

ILLINOIS FINANCE AUTHORITY

Tuesday, April 10, 2012

AGENDA

COMMITTEE OF THE WHOLE MEETING

9:30 a.m.

IFA Chicago Office

Two Prudential Plaza

180 North Stetson Avenue, Suite 2555

Chicago, Illinois 60601

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

Board Meeting Agenda

April 10, 2012

Page 2

AGRICULTURE						
Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
Beginning Farmer Bonds						
<i>Final</i>						
1	A) Adam James Knicely	Wade Township (Jasper County)	\$30,900	0	0	JS/LK
	B) Joshua J. Kuhl	Denver Township (Richland County)	\$275,000	0	0	JS/LK
TOTAL AGRICULTURE PROJECTS			\$305,900	0	0	
BUSINESS AND INDUSTRY						
Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
Affordable Rental Housing Bonds						
<i>Final</i>						
2	St. Anthony SLF, LLC (St. Anthony of Lansing Project)	Lansing (Cook County)	\$20,500,000	31	200	RF/BF
TOTAL BUSINESS AND INDUSTRY PROJECTS			\$20,500,000	31	200	
EDUCATIONAL, CULTURAL, AND NON-HEALTHCARE 501(c)(3)						
Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
501(c)(3) Revenue Bonds						
<i>Preliminary</i>						
3	Loyola University of Chicago	Chicago (Cook County)	\$150,000,000	25	296	RF/BF
4	Illinois Wesleyan University	Bloomington (McLean County)	\$14,000,000	3	20	RF/BF
TOTAL EDUCATIONAL, CULTURAL, AND NON-HEALTHCARE 501(c)(3) PROJECTS			\$164,000,000	28	316	
HEALTHCARE						
Tab	Project Name	Location	Amount	New Jobs	Const. Jobs	FM
501(c)(3) Revenue Bonds						
<i>Final</i>						
5	Ascension Health Alliance	Hoffman Estates and Elk Grove Village (Cook County)	\$600,000,000	N/A	90	PL/NO
6	Rockford Memorial Hospital	Rockford (Winnebago County)	\$36,000,000	N/A	N/A	PL/NO
7	Northwestern Medical Faculty Foundation	Chicago (Cook County)	\$70,000,000	N/A	N/A	PL/NO
TOTAL HEALTHCARE PROJECTS			\$706,000,000	0	90	
GRAND TOTAL			\$890,805,900	59	606	

Board Meeting Agenda

April 10, 2012

Page 3

RESOLUTIONS		
Tab	Project Name	FM
Amendatory Resolutions		
8	Resolution authorizing the execution and delivery of an Amended Trust Indenture and an Amended and Restated Loan Agreement in connection with Illinois Development Finance Authority Revenue Variable Rate Demand Bonds (U.S. Acrylic, Inc. Project), Industrial Development Revenue Bonds, Series 2003	RF/BF
9	Resolution authorizing the execution and delivery of an Amended and Restated Indenture of Trust and an Amended and Restated Loan Agreement in connection with Illinois Development Finance Authority Variable Rate Demand Revenue Bonds (Metropolitan Family Services Project), Series 1999	RF/BF
10	Resolution authorizing the execution and delivery of an Amendment to the Trust Indenture relating to Illinois Finance Authority Revenue Bonds Series 2008A (Advocate Health Care Network) and authorizing the execution and delivery of any other documents necessary or appropriate to effect such Amendment, and authorizing and approving related matters	PL/NO

April 10, 2012

TO: William A. Brandt, Jr., Chairman
Dr. William Barclay
Gila J. Bronner
James J. Fuentes
Norman M. Gold
Edward H. Leonard, Sr.

Michael W. Goetz, Vice-Chairman
Terrence M. O'Brien
Heather D. Parish
Mayor Barrett F. Pedersen
Roger E. Poole
Bradley A. Zeller

RE: Message from the Executive Director

Dear Members of the Authority:

State Budget Challenges

Governor Quinn has asked all State agencies, including the Illinois Finance Authority (the "IFA"), to recognize the central challenges in this legislative session and upcoming budget. These challenges are the unsustainable growth of pensions and Medicaid spending. Recent newspaper editorials articulated these issues well. See "Come off the sidelines," *Chicago Tribune*, April 2, 2012 and "Use lawmakers' break to your advantage," *Herald & Review*, April 4, 2012. At IFA, we recognize that these challenges are difficult and must be overcome in order for our State to move forward. We offer our support to Governor Quinn and the General Assembly as they work through these complex challenges.

Help for Southern Illinois Communities Ravaged by Tornadoes

Following Chairman Brandt's call to action at the last Board meeting, the IFA worked closely with Governor Quinn's Office and sister agencies to assemble a relief package for those Southern Illinois communities ravaged by February 29th's deadly tornado. As the Board knows, Dr. Roger Herrin, a former long-time IFA board member and tireless advocate of "true Southern Illinois", is a resident of Harrisburg – one of the communities that sustained severe damage from the tornado.

IFA is proud to have been able to provide help to businesses damaged by the recent tornado, especially after the Federal Emergency Management Agency ("FEMA") repeatedly denied the disaster designation. In particular, we worked closely with United States Department of Agriculture ("USDA") to make up to \$2 million available in below-market rate business loans to leverage bank loans for projects located in Gallatin, Saline and Williamson counties. Loans from a minimum of \$50,000 up to a maximum of \$250,000 may be supplement bank financing to finance projects involving the purchase of land, construction or renovation of industrial or commercial buildings or purchase of machinery and equipment. Additional support unrelated to FEMA is summarized in the Governor's April 2, 2012 press release attached to this message.

Our success in this effort owes a special debt of gratitude to Colleen Callahan, Illinois Director of Rural Development at USDA and her staff. USDA responded promptly and collaboratively to this catastrophic event in Illinois through the USDA's Intermediary Relending Program, long-administered by the IFA. We look forward to additional cooperative projects with USDA. Consistent with this theme, we have also been discussing further collaboration with Scherrie Giamanco, the Illinois Director for USDA's Farm Services Administration ("USDA-FSA"). USDA-FSA resources play an extraordinarily large role through credit support on IFA's beginning farmer bond program.

Accountability and Transparency

We are pleased to report that recent appearances by the IFA before the House Appropriations-Public Safety Committee, on March 23, 2012 and the Senate Appropriations I Committee on April 3, 2012 went well. On behalf of the IFA, we thank the Representative Luis Arroyo, Representative Greg Harris, Representative David Reis, Senator Heather A. Steans, Senator Dan Kotowski and Senator Matt Murphy for the opportunity to share the IFA's accomplishments and challenges with the General Assembly.

Finally and as the Members know, the Auditor General released the IFA's Fiscal Year 2011 Financial Audit on March 22, 2012. The Auditor General gave an "unqualified opinion" on IFA's Fiscal Year 2011 audited financial statements and concluded that there were no prior findings repeated. Working with IFA Audit Committee Chair Gila Bronner, we expect the Auditor General's Compliance Audit for Fiscal Year 2011 to be released sometime after May 1, 2012. At a date yet to be scheduled, the General Assembly's Legislative Audit Committee will then consider the IFA's financial and compliance audits for Fiscal Years 2010 and 2011.

Conclusion

As always, we look forward to working with you and Governor Quinn to finance projects that create and retain jobs for the people of Illinois.

Respectfully,



Christopher B. Meister
Executive Director

Attachments:

- Attachment 1 – Press Release on Relief for Southern Illinois Communities
- Attachment 2 – Board of Directors Dashboard
- Attachment 3 – Quarterly Bonds Activity Report
- Attachment 4 – Monthly Bonds Activity Report; Schedule of Debt



OFFICE OF GOVERNOR PAT QUINN

NEWS

FOR IMMEDIATE RELEASE:
Monday, April 2, 2012

CONTACT: Annie Thompson (o. 217-782-7355; c. 217-720-1853)
Patti Thompson, IEMA (c. 217-836-0742)
Marcelyn Love, DCEO (o. 217-558-1542)
Josh Kaufman, IDOT (o. 217-558-0517)

Governor Quinn Announces Up to \$13 Million in New Relief for Southern Illinois Communities

Governor Secures State, Federal Resources to Help Southern Illinois Families, Businesses, and Local Governments Recover from Tornado

HARRISBURG – April 2, 2012. At the direction of Governor Pat Quinn, the heads of a number of state agencies today announced in Harrisburg up to \$13 million of financial aid and construction projects to help families, businesses and local governments recover from the deadly tornado that ravaged several Southern Illinois communities on Feb. 29. The package put together at the Governor's instruction includes reimbursements to local governments for some of their disaster-related expenses, road improvements, grants to help homeowners repair or rebuild damaged homes, and low-interest business loans to create jobs and help businesses recover.

"This assistance package offers real solutions for the long-term recovery effort in Harrisburg and other communities," Governor Quinn said. "Recovery from this tornado won't happen overnight, but these resources will help residents and businesses of hard hit areas in Southern Illinois begin to rebuild their lives."

Following FEMA's denial of assistance for people affected by the tornado on March 10 and denial of an appeal on March 21, Governor Quinn moved quickly to secure support for people and businesses through the U.S. Small Business Administration (SBA). That request was approved the following day, and the SBA began meeting with people interested in the low-interest, long-term loans on March 23.

"In the weeks since the severe storms and tornadoes hit Southern Illinois in February and early March, I have met with representatives from federal, state, and local emergency management agencies to discuss the ongoing recovery efforts in Harrisburg, Ridgway and surrounding areas," said U.S. Senator Dick Durbin (D-IL). "I will continue to work with Governor Quinn and the Illinois Congressional Delegation to seek further opportunities for federal assistance to help these communities rebuild."

In addition to the SBA loans, the state's multi-agency relief package includes:

- **Assistance from Illinois Department of Commerce and Economic Opportunity (DCEO) –** Up to \$5 million from the Community Development Assistance Program (CDAP) will pay for public infrastructure improvements, housing rehabilitation and reconstruction efforts. In partnership with Ameren Illinois, another \$1 million from the Energy Efficiency Trust will fund energy efficiency incentives through Ameren's Act on Energy program to benefit customers affected by the disaster. Additionally, DCEO will make as much as \$750,000 in Workforce Investment Act grants available to cover wages for dislocated workers to participate in disaster



cleanup and structured work-based learning.

- **Assistance from Illinois Finance Authority (IFA)** - Up to \$2 million in U.S. Department of Agriculture-Rural Development (USDA-RD) business loans will be available through IFA under a relending in Gallatin, Saline and Williamson counties. Loans from a minimum of \$50,000 up to a maximum of \$250,000 may be used for the purchase of land, construction or renovation of an industrial or commercial building or purchase of machinery and equipment. The IFA will partner with local banks to market the program to local businesses hurt by the recent storms and tornadoes.
- **Assistance from Illinois Department of Transportation (IDOT)** – Twenty-one municipal road improvements in Harrisburg will be completed at an estimated cost of \$1.58 million.
- **Assistance from Illinois Emergency Management Agency (IEMA)** – Reimbursements up to \$1.5 million to affected local governments for some of their disaster-related expenses will be made through the state’s Disaster Response and Recovery Fund, which supports emergency response and recovery efforts.
- **Assistance from Illinois Housing Development Authority (IHDA)** – IHDA will commit up to \$1 million in federal HOME Funds using the Single Family Owner Occupied Rehabilitation (SFOOR) Program. Up to \$40,000 per household in forgivable non-payment loans will be made available to homeowners in affected areas. The funds can be used to build or renovate destroyed or damaged homes.
- **Delta Regional Authority** – Governor Quinn secured \$400,000 in federal funding to reimburse local governments for expenses related to debris removal.

“Ameren Illinois is delighted to partner with the Illinois Department of Commerce and Economic Opportunity to help make recovery a little easier for residents of the Harrisburg and Ridgway areas,” said Michael Moehn, Ameren Illinois senior vice president of customer operations. “Through our ActOnEnergy® program and the Warm Neighbors Cool Friends Home Repair Program, residents will be able to receive the financial assistance they need to meet the highest energy efficiency standards as they repair and rebuild. This will allow them to save money today and in the years to come.”

Governor Quinn has directed his staff to continue to work with local, federal and non-governmental agencies to secure additional support for families in the affected areas.

This assistance package is in addition to nearly \$1.4 million of in-kind state assistance already provided to the affected region. Shortly after the tornado struck, Governor Quinn surveyed the damaged area and activated the State Emergency Operations Center to coordinate the deployment of state resources and personnel in support of local response and recovery efforts. The state’s response included large deployments from IDOT, the Illinois Department of Corrections and the Illinois State Police, as well as assistance from several other state agencies and mutual aid organizations.

“The state of Illinois has been a trusted partner with us since the day the tornado struck,” said Harrisburg Mayor Eric Gregg. “Recovery after a disaster of this magnitude isn’t easy. This state assistance package will give our recovery efforts a significant boost. I appreciate Governor Quinn’s continued commitment to helping our communities recover.”



OFFICE OF GOVERNOR PAT QUINN

NEWS

Governor Quinn directed state officials to start developing the state assistance package immediately after the state's request for FEMA assistance for individuals and subsequent appeal were denied. The administration has been exploring all possible opportunities to deliver relief and assistance to Southern Illinois' impacted communities.

Additional information about the state's response efforts is available at www.Ready.Illinois.gov.

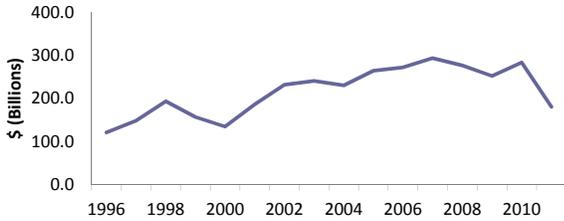
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Illinois Finance Authority
Board of Directors "Dashboard"
March 31, 2012

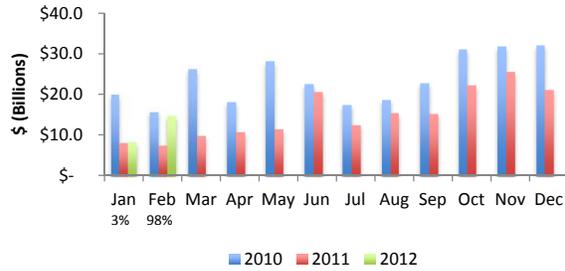
Section 1: National Market Analysis

- Calendar Year 2012 issuances up 52.3% over same period in Calendar Year 2011.
- 98% improvement in the volume of Revenue Bonds issued in the first two months of 2012 over the same period of 2011.

**National Revenue Bond Issuances
1996 - 2011**



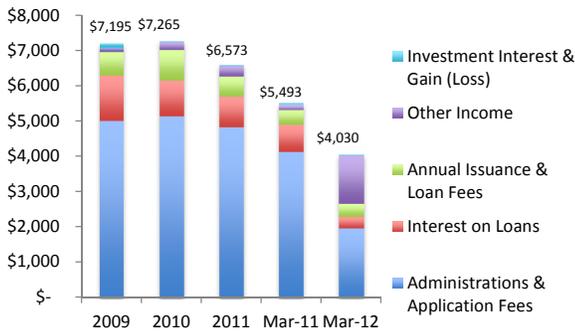
2011 vs. 2012 Revenue Bond Issuances by Month



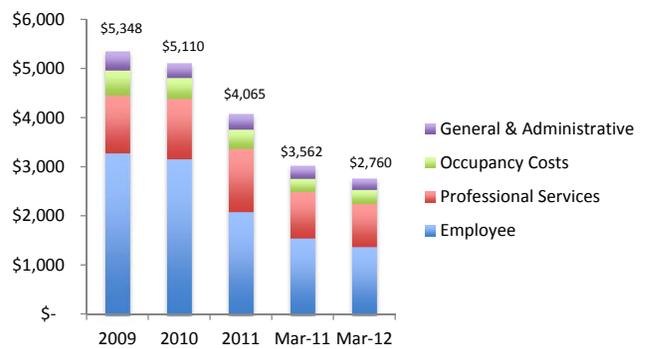
Section 2: IFA Operational Analysis

- Revenues declined by 26.5% while expenses declined 22.5% when comparing the nine months of Fiscal Years 2011 and 2012.
- Net Income declined 52.7% due to a lower volume of financing. Balance sheet remains strong, with an increase in cash of \$8.3 million in Fiscal Year 2012. This increase strengthens our reserve for the coming years.
- Return on Equity declined year over year in part due to the increase in Cash on the Balance Sheet.

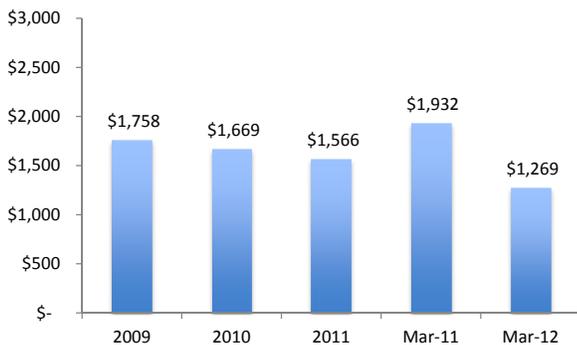
Revenue by Category



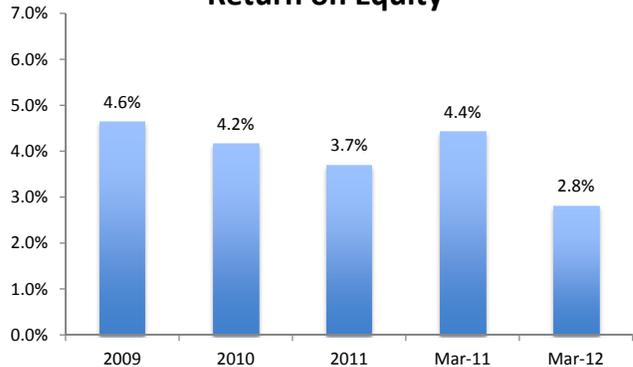
Expense by Category



Net Operating Income



Return on Equity

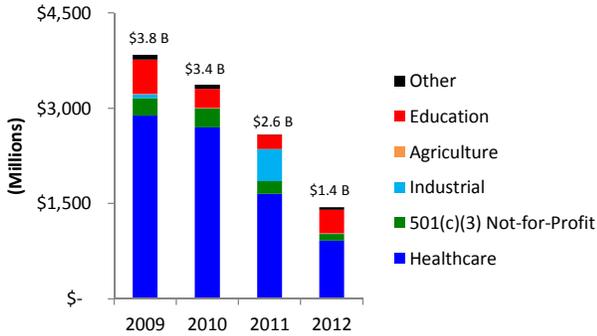


Illinois Finance Authority
Board of Directors "Dashboard"
March 31, 2012

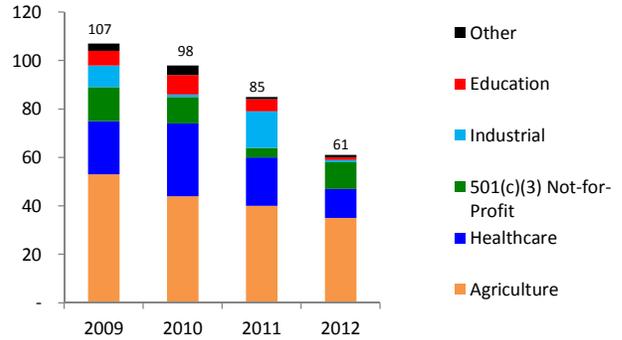
Section 3: Revenue Analysis

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

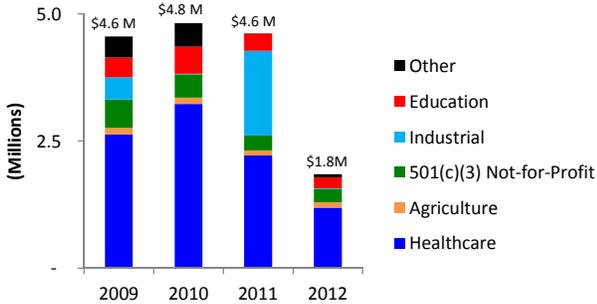
Bond Issuance by Sector



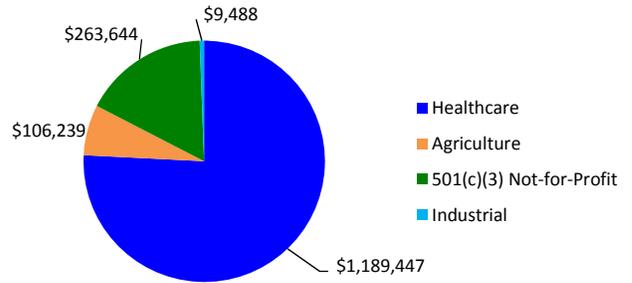
Total Number of Issuances by Sector



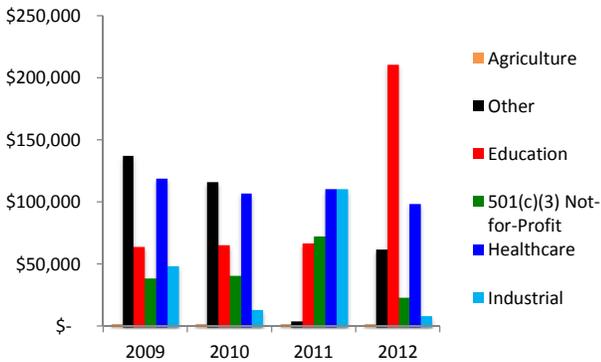
Revenue by Sector



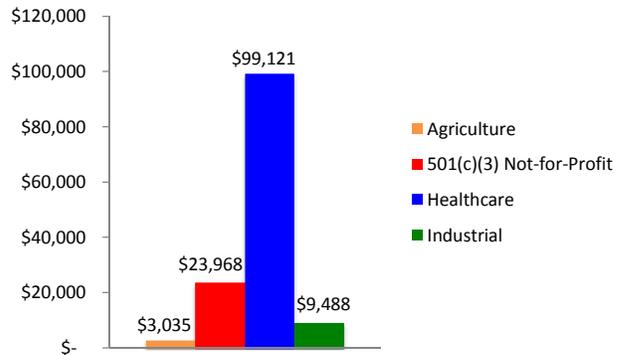
2012 Revenue by Sector



Revenue per Issuance



2012 Revenue per Issuance



Principal Issued by Month *											
		Year									
Month	Data	2004	2005	2006	2007	2008	2009	2010	2011	2012	
January	Sum of Principal	-	138,085,000	98,670,000	13,680,000	122,870,000	723,895,000	252,800,000	-	1,000,000.00	
	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	-		
	Sum of % of Change		-37.3%	-3.2%	285.1%	494.6%	-58.6%	-45.0%	-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		
	Sum of % of Change		-66.3%	-81.9%	252.0%	388.9%	-90.7%	274.6%	34.5%		
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		
	Sum of % of Change		120.2%	-3.8%	199.1%	107.2%	-41.9%	-40.1%	-58.2%		
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	-		
	Sum of % of Change		239.6%	-50.3%	-18.9%	-62.3%	580.1%	-25.6%	-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%		
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		
	Sum of % of Change		2.1%	-82.7%	89.4%	185.5%	-100.0%	100%	213%		
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		
	Sum of % of Change		356.7%	289.0%	146.0%	-84.9%	56.7%	70.8%	-2.0%		
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		
	Sum of % of Change		-89.2%	86.1%	-74.3%	161.2%	164.9%	31.2%	-96.3%		
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	218,053,846		
	Sum of % of Change		138.0%	-33.6%	75.9%	-43.7%	55.1%	-45.6%	-40.0%		
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	2,012,571,846	479,443,200	

"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
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
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	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	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	525,628,846	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	2,012,571,846	479,443,200
% Change over Prior Calendar Year		-1.2%	-19.0%	83.8%	11.5%	5.9%	-36.0%	-33.1%	-67.8%

Bonds Issued by Quarter - Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012
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
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	525,628,846
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	0
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	1,425,555,046
% Change over Prior Fiscal Year		71.5%	1.0%	29.0%	94.7%	-35.2%	-12.3%	-23.3%	-20.5%

Bonds Issued by Quarter - New Money - Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012
1st Quarter		332,815,000	324,575,000	374,952,100	747,011,650	288,012,400	730,989,121	308,265,000	205,958,000
2nd Quarter		648,355,000	693,465,000	448,835,000	979,927,183	541,539,000	713,342,687	887,857,184	201,690,000
3rd Quarter	41,940,000	195,919,900	221,690,000	443,963,900	125,595,000	1,180,645,000	253,995,777	308,290,000	0
4th Quarter	785,756,179	451,565,000	223,076,292	623,144,280	1,000,621,000	622,409,732	587,737,095	597,725,000	0
Total Bonds Issued - Fiscal Year	827,696,179	1,628,654,900	1,462,806,292	1,890,895,280	2,853,154,833	2,632,606,132	2,286,064,680	2,102,137,184	407,648,000
% Change over Prior Fiscal Year		96.8%	-10.2%	29.3%	50.9%	-7.7%	-13.2%	-8.0%	-33.2%

Principal Issued/Bonds Refunded by Month

Month	Year										
	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	-	11,540,000	Principal	
	-	25,755,000	13,285,000	-	-	205,350,000	155,775,000	-	12,740,000	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	218,053,846	Principal	
	-	-	52,945,000	96,220,000	45,210,000	113,100,000	90,946,623	50,600,000	169,270,000	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	32,825,000	Refunded	
April	87,500,000	54,890,000	53,160,378	204,725,000	1,217,254,000	504,000,000	277,283,662	-	-	Principal	
	-	11,540,000	-	62,890,000	1,141,790,000	464,985,000	70,420,000	-	-	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	-	Principal	
	451,164,992	93,060,000	29,915,000	99,375,000	456,397,500	-	55,940,000	67,460,000	-	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	-	Principal	
	28,810,000	10,870,000	-	46,427,000	605,130,000	-	255,625,000	-	-	Refunded	
July	109,045,000	370,370,000	183,955,000	149,165,000	56,242,400	382,477,000	284,660,000	-	-	Principal	
	-	238,695,000	4,749,000	34,830,000	-	-	211,395,000	-	-	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	-	Principal	
	6,220,000	92,955,000	-	4,500,000	-	-	-	22,335,000	-	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	-	Principal	
	-	-	254,960,000	338,880,796	2,400,000	92,425,000	90,325,000	19,680,000	-	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	-	Principal	
	247,055,000	36,575,000	25,095,000	14,230,000	10,275,000	102,145,000	-	12,740,000	-	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	-	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	-	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	270,467,046	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	214,835,000	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	55,632,046	Issued	

Bonds Issued includes the value of the Bonds Refunded.

Bonds Issued and Outstanding as of March 31, 2012

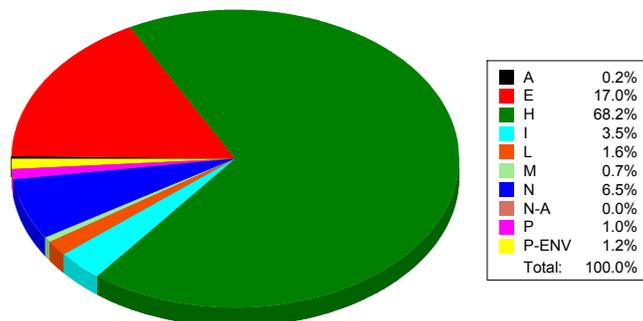
Bonds Issued Since Inception of Illinois Finance Authority

#	Market Sector	Principal Amount (\$)
383	Agriculture **	65,601,888
85	Education	4,399,433,100
182	Healthcare *	17,908,421,708
82	Industrial	944,137,853
26	Local Government	420,155,000
16	Multifamily/Senior Housing	175,417,900
117	501(c)(3) Not-for Profits	1,740,215,041
8	Exempt Facilities Bonds	275,700,000
8	Environmental issued under 20 ILCS 3515/9	326,630,000
		\$ 26,255,712,489

* Includes CCRC's

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

Bonds Issued Since Inception

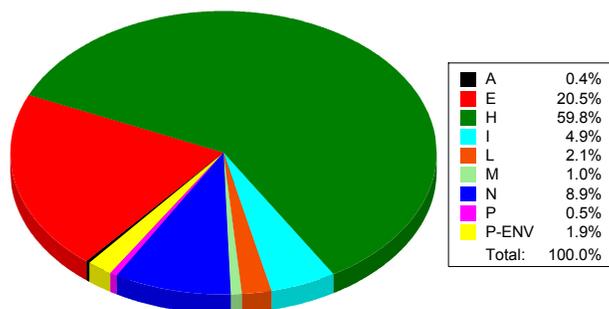


Schedule of Bonds Outstanding by Market Sector Includes IFA and it's Predecessor Authorities

Market Sector	Amount of Original Issue	Principal Outstanding
Agriculture	304,071,594	89,593,588
Education	5,997,310,730	5,191,119,000
Healthcare *	18,089,130,159	14,893,690,781
Industrial	1,535,516,939	1,232,754,175
Local Government	1,074,849,413	518,162,144
Multifamily/Senior Housing	726,835,396	255,062,125
501(c)(3) Not-for Profits	2,835,431,842	2,214,596,224
Exempt Facilities Bonds	130,500,000	130,090,000
Environmental issued under 20 ILCS 3515/9	756,325,000	479,801,778
	\$ 31,449,971,072	\$ 25,004,869,815

* Includes CCRC's

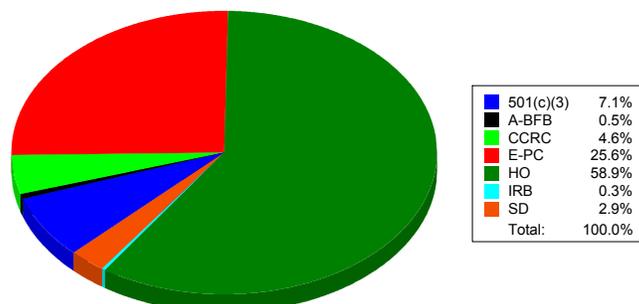
Principal Outstanding by Market Sector



Current Fiscal Year

#	Market Sector	Principal Issued
35	Agriculture - Beginner Farmer	7,315,939
1	Education	369,570,000
10	Healthcare - Hospital	850,498,200
2	Healthcare - CCRC	66,765,000
1	Industrial Revenue	3,795,000
11	501(c)(3) Not-for-Profit	102,916,846
1	Local Govt-School District	42,010,000
61		\$ 1,442,870,985

Bonds Issued - Current Fiscal Year



Bonds Issued between July 01, 2011 and March 31, 2012

<u>Bond Issue</u>	<u>Date Issued</u>	<u>Initial Interest Rate</u>	<u>Principal Issued</u>	<u>Bonds Refunded</u>
A-BFB Beginner Farmer Bonds, Series 2012A	07/01/2011	3.25% to 4.50%	5,356,070	0
501(c)(3) Learn Charter Schools, Series 2011	08/01/2011	DP-VRB	5,693,000	2,830,000
HO CDH-Delnor Health System, Series 2011A&B	08/05/2011	Variable	127,150,000	127,150,000
IRB Transparent Container Co., Inc., Series 2011	08/09/2011	DP-VRB	3,795,000	3,795,000
HO CDH-Delnor Health System, Series 2011C	08/24/2011	DP-VRB	58,415,000	58,415,000
501(c)(3) Chicago Shakespeare Theater, Series 2011	09/09/2011	DP-VRB	4,100,000	4,100,000
HO Advocate Health Care Network, Series 2011A-D	09/21/2011	DP-VRB	213,730,000	12,295,000
CCRC Chestnut Square at The Glen, Series 2011	09/30/2011	DP-VRB	7,600,000	9,195,000
501(c)(3) Siena on Brendenwood, Series 2011	10/03/2011	DP-VRB	4,400,000	4,400,000
HO Trinity Health, Series 2011A&B/IL	10/20/2011	2.00% to 5.00%	239,710,000	0
501(c)(3) UNO Charter School Network, Inc., Series 2011A&B	10/26/2011	6.875% to 7.125%	37,505,000	0
HO Southern Illinois Healthcare Enterprise, Series 2011	10/27/2011	1.857% to 2.513%	14,420,000	15,280,000
501(c)(3) Aurora Central High School, Series 2011	11/01/2011	DP-VRB	11,540,000	12,740,000
HO Northwest Community Hospital, Series 2011	12/01/2011	DP-VRB	53,100,000	53,100,000
CCRC Covenant Retirement Communities, Series 2011	12/14/2011	DP-VRB	59,165,000	15,915,000
501(c)(3) British Home for Men and Women, Series 2011	12/14/2011	DP-VRB	7,778,846	6,080,000
HO Rush University Medical Center, Series 2011	12/16/2011	DP-VRB	56,000,000	56,000,000
SD Waterloo CUSD #5, Series 2011	12/21/2011	1.75% to 4.20%	42,010,000	38,175,000
501(c)(3) Near North Montessori School, Series 2011	12/21/2011	DP 3.74%	10,000,000	10,000,000
A-BFB Beginner Farmer Bonds, Series 2012A	01/01/2012	Various-See Below	1,959,869	0
501(c)(3) Near North Montessori School, Series 2012	01/13/2012	DP 3.74%	1,000,000	1,000,000
E-PC University of Chicago, Series 2012A	02/02/2012	2.50% to 5.00%	369,570,000	292,880,000
501(c)(3) National Hellenic Museum, Series 2012	02/28/2012	DP-VRB 4.25%	8,000,000	0
HO Children's Memorial Hospital, Series 2012A&B	02/28/2012	DP-VRB 0.958%	60,000,000	0
HO Edward Hospital, Series 2012	03/02/2012	DP 1.86%	26,025,000	26,025,000
501(c)(3) United Methodist Homes and Services, Series 2012	03/20/2012	DP-VRB	8,700,000	2,800,000
501(c)(3) Solomon Schechter Day Schools, Series 2012	03/23/2012	DP-VRB 3.50%	4,200,000	4,000,000
HO Bethesda Home and Retirement Center, Series 2012	03/23/2012	DP 3.09%	1,948,200	0
Total Bonds Issued as of March 31, 2012			\$ 1,442,870,985	\$ 756,175,000

Legend: Fixed Rate Bonds as shown

DP-VRB = initial interest rate at the time of issuance on a Direct Purchase Bond

VRB = initial interest rate at the time of issuance on a Variable Rate Bond that does not include the cost of the LOC arrangement.

Beginner Farmer Bonds interest rates are shown in section below.

Beginner Farmer Bonds

<u>Borrower</u>	<u>Date Funded</u>	<u>Initial Interest Rate</u>	<u>Loan Proceeds</u>	<u>Acres</u>	<u>County</u>
Bennett, Quinn P. & Kristen N.	07/15/2011	4.50%	252,350	75.76	Shelby
Neff, Jennifer	07/15/2011	3.65%	476,449	48.90	Macoupin
Zaagman, Brent	08/11/2011	4.50%	239,828	90.00	Whiteside
Colgan, Andrew J. & Jacqueline L.	08/16/2011	4.00%	125,000	40.00	Stark
Kocher, Doug E. & Lora M.	08/19/2011	4.00%	80,000	38.00	Jasper
Sterrenberg, Casey P.	09/13/2011	4.00%	477,000	96.70	Livingston
Meister, Evan T.	09/20/2011	4.00%	203,940	80.00	Iroquois
Tarasuik, James W. Jr.	09/20/2011	4.00%	67,000	40.00	Bond
Bohnenstiehl, Daren A.	09/27/2011	4.00%	159,000	38.50	Madison
Bohnenstiehl, Joshua A.	09/27/2011	4.00%	159,000	38.50	Madison
Beals, Ronald Lee	09/30/2011	4.00%	47,500	24.00	Jasper
Billups, Nathan W.	10/14/2011	4.50%	146,000	38.00	Putnam
Ohnesorge, Jay W.	10/27/2011	3.75%	27,500	3.50	Effingham
Ettner, Philip P. & Spring M.	10/27/2011	4.35%	264,000	58.00	Boone
Adams, Joseph M.	11/02/2011	4.50%	240,000	80.00	Whiteside

Beginner Farmer Bonds

<u>Borrower</u>	<u>Date Funded</u>	<u>Initial Interest Rate</u>	<u>Loan Proceeds</u>	<u>Acres</u>	<u>County</u>
Schaffer, Matthew & Kayla	11/15/2011	3.25%	141,056	37.12	Livingston
Frohning, Mathew A.	12/21/2011	3.75%	255,000	115.00	Clay
Janssen, Spencer A.	12/28/2011	3.85%	250,000	75.00	Fayette
Borkgren, Chad Randall	12/28/2011	Prime+	107,369	20.00	Henry
Vaughan, John W. & Grace E.	12/28/2011	3.95%	143,750	40.00	Wayne
Olson, John A.	12/28/2011	3.97%	475,000	155.00	Montgomery
Borkgren, Nicholas	12/28/2011	Prime+	225,720	60.00	Henry
Jordan, Corey P.	12/28/2011	4.00%	226,879	79.00	Montgomery
Jordan, Alexander Colby	12/28/2011	4.00%	226,879	79.00	Montgomery
Funk, Cory James	12/28/2011	3.75%	196,100	72.00	Lawrence
Vaughan, James & Anne	12/28/2011	3.95%	143,750	40.00	Wayne
Beals, Ronald Lee	02/28/2012	4.00%	32,500	20.00	Jasper
Gavin, Andrew M.	03/01/2012	3.90%	258,718	69.12	Warren
Gavin, Paul J.	03/01/2012	3.90%	161,312	30.73	Warren
Poole, Jared L. & Jodi L.	03/01/2012	5.00%	273,750	80.00	White
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, Paul David	03/12/2012	3.90%	366,489	104.00	Henderson
Thompson, Teresa Lois	03/12/2012	3.90%	180,000	60.00	Henderson
Emmerich, Ben	03/29/2012	3.50%	28,500	10.00	Jasper

Total Beginner Farmer Bonds Issued \$ 7,315,939 2,094.83

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.

<u>AG Debt Restructuring Guarantee</u>	<u>Date Funded</u>	<u>Initial Interest Rate</u>	<u>Loan Proceeds</u>	<u>State Guarantee</u>
Bertolino, Adam	08/24/2011	5.95%	380,000	323,000
Nelson, Wayne	09/22/2011	3.43%	97,000	82,450
Bertolino, Aaron	12/29/2011	5.50%	352,000	299,200
Total AG Debt Restructuring Guarantee			\$ 829,000	\$ 704,650
Total Agriculture Guarantees			\$ 829,000	\$ 704,650

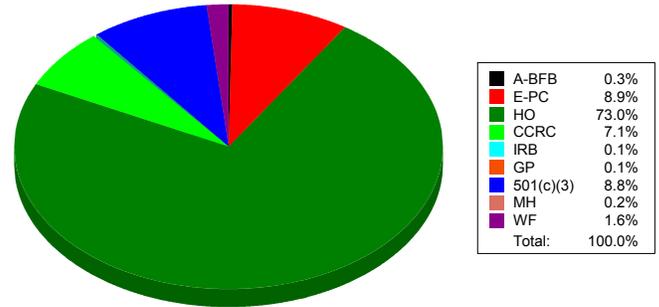
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Bonds Issued - Fiscal Year Comparison for the Period Ending January 31, 2012

Fiscal Year 2010

#	Market Sector	Principal Issued
44	Agriculture - Beginner Farmer	8,545,250
8	Education	298,745,000
26	Healthcare - Hospital	2,458,700,628
4	Healthcare - CCRC	240,184,820
1	Industrial Revenue	2,700,000
1	Local Government - Pool	4,460,000
11	501(c)(3) Not-for-Profit	296,142,520
1	MultiFamily/Senior Housing	5,700,000
2	Water Facilities	53,500,000
98		\$ 3,368,678,218

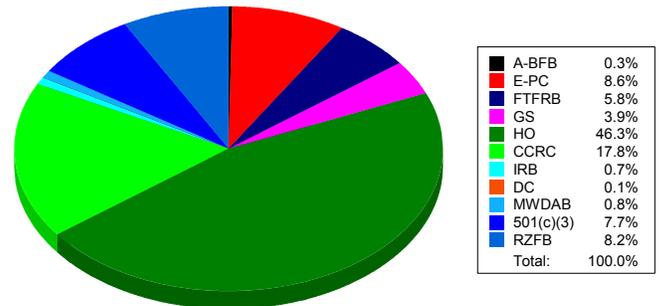
Bonds Issued in Fiscal Year 2010



Fiscal Year 2011

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

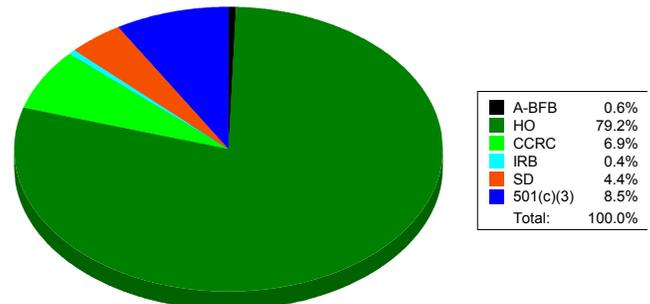
Bonds Issued in Fiscal Year 2011



Fiscal Year 2012

#	Market Sector	Principal Issued
26	Agriculture - Beginner Farmer	5,356,070
7	Healthcare - Hospital	762,525,000
2	Healthcare - CCRC	66,765,000
1	Industrial Revenue	3,795,000
1	Local Government Schools	42,010,000
8	501(c)(3) Not-for-Profit	82,016,846
45		\$ 962,467,916

Bonds Issued in Fiscal Year 2012



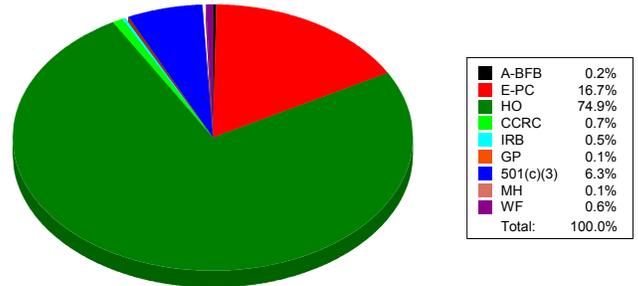


Bonds Issued - Calendar Year Comparison as of January 31, 2012

Calendar Year 2009

#	Market Sector	Principal Issued
38	Agriculture - Beginner Farmer	7,315,408
9	Education	786,245,000
26	Healthcare - Hospital	3,526,456,927
2	Healthcare - CCRC	31,034,820
3	Industrial Revenue	24,000,000
1	Local Government - Pool	4,460,000
11	501(c)(3) Not-for-Profit	295,436,458
1	MultiFamily/Senior Housing	5,700,000
1	Water Facilities	28,500,000
92		\$ 4,709,148,613

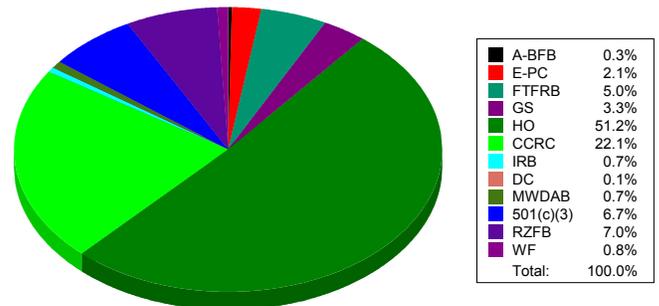
Bonds Issued in Calendar Year 2009



Calendar Year 2010

#	Market Sector	Principal Issued
52	Agriculture - Beginner Farmer	9,374,497
5	Education	64,000,000
1	Freight Transfer Facilities Bonds	150,000,000
2	Gas Supply	100,000,000
20	Healthcare - Hospital	1,545,643,433
7	Healthcare - CCRC	667,855,000
4	Industrial Revenue	20,029,184
1	Financially Distressed Cities	1,985,000
1	Midwest Disaster Area Bonds	20,200,000
8	501(c)(3) Not-for-Profit	203,041,062
8	Recovery Zone Facilities Bonds	211,488,000
1	Water Facilities	25,000,000
110		\$ 3,018,616,176

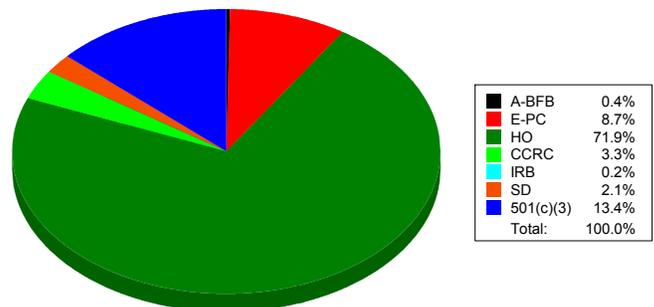
Bonds Issued in Calendar Year 2010



Calendar Year 2011

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

Bonds Issued in Calendar Year 2011

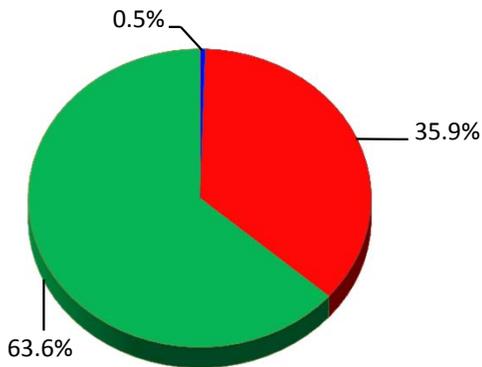




Illinois Finance Authority Project Revenue Fiscal Year 2012

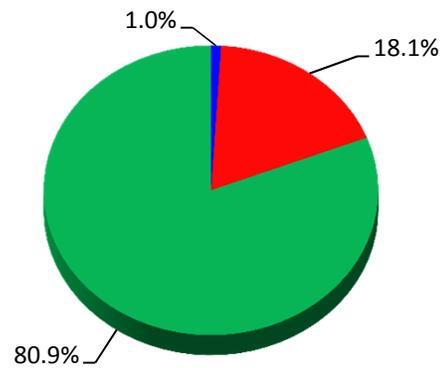
Market Sector	Principal Amount (\$)	New Money (\$)	#	Revenue (\$)
Agriculture	\$ 7,315,939.00	\$ 7,315,939.00	35	\$ 106,239.08
Business/Higher Ed/Non-Profit	518,291,845.51	136,691,845.51	14	546,896.74
Healthcare/CCRC's	917,263,200.00	610,653,200.00	12	1,189,447.25
	\$ 1,442,870,984.51	\$ 754,660,984.51	61	\$ 1,842,583.07

Principal Amount (\$)



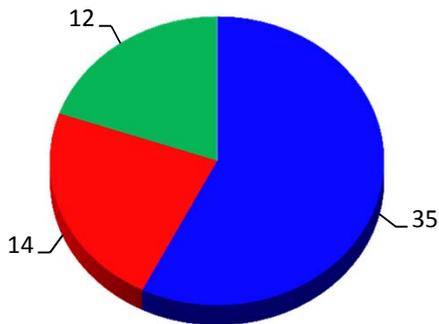
- Agriculture
- Business/Higher Ed/Non-Profit
- Healthcare/CCRC's

New Money Principal(\$)



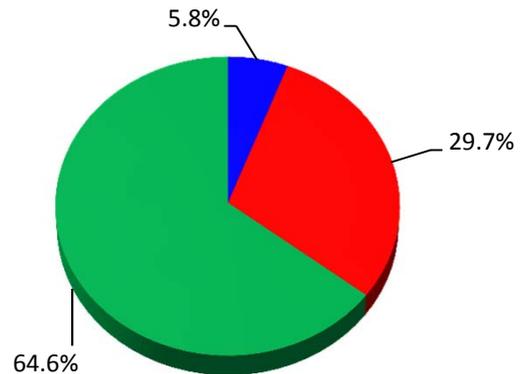
- Agriculture
- Business/Higher Ed/Non-Profit
- Healthcare/CCRC's

of Projects



- Agriculture
- Business/Higher Ed/Non-Profit
- Healthcare/CCRC's

Revenue (\$)



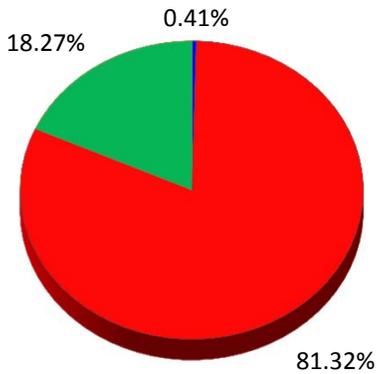
- Agriculture
- Business/Higher Ed/Non-Profit
- Healthcare/CCRC's



Illinois Finance Authority Project Revenue Calendar Year 2012

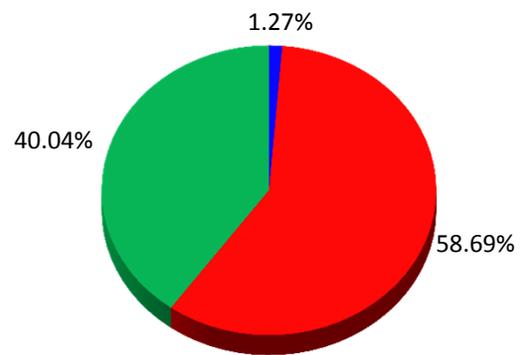
Market Sector	Principal Amount (\$)	New Money (\$)	#	Revenue (\$)
Agriculture	\$ 1,959,869.00	\$ 1,959,869.00	9	\$ 28,498.04
Business/Higher Ed/Non-Profit	391,470,000.00	90,790,000.00	5	312,100.00
Healthcare/CCRC's	87,973,200.00	61,948,200.00	3	205,766.00
	\$ 481,403,069.00	\$ 154,698,069.00	17	\$ 546,364.04

Principal Amount (\$)



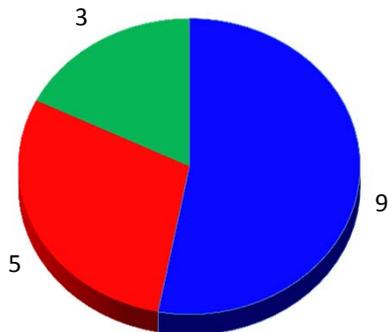
- Agriculture
- Business/Higher Ed/Non-Profit
- Healthcare/CCRC's

New Money Principal(\$)



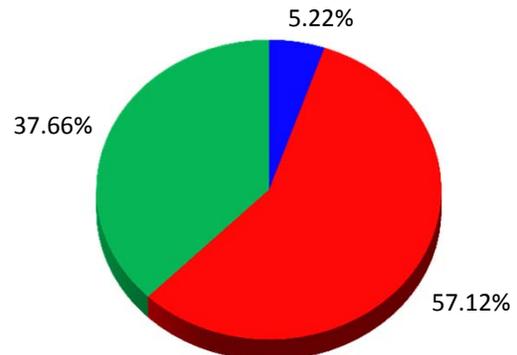
- Agriculture
- Business/Higher Ed/Non-Profit
- Healthcare/CCRC's

of Projects



- Agriculture
- Business/Higher Ed/Non-Profit
- Healthcare/CCRC's

Revenue (\$)



- Agriculture
- Business/Higher Ed/Non-Profit
- Healthcare/CCRC's

ILLINOIS FINANCE AUTHORITY

Schedule of Debt ^[a]

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

Section I (a)

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2011	March 31, 2012		
Illinois Finance Authority "IFA" ^[b]				
383 Agriculture	\$ 47,342,000	\$ 54,658,000		
90 Education	3,798,690,000	4,039,326,000		
256 Healthcare	12,385,257,000	12,600,745,000		
70 Industrial Development [includes Recovery Zone/Midwest Disaster]	831,074,000	795,156,000		
20 Local Government	246,460,000	235,995,000		
17 Multifamily/Senior Housing	160,222,000	158,552,000		
98 501(c)(3) Not-for Profits	1,216,827,000	1,236,283,000		
5 Exempt Facilities Bonds	130,300,000	130,090,000		
939 Total IFA Principal Outstanding	\$ 18,816,172,000	\$ 19,250,805,000		
Illinois Development Finance Authority "IDFA" ^[b]				
3 Education	20,661,000	19,941,000		
5 Healthcare	209,185,000	209,185,000		
62 Industrial Development	502,234,000	437,598,000		
23 Local Government	322,251,000	265,282,000		
10 Multifamily/Senior Housing	130,521,000	96,510,000		
88 501(c)(3) Not-for Profits	959,430,000	904,588,000		
188 Total IDFA Principal Outstanding	\$ 2,144,282,000	\$ 1,933,104,000		
Illinois Rural Bond Bank "IRBB" ^[b]				
14 Bond Bank Revenue Bonds	20,220,000	16,885,000		
14 Total IRBB Principal Outstanding	\$ 20,220,000	\$ 16,885,000		
79 Illinois Health Facilities Authority "IHFA"	\$ 2,472,613,000	\$ 2,083,761,000		
48 Illinois Educational Facilities Authority "IEFA"	\$ 1,401,337,000	\$ 1,205,577,000		
561 Illinois Farm Development Authority "IFDA" ^[f]	\$ 34,936,000	\$ 34,936,000		
1,829 Total Illinois Finance Authority Debt	\$ 24,889,560,000	\$ 24,525,068,000	\$ 28,150,000,000	\$ 3,624,932,000

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

Section I (b)

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2011	March 31, 2012		
General Purpose Moral Obligations				
Illinois Finance Authority Act [20 ILCS 3501/801-40(w)]				
14 Issued through IRBB - Local Government Pools	\$ 20,220,000	\$ 16,885,000		
7 Issued through IFA - Local Government Pools	26,680,000	25,305,000		
2 Issued through IFA - Illinois Medical District Commission	39,640,000	39,120,000		
23 Total General Moral Obligations	\$ 86,540,000	\$ 81,310,000	\$ 150,000,000	\$ 68,690,000
Financially Distressed Cities Moral Obligations				
Illinois Finance Authority Act [20 ILCS 3501/825-60]				
2 Issued through IFA	\$ 3,825,000	\$ 3,240,000		
1 Issued through IDFA	3,565,000	3,565,000		
3 Total Financially Distressed Cities	\$ 7,390,000	\$ 6,805,000	\$ 50,000,000	\$ 43,195,000
State Component Unit Bonds ^[c]				
14 Issued through IRBB	\$ 20,220,000	\$ 16,885,000		
2 Issued through IDFA ^[j]	82,090,000	69,685,000		
2 Issued through IFA ^[j]	29,937,000	28,562,000		
18 Total State Component Unit Bonds	\$ 132,247,000	\$ 115,132,000		

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

Section I (c)

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2011	March 31, 2012		
1 Midwest Disaster Bonds [Flood Relief]	\$ 20,200,000	\$ 30,195,000	\$ 1,515,271,000	\$ 1,485,076,000

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 March 31, 2012	Available "Ceded" Volume Cap
	- Recovery Zone Economic Development Bonds;	\$ 666,972,000	\$ 16,940,000	\$ 12,900,000
8 Recovery Zone Facilities Bonds	\$ 1,000,457,000	\$ 292,400,000	\$ 218,129,000	\$ 74,271,000
- Qualified Energy Conservation Bonds	\$ 133,846,000	\$ -	\$ 12,500,000	\$ -

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

Section II

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2011	March 31, 2012		
Illinois Power Agency	\$ -	\$ -	\$ 4,000,000,000	\$ 4,000,000,000

ILLINOIS FINANCE AUTHORITY

Schedule of Debt ^[a]

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

Section III

	Principal Outstanding		Program Limitations	Remaining Capacity
	June 30, 2011	March 31, 2012		
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		Program Limitations	Remaining Capacity	State Exposure
	June 30, 2011	March 31, 2012			
Agri Debt Guarantees [Restructuring Existing Debt]	\$ 17,330,000	\$ 16,166,000	\$ 160,000,000	\$ 143,834,000	\$ 13,763,000
88 Fund # 994 - Fund Balance \$ 10,020,386					
AG Loan Guarantee Program	\$ 41,519,000	\$ 16,301,000	\$ 225,000,000 ^[e]	\$ 208,699,000	\$ 13,855,000
41 Fund # 205 - Fund Balance \$ 7,738,636					
10 Agri Industry Loan Guarantee Program	\$ 9,753,000	\$ 8,300,000			7,055,000
0 Renewable Fuels	22,823,000	-			-
2 Farm Purchase Guarantee Program	975,000	969,000			823,000
18 Specialized Livestock Guarantee Program	5,552,000	4,704,000			3,998,000
11 Young Farmer Loan Guarantee Program	2,416,000	2,328,000			1,979,000
129 Total State Guarantees	\$ 58,849,000	\$ 32,467,000	\$ 385,000,000	\$ 352,533,000	\$ 27,618,000

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

Section V

		Fund #	Principal Outstanding		Appropriation Fiscal Year 2012	Fund Balance
			June 30, 2011	March 31, 2012		
115	Fire Truck Revolving Loan Program	Fund # 572	\$ 17,486,608	\$ 16,140,930	\$ 6,003,342	\$ 4,342,193
10	Ambulance Revolving Loan Program	Fund # 334	\$ 832,213	\$ 671,227	\$ 7,006,800	\$ 161,725

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		Program Limitations	Remaining Capacity
	June 30, 2011	March 31, 2012		
Environmental [Large Business]				
6 Issued through IFA	315,148,000	\$ 123,332,000		
19 Issued through IDFA	356,895,000	356,470,000		
25 Total Environmental [Large Business]	\$ 672,043,000	\$ 479,802,000	\$ 2,425,000,000	\$ 1,945,198,000
Environmental [Small Business]				
25 Total Environment Bonds Issued under Act	\$ 672,043,000	\$ 479,802,000	\$ 2,500,000,000	\$ 2,020,198,000

Illinois Finance Authority Funds at Risk

Section VII

#	Original Amount	Principal Outstanding	
		June 30, 2011	March 31, 2012
Participation Loans			
29 Business & Industry	23,020,157.95	12,718,990.12	8,130,577.44
9 Agriculture	6,079,859.01	3,308,196.84	1,834,029.49
38 Participation Loans excluding Defaults & Allowances	\$ 29,100,016.96	\$ 16,027,186.96	\$ 9,964,606.93
Plus: Legacy IDFA Loans in Default		-	-
Less: Allowance for Doubtful Accounts		1,139,934.62	910,631.89
Total Participation Loans		\$ 14,887,252.34	\$ 9,053,975.04
1 Illinois Facility Fund	\$ 1,000,000.00	\$ -	1,000,000.00
4 Local Government Direct Loans	\$ 1,289,750.00	\$ 1,000,000.00	227,423.96
3 FmHA Loans	\$ 963,250.00	\$ 246,526.74	266,030.80
2 Renewable Energy [RED Fund]	\$ 2,000,000.00	\$ 303,781.68	1,602,175.16
48 Total Loans Outstanding	\$ 34,353,016.96	\$ 16,437,560.76	\$ 12,149,604.96

[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 96-1020]

[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

**MINUTES OF THE MARCH 13, 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 March 13, 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. Dr. William Barclay
4. Gila J. Bronner
5. James J. Fuentes
6. Edward H. Leonard, Sr.
7. Terrence M. O’Brien
8. Heather D. Parish
9. Mayor Barrett F. Pedersen
10. Roger E. Poole
11. Bradley A. Zeller

IFA Committee of the Whole Members Excused:

1. Norman M. Gold
2. John E. Durburg

IFA Staff Present:

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

IFA Financial Advisor Present:

Courtney Shea, Acacia Financial Group, Inc.

Guests Present:

None.

I. Call to Order & Roll Call

The Committee of the Whole Meeting was called to order at 9:31 a.m. by Chairman Brandt. The Assistant Secretary of the Board, Mr. Fletcher, called the roll. There being nine Members present, a quorum was reached.

Committee of the Whole Meeting Minutes

March 13, 2012

Page 2

Dr. Barclay and Mayor Pedersen arrived in person at 9:45 a.m. and 10:20 a.m., respectively. They were added to the roll call by Mr. Fletcher.

II. Chairman's Remarks

Chairman Brandt informed the Members of Committee of the Whole that the Illinois Medical District Commission received a capital grant from the State of Illinois which will delay any payment default well into 2014 in connection with its Illinois Finance Authority (Illinois Medical District Project), Series 2006 Bond issue. Chairman Brandt further expressed his belief that the addition of new appointees to the Illinois Medical District Commission by Governor Quinn and by Cook County Board President Preckwinkle, in addition to those appointed by Mayor Emanuel, will reenergize the Commission with a fresh perspective.

Furthermore, Chairman Brandt explained that with the aforementioned issue temporarily resolved, this Board should be commended for its diligence in maintaining a fiscally sound agency. More specifically, the IFA is in a great cash position given that it has limited its exposure significantly during the past two to three years. However, conduit financing remains relatively thin, evidence as to its lagging indication of the condition of the economy. Therefore, IFA may be well served to revisit some potential uses of its bonding authority since last attempting some energy efficiency measures.

III. Message from the Executive Director

Director Meister thanked Chairman Brandt for his continuing service and commitment to protecting taxpayer monies. Director Meister also congratulated Member John Durburg on his recent promotion, wishing him well; Mr. Durburg's resignation may be imminent as it appears expanding responsibilities in his new role will not allow him to continue serving as a Member of the IFA.

Director Meister stated that he wanted a renewed and continued push to publicize the Midwestern Disaster Area Revenue Bonds. Finally, Director Meister also stressed to all those present the importance of completing the required Statement of Economic Interest form and ethics training as required by State statute.

IV. Presentation and Consideration of the Financial Statements

Ms. Granda reported that for the Month ended February 29, 2012, the IFA's Gross Revenues Year-To-Date ("YTD") was \$3.7 million or approximately \$265,000 above the Fiscal Year ("FY") 2012 budget. Without the JP Morgan Chase Bank, N.A. settlement, the IFA's Gross Revenues YTD was \$2.7 million or approximately \$743,000 below the FY 2012 budget. There were three closings – two in healthcare and one in business and industry – for a total amount of approximately \$235,000 in closing fees.

The IFA's Operating Expenses YTD was \$2.4 million or approximately \$341,000 below the FY 2012 budget. When comparing YTD Actual FY 2012 to YTD Actual FY 2011, the IFA's Operating Expenses are down by 10.1 percent (not including loan loss provision).

The Month of February resulted in a Net Income of approximately \$1,000 which increased the IFA's YTD Net Income to \$1.5 million or approximately \$784,000 above the FY 2012 budget. YTD Net Income excluding the JP Morgan Chase Bank, N.A. settlement was approximately \$517,000 or approximately \$224,000 below the FY12 budget. Ms. Granda stated that notwithstanding the decline in revenue as compared to the FY 2012 budget and prior fiscal years, the IFA's balance sheet remains strong. In the Month of February, two Loans paid off for a total amount of approximately \$863,000, bringing the IFA's total Loan Payoffs to \$4.4 million for 20 Loans.

Committee of the Whole Meeting Minutes

March 13, 2012

Page 3

Ms. Granda additionally explained that there are no updates on the internal audit. In regards to the FY 2011 external audit, the Financial Report dated March 9 will be released in a couple of weeks. However, the Compliance Report is still under review by the Illinois Auditor General for FY 2011 at this time.

Chairman Brandt inquired as to when budget projections for FY 2013 will begin. Director Meister explained that IFA's budgeting process has begun internally. Moreover, the issue of the Federal Emergency Management Agency's ("FEMA's") denial of disaster aid to southern Illinois counties ravaged by the recent tornadoes was discussed. Given the cash position of IFA, despite restrained revenues, the IFA may have a role to play. While IFA is not set-up to perform loan servicing from an operational standpoint, Director Meister explained that he has spoken on a preliminary basis with the United States Department of Agriculture ("USDA") in connection with the Rural Development Administration's Intermediary Relending Program. Likewise, other opportunities to provide assistance are being explored at this time.

V. Committee Reports

Venture Capital Committee

Mr. Fuentes discussed sale of the venture capital portfolio. He proposed having an option to have a sealed-bid auction, among other options, if there is insufficient interest in a live auction. The Committee of the Whole discussed this issue further and decided to move forward in testing the market.

Mr. O'Brien inquired as to how the portfolio would be sold; Chairman Brandt explained for the Committee of the Whole that the portfolio will be sold in its entirety.

Agriculture Committee

Mr. Zeller reported that the Agriculture Committee reviewed two Beginning Farmer Bonds for March's Agenda. The Agriculture Committee recommended approval of these two projects.

Healthcare Committee

Dr. Barclay informed the Committee of the Whole that the Healthcare Committee reviewed three Healthcare projects, each of which will be structured as direct bank purchases, and P.O.B. Development, LLC, which will be privately placed.

Ms. Lenane noted that all Healthcare projects previously approved by the Board have closed except Ascension Health Alliance. It will return for approval of a Final Bond Resolution in April.

Audit Committee

Ms. Bronner reiterated the earlier discussion by Director Meister and Ms. Granda concerning the Compliance Report and Financial Report of the FY 2011 external audit. The Financial Report has been completed but the Compliance Report is in progress. Currently, there is potential for 14 findings but IFA is unaware of which findings will actually be determined to be material.

For the FY 2012 external audit, there will be an entrance conference forthcoming in May. Additionally, IFA will be complying with State statute by conducting an internal audit for FY 2012. Finally, IFA hopes to be on the consent calendar in April for the FY 2010 external audit. Ms. Bronner further discussed that it is difficult to handle three years of auditing simultaneously, further strained by the financial reporting and compliance reporting being linked together. It is Ms. Bronner's belief that if agencies of the federal

Committee of the Whole Meeting Minutes

March 13, 2012

Page 4

government can generally complete their auditing process within three months, the State should be able to do so too.

VI. Project Reports

Agriculture – Beginning Farmer Bonds

Mr. Senica presented Agenda Item No. 1A and Item No. 1B.

Item No. 1A: Ben Emmerich – \$28,500

Ben Emmerich is requesting approval of a Final Bond Resolution in an amount not-to-exceed Twenty Eight Thousand Five Hundred Dollars (\$28,500). Bond proceeds will be used to finance the acquisition of approximately 10 acres of farmland located in North Muddy Township in Jasper County.

Item No. 1B: Jesse R. & Shayna Drew – \$252,850

Jesse R. & Shayna Drew are requesting approval of a Final Bond Resolution in an amount not-to-exceed Two Hundred Fifty Two Thousand Eight Hundred and Fifty Dollars (\$252,850). Bond proceeds will be used to finance the acquisition of approximately 88.50 acres of farmland located in Benton Township and Northern Township in Franklin County.

Business and Industry – Midwestern Disaster Area Revenue Bonds

Mr. Senica presented Agenda Item No. 2.

Item No. 2: P.O.B. Development, LLC (925 Broadway Avenue Project) – \$11,200,000

P.O.B. Development, LLC (925 Broadway Avenue Project) is requesting approval of a Final Bond Resolution in an amount not to exceed Eleven Million Two Hundred Thousand Dollars (\$11,200,000).

Bond proceeds will be used to (i) finance the costs of constructing a 60,000 square foot, 3-story medical office building at 925 Broadway Avenue in Quincy (Adams County), Illinois 62301 on the Blessing Hospital campus. Additionally, Bond proceeds, if deemed necessary or desirable, may be used to (ii) pay costs of issuance, (iii) finance capitalized interest and (iv) capitalize certain reserves.

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

Mr. Frampton presented Agenda Item No. 3 and Item No.4.

Item No. 3: Solomon Schechter Day Schools of Metropolitan Chicago – \$4,200,000

Solomon Schechter Day Schools of Metropolitan Chicago is requesting approval of a Final Bond Resolution in an amount not-to-exceed Four Million Two Hundred Thousand Dollars (\$4,200,000).

Committee of the Whole Meeting Minutes

March 13, 2012

Page 5

Bond proceeds, together with other available funds, will be used to (i) refinance or refund the outstanding amount of Illinois Development Finance Authority Variable Rate Demand Revenue Bonds (Solomon Schechter Day Schools Project), Series 2001, (ii) finance various capital improvements necessary to maintain the physical plant at its Northbrook school located at 3210 Dundee Road in Northbrook, Illinois and (iii) pay all or a portion of the costs of issuance.

Item No. 4: United Methodist Homes & Services and Chicagoland Methodist Senior Services – \$8,700,000

United Methodist Homes & Services and Chicagoland Methodist Senior Services is requesting approval of a Final Bond Resolution in an amount not-to-exceed Eight Million Seven Hundred Thousand Dollars (\$8,700,000).

Bond proceeds, together with other available funds, will be used to (i) finance the costs of expansion, renovation, rehabilitation and improvements to its nursing and orthopedic rehabilitation facility and surrounding campus located at or near 1415 West Foster Avenue, Chicago, Illinois 60640 and to reimburse the costs of the acquisition of a neighboring property located at 1351 West Foster Avenue, Chicago, Illinois 60640; (ii) refund the outstanding principal amount of Illinois Development Finance Authority Series 1998A Variable Rate Demand Tax-Exempt Bonds (United Methodist Homes & Services Project) at multiple locations in Chicago and (iii) pay all or a portion of the costs of issuance.

Healthcare – 501(c)(3) Revenue Bonds

Ms. Lenane presented Agenda Item No. 5 and Item No. 6.

Item No. 5: Rockford Health System – \$40,000,000

Rockford Health System is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed Forty Million Dollars (\$40,000,000).

Bond proceeds will be used to (i) refund current Illinois Health Facilities Authority (Rockford Health System), Series 1997 Bonds and (ii) pay costs of issuance.

Item No. 6: Northwestern Medical Faculty Foundation – \$70,000,000

Northwestern Medical Faculty Foundation is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed Seventy Million Dollars (\$70,000,000).

Bond proceeds will be used to (i) refund Illinois Health Facilities Authority (Northwestern Medical Faculty Foundation), Series 1998 Bonds and (ii) pay costs of issuance.

Ms. O'Brien presented Agenda Item No. 7.

Item No. 7: Norwegian Lutheran Bethesda Home Association – \$2,000,000

Norwegian Lutheran Bethesda Home Association is requesting approval of a Final Bond Resolution in an amount not-to-exceed Two Million Dollars (\$2,000,000).

Committee of the Whole Meeting Minutes

March 13, 2012

Page 6

Bond proceeds will be used to (i) refund Illinois Health Facilities Authority (Bethesda Home and Retirement Center), Series 1999 Bonds, (ii) fund costs of, or repay one or more loans from certain lenders incurred to fund costs of, certain capital improvements, equipment or capitalized items (or working capital) at or related to the Bethesda Home and Retirement Center and (iii) pay costs of issuance and/or interest on the Bond, if deemed necessary or desirable.

Resolutions

Mr. Frampton presented Agenda Item No. 8.

Item No. 8: **Resolution authorizing the execution and delivery of a Second Amendment to Amended and Restated Indenture and Agreement in connection with Illinois Development Finance Authority Adjustable Rate Industrial Development Revenue Bonds (W.M. Plastics, Inc. Project), Series 2001**

Ms. O'Brien presented Agenda Item No. 9 and Item No. 10.

Item No. 9: **Resolution granting Executive Director and Trustees of the Illinois Finance Authority 401(a) Contribution Plan to Act on behalf of the Authority**

Item No. 10: **Resolution approving the Disposition of the Technology Development Bridge Portfolio of the Illinois Finance Authority**

Mr. Fuentes reiterated his desire to have an option to have a sealed-bid auction, among other options, if there is insufficient interest in a live auction. Ms. O'Brien confirmed Agenda Item No. 10 would be amended appropriately for the Board Meeting.

VII. Other Business

None.

VIII. Public Comment

None.

IX. Adjournment

Chairman Brandt asked if there were any other business before the Committee of the Whole. Hearing none, the Committee of the Whole Meeting adjourned at 10:24 a.m.

Minutes submitted by:

Brad R. Fletcher

Assistant Secretary of the Board

**MINUTES OF THE MARCH 13, 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 March 13, 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. Dr. William Barclay
4. Gila J. Bronner
5. James J. Fuentes
6. Edward H. Leonard, Sr.
7. Terrence M. O’Brien
8. Heather D. Parish
9. Mayor Barrett F. Pedersen
10. Roger E. Poole
11. Bradley A. Zeller

IFA Board Members Excused:

1. Norman M. Gold
2. John E. Durburg

IFA Staff Present:

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

IFA Financial Advisor Present:

Courtney Shea, Acacia Financial Group, Inc.

Guests Present:

Santino Bibbo, Cabrera Capital Markets LLC
Charles L. Jarik, Chapman and Cutler LLP
Mike J. Mitchell, Jones Day
Danny Nelson, PFM Fund Distributors, Inc.
Rich K. Tomei, Jones Day
Rachel L. Schaller, Shefsky & Froelich Ltd.
Thomas C. Smith, Peck, Shaffer & Williams LLP
James M. Snyder, Ice Miller LLP
Steven Washington, Ice Miller LLP

Board Meeting Minutes

March 13, 2012

Page 2

I. Call to Order & Roll Call

The Board Meeting was called to order at 10:35 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. Chairman Brandt informed those present that the IFA is pleased to acknowledge the Governor's work, along with that of the Mayor of Chicago and the Cook County Board President, in temporarily resolving the covenant default of the Illinois Finance Authority (Illinois Medical District Project), Series 2006 Bonds. The IFA has been on record with its concerns surrounding the aforementioned conduit bond issue. Furthermore, Chairman Brandt is pleased that the IFA is now in the best financial shape of the past four to five years. Finally, the IFA looks forward to a more voluminous project agenda as the national economic recovery progresses.

III. Adoption of Minutes

Chairman Brandt stated that the Financial Statements for the Month ended February 29, 2012, and both the Minutes of the Committee of the Whole Meeting and the Minutes of the Board of Directors Meeting each held on February 14, 2012, were reviewed at the Committee of the Whole Meeting held earlier this morning. Chairman Brandt requested a motion to accept the Financial Statements for the Month ended February 29, 2012, and adopt the Minutes of both Meetings held on February 14, 2012. Mayor Pedersen made a motion and Vice Chairman Goetz seconded the motion. A roll call vote was taken and the motion was adopted.

IV. Acceptance of Financial Statements

See Agenda Item III.

V. Project Approvals

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

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

Agriculture – Beginning Farmer Bonds

Item No. 1A: Ben Emmerich – \$28,500

Ben Emmerich is requesting approval of a Final Bond Resolution in an amount not-to-exceed Twenty Eight Thousand Five Hundred Dollars (\$28,500). Bond proceeds will be used to finance the acquisition of approximately 10 acres of farmland located in North Muddy Township in Jasper County.

Item No. 1B: Jesse R. & Shayna Drew – \$252,850

Jesse R. & Shayna Drew are requesting approval of a Final Bond Resolution in an amount not-to-exceed Two Hundred Fifty Two Thousand Eight Hundred and Fifty Dollars (\$252,850). Bond proceeds will be used to finance the acquisition of

Board Meeting Minutes

March 13, 2012

Page 3

approximately 88.50 acres of farmland located in Benton Township and Northern Township in Franklin County.

Business and Industry – Midwestern Disaster Area Revenue Bonds

Item No. 2: P.O.B. Development, LLC (925 Broadway Avenue Project) – \$11,200,000

P.O.B. Development, LLC (925 Broadway Avenue Project) is requesting approval of a Final Bond Resolution in an amount not to exceed Eleven Million Two Hundred Thousand Dollars (\$11,200,000).

Bond proceeds will be used to (i) finance the costs of constructing a 60,000 square foot, 3-story medical office building at 925 Broadway Avenue in Quincy (Adams County), Illinois 62301 on the Blessing Hospital campus. Additionally, Bond proceeds, if deemed necessary or desirable, may be used to (ii) pay costs of issuance, (iii) finance capitalized interest and (iv) capitalize certain reserves.

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

Item No. 3: Solomon Schechter Day Schools of Metropolitan Chicago – \$4,200,000

Solomon Schechter Day Schools of Metropolitan Chicago is requesting approval of a Final Bond Resolution in an amount not-to-exceed Four Million Two Hundred Thousand Dollars (\$4,200,000).

Bond proceeds, together with other available funds, will be used to (i) refinance or refund the outstanding amount of Illinois Development Finance Authority Variable Rate Demand Revenue Bonds (Solomon Schechter Day Schools Project), Series 2001, (ii) finance various capital improvements necessary to maintain the physical plant at its Northbrook school located at 3210 Dundee Road in Northbrook, Illinois and (iii) pay all or a portion of the costs of issuance.

Item No. 4: United Methodist Homes & Services and Chicagoland Methodist Senior Services – \$8,700,000

United Methodist Homes & Services and Chicagoland Methodist Senior Services is requesting approval of a Final Bond Resolution in an amount not-to-exceed Eight Million Seven Hundred Thousand Dollars (\$8,700,000).

Bond proceeds, together with other available funds, will be used to (i) finance the costs of expansion, renovation, rehabilitation and improvements to its nursing and orthopedic rehabilitation facility and surrounding campus located at or near 1415 West Foster Avenue, Chicago, Illinois 60640 and to reimburse the costs of the acquisition of a neighboring property located at 1351 West Foster Avenue, Chicago, Illinois 60640; (ii) refund the outstanding principal amount of Illinois Development Finance Authority Series 1998A Variable Rate Demand Tax-Exempt Bonds (United Methodist Homes & Services Project) at multiple locations in Chicago and (iii) pay all or a portion of the costs of issuance.

Board Meeting Minutes

March 13, 2012

Page 4

Healthcare – 501(c)(3) Revenue Bonds

Item No. 5: Rockford Health System – \$40,000,000

Rockford Health System is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed Forty Million Dollars (\$40,000,000).

Bond proceeds will be used to (i) refund current Illinois Health Facilities Authority (Rockford Health System), Series 1997 Bonds and (ii) pay costs of issuance.

Item No. 6: Northwestern Medical Faculty Foundation – \$70,000,000

Northwestern Medical Faculty Foundation is requesting approval of a Preliminary Bond Resolution in an amount not-to-exceed Seventy Million Dollars (\$70,000,000).

Bond proceeds will be used to (i) refund Illinois Health Facilities Authority (Northwestern Medical Faculty Foundation), Series 1998 Bonds and (ii) pay costs of issuance.

Item No. 7: Norwegian Lutheran Bethesda Home Association – \$2,000,000

Norwegian Lutheran Bethesda Home Association is requesting approval of a Final Bond Resolution in an amount not-to-exceed Two Million Dollars (\$2,000,000).

Bond proceeds will be used to (i) refund Illinois Health Facilities Authority (Bethesda Home and Retirement Center), Series 1999 Bonds, (ii) fund costs of, or repay one or more loans from certain lenders incurred to fund costs of, certain capital improvements, equipment or capitalized items (or working capital) at or related to the Bethesda Home and Retirement Center and (iii) pay costs of issuance and/or interest on the Bond, if deemed necessary or desirable.

Resolutions

Item No. 8: Resolution authorizing the execution and delivery of a Second Amendment to Amended and Restated Indenture and Agreement in connection with Illinois Development Finance Authority Adjustable Rate Industrial Development Revenue Bonds (W.M. Plastics, Inc. Project), Series 2001

Item No. 9: Resolution granting Executive Director and Trustees of the Illinois Finance Authority 401(a) Contribution Plan to Act on behalf of the Authority

Item No. 10: Resolution approving the Disposition of the Technology Development Bridge Portfolio of the Illinois Finance Authority

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

VII. Other Business

None.

Board Meeting Minutes

March 13, 2012

Page 5

VIII. Public Comment

None.

IX. Adjournment

Chairman Brandt informed those present that the next Committee of the Whole Meeting will be held on Tuesday, April 10, 2012, at 9:30 a.m. and the next Board Meeting will begin shortly thereafter at 10:30 a.m.

Chairman Brandt requested a motion to adjourn the Board Meeting. A motion to adjourn was made by Vice Chairman Goetz and seconded by Ms. Parish. The motion was adopted unanimously.

The Board Meeting adjourned at 10:46 a.m.

Minutes submitted by:

Brad R. Fletcher

Assistant Secretary of the Board

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

	Actual March 2012	Budget March 2012	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Budget YTD FY 2012	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2012	% of Budget Expended
REVENUE										
INTEREST ON LOANS	27,710	43,548	(15,838)	-36.37%	339,269	429,211	(89,942)	-20.96%	538,836	62.96%
INVESTMENT INTEREST & GAIN(LOSS)	3,767	2,083	1,684	80.84%	26,632	18,747	7,885	42.06%	25,000	106.53%
ADMINISTRATIONS & APPLICATION FEES	106,694	360,625	(253,931)	-70.41%	1,942,415	3,038,450	(1,096,035)	-36.07%	4,194,325	46.31%
ANNUAL ISSUANCE & LOAN FEES	38,845	36,312	2,533	6.98%	354,500	319,148	35,352	11.08%	425,670	83.28%
OTHER INCOME	115,322	13,605	101,717	747.64%	1,366,756	122,445	1,244,311	1016.22%	163,250	837.22%
TOTAL REVENUE	292,338	456,173	(163,835)	-35.92%	4,029,572	3,928,001	101,571	2.59%	5,347,081	75.36%
EXPENSES										
EMPLOYEE RELATED EXPENSES										
EMPLOYEE RELATED EXPENSES										
COMPENSATION & TAXES	121,057	143,027	(21,970)	-15.36%	1,145,727	1,305,227	(159,500)	-12.22%	1,730,791	66.20%
BENEFITS	21,669	22,060	(391)	-1.77%	184,885	199,540	(14,655)	-7.34%	265,728	69.58%
TEMPORARY HELP	-	-	-	0.00%	778	-	778	0.00%	-	0.00%
EDUCATION & DEVELOPMENT	263	833	(570)	-68.43%	413	7,497	(7,084)	-94.49%	10,000	4.13%
TRAVEL & AUTO	5,056	5,833	(777)	-13.32%	35,519	52,497	(16,978)	-32.34%	70,000	50.74%
TOTAL EMPLOYEE RELATED EXPENSES	148,045	171,753	(23,708)	-13.80%	1,367,322	1,564,761	(197,439)	-12.62%	2,076,519	65.85%
PROFESSIONAL SERVICES										
PROFESSIONAL SERVICES										
CONSULTING, LEGAL & ADMIN	119,883	41,667	78,216	187.72%	397,768	375,003	22,765	6.07%	500,000	79.55%
LOAN EXPENSE & BANK FEE	8,549	9,250	(701)	-7.58%	148,269	83,250	65,019	78.10%	111,000	133.58%
ACCOUNTING & AUDITING	20,780	21,962	(1,182)	-5.38%	202,374	197,658	4,716	2.39%	263,536	76.79%
MARKETING GENERAL	68	1,250	(1,182)	-94.56%	4,845	11,250	(6,405)	-56.93%	15,000	32.30%
FINANCIAL ADVISORY	5,000	16,667	(11,667)	-70.00%	56,185	150,003	(93,818)	-62.54%	200,000	28.09%
CONFERENCE/TRAINING	3,508	2,500	1,008	40.32%	20,005	22,500	(2,495)	-11.09%	30,000	66.68%
MISC. PROFESSIONAL SERVICES	5,000	9,167	(4,167)	-45.46%	15,013	82,503	(67,490)	-81.80%	110,000	13.65%
DATA PROCESSING	4,260	4,583	(323)	-7.05%	31,725	41,247	(9,522)	-23.09%	55,000	57.68%
TOTAL PROFESSIONAL SERVICES	167,048	107,046	60,002	56.05%	876,184	963,414	(87,230)	-9.05%	1,284,536	68.21%
OCCUPANCY COSTS										
OCCUPANCY COSTS										
OFFICE RENT	21,603	22,357	(754)	-3.37%	185,230	201,213	(15,983)	-7.94%	268,284	69.04%
EQUIPMENT RENTAL AND PURCHASES	1,322	1,300	22	1.69%	13,625	11,700	1,925	16.45%	15,600	87.34%
TELECOMMUNICATIONS	2,949	3,500	(551)	-15.74%	23,405	31,500	(8,095)	-25.70%	42,000	55.73%
UTILITIES	955	1,000	(45)	-4.50%	9,366	9,000	366	4.07%	12,000	78.05%
DEPRECIATION	4,038	5,682	(1,644)	-28.93%	32,915	35,673	(2,758)	-7.73%	52,649	62.52%
INSURANCE	1,948	1,950	(2)	-0.10%	17,508	17,550	(42)	-0.24%	23,400	74.82%
TOTAL OCCUPANCY COSTS	32,815	35,789	(2,974)	-8.31%	282,049	306,636	(24,587)	-8.02%	413,933	68.14%

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

	Actual March 2012	Budget March 2012	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Budget YTD FY 2012	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2012	% of Budget Expended
GENERAL & ADMINISTRATION										
OFFICE SUPPLIES	3,106	2,900	206	7.10%	27,143	26,100	1,043	4.00%	34,800	78.00%
BOARD MEETING - EXPENSES	2,294	2,666	(372)	-13.95%	20,533	23,994	(3,461)	-14.42%	32,000	64.17%
PRINTING	492	875	(383)	-43.77%	5,206	7,875	(2,669)	-33.89%	10,500	49.58%
POSTAGE & FREIGHT	1,217	1,250	(33)	-2.64%	10,538	11,250	(712)	-6.33%	15,000	70.25%
MEMBERSHIP, DUES & CONTRIBUTIONS	50	1,909	(1,859)	-97.38%	31,566	26,272	5,294	20.15%	32,000	98.64%
PUBLICATIONS	87	250	(163)	-65.20%	1,324	2,250	(926)	-41.16%	3,000	44.13%
OFFICERS & DIRECTORS INSURANCE	15,343	15,261	82	0.54%	138,089	137,349	740	0.54%	183,132	75.40%
MISCELLANEOUS	400	-	400	0.00%	400	-	400	0.00%	-	0.00%
TOTAL GENL & ADMIN EXPENSES	22,989	25,111	(2,122)	-8.45%	234,799	235,090	(291)	-0.12%	310,432	75.64%
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	370,897	339,699	31,198	9.18%	2,760,354	3,069,901	(309,547)	-10.08%	4,085,420	67.57%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	(78,559)	116,474	(195,033)	-167.45%	1,269,218	858,100	411,118	47.91%	1,261,661	100.60%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
TRANSFER	-	-	-	0.00%	177,989	-	177,989	0.00%	-	0.00%
REVENUE GRANT	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
APPROPRIATIONS FROM STATE	-	-	-	0.00%	-	-	-	0.00%	-	-
NET INCOME/(LOSS)	(78,559)	116,474	(195,033)	-167.45%	1,447,207	858,100	589,107	68.65%	1,261,661	114.71%

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

	Actual March 2012	Actual March 2011	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Actual YTD FY 2011	Year to Date Variance Actual vs. Budget	YTD % Variance
REVENUE								
INTEREST ON LOANS	27,710	71,313	(43,603)	-61.14%	339,269	752,092	(412,823)	-54.89%
INVESTMENT INTEREST & GAIN(LOSS)	3,767	3,245	522	16.09%	26,632	41,150	(14,518)	-35.28%
ADMINISTRATIONS & APPLICATION FEES	106,694	198,322	(91,628)	-46.20%	1,942,415	4,130,332	(2,187,917)	-52.97%
ANNUAL ISSUANCE & LOAN FEES	38,845	37,074	1,771	4.78%	354,500	431,996	(77,496)	-17.94%
OTHER INCOME	115,322	7,870	107,452	1365.34%	1,366,756	137,925	1,228,831	890.94%
TOTAL REVENUE	292,338	317,824	(25,486)	-8.02%	4,029,572	5,493,495	(1,463,923)	-26.65%
EXPENSES								
EMPLOYEE RELATED EXPENSES								
COMPENSATION & TAXES	121,057	146,355	(25,298)	-17.29%	1,145,727	1,333,464	(187,737)	-14.08%
BENEFITS	21,669	24,609	(2,940)	-11.95%	184,885	180,764	4,121	2.28%
TEMPORARY HELP	-	-	-	0.00%	778	1,382	(604)	0.00%
EDUCATION & DEVELOPMENT	263	2,850	(2,587)	0.00%	413	6,063	(5,650)	-93.19%
TRAVEL & AUTO	5,056	6,802	(1,746)	-25.67%	35,519	34,601	918	2.65%
TOTAL EMPLOYEE RELATED EXPENSES	148,045	180,616	(32,571)	-18.03%	1,367,322	1,556,274	(188,952)	-12.14%
PROFESSIONAL SERVICES								
CONSULTING, LEGAL & ADMIN	119,883	30,227	89,656	296.61%	397,768	287,524	110,244	38.34%
LOAN EXPENSE & BANK FEE	8,549	8,701	(152)	-1.75%	148,269	88,138	60,131	68.22%
ACCOUNTING & AUDITING	20,780	24,518	(3,738)	-15.25%	202,374	243,150	(40,776)	-16.77%
MARKETING GENERAL	68	66	2	3.03%	4,845	13,225	(8,380)	-63.36%
FINANCIAL ADVISORY	5,000	23,750	(18,750)	-78.95%	56,185	136,458	(80,273)	-58.83%
CONFERENCE/TRAINING	3,508	7,320	(3,812)	-52.08%	20,005	12,329	7,676	62.26%
MISC. PROFESSIONAL SERVICES	5,000	15,375	(10,375)	-67.48%	15,013	108,524	(93,511)	-86.17%
DATA PROCESSING	4,260	5,405	(1,145)	-21.18%	31,725	32,787	(1,062)	-3.24%
TOTAL PROFESSIONAL SERVICES	167,048	115,362	51,686	44.80%	876,184	922,135	(45,951)	-4.98%
OCCUPANCY COSTS								
OFFICE RENT	21,603	21,992	(389)	-1.77%	185,230	188,870	(3,640)	-1.93%
EQUIPMENT RENTAL AND PURCHASES	1,322	1,132	190	16.78%	13,625	16,265	(2,640)	-16.23%
TELECOMMUNICATIONS	2,949	3,890	(941)	-24.19%	23,405	25,502	(2,097)	-8.22%
UTILITIES	955	1,017	(62)	-6.10%	9,366	8,752	614	7.02%
DEPRECIATION	4,038	4,259	(221)	-5.19%	32,915	24,038	8,877	36.93%
INSURANCE	1,948	1,929	19	0.98%	17,508	17,363	145	0.84%
TOTAL OCCUPANCY COSTS	32,815	34,219	(1,404)	-4.10%	282,049	280,790	1,259	0.45%

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

	Actual March 2012	Actual March 2011	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Actual YTD FY 2011	Year to Date Variance Actual vs. Budget	YTD % Variance
GENERAL & ADMINISTRATION								
OFFICE SUPPLIES	3,106	3,360	(254)	-7.56%	27,143	27,756	(613)	-2.21%
BOARD MEETING - EXPENSES	2,294	2,359	(65)	-2.76%	20,533	27,499	(6,966)	-25.33%
PRINTING	492	551	(59)	-10.71%	5,206	7,204	(1,998)	-27.73%
POSTAGE & FREIGHT	1,217	1,548	(331)	-21.38%	10,538	12,513	(1,975)	-15.78%
MEMBERSHIP, DUES & CONTRIBUTIONS	50	832	(782)	-93.99%	31,566	28,296	3,270	11.56%
PUBLICATIONS	87	293	(206)	-70.31%	1,324	1,778	(454)	-25.53%
OFFICERS & DIRECTORS INSURANCE	15,343	15,619	(276)	-1.77%	138,089	147,082	(8,993)	-6.11%
MISCELLANEOUS	400	-	400	0.00%	400	-	400	0.00%
TOTAL GENL & ADMIN EXPENSES	22,989	24,562	(1,573)	-6.40%	234,799	252,128	(17,329)	-6.87%
LOAN LOSS PROVISION/BAD DEBT	-	25,000	(25,000)	.	-	550,568	(550,568)	0.00%
OTHER								
INTEREST EXPENSE	-	-	-	0.00%	-	-	-	0.00%
TOTAL OTHER	-	-	-	0.00%	-	-	-	0.00%
TOTAL EXPENSES	370,897	379,759	(8,862)	-2.33%	2,760,354	3,561,895	(801,541)	-22.50%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	(78,559)	(61,935)	(16,624)	26.84%	1,269,218	1,931,600	(662,382)	-34.29%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.00%	-	-	-	0.00%
TRANSFER	-	-	-	0.00%	177,989	1,126,003	(948,014)	0.00%
REVENUE GRANT	-	-	-	0.00%	-	-	-	0.00%
APPROPRIATIONS FROM STATE	-	-	-	0.00%	-	-	-	0.00%
NET INCOME/(LOSS)	(78,559)	(61,935)	(16,624)	26.84%	1,447,207	3,057,603	(1,610,396)	-52.67%

**Illinois Finance Authority
General Fund
Unaudited
Balance Sheet
for the Nine Months Ending March 31, 2012**

	Actual March 2012
ASSETS	
CASH & INVESTMENTS, UNRESTRICTED	\$ 37,336,940
RECEIVABLES, NET	49,290
LOAN RECEIVABLE, NET	7,456,343
OTHER RECEIVABLES	38,523
PREPAID EXPENSES	74,478
	44,955,574
FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION	119,888
DEFERRED ISSUANCE COSTS	259,291
OTHER ASSETS	
CASH, INVESTMENTS & RESERVES	874,739
VENTURE CAPITAL INVESTMENTS	-
OTHER	(15,568)
	859,171
TOTAL OTHER ASSETS	859,171
TOTAL ASSETS	\$ 46,193,924
LIABILITIES	
CURRENT LIABILITIES	\$ 780,908
LONG-TERM LIABILITIES	381,484
	1,162,392
TOTAL LIABILITIES	1,162,392
EQUITY	
CONTRIBUTED CAPITAL	4,111,479
RETAINED EARNINGS	27,501,548
NET INCOME / (LOSS)	1,447,207
RESERVED/RESTRICTED FUND BALANCE	1,732,164
UNRESERVED FUND BALANCE	10,239,134
	45,031,532
TOTAL EQUITY	45,031,532
TOTAL LIABILITIES & EQUITY	\$ 46,193,924

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

	Actual March 2012	Budget March 2012	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Budget YTD FY 2012	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2012	% of Budget Expended
REVENUE										
INTEREST ON LOANS	181,025	194,639	(13,614)	-6.99%	1,734,109	1,807,655	(73,546)	-4.07%	2,377,527	72.94%
INVESTMENT INTEREST & GAIN(LOSS)	53,675	50,693	2,982	5.88%	472,696	456,237	16,459	3.61%	608,320	77.71%
ADMINISTRATIONS & APPLICATION FEES	106,694	360,625	(253,931)	-70.41%	1,942,415	3,038,450	(1,096,035)	-36.07%	4,194,325	46.31%
ANNUAL ISSUANCE & LOAN FEES	38,845	36,312	2,533	6.98%	354,501	319,148	35,353	11.08%	425,670	83.28%
OTHER INCOME	155,797	38,605	117,192	303.57%	1,685,967	347,445	1,338,522	385.25%	463,250	363.94%
TOTAL REVENUE	536,036	680,874	(144,838)	-21.27%	6,189,688	5,968,935	220,753	3.70%	8,069,092	76.71%
EXPENSES										
EMPLOYEE RELATED EXPENSES										
COMPENSATION & TAXES	121,057	143,027	(21,970)	-15.36%	1,145,727	1,305,227	(159,500)	-12.22%	1,730,791	66.20%
BENEFITS	21,669	22,060	(391)	-1.77%	184,885	199,540	(14,655)	-7.34%	265,728	69.58%
TEMPORARY HELP	-	-	-	0.00%	778	-	778	0.00%	-	0.00%
EDUCATION & DEVELOPMENT	263	833	(570)	-68.43%	413	7,497	(7,084)	-94.49%	10,000	4.13%
TRAVEL & AUTO	5,056	5,833	(777)	-13.32%	35,519	52,497	(16,978)	-32.34%	70,000	50.74%
TOTAL EMPLOYEE RELATED EXPENSES	148,045	171,753	(23,708)	-13.80%	1,367,322	1,564,761	(197,439)	-12.62%	2,076,519	65.85%
PROFESSIONAL SERVICES										
CONSULTING, LEGAL & ADMIN	121,966	43,750	78,216	178.78%	416,515	393,750	22,765	5.78%	525,000	79.34%
LOAN EXPENSE & BANK FEE	222,747	223,448	(701)	-0.31%	1,780,640	1,584,102	196,538	12.41%	2,254,446	78.98%
ACCOUNTING & AUDITING	22,329	24,344	(2,015)	-8.28%	216,313	219,096	(2,783)	-1.27%	292,120	74.05%
MARKETING GENERAL	67	1,250	(1,183)	-94.64%	4,845	11,250	(6,405)	-56.93%	15,000	32.30%
FINANCIAL ADVISORY	5,000	16,667	(11,667)	-70.00%	56,185	150,003	(93,818)	-62.54%	200,000	28.09%
CONFERENCE/TRAINING	3,508	2,500	1,008	40.32%	20,005	22,500	(2,495)	-11.09%	30,000	66.68%
MISC. PROFESSIONAL SERVICES	8,334	12,500	(4,166)	-33.33%	45,011	112,500	(67,489)	-59.99%	150,000	30.01%
DATA PROCESSING	4,260	4,583	(323)	-7.05%	31,725	41,247	(9,522)	-23.09%	55,000	57.68%
TOTAL PROFESSIONAL SERVICES	388,211	329,042	59,169	17.98%	2,571,239	2,534,448	36,791	1.45%	3,521,566	73.01%
OCCUPANCY COSTS										
OFFICE RENT	21,603	22,357	(754)	-3.37%	185,230	201,213	(15,983)	-7.94%	268,284	69.04%
EQUIPMENT RENTAL AND PURCHASES	1,322	1,300	22	1.69%	13,625	11,700	1,925	16.45%	15,600	87.34%
TELECOMMUNICATIONS	2,949	3,500	(551)	-15.74%	23,405	31,500	(8,095)	-25.70%	42,000	55.73%
UTILITIES	955	1,000	(45)	-4.50%	9,366	9,000	366	4.07%	12,000	78.05%
DEPRECIATION	4,038	5,682	(1,644)	-28.93%	32,915	35,673	(2,758)	-7.73%	52,649	62.52%
INSURANCE	1,948	1,950	(2)	-0.10%	17,508	17,550	(42)	-0.24%	23,400	74.82%
TOTAL OCCUPANCY COSTS	32,815	35,789	(2,974)	-8.31%	282,049	306,636	(24,587)	-8.02%	413,933	68.14%

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

	Actual March 2012	Budget March 2012	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Budget YTD FY 2012	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2012	% of Budget Expended
GENERAL & ADMINISTRATION										
OFFICE SUPPLIES	3,105	2,900	205	7.07%	27,143	26,100	1,043	4.00%	34,800	78.00%
BOARD MEETING - EXPENSES	2,294	2,666	(372)	-13.95%	20,533	23,994	(3,461)	-14.42%	32,000	64.17%
PRINTING	492	875	(383)	-43.77%	5,207	7,875	(2,668)	-33.88%	10,500	49.59%
POSTAGE & FREIGHT	1,217	1,250	(33)	-2.64%	10,538	11,250	(712)	-6.33%	15,000	70.25%
MEMBERSHIP, DUES & CONTRIBUTIONS	50	1,909	(1,859)	-97.38%	31,566	26,272	5,294	20.15%	32,000	98.64%
PUBLICATIONS	87	250	(163)	-65.20%	1,324	2,250	(926)	-41.16%	3,000	44.13%
OFFICERS & DIRECTORS INSURANCE	15,343	15,261	82	0.54%	138,089	137,349	740	0.54%	183,132	75.40%
MISCELLANEOUS	400	-	400	0.00%	400	-	400	0.00%	-	0.00%
TOTAL GENL & ADMIN EXPENSES	22,988	25,111	(2,123)	-8.45%	234,800	235,090	(290)	-0.12%	310,432	75.64%
LOAN LOSS PROVISION/BAD DEBT	-	-	-	-	-	-	-	0.00%	-	0.00%
OTHER										
INTEREST EXPENSE	455	455	-	0.00%	4,379	4,383	(4)	-0.09%	5,748	76.18%
TOTAL OTHER	455	455	-	0.00%	4,379	4,383	(4)	-0.09%	5,748	0.00%
TOTAL EXPENSES	592,514	562,150	30,364	5.40%	4,459,789	4,645,318	(185,529)	-3.99%	6,328,198	70.47%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	(56,478)	118,724	(175,202)	-147.57%	1,729,899	1,323,617	406,282	30.69%	1,740,894	99.37%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.00%	(140,000)	-	(140,000)	0.00%	-	0.00%
TRANSFER	-	-	-	0.00%	(8)	-	(8)	0.00%	-	0.00%
REVENUE GRANT	-	-	-	0.00%	-	-	-	0.00%	-	0.00%
APPROPRIATIONS FROM STATE	-	-	-	0.00%	-	-	-	0.00%	-	-
NET INCOME/(LOSS)	(56,478)	118,724	(175,202)	-147.57%	1,589,891	1,323,617	266,274	20.12%	1,740,894	91.33%

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

	Actual March 2012	Actual March 2011	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Actual YTD FY 2011	Year to Date Variance Actual vs. Budget	YTD % Variance
REVENUE								
INTEREST ON LOANS	181,025	(733,469)	914,494	-124.68%	1,734,109	2,293,233	(559,124)	-24.38%
INVESTMENT INTEREST & GAIN(LOSS)	53,675	(220,044)	273,719	-124.39%	472,696	536,808	(64,112)	-11.94%
ADMINISTRATIONS & APPLICATION FEES	106,694	198,322	(91,628)	-46.20%	1,942,415	4,130,332	(2,187,917)	-52.97%
ANNUAL ISSUANCE & LOAN FEES	38,845	37,074	1,771	4.78%	354,501	431,996	(77,495)	-17.94%
OTHER INCOME	155,797	(12,164)	167,961	-1380.80%	1,685,967	1,181,073	504,894	42.75%
TOTAL REVENUE	536,036	(730,281)	1,266,317	-173.40%	6,189,688	8,573,442	(2,383,754)	-27.80%
EXPENSES								
EMPLOYEE RELATED EXPENSES								
COMPENSATION & TAXES	121,057	146,355	(25,298)	-17.29%	1,145,727	1,333,464	(187,737)	-14.08%
BENEFITS	21,669	24,609	(2,940)	-11.95%	184,885	180,764	4,121	2.28%
TEMPORARY HELP	-	-	-	0.00%	778	1,382	(604)	0.00%
EDUCATION & DEVELOPMENT	263	2,850	(2,587)	0.00%	413	6,063	(5,650)	-93.19%
TRAVEL & AUTO	5,056	6,802	(1,746)	-25.67%	35,519	34,601	918	2.65%
TOTAL EMPLOYEE RELATED EXPENSES	148,045	180,616	(32,571)	-18.03%	1,367,322	1,556,274	(188,952)	-12.14%
PROFESSIONAL SERVICES								
CONSULTING, LEGAL & ADMIN	121,966	32,310	89,656	277.49%	416,515	306,271	110,244	36.00%
LOAN EXPENSE & BANK FEE	222,747	(1,092,854)	1,315,601	-120.38%	1,780,640	1,867,258	(86,618)	-4.64%
ACCOUNTING & AUDITING	22,329	26,364	(4,035)	-15.30%	216,313	259,762	(43,449)	-16.73%
MARKETING GENERAL	67	66	1	1.52%	4,845	13,225	(8,380)	-63.36%
FINANCIAL ADVISORY	5,000	23,750	(18,750)	-78.95%	56,185	136,458	(80,273)	-58.83%
CONFERENCE/TRAINING	3,508	7,320	(3,812)	-52.08%	20,005	12,329	7,676	62.26%
MISC. PROFESSIONAL SERVICES	8,334	(7,956)	16,290	-204.75%	45,011	149,357	(104,346)	-69.86%
DATA PROCESSING	4,260	5,405	(1,145)	-21.18%	31,725	32,787	(1,062)	-3.24%
TOTAL PROFESSIONAL SERVICES	388,211	(1,005,595)	1,393,806	-138.61%	2,571,239	2,777,447	(206,208)	-7.42%
OCCUPANCY COSTS								
OFFICE RENT	21,603	21,992	(389)	-1.77%	185,230	188,870	(3,640)	-1.93%
EQUIPMENT RENTAL AND PURCHASES	1,322	1,132	190	16.78%	13,625	16,265	(2,640)	-16.23%
TELECOMMUNICATIONS	2,949	3,890	(941)	-24.19%	23,405	25,502	(2,097)	-8.22%
UTILITIES	955	1,017	(62)	-6.10%	9,366	8,752	614	7.02%
DEPRECIATION	4,038	4,259	(221)	-5.19%	32,915	24,038	8,877	36.93%
INSURANCE	1,948	1,929	19	0.98%	17,508	17,363	145	0.84%
TOTAL OCCUPANCY COSTS	32,815	34,219	(1,404)	-4.10%	282,049	280,790	1,259	0.45%

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

	Actual March 2012	Actual March 2011	Current Month Variance Actual vs. Budget	Current % Variance	Actual YTD FY 2012	Actual YTD FY 2011	Year to Date Variance Actual vs. Budget	YTD % Variance
GENERAL & ADMINISTRATION								
OFFICE SUPPLIES	3,105	3,360	(255)	-7.59%	27,143	27,755	(612)	-2.21%
BOARD MEETING - EXPENSES	2,294	2,359	(65)	-2.76%	20,533	27,499	(6,966)	-25.33%
PRINTING	492	551	(59)	-10.71%	5,207	7,204	(1,997)	-27.72%
POSTAGE & FREIGHT	1,217	1,548	(331)	-21.38%	10,538	12,513	(1,975)	-15.78%
MEMBERSHIP, DUES & CONTRIBUTIONS	50	832	(782)	-93.99%	31,566	28,296	3,270	11.56%
PUBLICATIONS	87	294	(207)	-70.41%	1,324	1,779	(455)	-25.58%
OFFICERS & DIRECTORS INSURANCE	15,343	15,619	(276)	-1.77%	138,089	147,082	(8,993)	-6.11%
MISCELLANEOUS	400	-	400	0.00%	400	-	400	0.00%
TOTAL GENL & ADMIN EXPENSES	22,988	24,563	(1,575)	-6.41%	234,800	252,128	(17,328)	-6.87%
LOAN LOSS PROVISION/BAD DEBT	-	25,000	(25,000)	.	-	545,983	(545,983)	0.00%
OTHER								
INTEREST EXPENSE	455	503	(48)	-9.54%	4,379	4,809	(430)	-8.94%
TOTAL OTHER	455	503	(48)	0.00%	4,379	4,809	(430)	0.00%
TOTAL EXPENSES	592,514	(740,694)	1,333,208	-179.99%	4,459,789	5,417,431	(957,642)	-17.68%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS) & TRANSFERS	(56,478)	10,413	(66,891)	-642.38%	1,729,899	3,156,011	(1,426,112)	-45.19%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	-	0.00%	(140,000)	-	(140,000)	0.00%
TRANSFER	-	-	-	0.00%	(8)	(3,302,000)	3,301,992	0.00%
REVENUE GRANT	-	-	-	0.00%	-	-	-	0.00%
APPROPRIATIONS FROM STATE	-	-	-	0.00%	-	-	-	0.00%
NET INCOME/(LOSS)	(56,478)	10,413	(66,891)	-642.38%	1,589,891	(145,989)	1,735,880	-1189.05%

Illinois Finance Authority
Consolidated
Unaudited
Balance Sheet
for the Nine Months Ending March 31, 2012

	Actual March 2011	Actual March 2012
	<hr/>	<hr/>
ASSETS		
CASH & INVESTMENTS, UNRESTRICTED	\$ 41,894,566	\$ 50,857,374
RECEIVABLES, NET	23,932	49,290
LOAN RECEIVABLE, NET	36,971,685	27,348,166
NOTES RECEIVABLE	38,719,874	37,157,437
OTHER RECEIVABLES	517,595	1,380,024
PREPAID EXPENSES	91,566	74,478
	<hr/>	<hr/>
TOTAL CURRENT ASSETS	118,219,218	116,866,769
FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION	52,501	119,888
DEFERRED ISSUANCE COSTS	419,538	351,830
OTHER ASSETS		
CASH, INVESTMENTS & RESERVES	38,126,927	41,476,701
VENTURE CAPITAL INVESTMENTS	2,247,981	1,947,981
OTHER	3,000,000	3,000,000
	<hr/>	<hr/>
TOTAL OTHER ASSETS	43,374,908	46,424,682
TOTAL ASSETS	<u>\$ 162,066,165</u>	<u>\$ 163,763,169</u>
LIABILITIES		
CURRENT LIABILITIES		
BONDS PAYABLE	1,666,141	931,855
OTHER LIABILITIES	46,900,000	46,840,000
	<hr/>	<hr/>
TOTAL LIABILITIES	49,932,931	50,146,594
EQUITY		
CONTRIBUTED CAPITAL	35,608,692	35,608,692
RETAINED EARNINGS	26,144,175	28,655,681
NET INCOME / (LOSS)	(145,989)	1,589,891
RESERVED/RESTRICTED FUND BALANCE	37,878,185	35,114,140
UNRESERVED FUND BALANCE	12,648,171	12,648,171
	<hr/>	<hr/>
TOTAL EQUITY	112,133,234	113,616,575
TOTAL LIABILITIES & EQUITY	<u>\$ 162,066,165</u>	<u>\$ 163,763,169</u>

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors
From: Jim Senica and Lorrie Karcher
Date: April 10, 2012
Re: Overview Memo for Beginning Farmer Bonds

- **Borrower/Project Name:** Beginning Farmer Bonds
- **Locations:** Throughout Illinois
- **Board Action Requested:** Final Bond Resolutions for the attached projects
- **Amount:** Up to \$488,600 maximum of new money for each project
- **Project Type: Beginning Farmer Revenue Bonds**
- **Total Requested: \$305,900**
- **Calendar Year Summary:** (as of April 10, 2012)
 - Volume Cap: \$15,000,000
 - Volume Cap Committed: \$1,824,839
 - Volume Cap Remaining: 13,175,161
 - Average Farm Acreage: 52
 - Number of Farms Financed: 9
- **IFA Benefits:**
 - **Conduit Tax-Exempt Bonds** – no direct IFA or State funds at risk
 - **New Money Bonds:**
 - Convey tax-exempt status
 - Will use dedicated 2012 IFA Volume Cap set-aside for Beginning Farmer Bond transactions
- **IFA Fees:**
 - One-time closing fee will total 1.50% of the bond amount for each project
- **Structure/Ratings:**
 - Bonds to be purchased directly as a nonrated investment held until maturity by the Borrower's bank (the "Bank")
 - The Bank will be secured by the Borrower's assets, as on a commercial loan
 - Interest rates, terms, and collateral are negotiated between the Borrower and the Bank, just as with any commercial loan
 - Workouts are negotiated directly between each Borrower and Bank, just as on any secured commercial loan
- **Bond Counsel: Burke, Burns & Pinelli, Ltd.**
 - Stephen F. Welcome, Esq.
 - Three First National Plaza, Suite 4300
 - Chicago, IL 60602

A.

Project Number:	A-FB-TE-CD-8543	
Borrower(s):	Knicely, Adam James	
Borrower Benefit:	First Time Land Buyer	
Town:	Newton, IL	
IFA Bond Amount:	\$30,900	
Use of Funds:	Farmland –10.2 acres of farmland	
Purchase Price:	\$62,220 / (\$5,800 per ac)	
% Borrower Equity	0%	
% USDA Farm Service Agency	50% (<i>Subordinate Financing</i>)	
% IFA	50%	
Township:	Wade	
County/Region:	Jasper / Southeastern	
Lender/Bond Purchaser	Peoples State Bank of Newton / Brian Bohnhoff	
Legislative Districts:	Congressional:	19 th , John Shimkus (New: 15)
	State Senate:	54 th , John Jones (New: 55)
	State House:	108 th , David Reis (New: 109)

Principal shall be paid annually in installments determined pursuant to a Twenty year (20-year) amortization schedule, with the first principal payment date to begin on April 1, 2013. Accrued interest on the unpaid balance hereof shall be paid annually, with the first interest payment date to begin on April 1, 2013 with the twentieth and final payment of all outstanding balances due twenty years from the date of closing. The note will have a 20-year amortization and maturity.

B.

Project Number:	A-FB-TE-CD-8544	
Borrower(s):	Kuhl, Joshua J.	
Borrower Benefit:	First Time Land Buyer	
Town:	Sainte Marie, IL	
IFA Bond Amount:	\$275,000	
Use of Funds:	Farmland – 20 acres of farmland with buildings	
Purchase Price:	\$70,000 / (3,500 per ac) / \$406,500/ (\$205,000) used buildings	
% Borrower Equity	0%	
% USDA Farm Service Agency	50% (<i>Subordinate Financing</i>)	
% IFA	50%	
Township:	Denver	
County/Region:	Richland / Southeastern	
Lender/Bond Purchaser	First Financial Bank, NA / Jeff Wilson	
Legislative Districts:	Congressional:	19 th , John Shimkus (New: 15)
	State Senate:	54 th , John Jones (New: 55)
	State House:	108 th , David Reis (New: 109)

Principal shall be paid monthly in installments determined pursuant to a Ten year (10-year) amortization schedule, with the first principal payment date to begin on June 15, 2012. Accrued interest on the unpaid balance hereof shall be paid monthly, with the first interest payment date to begin on June 15, 2012 with the one hundred twentieth and final payment of all outstanding balances due ten years from the date of closing. The note will have a 10-year amortization and maturity.

\$20,500,000 (not-to-exceed amount)
St. Anthony SLF, LLC
(St. Anthony of Lansing Project)

April 10, 2012

REQUEST	<p>Purpose: Bond proceeds, together with funds from other sources will enable St. Anthony SLF, LLC (“Borrower”, the “Developer”, or the “Applicant”) to (i) finance the acquisition of approximately 4.41 acres of land, and the construction and equipping of a new, 125-unit Supportive Living Facility (“SLF”) located at the southwest corner of Lorenz Avenue and Spring Lake Drive, Lansing (Cook County), Illinois (“St. Anthony SLF”), developed under the State of Illinois Supportive Living Facility Program; (ii) pay capitalized interest on the Bonds and fund certain reserves; and (iii) pay bond issuance costs (the “Project”).</p> <p>Program: Conduit Affordable Rental Housing Revenue Bonds</p> <p>Volume Cap Required: This Project is expected to require approximately \$18.63 MM of Volume Cap. IFA will use available prior year Carryforward Volume Cap designated for Affordable Rental Housing as necessary to finance the Project. This Project is located in the Village of Lansing, a Home Rule municipality.</p> <p>Extraordinary Conditions: None.</p>																																								
BOARD ACTIONS	<p>Final Bond Resolution</p> <p>Preliminary Bond Resolution approved October 11, 2011: Ayes: 9 ; Nays: 0 ; Abstentions: 1 (Goetz); Absent:3 (Durburg; Leonard; Zeller); Vacancies: 2</p>																																								
MATERIAL CHANGES	<p>Bravo Properties, LLC formed St. Anthony, LLC as a special purpose entity and is a successor in interest as owner of the St. Anthony of Lansing Supportive Living Project and as Obligor on the subject Bonds.</p>																																								
JOB DATA	<table border="0"> <tr> <td style="padding-right: 20px;">0</td> <td style="padding-right: 20px;">Current jobs</td> <td style="padding-right: 20px;">31-47</td> <td>New jobs projected</td> </tr> <tr> <td style="padding-right: 20px;">N/A</td> <td style="padding-right: 20px;">Retained jobs</td> <td style="padding-right: 20px;">200</td> <td>Construction jobs projected (10-14 months)</td> </tr> </table>	0	Current jobs	31-47	New jobs projected	N/A	Retained jobs	200	Construction jobs projected (10-14 months)																																
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DESCRIPTION	<ul style="list-style-type: none"> ● Project Location: St. Anthony Planned Unit Development-Lot 1, Spring Lake Drive, Lansing (Cook County), Illinois ● Type of entity: St. Anthony SLF, LLC was formed by Bravo Properties, LLC to develop and own this Project in conjunction with Affordable Housing Partners, Inc. (or an affiliate, successor, or designee), a wholly owned subsidiary of Berkshire Hathaway, Inc. The Borrower has engaged BMA Management, Ltd., of Bradley, IL, an independent, third party management company with expertise in planning and managing SLF and other senior living facilities in Illinois and Indiana. 																																								
CREDIT INDICATORS	<ul style="list-style-type: none"> ● Bonds will be sold in a limited public offering of approximately \$18.63 million of tax-exempt debt to be sold to institutional investors in minimum denominations of \$100,000 consistent with IFA Bond Program Handbook requirements. William Blair & Co., LLC has been engaged by the Borrower as Underwriter. ● Term and Rate: the Bonds will bear an estimated fixed rate of 7.0% (subject to change based on market conditions; the current estimate is based on market conditions as of 3/19/2012). 																																								
SECURITY	<ul style="list-style-type: none"> ● The Bonds will be secured by a First Mortgage on the subject property and a collateral assignment of Leases and Rents, as well as a lien on and a perfected security interest in all of the contracts, agreements, commitments (including the SLF Agreement), licenses, permits and approvals issued to the Applicant pertaining to the Project. 																																								
MATURITY	<ul style="list-style-type: none"> ● Bonds will mature in no later than 40 years. It is anticipated that payments will be interest-only during construction and through the initial two years of operations. 																																								
SOURCES AND USES (SUBJECT TO CHANGE)	<table border="0"> <thead> <tr> <th colspan="2" style="text-align: left;">Sources:</th> <th colspan="2" style="text-align: left;">Uses:</th> </tr> </thead> <tbody> <tr> <td style="padding-right: 20px;">IFA Bonds</td> <td style="padding-right: 20px;">\$18,630,000</td> <td style="padding-right: 20px;">Land Acquisition</td> <td style="padding-right: 20px;">\$2,510,000</td> </tr> <tr> <td style="padding-right: 20px;">HOME Funds (Cook County)</td> <td style="padding-right: 20px;">3,000,000</td> <td style="padding-right: 20px;">Construction (incl. arch./eng.)</td> <td style="padding-right: 20px;">16,282,744</td> </tr> <tr> <td style="padding-right: 20px;">Illinois Energy Efficiency Grant</td> <td style="padding-right: 20px;">243,250</td> <td style="padding-right: 20px;">Equipment</td> <td style="padding-right: 20px;">662,577</td> </tr> <tr> <td style="padding-right: 20px;">4% LIHTCs</td> <td style="padding-right: 20px;">5,368,137</td> <td style="padding-right: 20px;">Capitalized Interest Reserve</td> <td style="padding-right: 20px;">1,979,438</td> </tr> <tr> <td style="padding-right: 20px;">Equity</td> <td style="padding-right: 20px;">100</td> <td style="padding-right: 20px;">Initial Tax and Insurance Escrows</td> <td style="padding-right: 20px;">104,280</td> </tr> <tr> <td style="padding-right: 20px;">Interest Earnings on Constr. Fund</td> <td style="padding-right: 20px;">100,271</td> <td style="padding-right: 20px;">Developer’s Fee</td> <td style="padding-right: 20px;">2,578,420</td> </tr> <tr> <td style="padding-right: 20px;">Deferred Developer Fee</td> <td style="padding-right: 20px;"><u>1,524,147</u></td> <td style="padding-right: 20px;">Reserves (see p. 2 for detail)</td> <td style="padding-right: 20px;">4,046,806</td> </tr> <tr> <td></td> <td></td> <td style="padding-right: 20px;">Costs of Issuance</td> <td style="padding-right: 20px;"><u>701,640</u></td> </tr> <tr> <td>Total</td> <td>\$28,865,905</td> <td>Total</td> <td>\$28,865,905</td> </tr> </tbody> </table>	Sources:		Uses:		IFA Bonds	\$18,630,000	Land Acquisition	\$2,510,000	HOME Funds (Cook County)	3,000,000	Construction (incl. arch./eng.)	16,282,744	Illinois Energy Efficiency Grant	243,250	Equipment	662,577	4% LIHTCs	5,368,137	Capitalized Interest Reserve	1,979,438	Equity	100	Initial Tax and Insurance Escrows	104,280	Interest Earnings on Constr. Fund	100,271	Developer’s Fee	2,578,420	Deferred Developer Fee	<u>1,524,147</u>	Reserves (see p. 2 for detail)	4,046,806			Costs of Issuance	<u>701,640</u>	Total	\$28,865,905	Total	\$28,865,905
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Total	\$28,865,905	Total	\$28,865,905																																						
RECOMMENDATION	<p>Credit Review Committee recommends approval.</p>																																								

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2012**

**Project: St. Anthony SLF, LLC
(St. Anthony of Lansing Project)**

STATISTICS

Project Number:	M-MH-TE-CD-8504	Amount:	\$20,500,000 (not-to-exceed amount)
Type:	Multi-Family Housing Revenue Bonds	IFA Staff:	Rich Frampton and Brad R. Fletcher
Location:	Lansing	County/Region:	Cook County/Northeast

BOARD ACTION

Final Bond Resolution	
Affordable Rental Housing Revenue Bonds	No IFA funds at risk
Credit Review Committee recommends approval	No extraordinary conditions

VOTING RECORD

Preliminary Bond Resolution approved October 11, 2011:

Ayes: 9; Nays: 0; Abstentions: 1 (Goetz); Absent: 3 (Durburg; Leonard; Zeller); Vacancies: 2

PURPOSE

Bond proceeds, together with funds from other sources will enable **St. Anthony SLF, LLC and its affiliates, successors and assigns** (“**Borrower**”, or the “**Applicant**”) to (i) finance the acquisition of land, and the construction and equipping of a new, 125-unit **Supportive Living Facility** (“**SLF**”) located at St. Anthony Planned Unit Development-Lot 1, Spring Lake Drive (which is located at the southwest corner of Lorenze Avenue and Spring Lake Drive), Lansing (Cook County), Illinois, developed under the State of Illinois Supportive Living Facility Program; (ii) pay capitalized interest on the Bonds and fund certain reserves; and (iii) pay bond issuance costs.

IFA PROGRAM AND CONTRIBUTION

Affordable Rental Housing Revenue Bonds are a form of municipal bond financing that facilitates construction of multi-family housing projects where a specified proportion of the units will be rented to moderate- and low-income families, in some cases specifically targeted toward elderly residents. IFA’s issuance will convey federal income tax-exempt status on interest paid to bondholders, thereby reducing the Borrower’s interest expense.

Additionally, because more than 50% of the Project’s qualified basis will be financed with tax-exempt bonds, this Project will automatically become eligible for 4% Low Income Housing Tax Credits (“LIHTCs”) which are expected to generate approximately \$5.36 million of cash equity for the Project.

VOLUME CAP

This Project may require up to \$20.50 MM of Volume Cap (however, the anticipated issuance amount will only require \$18.63 MM of Volume Cap). IFA will use available prior year Carryforward Volume Cap designated for Affordable Rental Housing as necessary to finance the Project. This Project is located in the Village of Lansing, a Home Rule municipality.

ESTIMATED SOURCES AND USES OF FUNDS (Subject to Change)

Sources:	IFA Bonds	\$18,630,000	Uses:	Land Acquisition	\$2,510,000
	*HOME Funds (Cook Co.)	3,000,000		Construction (incl. arch., eng., prof.)	16,282,744
	*Illinois Energy Effic. Grant	243,250		Equipment	662,577
	4% LIHTCs	5,368,137		Capitalized Interest Reserve	1,979,438
	Developer Equity	100		Lease-up Reserve	700,000
	Interest Earnings	100,271		Cash Flow Reserve	570,000
	***Deferred Developer Fee	<u>1,524,147</u>		Debt Service Reserve	1,471,183
				Medicaid Budget Delay Reserve	1,243,123
				Initial Replacement Reserve	62,500
				Initial Tax & Insurance Escrows	104,280
				**Developer's Fee	2,278,420
				Bond Issuance Costs	<u>701,640</u>
Total:		<u>\$28,865,905</u>	Total:		<u>\$28,865,905</u>

*Note: The Borrower has been conditionally awarded (i) subordinate HOME funds from Cook County (\$3,000,000) and (ii) a \$243,250 grant from the Illinois Department of Commerce and Economic Opportunity ("DCEO") under its Energy Efficiency Affordable Housing Construction Program.

**Based on the Sources and Uses table presented above, approximately \$754,273 of the Developer's Fee will be paid according to benchmarks established under a General Partnership Agreement between the Developer and the Tax Credit Investor. According to the Borrower, payment of these Developer Fees will be contingent on attaining (i) 100% occupancy and minimum 1.35x debt service coverage for four consecutive months (at which time \$159,359 will be released) and (ii) the remaining Developer's Fee (\$594,914) will be paid after delivering the First Year Certification on IRS Form 8609 certified by the Illinois Housing Development Authority (as the authorized housing credit agency).

*** The remainder of the Developer's Fee (i.e., \$1,524,147) represents the Deferred Developer's Fee (and reported above under "Sources of Funds" above) and will be paid out of residual project cash flows over time as permitted by the Internal Revenue Service. Because the owner of a Low Income Housing Tax Credit ("LIHTC") property is prohibited from selling the property during the 15-year LIHTC compliance period under Department of the Treasury guidelines and is intended to remain "qualified low-and moderate income" for 30 years, the IRS allows Developer Fees up to a maximum of 15% of the project's basis (i.e., construction cost plus certain other soft costs and pre-development costs identified by IRS guidelines) to be allocated to induce development and operation of successful affordable rental projects. Accordingly, Developer Fees represent an IRS-sanctioned performance-based success fee on LIHTC projects that provide the Developer with potential upside given the LIHTC-related prohibition on sale of the property during the 15-year LIHTC compliance period.

JOBS

Current employment:	0	Projected new jobs:	31-47
Jobs retained:	N/A	Construction jobs:	200 (10-14 months)

FINANCING SUMMARY

Security: The Bonds will be secured by a First Mortgage on the subject property and a collateral assignment of Tenant Leases and Rents, as well as a lien on and a perfected security interest in all of the contracts, agreements, commitments (including the SLF Agreement), licenses, permits and approvals issued to the Applicant pertaining to the Project.

Structure: The plan of finance contemplates the limited public offering of up to \$20.50 million (anticipated par amount is \$18.63 million) to be sold to institutional investors in minimum denominations of \$100,000 consistent with IFA's Bond Program Handbook requirements. William Blair & Co., LLC has been engaged by the Borrower as Underwriter.

Status of
Sources
of Subordinate
Financing and
Grants:

The Developer has obtained conditional commitments for its subordinate financing (i.e., Cook County HOME funds) and grant funding (i.e., Illinois DCEO's Energy Efficiency Affordable Housing Construction Program).

Interest Rate: Bonds will bear an estimated fixed rate of 7.0% (preliminary, based on market conditions as of 3/19/2012). It is anticipated that payments will be interest-only during construction and through the initial two years of operation.

Maturity: 2052 (i.e., not-to-exceed 40 years)

Estimated
Closing Date: April or May 2012

Rationale: The use of tax-exempt bonds to finance a minimum of 50% of project basis will automatically qualify this project for 4% Low Income Housing Tax Credits that will generate an estimated \$5.36 million of equity for this project (i.e., sufficient to cover approximately 18.7% of the approximately \$28.9 million project development cost). Accordingly, the issuance of Tax-Exempt Bonds will help generate project equity that will facilitate development of this 125-unit Supportive Living Facility in Lansing approved for development by the Illinois Department of Healthcare and Family Services. (See p.7 for information on Illinois' Supportive Living Facility Program.)

PROJECT SUMMARY (FOR FINAL BOND RESOLUTION)

Bond proceeds, together with funds from other sources will enable **St. Anthony SLF, LLC** (the "**Borrower**", or the "**Developer**") to (i) finance the acquisition of land, and the construction and equipping of a new, 125-unit **Supportive Living Facility ("SLF")** located at St. Anthony Planned Unit Development-Lot 1, Spring Lake Drive (located at the southwest corner of Lorenze Ave. and Spring Lake Drive), Lansing (Cook County), Illinois to be known as St. Anthony of Lansing Supportive Living facility and developed under the State of Illinois Supportive Living Facility Program (the "**Project**"); (ii) pay capitalized interest on the Bonds, fund certain reserves and pay bond issuance costs (and, collectively with the Project, the "**Financing Purposes**").

BUSINESS SUMMARY

Developer

Organization: **St. Anthony SLF, LLC** ("**St. Anthony SLF**", the "**Borrower**" or the "**Developer**") was formed by Bravo Properties, L.L.C. as a special purpose entity to develop and own the St. Anthony of Lansing Project (and will also be the obligor on the IFA Series 2012 Bonds). See Economic Disclosure Statement for additional information (see p. 7). The business purpose of the Borrower is the ownership of the Project. The Borrower has, and will have, no other substantial assets and no other business activities other than ownership and operation of the Project.

The Managing Member (or Manager) of the Borrower is St. Anthony MM, LLC, an Illinois limited liability company (and will own a 0.01% interest in the Borrower).

Bravo Properties, L.L.C., an Illinois limited liability company, is the Manager of St. Anthony MM. Bravo was formed as a limited liability company on August 27, 2001, under the laws of the State of Illinois and is 100% owned by Mr. Zach Leonard.

Bravo Properties, L.L.C. is the sole member of St. Anthony MM, LLC.

The other Member (i.e., Limited Partner) of St. Anthony MM, LLC will be Affordable Housing Partners, Inc. of Los Angeles, CA (or its affiliates, successors, or designees), a Tax Credit Investor that will hold a 99.99% ownership (membership) interest in the Borrower (i.e., St. Anthony SLF, LLC). Affordable Housing Partners, Inc. is a wholly owned subsidiary of Berkshire Hathaway, Inc. (a publicly traded company based in Omaha, NE). Please see the Economic Disclosure Statement (p. 8) for disclosure of all owners of a 7.5% or greater economic interest in Berkshire Hathaway, Inc.

Note: As described further below, the Borrower has engaged an independent, third party, management company (*BMA Management, Ltd.* – see pp. 5-6) to manage day-to-day operations at the Project. The owners of BMA Management will not have any ownership interest in the Project.

Developer
Background:

Zach Leonard, the sole member (principal) of Bravo, is the son of Lew Leonard. From 1973 through 1989, Lew Leonard was a principal partner in the development of the following affordable senior and affordable multi-family including the following properties:

- Sangamon Towers, Springfield, IL 212 Units
 - Washington Plaza I and II, Springfield, IL 100 Units
 - Senior Apartments, Centralia, IL 150 Units
 - Senior Apartments, Marion, IL 150 Units
 - Senior Apartments, Kankakee, IL 150 Units
 - Senior Apartments, Arlington Heights, IL 200 Units
 - Marina Dunes, Miller Beach, IN 672 Units
- 1,634 Total Units**

Third Party
Property
Management
Company:

The St. Anthony SLF will be managed by **BMA Management, Ltd.** (“BMA”) of Bradley, Illinois (see www.bma-mgmt.com).

BMA Management, Ltd. was established in 1999 to manage senior living communities. According to the Company’s website, BMA Management now ranks as the largest provider of assisted living in Illinois and the 18th largest provider of assisted living nationally, according to the most recent “List of Largest Providers” compiled by *Assisted Living Executive*, a magazine published by the Assisted Living Federation of America (see: http://www.bma-mgmt.com/news_detail.aspx?guid=444d4213-8f33-4ff2-ae3c-9815b31e30fc).

BMA manages both affordable and market rate senior assisted living and independent living communities.

In addition to providing independent property management services for unrelated third party owners (as with this Bravo/St. Anthony SLF project), BMA is also involved in project development and ownership through joint venture partnerships with both 501(c)(3) and for-profit developers. BMA offers comprehensive services from pre-development, financing, pre-opening organization, to staffing, training, management development, and food service.

BMA currently manages the following 29 affordable senior properties in Illinois (which includes 27 affordable SLF properties). BMA also manages one senior property in Batesville, Indiana.

1. Bowman Estates of Danville SLF, Danville, IL
2. Cambridge House of Maryville SLF, Maryville, IL
3. Cambridge House of O’Fallon, O’Fallon, IL
4. Cambridge House of Swansea SLF, Swansea, IL
5. Churchview Supportive Living SLF, Chicago, IL
6. Eagle Ridge of Decatur SLF, Decatur, IL

7. Heritage Woods of Aledo SLF, Aledo, IL
8. Heritage Woods of Batavia SLF, Batavia, IL
9. Heritage Woods of Benton SLF, Benton, IL
10. Heritage Woods of Bolingbrook SLF, Bolingbrook, IL
11. Heritage Woods of Centralia SLF, Centralia, IL
12. Heritage Woods of Chicago SLF, Chicago, IL
13. Heritage Woods of DeKalb SLF, DeKalb, IL (*financed with \$8.0 of IFA Tax-Exempt Bonds in 2008*)
14. Heritage Woods of Dwight, Dwight, IL
15. Heritage Woods of Flora SLF, Flora, IL
16. Heritage Woods of Manteno SLF, Manteno, IL
17. Heritage Woods of McHenry SLF, McHenry, IL
18. Heritage Woods of McLeansboro SLF, McLeansboro, IL
19. Heritage Woods of Moline SLF, Moline, IL
20. Heritage Woods of Mt. Vernon SLF, Mt. Vernon, IL
21. Heritage Woods of Ottawa SLF, Ottawa, IL
22. Heritage Woods of Rockford SLF, Rockford, IL
23. Heritage Woods of South Elgin SLF, South Elgin, IL
24. Heritage Woods of Sterling SLF, Sterling, IL
25. Heritage Woods of Watseka SLF, Watseka, IL
26. Heritage Woods of Yorkville SLF, Yorkville, IL
27. John M. Evans Supportive Living SLF, Pekin, IL
28. Prairie Living at Chautauqua SLF, Carbondale, IL
29. Prairie Winds of Urbana SLF, Urbana, IL

Note: IFA issued \$8.0 million of Affordable Rental Housing Bonds for the Heritage Woods of DeKalb SLF in 2008 (see project #13 above). The IFA Series 2008 Bonds were structured using the same non-rated structure anticipated for this Project. (The DeKalb project also engaged William Blair & Co., LLC to underwrite the IFA Series 2008 Bonds, which were also sold in a limited public offering in minimum denominations of \$100,000 pursuant to IFA's Bond Program Handbook requirements.)

BMA is an affiliate of Blair Minton & Associates, Inc. (see www.bma-mgmt.com), whose founder was Mr. Blair Minton, who retired in early 2012. Mr. Rod Burkett was named Chief Executive Officer of BMA Management, Ltd. as of February 1, 2012. Mr. Burkett had served as President of BMA Management since the Company's founding in 1999. (Profiles of BMA's other key professionals may be found at: <http://www.bma-mgmt.com/staff.aspx?category=2>.)

Project
Impact:

The St. Anthony SLF is expected to generate over 31 new, permanent jobs in Lansing, Illinois ranging from highly skilled nursing and administrative positions to low skilled housekeeping positions. According to the Developer, an estimated 200 construction jobs will be created during the 10-14 month construction period. The St. Anthony SLF will provide an affordable assisted living facility to 125 senior residents eligible for Medicaid.

The *Illinois Department of Healthcare and Family Services* ("DHFS") approved this project located in the Village of Lansing as a market area in specific need of supportive living units and approved the development of the St. Anthony SLF to serve this need.

Accessibility:

As a new construction project, the St. Anthony of Lansing SLF will be subject to the requirements of the **Americans with Disabilities Act** ("ADA"). Accordingly, the facility and all public areas will comply with ADA.

The Illinois'
Supportive

Living Program: Illinois law authorized creation of SLFs in 1996. SLFs were approved by the federal Medicaid administration as a *Home and Community-Based Services* (“HCBS”) waiver service in 1997 (and subsequently extended in 2002 and 2007).

The **Illinois Department of Healthcare and Family Services** (“DHFS”) manages the Supportive Living Facility Program and licenses individual projects pursuant to developer applications. The objective of the SLF Program is to reduce the State’s Medicaid expenditures for elderly and disabled individuals who do not require skilled nursing care. SLF Facilities can reduce daily Medicaid reimbursement rates that are currently over \$100/day at many nursing homes in Cook County to \$76.73/day at SLFs located in Cook County. Many SLF residents have relocated from a nursing home. DHFS has received federal approval to increase the capacity of Medicaid clients served to 12,500 persons by FY 2012 (compared to 8,000 Medicaid clients when last increased in 2007, and 5,000 previously in 1996).

Illinois currently has 133 open and operating SLF’s, with approximately 30 additional facilities approved by DHFS as of 2/22/2011.

Under current Illinois law, with a Supportive Living Facility certification, the State of Illinois will provide an ongoing stream of Medicaid-related funding to the Project to pay eligible costs for Medicaid-eligible residents.

The Medicaid expenses associated with the SLF Program are generally less than nursing home care (as noted above). The Illinois Administrative Code regulations that govern the SLF Program state that the reimbursement for services to Medicaid residents shall be 60 percent of the weighted average nursing facility geographic group rate, based on the nursing facility geographic group in which the project is located.

SLF residents with sufficient financial means and assets will pay a rent, plus a market rate for a service and meals contract. Private pay residents may be charged higher rates than Medicaid residents. Private pay charges are not limited by Illinois SLF regulations.

Certified providers are exempt from the Health Facilities Planning Act.

The IFA Bonds will be issued as Qualified Residential Rental Bonds (i.e., Affordable Rental Housing Revenue Bonds) on behalf of a private company.

ECONOMIC DISCLOSURE STATEMENT

Applicant: St. Anthony SLF, LLC, c/o Bravo Properties, LLC, P.O. Box 4506, Oak Brook, IL 60522

Contact: Mr. Zach Leonard, Member (Manager)
Tel: (312) 343-8838; Email: zleonard@bravopropertiesllc.com

Website
(Developer): www.bravopropertiesllc.com

Site Location: St. Anthony Planned Unit Development-Lot 1, Spring Lake Drive (southwest corner of Lorenz Ave. and Spring Lake Drive), Lansing (Cook County), IL

Project name: IFA Series 2011 Multi-Family Housing Revenue Bonds (St. Anthony of Lansing Supportive Living Community Project)

Ownership
Information:

St. Anthony SLF, LLC (“**St. Anthony SLF**”, the “**Borrower**” or the “**Developer**”) was formed by Bravo Properties, L.L.C. as a special purpose entity to develop and own the St. Anthony of Lansing Project.

- The Managing Member (or Manager) of the Borrower is St. Anthony MM, LLC, an Illinois limited liability company (and own a 0.01% interest in the Borrower).
 - Bravo Properties, L.L.C., an Illinois limited liability company, is the Manager of St. Anthony MM.
 - Bravo Properties, L.L.C. was formed as a limited liability company on August 27, 2001, under the laws of the State of Illinois and is 100% owned by Mr. Zach Leonard.

Bravo Properties, L.L.C. is the sole member of St. Anthony MM, LLC.

- The remaining 99.99% membership (i.e., ownership) interest in the St. Anthony SLF, LLC, will be owned by Affordable Housing Partners, Inc. (or its affiliates, successors, or designees), a Low Income Housing Tax Credits investor. (*Note: it is anticipated that Affordable Housing Partners, Inc. will form a special purpose entity to own its membership interest in the Borrower.*)
- Affordable Housing Partners, Inc., is a wholly owned subsidiary of Berkshire Hathaway, Inc. Affordable Housing Partners, Inc., 1999 Avenue of the Stars, Los Angeles, CA 90067. (Contact: Michael Fowler, President)
- Disclosure of Shareholders of Berkshire Hathaway, Inc. (the “*Corporation*”) who hold a 7.5% or greater ownership interest (Note: 7.5% is the ownership threshold for conflicts of interest under IFA’s statute) as of 3/7/2012 pursuant to the Corporation’s Definitive 14-A Proxy Statement filing with the SEC (with disclosure of owners of a 5.0% or greater ownership, consistent with IFA ownership disclosure practices for public companies):
 - Warren E. Buffett, 3555 Farnam Street, Omaha, NE 68131, is the only person known to the Corporation to be the beneficial owner of more than 5.0% of the Corporation’s Class A Stock (Mr. Buffett owns 22.2% of the Aggregate Economic Interest of Class A and Class B shares).
 - The Bill & Melinda Gates Foundation Trust, 2365 Carillon Point, Kirkland, WA 98033 (of which William H. Gates III is a trustee) is the beneficial owner of 8.3% of the Corporation’s Class B Stock.

PROFESSIONAL & FINANCIAL

Bond Counsel:	Ice Miller LLP	Chicago, IL	James Snyder
Borrower Counsel:	Burke Burns & Pinelli, Ltd.	Chicago, IL	Stephen Welcome
Architect:	Gleason Architects, P.C.	Sugar Grove, IL	Thad Gleason
General Contractor:	Ledcor Construction	Oakbrook Terrace, IL	Greg Lolinski
Auditor:	ELS Group, LLC	Skokie, IL	Bruce Schiff
Underwriter:	William Blair & Co., LLC	Chicago, IL	Chuck Freeburg
Underwriter's Counsel:	Greenberg Traurig, LLP	Chicago, IL	Matt Lewin
Tax Credit Investor:	Affordable Housing Partners Inc.	Los Angeles, CA	Michael Fowler
General Partner's Tax Credit Partnership Counsel:	Applegate & Thorne-Thomsen	Chicago, IL	Ben Applegate
Management Agent (Third Party):	BMA Management, Ltd.	Bradley, IL	Rod Burkett
Trustee:	Amalgamated Bank	Chicago, IL	
Market Study:	Valerie S. Kretchmer Assoc., Inc.	Evanston, IL	Valerie Sandler Kretchmer
IFA Counsel:	Kutak Rock, LLP	Chicago, IL	Kevin Barney
IFA Financial Advisor:	Acacia Financial Group	Chicago, IL	Courtney Shea

LEGISLATIVE DISTRICTS

		New Districts	
Congressional:	2 Jesse Jackson, Jr.	2	
State Senate:	17 Donne E. Trotter	17	
State House:	34 Constance A. Howard	33	

April 10, 2012

\$150,000,000 (not-to-exceed amount)
Loyola University of Chicago

REQUEST	<p>Purpose: Bond proceeds will provide Loyola University of Chicago (“Loyola”, the “University” or the “Borrower”) with all or a portion of the funds necessary to (i) finance, refinance or reimburse the University for all or a portion of the costs, including capitalized interest, if any, of the acquisition, construction, renovation, improvement and equipping of certain of its facilities including, without limitation, two new student residence facilities and a new academic building, the renovation and equipping of certain existing academic and residential facilities and the completion of various other campus renovations and improvements and the equipping of the same (collectively, the “New Projects”), (ii) refund, advance refund or provide for payment of all or a portion of the outstanding Illinois Educational Facilities Authority Revenue Bonds, Loyola University of Chicago, Series 2003A (the “Refunded Series 2003A Bonds”), (iii) refund, advance refund or provide for the payment of all or a portion of the outstanding Illinois Finance Authority Revenue Bonds, Loyola University of Chicago, Series 2004A (the “Refunded Series 2004A Bonds” and, together with the Refunded Series 2003A Bonds, the “Prior Bonds”), (iv) pay certain working capital expenditures if deemed desirable by the University, (v) fund one or more debt service reserve funds required to be maintained in accordance with one or more Trust Indentures between the Authority and one or more trust companies or banks having the powers of a trust company, as trustee, and (vi) pay certain costs relating to the issuance of the Bonds, including the costs of bond insurance or other credit or liquidity enhancement, if any, and certain costs incurred in connection with the refunding, advance refunding or provision for payment of all or a portion of the Prior Bonds (collectively, the “Financing Purposes”).</p> <p>Program: 501(c)(3) Revenue Bonds</p> <p>Extraordinary Conditions: None.</p>																				
BOARD ACTIONS	Preliminary Bond Resolution																				
MATERIAL CHANGES	This is the first time this project has been presented to the IFA Board of Directors																				
JOB DATA	<table border="0"> <tr> <td>2,200 FT (1,265 PT)</td> <td>Current jobs</td> <td>25</td> <td>New jobs projected</td> </tr> <tr> <td>N/A</td> <td>Retained jobs</td> <td>296</td> <td>Construction jobs projected</td> </tr> </table>	2,200 FT (1,265 PT)	Current jobs	25	New jobs projected	N/A	Retained jobs	296	Construction jobs projected												
2,200 FT (1,265 PT)	Current jobs	25	New jobs projected																		
N/A	Retained jobs	296	Construction jobs projected																		
DESCRIPTION	<ul style="list-style-type: none"> • Project Location: Chicago/ Cook County/ Northeast Region • Type of entity: The University, a 501(c)(3) organization incorporated under Illinois law, is a private, co-educational institution of higher learning in 1870 governed by a fifty-member Board of Trustees. 																				
CREDIT INDICATORS	<ul style="list-style-type: none"> • The plan of finance contemplates Bonds to be sold in one or more series. Fixed Rate Bonds will be sold based on the University’s underlying long-term debt ratings of A2/A (Moody’s/S&P). • Morgan Stanley has been engaged by the Borrower as the Senior Manager. The final sizing on this transaction and any split between Tax-Exempt and conventional financing will be decided after tax due diligence has been completed. 																				
SECURITY	<ul style="list-style-type: none"> • The Bonds will be a general unsecured corporate obligation of the University and as such will not be secured by a mortgage or security interest on any of the University’s assets, properties or funds. 																				
MATURITY	<ul style="list-style-type: none"> • Bonds will mature no later than 40 years from the issue date. • Both sizing and interest rate modes to be determined based on evaluation of market conditions by the University and its financing team at pricing. <i>The amounts presented in this report represent estimated not-to-exceed parameters.</i> 																				
SOURCES AND USES	<table border="0"> <thead> <tr> <th colspan="2">Sources:</th> <th colspan="2">Uses:</th> </tr> </thead> <tbody> <tr> <td>IFA New Money Bonds</td> <td>\$99,660,000</td> <td>New Money Project Fund</td> <td>\$100,515,500</td> </tr> <tr> <td>IFA Refunding Bonds</td> <td>50,340,000</td> <td>Refunding Bonds</td> <td>50,340,000</td> </tr> <tr> <td>Equity/Other Financing</td> <td><u>1,815,500</u></td> <td>Costs of Issuance</td> <td><u>960,000</u></td> </tr> <tr> <td>Total</td> <td>\$151,815,500</td> <td>Total</td> <td>\$151,815,500</td> </tr> </tbody> </table>	Sources:		Uses:		IFA New Money Bonds	\$99,660,000	New Money Project Fund	\$100,515,500	IFA Refunding Bonds	50,340,000	Refunding Bonds	50,340,000	Equity/Other Financing	<u>1,815,500</u>	Costs of Issuance	<u>960,000</u>	Total	\$151,815,500	Total	\$151,815,500
Sources:		Uses:																			
IFA New Money Bonds	\$99,660,000	New Money Project Fund	\$100,515,500																		
IFA Refunding Bonds	50,340,000	Refunding Bonds	50,340,000																		
Equity/Other Financing	<u>1,815,500</u>	Costs of Issuance	<u>960,000</u>																		
Total	\$151,815,500	Total	\$151,815,500																		
RECOMMENDATION	Credit Review Committee recommends approval.																				

**ILLINOIS FINANCE AUTHORITY
 BOARD SUMMARY
 April 10, 2012**

Project: Loyola University of Chicago

STATISTICS

Project Number: E-PC-TE-CD-8545	Amount: \$150,000,000 (not-to-exceed amount)
Type: 501(c)(3) Revenue Bonds	IFA Staff: Rich Frampton and Brad R. Fletcher
Location: Chicago	Counties/ Regions: Cook County/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 financing has been presented to the IFA Board of Directors

PURPOSE

Bond proceeds will provide **Loyola University of Chicago** (“**Loyola**”, the “**University**” or the “**Borrower**”) with all or a portion of the funds necessary to (i) finance, refinance or reimburse the University for all or a portion of the costs, including capitalized interest, if any, of the acquisition, construction, renovation, improvement and equipping of certain of its facilities, including, without limitation, two new student residence halls and a new academic building, the renovation and equipping of certain existing academic and residential facilities and the completion of various other campus renovations and improvements and the equipping of the same (collectively, the “**New Projects**”), (ii) refund, advance refund or provide for payment of all or a portion of the outstanding Illinois Educational Facilities Authority Revenue Bonds, Loyola University of Chicago, Series 2003A (the “**Refunded Series 2003A Bonds**”), the proceeds of which were used to finance certain educational facilities of the University, (iii) refund, advance refund or provide for the payment of all or a portion of the outstanding Illinois Finance Authority Revenue Bonds, Loyola University of Chicago, Series 2004A (the “**Refunded Series 2004A Bonds**” and, together with the Refunded Series 2003A Bonds, the “**Prior Bonds**”), the proceeds of which were used to finance certain educational facilities of the University, (iv) pay certain working capital expenditures if deemed desirable by the University, (v) fund one or more debt service reserve funds required to be maintained in accordance with one or more Trust Indentures between the Authority and one or more trust companies or banks having the powers of a trust company, as trustee, and (vi) pay certain costs relating to the issuance of the Bonds, including the costs of bond insurance or other credit or liquidity enhancement, if any, and certain costs incurred in connection with the refunding, advance refunding or provision for payment of all or a portion of the Prior Bonds, all as permitted under the Act (collectively, the “**Financing Purposes**”).

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance 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 (SUBJECT TO CHANGE)

Sources:	IFA New Money Bonds	\$99,660,000	Uses:	New Money Project	\$100,515,500
	IFA Refunding Bonds	50,340,000		Refunding Bonds	50,340,000
	Equity/Other Financing	<u>1,815,500</u>		Costs of Issuance	<u>960,000</u>
Total		<u>\$151,815,500</u>	Total		<u>\$151,815,500</u>

JOBS

Current employment:	2,200 FT (1,265 PT)	Projected new jobs:	25
Jobs retained:	N/A	Construction jobs:	296

FINANCING SUMMARY

Security:	The Bonds will be a general unsecured corporate obligation of the University and as such will not be secured by a mortgage or security interest on any of the University's assets, properties or funds.
Structure:	The plan of finance contemplates the public issuance of an amount not-to-exceed \$150 million of tax-exempt debt to be issued in one or more series. Fixed Rate Bonds will be sold based on the University's underlying long-term debt ratings of A2/A (Moody's/S&P). Morgan Stanley has been engaged by the Borrower as Senior Manager.
Interest Rate:	The University and their financing team will determine interest rate modes and the mix of Fixed Rate Bonds and Variable Rate Bonds after evaluating market conditions and prospective transaction sizing in advance of pricing.
Underlying Debt Ratings:	The University's underlying long-term ratings are A2/A (Moody's/S&P). Moody's upgraded Loyola from A3 to A2 (with a Stable outlook) and removed Loyola from its "Watch list" on 8/11/2011 following the sale of certain hospital assets and related facilities to Trinity Health. S&P affirmed its "A" rating for Loyola on 8/22/2011 (with a Stable outlook).
Maturity:	No later than 2051 (40 years from issuance date)
Estimated Closing Date:	May or June 2012

PROJECT SUMMARY (FOR PRELIMINARY BOND RESOLUTION)

Bond proceeds will provide **Loyola University of Chicago** ("**Loyola**", the "**University**" or the "**Borrower**") with all or a portion of the funds necessary to (i) finance, refinance or reimburse the University for all or a portion of the costs, including capitalized interest, if any, of the acquisition, construction, renovation, improvement and equipping of certain of its facilities constituting "educational facilities" as defined in the Illinois Finance Authority Act (the "**Act**"), including, without limitation, two new student residence halls and a new academic building, the renovation and equipping of certain existing academic and residential facilities and the completion of various other campus renovations and improvements and the equipping of the same (collectively, the "**New Projects**"), (ii) refund, advance refund or provide for payment of all or a portion of the outstanding Illinois Educational Facilities Authority Revenue Bonds, Loyola University of Chicago, Series 2003A (the "**Refunded Series 2003A Bonds**"), the proceeds of which were used to finance certain educational facilities of the University, (iii) refund, advance refund or provide for the payment of all or a portion of the outstanding Illinois Finance Authority Revenue Bonds, Loyola University of Chicago, Series 2004A (the "**Refunded Series 2004A Bonds**" and, together with the Refunded Series 2003A Bonds, the "**Prior Bonds**"), the proceeds of which were used to finance certain educational facilities of the University, (iv) pay certain working capital expenditures if deemed desirable by the University, (v) fund one or more debt service reserve funds required to be maintained in accordance with one or more Trust Indentures between the Authority and one or more trust companies or banks having the powers of a trust company, as trustee, and (vi) pay certain costs relating to the issuance of the Bonds, including the costs of bond insurance or other credit or liquidity enhancement, if any, and certain costs incurred in connection with the refunding, advance refunding or provision for payment of all or a portion of the Prior Bonds, all as permitted under the Act (collectively, the "**Financing Purposes**").

BUSINESS SUMMARY

Description: **Loyola University of Chicago** (“**Loyola**”, the “**University**”, or the “**Borrower**”) is a 501(c)(3) organization incorporated under Illinois law and founded in 1870 as St. Ignatius College. The University is governed by a 50-member Board of Trustees (see pp. 5-6 for listing).

Description: Loyola is the third largest independent not-for-profit university in Illinois based on its total enrollment of approximately 16,000 undergraduate, graduate, and professional students.

The University’s academic goals are to provide cultural, scientific, and professional educational opportunities. General, graduate, and professional education degree-granting programs are offered in ten colleges or schools. Additionally, the University offers continuing education in both cultural and professional areas in various non-degree-granting programs.

The University has a full-time faculty of approximately 658 of whom approximately 55% have tenure. Approximately 93.3% of the full-time faculty members hold terminal degrees in their respective field. Additionally, the Medical School has approximately 109 faculty members.

The University had approximately 2,200 full-time and 1,265 part-time employees (including both faculty and staff) on the payroll.

The University operates three primary campuses in the Chicago metropolitan area and one in Rome, Italy. Loyola’s three primary Chicago area campuses include:

- Loyola’s Lake Shore Campus was established in 1906 and is located approximately 9 miles north of downtown Chicago and encompasses approximately 62 acres fronting on Lake Michigan.
- Loyola’s Water Tower Campus is located in Chicago’s Near North Side/Gold Coast neighborhood and comprises three buildings, each ranging from 15 to 25 stories, and several smaller buildings. Most of the University’s evening programs are offered at the Water Tower Campus. The Water Tower Campus also houses the University’s administrative offices.
- Loyola’s Health Sciences/Medical Center Campus was established in 1969 and is located approximately fourteen (14) miles west of downtown Chicago near the intersection of 1st Avenue (Illinois Hwy. 171) and Roosevelt Road. This campus provides facilities for the University’s Stritch School of Medicine and certain programs of the University’s Marcella Niehoff School of Nursing.

(Prior to July 1, 2011, the University’s then controlled affiliate, Loyola University Health System, controlled other healthcare related entities, including Loyola University Medical Center (which owned the Foster G. McGaw Hospital located on the campus and Gottlieb Memorial Hospital, a hospital located in Melrose Park, Illinois). Effective July 1, 2011, the University completed a transaction with Trinity Health Corporation to replace the University as the sole member of Loyola University Health System and assumed control of Loyola University Medical Center, Gottlieb Memorial Hospital and the other healthcare affiliates and related real estate and other assets.

The University has been accredited by the North Central Association of Colleges and Schools since 1921. The University’s School of Law is accredited by the American Bar Association and its Medical School is accredited by the Liaison Committee on Medical Education. The University’s other graduate and professional schools (e.g., School of Business Administration, School of Social Work, etc.) have also earned professional accreditation recognition.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Loyola University of Chicago, 820 N. Michigan Avenue, Chicago, IL 60611
Contact: Eric C. Jones, CIO and Treasurer
(T) 312/ 915-7452; E-mail: ejones6@luc.edu
Website: www.luc.edu

Site Locations

(New Projects): All four New Money Projects are located at the Lake Shore Campus:

- DeNolbili Hall: New Student Housing Facility
- San Francisco Hall: New Freshman Student Housing Facility
- Cuneo Hall: New Academic building to replace Damen Hall
- Wright Hall: Renovation and Equipping of Wright/BVM Hall for academic and residential facilities

Project name: IFA 501(c)(3) Revenue Bonds (Loyola University of Chicago Project), Series 2012

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Of Trustees:

Loyola University of Chicago – Board of Trustees (as of 12/2/2011)

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Mr. Patrick C. Lynch President Chicago Equity Partners, LLC	Rev. Kevin W. Wildes, S.J. President Loyola University New Orleans
Mrs. Shirley R. Madigan Chairman Illinois Arts Council	Sr. Mary Ann Zollmann, B.V.M. President Sisters of Charity of the Blessed Virgin Mary

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Jones Day	Chicago, IL	Dan Bacastow
Auditor:	Deloitte & Touche, LLP	Chicago, IL	Chris Terhak
Borrower Financial Advisor:	Milkeni, LLC	Chicago, IL	Ken Kerzner
Bond Counsel:	Chapman and Cutler LLP	Chicago, IL	Nancy Burke
Underwriter/Senior Manager:	Morgan Stanley	New York, NY	Sally Bednar
		Chicago, IL	William Mack
Co-Manager:	PNC Capital Markets LLC	Columbus, OH	William Elliot
Underwriter's Counsel:	Mayer Brown LLP	Chicago, IL	Joanna Horsnail
Trustee:	US Bank, N.A.	Chicago, IL	Grace Gorka
Architect:	Solomon Cordwell Buenz	Chicago, IL	
General Contractor:	Power Construction Company	Schaumburg, IL	
Rating Agencies:	Moody's	New York, NY	Diane Viacava
	Standard & Poor's	Chicago, IL	Susan Carlson
IFA Counsel:	Pugh Jones & Johnson, P.C.	Chicago, IL	Lorraine Tyson
IFA Financial Advisor:	Scott Balice Strategies, Inc.	Chicago, IL	Shannon Williams

LEGISLATIVE DISTRICTS

	<u>Lake Shore Campus</u>	<u>Water Tower Campus</u>
Congressional:	9	7
State Senate:	7	3, 13
State House:	14	5, 26

These districts provided by the Applicant correspond to the new 2012 district boundaries.



CONDUIT

April 10, 2012

\$14,000,000 (not-to-exceed amount)
Illinois Wesleyan University

REQUEST	<p>Purpose: Bond proceeds will enable Illinois Wesleyan University (“IWU”, the “University” or the “Borrower”) to (i) refund, advance refund, or provide for the payment of all or a portion of the outstanding principal amount of the University’s outstanding Illinois Development Finance Authority (Illinois Wesleyan University Project) Revenue Bonds, Series 2001 (the “2001 Bonds” or “Prior Bonds”), (ii) without limitation, finance the construction of residence facilities and the completion of various other campus renovations and improvements (the “Project”), and (iii) make any deposit to certain funds, including debt service reserve funds, required to be maintained in accordance with a Trust Indenture and pay costs associated with the issuance of the Bonds (collectively, with the Prior Bonds and the Project, the “Financing Purposes.”)</p> <p>Program: 501(c)(3) Revenue Bonds</p> <p>Extraordinary Conditions: None.</p>																				
BOARD ACTIONS	Preliminary Bond Resolution																				
MATERIAL CHANGES	This is the first time this project has been presented to the IFA Board of Directors																				
JOB DATA	<table border="0"> <tr> <td>607 (FT and PT)</td> <td>Current jobs</td> <td>3</td> <td>New jobs projected</td> </tr> <tr> <td>N/A</td> <td>Retained jobs</td> <td>20</td> <td>Construction jobs projected</td> </tr> </table>	607 (FT and PT)	Current jobs	3	New jobs projected	N/A	Retained jobs	20	Construction jobs projected												
607 (FT and PT)	Current jobs	3	New jobs projected																		
N/A	Retained jobs	20	Construction jobs projected																		
DESCRIPTION	<ul style="list-style-type: none"> • Project Location: Bloomington/McLean County/ North Central Region • Type of entity: The University, a 501(c)(3) organization incorporated under Illinois law, is a private, co-educational institution founded in 1850 governed by a 43-member Board of Trustees. 																				
CREDIT INDICATORS	<ul style="list-style-type: none"> • The plan of finance contemplates Bonds will be secured by a Direct Pay Letter of Credit from PNC Bank, N.A. (the “Credit Provider”), which is rated A2/A/A+ long-term and P-1/A-1/F1 short-term by Moody’s/S&P/Fitch. • The University has an underlying long-term rating of Baa1 (Moody’s). • BMO Capital Markets GKST has been engaged by the Borrower as the Senior Manager. 																				
SECURITY	<ul style="list-style-type: none"> • The Bonds will be a general unsecured corporate obligation of the University and as such will not be secured by a mortgage or security interest on any of the University’s assets, properties or funds. 																				
MATURITY	<ul style="list-style-type: none"> • Bonds will have a final maturity of September 1, 2043. • Both sizing and interest rate modes to be determined based on evaluation of market conditions by the University and its financing team at pricing 																				
SOURCES AND USES	<table border="0"> <thead> <tr> <th colspan="2">Sources:</th> <th colspan="2">Uses:</th> </tr> </thead> <tbody> <tr> <td>IFA New Money Bonds</td> <td>\$7,775,000</td> <td>New Project</td> <td>\$7,775,000</td> </tr> <tr> <td>IFA Refunding Bonds</td> <td>6,275,000</td> <td>Refunding Bonds</td> <td>6,275,000</td> </tr> <tr> <td>Equity/Other Financing</td> <td><u>225,000</u></td> <td>Costs of Issuance</td> <td><u>225,000</u></td> </tr> <tr> <td>Total</td> <td>\$14,275,000</td> <td>Total</td> <td>\$14,275,000</td> </tr> </tbody> </table>	Sources:		Uses:		IFA New Money Bonds	\$7,775,000	New Project	\$7,775,000	IFA Refunding Bonds	6,275,000	Refunding Bonds	6,275,000	Equity/Other Financing	<u>225,000</u>	Costs of Issuance	<u>225,000</u>	Total	\$14,275,000	Total	\$14,275,000
Sources:		Uses:																			
IFA New Money Bonds	\$7,775,000	New Project	\$7,775,000																		
IFA Refunding Bonds	6,275,000	Refunding Bonds	6,275,000																		
Equity/Other Financing	<u>225,000</u>	Costs of Issuance	<u>225,000</u>																		
Total	\$14,275,000	Total	\$14,275,000																		
RECOMMENDATION	Credit Review Committee recommends approval.																				

**ILLINOIS FINANCE AUTHORITY
 BOARD SUMMARY
 April 10, 2012**

Project: Illinois Wesleyan University

STATISTICS

Project Number: E-PC-TE-CD-8546	Amount: \$14,000,000 (not-to-exceed)
Type: 501(c)(3) Revenue Bonds	IFA Staff: Rich Frampton and Brad R. Fletcher
Location: Bloomington	Counties/ Regions: McLean/North Central

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 financing has been presented to the IFA Board of Directors

PURPOSE

Bond proceeds will enable **Illinois Wesleyan University** (“IWU”, the “**University**” or the “**Borrower**”) to (i) refund, advance refund, or provide for the payment of all or a portion of the outstanding principal amount of the University’s outstanding Illinois Development Finance Authority (Illinois Wesleyan University Project) Revenue Bonds, Series 2001 dated March 1, 2001 (the “**2001 Bonds**” or “**Prior Bonds**”), (ii) without limitation, finance the construction of residence facilities and the completion of various other campus renovations and improvements (the “**Project**”), and (iii) make any deposit to certain funds required to be maintained in accordance with a Trust Indenture and pay costs associated with the issuance of the Bonds (collectively, with the Prior Bonds and the Project, the “**Financing Purposes.**”).

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance 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 (SUBJECT TO CHANGE)

Sources: IFA New Money Bonds	\$7,775,000	Uses: New Money Project Fund	\$7,775,000
IFA Refunding Bonds	6,275,000	Refunding Bonds	6,275,000
Equity	<u>225,000</u>	Costs of Issuance	<u>225,000</u>
Total	<u>\$14,275,000</u>	Total	<u>\$14,275,000</u>

JOBS

Current employment: 607	[455 Faculty and Staff (FT) 152 Faculty and Staff (PT)]	Projected new jobs:	3
Jobs retained:	N/A	Construction jobs:	20

FINANCING SUMMARY

Security:	The Bonds will be secured by a Direct Pay Letter of Credit provided by PNC Bank, National Association (the “ LOC Bank ”).
Structure:	Bondholders will be solely secured by PNC’s Direct Pay Letter of Credit. PNC’s long-term ratings are (A2/A/A) and short term ratings are (P-1/A-1/F1) from Moody’s/S&P/Fitch. PNC Bank, N.A. will be secured by a General Obligation of Illinois Wesleyan University.
Interest Rate:	The University and their financing team will determine interest rate modes and the mix of Fixed Rate Bonds and Variable Rate Bonds after evaluating market conditions and prospective transaction sizing in advance of pricing.
Underlying Debt Ratings:	The University’s underlying long-term rating is Baa1 (Moody’s).
Maturity:	September 1, 2043
Estimated Closing Date:	May or June 2012

PROJECT SUMMARY (FOR PRELIMINARY BOND RESOLUTION)

Bond proceeds will enable **Illinois Wesleyan University** (“**IWU**”, the “**University**” or the “**Borrower**”) to ((i) refund, advance refund, or provide for the payment of all or a portion of the outstanding principal amount of the University’s outstanding Illinois Development Finance Authority (Illinois Wesleyan University Project) Revenue Bonds, Series 2001 dated March 1, 2001 (the “**2001 Bonds**”), (ii) without limitation, finance the construction of residence hall(s) and the completion of various other campus renovations and improvements, (iii) to make any deposit to certain funds required to be maintained in accordance with a Trust Indenture, and (iv) to pay costs associated with the issuance of the Bonds.

BUSINESS SUMMARY

Background: **Illinois Wesleyan University** (“**IWU**” or the “**University**”) is a 501(c)(3) organization established in 1850. The University was chartered directly by the State of Illinois General Assembly by an Act of Incorporation. A list of the University’s current Board of Trustees is presented on pp. 6-8 of this report.

Day to day operations are managed by President Richard F. Wilson, who has served since April 2004. The President serves as IWU’s chief executive officer.

Description: The University is a private, coeducational, undergraduate institution located on an approximately 81.98 acre site adjacent to Bloomington’s north side residential district.

The University’s principal educational program consists of a curriculum in the liberal arts and sciences. The primary focus is on instruction, with an additional commitment to research and public service. Approximately 80% of the University’s students pursue majors within the College of Liberal Arts and Sciences. IWU currently enrolls approximately 2,050 students in its College of Liberal Arts, College of Fine Arts, and School of Nursing.

In recent years, IWU has been recognized for the strength and quality of its instruction by several independent publications, including:

- *US News & World Report* - which in its 2012 “*Best Colleges*” special report ranked IWU in the top tier of national liberal arts colleges for the 13th consecutive year;
- *The Princeton Review’s Best Colleges* - which has profiled IWU in its annual guide since inception of the publication in 1989;
- *Kiplinger’s Guide to Personal Finance 2011* ranked IWU as the 57th best value among liberal arts colleges nationally;

- *The Wall Street Journal* - which in 2002 identified IWU as one of 16 institutions in an article entitled “Colleges for a New Era”. Other profiled institutions included Carleton College (MN), William & Mary, Dartmouth, Middlebury, Occidental, Rice University, and Washington University (MO); and
- *The Washington Post* – its higher education feature reporter ranked IWU 10th on a list of the top 100 colleges in the United States students should consider based on recommendations of high school guidance counselors.

Successful recruiting efforts and the University’s enhanced reputation have increased applications from approximately 1,000 in the late 1970’s to 3,300 in 2011-2012. Approximately 61% of applicants for the 2011-2012 academic year were accepted. The average composite ACT and SAT scores were 28/1257 respectively for the incoming 2011-2012 class.

Approximately 85% of students are drawn from Illinois, 30 other states and 23 foreign countries are represented in the student body.

Approximately 75 percent of IWU’s student body occupies University-approved residential housing with a current occupancy rate of 93%. The University’s residential facilities include 12 residence halls, and 12 national fraternities and sororities.

The University is fully accredited by the North Central Association of Colleges and Schools. The College of Nursing is accredited by The Commission on Collegiate Nursing Education. Other academic departments (i.e., Music, Education, Chemistry) are also accredited by specialized peer accreditation organizations.

The University addresses renewal and replacement projects on an ongoing, systematic basis and typically undertakes capital expenditures of \$500,000 or more annually to upgrade and refurbish residence halls and academic buildings, and to provide general infrastructure improvements.

OWNERSHIP / ECONOMIC DISCLOSURE STATEMENT

Applicant/	Illinois Wesleyan University, 1312 Park Street, P.O. Box 2900 Bloomington, IL 61701
Website:	www.iwu.edu
Contact:	Mr. Daniel P. Klotzbach, Vice President for Business and Finance, (T) 309/556-3021; (F): (309)/556-3411; email: dklotzba@iwu.edu
Project Name:	Illinois Wesleyan University Series 2012 Bonds
Location:	Illinois Wesleyan University, Bloomington, Illinois 61701
Organization:	Illinois 501(c)(3) organization
Board Membership:	<i>See list of Board of Director on pp. 6-8</i>

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Dunn, Willard, Arkell, Bugg, Patterson & Herr, LLP	Bloomington, IL	Clayton Patterson
Borrower's Consultant:	Starshak Winzenburg & Co.	Chicago, IL	Joseph P. Starshak
Accountant:	KPMG LLP	Chicago, IL	Charles Klescewski
Bond Counsel:	Chapman and Cutler LLP	Chicago, IL	Nancy Burke
LOC Bank (Credit Enhancement):	PNC Bank, N.A.	Peoria, IL	Michael Zeller
Bank Counsel:	To be determined		
Underwriter:	BMO Harris Capital Markets	Chicago, IL	Jamie Rachlin, Ann Koch
Remarketing Agent:	To be determined		
Trustee:	Commerce Trust Company	Kansas City, MO	Sandy Wilsbacher
Underwriter's Counsel:	Ungaretti & Harris LLP	Chicago, IL	Raymond C. Fricke
Architect:	Treanor Architects	Lawrence, KS	Steve Malin
General Contractor:	To be determined		
Issuer's Counsel:	Miller Hall & Triggs, LLC	Peoria, IL	Rick Joseph
IFA Advisors:	Acacia Financial Group, Inc.	Chicago, IL	Courtney Shea

LEGISLATIVE DISTRICTS

			<u>NEW</u>
Congressional:	11	Adam Kinzinger	13
State Senate:	44	Bill Brady	44
State House:	88	Dan Brady	88

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Chicago, Illinois

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Ernst & Young LLP
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Wildrose, Wisconsin

Rev. David P. Dees '49

Bloomington, Illinois

Gilbert L. Dorsey '62

Bloomington, Illinois

President Emeritus Robert S. Eckley H

'88

Bloomington, Illinois

John Goldrick

Bloomington, Illinois

Craig C. Hart H'08

Hudson, Illinois

E. Hugh Henning H'94

Muskego, Wisconsin

J. Richard Hull '55

Sarasota, Florida

Emeritus Trustees – Continued:

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The Hon. John W. Maitland, Jr.
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Carbondale, Illinois

John C. Stutzman '54
Bloomington, Illinois

Anne Colwell Tryon
Frankfort, Michigan

Martha Coolidge Wetzel '52
South Pasadena, California



April 10, 2012

\$600,000,000
Ascension Health Alliance

REQUEST	<p>Purpose: The proceeds will be used by Ascension Health Alliance (the “Borrower”) to (i) finance various capital expenditures at the Alexian Brothers Health System, (ii) refund certain Alexian Brothers Health System Bonds, (iii) refund certain Ascension Health Alliance commercial paper which may be issued to fund the redemption of certain Alexian Brothers Health System Bonds and/or tender of certain Alexian Brothers Health System Bonds, if deemed necessary or advisable, and (iv) refund certain Ascension Health Series 2002 Bonds.</p> <p>Program: Conduit 501(c)(3) Revenue Bonds</p> <p>Extraordinary Conditions: None.</p>																
BOARD ACTIONS	<p>Final Bond Resolution</p> <p>Preliminary Bond Resolution approved 2/14/2012: Ayes: 9; Nays: 0; Abstentions: 0; Absent: 4 (Bronner, Durburg, Gold, Leonard); Vacancies: 2</p>																
MATERIAL CHANGES	<p>No material changes.</p>																
JOB DATA	<table border="0"> <tr> <td>113,500</td> <td>Current jobs</td> <td>0</td> <td>New jobs projected</td> </tr> <tr> <td>8,107</td> <td>Retained jobs in Illinois</td> <td>90</td> <td>Construction jobs projected</td> </tr> </table>	113,500	Current jobs	0	New jobs projected	8,107	Retained jobs in Illinois	90	Construction jobs projected								
113,500	Current jobs	0	New jobs projected														
8,107	Retained jobs in Illinois	90	Construction jobs projected														
DESCRIPTION	<ul style="list-style-type: none"> • Location: Various locations in Cook County; Alabama, Arizona, Connecticut, District of Columbia, Florida, Idaho, Indiana, Maryland, Michigan, Missouri, New York, Tennessee, Texas, Washington and Wisconsin. • Ascension Health Alliance is a Missouri nonprofit corporation formed on September 13, 2011 and is the sole corporate member of Ascension Health. Ascension Health Alliance is the parent organization of a national health system consisting primarily of nonprofit corporations that own and operate local healthcare facilities, or Health Ministries. Through Ascension Health, Ascension Health Alliance is the indirect sole corporate member of certain nonprofit corporations that own and operate acute care hospitals and other health care facilities and service providers with approximately 15,660 available beds as of June 30, 2011. As of June 30, 2011, these corporations owned and operated 68 general acute care hospitals, two long-term acute care hospitals, five psychiatric hospitals and two rehabilitation hospitals, with more than 113,500 employees. Ascension Health Alliance is the largest nonprofit Catholic health care system in the United States. • The Alexian Brothers Health System joined Ascension Health Alliance effective January 1, 2012. Alexian Brothers Health System is a diversified multi-corporate healthcare delivery system sponsored by the Congregation of Alexian Brothers, Immaculate Conception Province, and a Roman Catholic religious institute. The Alexian Brothers began their ministry in the United States in 1866 with the opening of an eight-bed hospital in Chicago. 																
SECURITY	<ul style="list-style-type: none"> • Bonds will be secured by Ascension Health Master Trust Indenture(s) 																
CREDIT INDICATORS	<ul style="list-style-type: none"> • Ascension Health is rated Aa1/AA+/AA+ by Moody’s/S&P/Fitch, respectively 																
STRUCTURE	<ul style="list-style-type: none"> • The Series 2012 Bonds will be structured as a combination of fixed rate, put bonds, variable rate and Windows VRDBs. 																
SOURCES AND USES	<table border="0"> <tr> <td>Sources:</td> <td></td> <td>Uses:</td> <td></td> </tr> <tr> <td>IFA Bonds</td> <td><u>\$600,000,000</u></td> <td>Refund ABHS Bonds</td> <td>\$425,000,000</td> </tr> <tr> <td></td> <td></td> <td>Capital Expenditures</td> <td><u>175,000,000</u></td> </tr> <tr> <td>Total</td> <td><u>\$600,000,000</u></td> <td>Total</td> <td><u>\$600,000,000</u></td> </tr> </table>	Sources:		Uses:		IFA Bonds	<u>\$600,000,000</u>	Refund ABHS Bonds	\$425,000,000			Capital Expenditures	<u>175,000,000</u>	Total	<u>\$600,000,000</u>	Total	<u>\$600,000,000</u>
Sources:		Uses:															
IFA Bonds	<u>\$600,000,000</u>	Refund ABHS Bonds	\$425,000,000														
		Capital Expenditures	<u>175,000,000</u>														
Total	<u>\$600,000,000</u>	Total	<u>\$600,000,000</u>														
RECOMMENDATION	<p>Credit Review Committee recommends approval.</p>																

FINANCING SUMMARY

Security:	Bonds will be secured by Ascension Health Master Trust Indenture(s)
Structure:	The Series 2012 Bonds will be structured as a combination of fixed rate, put bonds, variable rate and Windows VRDBs
Interest Rate:	To be determined based on current market conditions.
Interest Mode:	Fixed rate, put bonds, variable rate and Windows VRDBs
Credit Enhancement:	None
Maturity:	Not to exceed 40 years
Rating:	Aa1/AA+/AA+ (Moody's/S&P/Fitch)
Estimated Closing Date:	May 10, 2012

PROJECT SUMMARY

Bond proceeds will be used by **Ascension Health Alliance** (the "**Borrower**") for (i) refinancing taxable commercial paper (the "Commercial Paper") issued by the Borrower to currently refund all of the outstanding principal amount of the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2004 (Alexian Brothers Health System) (referred to as the "2004 Alexian Prior Bonds"), and (ii) refinancing Commercial Paper issued by the Borrower to pay the tender price of all or a portion of the (a) Illinois Finance Authority Revenue Bonds, Series 2010 (Alexian Brothers Health System), and (b) the Illinois Finance Authority Revenue Bonds, Series 2008 (Alexian Brothers Health System) (together referred to as the "2010/2008 Alexian Prior Bonds"), and/or advance refunding all or a portion of the 2010/2008 Alexian Prior Bonds, (iii) currently refunding all or a portion of the outstanding principal amount of the (a) Indiana Health Facility Financing Authority Revenue Bonds (Ascension Health Credit Group) Series 2002F, (b) Escambia County Health Facilities Authority Revenue Bonds (Ascension Health Credit Group) Series 2002C, and (c) Jacksonville Health Facilities Authority Revenue Bonds (Ascension Health Credit Group) Series 2002A (collectively, referred to as the "2002 Prior Bonds"), (iv) paying or reimbursing the Borrower and/or certain affiliates of the Borrower for, or refinancing outstanding indebtedness, including Commercial Paper, the proceeds of which were used for, costs of acquiring, constructing, renovating, remodeling and equipping certain of their health facilities (collectively, the "**Project**"), and (v) paying certain expenses incurred in connection with the issuance of the Bonds, all as permitted by the Act. The purposes described in (i)-(v) above are herein collectively referred to as the "**Financing Purposes**").

BUSINESS SUMMARY

Ascension Health Alliance is a Missouri nonprofit corporation formed on September 13, 2011 and is the sole corporate member of **Ascension Health**. Ascension Health Alliance is the parent organization of a national health system consisting primarily of nonprofit corporations that own and operate local healthcare facilities, or Health Ministries. The Health Ministries that are part of Ascension Health Alliance were formerly part of the Daughters of Charity National Health System, the Sisters of St. Joseph Health System or the Carondelet Health System. In addition to serving as the sole corporate member of Ascension Health, Ascension Health Alliance serves as the member or shareholder of various other System subsidiaries, including Seton Institute, Ascension Health Insurance Limited, Ascension Health Resources and Supply Group, LLC, Clinical Holdings Corporation, Catholic Healthcare Investment Management Company, Ascension Health Ventures, LLC, Ascension Health Leadership Academy, LLC, and AH Holdings, LLC.

Through Ascension Health, Ascension Health Alliance is the indirect sole corporate member of certain nonprofit corporations that own and operate acute care hospitals and other health care facilities and service providers with

approximately 15,660 available beds as of June 30, 2011. As of June 30, 2011, these corporations owned and operated 68 general acute care hospitals, two long-term acute care hospitals, five psychiatric hospitals and two rehabilitation hospitals, with more than 113,500 employees. Ascension Health Alliance is the largest nonprofit Catholic health care system in the United States.

The Alexian Brothers Health System was acquired by Ascension Health Alliance effective January 1, 2012. The Alexian Brothers Health System is a diversified multi-corporate healthcare delivery system sponsored by the Congregation of Alexian Brothers, Immaculate Conception Province, a Roman Catholic religious institute. The Alexian Brothers began their ministry in the United States in 1866 with the opening of an eight-bed hospital in Chicago. Two years later, a larger hospital was built but destroyed in the Great Chicago Fire of 1871. Over the years, the Brothers twice rebuilt the facility.

Today, the Alexian Brothers sponsor the following facilities:

- Three hospitals in the northwest suburbs of Chicago, including Alexian Brothers Medical Center in Elk Grove Village, St. Alexius Medical Center in Hoffman Estates, and Alexian Brothers Behavioral Health Hospital, also in Hoffman Estates
- Life care centers in Signal Mountain, Tennessee and Milwaukee, Wisconsin
- Two nursing homes in St. Louis, Missouri
- Programs for All Inclusive Care of the Elderly in St. Louis, Missouri and Chattanooga, Tennessee
- Free-standing assisted living facility serving persons affected by Alzheimer's or other dementia related disorders in Chattanooga, Tennessee
- Affordable housing primarily to serve seniors in St. Louis, Missouri and Chattanooga, Tennessee.

Illinois Locations (for refunding & new money issuance): Cook / Northwest

New Money (location of possible ABHS financed project)

- Wisconsin (Milwaukee)
- Missouri (St. Louis)
- Illinois

Other Locations (for refunding and potential new money issuances) – in the fall of 2012, anticipating a current refunding through the Illinois Finance Authority of certain bonds previously issued by the Escambia County Health Facilities Authority, the Jacksonville Health Facilities Authority and the Indiana Finance Authority which financed projects at the following Ascension Health Alliance locations:

Refunding and Potential New Money (Ascension Health)

- Sacred Heart Health System and affiliates – Pensacola, FL and Walton County, FL
- St. Vincent's Medical Center Inc. – Jacksonville, FL
- Various affiliates and locations in Indiana, including St. Vincent Health, Inc. and affiliates– Indianapolis, IN, other Indiana affiliates in Kokomo, IN, Winchester, IN, Elwood, IN, Carmel, IN, Brazil, IN, Williamsport, IN,, Evansville, IN
- Seton Corporation and affiliates, Nashville, Tennessee and Murfreesboro, Tennessee
- Seton Healthcare Family and its affiliate Seton Family of Hospitals – Austin, Texas
- Providence Health Services of Waco and its affiliate Providence Health Center in Texas – Waco, Texas

ECONOMIC DISCLOSURE STATEMENT

Applicant: Ascension Health Alliance
4600 Edmundson Road
St. Louis, MO 63134

Borrower: Ascension Health Alliance

Project name: Alexian Brothers Health System Construction and Remodeling

Project locations: Alexian Brothers Health System
3040 W. Salt Creek Lane
Arlington Heights, Illinois

Alexian Brothers Medical Center
800 and 820 Biesterfield Road
Elk Grove Village (Cook County), IL 60007-3475

St. Alexius Medical Center
1555 Barrington Road
Hoffman Estates (Cook County), IL 60194-1018

Alexian Brothers Behavioral Health Hospital
1650 Moon Lake Boulevard
Hoffman Estates (Cook County), IL 60194-1010

Alexian Brothers Sherbrooke Village
4005 Ripa Avenue
St. Louis, MO 63118

Alexian Village of Milwaukee
9301 N. 76th Street
Milwaukee, WI 53223

Ascension Health
Alliance Board of
Directors: Sr. Kathleen Kelly, CSJ
Sr. Theresa Peck, DC
Fr. Dennis Holtschneider, CM
Anthony Tersigni, EdD., FACHE, President and CEO
Ms. Agnieszka Winkler

ABHS Board of
Governors: Brother John Howard, C.F.A.
Brother James Classon
Brother Richard Lowe, C.F.A.
Kenneth McHugh
Richard Fisher
Jerry Capizzi
Brother Lawrence Krueger, C.F.A.
Karen S. Wells
Bruce Wolfe

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Perkins Coie	Chicago	Dan Coyne
Accountant:	Ernst & Young	St. Louis	Doug Cooper
Financial Advisor	Kaufman Hall	Chicago	Jim Blake
Bond Counsel:	Orrick Herrington	Sacramento	John Myers
Underwriter:	Citigroup	Chicago	Mike Brown
	Morgan Stanley	San Francisco	John Landers
Underwriter's Counsel:	Sidley Austin	San Francisco	Jerry McGovern
IFA Counsel:	Charity & Associates	Chicago	Alan Bell
IFA Financial Advisor:	Acacia Financial Group	Chicago	Courtney Shea

LEGISLATIVE DISTRICTS

Alexian Brothers Medical Center

St. Alexius Medical Center/Behavioral Health Hospital

Elk Grove Village

New

Hoffman Estates

New

Congressional: 6 Peter J. Roskam

8

Congressional: 8 Joe Walsh

8

State Senate: 33 Dan Kotowski

28

State Senate: 22 Michael Noland

22

State House: 66 David Harris

55

State House: 44 Fred Crespo

44

SERVICE AREA

The core service area for Alexian Brothers Health System includes the following suburbs: Arlington Heights, Elk Grove Village, Rolling Meadows, Addison, Bartlett, Streamwood, Bloomingdale, Elgin, Hanover Park, Itasca, Medinah, Hoffman Estates, Roselle, Schaumburg and Wood Dale.



April 10, 2012

\$36,000,000
Rockford Memorial Hospital

REQUEST	<p>Purpose: Bond proceeds will be used to (i) current refund Rockford Memorial Hospital (“Rockford” or the “Borrower”) IHFA Series 1997 Bonds and (ii) pay costs of issuance.</p> <p>Program: Conduit 501(c)(3) Revenue Bonds</p> <p>Extraordinary Conditions: None.</p>																
BOARD ACTIONS	<p>Final Bond Resolution</p> <p>Preliminary Bond Resolution approved 3/13/2012 Ayes: 11; Nays: 0; Abstentions: 0; Absent: 2 (Durburg, Gold); Vacancies: 2</p>																
MATERIAL CHANGES	<p>No material changes.</p>																
JOB DATA	<table border="0"> <tr> <td>2,704 FTE</td> <td>Current jobs</td> <td>N/A</td> <td>New jobs projected</td> </tr> <tr> <td>N/A</td> <td>Retained jobs</td> <td>N/A</td> <td>Construction jobs projected</td> </tr> </table>	2,704 FTE	Current jobs	N/A	New jobs projected	N/A	Retained jobs	N/A	Construction jobs projected								
2,704 FTE	Current jobs	N/A	New jobs projected														
N/A	Retained jobs	N/A	Construction jobs projected														
DESCRIPTION	<ul style="list-style-type: none"> • Location: Rockford / Winnebago / Northern Stateline • Rockford Memorial Hospital is a 396-bed regional referral hospital, which includes the region’s highest level of critical care services including a Level I Trauma Center, Level III Neonatal Intensive Care Unit and the community’s only Pediatric Intensive Care Unit. RMH was designated as the Regional Disaster Preparedness Center and has taken the lead in training and education for community preparedness. 																
CREDIT INDICATORS	<ul style="list-style-type: none"> • Direct Purchase by BMO Harris Bank, N.A. 																
SECURITY	<ul style="list-style-type: none"> • The Bonds are expected to be secured by the Borrower’s Direct Note Obligation issued pursuant to the Master Trust Indenture (“MTI”). To secure the prompt payment of the principal of and interest on and any premium on each Obligation, the Obligated Group is expected to pledge, assign and grant to the Master Trustee, an assignment of and security interest in the Unrestricted Receivables of each Member. 																
MATURITY	<ul style="list-style-type: none"> • 2021 																
SOURCES AND USES	<table border="0"> <tr> <td colspan="2">Sources:</td> <td colspan="2">Uses:</td> </tr> <tr> <td>IFA Bonds</td> <td><u>\$36,000,000</u></td> <td>Refund Series 1997 Bonds</td> <td>\$35,530,000</td> </tr> <tr> <td></td> <td></td> <td>Costs of Issuance</td> <td><u>\$470,000</u></td> </tr> <tr> <td>Total</td> <td><u>\$36,000,000</u></td> <td>Total</td> <td><u>\$36,000,000</u></td> </tr> </table>	Sources:		Uses:		IFA Bonds	<u>\$36,000,000</u>	Refund Series 1997 Bonds	\$35,530,000			Costs of Issuance	<u>\$470,000</u>	Total	<u>\$36,000,000</u>	Total	<u>\$36,000,000</u>
Sources:		Uses:															
IFA Bonds	<u>\$36,000,000</u>	Refund Series 1997 Bonds	\$35,530,000														
		Costs of Issuance	<u>\$470,000</u>														
Total	<u>\$36,000,000</u>	Total	<u>\$36,000,000</u>														
RECOMMENDATION	<p>Credit Review Committee recommends approval.</p>																

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2012**

Project: Rockford Memorial Hospital

STATISTICS

Project Number:	H-HO-TE-CD-8541	Amount:	\$36,000,000 (Not-to-Exceed Amount)
Type:	501(c)(3) Bonds	IFA Staff:	Pam Lenane and Nora O'Brien
Location:	Rockford	County/Region:	Winnebago/Northern Stateline

BOARD ACTION

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

VOTING RECORD

The voting record from the Preliminary Bond Resolution approved 3/13/2012 is as follows:

Ayes: 11; Nays: 0; Abstentions: 0; Absent: 2 (Durburg, Gold); Vacancies: 2

PURPOSE

Bond proceeds will be used to (i) current refund **Rockford Memorial Hospital** (“**Rockford**” or the “**Borrower**”) IHFA Series 1997 Bonds and (ii) pay costs of issuance.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal 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:	IFA Bonds	<u>\$36,000,000</u>	Uses:	Refund Series 1997 Bonds	\$35,530,000
				Costs of Issuance	<u>\$470,000</u>
	Total	<u>\$36,000,000</u>		Total	<u>\$36,000,000</u>

JOBS

Current employment:	2,704 FTE	Projected new jobs:	N/A
Jobs retained:	N/A	Construction jobs:	N/A

FINANCING SUMMARY

Security:	The Bonds will be secured by the Borrower's Direct Note Obligation, Series 2012 issued pursuant to the Master Trust Indenture ("MTI"). To secure the prompt payment of the principal of and interest on and any premium on each Obligation, each Member pledges, assigns and grants to the Master Trustee, an assignment of and security interest in the Gross Revenues of each Member.
Structure:	The plan of finance contemplates a Direct Purchase Bond by BMO Harris Bank, N.A.
Interest Rate:	To be determined based on current market conditions.
Interest Rate Modes:	Fixed Rate
Underlying Ratings:	RHS is not rated; Prior Bonds are either insured (Series 1997 - AMBAC) or LOC-enhanced (Series 2008 – JP Morgan Chase Bank).
Maturity:	2021
Estimated Closing Date:	No later than April 30, 2012, as long as market conditions remain favorable

PROJECT SUMMARY

Bond proceeds will be used to (i) current refund **Rockford Memorial Hospital** ("**Rockford**" or the "**Borrower**") IHFA Series 1997 Bonds and (ii) pay costs of issuance.

BUSINESS SUMMARY

The Obligated Group is comprised of **Rockford Memorial Hospital** ("**RMH**"); **Rockford Health Physicians** ("**RHPH**"); and **Rockford Memorial Development Foundation** ("**RMDF**"). The primary purpose is to improve and protect the health and welfare of the community in accordance with RHS's mission: "Superior Care Everyday. For all our patients."

Rockford Memorial Hospital ("**Rockford Memorial**") is a 396-bed regional referral hospital, which includes the region's highest level of critical care services including a Level I Trauma Center, Level III Neonatal Intensive Care Unit and the community's only Pediatric Intensive Care Unit. RMH was designated as the Regional Disaster Preparedness Center and has taken the lead in training and education for community preparedness.

Rockford Health Physicians provides physicians for RMH's specialized units such as the NICU and the PICU, adult and pediatric Hospitalists, as well as neurologists, neuro and trauma surgeons who specialize in brain, spine and orthopedics and who respond 24/7 to any need in the Level I Trauma Center.

Rockford Memorial Development Foundation provides funds for enhancing activities within Rockford Health System as well as offering financial assistance to the Ronald McDonald Caremobile, which provides extended health and dental care to underinsured and uninsured children in the region.

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Rockford Memorial Hospital
Site Address:	2400 N. Rockton Avenue, Rockford, IL 61103
Contact:	Henry M. Seybold Jr. (Senior Vice President, Finance & Chief Financial Officer)
Website:	www.rhsnet.org
Project name:	Rockford Health System Series 2012 Bonds
Organization:	501(c)(3) Not-for-Profit Corporation

State: Illinois

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

Duane R. Bach
Jack J. Becherer, Ed.D.
James W. Breckenridge, M.D.
Thomas D. Budd
John W. Chadwick
Eleanor F. Doar
John T. Dorsey, M.D.
Pamela S. Fox
Jose L. Gonzalez, M.D.
Paul A. Green
Gary E. Kaatz
Dennis T. Uehara, M.D.
Connie Vitali, M.D.
Curtis D. Worden

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	SNR Denton, LLP	Chicago	Mary Wilson
Financial Advisor:	Hammond Hanlon Camp, LLC	Chicago	Victoria Poindexter
Accountant:	PricewaterhouseCoopers	Chicago	
Bond Counsel:	Jones Day	Chicago	Mike Mitchell
Purchaser:	BMO Harris Bank, N.A.	Chicago	David Johnson
Purchaser's Counsel:	Chapman & Cutler	Chicago	Carol Thompson
IFA Counsel:	Sanchez Daniels & Hoffman LLP	Chicago	John Cummins
IFA's Financial Advisor:	Scott Balice Strategies, LLC	Chicago	Shannon Williams

LEGISLATIVE DISTRICTS

Congressional:	16 Donald A. Manzullo	New
State Senate:	34 Dave Syverson	17
State House:	68 Dave Winters	34
		67

SERVICE AREA

Rockford Memorial Hospital ("RMH") is located in Rockford, IL, approximately 90 miles northwest of the City of Chicago and 14 miles south of the Illinois-Wisconsin border. RMH's primary service area includes the counties of Winnebago, Boone and Ogle. RMH's primary service area accounted for approximately 85.6% of RMH's total discharges during the calendar year ended December 31, 2011.

RMH's regional referral or tertiary service area consists of the Illinois counties of Carroll, DeKalb, Henry, Joe Daviess, Lee, Stephenson, McHenry, LaSalle, Whiteside and the southern Wisconsin county of Rock. The tertiary service area comprised 11.5% of RMH's total discharges during the calendar year ended December 31, 2011. The remaining 2.9% of discharges were derived from outside the defined market area.



April 10, 2012

\$70,000,000
Northwestern Medical Faculty Foundation

REQUEST	<p>Purpose: Bond proceeds will be used to (i) refund Northwestern Medical Faculty Foundation (“NMFF”, the “Facility”, the “Corporation” or the “Borrower”) IHFA Series 1998 Bonds and (ii) pay associated cost of issuance.</p> <p>Program: Conduit 501(c)(3) Revenue Bonds</p> <p>Extraordinary Conditions: None.</p>																
BOARD ACTIONS	<p>Final Bond Resolution</p> <p>Preliminary Bond Resolution approved 3/13/2012 Ayes: 11; Nays: 0; Abstentions: 0; Absent: 2 (Durburg, Gold); Vacancies: 2</p>																
MATERIAL CHANGES	<p>No material changes</p>																
JOB DATA	<table border="0"> <tr> <td>2,100</td> <td>Current jobs</td> <td>N/A</td> <td>New jobs projected</td> </tr> <tr> <td>N/A</td> <td>Retained jobs</td> <td>N/A</td> <td>Construction jobs projected</td> </tr> </table>	2,100	Current jobs	N/A	New jobs projected	N/A	Retained jobs	N/A	Construction jobs projected								
2,100	Current jobs	N/A	New jobs projected														
N/A	Retained jobs	N/A	Construction jobs projected														
DESCRIPTION	<ul style="list-style-type: none"> • Location: Chicago / Cook / Northeast • NMFF is an Illinois not for profit and tax-exempt organization described under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. • NMFF is an academic faculty practice plan for the full-time faculty of Northwestern University’s Feinberg School of Medicine and is comprised of approximately 720 physicians and over 1,400 additional allied health professionals and other staff. NMFF provides support for the clinical care activities of its members, a venue for medical education and clinical research, charitable outreach to the community and support of the academic mission of the Feinberg School of Medicine. 																
SECURITY	<ul style="list-style-type: none"> • The Bonds will be secured by a Master Indenture Note. 																
CREDIT INDICATORS	<ul style="list-style-type: none"> • The Bonds will not be rated. NMFF has underlying ratings of “A1” and A+”, by Moody’s and Fitch, respectively. 																
STRUCTURE	<ul style="list-style-type: none"> • The Bonds will be purchased and held directly by US Bank, N.A. 																
SOURCES AND USES	<table border="0"> <tr> <td colspan="2">Sources:</td> <td colspan="2">Uses:</td> </tr> <tr> <td>IFA Bonds</td> <td style="text-align: right;"><u>\$70,000,000</u></td> <td>Refund Series 1998 Bonds</td> <td style="text-align: right;">\$69,500,000</td> </tr> <tr> <td></td> <td></td> <td>Cost of Issuance (<i>estimated</i>)</td> <td style="text-align: right;"><u>500,000</u></td> </tr> <tr> <td>Total</td> <td style="text-align: right;"><u>\$70,000,000</u></td> <td>Total</td> <td style="text-align: right;"><u>\$70,000,000</u></td> </tr> </table>	Sources:		Uses:		IFA Bonds	<u>\$70,000,000</u>	Refund Series 1998 Bonds	\$69,500,000			Cost of Issuance (<i>estimated</i>)	<u>500,000</u>	Total	<u>\$70,000,000</u>	Total	<u>\$70,000,000</u>
Sources:		Uses:															
IFA Bonds	<u>\$70,000,000</u>	Refund Series 1998 Bonds	\$69,500,000														
		Cost of Issuance (<i>estimated</i>)	<u>500,000</u>														
Total	<u>\$70,000,000</u>	Total	<u>\$70,000,000</u>														
RECOMMENDATION	<p>Credit Review Committee recommends approval.</p>																

**ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
April 10, 2012**

Project: Northwestern Medical Faculty Foundation

STATISTICS

Project Number:	H-HO-TE-CD-8540	Amount:	\$70,000,000 (Not-to-Exceed)
Type:	501(c)(3) Bonds	IFA Staff:	Pam Lenane and Nora O'Brien
Location:	Chicago	County/Region:	Cook/Northeast

BOARD ACTION

Final Bond Resolution	No IFA Funds at Risk
Conduit 501(c)(3) Bonds	No Extraordinary Conditions
Credit Review Committee recommends approval	

VOTING RECORD

The voting record from the Preliminary Bond Resolution approved on 3/13/2012 is as follows:

Ayes: 11; Nays: 0; Abstentions: 0; Absent: 2 (Durburg, Gold); Vacancies: 2

PURPOSE

Bond proceeds will be used to (i) refund **Northwestern Medical Faculty Foundation** ("NMFF", the "**Facility**", the "**Corporation**" or the "**Borrower**") IHFA Series 1998 Bonds and (ii) pay associated cost of issuance.

IFA PROGRAM AND CONTRIBUTION

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

VOLUME CAP

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

JOBS

Current employment:	2,100	New jobs projected:	N/A
		Construction jobs projected:	N/A

ESTIMATED SOURCES AND USES OF FUNDS

Sources:		Uses:	
IFA Bonds	<u>\$70,000,000</u>	Refund Series 1998 Bonds	\$69,500,000
		Cost of Issuance (<i>ESTIMATED</i>)	<u>500,000</u>
Total	<u>\$70,000,000</u>	Total	<u>\$70,000,000</u>

FINANCING SUMMARY

Security:	The Bonds will be secured by a Master Indenture Note. The Bonds will be uninsured.
Structure:	The Bonds will be purchased and directly held by US Bank, N.A.
Interest Rate:	To be determined based on current market conditions.
Interest Mode:	Fixed Rate
Credit Enhancement:	None
Maturity:	Final Maturity will be 11/15/2028, which is the current final maturity date associated with the existing Series 1998 Bonds.
Bond Ratings:	The Bonds will be purchased directly by US Bank, N.A. and will not carry a rating.
Underlying Ratings:	NMFF has underlying long-term ratings of "A1" and A+" by Moody's and Fitch, respectively.
Estimated Closing Date:	April 2012

PROJECT SUMMARY

Bond proceeds will be used to (i) refund **Northwestern Medical Faculty Foundation** ("NMFF", the "**Facility**", the "**Corporation**" or the "**Borrower**") IFHA Series 1998 Bonds and (ii) pay associated cost of issuance.

BUSINESS SUMMARY

Northwestern Medical Faculty Foundation ("NMFF") is an academic faculty practice plan for the full-time faculty of Northwestern University's Feinberg School of Medicine and is comprised of approximately 720 physicians and over 1,400 additional allied health professionals and other staff. NMFF provides support for the clinical care activities of its members, a venue for medical education and clinical research, charitable outreach to the community and support of the academic mission of the Feinberg School of Medicine.

NMFF's mission is to promote optimal health for patients and the broader community by preventing and curing disease, providing high-quality medical care, and supporting critical inquiry and continuous learning. NMFF physicians embody the traditional tripartite commitments of academic medicine – clinical care, research, and teaching – and work in a variety of medical and surgical specialties and subspecialties. NMFF's physicians serve as full-time faculty at Northwestern University Feinberg School of Medicine and as members of the medical staff of **Northwestern Memorial Hospital** ("NMH").

ECONOMIC DISCLOSURE STATEMENT

Applicant: Northwestern Medical Faculty Foundation
675 North St. Clair Street
Chicago, Illinois 60611-2923

Borrower: Northwestern Medical Faculty Foundation

Board of Directors:

Chair:	Eric Neilson M.D.
Members:	James Adams M.D. H. Hunt Batjer M.D. John Csernansky M.D. Sharon Dooley M.D. Robert Kern M.D. John Kessler M.D. Bharat Mittal M.D. William Muller M.D. Amy Paller M.D. Terrance Peabody M.D. Eric Russell M.D. Anthony Schaeffer M.D. Nathaniel Soper M.D. M. Christine Stock M.D. Douglas Vaughan M.D. Nicholas Volpe M.D.
At-large Members:	James Chandler M.D. Robert Feder M.D. William Grobman M.D. Jonathan Licht M.D. David Mahvi M.D. Judith Wolfman M.D.
Division Chiefs:	Malcolm DeCamp M.D. Clyde Yancy M.D.
Outside Directors:	Stephen Crawford Charles Gardner J. Douglas Gray Lloyd Morgan Jane Pigott
Ex-officio:	Dean Harrison Norman Botsford
Non-Voting Ex-officio:	Robert Rosa M.D. Steven Rosen M.D. Elliot Roth M.D.
Honorary Member:	Kenneth Kaufman
Emeritus:	Lewis Landsberg M.D.
Staff (Agendas/Minutes):	Danae Prousis
Staff:	Brian Walsh

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Jones Day	Chicago	Rich Tomei
Accountant:	Ernst & Young	Chicago	Tadd Ingles
Financial Advisor:	Kaufman Hall	Chicago	Kenneth Kaufman and Sarah Dawkins
Bond Counsel:	Jones Day	Chicago	Rich Tomei
Bank:	US Bank	St. Louis	Michael Dorn
Bank Counsel:	Chapman & Cutler	Chicago	David Field
IFA Counsel:	Greenberg Traurig	Chicago	Matt Lewin
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago	Courtney Shea

LEGISLATIVE DISTRICTS

			New
Congressional:	7	Danny K Davis	7
State Senate:	13	Kwame Raoul	13
State House:	26	Kimberly du Buclet	26

SERVICE AREA

NMFF is an academic faculty practice plan for the full-time faculty of Northwestern University's Feinberg School of Medicine and is comprised of approximately 720 physicians and over 1,400 additional allied health professionals and other staff. NMFF provides support for the clinical care activities of its members, a venue for medical education and clinical research, charitable outreach to the community and support of the academic mission of the Feinberg School of Medicine.

NMFF's mission is to promote optimal health for patients and the broader community by preventing and curing disease, providing high-quality medical care, and supporting critical inquiry and continuous learning. NMFF physicians embody the traditional tripartite commitments of academic medicine – clinical care, research, and teaching – and work in a variety of medical and surgical specialties and subspecialties. NMFF's physicians serve as full-time faculty at Northwestern University Feinberg School of Medicine and as members of the medical staff of Northwestern Memorial Hospital ("NMH").

NMFF's revenue is primarily derived from reimbursement for clinical services provided by NMFF physicians at ambulatory care locations, at NMH and other sites in the metropolitan Chicagoland area.

NMFF's clinical practice includes tertiary and quaternary specialists for the Chicago market and provides a wide breadth of services including: Allergy/Immunology, Anesthesiology, Bluhm Cardiovascular Institute of Northwestern, Bone Health and Osteoporosis Program, Cancer Genetics Program, Cardiac Behavioral Medicine, Cardiac Surgery, Cardiology, Center for Lifestyle Medicine, Clinical Genetics, Cognitive Neurology and Alzheimer's Disease Center (CNADC), Comprehensive Epilepsy Center, Dermatology, Emergency Medicine, Endocrine Surgery, Endocrinology/Metabolism, Family Planning and Contraception, Gastroenterology, Gastrointestinal Surgery, General Internal Medicine, Geriatrics, Gynecologic Oncology, Gynecology and Gynecologic Surgery, Hematology/Oncology, Hepatology, HIV Center, Hospitalist Service, Immunotherapy, Infectious Disease, Lynn Sage Comprehensive Breast Center, Maternal-Fetal Medicine, Nephrology, Neurological Surgery, Neurology, Northwestern Faculty for Women's Health, Northwestern Gynecologic Center for Minimally Invasive Surgery, Northwestern Ovarian Cancer Early Detection and Prevention Program, Northwestern Sinus and Allergy Center, Obstetrics, Ophthalmology, Orthopaedic Surgery, Otolaryngology - Head and Neck Surgery, Pain Medicine Center, Pathology, Pelvic Health Program, Physical & Occupational Therapy, Plastic and Reconstructive Surgery, Psychiatry and Behavioral Sciences, Psychiatry and Law, Pulmonary and Critical Care Medicine, Radiation Oncology, Radiology, Radiology: Interventional Neuroradiology, Radiology: Interventional Oncology, Radiology: Interventional Radiology, Radiology: Uterine Fibroid Embolization, Radiology: Vein Center, Reproductive Endocrinology and Infertility, Reproductive Geneticism, Reproductive Ultrasound (Obstetrics and Gynecology), Rheumatology, Robert H. Lurie Comprehensive Cancer Center, Robotic Surgery, STAR Program (Comprehensive Care for Childhood Cancer Survivors), Surgical Oncology, Thoracic (Chest) Surgery, Transplantation Surgery, Trauma and Critical Care, Urogynecology and Urology and Vascular Surgery.

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Rich Frampton & Brad R. Fletcher

Date: April 10, 2012

Re: Resolution authorizing the execution and delivery of an Amended Trust Indenture and an Amended Bond and Loan Agreement in connection with Illinois Development Finance Authority (“IDFA”) Industrial Revenue Variable Rate Demand Bonds (U.S. Acrylic, Inc. Project), Series 2003

IDFA Series 2003 File Number: 9845-IRB

IFA Series 2003 File Number: I-ID-TE-CD-8548

Request:

Hsu Properties, LLC (the “**Borrower**”), an Illinois limited liability company, and **First Midwest Bank**, or one of its affiliated entities that is also a financial institution (the “**Bond Purchaser**”), are requesting approval of a Resolution to authorize execution and delivery of an Amended Indenture of Trust and an Amended Bond and Loan Agreement to effectuate the purchase of IDFA Industrial Revenue Variable Rate Demand Bonds (U.S. Acrylic, Inc. Project), Series 2003 (the “**Bonds**”) by the Borrower’s new relationship bank.

The Bonds are currently secured by a Direct Pay Letter of Credit from Fifth Third Bank, N.A., and will be purchased in whole and held as an investment by First Midwest Bank, N.A. (or an affiliate).

The original par amount of the Bonds was approximately \$5,170,000. The outstanding par amount of the Bonds was approximately \$3,555,000 as of April 1, 2012.

Approval of this Resolution will authorize a new bank purchase interest rate mode that will enable the \$3,555,000 in an aggregate principal amount of IFA Revenue Refunding Bonds (U.S. Acrylic, Inc. Project), Series 2003 to be purchased directly by First Midwest Bank, N.A.. As an extension of the final maturity date will not occur, the terms of the Bonds will not have been significantly modified, thus not requiring a new Tax Equity and Fiscal Responsibility Act (“**TEFRA**”) hearing to be held. Under federal tax law, this transaction will be considered a reissuance for tax purposes, thereby enabling the new bank purchase interest rate mode. IFA’s estimated administrative fee will be \$5,000.

Background:

The Series 2003 Bonds were used for the permanent financing of a portion of the costs of the acquisition, construction and equipping of a manufacturing facility used in the fabrication of plastic products located in Libertyville, Illinois. The real estate portion of the Project is owned by the Borrower and the equipment portion of the Project is owned by U.S. Acrylic, Inc., an Illinois corporation, which operates the manufacturing facility. The principal owners of U.S. Acrylic, Inc. also own the Borrower (i.e., Hsu Properties, LLC), a special purpose entity formed to own the project real estate.

All payments relating to the IDFA Series 2003 Bonds are current and have been paid as scheduled.

PROFESSIONAL & FINANCIAL

Borrower Counsel:	Edward Y. Lau	Chicago, IL	Edward Y. Lau
Bond Counsel:	Peck, Shaffer & Williams LLP	Chicago, IL	Tom Smith
Bond Purchaser:	First Midwest Bank, N.A.	Chicago, IL	Melvin Branch
Bank Counsel:	Gordon Rappold	Chicago, IL	Peter Miller
Exiting Trustee:	Fifth Third Securities, Inc.	Chicago, IL	
IFA Counsel:	Forthcoming		
IFA Financial Advisor:	Acacia Financial Group, Inc.	Chicago, IL	Courtney Shea

IFA RESOLUTION NO. 2012-0410-BI_____

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDED AND RESTATED INDENTURE OF TRUST AND AMENDED AND RESTATED LOAN AGREEMENT BY THE ILLINOIS FINANCE AUTHORITY RELATING TO THE ILLINOIS DEVELOPMENT FINANCE AUTHORITY INDUSTRIAL DEVELOPMENT VARIABLE RATE DEMAND REVENUE BONDS (U.S. ACRYLIC, INC. PROJECT) SERIES 2003 (THE "BONDS"), TO ADD A BANK INTEREST RATE MODE TO ALLOW THE BONDS TO BE PURCHASED DIRECTLY BY FIRST MIDWEST BANK, AND APPROVING THE EXECUTION OF CERTAIN OTHER AGREEMENTS RELATING TO THE AMENDMENT TO THE TERMS OF THE BONDS; AND RELATED MATTERS.

WHEREAS, the **ILLINOIS FINANCE AUTHORITY** (the "*Authority*"), a body politic and corporate duly organized and validly existing under and by virtue of the laws of the State of Illinois (the "*State*"), including, without limitation the Illinois Finance Authority Act, 20 ILCS 3501/801-1, as supplemented and amended (the "*Act*"), is successor to the Illinois Development Finance Authority which has previously issued its \$5,170,000 original aggregate principal amount Industrial Development Variable Rate Demand Revenue Bonds (U.S. Acrylic, Inc. Project) Series 2003 (the "*Bonds*") which Bond are currently outstanding in the principal amount of \$3,500,000; and

WHEREAS, in furtherance of the issuance of the Bonds, the Authority is a party to an Indenture of Trust dated as of August 1, 2003 (the "*Original Indenture*") with Deutsche Bank National Trust Company (as successor to Fifth Third Bank (Chicago)), as Trustee (the "*Trustee*"), and a Loan Agreement dated as of August 1, 2003 (the "*Original Loan Agreement*") with Hsu Properties, LLC, an Illinois limited liability company (the "*Borrower*"), pursuant to which the proceeds of the Bonds were lent by the Authority to the Borrower to finance the acquisition and construction of an 85,000 square foot manufacturing facility for the manufacture of plastic products located at 1300 Harris Road, Libertyville, Illinois and the acquisition and installation of equipment for use therein (the "*Project*"); and

WHEREAS, the Borrower has represented to the Authority that the acquisition, construction and equipping of the Project has resulted in the creation or retention of jobs in the State; and

WHEREAS, the payment of the Bonds is currently secured by a direct-pay letter of credit (the "*Letter of Credit*") issued by a financial institution (the "*Letter of Credit Bank*"), and the Borrower and the Letter of Credit Bank have determined not to extend the Letter of Credit beyond the current expiration date of the Letter of Credit which is June 30, 2012; and

WHEREAS, pursuant to the terms of the Original Indenture, the Borrower is working with the Letter of Credit Bank to create a mandatory purchase of the Bonds or a purchase in lieu of optional redemption in order to effect an amendment and restatement of the Original Indenture and the Original Loan Agreement to create a Bank Interest Rate Mode for the Bonds so that the Bonds can be purchased directly by First Midwest Bank (the "*Bank*"); and

WHEREAS, at the time of the mandatory purchase or purchase in lieu of redemption, as the case may be, the Bank and the Borrower, as 100% beneficial owners of the Bonds will consent to the amendment and restatement of the Original Indenture and Original Loan Agreement and the Bonds will thereafter be held by the Bank in a Bank Interest Rate Mode for the duration of the Initial Bank Interest Rate Period; and

WHEREAS, it is proposed that the Authority enter into an Amended and Restated Indenture of Trust (the "*Restated Indenture*") and an Amended and Restated Loan Agreement (the "*Restated Loan*")

Agreement”) to provide for the addition of a Bank Interest Rate Mode and the ability for the Bank to hold the Bonds in the Bank Interest Rate Mode as the sole holder of the Bonds; and

WHEREAS, it is necessary and desirable and in the best interest of the Authority to authorize the execution and delivery of (i) the Restated Indenture, (ii) the Restated Loan Agreement, and (iii) an Amended and Restated Bond (the “*Restated Bond*”), which shall be retitled “Illinois Finance Authority Industrial Development Variable Rate Demand Revenue Bonds (U.S. Acrylic, Inc. Project) Series 2003”; and

WHEREAS, it is necessary and desirable that the Authority, the Bank and the Borrower to enter into a Reissuance Tax Exemption Certificate and Agreement (the “*Tax Regulatory Agreement*”), for the purpose of preserving the tax-exempt nature of interest on the Bonds;

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

Section 1. Pursuant to the Act, the Authority does hereby authorize the amendment and reissuance of the Restated Bond in accordance with the terms of the Restated Indenture and the Restated Loan Agreement and does hereby determine that the amendment and reissuance of the Bonds as the Restated Bond by the Authority under the Act is in the public interest and will promote the purposes of the Authority.

Section 2. The Restated Indenture, in substantially the form on file with the Authority at this meeting and containing substantially the terms and provisions set forth therein, is hereby authorized, approved and confirmed, and the form, terms and provisions of the Restated Indenture are hereby approved, with such changes and revisions therein as shall be approved by the officers of the Authority executing and attesting the same, their signatures thereon to constitute conclusive evidence of such approval, and the Chairman, Vice Chairman, any of its other Members, Executive Director, Treasurer or any person duly appointed by the Members to serve in such office on an interim basis (each an “*Authorized Officer*”) are hereby authorized and directed to execute, and the Secretary or Assistant Secretary of the Authority is authorized to attest the Restated Indenture and deliver the Restated Indenture to the other party or parties thereto.

Section 3. The Restated Loan Agreement, in substantially the form on file with the Authority at this meeting and containing substantially the terms and provisions set forth therein, is hereby authorized, approved and confirmed, and the form, terms and provisions of the Restated Loan Agreement are hereby approved, with such changes and revisions therein as shall be approved by the officers of the Authority executing and attesting the same, their signatures thereon to constitute conclusive evidence of such approval, and the Authorized Officers are hereby authorized and directed to execute, and the Secretary or Assistant Secretary of the Authority is authorized to attest the Restated Loan Agreement and deliver the Restated Loan Agreement to the other party or parties thereto.

Section 4. In order to preserve the excludability of interest on the Bonds from gross income for federal income tax purposes, the Authority does hereby authorize the execution by an Authorized Officer and the delivery of the Tax Regulatory Agreement, among the Authority, the Borrower and the Bank. The Tax Regulatory Agreement shall be in substantially similar form to those previously executed by Authority in similar transactions, and hereby approved, or with such changes therein as shall be approved by special counsel to the Authority and the Authorized Officer of the Authority executing the same, with such execution to constitute conclusive evidence of such person’s approval and the Authority’s approval of any changes or revisions therein from the previous forms of such Tax Regulatory Agreement.

Section 5. The Members, officers, agents and employees of the Authority are hereby authorized and directed to do all such acts and things and to execute or accept all such documents as may be necessary to carry out and comply with the provisions of these resolutions, 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 and within the parameters set forth herein, whether heretofore or hereafter taken or done, shall be and are hereby authorized, ratified, confirmed and approved. Unless otherwise provided in the Restated Indenture or Restated Loan Agreement, or any related document, wherever in such documents or any other document executed pursuant hereto it is provided that an action shall be taken by an Authorized Officer of the Authority, or in the event of the unavailability, inability or refusal of an Authorized Officer to act, 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 Restated Indenture, Restated Loan Agreement or other related document.

Section 6. That the Authority's closing fee shall be payable at closing and based on the par amount of the Revised Bonds (the "*par amount*"), which closing fee shall be calculated by adding the sum of (i) either \$5,000 for any par amount less than or equal to \$5,000,000 or \$10,000 for any par amount greater than or equal to \$5,000,001, plus (ii) 20 basis points of any par amount greater than or equal to \$10,000,000.

Section 7. All acts of the officials of the Authority which are in conformity with the purposes and intent of this Resolution and in furtherance with the amendment to the terms of the Bonds be, and the same hereby are, in all respects, approved and confirmed.

Section 9. The provisions of this Resolution are hereby declared to be separable and if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of remainder of the sections, phrases and provisions.

Section 10. Repealer. All resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 11. Full Force and Effect. This Resolution shall be in full force and effect immediately upon its passage, as by law provided.

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ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Rich Frampton & Brad R. Fletcher

Date: April 10, 2012

Re: Resolution authorizing the execution and delivery of an Amended and Restated Indenture of Trust and an Amended and Restated Loan Agreement in connection with Illinois Development Finance Authority (“IDFA”) Variable Rate Demand Revenue Bonds (Metropolitan Family Services Project), Series 1999
IDFA Series 1999 File Number: 8952-NP
IFA Series 1999 File Number: H-CP-TE-CD-8547

Request:

Metropolitan Family Services (the “**Borrower**”), an Illinois special charter not-for-profit corporation, and **PNC Bank, N.A.** (the “**Bond Purchaser**”), are requesting approval of a Resolution to authorize execution and delivery of an Amended and Restated Indenture of Trust and an Amended and Restated Loan Agreement to effectuate the purchase of IDFA Variable Rate Demand Revenue Bonds (Metropolitan Family Services Project), Series 1999 (the “**Bonds**”).

The Bonds are currently secured by a Direct Pay Letter of Credit from Bank of America, N.A., and will be purchased in whole and held as an investment by PNC Bank, N.A. The original par amount of the Bonds was approximately \$12,700,000.

The outstanding par amount of the Bonds was approximately \$12,700,000 as of April 1, 2012. Approval of this Resolution will authorize the execution and delivery of an amended and restated Indenture of Trust and Loan Agreement that will enable the \$12,700,000 aggregate principal amount of IFA Variable Rate Revenue Bonds (Metropolitan Family Services Project), Series 1999 to be purchased directly in a new bank purchase interest rate mode by PNC Bank, N.A. As an extension of the final maturity will not occur, the terms of the Prior Bonds will not have been significantly modified, thus not requiring a new Tax Equity and Fiscal Responsibility Act (“TEFRA”) hearing to be held. Under federal tax law, this transaction will be considered a reissuance for tax purposes in order to enable the new bank direct purchase interest rate mode. IFA’s estimated administrative fee will be \$15,400.

Background:

The Series 1999 Bonds were used to finance (i) all or a portion of the costs of the acquisition, construction, renovation, expansion, restoration and equipping of certain facilities of the Corporation located at 3843 West 63rd Street, 235 East 103rd Street, and 14 East Jackson Boulevard in the City of Chicago, Illinois; at 10537 South Roberts Road in the City of Palos Hills, Illinois; at 222 East Willow Avenue in the City of Wheaton, Illinois; and at 1889 Cary Road in unincorporated McHenry County, Illinois, which included the construction and equipping of facility improvements and enhancements including, without limitation, office and work stations for staff, meeting rooms for community groups, special purpose space for group services, a youth center, technology upgrades and other additions to and renovations of the existing facilities (the “**Project**”), (ii) certain capitalized interest on the Bonds and (ii) all or a portion of the costs of issuance of the Bonds.

All payments relating to the IDFA Series 1999 Bonds are current and have been paid as scheduled.

PROFESSIONAL & FINANCIAL

Borrower Counsel:	Staub Anderson Green LLC	Chicago, IL	Eric Anderson
Bond Counsel:	Perkins Coie LLP	Chicago, IL	Bill Corbin
Bond Purchaser:	PNC Bank, N.A.	Chicago, IL	Barbara Fahnstrom
Bank Counsel:	Chapman & Cutler LLP	Chicago, IL	Carol Thompson
Current Trustee:	U.S. Bank, N.A.	Chicago, IL	Kenneth Brandt
IFA Counsel:	TBD	Chicago, IL	
IFA Financial Advisor:	Scott Balice Strategies, Inc.	Chicago, IL	Julia Harris

IFA RESOLUTION NO. 2012-0410-_____

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDED AND RESTATED INDENTURE OF TRUST AND AN AMENDED AND RESTATED LOAN AGREEMENT RELATING TO THE \$12,700,000 ORIGINAL PRINCIPAL AMOUNT VARIABLE RATE DEMAND REVENUE BONDS, SERIES 1999 (METROPOLITAN FAMILY SERVICES PROJECT), OF THE ILLINOIS DEVELOPMENT FINANCE AUTHORITY, WHICH AMENDMENTS PROVIDE FOR THE ADDITION OF A NEW INTEREST RATE MODE AND OTHER CHANGES; APPROVING THE EXECUTION AND DELIVERY OF AN ADDITIONAL COVENANT AGREEMENT AND RELATED MATTERS.

WHEREAS, the Illinois Finance Authority, a body politic and corporate duly organized and validly existing under and by virtue of the laws of the State of Illinois (the "*Authority*"), including, without limitation, the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq., as supplemented and amended (the "*Act*"), is successor to the Illinois Development Finance Authority which has previously issued its \$12,700,000 aggregate principal amount Variable Rate Demand Revenue Bonds, Series 1999 (Metropolitan Family Services Project), which are outstanding as of the date hereof in the aggregate principal amount of \$12,700,000 (the "*Bonds*"); and

WHEREAS, in furtherance of the issuance of the Bonds, the Authority is a party to an Indenture of Trust dated as of March 1, 1999 (the "*Indenture*") with U.S. Bank, National Association (as successor to LaSalle National Bank), as Trustee (the "*Trustee*"), and a Loan Agreement dated as of March 1, 1999 (the "*Loan Agreement*") with Metropolitan Family Services, an Illinois special charter not-for-profit corporation (the "*Corporation*"), pursuant to which the proceeds of the Bonds were lent by the Authority to the Corporation to finance (a) all or a portion of the costs of the acquisition, construction, renovation, expansion, restoration and equipping of certain facilities of the Corporation located at 3843 West 63rd Street and 235 East 103rd Street and 14 East Jackson Boulevard in the City of Chicago, Illinois, and at 10537 South Roberts Road in the City of Palos Hills, Illinois, and at 222 East Willow Avenue in the City of Wheaton, Illinois, and at 1889 Cary Road in unincorporated McHenry County, Illinois, which includes the construction and equipping of facility improvements and enhancements including, without limitation, office and work stations for staff, meeting rooms for community groups, special purpose space for group services, a youth center, technology upgrades and other additions to and renovations of the existing facilities (the "*Project*"), (b) certain capitalized interest on the Bonds and (c) all or a portion of the costs of issuance of the Bonds; and

WHEREAS, payment of the Bonds is currently supported by a Letter of Credit (the "*Letter of Credit*") issued by Bank of America, N.A. (the "*Bank*"), which Letter of Credit is currently scheduled to expire on June 15, 2012; and

WHEREAS, in advance of the expiration of the Letter of Credit, the Corporation has arranged for the purchase of the Bonds in whole by PNC Bank, National Association (the "*Purchaser*") without any credit enhancement for the Bonds; and

WHEREAS, the Authority and the Corporation desire to add a new interest rate mode to the Indenture (the "*Index Interest Rate Period*") under which the Bonds will be initially owned by the Purchaser and to make certain other changes to the Indenture and the Loan Agreement to update such documents to conform to present market conditions; and

WHEREAS, the Indenture permits the supplementation and amendment of the Indenture and the Loan Agreement with the consent of the owner of the Bonds, the Trustee and the Corporation; and

WHEREAS, (i) the Trustee has agreed that it will consent to amendments to the Indenture (including the revised form of Bond contained therein) and the Loan Agreement in the form, respectively,

of the Amended and Restated Indenture of Trust (the "*Amended and Restated Indenture*") between the Authority and the Trustee and the Amended and Restated Loan Agreement (the "*Amended and Restated Agreement*") between the Authority and the Corporation, to add the Index Interest Rate Period and to make other changes to update such documents to conform to present market conditions; (ii) the Corporation has agreed that it will enter into the Amended and Restated Agreement and will consent to the entering into of the Amended and Restated Indenture and that it will also enter into or provide any supplemental tax or other certificates required by Perkins Coie LLP, as Bond Counsel (the "*Supplemental Certificates*"); and (iii) the Purchaser, as the registered owner of 100% of the outstanding principal amount of the Bonds on the amendment closing date will consent to the entering into of the Amended and Restated Indenture and the Amended and Restated Agreement; and

WHEREAS, the Bonds will be purchased by the Purchaser pursuant to the terms of an Additional Covenant Agreement (the "*Index Rate Agreement*") between the Corporation and the Purchaser; and

WHEREAS, in order to effectuate the above, the Corporation has requested the Authority to approve and to enter into the Amended and Restated Indenture (including the revised form of Bond contained therein) and the Amended and Restated Agreement, each in substantially the form submitted and on file with the Authority at this meeting, and to enter into or provide any Supplemental Certificates; and

WHEREAS, it is necessary, desirable and in the best interests of the Authority to authorize the execution and delivery of (i) the Amended and Restated Indenture, (ii) the Amended and Restated Agreement and (iii) the revised Bonds, to be designated "Illinois Finance Authority Variable Rate Revenue Bonds, Series 2012 (Metropolitan Family Services Project)" in substantially the form set forth in the Amended and Restated Indenture (the "*Revised Bonds*"); and

WHEREAS, it is now necessary, desirable and in the best interests of the Authority to approve the purchase of the Bonds by the Purchaser pursuant to the Index Rate Agreement; and

NOW THEREFORE, BE IT RESOLVED by the Members of the Illinois Finance Authority on April 10, 2012, as follows:

SECTION 1. That all of the recitals contained in the preambles to this Resolution are full, true and correct, and are hereby incorporated into this Resolution by this reference.

SECTION 2. That, pursuant to the Act, the modification of the terms of the financing of the facilities financed with the proceeds of the Bonds in accordance with the terms of the Amended and Restated Indenture and the Amended and Restated Agreement are hereby approved and authorized, and such modifications are in furtherance of the Authority's public purposes.

SECTION 3. That the Authority is hereby authorized to enter into the Amended and Restated Indenture with the Trustee in substantially the same form now on file with the Authority; that the form, terms and provisions of the Amended and Restated Indenture be, and they hereby are, in all respects approved; that the Chairman, the Vice Chairman, the Executive Director of the Authority or any person authorized by a Resolution of the Authority be, and each of them hereby is, authorized, empowered and directed to execute, 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, the Amended and Restated Indenture in the name, for and on behalf of the Authority, and thereupon to cause the Amended and Restated Indenture to be delivered to the Trustee in substantially the form now on file with the Authority or with such changes or revisions therein as the individual executing the Amended and Restated Indenture on behalf of the Authority shall approve, his or her execution thereof to constitute conclusive evidence of such approval of any and all changes and revisions therein from the form of the Amended and Restated Indenture now on file with the Authority; that when the Amended and Restated Indenture is executed, attested, sealed and delivered on behalf of the Authority as hereinabove provided, such Amended and Restated Indenture shall be binding on the Authority; that from and after the execution and delivery of the Amended and Restated Indenture, the officers, employees and agents of the Authority are hereby authorized, empowered and directed to do all such acts and things and to execute all such

documents as may be necessary to carry out and comply with the provisions of the Amended and Restated Indenture as executed; and that the Amended and Restated Indenture shall constitute, and hereby is made, a part of this Resolution, and a copy of the Amended and Restated Indenture shall be placed in the official records of the Authority and shall be available for public inspection at the office of the Authority.

SECTION 4. That the Authority is hereby authorized to enter into the Amended and Restated Agreement with the Corporation in substantially the same form now on file with the Authority; that the form, terms and provisions of the Amended and Restated Agreement be, and they hereby are, in all respects approved; that the Chairman, the Vice Chairman, the Executive Director of the Authority or any person authorized by a Resolution of the Authority be, and each of them hereby is, authorized, empowered and directed to execute, 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, the Amended and Restated Agreement in the name, for and on behalf of the Authority, and thereupon to cause the Amended and Restated Agreement to be delivered to the Corporation in substantially the form now on file with the Authority or with such changes or revisions therein as the individual executing the Amended and Restated Agreement on behalf of the Authority shall approve, his or her execution thereof to constitute conclusive evidence of such approval of any and all changes and revisions therein from the form of the Amended and Restated Agreement now on file with the Authority; that when the Amended and Restated Agreement is executed, attested, sealed and delivered on behalf of the Authority as hereinabove provided, such Amended and Restated Agreement shall be binding on the Authority; that from and after the execution and delivery of the Amended and Restated Agreement, the officers, employees and agents of the Authority are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Amended and Restated Agreement as executed; and that the Amended and Restated Agreement shall constitute, and hereby is made, a part of this Resolution, and a copy of the Amended and Restated Agreement shall be placed in the official records of the Authority and shall be available for public inspection at the office of the Authority.

SECTION 5. That the form of the Revised Bonds in substantially the same form now on file with the Authority, subject to appropriate insertions and revisions in order to comply with the provisions of the Amended and Restated Indenture (as executed and delivered), is hereby approved; that the Revised Bonds shall be executed in the name, for and on behalf of the Authority with the manual or facsimile signature of the Chairman, the Vice Chairman or the Executive Director and attested with the manual or facsimile signature of the Secretary or any Assistant Secretary and the official seal of the Authority shall be impressed or imprinted thereon; that the Authority deems it proper to delegate to the Chairman, the Vice Chairman or the Executive Director of the Authority the power to approve any and all changes to the Revised Bonds as the Chairman, the Vice Chairman or the Executive Director of the Authority shall, on behalf of the Authority, determine, subject to the terms of the Revised Bonds contained in the Amended and Restated Indenture; that any such determinations shall be conclusive, shall be evidenced by the execution and delivery by the Chairman, the Vice Chairman or the Executive Director of the Authority of the Revised Bonds, and shall be authorized by this Resolution; that the Revised Bonds, as executed, shall be binding on the Authority; that the Chairman, the Vice Chairman or the Executive Director of the Authority or the Secretary or any Assistant Secretary of the Authority shall cause the Revised Bonds, as so executed and attested, to be delivered to the Trustee for authentication; that when the Revised Bonds shall be executed on behalf of the Authority in the manner and containing the terms contemplated by the Amended and Restated Indenture and this Resolution in an aggregate principal amount not to exceed the amount of Bonds outstanding on the date of such execution, they shall represent the approved form of Revised Bonds of the Authority.

SECTION 6. That the execution and delivery of the Index Rate Agreement by the Corporation and the Purchaser, and the purchase of the Bonds by the Purchaser thereunder, is hereby approved.

SECTION 7. That the Chairman, the Vice Chairman, the Executive Director, the Secretary and any Assistant Secretary of the Authority or any person authorized by a Resolution of the Authority be, and each of them hereby is, authorized to execute and deliver such documents, Supplemental Certificates, certificates, and undertakings of the Authority and to take such other actions as may be required in connection with the execution, delivery and performance of the Amended and Restated Indenture, the Amended and Restated Agreement and the Revised Bonds authorized by this Resolution, including without limitation the signing of IRS Form 8038 and the filing thereof with the Internal Revenue Service if required by Bond Counsel.

SECTION 8. That the Corporation shall be entitled to appoint a different Trustee to act as Trustee under the Amended and Restated Indenture so long as such new Trustee meets the general requirements of the Authority for acting as trustee thereunder, and the Authority's execution and delivery of the Amended and Restated Indenture shall constitute conclusive evidence of the Authority's approval of such new Trustee.

SECTION 9. That the Authority's closing fee shall be payable at closing and based on the par amount of the Revised Bonds (the "*par amount*"), which closing fee shall be calculated by adding the sum of (i) either \$5,000 for any par amount less than or equal to \$5,000,000 or \$10,000 for any par amount greater than or equal to \$5,000,001, plus (ii) 20 basis points of any par amount greater than or equal to \$10,000,000.

SECTION 10. That all acts of the officers, employees and agents of the Authority which are in conformity with the intent and purposes of this Resolution, whether heretofore or hereafter taken or done, be, and the same hereby are, in all respects, ratified, confirmed and approved.

SECTION 11. That the provisions of this Resolution are hereby declared to be separable and if any section, phrase or provision hereof shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions of this Resolution.

SECTION 12. That all resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

SECTION 13. That this Resolution shall be in full force and effect immediately upon its passage, as by law provided.

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ILLINOIS FINANCE AUTHORITY
Memorandum

To: IFA Board of Directors

From: Pam Lenane/Nora O'Brien

Date: April 10, 2012

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

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, one of which is designated 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-3 Bonds will be subject to mandatory tender on May 1, 2012 at the end of the current variable-rate period for such subseries. It is expected that the Series 2008A-3 Bonds will continue to bear interest at a variable rate during the next variable-rate period which begins on May 1, 2012. The rate of interest and the length of the next period will be determined when the Series 2008A-3 Bonds are remarketed on May 1, 2012.

Currently, under the terms of the bond indenture for the Series 2008A Bonds, the Series 2008A-3 Bonds must be remarketed on May 1, 2012 at par, unless the next variable-rate period extends to the final maturity of the Series 2008A-3 Bonds. Advocate does not expect that the next variable-rate period will extend to the final maturity of the Series 2008A-3 Bonds.

Advocate has requested that the bond indenture be amended in connection with the remarketing of the Series 2008A-3 Bonds on May 1, 2012 to permit the Series 2008A-3 Bonds to be remarketed at a premium or a discount for either (1) the variable-rate period that begins on May 1, 2012 and ends on a future date to be determined by Advocate on May 1, 2012 or (2) one or more variable-rate periods that begin on or after May 1, 2012. It is expected that Advocate will select one of the two alternative amendments prior to the Authority's meeting on Tuesday, April 10, 2012, subject to the approval of counsel to the Authority and bond counsel.

The amendment selected by Advocate will be described in a supplement to the original Official Statement for the Series 2008A Bonds to be prepared in connection with the remarketing of the Series 2008A-3 Bonds on May 1, 2012. The supplement will be distributed to potential purchasers of the Series 2008A-3 Bonds and will disclose to potential purchasers that, if they elect to purchase the Series 2008A-3 Bonds on May 1, 2012, they will be deemed to have consented to the amendment. The amendment will take effect on May 1, 2012.

RESOLUTION 2012-0410-_____

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDMENT 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 AMENDMENT; 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"), as previously supplemented and amended by the First Supplemental Trust Indenture dated as of June 1, 2009 (the Original Indenture, as so supplemented and amended, the "Existing Indenture"; capitalized terms used, but not defined herein, to have the meanings set forth in the Existing Indenture), between the Authority and the Trustee; 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, 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 Series 2008A-3 Bonds currently operate in a Long Term Interest Rate Period that ends on April 30, 2012 and will be subject to mandatory tender for purchase from the current Holders thereof on May 1, 2012; and

WHEREAS, Advocate Health Care Network, as obligated group agent (the "Obligated Group Agent"), has elected that the Series 2008A-3 Bonds will continue to bear interest at a Long Term Interest Rate for a new Long Term Interest Rate Period commencing on May 1, 2012 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 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 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, 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

WHEREAS, the Obligated Group Agent does not expect that the last day of the next new Long Term Interest Rate Period will be the day immediately prior to the Maturity Date; however, the Borrower and the Obligated Group Agent desire that the Existing Indenture be amended to permit the Remarketing Agent to remarket the Series 2008A-3 Bonds on May 1, 2012 and/or thereafter on the first day of a new Long Term Interest Rate Period at a premium or a discount, provided that a Bond Counsel Opinion is delivered to the Authority and the Trustee in connection with such remarketing (the "Amendment"); and

WHEREAS, an Official Statement Supplement (the "2008A-3 Remarketing Supplement") will be prepared in connection with the remarketing of the Series 2008A-3 Bonds on May 1, 2012, which will describe the Amendment and, among other things, provide that, by their purchases of the Series 2008A-3 Bonds on May 1, 2012, the purchasers of the Series 2008A-3 Bonds will be deemed to have consented to the Amendment; and

WHEREAS, the Borrower and the Obligated Group Agent have requested that the Authority and the Trustee enter into a supplemental trust indenture (the "Supplemental Indenture") in order to effect the Amendment and that the Authority also authorize and approve the execution and delivery of all other documentation deemed necessary or appropriate in connection therewith; and

WHEREAS, the Authority desires to approve the Amendment and authorize and approve the execution and delivery of the Supplemental Indenture 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. That the Authority hereby approves the Amendment.

Section 2. That the Authority is hereby authorized to enter into the Supplemental Indenture in order to effect the Amendment; that its 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) 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, the Supplemental Indenture in the name, for and on behalf of the Authority, and thereupon to cause the Supplemental Indenture to be delivered to the Trustee for execution, such Supplemental Indenture to be in substantially the same form as is now before the Authority or with such changes therein as the Chairman, the Vice Chairman or the Executive Director (and for purposes of this Resolution, any person duly appointed to any such office on an interim or acting basis) 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 Supplemental Indenture now

before the Authority; that when the Supplemental Indenture is executed, attested, sealed and delivered on behalf of the Authority, the Supplemental Indenture shall be binding on the Authority; and that from and after the execution and delivery of the Supplemental Indenture, the officers, employees and agents of the Authority are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Supplemental Indenture as executed.

Section 3. That the distribution of a preliminary and/or final Official Statement Supplement by the Remarketing Agent describing the Amendment is hereby approved, such preliminary and/or final Official Statement Supplement to be in the form approved by bond counsel, counsel to the Borrower and internal counsel to the Authority.

Section 4. That 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) be, and each of them 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 in connection with the execution, delivery and performance of the Supplemental Indenture, the effecting of the Amendment and the distribution of a preliminary and/or final Official Statement Supplement, all as authorized by this Resolution.

Section 5. That all acts of the officers, employees and agents of the Authority which are in conformity with the purposes and intent of this Resolution be, and the same hereby are, in all respects, ratified, approved and confirmed.

Section 6. That the provisions of this Resolution are hereby declared to be separable, and if any section, phrase or provision hereof shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions of this Resolution.

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

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

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