1,929
Mount Alverna Village	16,200	16,730	17,163	16,682	4,297
St. Anthony Home	18,960	19,342	20,392	20,278	5,220
St. Joseph Village of Chicago	7,667	7,558	7,902	7,835	2,041
The Village at Victory Lakes	15,777	16,749	19,067	20,015	4,967
FC Obligated Group	100,525	101,981	105,850	107,426	27,397
University Place	9,994	10,016	10,072	10,195	2,545
Proposed Obligated Group	**$110,519**	**$111,997**	**$115,922**	**$117,621**	**$ 29,942**

Revenues by Community as a % of Total Revenues (%)

	For the Years Ended June 30,				
COMMUNITY	**2009**	**2010**	**2011**	**2012**	**Fiscal Quarter Ended September 30, 2012**
Addolorata Villa	15.6%	15.6%	14.8%	15.0%	15.3%
Franciscan Village	15.7	15.1	14.6	14.9	14.6
Marian Village	6.6	6.5	6.3	6.3	6.4
Mount Alverna Village	14.7	14.9	14.8	14.2	14.4
St. Anthony Home	17.2	17.3	17.6	17.2	17.4
St. Joseph Village of Chicago	6.9	6.7	6.8	6.7	6.8
The Village at Victory Lakes	14.3	15.0	16.4	17.0	16.6
FC Obligated Group	91.0	91.1	91.3	91.3	91.5
University Place	9.0	8.9	8.7	8.7	8.5
Proposed Obligated Group	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Certain proceeds from the Series 2013 Bonds will be used to fund a relatively small amount of capital improvements at the Proposed Obligated Group's facilities. Finally, bond proceeds will be used to fund one or more Debt Service Reserve Funds and to fund issuance costs comprising up to two percent (2%) of the issuance.

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Franciscan Communities, Inc.
Site Address:	Franciscan Communities, Inc. 1055 West 175th Street, Suite 202 Homewood, IL 60430 (708) 647-6500
Contact:	Ronald Tinsley, Treasurer
Website:	www.franciscancommunities.com
Project name:	Franciscan Communities, Inc.
Organization:	501(c)(3) Indiana Not-For-Profit Corporation
State:	Illinois, Indiana, and Ohio

Ownership/Fiscal 2012-13 Board Members (501(c)(3)):

Name & Title	**Term Expiration**	**Occupation Place of Residence**	**Committee Membership**
Sr. M. Francis Clare Radke Chairman	N/A*	Chairperson Lemont, IL	Executive Executive Compensation
Annette Shoemaker	2017	Director ELCA Foundation Wheaton, IL	Executive Audit/Finance Investment Sub-Committee
Judy Amiano President	N/A*	President/CEO Bourbonnais, IL	Executive Audit/Finance Investment Sub-Committee Executive Compensation Quality Improvement/ Risk Management
Ronald Tinsley Treasurer	Non-Voting Member	CFO Lansing, IL	Audit/Finance Investment Sub-Committee
Tracy Shearer Assistant Secretary	Non-Voting Member	Manager of Administrative Services Hobart, IN	
Denise Boudreau Assistant Secretary	Non-Voting Member	Administrative Assistant Crest Hill, IL	

*Denotes Ex-Officio

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Ungaretti & Harris LLP	Chicago	James Broeking
Auditor:	Ernst & Young LLP	Chicago	Tadd Ingles
Bond Counsel	Jones Day LLP	Chicago	John Bibby
Underwriter(s):	BB&T Capital Markets	Richmond, VA	John Franklin
Underwriters' Counsel:	Peck Shaffer LLP	Chicago	Tom Smith
Accountant:	Ernst & Young LLP	Chicago	Tadd Ingles
IFA Counsel:	Schiff Hardin LLP	Chicago	Bruce Weisenthal
IFA's Financial Advisor:	Public Financial Management, Inc.	Chicago	Shannon Williams

LEGISLATIVE DISTRICTS

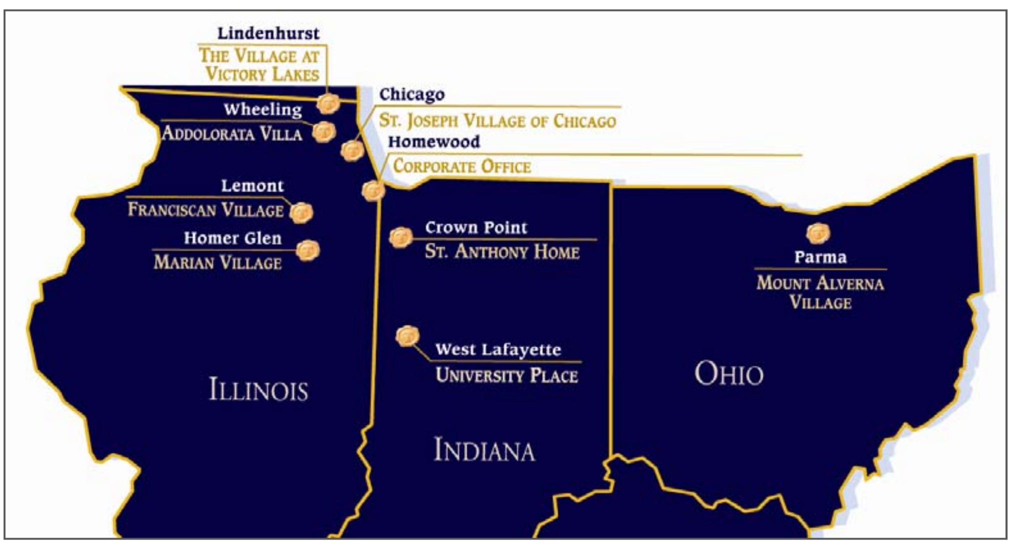
Congressional: 5, 8, 10, 13
State Senate: 20, 27, 31, 41
State House: 40, 53, 61, 81, 82

SERVICE AREA

FC is presently comprised of seven senior care communities providing independent living, assisted living, and nursing services in continuum of care campuses in the states of Illinois, Indiana, and Ohio. The communities that comprise FC presently include: Addolorata Villa located in Wheeling, Illinois; Franciscan Village located in Lemont, Illinois; Marian Village located in Homer Glen, Illinois; St. Joseph Village of Chicago located in Chicago, Illinois; The Village at Victory Lakes located in Lindenhurst, Illinois; St. Anthony Home located in Crown Point, Indiana; and Mount Alverna Village located in Parma, Ohio. FC, an Indiana not-for-profit corporation, is currently the sole member of the FC Obligated Group.

UP is a not-for-profit continuing care retirement community located in West Lafayette, Indiana and is presently a single asset affiliate of FC. UP is a tax-exempt under Internal Revenue Section 501(c)(3). As described previously herein, a strategic goal of the proposed financing is for UP to become a member of the FC Obligated Group.

A map detailing the locations of the corporate office of FSCSC (Homewood, Illinois) (as previously described – see "Business Summary" for descriptions) and each facility within the Proposed Obligated Group (see "Business Summary" for descriptions) is presented below.



CONDUIT

January 8, 2013

$150,000,000
Northwestern Memorial HealthCare

REQUEST	**Purpose**: The proceeds of the bonds will be loaned to **Northwestern Memorial HealthCare** (the "**Borrower**" or "**NMHC**") to be used, together with certain other funds, to (i) refund all or a portion of the outstanding principal amount of the Authority's $103,160,000 Revenue Bonds, Series 2009B (**Northwestern Memorial Hospital**) (the "**Prior Bonds**") (ii) pay or reimburse the Borrower, Northwestern Memorial Hospital ("**NMH**") and Northwestern Lake Forest Hospital ("**NLFH**" and, together with NMH, the "**Users**") for the costs of acquiring, constructing, renovating, remodeling and equipping certain health facilities of the Users, including necessary and attendant equipment, facilities, sitework and utilities thereto, including, without limitation, the construction and equipping of an approximately 503,000 square foot facility that includes an approximately 441,000 square foot parking garage and an approximately 62,000 square foot daycare center located at 445 E. Ontario, Chicago, Illinois and the renovation and equipping of the ninth, tenth and thirteenth floors of NMH's patient services pavilion known as Galter Pavilion located at 251 E. Huron, Chicago, Illinois; (iii) pay a portion of the interest on the Bonds, if deemed necessary or advisable by the Authority or the Borrower; (iv) fund one or more debt service reserve funds, if deemed necessary or advisable by the Authority or the Borrower; and (v) pay certain expenses incurred in connection with the issuance of the Bonds and the refunding of the Prior Bonds, including but not limited to fees for insurance, credit enhancement or liquidity enhancement for the Bonds if deemed necessary or advisable by the Borrower. **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 is being presented to the Board.
JOB DATA	8,624 Current jobs; N/A New jobs projected N/A Retained jobs; N/A Construction jobs projected
DESCRIPTION	● NMHC is the not-for-profit parent corporation for NMH, NLFH and the Northwestern Memorial Foundation. NMH is one of the nation's leading academic medical center hospitals with a long tradition of leadership in patient care, education and research and a longstanding commitment to efforts that advance the quality and accessibility of healthcare service in Chicago. They provide a complete range of adult inpatient and outpatient services in an educational and research environment. For 18 consecutive years, NMH has been ranked as the "most preferred" hospital in market research by consumers in Chicago and the nine-county region.
CREDIT INDICATORS	● Current rating for Northwestern Memorial is AA+/Aa2 (S&P/Moody's) ● The plan of finance contemplates issuing uninsured fixed-rate bonds that will be sold based on the Borrower's underlying ratings.
SECURITY	● Payments under the loan agreements are secured by notes issued pursuant to the Master Indenture. The notes are joint and severable obligations of the Northwestern Memorial HealthCare Obligated Group, of which NMH, NLFH and other not-for-profit subsidiaries of NMHC are members. The Master Indenture contains certain covenants for the benefit of all note holders.
MATURITY	● Bonds will mature no later than August 15, 2053
SOURCES AND USES	see below
RECOMMENDATION	Credit Committee recommends approval.

Sources and Uses:

Sources:		Uses:	
IFA Bonds	$120,000,000	Project Fund	$65,280,000
		Refund Series 2009 Bonds	52,922,000
		Cost of Issuance	1,798,000
Total	**$ 120,000,000**	**Total**	**$120,000,000**

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
January 8, 2013

Project: Northwestern Memorial HealthCare

STATISTICS

Project Number:	H-HO-TE-CD-8597	Amount:	$150,000,000 (not-to-exceed)
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Pam Lenane and Nora O'Brien
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

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

PURPOSE

Bond proceeds will be used to (i) refund all or a portion of the outstanding principal amount of the Authority's $103,160,000 Revenue Bonds, Series 2009B (Northwestern Memorial Hospital) (the "Prior Bonds") (ii) pay or reimburse the Borrower, Northwestern Memorial Hospital ("NMH") and Northwestern Lake Forest Hospital ("NLFH" and, together with NMH, the "Users") for the costs of acquiring, constructing, renovating, remodeling and equipping certain health facilities of the Users, including necessary and attendant equipment, facilities, sitework and utilities thereto, including, without limitation, the construction and equipping of an approximately 503,000 square foot facility that includes an approximately 441,000 square foot parking garage and an approximately 62,000 square foot daycare center located at 445 E. Ontario, Chicago, Illinois and the renovation and equipping of the ninth, tenth and thirteenth floors of NMH's patient services pavilion known as Galter Pavilion located at 251 E. Huron, Chicago, Illinois; (iii) pay a portion of the interest on the Bonds, if deemed necessary or advisable by the Authority or the Borrower; (iv) fund one or more debt service reserve funds, if deemed necessary or advisable by the Authority or the Borrower; and (v) pay certain expenses incurred in connection with the issuance of the Bonds and the refunding of the Prior Bonds, including but not limited to fees for insurance, credit enhancement or liquidity enhancement for the Bonds if deemed necessary or advisable by the Borrower.

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

Sources:		**Uses:**	
IFA Bonds	$120,000,000	Project Fund	$65,280,000
		Refund Series 2009 Bonds	52,922,000
		Cost of Issuance	1,798,000
Total	**$ 120,000,000**	**Total**	**$120,000,000**

JOBS

Current employment:	8,624	Projected new jobs:	N/A
Jobs retained:	N/A	Construction jobs:	N/A

FINANCING SUMMARY

Security:	Payments under the loan agreements are secured by notes issued pursuant to the Master Indenture. The notes are joint and severable obligations of the Northwestern Memorial HealthCare Obligated Group, of which NMH, NLFH and other not-for-profit subsidiaries of NMHC are members. The Master Indenture contains certain covenants for the benefit of all note holders.
Structure:	The plan of finance contemplates issuing uninsured fixed-rate bonds in a public offering.
Interest Rate:	The rate will be determined on the date of pricing.
Interest Rate Modes:	Fixed.
Underlying Ratings:	Current rating for Northwestern Memorial is AA+/Aa2 (S&P/Moody's).
Maturity:	Not later than August 15, 2053
Estimated Closing Date:	February, 2013

PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

The proceeds will be used to (i) refund all or a portion of the outstanding principal amount of the Authority's $103,160,000 Revenue Bonds, Series 2009B (Northwestern Memorial Hospital) (the "Prior Bonds") (ii) pay or reimburse the Borrower, Northwestern Memorial Hospital ("NMH") and Northwestern Lake Forest Hospital ("NLFH" and, together with NMH, the "Users") for the costs of acquiring, constructing, renovating, remodeling and equipping certain health facilities of the Users, including necessary and attendant equipment, facilities, sitework and utilities thereto, including, without limitation, the construction and equipping of an approximately 503,000 square foot facility that includes an approximately 441,000 square foot parking garage and an approximately 62,000 square foot daycare center located at 445 E. Ontario, Chicago, Illinois and the renovation and equipping of the ninth, tenth and thirteenth floors of NMH's patient services pavilion known as Galter Pavilion located at 251 E. Huron, Chicago, Illinois; (iii) pay a portion of the interest on the Bonds, if deemed necessary or advisable by the Authority or the Borrower; (iv) fund one or more debt service reserve funds, if deemed necessary or advisable by the Authority or the Borrower; and (v) pay certain expenses incurred in connection with the issuance of the Bonds and the refunding of the Prior Bonds, including but not limited to fees for insurance, credit enhancement or liquidity enhancement for the Bonds if deemed necessary or advisable by the Borrower.

BUSINESS SUMMARY

Northwestern Memorial HealthCare ("NMHC") is the not-for-profit corporate parent, and serves as the sole corporate member of Northwestern Memorial Hospital (the "Hospital" or "NMH"), Northwestern Lake Forest Hospital ("NLFH" and along with NMH the "Hospitals") and Northwestern Memorial Foundation (the "Foundation" or "NMF"). NMHC and each of its not-for-profit subsidiaries are corporations organized and existing under the laws of the State of Illinois and are exempt from federal income taxation pursuant to Section 501(a) of the Internal Revenue Code of 1986, as amended (the "Code"), as organizations described in Section 501(c)(3) of the Code and are not private foundations within the meaning of Section 509(a) of the Code.

NMH is part of an academic medical center in downtown Chicago, Illinois that provides a complete range of adult inpatient and outpatient services in an educational and research environment. NMH has 894 licensed beds and is the primary teaching hospital for the Feinberg School of Medicine of Northwestern University. The Feinberg and Galter Pavilions, which were opened in May 1999, house the Hospital's primary inpatient care units and medical office building. The Prentice Women's Hospital Pavilion ("Prentice"), located one block north, opened on October

20, 2007. Prentice houses obstetrics, neonatology, gynecology, and gynecology/oncology services, as well as inpatient medical oncology. NLFH is a 201-bed community hospital that provides patient care services at its main hospital in Lake Forest, Illinois and at ten locations across Lake County and northern Cook County, with a large outpatient campus, including a free-standing emergency room, in Grayslake, Illinois. The 201 licensed beds at its main hospital include 117 acute care, 40 extended care and 44 long-term care beds.

NMH ranked 12th nationally among 18 Honor Roll hospitals recognized in the June 2012 U.S. News & World Report "Best Hospitals" publication, and was the only Illinois hospital on the Honor Roll list. NLFH ranked 20th in Illinois and 18th in the Chicago metro area. The Hospitals each received the National Research Corporation Consumer Choice Award for the Chicago and Lake County/Kenosha County markets, respectively, in October 2012. This was the 14th consecutive year for NMH and the 8th consecutive year for NLFH. In addition, NMH was recognized as the Most Preferred Hospital in Chicago for the 18th consecutive year by consumers who were asked to list their most preferred hospital for all health needs. NLFH was recognized as the Most Preferred Hospital in the Lake County/Kenosha County submarket.

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Northwestern Memorial HealthCare
Site Address:	Northwestern Memorial Hospital 251 East Huron Street Chicago, IL 60611
Contact:	Francis D. Fraher Director of Finance
Website:	www.nmh.org
Project name:	Northwestern Memorial HealthCare
Organization:	501(c)(3) Not-for-Profit Corporation
State:	Illinois

Ownership/2012-13 Board Members (501(c)(3)):

Directors	***Business Affiliations***
Carol L. Bernick *Chair*	Chief Executive Officer Polished Nickel Capital Management LLC
John A. Canning *Vice Chair*	Chairman Madison Dearborn Partners, LLC
William A. Osborn *Vice Chair*	Retired Chairman and CEO Northern Trust Corporation
Thomas A. Cole *Chair Emeritus*	Chairman, Executive Committee Sidley Austin LLP
Robert L. Parkinson, Jr. *Chair, NLFH*	Chairman and CEO Baxter International, Inc.
Nicholas D. Chabraja	Former Chairman & CEO General Dynamics
Peter D. Crist	Chairman Crist/Kolder Associates, LLC
Kent P. Dauten	Managing Director Keystone Capital, Inc.

Directors	***Business Affiliations***
John H. Dick	President Dicksbridge, Inc.
Dean M. Harrison	President and CEO Northwestern Memorial HealthCare
W. James McNerney, Jr.	Chairman, President and CEO The Boeing Company
Homi B. Patel	Director HMX LLC
Philip J. Purcell, III	President Continental Investors, LLC
J. Christopher Reyes	Co-Chairman Reyes Holdings LLC
Larry D. Richman	President and CEO PrivateBancorp Inc., The PrivateBank
Nancy W. Sassower, MD	NMH Chief of Staff Northwestern Memorial Hospital
Samuel C. Scott, III	Retired Chairman and CEO Ingredion Incorporated, formerly Corn Products International, Inc.
Glenn F. Tilton	Chairman of the Midwest Region; JP Morgan Chase & Co. & Chairman of the Board; United Continental Holdings, Inc.
Forrest R. Whittaker	President and CEO Avalign Technologies, Inc.

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	SNR Denton LLP	Chicago	Mary Wilson
Financial Advisor:	Kaufman Hall	Skokie	Therese Wareham
Auditor:	Ernst & Young LLP	Chicago	Kenneth Bernstein
Bond Counsel:	Jones Day	Chicago	Rich Tomei
Underwriter:	J.P. Morgan Securities LLC	Chicago	Timothy Wons
	Citigroup Global Markets Inc.	Chicago	Ryan Freel
		New York	Amy Yang
Underwriter's Counsel:	Ungaretti & Harris LLP	Chicago	Julie Seymour
Bond Trustee:	Wells Fargo Bank, N.A.	Chicago	Gail Klewin
Issuer's Counsel:	Miller Canfield	Chicago	Paul Durbin
IFA Financial Advisor:	Acacia Financial Group	Chicago	Courtney Shea

LEGISLATIVE DISTRICTS

Congressional:	7
State Senate:	13
State House:	26

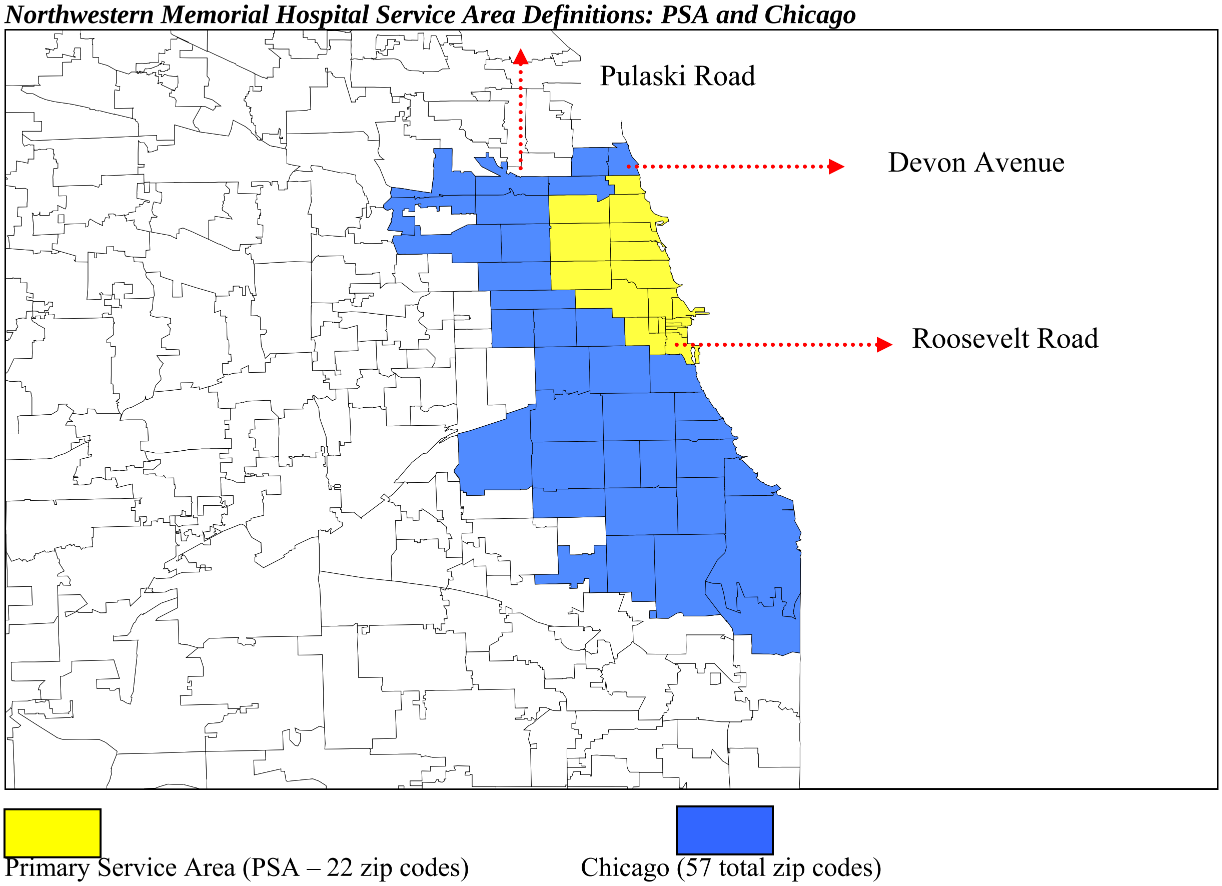
SERVICE AREA

The Primary Service Area ("PSA") consists of the 22 ZIP codes[1] contiguous to NMH. The boundaries of NMH's PSA extend north of the Hospital to Devon Avenue and Ridge Road, west to Pulaski Road, south to 16th Street, and east to Lake Michigan. The PSA had a population in calendar year 2011 of 864,822 *(source: Thomson Reuters Demographic Profile)*. NMH is the current market share leader in the PSA and its market share has increased over the past five years*, as follows:

2008	19.5%
2009	21.1%
2010	21.5%
2011	23.3%
2012	23.4%

*Years are based on periods from March – February, which is the most recently available data.

Northwestern Memorial Hospital Service Area Definitions: PSA and Chicago



[1] PSA zip codes include 60601, 60602, 60603, 60604, 60605, 60606, 60607, 60610, 60611, 60613, 60614, 60616, 60618, 60622, 60625, 60640, 60642, 60647, 60654, 60657, 60660 and 60661.

CONDUIT

January 8, 2013

$35,000,000
Plymouth Place, Inc.

REQUEST	**Purpose**: The proceeds will be used by **Plymouth Place, Inc.** (the "**Corporation**" or the "**Borrower**") to: (i) pay or reimburse the Borrower for the costs of acquiring, constructing, renovating, remodeling and equipping certain health care facilities of the Borrower, including necessary and attendant equipment, facilities, sitework and utilities thereto; (ii) refund all or a portion of the outstanding principal amount of the Authority's $20,000,000 Variable Rate Demand Revenue Bonds, Series 2005B (The Landing at Plymouth Place Project) (the "**Series 2005B Bonds**"); (iii) refund all or a portion of the outstanding principal amount of the Authority's $68,500,000 Variable Rate Demand Revenue Bonds, Series 2005C (The Landing at Plymouth Place Project) (the "**Series 2005C Bonds**" and, together with the Series 2005B Bonds, the "**Prior Bonds**"); (iv) fund one or more debt service reserve funds, if deemed necessary or advisable by the Authority or the Borrower; and (v) pay certain expenses incurred in connection with the issuance of the Bonds and the refunding of the Prior Bonds, including but not limited to fees for insurance, credit enhancement or liquidity enhancement for the Bonds if deemed necessary or advisable by the Borrower. **Program**: Conduit 501(c)(3) Revenue Bonds **Extraordinary Conditions**: None.
BOARD ACTIONS	Preliminary Bond Resolution
MATERIAL CHANGES	None. This is the first time this project is being presented to the Board.
JOB DATA	212 Current jobs; N/A New jobs projected N/A Retained jobs; N/A Construction jobs projected
DESCRIPTION	● Location: La Grange Park / Cook County / Northeast Region ● Plymouth Place, an Illinois not-for-profit corporation, operates a continuing care retirement community ("CCRC") consisting of 182 independent living apartments, 35 independent living cottages, 53 assisted living units, 26 memory support assisted living units, and 86 nursing care beds.
CREDIT INDICATORS	● The Bonds will be fixed rate bonds sold through a public offering. The Bonds will not carry a rating. A feasibility study is being prepared by Management and CliftonLarsonAllen. The feasibility study will be included in the prospectus/official statement.
SECURITY	● First mortgage on property and equipment, and a gross revenue pledge.
MATURITY	● Bonds will mature no later than May 15, 2045 (32 years).
SOURCES AND USES	See table below
RECOMMENDATION	Credit Committee recommends approval.

SOURCES AND USES

Sources:		**Uses:**	
IFA Bonds	$35,000,000	Refund 2005B/C Bonds	$28,117,317
Equity Contribution	691,020	Debt Service Reserve Fund	2,724,500
Series 2005B/C Funds on Hand	4,145,821	New Money/Allowance for Original Issue Discount/Cushion	7,759,104
		Costs of Issuance	1,235,920
Total	**$39,836,841**	**Total**	**$39,836,841**

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
January 8, 2013

Project: Plymouth Place, Inc.

STATISTICS

Project Number:	H-SL-TE-CD-8598	Amount:	$35,000,000 (not-to-exceed)
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Pam Lenane and Nora O'Brien
Location:	La Grange Park	County/ Region:	Cook/Northeast

BOARD ACTION

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

VOTING RECORD

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

PURPOSE

Bond proceeds will be used to: (i) pay or reimburse the Borrower for the costs of acquiring, constructing, renovating, remodeling and equipping certain health care facilities of the Borrower, including necessary and attendant equipment, facilities, sitework and utilities thereto; (ii) refund all or a portion of the outstanding principal amount of the Authority's $20,000,000 Variable Rate Demand Revenue Bonds, Series 2005B (The Landing at Plymouth Place Project) (the "**Series 2005B Bonds**"); (iii) refund all or a portion of the outstanding principal amount of the Authority's $68,500,000 Variable Rate Demand Revenue Bonds, Series 2005C (The Landing at Plymouth Place Project) (the "**Series 2005C Bonds**" and, together with the Series 2005B Bonds, the "**Prior Bonds**"); (iv) fund one or more debt service reserve funds, if deemed necessary or advisable by the Authority or the Borrower; and (v) pay certain expenses incurred in connection with the issuance of the Bonds and the refunding of the Prior Bonds, including but not limited to fees for insurance, credit enhancement or liquidity enhancement for the Bonds if deemed necessary or advisable by the Borrower.

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

Sources:		**Uses:**	
IFA Bonds	$35,000,000	Refund 2005B/C Bonds	$28,117,317
Equity Contribution	691,020	Debt Service Reserve Fund	2,724,500
Series 2005B/C Funds on Hand	4,145,821	Costs of Issuance	1,235,920
		New Money/Allowance for Original Issue Discount/Cushion	7,759,104
Total	**$39,836,841**	**Total**	**$39,836,841**

JOBS

Current employment:	212	Projected new jobs:	N/A
Jobs retained:	N/A	Construction jobs:	N/A

FINANCING SUMMARY

Credit Enhancement:	None
Structure:	Fixed rate, tax-exempt term bonds sold through a public offering.
Interest Rate:	To be determined on the day of pricing.
Interest Rate Modes:	Fixed through final maturities
Underlying Ratings:	None
Maturity:	No later than May 15, 2045
Estimated Closing Date:	March 15, 2012

PROJECT SUMMARY (FOR PRELIMINARY BOND RESOLUTION)

Bond proceeds will be used by **Plymouth Place, Inc.** (the "**Corporation**" or the "**Borrower**") to: (i) pay or reimburse the Borrower for the costs of acquiring, constructing, renovating, remodeling and equipping certain health care facilities of the Borrower, including necessary and attendant equipment, facilities, sitework and utilities thereto; (ii) refund all or a portion of the outstanding principal amount of the Authority's $20,000,000 Variable Rate Demand Revenue Bonds, Series 2005B (The Landing at Plymouth Place Project) (the "**Series 2005B Bonds**"); (iii) refund all or a portion of the outstanding principal amount of the Authority's $68,500,000 Variable Rate Demand Revenue Bonds, Series 2005C (The Landing at Plymouth Place Project) (the "**Series 2005C Bonds**" and, together with the Series 2005B Bonds, the "**Prior Bonds**"); (iv) fund one or more debt service reserve funds, if deemed necessary or advisable by the Authority or the Borrower; and (v) pay certain expenses incurred in connection with the issuance of the Bonds and the refunding of the Prior Bonds, including but not limited to fees for insurance, credit enhancement or liquidity enhancement for the Bonds if deemed necessary or advisable by the Borrower.

BUSINESS SUMMARY

Plymouth Place, Inc. was incorporated as an Illinois not for profit corporation in 1939. The Corporation constructed a retirement community at its current location as a home for the elderly members of the United Church of Christ (formerly, the Congregational Church). The Corporation's continuing mission is to provide a retirement community, based on Christian values, that honors the individual's right to experience life to the fullest. The Corporation believes in the dignity and worth of each individual and the need to retain one's own personal identity and independence, and is dedicated to providing a gracious environment for individuals in their retirement years, as well as meeting the needs of the aging in the community at large. The Corporation's facilities and programs are open to all without regard to race, color, national origin or religion.

Plymouth Place resides on 18.6 acres in La Grange Park, IL and currently consists of 182 independent living apartments, 35 independent living cottages, 53 assisted living units, 26 memory support assisted living units, and 86 nursing care beds. 20 additional cottages are located on the site but they are not in service.

Plymouth Place underwent a major campus redevelopment in 2005, which involved the issuance of $146,000,000 of bonds issued through the Illinois Finance Authority (a portion of which will be refunded with the Series 2013 Bonds described herein).

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Plymouth Place, Inc.
Site Address:	Plymouth Place 315 North La Grange Road La Grange Park, IL 60526
Contact:	Dale Lilburn, CEO. Phone: 708/482-6668
Website:	www.plymouthplace.org
Project name:	Plymouth Place
Organization:	501(c)(3) Not-for-Profit Corporation
State:	Illinois

Ownership/2012-13 Board Members (501(c)(3)):

Board Member	**Occupation**	**Term Expires (5/15)**
Mr. R. Dean Conlin	Partner, Lord, Bissell & Brook	2014
Mr. Charles Grund	Principal, Grund & Reisterer Architects, Inc.	2013
Dr. Kent Armbruster	Little Company of Mary Hospital	2015
Mr. Norman Beles	Belcorp Financial Services	2015
Mr. Ray Felson	TPG Realty	2015
Mr. Walter Busse	Retired	2015
Mrs. Diane Hamburger	Retired	2015
Dr. Loren Horton	Retired	2014
Mr. Raymond E. Powers	Retired	2013
Mrs. Nancy Sutherland	Horticulture Certificate Candidate, Morton Arboretum	2014
Mr. Thomas Teegarden	W.F. Advisors	2013
Mrs. Harriet VerGowe	Retired	2015
Mrs. Mary Voigt	President, Residents' Council	N/A
Mr. James Gage	Vice President, Residents' Council	2014

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Timothy G. Lawler, Ltd.	Hinsdale	Tim Lawler
Bond Counsel	Jones Day	Chicago	John Bibby
Auditor:	CliftonLarsonAllen LLP	Chicago	Jim Thomas
Underwriter(s):	Ziegler	Chicago	Steve Johnson
Underwriters' Counsel:	Katten Muchin Rosenman	Chicago	Janet Hoffman
Feasibility Consultant:	CliftonLarsonAllen LLP	Minneapolis	Jeff Vrieze
IFA Counsel:	Schiff Hardin	Chicago	Bruce Weisenthal
IFA's Financial Advisor:	Public Financial Management, Inc.	Chicago	Shannon Williams

LEGISLATIVE DISTRICTS

Congressional:	3
State Senate:	11
State House:	21

SERVICE AREA

The primary market area identified for Plymouth Place includes the following zip codes:

- 60402
- 60513
- 60521
- 60523
- 60525
- 60526
- 60527
- 60534
- 60546
- 60558

The primary market area includes the communities of Berwyn, Hinsdale, Oakbrook, La Grange, Burr Ridge, Lyons, Riverside, Western Springs and Brookfield.

ILLINOIS FINANCE AUTHORITY
Memorandum

To: IFA Board of Directors

From: Pam Lenane/Nora O'Brien

Date: January 8, 2013

Re: Resolution Authorizing the Execution and Delivery of an Amendment to the Trust Indenture Relating to the Illinois Finance Authority (the "**Authority**") Revenue Bonds, Series 2008A (Advocate Health Care Network), Issued in the Original Aggregate Principal Amount of $153,430,000; Authorizing the Execution and Delivery of any Other Documents Necessary or Appropriate to Effect Such Amendment; and Authorizing and Approving Related Matters

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The Authority has previously issued its Revenue Bonds, Series 2008A (Advocate Health Care Network) (the "**Series 2008A Bonds**") for the benefit of Advocate Health Care Network ("**Advocate**"). The Series 2008A Bonds are divided into three subseries, which are designated as the "**Series 2008A-1 Bonds**," the "**Series 2008A-2 Bonds**" and the "**Series 2008A-3 Bonds**," Each of the three subseries currently bears interest at a variable rate and is subject to mandatory tender at the end of the current variable-rate period for such subseries.

The Series 2008A-1 Bonds will be subject to mandatory tender on January 24, 2013, which is the day immediately following the end of the current variable-rate period for such subseries. The Series 2008A-2 Bonds will be subject to mandatory tender on February 1, 2013, which is the day immediately following the end of the current variable-rate period for such subseries. It is currently expected that the Series 2008A-1 Bonds and the Series 2008A-2 Bonds will continue to bear interest at a variable rate during the next variable-rate period which begins on January 24, 2013 for the Series 2008A-1 Bonds and on February 1, 2013 for the Series 2008A-2 Bonds. The rate of interest and the length of the next period for the Series 2008A-1 Bonds and the Series 2008A-2 Bonds will be determined on or before January 24, 2013 and February 1, 2013, respectively.

Currently, under the terms of the bond indenture for the Series 2008A Bonds, the Series 2008A-1 Bonds and the Series 2008A-2 Bonds must be remarketed at par on January 24, 2013 and February 1, 2013, respectively, unless the next variable-rate period extends to the final maturity of such Bonds. Advocate does not currently expect that the next variable-rate period for the Series 2008A-1 Bonds or the Series 2008A-2 Bonds will extend to the final maturity of such Bonds.

Advocate has requested that the Authority approve amending the bond indenture in connection with the remarketing of the Series 2008A-1 Bonds and the Series 2008A-2 Bonds on January 24, 2013 and February 1, 2013, respectively, to permit (subject to then existing market conditions) such Bonds to be remarketed at a premium or a discount for the variable-rate period for the Series 2008A-1 Bonds that begins on January 24, 2013 and ends on a future date to be determined by Advocate on or before January 24, 2013 and for the variable-rate period for the Series 2008A-2 Bonds that begins on February 1, 2013 and ends on a future date to be determined by Advocate on or before February 1, 2013.

Any such amendments to the bond indenture will be described in one or more supplements to the original Official Statement for the Series 2008A Bonds to be prepared in connection with the remarketing of the Series 2008A-1 Bonds on January 24, 2013 and/or the remarketing of the Series 2008A-2 Bonds on February 1, 2013. Such supplements will be distributed to potential purchasers of the Series 2008A-1 Bonds and/or the Series 2008A-2 Bonds and will disclose to potential purchasers that, if they elect to purchase the Series 2008A-1 Bonds and/or the Series 2008A-2 Bonds, they will be deemed to have consented to any such amendments so related to the Series 2008A-1 Bonds and/or the Series 2008A-2 Bonds, as applicable.

The bond indenture has been amended previously, with the approval of the Authority's Board of Directors, to permit the Series 2008A-3 Bonds to be remarketed at a premium or discount on May 1, 2012. That amendment was also described in a supplement to the original Official Statement for the Series 2008A Bonds that was prepared in connection with the remarketing of the Series 2008A-3 Bonds on May 1, 2012. The supplement disclosed to potential purchasers of the Series 2008A-3 Bonds that, by their purchase of the Series 2008A-3 Bonds on May 1, 2012, they were deemed to have consented to the amendment to the bond indenture for the Series 2008A-3 Bonds, which became effective on May 1, 2012.

The proposed amendments to the bond indenture, which Advocate has requested in connection with the remarketing of the Series 2008A-1 Bonds on January 24, 2013 and the remarketing of the Series 2008A-2 Bonds on February 1, 2013, and the proposed process for securing the consent to such amendments from the purchasers of such Bonds are substantially the same as were approved by the Authority in connection with the remarketing of the Series 2008A-3 Bonds on May 1, 2012.

Accordingly, IFA staff recommends approval of the accompanying Resolution.

RESOLUTION 2013-0108-AD01

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AMENDMENTS TO THE TRUST INDENTURE RELATING TO THE ILLINOIS FINANCE AUTHORITY REVENUE BONDS, SERIES 2008A (ADVOCATE HEALTH CARE NETWORK), ISSUED IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF $153,430,000; AUTHORIZING THE EXECUTION AND DELIVERY OF ANY OTHER DOCUMENTS NECESSARY OR APPROPRIATE TO EFFECT SUCH AMENDMENTS; AND AUTHORIZING AND APPROVING RELATED MATTERS.

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

WHEREAS, the Authority has previously issued its (i) $51,140,000 original aggregate principal amount of Illinois Finance Authority Revenue Bonds, Series 2008A-1 (Advocate Health Care Network) (the "Series 2008A-1 Bonds"), (ii) $51,145,000 original aggregate principal amount of Illinois Finance Authority Revenue Bonds, Series 2008A-2 (Advocate Health Care Network) (the "Series 2008A-2 Bonds") and (i) $51,145,000 original aggregate principal amount of Illinois Finance Authority Revenue Bonds, Series 2008A-3 (Advocate Health Care Network) (the "Series 2008A-3 Bonds" and, collectively with the Series 2008A-1 Bonds and the Series 2008A-2 Bonds, the "Series 2008A Bonds"); and

WHEREAS, the Series 2008A Bonds were issued pursuant to that certain Trust Indenture dated as of April 1, 2008 (the "Original Indenture"), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), on April 23, 2008; and

WHEREAS, the proceeds of the Series 2008A Bonds were loaned to Advocate Health and Hospitals Corporation (the "Borrower") pursuant to that certain Loan Agreement dated as of April 1, 2008 (the "Loan Agreement"), between Authority and the Borrower; and

WHEREAS, the Original Indenture has previously been supplemented and amended by the First Supplemental Trust Indenture dated as of June 1, 2009 and the Second Supplemental Trust Indenture dated as of May 1, 2012 (the "Second Supplemental Indenture"; the Original Indenture, as so supplemented and amended, being referred to herein as the "Existing Indenture"), each between the Authority and the Trustee; and

WHEREAS, pursuant to the provisions of the Existing Indenture, the Interest Rate Period in which the Series 2008A Bonds of a series are operating may be converted from time to time to a different Interest Rate Period or, in the case of Series 2008A Bonds operating in a Long Term Interest Rate Period, to a new Long Term Interest Rate Period; and

WHEREAS, the Existing Indenture currently provides that the Long Term Interest Rate for Series 2008A Bonds operating in a Long Term Interest Rate Period shall be the rate of interest per annum determined by the Remarketing Agent (as defined in the Original Indenture) to be the minimum interest rate at which such Series 2008A Bonds can be remarketed at a price of par on the first day of such Long Term Interest Rate Period, (i) except that, in the case of a Long Term Interest Rate Period that ends on the day immediately prior to the Maturity Date, the Existing Indenture provides that such Series 2008A Bonds may be remarketed at a premium or a discount, provided that there shall be delivered an opinion of Bond Counsel to the effect that such premium or discount will not adversely affect the exclusion of interest on the Series 2008A Bonds from gross income of the owners thereof for federal income tax purposes (the "Bond Counsel Opinion"), and (ii) except as described below with respect to the remarketing of the Series 2008A-3 Bonds on May 1, 2012; and

WHEREAS, in connection with the remarketing of the Series 2008A-3 Bonds on May 1, 2012, the Original Indenture was amended pursuant to the Second Supplemental Indenture to permit the Remarketing Agent to remarket the Series 2008A-3 Bonds on May 1, 2012 at a premium or a discount, provided that a Bond Counsel Opinion was delivered to the Authority and the Trustee in connection with such remarketing; and

WHEREAS, as contemplated by the Second Supplemental Indenture, the Series 2008A-3 Bonds were remarketed at a premium on May 1, 2012, bearing interest at a Long Term Interest Rate for a new Long Term Interest Rate Period commencing on May 1, 2012 and ending on April 30, 2019; and

WHEREAS, the Series 2008A-1 Bonds currently operate in a Long Term Interest Rate Period that ends on January 23, 2013 and will be subject to mandatory tender for purchase from the current Holders thereof on January 24, 2013; and

WHEREAS, Advocate Health Care Network (the "Obligated Group Agent") currently expects to elect that the Series 2008A-1 Bonds will continue to bear interest at a Long Term Interest Rate for a new Long Term Interest Rate Period commencing on January 24, 2013 and ending on a date to be determined on or prior to the first day of such new Long Term Interest Rate Period; and

WHEREAS, the Series 2008A-2 Bonds currently operate in a Long Term Interest Rate Period that ends on January 31, 2013 and will be subject to mandatory tender for purchase from the current Holders thereof on February 1, 2013; and

WHEREAS, the Obligated Group Agent currently expects to elect that the Series 2008A-2 Bonds will continue to bear interest at a Long Term Interest Rate for a new Long Term Interest Rate Period commencing on February 1, 2013 and ending on a date to be determined on or prior to the first day of such new Long Term Interest Rate Period; and

WHEREAS, the Obligated Group Agent does not expect that the last day of the next new Long Term Interest Rate Period for the Series 2008A-1 Bonds or the Series 2008A-2 Bonds will be the day immediately prior to the Maturity Date; and

WHEREAS, the Borrower and the Obligated Group Agent desire that the Authority approve amending the Original Indenture pursuant to one or more supplemental indentures (collectively, the "Supplemental Indentures") in order to permit the Remarketing Agent to remarket the Series 2008A-1 Bonds on January 24, 2013 and/or the Series 2008A-2 Bonds on February 1, 2013 at a premium or discount; provided, in each case, that a Bond Counsel Opinion is delivered to the Authority and the Trustee in connection with any such remarketing at a premium or discount; and

WHEREAS, whether the Original Indenture will need to be so amended to permit the Series 2008A-1 Bonds and/or the Series 2008A-2 Bonds to be so remarketed at a premium or discount will be determined by the Borrower and the Obligated Group Agent in connection with establishing the length of the new Long Term Interest Rate

Period for the Series 2008A-1 Bonds and/or the Series 2008A-2 Bonds and, in each case, after taking into account then existing market conditions; and

WHEREAS, if it is expected that the Original Indenture will be so amended as described above, it is expected that one or more supplements to the Official Statement (collectively, the "Remarketing Supplements") relating to the Series 2008A Bonds will be prepared in connection with the remarketing of the Series 2008A-1 Bonds and/or the Series 2008A-2 Bonds which will, among other things, describe such amendments to the Original Indenture to permit the Series 2008A-1 Bonds and/or the Series 2008A-2 Bonds to be so remarketed at a premium or discount; and

WHEREAS, the purchasers of any Series 2008A-1 Bonds and/or Series 2008A-2 Bonds will be deemed to have consented to such amendments to the Original Indenture described in the related Remarketing Supplement and to the execution and delivery of any related Supplemental Indenture to effect such amendments; and

WHEREAS, the Authority desires to authorize and approve amending the Original Indenture to permit the Series 2008A-1 and/or the Series 2008A-2 Bonds to be remarketed at a premium or discount as described above and authorize and approve the execution and delivery of one or more Supplemental Indentures and any other necessary or appropriate documentation to effect the foregoing;

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

Section 1. The Authority hereby authorizes and approves amending the Original Indenture in order to permit the Remarketing Agent to remarket the Series 2008A-1 Bonds on January 24, 2013 and/or the Series 2008A-2 Bonds on February 1, 2013 at a premium or discount; provided, in each case, that a Bond Counsel Opinion is delivered to the Authority and the Trustee in connection with any such remarketing at a premium or discount.

Section 2. In order to affect any such amendments described in Section 1 above, the Chairman, Vice Chairman or Executive Director (and, for purposes of this Resolution, any person duly appointed to any such office on an interim or acting basis) (each, an "Authorized Officer") 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 be and each of them hereby is, authorized, empowered and directed to attest and to affix the official seal of the Authority to, one or more Supplemental Indentures in the name, for and on behalf of the Authority, and thereupon to cause any such Supplemental Indentures to be delivered to the Trustee for execution, the Supplemental Indentures to be in substantially the same form as the Second Supplemental Indenture or with such changes therein as the Authorized Officer executing the same shall approve, his or her execution thereof to constitute conclusive evidence of his or her approval of any and all changes or revisions therein from the form of the Second Supplemental Indenture; that when any such Supplemental Indentures are executed, attested, sealed and delivered on behalf of the Authority, such Supplemental Indentures shall be binding on the Authority; and that, from and after the execution and delivery of any such Supplemental Indentures, 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 Supplemental Indentures as executed.

Section 3. The distribution by the Remarketing Agent of one or more Remarketing Supplements in connection with the remarketing of the Series 2008A-1 Bonds and/or the Series 2008A-2 Bonds, as described above, is hereby approved, such Remarketing Supplements to be in the form approved by bond counsel and counsel to the Borrower.

Section 4. Each of the Authorized Officers be and hereby is authorized to execute and deliver such documents, certificates and undertakings of the Authority, including, if necessary, any related amendment or supplement to the Existing Indenture or the Loan Agreement, and to take such other actions, as may be necessary or appropriate to effect any of the amendments to the Original Indenture described in Section 1 hereof and in connection with the execution, delivery and performance of any Supplemental Indentures, the distribution of the Remarketing Supplements, the remarketing of the Series 2008A-1 Bonds on January 24, 2013 and the remarketing of the Series 2008A-2 Bonds on February 1, 2013, all as authorized by this Resolution.

Section 5. 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 6. 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 7. All resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

Section 8. This Resolution shall be in full force and effect immediately upon its passage.

ILLINOIS FINANCE AUTHORITY
Memorandum

To: IFA Board of Directors

From: Pam Lenane/Nora O'Brien

Date: January 8, 2013

Re: Resolution Authorizing the Execution and Delivery of a Reissuance Tax Exemption Agreement in Connection with Reissuance for Purposes of Federal Income Taxation of Illinois Health Facilities Authority Revenue Bonds, Series 2003A-1 (Villa St. Benedict Project).

The Illinois Health Facilities Authority (the "**Health Authority**") issued its Revenue Bonds, Series 2003A (Villa St. Benedict Project) and its Variable Rate Demand Bonds, Series 2003B (Villa St. Benedict Project) (together, the "**Series 2003 Bonds**") for the benefit of Villa St. Benedict (the "**Borrower**" or the "**Corporation**"). The Series 2003A Bonds are divided into two subseries, which are designated as the "**Series 2003A-1 Bonds**" and the "**Series 2003A-2 Bonds**".

Pursuant to the provisions of the Loan Agreement, Villa St. Benedict is obligated to make certain payments to the Bond Trustee, which payments are to be applied to pay the principal of and interest on the Series 2003 Bonds. The Series 2003A-2 Bonds, the Series 2003 Variable Rate Bonds and the Series 2003A-1 Bonds which matured November 15, 2007 have been fully paid.

Villa St. Benedict has encountered certain financial difficulties, as a result of which, scheduled principal payments on the Series 2003A-1 Bonds payable November 15, 2008 through and including November 15, 2012 have not been made. On August 1, 2010, the Corporation entered into a Forbearance Agreement (the "**Original Forbearance Agreement**") with the holders of not less than a majority in aggregate principal amount (the "**Directing Holders**") of the Series 2003A-1 Bonds, which expired September 30, 2012.

The Directing Holders of the Series 2003A-1 Bonds and the Corporation wish to extend the term of the Original Forbearance Agreement pursuant to the terms of an Amended and Restated Forbearance Agreement. The execution and delivery of the Amended and Restated Forbearance Agreement will result in a "reissuance" of the Series 2003A-1 Bonds for purposes of federal income taxation. The Authority, the Corporation and the Bond Trustee will need to execute and deliver a Reissuance Tax Exemption Agreement and file a Form 8038 with the Internal Revenue Service (the "IRS") in order to extend the term of the Forbearance Agreement.

IFA staff recommends approval of the accompanying Resolution.

IFA RESOLUTION NUMBER 2013-0108-AD02

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A REISSUANCE TAX EXEMPTION AGREEMENT IN CONNECTION WITH REISSUANCE FOR PURPOSES OF FEDERAL INCOME TAXATION OF ILLINOIS HEALTH FACILITIES AUTHORITY REVENUE BONDS, SERIES 2003A-1 (VILLA ST. BENEDICT PROJECT).

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

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

WHEREAS, on December 18, 2003, the Health Authority issued its (i) $38,510,000 Revenue Bonds, Series 2003A-1 (Villa St. Benedict Project) (the "*Series 2003A-1 Bonds*"), (ii) $3,750,000 Revenue Bonds, Series 2003A-2 (Villa St. Benedict Project) (the *"Series 2003A-2 Bonds"* and together with the Series 2003A-1 Bonds, the "*Series 2003 Fixed Rate Bonds*"), (iii) $30,250,000 Variable Rate Demand Revenue Bonds, Series 2003B (Villa St. Benedict Project) (the "*Series 2003B Bonds*") and (iv) $3,000,000 Taxable Variable Rate Demand Revenue Bonds, Series 2003C (Villa St. Benedict Project) (together with the Series 2003B Bonds, the "*Series 2003 Variable Rate Bonds*" and, together with the Series 2003 Fixed Rate Bonds and the Series 2003B Bonds, the "*Series 2003 Bonds*"); and

WHEREAS, the Series 2003 Fixed Rate Bonds were issued under and are secured by a Bond Trust Indenture dated as of December 1, 2003 (the "*Bond Indenture*"), between the Health Authority and Wells Fargo Bank, National Association, as successor bond trustee (the "*Bond Trustee*"); and

WHEREAS, the Health Authority loaned the Series 2003 Bond proceeds to Villa St. Benedict (the "*Corporation*") pursuant to two Loan Agreements each dated as of December 1, 2003 (each a "*Loan Agreement*"), between the Authority and the Corporation in order to assist the Corporation in providing a portion of the funds necessary to (i) pay or reimburse the Corporation, or to refinance certain prior indebtedness the proceeds of which were used to pay, for the payment of certain costs of acquiring, constructing, renovating, remodeling and equipping certain "health facilities" (as defined in the Act) of the Corporation, (ii) establish a debt service reserve fund for certain of the Series 2003 Bonds, (iii) provide a portion of the interest payable on certain of the Series 2003A Bonds during the construction of the Project (as defined in the Bond Indenture), (iv) provide working capital and (v) pay certain expenses incurred in connection with the issuance of the Series 2003 Bonds; and

WHEREAS, the payment of the Series 2003 Bonds is secured in part by Direct Note Obligations (the "*Notes*") issued pursuant to that certain Master Trust Indenture dated as of December 1, 2003, as amended, between the Corporation and Wells Fargo Bank, National Association, as successor master trustee (the "*Master Trustee*"); and

WHEREAS, payment of the Notes is secured in part by that certain Leasehold Mortgage, Fixture Filing, Security Agreement and Assignment of Leases and Rents dated as of December 1, 2003 by and between the Corporation, as mortgagor, and the Master Trustee, as mortgagee; and

WHEREAS, Benedictine Sisters of the Sacred Heart, an Illinois not for profit corporation, and Benedictine Health System ("*BHS*"), a Minnesota non-profit corporation, are the two corporate members of the Corporation; and

WHEREAS, the Series 2003A-2 Bonds, the Series 2003 Variable Rate Bonds and the Series 2003A-1 Bonds which matured November 15, 2007 have been fully paid and provided for; and

WHEREAS, pursuant to the provisions of the Loan Agreement the securing the Series 2003A-1 Bonds the Corporation is obligated to make certain payments to the Bond Trustee, which payments are to be applied to pay the principal of and interest on the Series 2003A-1 Bonds; and

WHEREAS, the Corporation has encountered certain financial difficulties, as a result of which scheduled principal payments on the Series 2003A-1 Bonds payable November 15, 2008 through and including November 15, 2012 have not been made; and

WHEREAS, the Bond Trustee, at the direction of the holders of not less than a majority in aggregate principal amount of the Series 2003A-1 Bonds (the "*Directing Holders*"), the Master Trustee, the Corporation and BHS have heretofore executed and delivered that certain Forbearance Agreement dated as of August 1, 2010, as amended by the First Amendment to Forbearance Agreement dated as of June 29, 2012 and the Second Amendment to Forbearance Agreement dated as of August 15, 2012 (as amended, the "*Original Forbearance Agreement*"), which by its terms expired as of September 30, 2012; and

WHEREAS, the Directing Holders, the Corporation and BHS wish to extend the term of the Original Forbearance Agreement pursuant to the terms of an Amended and Restated Forbearance Agreement; and

WHEREAS, the execution and delivery of the Amended and Restated Forbearance Agreement will result in a "reissuance" of the Series 2003A-1 Bonds for purposes of federal income taxation; and

WHEREAS, as a result of the "reissuance" of the Series 2003A-1 Bonds, it is necessary and desirable that the Authority, the Corporation and the Bond Trustee execute and deliver a Reissuance Tax Exemption Agreement (the "*Reissuance Tax Agreement*") and that the Authority prepare, with the assistance of bond counsel, and file with the Internal Revenue Service, a Form 8038; and

WHEREAS, a draft of a Reissuance Tax Agreement has previously been provided to and is on file with the Authority;

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

1. Reissuance Tax Agreement; Form 8038. The Authority does hereby authorize and approve the execution (by manual or facsimile signature) by its Chairperson, Vice Chairperson, Executive Director, General Counsel, Treasurer, or any officer or employee designated by the Executive Director (each an "*Authorized Officer*") and the delivery and use of the Reissuance Tax Agreement. The Reissuance Tax Agreement shall be substantially in the form 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 such form of Reissuance Tax Agreement. The Authority does hereby further authorize and approve the execution by the Executive Director of a Form 8038 to be prepared by bond counsel.

2. 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 this resolution and the Reissuance Tax Agreement, 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 Reissuance Tax Agreement 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, the General Counsel or the Treasurer of the Authority, or in the event of the unavailability, inability or refusal of the Executive Director, the General Counsel and the Treasurer, any two Members of the Authority, each of whom is hereby authorized, empowered, and 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 Reissuance Tax Agreement.