

**MINUTES OF THE SEPTEMBER 11, 2012 MEETING OF THE BOARD OF
DIRECTORS OF THE ILLINOIS FINANCE AUTHORITY**

The Board of Directors (the “Board”) of the Illinois Finance Authority (the “IFA”), pursuant to notice duly given, held a Board Meeting on September 11, 2012, at 10:30 a.m. in the Conference Center, One Prudential Plaza, 130 East Randolph Avenue, Suite 750, Chicago, Illinois 60601.

IFA Board Members Present:

1. William A. Brandt, Jr., Chairman
2. Michael W. Goetz, Vice Chairman
3. Dr. William Barclay
4. Gila J. Bronner
5. Norman M. Gold
6. Terrence M. O’Brien
7. Heather D. Parish
8. Mayor Barrett F. Pedersen
9. Roger E. Poole (via audio conference)
10. Bradley A. Zeller

IFA Board Members Excused:

1. James J. Fuentes
2. Edward H. Leonard, Sr.

IFA Staff Present:

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

IFA Financial Advisor Present:

Courtney Shea, Acacia Financial Group, Inc.

I. Call to Order & Roll Call

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

II. Chairman's Remarks

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

III. Adoption of Minutes

Chairman Brandt stated that both the Minutes of the Committee of the Whole Meeting and the Minutes of the Board Meeting, each held on August 14, 2012, were reviewed at the Committee of the Whole Meeting held earlier this morning. Additionally, Chairman Brandt stated that the Financial Statements for the Month ended August 31, 2012 were reviewed at the Committee of the Whole Meeting held earlier this morning. Chairman Brandt requested a motion to adopt the Minutes of both Meetings held on August 14, 2012 and accept the Financial Statements for the Month ended August 31, 2012. Mr. O'Brien made a motion and Vice Chairman Goetz seconded the motion. A roll call vote was taken and the motion was adopted unanimously.

IV. Acceptance of Financial Statements

See Item III.

V. Approval of Project Reports and Resolutions

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

Mr. Frampton presented each of the following projects:

Agriculture – Beginning Farmer Bonds

Item No. 1A: Dustin & Dee Ellinger - \$118,000

Dustin & Dee Ellinger are requesting approval of a Final Bond Resolution in an amount not-to-exceed One Hundred Eighteen Thousand Dollars (\$118,000). Bond proceeds will be used to finance the acquisition of approximately 33.74 acres of farmland located in South Litchfield Township in Montgomery County.

Item No. 1B: Jonathan Dolder - \$446,650

Jonathan Dolder is requesting approval of a Final Bond Resolution in an amount not-to-exceed Four Hundred Forty-Six Thousand Six Hundred and Fifty Dollars (\$446,650). Bond proceeds will be used to finance the acquisition of approximately 122 acres of farmland located in Serena Township in LaSalle County.

Agriculture – Agri-Debt Guarantee

Item No. 2: Brian & Kelly Duncan - \$423,000

Brian & Kelly Duncan are requesting approval of an Agri-Debt Guarantee in an amount not-to-exceed Four Hundred Twenty-Three Thousand Dollars (\$423,000).

Loan proceeds will be used to finance the purchase of 350 shares of stock in South Morgan Acres, LLC and refinance an existing IFA Guaranteed Loan in the amount of One Hundred Twenty-Five Thousand Five Hundred Dollars (\$125,500). The Agri-Debt Guarantee of eighty-five percent of the Loan, or Three Hundred Fifty-Nine Thousand Five Hundred and Fifty Dollars (\$359,550), is a full faith and credit obligation of the State of Illinois.

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

Item No. 5: Rosalind Franklin University of Medicine & Science - \$16,600,000

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

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

Healthcare – 501(c)(3) Revenue Bonds

Item No. 8: Lutheran Home and Services Obligated Group - \$120,000,000

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

Bond proceeds will be used by Lutheran Home and Services Obligated Group (“Lutheran Homes”, “LHS”, the “Corporation” or the “Borrower”) to (i) pay or reimburse the Borrowers for, or refinance certain indebtedness, the proceeds of which were used for, the payment of certain costs of acquiring, constructing, renovating, remodeling and equipping certain “projects” (as such term is defined in the Illinois Finance Authority Act, as amended) for the Borrowers’ senior living community, including, but not limited to, the renovation of an existing long

term care facility, totaling approximately 126,000 square feet, known as the Olson Pavilion and the constructing and equipping of four additions to the Olson Pavilion totaling approximately 81,000 square feet, which additions will include 78-bed skilled nursing beds, resident dining rooms, rehabilitation rooms and other common areas; (ii) refund all or a portion of the outstanding Thirteen Million Two Hundred Thousand Dollar (\$13,200,000) Illinois Health Facilities Authority Weekly Adjustable Rate Revenue Bonds, Series 2001 (Lutheran Home and Services) (the "Series 2001 Bonds"); (iii) refund all or a portion of the outstanding Fourteen Million Three Hundred and Fifty Thousand Dollar (\$14,350,000) Illinois Health Facilities Authority Variable Rate Demand Revenue Refunding Bonds, Series 2003 (Lutheran Home and Services) (the "Series 2003 Bonds" and, together with the Series 2001 Bonds, the "Prior Bonds"); (iv) pay a portion of the interest on the Bonds; (v) establish a debt service reserve fund with respect to the Bonds; and (vi) pay certain expenses incurred in connection with the issuance of the Bonds and the refunding of the Prior Bonds.

Item No. 9: Rosecrance, Inc. - \$18,000,000

Rosecrance, Inc. is requesting approval of a Final Bond Resolution in an amount not-to-exceed Eighteen Million Dollars (\$18,000,000). This project is being presented for one-time consideration.

Bond proceeds will be used by Rosecrance, Inc. ("Rosecrance", the "Corporation" or the "Borrower") to (i) pay or reimburse the Users for the costs of acquiring, constructing, remodeling, renovating and equipping certain health care facilities owned by the Users; (ii) currently refund all or a portion of the outstanding County of Winnebago, Series 1998 Bonds; (iii) currently refund all or a portion of the outstanding Illinois Development Finance Authority, Series 2003 Bonds; (iv) refinance certain taxable mortgage loans of the Users and (v) pay certain expenses incurred in connection with the issuance of the Series 2012 Bonds, the refinancing of the Taxable Loans and the current refunding of the Prior Bonds.

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

Chairman Brandt asked Mr. Frampton to present the projects and resolutions to the Board which may have guests.

Mr. Frampton presented each of the following resolutions:

Resolutions

Item No. 11: Resolution Approving the Execution of Supplemental Bond Indentures to Permit the Exchange of Master Notes Currently held by Various Bond Trustees for Master Notes Provided by "Presence Health Obligated Group",

a newly created Parent Company for both Resurrection Health Care Corporation and Provena Health

Item No. 12: Resolution Authorizing the Execution and Delivery by the Illinois Finance Authority of a First Supplemental Indenture of Trust relating to its Tax-Exempt Revenue Bonds (Illinois Medical District Commission Project) Series 2006A and its Taxable Revenue Bonds (Illinois Medical District Commission Project) Series 2006B, along with related documents

Item No. 10: Resolution for the benefit of Convent of the Sacred Heart of Chicago, Illinois (and the Sacred Heart School Project) authorizing the execution and delivery of a Bond and Loan Agreement, a Tax Exemption Certificate and Agreement, and related documents; and approving related matters

Brian McGuinness, Chief Financial Officer of Sacred Heart Schools thanked the members of the Board for their consideration of this financing.

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

Mr. Frampton presented each of the following projects:

Business & Industry – Airport Facility Revenue Bonds

Item No. 3: Hawthorne Chicago, LLC - \$9,500,000

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

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

Will Harton, Vice President – Corporate Development of Hawthorne Global Aviation Services thanked the members of the Board for their consideration of this financing.

Chairman Brandt thanked Mr. Harton for his appearance before the Board.

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

Item No. 6: The Art Institute of Chicago - \$70,000,000

The Art Institute of Chicago is requesting approval of a Final Bond Resolution in an amount not-to-exceed Seventy Million Dollars (\$70,000,000). This project is being presented for one-time consideration.

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

Eric Anyah, Executive Vice President/Chief Financial Officer of The Art Institute of Chicago thanked the members of the Board for their consideration of this financing.

Chairman Brandt thanked Mr. Anyah for his appearance before the Board.

Item No. 7: North Park University - \$30,000,000

North Park University is requesting approval of a Final Bond Resolution in an amount not-to-exceed Thirty Million Dollars (\$30,000,000). This project is being presented for one-time consideration.

Bond proceeds will be used by North Park University (the “University” or the “Borrower”) and used to (i) finance the costs of the construction and equipping of an approximately 101,000 square foot science and community life building to be located at or near 5125-5143 N. Christians Avenue, Chicago, Illinois, (ii) refinance existing indebtedness of the Borrower which financed the costs of (a) the acquisition and improvements of neighboring properties located at 5035 N. Spaulding Avenue, Chicago, Illinois, 5049 N. Spaulding Avenue, Chicago, Illinois, 5001-13 N. Kedzie Avenue, Chicago, Illinois, 5214 N. Spaulding Avenue, Chicago, Illinois, 5312 N. Sawyer Avenue, Chicago, Illinois, 5349 N.

Spaulding Avenue, Chicago, Illinois, 5059 N. Sawyer Avenue Chicago, Illinois, (b) capital improvements to the Borrower's Magnuson Campus Center building located at 5000 N. Spaulding Avenue, Chicago, Illinois, and (c) capital improvements to Anderson Hall, a university residence hall also located at 5000 N. Spaulding Avenue, Chicago, Illinois, (iii) reimburse the Borrower for miscellaneous repairs, capital improvements, capital expenditures, capital additions and educational equipment and fixtures to various buildings, including construction of the nursing simulation laboratory, renovations to Ohlson House, Lund House and Anderson Hall and including landscaping and site improvements, all at or near the Borrower's campus located at 5258 N. Spaulding Avenue, Chicago, Illinois, 5148 N. Spaulding Ave., 5111 N. Spaulding Ave., 5130 N. Christiana Ave, 5001-07 N. Spaulding Ave/3246-56 W. Argyle Street, 3225 W. Foster Ave., 5000 N. Spaulding Ave., 32330 W. Carmen Ave., and 3311-3315 W. Foster Ave., Chicago, Illinois (collectively, the "Project") and (iv) pay all or a portion of the costs of issuing the Bonds (collectively, the "Financing Purposes").

Carl E. Balsam, Executive Vice President & Chief Financial Officer of North Park University thanked the members of the Board for their consideration of this financing.

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

Chairman Brandt asked Mr. Frampton to present projects to the Board which may require abstentions.

Mr. Frampton presented the following project:

Business & Industry – Freight Transfer Facilities Revenue Bonds

Item No. 4: CenterPoint Joliet Terminal Railroad, LLC - \$80,000,000

CenterPoint Joliet Terminal Railroad, LLC is requesting approval of a Final Bond Resolution in an amount not-to-exceed Eighty Million Dollars (\$80,000,000). This project is being presented for one-time consideration.

Bond proceeds will finance the acquisition of land, and construction and equipping of various capital improvements thereon at CenterPoint Intermodal Center in Joliet, Illinois, a rail-to-truck and truck-to-rail Intermodal facility generally located south and east of the Des Plaines River, east of the Burlington Northern Santa Fe Railway, north of Noel Road, and west of both Illinois 53 and the Union Pacific Railroad, and located within the corporate boundaries of the City of Joliet. Additionally, with respect to the heretofore issued Illinois Finance Authority Surface Freight Transfer Facilities Revenue Bonds, Series 2010

(CenterPoint Joliet Terminal Railroad Project), this financing will authorize a Supplemental Indenture to amend certain documents relating to the Series 2010 Bonds, if deemed necessary and desirable by the Borrower.

Tim Lippert, Vice President of Finance of CenterPoint Properties thanked the members of the Board for their consideration of this financing.

Chairman Brandt thanked Mr. Lippert for his appearance before the Board. Chairman Brandt asked if the members of the Board had any questions related to the project presented. There being none, Chairman Brandt requested a roll call vote in favor of the project in anticipation of an abstention. The Assistant Secretary of the Board, Mr. Fletcher, called the roll. With nine yeas, zero nays and one abstention by Mr. Gold, the project was granted approval. Mr. Gold abstained due to his employment relationship with one of the law firms associated with this transaction.

VI. Other Business

None.

VII. Public Comment

None.

VIII. Adjournment

Chairman Brandt requested a motion to adjourn the Board Meeting. A motion to adjourn was made by Mr. Goetz and seconded by Ms. Bronner. A voice vote was taken on the motion. The motion prevailed.

The Board Meeting adjourned at 11:00 a.m.

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