ILLINOIS FINANCE AUTHORITY
BOARD MEETING
June 12, 2007
Illinois State Library
300 S. Second Street
Room 403/404
Springfield, Illinois

EXECUTIVE SESSION
12:00 noon
Authors' Room

- Opening Remarks
- Executive Director's Report
- Presentation of Financials
- Executive Staff Reports
- Project Reports and Amendments
- Adjournment

BOARD MEETING
3:00 p.m.
Room 403/404

AGENDA

- Call to Order
- Chairman's Report
- Roll Call
- Executive Director's Report
- Acceptance of Financials
- Approval of Minutes
- Project Approvals
- Resolutions / Amendments

AGRICULTURE

Tab	Project	Location	Amount	New Jobs	Const Jobs	FM
Agri-Industry Guarantee						
1	James P. and Wanda L. Monke	Litchfield	1,275,000	0	6	ER
Agri-Debt Guarantee						
2	John J. Seys and Patricia S. Seys	Coal Valley	277,100	0	0	CM
3	Ty L. and Darlene A. Dagen	Herrick	170,000	0	0	ER
4	Mark W. Dunn and Brenda L. Dunn	Aledo	340,000	0	0	CM
Young Farmer Guarantee						
5	Mark W. Dunn and Brenda L. Dunn	Aledo	425,000	0	0	CM
Agricultural Participation Loan						
6	Stephen Todd Fosen and Nannette Castaneda Fosen	Lexington	314,000	0	0	CM
Beginning Farmer Bonds						
7	Eric J. Niemerg	Wheeler	119,250	0	0	ER
Conduit Solid Waste Disposal Facilities Bonds ***Final***						
8	Illinois River Energy, LLC	Rochelle	30,000,000	15	100	ST
Federal Empowerment Zone Revenue Bonds ***Preliminary***						
9	REG Cairo, LLC	Cairo	60,000,000	35	567	ST/RP
TOTAL AGRICULTURE PROJECTS			92,920,350	50	673	

HEALTHCARE

Tab	Project	Location	Amount	New Jobs	Const Jobs	FM
501(c)(3) Bonds ***Preliminary***						
10	Little Company of Mary	Multiple	90,000,000	0	100	PL/DS
501(c)(3) Bonds ***Final***						
11	Christian Homes, Inc.	Multiple	55,000,000	0	50	PL/DS
TOTAL HEALTHCARE PROJECTS			145,000,000	0	150	

COMMUNITIES AND CULTURE

Tab	Project	Location	Amount	New Jobs	Const Jobs	FM
501(c)(3) Bonds *Preliminary*						
12	Cornerstone Services, Inc.	Joliet	14,000,000	0	0	SCM
501(c)(3) Bonds *Final*						
13	Elgin Academy	Elgin	11,500,000	5	50	TA
14	De La Salle Institute	Chicago	7,500,000	5	75	RKF
15	Loyola Academy	Wilmette, Glenview	21,500,000	0	50	TA
16	Peoria Association for Retarded Citizens Inc. (aka Peoria ARC)	Peoria	6,500,000	0	0	JS
501(c)(3) Revenue Anticipation Note Program *Final*						
17	Jewish Federation of Metropolitan Chicago, Jewish Charities Revenue Anticipation Note Program, Series 2007-2008A, 2007-2008B	Multiple	35,000,000	0	0	TA
Taxable Housing Bond *Final*						
18	Liberty Towers Associates II L.P., an Illinois limited partnership (Liberty Towers Apartments)	Libertyville	5,500,000	0	0	RKF
Community Rehabilitation Providers Facilities Acquisition Pooled Financing Program **501(c)(3) Bonds** *Final*						
19	Bridgeway, Inc. and Broadway Foundation	Monmouth	3,000,000	10	15	ST
20	Good Shepherd Manor Group	Momence	1,800,000	0	0	ST
21	Kankakee County Training Center for the Disabled, Inc.	Bradley, Kankakee, Bourbonnais	1,850,000	0	0	ST
22	RAVE (Rehabilitation and Vocational Education), Inc.	Jonesboro, Anna	2,200,000	0	0	ST
23	Trinity Services, Inc.	Multiple	2,550,000	0	0	ST
24	St. Coletta's of Illinois Foundation	Multiple	4,650,000	0	0	ST/TA
Local Government Revenue Bonds						
25	City of Pittsfield	Pittsfield	8,300,000	0	0	EW
Local Government Pooled Bonds						
26	Village of Thompsonville	Thompsonville	285,000	0	0	EW
TOTAL COMMUNITIES AND CULTURAL PROJECTS			126,135,000	20	190	

BUSINESS AND INDUSTRY

Tab	Project	Location	Amount	New Jobs	Const Jobs	FM
Participation Loans						
27	Globe Energy Eco-Systems, LLC (Globe USA)	Peoria	600,000	600	25	JS
Industrial Revenue Bonds ***Final***						
28	Walter Mulica, Belmont Sausage Company and 2201 Estes, LLC.	Elk Grove Village	8,000,000	60	40	SCM
TOTAL BUSINESS AND INDUSTRY PROJECTS			8,600,000	660	65	

HIGHER EDUCATION

Tab	Project	Location	Amount	New Jobs	Const Jobs	FM
501(c)(3) Bonds ***Preliminary***						
29	McKinley Foundation at the University of Illinois at Urbana Champaign (Presbyterian Hall)	Champaign	27,500,000	12	50	TA/NM
501(c)(3) Bonds ***Final***						
30	Augustana College	Rock Island	5,000,000	2	175	RKF
TOTAL HIGHER EDUCATION PROJECTS			32,500,000	14	225	

GRAND TOTAL	405,155,350	744	1,303

RESOLUTIONS

Tab	Project	FM
Resolutions		
31	Resolution authorizing the execution and delivery of a First Supplemental Bond Indenture and a First Supplemental Loan Agreement relating to the Illinois Health Facilities Authority's $17,000,000 Revenue Bonds, Series 1992A (Felician Health Care, Inc.); and authorizing, approving and ratifying certain other matters.	PL/DS
32	Resolution to Authorize a Deferral of Principal Payments Due on a Rural Development Loan Made to Darrel and Marilyn Mattingly Due from April 1, 2007 until October 1, 2007.	RP/ST
33	Resolution to Delay the First Principal Payment Date Until November 6, 2007 and Extend the Final Maturity Date Until August 6, 2011 on a Venture Capital Loan Made to Jaros Technology Corporation.	ST
34	Resolution approving the Amended and Restated By Laws of the Illinois Finance Authority.	
35	Resolution approving an extension of the Illinois Finance Authority's 401(a) Plan.	
36	Resolution approving FY 2008 Illinois Finance Authority Board Meeting dates.	
Amendatory Resolutions		
37	Heartland Bank and Trust Company and IMT Real Estate, L.L.C. have requested that IFA approve a 6-month extension to November 9, 2007, on IFA's commitment to its Participation Loan.	JS
38	Morton Community Bank and Precision Laser Manufacturing, Inc. have requested that IFA approve an increase of $50,000 in the amount of its loan (originally approved at $250,000) as well as a 6-month extension to November 14, 2007, on its commitment to its Participation Loan.	JS
39	Chase Bank and GFY Management Inc. have requested that IFA approve a decrease to IFA's interest rate on GFY's $247,000 Participation loan approved by the IFA Board at the December 5, 2006 Board meeting	JS
40	Resolution to Authorize the Conversion from a Taxable Convertible Mode to a Tax-Exempt Mode and Authorizing the Execution and Delivery of a Supplemental Trust Indenture, Supplemental Loan Agreement, a Tax-Exemption Certificate and Agreement, and Related Documents for the Deemed Reissuance of DePaul University Series 2005C Revenue Bonds	RKF
41	Network Innovations request to substitute the borrower from Network Innovations, Inc. to NI Investments LLC.	SCM

Other

Adjournment

IFA
ILLINOIS FINANCE AUTHORITY

Governor, Rod R. Blagojevich
Executive Director, Kym M. Hubbard

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Illinois Finance Authority
Executive Director's Report
June 12, 2007

To: IFA Board of Directors and Office of the Governor

From: Kym M. Hubbard, Executive Director

I. Financial Performance

Consolidated Results:

Illinois Finance Authority's financial position remains strong with total assets of $151,011,823 consisting of Equity of $91,976,973 and liabilities of $59,034,850. This compares favorably to the May 2006 balance sheet of $150,955,665 in total assets comprising of $87,945,997 in Equity and $63,009,668 in liabilities and Bonds Payable.

Gross Income YTD for May ended at $13.5 million or $1.6 million above plan. The above plan results are due to above plan administration fee income and the sales of Forest One a venture capital investment. Total proceeds from the sale of Forest One were $564K with a potential of $300K over the next three years. The original investment in Forest One was for $300K in 1991 and was written-down to $160K. The net effect for May 2007 was a gain of $404K. Operating expenses ended at $9.6 million generating a net income of $3.9 million. Net Income is $1.1M above budget mainly due to above budget revenue offset by above budget professional fees and loan loss reserve expense. Legal fees continue to stay above budget mainly due to transaction related fees, review of the IFA employee handbook, and legislative matters. The provision expense is above budget due to the growth of the participation loan participation (58% growth).

II. Sales Activities

The significant number of project approvals complements the increase in gross revenues as an indication that business development and marketing efforts continue to bring results. Funding Managers will be presenting 30 projects totaling $405,155,350 for approval in June, 2007. Healthcare projects total $145,000,000; Higher Education projects total $442,655,350; Agriculture projects total $92,920,350; Communities and Culture total $126,135,000; and Business and Industry total $8,600,000. These projects are expected to create 744 new jobs and 1,303 construction jobs.

Agriculture: During the month of May, the Agricultural staff made 31 in person bank calls, 7 calls to ethanol developers for possible project financings, 2 legislator calls, and 4 calls to local Farm Service Agency county offices. Cory

Mitchell attended a Livestock Industry and Renewable Fuels conference held at the University of Illinois. Eric Reed, Kristi Conrad and Jim Senica provided an overview of IFA programs to lending staff at Midland States Bank in Effingham. IFA staff also met with local economic development officials with the city of Effingham to discuss a local government bond issue for a new sports complex in the community.

Rick Pigg attended a ribbon cutting for the opening of State Treasurer, Alexi Giannoulias' new office in Mt. Vernon. Mr. Pigg also met with a number of bankers to discuss IFA programs; participated on calls with DCEO and had meetings with White County's Department of Economic Development to discuss finance options for Carmi Hospital. Subsequently, a number of sales calls were conducted in the area of business and industry.

HealthCare: During the month of May the Healthcare Group continued their efforts to meet with hospitals around the state to discuss their capital financing plans. Pam and Dana met with two large hospital systems and a Chicago inner city hospital to discuss the hospitals' future capital plans and the IFA's healthcare financing programs. Also this month the Palos Community Hospital transaction successfully priced and closed. Additionally, Central Baptist Village, a Continuing Care Retirement Community, successfully priced. The Healthcare Team attended an International Healthcare Symposium at Northwestern Kellogg School of Management which featured presentations by healthcare experts from Japan, France, England and the United States, discussing how these countries deliver healthcare services and finance their hospitals. Also this month the Healthcare Group arranged a meeting with the IFA's Financial Advisor, General Counsel and representatives of Ziegler Securities to discuss the Authority's policies regarding the issuance of non-rated debt, specifically in denominations of less than $100,000. At this meeting, Ziegler Securities explained their credit review standards and underwriting practices for non-rated debt. The Healthcare Group is also preparing for the Illinois Hospital Association's Small and Rural Hospital Conference in Springfield in June.

Communities and Culture: Transaction activity was strong for not-for-profit organizations in May. The Board approved ten projects at the May meeting. The client types ranged form Charter Schools to centers for the disabled, to a Chicago institution; the Goodman Theater. Activity continues to be robust for not-for-profit financing transactions. Favorable interest rates make it possible for some entities to refund outstanding bonds as well as borrow for new money projects.

IFA staff met with Illinois Community Action Agency (ICAA) Directors from around the state at a breakfast during the annual ICAA conference in Springfield. Over 40 Community Action agency directors or designees participated in the breakfast and the session. Several directors asked questions and follow-up phone calls have been received as a result of the presentation. Activities with staff of DCEO and the Illinois Municipal League (IML) are continuing for a community development and networking seminar scheduled June 28 in Galesburg. IFA will

be a primary sponsor of this meeting, working in partnership with DCEO and IML.

Sharnell Curtis-Martin met with the Director of Cultural Affairs and the Director of Cultural Grants at the City of Chicago's Department of Cultural Affairs. The purpose of this meeting is to begin developing a relationship with the Departments' to enable IFA to market to Chicago area cultural institutions that receive financial assistance through the City's Department of Cultural Affairs. Any potential clients are expected to be candidates for IFA's 501 (c)(3) bond and lease programs.

The IFA and Howard Kenner, were invited to meet with Representative Marlow Colvin (33rd District) regarding financial assistance for acquisition of the Regal Theater. Subsequently, a meeting also took place with Representative Colvin to discuss the Jackson Park Hospital project and follow-up on the Regal Theatre project. IFA also met with Congressman Bobby Rush's District Director, Stanley Watkins regarding multiple municipal needs in the South Suburban communities.

Additionally, Ms. Martin attended the annual Jackson Park Hospital Benefit in support of fundraising efforts for their bond issue and other networking opportunities.

Industry and Commerce: Three IFA Staff Members attended the Council of Development Finance Agencies ("CDFA") Annual Summit from May 22-May 24 hosted by the Miami Office of Economic Development. This national conference was attended by approximately 300 local, regional, and statewide issuers of tax-exempt bonds. Many CDFA members also originate business loans and issue tax-exempt bonds for 501(c)(3) borrowers.

CDFA also has substantial membership and involvement from the private sector.

Seminar participants included investment bankers, rating agencies, bond attorneys, and issuers.

Conference presentation topics included a variety of topics, with particular focus on (1) providing case studies on structured financings using a combination of bond, loan, and tax credit resources, (2) managing and marketing loan and bond programs, and (3) discussing CDFA's federal legislative agenda for the upcoming year.

Most importantly, the conference offered networking opportunities with IFA's counterparts elsewhere to (1) discuss the Volume Cap situation in other states, (2) discuss overall trends by subsector (i.e., industrial), (3) discuss emergence of community banks in serving small corporate and non-profit borrowers for entities with annual revenues of $50 million and under in many markets (i.e., as the regional and super-regional banks redefine middle market borrowers), (4) ongoing legislative efforts to officially expand the role of the Federal Home Loan Banks to provide standby letters of credit to enhance non-rated Bank Letters of Credit by non-rated, community banks. These informal opportunities to share experiences with IFA's public and private sector counterparts have proven invaluable.

IFA and CDFA (and its members) have had a strong relationship over the past 20 years.

IFA worked closely with CDFA to help secure Illinois congressional sponsorship of federal legislation that: (1) reinstated Industrial Revenue Bonds under the US Internal Revenue Code in August 1993, following their expiration under the Internal Revenue Code as of July 1, 1992, (2) amended the Internal Revenue Code to increase statewide Volume Cap allocations from $50 per capita in 2001 to $75 per capita in 2003, with increases indexed to the CPI thereafter (prior to this legislation, statewide allocations had been limited at $50 per capita since 1986 without inflation indexing), (3) in 2004, IFA's efforts were instrumental in amending the Internal Revenue Code to increase the Capital Expenditure Limit on IRB-financed projects from $10 million to $20 million, effective September 20, 2009, and (4) in 2006, CDFA was successful in again amending the Internal Revenue Code to accelerate the effective date of the new $20M Capital Expenditure Limit from September 30, 2009 (as approved and signed into law in 2004) to January 1, 2007.

At CDFA's 2006 Annual Summit in St. Louis, IFA will tentatively be preparing seminar presentations on (1) Student Housing Projects as a component of urban redevelopment, (2) IFA's Illinois Facilities Fund Charter School Consolidated Bond Financing Program, and (3) Freight Transfer Facilities Revenue Bonds (assuming IFA has closed at least one bond issue for an intermodal facility by next March).

Additionally, IFA has proposed organizing several panels for CDFA's 2008 Annual Summit in St. Louis, including:

(1) College and University 501(c)(3) Student Housing Project Financings as Redevelopment Projects,
(2) Intermodal Facilities Revenue Bonds (e.g., CenterPoint Crete and Ridge Logistics Park in Wilmington -- assuming at least one of these financings closes at least 60 days prior to the Conference); and
(3) IFA's collaborative program with the Illinois Facilities Fund to issue a single, consolidated bond issue for several charter school financings.

All three of these financings are examples of subsectors where IFA is a national leader -- these presentations will enhance the Authority's professional reputation in the public finance industry and among IFA's peers nationally.

Springfield Office staff mailed more than 300 letters to engineering firms promoting IFA programs. Several presentations by staff were made in collaboration with DCEO, USDA, Lt. Governor's Rural Affairs Council, Illinois Municipal league and with Regional Economic Development Associations. A number of visits and presentation were also made to elected officials of municipal governments, including cities, townships, villages and a number of fire protection districts.

Higher Education: Higher education financing was robust in May. The IFA Board gave its final approval for $345 million consisting of $250-million for the University of Chicago's new money bonds and $95-million for the University Education Housing Corporation's new money bonds for the Dwight Building Project. IFA staff made calls to East-West University, a Chicago-based university which targets minority and international student populations to discuss a future $50-million building project in Chicago's South Loop. Also, the IFA Higher Ed team attended a Legislative luncheon in Springfield sponsored by the Federation of Illinois Independent Colleges and Universities. Approximately 30 presidents or administrators were in attendance at the luncheon which provided an excellent networking opportunity. IFA staff continue to work on several activities in this market as part of their strategic planning efforts. This includes developing a product/service matrix; building relationships with the Illinois Board of Higher Education, the Illinois Community College Board and other higher education associations; creating a survey for dissemination to independent colleges and universities to determine capital financing needs; and working with the Executive Director of the Associated Colleges of Illinois to identify HV/AC and sprinkler needs determined by their membership. Additionally, activities are progressing with work on the University Virtual Pilot effort in conjunction with staff of the Energy Resources Center at the University of Illinois.

III. <u>Marketing and Public Relations</u>

The appointment of our new Executive Director was the focus of marketing and public relations activity in May. Related projects included updating marketing materials, presentations, and updates throughout the IFA web site, among others. Creative concepts are in progress for the annual report and several brochures for key markets and certain program areas. Ongoing projects include developing list management capabilities and working with the ACT system to improve its utilization and efficiency. Several market surveys are underway: in higher ed, alternative energy, local government and healthcare-senior living segments. In the area of strategic planning, market segment meetings are set for July 9 - 12 to develop FY 08 strategic action items and call plans.

FOIA Requests during May:

- SEIU request for extensive information related to bond transactions and other business relationships with JPMorgan Chase.
- 2 requests from the Daily Herald related to fees paid to Ice Miller on various transactions.

- College of DuPage request for a log of FOIA's received since 2000.

IV. Human Resources and Operations

During the month of May, the compliance effort for the Personal Information Act, started in April for IFA staff, was completed by making the IFA Board aware of the Act's requirements. All staff Statement of Economic Interests documents were submitted to the Office of the Secretary of State. IFA's response to the State of Illinois requirement that all Authorities have an influenza pandemic emergency operating plan was completed and distributed to all IFA staff. A review of all staff personnel files was completed to insure that all files are in proper order in advance of the upcoming audit. Lastly, a detailed calendar of upcoming human resource activities was developed and distributed to staff.

Significant progress was made on the Telephone System Replacement, New Employee Handbook, and Job Description Update projects. Two of the three phone vendor finalists were visited and conducted demonstrations for staff. A final decision is anticipated in June. The New Employee Handbook is now in the final stages of development. Management staff will be asked in June to review and provide feedback to be incorporated into the final draft of the new handbook. The majority of IFA job descriptions have been reviewed and updated. Only two remain to be completed. Two new job descriptions are in process of being developed.

V. Legal / Legislative Issues

SB's 66, 1317 and 1327 were all voted out of the House Executive Committee and sent to the House floor for third readings.

The Legislature adjourned May 31, 2007 without approving a 2008 fiscal budget. Therefore, they are now in overtime. The majority of IFA's Bills passed both chambers before the deadline. However, several bills that impact the IFA were not passed before midnight. Those bills requiring concurrence now need a 3/5 vote to pass rather than a simple majority. However, the Senate has a 3/5 veto proof majority and is not as impacted as the House will be.

Bills that passed both chambers:

SB1317 (Multi-State Financing) passed both chambers and will be sent to the Governor to be signed.

SB0066 (Clean Coal and other Amendments) passed both chambers.

HB1497 (Urban Development Authority) passed both chambers.

Bills awaiting concurrence:

SB1327 (Bonding Authority) awaits concurrence in the Senate with House Amendment 1, which includes HB0176 (Anaerobic Digestors) and HB1677 (Conservation Projects).

SB1617 (Emerald Ash Borer Fund) awaits concurrence in the Senate.

HB1921 (Fire Truck and Ambulance Revolving Loan Fund) awaits concurrence in the House.

HB0277 (Underground Storage Tank Fund Priority List) awaits concurrence in the House.

Bills to be worked on before veto session:

SB0057 (Bio-Fuels). IFA's legislative consultant, Howard Kenner, met with Joe Handley to reiterate that this bill is not dead, but rather in hibernation awaiting further work over the next several months.

SB1458 (Broadband).

Additionally, IFA is considering developing bills to exempt us from the personnel code, increase our moral obligation limit and a bill to further increase our bonding authority.

Audit and Compliance

The FY07 audit began with an "Entrance Meeting" with the Auditor General on Tuesday, May 29th. The Auditors from McGladrey and Pullen will be onsite for the next few weeks and return toward the end of summer. The goal is to have the field work complete by the end of the year.

New requirements for internal controls documentation may impact the Authority. The new standard is known as SAS 112 (Statement on Auditing Standards) "Communicating internal Control Related Matters Identified in an Audit". This standard will be incorporated into our external financial audit performed by the Office of the Auditor General (OAG).

SAS 112 requires a lower threshold for reporting internal control deficiencies to management and the board of Directors. The areas of control that could be impacted include: General Ledger Verifications, Payroll Expense process, Inventory, Purchasing, etc. It was noted that this new SAS could increase the amount of "Material Findings" throughout the State.

Illinois Finance Authority
Consolidated
Balance Sheet
for the Eleven Months Ending May 31, 2007

	May 2006	May 2007	May Budget	Variance to budget
ASSETS				
CASH & INVESTMENTS, UNRESTRICTED	$ 32,692,190	$ 28,803,439	$ 20,611,287	$ 8,192,152
LOAN RECEIVABLE, NET	75,939,279	83,388,930	84,428,463	(1,039,533)
ACCOUNTS RECEIVABLE	2,008,634	366,182	500,000	(133,818)
OTHER RECEIVABLES	95,457	1,066,337	709,855	356,482
PREPAID EXPENSES	169,202	192,683	170,055	22,628
TOTAL CURRENT ASSETS	110,904,763	113,817,571	106,419,660	7,397,911
FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION	112,310	176,140	136,106	40,034
DEFERRED ISSUANCE COSTS	1,080,903	828,020	966,700	(138,680)
OTHER ASSETS				
CASH, INVESTMENTS & RESERVES	29,745,296	27,610,479	30,529,440	(2,918,961)
VENTURE CAPITAL INVESTMENTS	5,364,735	5,554,091	7,138,728	(1,584,636)
OTHER	3,747,658	3,025,522	4,079,055	(1,053,533)
TOTAL OTHER ASSETS	38,857,690	36,190,093	41,747,223	(5,557,129)
TOTAL ASSETS	$ 150,955,665	$ 151,011,823	$ 149,269,689	$ 1,742,135
LIABILITIES				
CURRENT LIABILITIES	$ 1,057,322	$ 1,327,583	$ 909,524	$ 418,059
LONG-TERM LIABILITIES	61,952,346	57,707,266	57,525,901	181,363
TOTAL LIABILITIES	63,009,668	59,034,850	58,435,425	599,423
EQUITY				
CONTRIBUTED CAPITAL	36,061,462	36,061,462	36,061,462	(0)
RETAINED EARNINGS	13,000,024	15,015,018	15,015,018	-
NET INCOME / (LOSS)	6,859,867	3,927,089	2,784,378	1,142,711
RESERVED/RESTRICTED FUND BALANCE	19,303,495	24,279,992	24,279,992	0
UNRESERVED FUND BALANCE	12,721,150	12,693,412	12,693,412	(0)
TOTAL EQUITY	87,945,997	91,976,973	90,834,263	1,142,711
TOTAL LIABILITIES & EQUITY	$ 150,955,665	$ 151,011,823	$ 149,269,689	$ 1,742,136

Illinois Finance Authority
Consolidated - Detail
Balance Sheet
for the Eleven Months Ending
May 31, 2007

	General Fund	Bond Fund	Firetruck Revolving Fund	Non Major Funds YTD	YTD 2007
Assets					
Current assets:					
Cash and cash equivalents -- unrestricted	3,212,747	-	-	14,812,597	18,025,345
Investments -- unrestricted	2,971,420	-	-	1,999,225	4,970,645
Restricted current assets:					
Cash and cash equivalents	-	836,031	1,933,283	-	2,769,314
Accrued interest receivable	-	722,666	8,000	1,937	732,603
Restricted investments	-	61,356	-	-	61,356
Receivables:					
Accounts	418,272	-	-	-	418,272
Interest and other	151,801	-	-	54,267	206,068
Prepaid expenses and deposits	192,683	-	-	-	192,683
Total Current Assets	6,946,924	1,620,053	1,941,283	16,868,027	27,376,286
Noncurrent assets:					
Restricted Noncurrent assets					
Cash and cash equivalents	-	-	-	22,053,786	22,053,786
Interest receivable	-	83,575	-	80,000	163,575
Guarantee payments receivable	-	-	-	459,048	459,048
Allowance for doubtful accounts	-	-	-	(433,526)	(433,526)
Deferred issuance costs, net of accumulated amortization	-	211,368	-	-	211,368
Investments	-	8,445,473	-	-	8,445,473
Bonds and notes receivable	-	47,234,300	-	-	47,234,300
Loans receivable	-	-	8,247,715	553,644	8,801,359
Allowance for doubtful accounts	-	-	-	(216,401)	(216,401)
Investments in partnerships and companies	-	-	-	5,554,091	5,554,091
Loans Receivable	28,106,590	-	-	4,984,068	33,090,658
Allowance for doubtful accounts	(2,520,986)	-	-	-	(2,520,986)
Due from other funds long term	2,333,111	-	-	712,374	3,045,485
Property and equipment, at cost	436,825	-	-	5,500	442,325
Accumulated depreciation	(261,419)	-	-	(4,767)	(266,185)
Deferred issuance costs, net of accumulated amortization	-	-	-	616,652	616,652
Total Noncurrent Assets:	28,094,122	55,974,716	8,247,715	34,364,468	126,681,022
Total Assets	35,041,045	57,594,769	10,188,998	51,232,495	154,057,308
Liabilities					
Current liabilities:					
Accounts payable	114,802	-	-	-	114,802
Accrued expenses	710,810	-	-	-	710,810
Accrued interest payable	-	828,969	-	3,450	832,419
Due to employees	33,827	-	-	-	33,827
Due to primary government	312,490	-	-	25,000	337,490
Current portion of Long term debt	-	-	-	55,394	55,394
Total Current Liabilities	1,171,929	828,969	-	83,844	2,084,742
Noncurrent liabilities:					
Long-term debt	-	-	-	772,666	772,666
Bonds payable	-	55,350,000	-	-	55,350,000
Deferred revenue net of accumulated amortization	71,810	-	-	868,127	939,938
Due to other funds - long term	-	-	-	3,045,485	3,045,485
Deferred loss on early extinguishment of Debt	-	(112,495)	-	-	(112,495)
Total Noncurrent Liabilities	71,810	55,237,505	-	4,686,278	59,995,593
Total Liabilities	1,243,739	56,066,473	-	4,770,122	62,080,335
Net Assets					
Invested in capital assets	175,407	-	-	733	176,140
Restricted	-	1,528,296	10,188,998	21,671,439	33,388,733
Unrestricted	33,614,758	-	-	24,797,342	58,412,100
Total Net Assets	33,790,165	1,528,296	10,188,998	46,469,514	91,976,973

Illinois Finance Authority
Consolidated - Actual to Budget
Statement of Activities
for Period Ending May 31, 2007

	Actual May 2007	Budget May 2007	Current Month Variance Actual vs.Budget	Current % Variance	Actual YTD FY 2007	Budget YTD FY 2007	Year to Date Variance Actual vs. Budget	YTD % Variance	Total Budget FY 2007	% of Budget Expended
REVENUE										
INTEREST ON LOANS	303,620	281,354	22,266	7.91%	3,205,586	3,197,059	8,527	0.27%	3,478,413	92.16%
INVESTMENT INTEREST & GAIN(LOSS)	198,746	177,171	21,575	12.18%	2,598,731	1,948,884	649,847	33.34%	2,126,056	122.23%
ADMINISTRATIONS & APPLICATION FEES	544,757	683,350	(138,593)	-20.28%	6,030,405	5,085,850	944,555	18.57%	5,394,200	111.79%
ANNUAL ISSUANCE & LOAN FEES	89,987	85,000	4,987	5.87%	1,009,574	1,225,000	(215,426)	-17.59%	1,310,000	77.07%
OTHER INCOME	414,780	38,552	376,227	975.89%	673,988	424,081	249,908	58.93%	462,634	145.69%
TOTAL REVENUE	1,551,889	1,265,427	286,462	22.64%	13,518,285	11,880,874	1,637,411	13.78%	12,771,303	105.85%
EXPENSES										
EMPLOYEE RELATED EXPENSES										
COMPENSATION & TAXES	244,710	249,799	(5,089)	-2.04%	2,742,280	2,746,276	(3,996)	-0.15%	2,996,075	91.53%
BENEFITS	23,107	28,501	(5,394)	-18.93%	291,266	313,501	(22,235)	-7.09%	342,000	85.17%
TEMPORARY HELP	13,397	8,494	4,903	57.73%	93,156	84,940	8,216	9.67%	84,940	109.67%
EDUCATION & DEVELOPMENT	-	-	-	0.00%	7,652	17,700	(10,048)	-56.77%	23,600	32.43%
TRAVEL & AUTO	17,286	13,000	4,286	32.97%	154,284	124,000	30,284	24.42%	135,000	114.28%
TOTAL EMPLOYEE RELATED EXPENSES	298,500	299,794	(1,294)	-0.43%	3,288,639	3,286,417	2,221	0.07%	3,581,615	91.82%
PROFESSIONAL SERVICES										
CONSULTING, LEGAL & ADMIN	195,405	51,330	144,075	280.68%	1,525,644	1,064,665	460,979	43.30%	1,116,000	136.71%
LOAN EXPENSE & BANK FEE	221,384	209,008	12,376	5.92%	2,556,294	2,403,311	152,983	6.37%	2,612,319	97.86%
ACCOUNTING & AUDITING	28,892	31,392	(2,500)	-7.96%	329,360	345,308	(15,948)	-4.62%	376,700	87.43%
MARKETING GENERAL	3,956	20,833	(16,877)	-81.01%	62,063	229,166	(167,103)	-72.92%	250,000	24.83%
FINANCIAL ADVISORY	19,687	29,167	(9,479)	-32.50%	253,195	320,833	(67,638)	-21.08%	350,000	72.34%
CONFERENCE/TRAINING	5,821	4,700	1,121	23.84%	20,037	22,700	(2,663)	-11.73%	25,400	78.89%
MISCELLANEOUS PROFESSIONAL SERVICES	-	5,250	(5,250)	-100.00%	33,728	107,750	(74,023)	-68.70%	113,000	29.85%
DATA PROCESSING	3,236	3,200	36	1.12%	32,575	35,200	(2,625)	-7.46%	38,400	84.83%
TOTAL PROFESSIONAL SERVICES	478,380	354,880	123,500	34.80%	4,812,896	4,528,933	283,962	6.27%	4,881,819	98.59%
OCCUPANCY COSTS										
OFFICE RENT	25,733	26,709	(976)	-3.65%	280,201	293,799	(13,598)	-4.63%	320,508	87.42%
EQUIPMENT RENTAL AND PURCHASES	3,617	3,750	(133)	-3.56%	44,831	41,250	3,581	8.68%	45,000	99.62%
TELECOMMUNICATIONS	6,908	5,666	1,242	21.92%	74,555	62,333	12,222	19.61%	68,000	109.64%
UTILITIES	987	750	237	31.66%	11,490	8,250	3,240	39.27%	9,000	127.67%
DEPRECIATION	4,521	4,750	(229)	-4.81%	42,545	52,250	(9,705)	-18.57%	57,000	74.64%
INSURANCE	1,881	1,167	714	61.20%	15,407	12,834	2,573	20.05%	14,000	110.05%
TOTAL OCCUPANCY COSTS	43,647	42,792	855	2.00%	469,029	470,716	(1,687)	-0.36%	513,508	91.34%
GENERAL & ADMINISTRATION										
OFFICE SUPPLIES	11,006	7,834	3,172	40.49%	94,137	86,167	7,970	9.25%	94,000	100.15%
BOARD MEETING - EXPENSES	2,946	2,667	279	10.45%	40,326	29,334	10,992	37.47%	32,000	126.02%
PRINTING	2,771	1,167	1,604	137.47%	16,341	12,834	3,507	27.33%	14,000	116.72%
POSTAGE & FREIGHT	1,637	2,917	(1,280)	-43.87%	23,355	32,083	(8,728)	-27.20%	35,000	66.73%
MEMBERSHIP, DUES & CONTRIBUTIONS	1,713	2,874	(1,161)	-40.39%	39,913	31,625	8,288	26.21%	34,500	115.69%
PUBLICATIONS	253	166	87	52.66%	8,228	1,833	6,395	348.89%	2,000	411.40%
OFFICERS & DIRECTORS INSURANCE	15,215	13,500	1,715	12.71%	151,462	148,500	2,962	1.99%	162,000	93.50%
MISCELLANEOUS	-	166	(166)	-100.00%	5,406	1,833	3,573	194.90%	2,000	270.28%
TOTAL GENERAL & ADMINISTRATION EXPENSES	35,542	31,291	4,251	13.59%	379,168	344,209	34,959	10.16%	375,500	100.98%
LOAN LOSS PROVISION	25,000	25,000	-	0.00%	416,931	275,000	141,931	51.61%	300,000	138.98%
OTHER										
INTEREST EXPENSE	690	717	(27)	-3.76%	7,865	7,887	(22)	-0.28%	8,604	91.41%
TOTAL OTHER	690	717	(27)	-3.76%	7,865	7,887	(22)	-0.28%	8,604	91.41%
TOTAL EXPENSES	881,760	754,473	127,287	16.87%	9,374,526	8,913,163	461,363	5.18%	9,661,046	97.03%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS)	670,130	510,954	159,176	31.15%	4,143,759	2,967,711	1,176,048	39.63%	3,110,257	133.23%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	(10,597)	(16,667)	6,070	-36.42%	(216,669)	(183,333)	(33,336)	18.18%	(200,000)	108.33%
NET INCOME/(LOSS)	659,533	494,287	165,245	33.43%	3,927,089	2,784,378	1,142,712	41.04%	2,910,257	134.94%

Illinois Finance Authority
Consolidated
Statement of Activities
Comparasion
May 2007 and May 2006

	Actual May 2007	Actual May 2006	Current Month Variance Actual vs.Actual	Current % Variance	Actual YTD FY 2007	Actual YTD FY 2006	Year to Date Variance Actual vs. Actual	YTD % Variance
REVENUE								
INTEREST ON LOANS	303,620	83,851	219,769	262.10%	3,205,586	2,209,399	996,187	45.09%
INVESTMENT INTEREST & GAIN(LOSS)	198,746	230,849	(32,103)	-13.91%	2,598,731	2,171,027	427,704	19.70%
ADMINISTRATIONS & APPLICATION FEES	544,757	346,341	198,415	57.29%	6,030,405	4,152,576	1,877,829	45.22%
ANNUAL ISSUANCE & LOAN FEES	89,987	102,983	(12,995)	-12.62%	1,009,574	1,121,060	(111,486)	-9.94%
OTHER INCOME	414,780	33,622	381,157	1133.64%	673,988	4,373,252	(3,699,264)	-84.59%
TOTAL REVENUE	1,551,889	797,646	754,243	94.56%	13,518,285	14,027,314	(509,029)	-3.63%
EXPENSES								
EMPLOYEE RELATED EXPENSES								
COMPENSATION & TAXES	244,710	219,928	24,782	11.27%	2,742,280	2,338,386	403,894	17.27%
BENEFITS	23,107	19,733	3,374	17.10%	291,266	227,434	63,831	28.07%
TEMPORARY HELP	13,397	5,069	8,328	164.28%	93,156	61,695	31,461	50.99%
EDUCATION & DEVELOPMENT	-	-	-	#DIV/0!	7,652	10,893	(3,240)	-29.75%
TRAVEL & AUTO	17,286	12,270	5,016	40.88%	154,284	138,418	15,867	11.46%
TOTAL EMPLOYEE RELATED EXPENSES	298,500	257,001	41,499	16.15%	3,288,639	2,776,826	511,813	18.43%
PROFESSIONAL SERVICES								
CONSULTING, LEGAL & ADMIN	195,405	133,628	61,776	46.23%	1,525,644	951,467	574,177	60.35%
LOAN EXPENSE & BANK FEE	221,384	1,467	219,917	14991.11%	2,556,294	1,710,507	845,787	49.45%
ACCOUNTING & AUDITING	28,892	46,738	(17,846)	-38.18%	329,360	418,027	(88,667)	-21.21%
MARKETING GENERAL	3,956	8,986	(5,030)	-55.98%	62,063	112,479	(50,416)	-44.82%
FINANCIAL ADVISORY	19,687	8,200	11,487	140.09%	253,195	88,815	164,380	185.08%
CONFERENCE/TRAINING	5,821	1,195	4,626	387.08%	20,037	15,981	4,057	25.38%
MISCELLANEOUS PROFESSIONAL SERVICES	-	6,711	(6,711)	-100.00%	33,728	67,055	(33,328)	-49.70%
DATA PROCESSING	3,236	5,372	(2,136)	-39.76%	32,575	38,918	(6,342)	-16.30%
TOTAL PROFESSIONAL SERVICES	478,380	212,297	266,083	125.33%	4,812,896	3,403,248	1,409,647	41.42%
OCCUPANCY COSTS								
OFFICE RENT	25,733	16,829	8,903	52.90%	280,201	173,743	106,457	61.27%
EQUIPMENT RENTAL AND PURCHASES	3,617	3,339	278	8.32%	44,831	24,803	20,028	80.75%
TELECOMMUNICATIONS	6,908	5,904	1,004	17.01%	74,555	63,459	11,096	17.49%
UTILITIES	987	583	405	69.42%	11,490	8,305	3,185	38.35%
DEPRECIATION	4,521	3,741	780	20.85%	42,545	30,119	12,426	41.26%
INSURANCE	1,881	1,151	730	63.42%	15,407	10,773	4,635	43.03%
TOTAL OCCUPANCY COSTS	43,647	31,547	12,100	38.36%	469,029	311,202	157,826	50.72%
GENERAL & ADMINISTRATION								
OFFICE SUPPLIES	11,006	9,139	1,867	20.43%	94,137	83,433	10,704	12.83%
BOARD MEETING - EXPENSES	2,946	892	2,054	230.37%	40,326	40,806	(480)	-1.18%
PRINTING	2,771	1,416	1,356	95.76%	16,341	10,859	5,482	50.48%
POSTAGE & FREIGHT	1,637	5,031	(3,394)	-67.46%	23,355	32,492	(9,137)	-28.12%
MEMBERSHIP, DUES & CONTRIBUTIONS	1,713	982	731	74.46%	39,913	38,247	1,666	4.36%
PUBLICATIONS	253	37	216	583.23%	8,228	1,737	6,491	373.71%
OFFICERS & DIRECTORS INSURANCE	15,215	14,365	850	5.92%	151,462	104,589	46,873	44.82%
MISCELLANEOUS	-	-	-	#DIV/0!	5,406	4,235	1,170	27.63%
TOTAL GENERAL & ADMINISTRATION EXPENSES	35,542	31,861	3,681	11.55%	379,168	316,398	62,769	19.84%
LOAN LOSS PROVISION	25,000	25,000	-	0.00%	416,931	195,138	221,792	113.66%
OTHER								
INTEREST EXPENSE	690	736	(46)	-6.21%	7,865	8,365	(500)	-5.98%
TOTAL OTHER	690	736	(46)	-6.21%	7,865	8,365	(500)	-5.98%
TOTAL EXPENSES	881,760	558,442	323,317	57.90%	9,374,526	7,011,178	2,363,348	33.71%
NET INCOME (LOSS) BEFORE UNREALIZED GAIN/(LOSS)	670,130	239,204	430,926	180.15%	4,143,759	7,016,136	(2,872,378)	-40.94%
NET UNREALIZED GAIN/(LOSS) ON INVESTMENT	(10,597)	(3,778)	(6,819)	180.47%	(216,669)	(156,269)	(60,400)	38.65%
NET INCOME/(LOSS)	659,533	235,426	424,107	180.14%	3,927,089	6,859,867	(2,932,778)	-42.75%

Illinois Finance Authority
Participations
30-60-90-120-180 Day Delinquencies

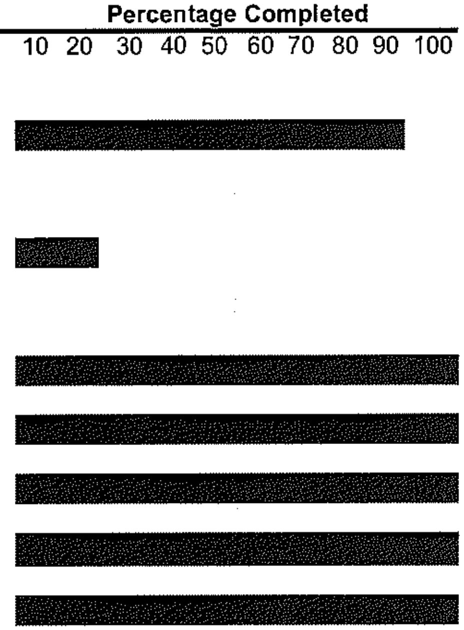
as of 5/31/2007

Loan #	Borrower Name	Due Date	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 + Days
Participations									
0049	SHULTS MACHINE	4/5/2007	$0.00	5,400.00	.00	.00	.00	.00	.00
0061	YOUNG, CLINTON (PRECISION P	5/24/2007	$1,683.32	.00	.00	.00	.00	.00	.00
0073	BAXTER, JAY & COLLEEN	5/29/2007	$565.00	.00	.00	.00	.00	.00	.00
3			$2,248.32	5,400.00	.00	.00	.00	.00	.00
FMHA									
0066	UTLRA PLAY SYSTEMS, INC.	5/1/2007	$1,314.77	.00	.00	.00	.00	.00	.00
0067	DEREL'S BBQ	4/1/2007	$0.00	2,294.72	.00	.00	.00	.00	.00
2			$1,314.77	2,294.72	.00	.00	.00	.00	.00
5			$3,679.09	7,694.72	.00	.00	.00	.00	.00

Illinois Finance Authority
Audit Findings
Update as of May 31 2007

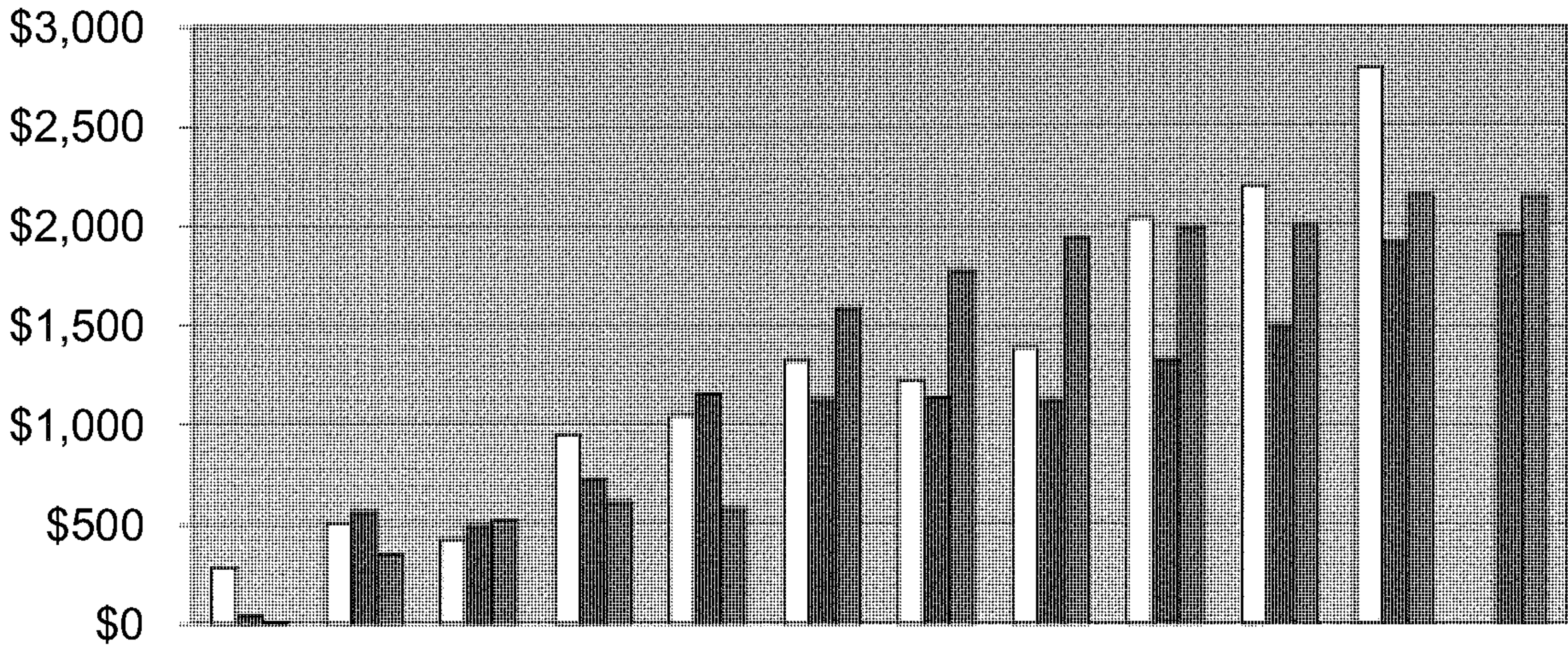
Total Number of 7

Item Number	Description	Status Action Items/ Action Items Completed
FY 04 Findings		
06-02	Failure to Monitor Bond Compliance	7/8
FY 05 Findings		
06-01	Noncompliance with the Personnel Code	Under Review
FY 06 Findings		
06-03	Missing and Incomplete Documents in State Guaranteed Agriculture Loans	**Complete**
06-04	Contract Not Executed Timely	**Complete**
06-05	Approval of Incomplete Travel and Marketing Reimbursement Forms	**Complete**
06-06	Inadequate Processing and Untimely Deposit of Cash Receipts and Refunds	**Complete**
06-07	Missing Documents from Personnel File	**Complete**



<50% = Partially Completed or under review	1
60% = Substantially Completed	3
100% = Completed	3

Cumulative Net Income
Non-Appropriated



	July	Aug	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun
FY 2007 Actual	$285	$512	$428	$953	$1,050	$1,326	$1,226	$1,387	$2,035	$2,202	$2,798	
FY 2007 Plan	$44	$570	$501	$733	$1,161	$1,136	$1,142	$1,130	$1,332	$1,505	$1,920	$1,967
Actual FY06	$12	$356	$524	$618	$586	$1,592	$1,778	$1,940	$1,998	$2,004	$2,157	$2,152

(In thousands)

MINUTES OF THE MAY 8, 2007 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 at 11:30 a.m., on May 8, 2007 at the Mid America Club, 200 E. Randolph Street, 80th floor, Chicago, Illinois:

Members present:
David C. Gustman, Chair
James J. Fuentes
Michael Goetz
Dr. Roger D. Herrin
Edward H. Leonard, Sr.
Terrence O'Brien
Andrew W. Rice
Juan Rivera
Lynn F. Talbott
Joseph Valenti
Bradley Zeller

Members absent:
Magda Boyles
Ronald DeNard
Martin Nesbitt

Vacancies:
One (1)

Members participating by telephone:
None

GENERAL BUSINESS

Call to Order and Roll Call

Chairman Gustman called the meeting to order at 11:40 a.m. with the above members present. Chairman Gustman thanked everyone for attending. Chairman Gustman noted that the Board gives great consideration to the projects to be presented to the Board at the 8:30 a.m. meeting of the Committee of the Whole, which is held immediately prior to the Board Meeting.

Chairman Gustman asked Carla Burgess Jones, Secretary, to call the roll. Ms. Burgess Jones called the roll. There being eleven (11) members physically present, Ms. Burgess Jones declared a quorum present.

Interim Executive Director's Report

Chairman Gustman asked Interim Executive Director Rendleman to give her report. Interim Executive Director Rendleman welcomed everyone and announced that the IFA has exceeded its performance targets by approximately $1 million to date. Ms. Rendleman also noted that in three (3) years' time, the IFA moved from being a newly consolidated agency to the second largest issuer of bonds in the mid-west. Ms. Rendleman announced that the IFA would approve 33 projects at today's meeting totaling over $900 million for projects ranging from beginning farmer bonds, to food processing companies, to hospitals. Ms. Rendleman noted that the IFA's multi-state bonding legislation (SB1317) passed the Senate unanimously and thanked the law firms involved in the drafting of the legislative initiative.

Acceptance of Financial Statements

Financial statements for the ten-month period ending April 30, 2007 were accepted by the Board. Chairman Gustman noted that the financial statements are reviewed by the Board at the 8:30 a.m. meeting of the Committee of the Whole of the Board and thanked IFA staff and consultants for their assistance.

Minutes

Chairman Gustman announced that the next order of business is to approve the minutes of the April 10, 2007 Meeting of the Board. With respect to the minutes, Chairman Gustman noted that the minutes correctly reflect the approved amounts for the Illinois River Energy project presented at the April 10, 2007 Meeting of the Board. He also announced that the April 10, 2007 Agenda included a scrivener's error with respect to the dollar amount of the project. Chairman Gustman asked Carla Burgess Jones, Secretary, to take a roll call vote for approval of the minutes of the April 10, 2007 Meeting of the Board. Motion moved by Mr. Goetz and seconded by Mr. Zeller. Minutes of the April 10, 2007 Meeting of the Board were approved by a roll call vote with 11 ayes, 0 nays, and 0 abstentions.

Projects

Chairman Gustman asked Interim Executive Director Rendleman to present the projects for consideration to the Board. Chairman Gustman reminded everyone that the Board considered each of the projects to be presented in detail at the 8:30 a.m. meeting of the Committee of the Whole of the Board. Director Rendleman presented the following projects to the Board for approval:

No. 1: **A-DR-TX-GT-7103 – Dial Family Farms Inc.**
Request for approval of the issuance of an agri-debt guarantee in an amount not-to-exceed $170,000 to provide refinancing of term and operating debt in order to improve working capital and overall cash flow. **(07-05-01).**

No. 2: **A-AD-GT-7101 –Richard C. and Tresa M. Litz**
Request for approval of the issuance of an agri-debt guarantee in an amount not-to-exceed $170,000 to provide refinancing of the borrower's current equipment debt and carryover operating debt to allow the borrower to extend debt amortization and improve cash flow. **(07-05-02).**

No. 3: **A-FB-TE-CD-7098 – Jayson A. Stamberger**
Request for approval of the issuance of Beginning Farmer Bonds (the "Bonds") in an amount not-to-exceed $250,000 for the purchase of 50 acres of farmland located in LaMoille, Illinois. The issuance of these Bonds is subject to an allocation of volume cap from the Governor's Office of Management and Budget. **(07-05-03).**

A-FB-TE-CD-7099 – Timothy W. Buettner

Request for approval of the issuance of Beginning Farmer Bonds (the "Bonds") in an amount not-to-exceed $105,430 for the purchase of approximately 34 acres of farmland located in Sublette, Illinois. The issuance of these Bonds is subject to an allocation of volume cap from the Governor's Office of Management and Budget. **(07-05-03).**

A-FB-TE-CD-7100 – Jason A. Skidmore
Request for approval of the issuance of Beginning Farmer Bonds (the "Bonds") in an amount not-to-exceed $175,000 for the purchase of approximately 68 acres of farmland located in Robinson, Illinois. The issuance of these Bonds is subject to an allocation of volume cap from the Governor's Office of Management and Budget. **(07-05-03).**

Chairman Gustman asked if the Board had any questions with respect to Project nos. 1 through 3. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project nos. 1 through 3. Leave was granted. Project nos. 1 through 3 were approved with 11 ayes, 0 nays, and 0 abstentions.

No. 4: **H-HO-TE-CD-6178 – Sherman Health System and Sherman Hospital**
Request for preliminary approval of the issuance of conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed $150,000,000 to refund prior bonds issued by a predecessor of the IFA and to pay costs of issuance. **(07-05-04).**

At this time, Chairman Gustman requested that the Board also review Project no. 6 before considering Project no. 5.

No. 6: **H-HO-TE-CD-7061 – Palos Community Hospital**
Request for final approval of the issuance of conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed $200,000,000 to: a) refund prior bonds issued by a predecessor of the IFA (Series 1994 and Series 1998); b) construct a power plant and multi-level parking facility; c) fund future capital expenditures at the hospital; d) pay for interest during the construction period; and d) pay for bond costs of issuance for a project located in Palos Heights, Orland Park, Lemont and Oak Lawn, Illinois. This project is expected to create 225 construction jobs. **(07-05-06).**

Chairman Gustman asked if the Board had any questions with respect to Project nos. 4 and 6. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project nos. 4 and 6. Leave was granted. Project nos. 4 and 6 were approved with 11 ayes, 0 nays, and 0 abstentions.

No. 5: **H-HO-TE-CD-7066 – Central Baptist Village**
Request for final approval of the issuance of conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed $26,000,000 to: a) refund prior bonds (Series 1999A and 1999B) issued by a predecessor to the IFA; b) fund the costs of various campus

renovations; c) fund a debt service reserve fund; and d) pay bond costs of issuance for a project located in Norridge, Illinois. **(07-05-05).**

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 5. Funding Manager Pam Lenane introduced Mr. Charles Newton, Executive Director of Central Baptist Village. Mr. Newton thanked the Board and IFA for consideration of the project and gave a history of the facility and a description of the project. Chairman Gustman asked if the Board had any questions with respect to Project no. 5. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 5. Leave was granted. Project no. 5 was approved with 11 ayes, 0 nays, and 0 abstentions.

No. 7: **N-PS-TE-CD-7111 – Elgin Academy**

Request for preliminary approval of the issuance of conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed $11,500,000 to: a) finance the construction of a media center on the borrower's campus; b) capitalize interest; and c) pay professional and bond issuance costs for a project located in Elgin, Illinois. The project is expected to create 5 new jobs and 50 construction jobs over 15 months. **(07-05-07).**

Chairman Gustman asked if the Board had any questions with respect to Project no. 7. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 7. Leave was granted. Project no. 7 was approved with 11 ayes, 0 nays, and 0 abstentions.

No. 8: **E-PC-TE-CD-7022 – Sindesmos Hellenikes-Kinotetos of Chicago (also known as Holy Trinity Hellenic Orthodox Church)**

Request for final approval of the issuance of conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed $12,400,000 to: a) refinance existing conventional taxable debt; b) expand the borrower's existing facilities through the construction of a gymnasium, a youth center and additional classroom space; c) pay capitalized interest; and d) pay bond costs of issuance for a project located in Deerfield, Illinois. The project is expected to create 7 new jobs and an average of 30 construction jobs over a 24-month period. **(07-05-08).**

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 8. Funding Manager Rich Frampton introduced Mr. John Sassaris of MB Financial Bank. Mr. Sassaris thanked the Board and IFA for consideration of the project. Chairman Gustman asked if the Board had any questions with respect to Project no. 8. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Mr. O'Brien and seconded by Mr. Goetz. Project no. 8 was approved with 10 ayes, 0 nays, and 1 abstention (Valenti). Mr. Valenti abstained because he is an employee of MB Financial Bank.

No. 9: **N-NP-TE-CD-7096 – Planned Parenthood Association (Chicago Area) and Gemini Office Development LLC**

Request for final approval of the issuance of conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed $10,000,000 to finance: a) the acquisition of land, construction and renovation; b) the acquisition of machinery and equipment; c) capitalized interest; and d) costs of issuance for projects located in Aurora and Chicago, Illinois. The project is expected to create 47 new jobs and 150 construction jobs. **(07-05-09).**

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 9. Funding Manager Sharnell Curtis Martin introduced Mr. Terry Huyck, Chief Operating Officer of Planned Parenthood Association Chicago, and Ms. Cheryl Harris, Chief Financial Officer of Planned Parenthood Association Chicago. Ms. Harris thanked the Board and IFA for consideration of the project. Chairman Gustman asked if the Board had any questions with respect to Project no. 9. There being none, Chairman Gustman requested a motion for a roll call vote to approve the project. Motion moved by Mr. Rivera and seconded by Ms. Talbott. Project no. 9 was approved with 11 ayes, 0 nays, and 0 abstentions.

No. 10: **N-NP-TE-CD-6211 – SOS Children's Village Illinois, Inc.**
Request for final approval of the issuance of conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed $9,000,000 to: a) finance the acquisition of land, construction and renovation; b) finance the acquisition of machinery and equipment; c) pay professional expenses; and d) pay bond costs of issuance for projects located in Chicago and Lockport, Illinois. The project is expected to create 46 new jobs and 100 construction jobs. **(07-05-10).**

No. 11: **N-NP-TE-CD-7072 – UNO Charter School Network**
Request for final approval of the issuance of conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed $16,000,000 to: a) finance construction and renovation; b) refinance existing debt; c) fund a debt service reserve; and d) pay costs of issuance for a project located in Chicago, Illinois. The project is expected to create 60 new jobs and 50 construction jobs. **(07-05-11).**

No. 12: **N-NP-TE-CD-7080 – Noble Network of Charter Schools**
Request for final approval of the issuance of conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed $16,000,000 to: a) finance the acquisition of a building and construction and renovations; b) pay capitalized interest; c) fund a debt service reserve; and d) pay bond costs of issuance for a project located in Chicago, Illinois. The project is expected to create 80 new jobs and 120 construction jobs. **(07-05-12).**

Chairman Gustman asked if the Board had any questions with respect to Project nos. 10 through 12. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project nos. 10 through 12. Leave was granted. Project nos. 10 through 12 were approved with 11 ayes, 0 nays, and 0 abstentions.

No. 13: **N-NP-TE-CD-7110 – The Chicago Theatre Group, Inc. d/b/a The Goodman Theatre**
Request for final approval of the issuance of conduit 501(c)(3) Revenue Bonds in an amount not-to-exceed $3,800,000 to finance the acquisition and renovation of

a facility and to pay bond costs of issuance for a project located in Chicago, Illinois. The project is expected to create 25 construction jobs. **(07-05-13).**

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 13. Funding Manager Sharnell Curtis Martin introduced Ms. Katherine Murphy, Managing Director for the Goodman Theatre and Mr. Peter Calibraro, Director of Finance for the Goodman Theatre. Mr. Calibraro thanked the Board and IFA for consideration of the project and noted that the bond proceeds will be used for expansion of the theatre. Chairman Gustman asked if the Board had any questions or comments with respect to Project no. 13. There being no comments or questions, Chairman Gustman requested a motion for a roll call vote. Motion moved by Dr. Herrin and seconded by Ms. Talbott. Project no. 13 was approved with 10 ayes, 0 nays, and 1 abstention (Gustman). Chairman Gustman abstained because a partner at his law firm serves as a Vice-President for the Goodman Theatre.

Project nos. 14 through 19 are participants in an approximate $16.805 million refinancing of a portion of the Series 1997 Illinois Development Finance Authority Community Providers Facilities Acquisition Bonds:

No. 14: **<u>N-NP-TE-CD-7121 – Bridgeway, Inc. and Broadway Foundation</u>**
Request for preliminary approval of the issuance of 501(c)(3) Revenue Bonds in an amount not-to-exceed $3,000,000 to: a) refinance bonds issued by a predecessor of the IFA; b) finance a new project located in Monmouth, Illinois; c) capitalize a debt service reserve; and d) pay bond costs of issuance. The project is expected to create 10 new jobs and 15 construction jobs. **(07-05-14).**

No. 15: **<u>N-NP-TE-CD-7114 – Good Sheperd Manor Foundation</u>**
Request for preliminary approval of the issuance of 501(c)(3) Revenue Bonds in an amount not-to-exceed $1,800,000 to: a) refinance bonds issued by a predecessor to the IFA; b) capitalize a debt service reserve; and d) pay bond costs of issuance. **(07-05-15).**

No. 16: **<u>N-NP-TE-CD-7113 – Kankakee County Training Center for the Disabled, Inc.</u>**
Request for preliminary approval of the issuance of 501(c)(3) Revenue Bonds in an amount not-to-exceed $1,650,000 to: a) refinance bonds issued by a predecessor to the IFA; b) capitalize a debt service reserve; and c) pay bond costs of issuance. **(07-05-16).**

No. 17: **<u>N-NP-TE-CD-7120 – RAVE, Inc. (Rehabilitation and Vocational Education)</u>**
Request for preliminary approval of the issuance of 501(c)(3) Revenue Bonds in an amount not-to-exceed $2,300,000 to: a) refinance bonds issued by a predecessor to the IFA; b) capitalize a debt service reserve; and c) pay bond costs of issuance. **(07-05-17).**

No. 18: **<u>N-NP-TE-CD-7116 – Trinity Services, Inc.</u>**

Request for preliminary approval of the issuance of 501(c)(3) Revenue Bonds in an amount not-to-exceed $3,750,000 to: a) refinance bonds issued by a predecessor to the IFA; b) capitalize a debt service reserve; and c) pay bond costs of issuance. **(07-05-18).**

No. 19: **N-NP-TE-CD-7075 – St. Coletta's of Illinois Foundation**

Request for preliminary approval of the issuance of 501(c)(3) Revenue Bonds in an amount not-to-exceed $5,400,000 to: a) refinance bonds issued by a predecessor to the IFA; b) capitalize a debt service reserve; and c) pay bond costs of issuance. **(07-05-19).**

Chairman Gustman asked if the Board had any questions with respect to Project nos. 14 through 19. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Mr. O'Brien and seconded by Mr. Fuentes. Project nos. 14 through 19 were approved with 11 ayes, 0 nays, and 0 abstentions.

No. 20: **L-GP-7115 – Will Township Road District**

Request for preliminary approval of a Rural Development Loan in an amount not-to-exceed $110,000 to finance roadway renovations that include rebuilding two miles of road located in Peotone, Illinois. The project is expected to create 2 construction jobs. **(07-05-20).**

No. 21: **L-GP-7104 – Village of Waynesville**

Request for final approval of the approval of a Local Government Interim Loan in an amount not-to-exceed $500,000 to finance the construction of a building to house a water filtration system and waterlines to connect a water well to a plant located in Waynesville, Illinois. **(07-05-21).**

No. 22: **L-G-MO-7119 – Local Government 2007 A Pool**

Request for approval of the issuance of Local Government Pooled Bonds the "Bonds") in an amount not-to-exceed $6,600,000 to finance various local government projects for the following units of local government: a) Mt. Zion Fire Protection District; b) Riverton Area Fire Protection District; c) Village of Palmyra; d) Momence Park District; e) City of Petersburg; f) City of Benton; and g) Curran Gardner Water District. The issuance of the Bonds is subject to appropriate security being provided by the borrowers. The Bonds are also subject to the moral obligation of the State of Illinois, as approved by the Governor's Office of Management and Budget ("GOMB"). **(07-05-22).**

Chairman Gustman asked if the Board had any questions with respect to Project nos. 20 through 22. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project nos. 20 through 22. Leave was granted. Project nos. 20 through 22 were approved with 11 ayes, 0 nays, and 0 abstentions.

No. 23: **B-LL-TX-7105 – CIF Industries Inc.**

Request for approval of the issuance of a participation loan in an amount not-to-exceed $200,000 to provide permanent financing for acquisition of a building and land located in Staunton, Illinois. The project is expected to create 7 new jobs and 15 construction jobs. **(07-05-23).**

No. 24: **B-LL-TX-7107 – API Holdings, LLC**

Request for approval of the issuance of a participation loan in an amount not-to-exceed $475,000 to provide permanent financing for acquisition of a building located in Granite City, Illinois. The project is expected to create 5 new jobs and 50 construction jobs. **(07-03-24).**

Chairman Gustman asked if the Board had any questions with respect to Project nos. 23 and 24. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project nos. 23 and 24. Leave was granted. Project nos. 23 and 24 were approved with 11 ayes, 0 nays, and 0 abstentions.

No. 25: **I-ID-TE-CD-7094 – Walter Mulica, Belmont Sausage Company and an LLC to be formed**

Request for preliminary approval of the issuance of Industrial Revenue Bonds in an amount not-to-exceed $8,000,000 to finance renovations, acquisition of equipment and to pay bond issuance costs for a project located in Elk Grove Village, Illinois. The project is expected to create 60 new jobs and 40 construction jobs. The issuance of the bonds for this project is subject to an allocation of volume cap from GOMB. **(07-05-25).**

Chairman Gustman asked if the Board had any questions with respect to Project no. 25. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 25. Leave was granted. Project no. 25 was approved with 11 ayes, 0 nays, and 0 abstentions.

No. 26: **I-ID-TE-CD-7097 – INX International Ink Company and its affiliates, successors and assigns**

Request for preliminary approval of the issuance of Industrial Revenue Bonds in an amount not-to-exceed $10,000,000 to finance the acquisition, renovation and equipping of a vacant, existing manufacturing facility located in Homewood, Illinois. The project is expected to create 9 new jobs, within 2 years, and 20 construction jobs, over 8-10 months. The issuance of bonds for this project is subject to an allocation of volume cap from GOMB. **(07-05-26).**

Chairman Gustman asked if there were any guests attending the meeting with respect to Project No. 26. Funding Manager Rich Frampton introduced Mr. Bryce Kristo, Chief Financial Officer of INX International Ink Company. Mr. Kristo described the history of INX and the purpose of the financing and thanked the Board. Chairman Gustman asked if the Board had any questions with respect to Project no. 26. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 26. Leave was granted. Project no. 26 was approved with 11 ayes, 0 nays, and 0 abstentions.

No. 27: **I-ID-TE-CD-7109 – Chicago Gear – D.O. James Corporation and its affiliates, successors and assigns**

Request for preliminary approval of the issuance of Industrial Revenue Bonds in an amount not-to-exceed $5,300,000 to a) finance the acquisition of land; b) finance the renovation of existing facilities; c) finance the construction of a building addition; and d) finance the purchase of machinery and equipment to expand operations of the borrower for a project located in Chicago, Illinois. The project is expected to create 15 new jobs, within 2 years, and 25 construction jobs, over 7 months. The issuance of bonds for this project is subject to an allocation of volume cap from GOMB. **(07-05-26).**

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 27. Funding Manager Rich Frampton introduced Mr. Danny Lyons, Vice-President of Finance for Chicago Gear. Mr. Lyons thanked the Board and IFA for consideration of the project and noted that the facility being financed is about one mile west of the United Center. Chairman Gustman asked if the Board had any questions with respect to Project no. 27. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 27. Leave was granted. Project no. 27 was approved with 11 ayes, 0 nays, and 0 abstentions.

No. 28: **I-IR-TE-CD-7118 – 47 Asphalt Company (K-Five Construction Corporation)**

Request for preliminary approval of the issuance of Industrial Revenue Bonds in an amount not-to-exceed $5,750,000 to finance the acquisition and installation of asphalt related manufacturing facility for the manufacture of asphalt and to pay bond issuance costs for a project located in Newark, Illinois. The project is expected to create 17 new jobs. The issuance of bonds for this project is subject to an allocation of volume cap from GOMB. **(07-05-28).**

Chairman Gustman asked if the Board had any questions with respect to Project no. 28. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 28. Leave was granted. Project no. 28 was approved with 11 ayes, 0 nays, and 0 abstentions.

No. 29: **I-ID-TE-CD-6142 – Ezine, Inc. and 4243 W. Belmont LLC**

Request for final approval of the issuance of Industrial Revenue Bonds in an amount not-to-exceed $4,500,000 to: a) finance the construction and equipping of a building addition to an existing facility; and b) finance and refinance the acquisition, renovation and equipping of a building adjacent to the borrower's existing building located in Chicago, Illinois. The project is expected to create 150 new jobs, within 2 years and 25 construction jobs, over 10 months. The issuance of bonds for this project is subject to an allocation of volume cap from GOMB. **(07-05-29).**

Chairman Gustman asked if the Board had any questions with respect to Project no. 29. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Dr.

Herrin and seconded by Mr. O'Brien. Project no. 29 was approved with 10 ayes, 0 nays, and 1 abstention (Valenti). Mr. Valenti abstained because he is an employee of MB Financial Bank.

No. 30: **I-ID-TE-CD-6276 – 2643 Chicago Ave, LLC**

Request for final approval of the issuance of Industrial Revenue Bonds in an amount not-to-exceed $5,000,000 to a) finance the acquisition of a 1-acre site and a 60,000 square foot building; b) finance renovations to the building; c) finance the purchase and installation of printing and information technology equipment; and d) refund prior bonds of the borrower issued by the City of Chicago (Series 2000). The project is expected to create 19 new jobs, within 2 years, and 5 construction jobs. The issuance of bonds for this project is subject to an allocation of volume cap from GOMB. **(07-05-30).**

No. 31: **I-ID-TE-CD-7064 – Peddinghaus Corporation**

Request for final approval of the issuance of Industrial Revenue Bonds in an amount not-to-exceed $3,600,000 to: a) purchase land, demolish existing structures and construct a parking lot; b) fund the construction of a manufacturing facility; c) purchase and install equipment and d) pay bond costs of issuance for a project located in Bradley, Illinois. The project is expected to create 20 construction jobs, over 9 months. The issuance of bonds for this project is subject to an allocation of volume cap from GOMB. **(07-05-31).**

Chairman Gustman asked if the Board had any questions with respect to Project nos. 30 and 31. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Mr. Valenti and seconded by Mr. O'Brien. Project nos. 31 and 32 were approved with 11 ayes, 0 nays, and 0 abstentions.

No. 32: **E-PC-TE-CD-7079 – The University of Chicago**

Request for final approval of the issuance of 501(c)(3) Revenue Bonds in an amount not-to-exceed $250,000,000 to finance various capital construction and renovation projects at various campuses of the University in Chicago, Illinois. The project is expected to create 50-300 new jobs, within 2 years and 150-200 construction jobs over 12-24 months. **(07-05-32).**

Chairman Gustman asked if the Board had any questions with respect to Project no. 32. There being none, Chairman Gustman requested leave to apply the last unanimous vote in favor of Project no. 32. Leave was granted. Project no. 32 was approved with 11 ayes, 0 nays, and 0 abstentions.

No. 33: **E-PC-TE-CD-6245 – University Educational Student Housing Corporation (Dwight Building Project)**

Request for final approval of the issuance of 501(c)(3) Revenue Bonds in an amount not-to-exceed $95,000,000 to finance the acquisition of land and the demolition of existing structures on such land to develop new student housing in Chicago, Illinois. The project is expected to create 18 new jobs and 150 construction jobs, over 14 months. **(07-05-33).**

Chairman Gustman asked if there were any guests attending the meeting with respect to Project no. 33. Funding Manager Rich Frampton introduced Mr. Rob Buono, Principal of Smithfield Properties and Mr. Ben Noble, UESHC Director. Mr. Buono thanked the Board and IFA for consideration of the project and provided photos of the project and noted that the project will house approximately 750 students of Columbia College. Chairman Gustman asked if the Board had any questions with respect to Project no. 33. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Ms. Talbott and seconded by Mr. Goetz. Project no. 33 was approved with 10 ayes, 0 nays, and 1 abstention (Gustman). Mr. Gustman abstained because his law firm represents Citigroup (underwriter of the bonds), from time to time, on unrelated matters.

Resolutions/Project Revisions/Amendatory Resolutions

No. 34: **Request to Extend until July 30, 2007 a commitment for a Participation Loan for Midway Broadcasting Company (IFA File #B-LL-TX-668).** Request to extend until July 30, 2007, a commitment for a participation loan for Midway Broadcasting Company. **(07-05-34).**

No. 35: **Amendatory Resolution to authorize the Execution and Delivery of a Waiver of Certain Provisions of a Loan Agreement relating to the Illinois Educational Facilities Authority Revenue Bonds, Lake Forest College, Series 1998.** Amendatory Resolution to authorize the execution and delivery of a waiver of certain provisions of the Loan Agreement relating to the Illinois Educational Facilities Authority Revenue Bonds, Lake Forest College, Series 1998. **(07-05-35).**

No. 36: **Amendatory Resolution to amend and restate the Trust Indenture and Loan Agreement to extend the final maturity date for Industrial Development Revenue Refunding Bonds, Toyal America, Inc., Series 1997.** Request to extend the final maturity date on outstanding bonds by ten years from June 1, 2007 to June 1, 2017. **(07-05-36).**

Chairman Gustman asked if the Board had any questions with respect to Project nos. 34 through 36. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Dr. Herrin and seconded by Mr. O'Brien. Chairman Gustman asked Secretary Burgess Jones to take a roll call vote. Project nos. 34 through 36 were approved with 11 ayes, 0 nays, and 0 abstentions.

No. 37: **Amendatory Resolution to authorize the execution and delivery of a Modification Agreement and related documents for Slovak American Charitable Association, Illinois Development Finance Authority, 501(c)(3) Revenue Bonds, Series 2000.**

Request to amend original Trust Indenture and Loan Agreement and to change the interest rate mode and related documents in order to enable the bonds to be purchased as an investment. **(07-05-37).**

Chairman Gustman asked if the Board had any questions with respect to Project no. 37. There being none, Chairman Gustman requested a motion for a roll call vote. Motion moved by Mr. Goetz and seconded by Mr. O'Brien. Chairman Gustman asked Secretary Burgess Jones to take a roll call vote. Project no. 37 was approved with 10 ayes, 0 nays, and 1 abstention (Valenti). Member Valenti abstained because he is an employee of MB Financial Bank.

Other Business – A ppointment of an Executive Director of the Illinois Finance Authority.

Chairman Gustman noted that Ms. Jill Rendleman has been the Interim Executive Director of the Illinois Finance Authority for approximately two (2) years. He announced that the Governor's office has provided the Board with two nominations for Executive Director: Ms. Kym M. Hubbard and Mr. Chris Meister. Chairman Gustman noted that the candidates had been interviewed and a decision was made to nominate and appoint Ms. Kym M. Hubbard as Executive Director of the Illinois Finance Authority. Chairman Gustman asked if the Board had any questions or comments. There being none, Chairman Gustman requested a motion for a roll call vote to approve Ms. Hubbard's appointment. The nomination and appointment was moved by Mr. Goetz and seconded by Mr. Rivera. Chairman Gustman asked Secretary Burgess Jones to take a roll call vote. The nomination and approval of Ms. Kym M. Hubbard as the Executive Director of the Illinois Finance Authority was approved with 11 ayes, 0 nays, and 0 abstentions. Chairman Gustman stated that, effective Monday, May 21, 2007, Ms. Kym M. Hubbard will be the Executive Director of the IFA and have all powers, duties, rights and authority of the Executive Director of the IFA. Chairman Gustman thanked Ms. Rendleman for serving as Interim Executive Director and her contributions to the IFA.

Chairman Gustman asked if there was any other business to come before the Board. There being no further business, Chairman Gustman requested a motion to adjourn. Upon a motion by Dr. Herrin and seconded by Mr. O'Brien, the meeting adjourned at approximately 12:35 p.m.

Respectfully Submitted,

Carla B. Burgess Jones, Secretary

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ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 12, 2007

Project: James P. and Wanda L. Monke

STATISTICS

Project Number:	A-AI-GT-7102	Amount:	$1,275,000
Type:	Agri-Industry Guarantee	IFA Staff:	Eric Reed
Location:	Litchfield	SIC Code:	Swine

BOARD ACTION

Approval to initiate an 85% loan guarantee in favor of First National Bank in Litchfield.
$1,275,000 of State Treasurer's Agricultural Reserve Risk Funds at risk
Staff recommends approval, subject to satisfying all conditions of the bank loan.
Additional Conditions: **Assignment of Key Man Life insurance on Jim Monke**
Satisfactory appraisals to insure LTV $\leq$ 80%
Receipt of necessary State and local permits for construction
Receipt of executed contract between borrowers and Shaffer Superior Genetics, Inc.

PURPOSE

The proposed loan will provide permanent financing for the expansion of the borrower's farrowing operations. As part of their expansion, the borrower's will construct a new 16,320 sqft farrowing building and a 23,408 sqft gestation building. The expansion will increase their production capacity from 1,260 to 2,600 sows.

IFA PROGRAM AND CONTRIBUTION

The Authority's Agri-Industry Guarantee Program is designed to assist and encourage the diversification of Illinois Agriculture and promote value added processing of Illinois Agricultural products. The IFA guarantees up to 85% of a bank's loans to Illinois farmers and agribusiness owners. The guarantees are not transferable without the Authority's written consent. The Authority's agricultural guarantee obligations are backed by an IFA reserve funded for this program and are also full faith and credit obligations of the State of Illinois.

IFA's issuance of guarantees helps borrowers obtain debt financing at reduced rates of interest and improved terms

VOTING RECORD

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

SOURCES AND USES OF FUNDS

Sources:	IFA Guarantee	$1,275,000	Uses:	New Construction	$1,500,000
	First National Bank	$225,000		New Sow Population	$240,000
	First National Bank	$240,000			
	Total	**$1,740,000**		**Total**	**$1,740,000**

JOBS

Current employment:	N/A	Projected new jobs:	N/A
Jobs retained:	N/A	Construction jobs:	6/ 6 months

BUSINESS SUMMARY

Background: Jim and Wanda Monke, who are in their mid-50's and lifelong farmers, own and operate a grain and livestock farm located north of Litchfield. Their operation consists 370 acres of corn and soybeans, as well as a 1,260 sow, farrow to wean operation. They own 110 acres, on which all of their livestock facilities are located. The Monkes, who have been customers of the First National Bank in Litchfield for over 30 years, changed their business 10 years ago to focus more on farrowing, due to the high demand and reward for expertise in this area. They have expanded their operations twice in the last seven years, with the last expansion taking place in 2003 with the help of an IFA Specialized Livestock Guarantee. They have a son, which farms his own row crop operation, but helps them with the hog operation.

They are currently operating at full capacity with their current sow herd. The Monke's 1,260 sows currently produce approximately 26,000 weanling pigs for sale annually. Through the proposed expansion, the borrowers will increase to 2,600 sows, which will increase production to 54,600 pigs annually. The pigs will be produced on contract for Shaffer Superior Genetics Inc., (SSG) headquartered in Albany, IN. The Monkes have successfully contracted pigs with SSG Inc. since 2003, at the time of their last expansion.

Project Rationale: The Monke's wish to expand their sow herd and thus their farrowing capabilities in order to double their weanling pig production. Most contractors in the hog market now demand an average of 1,000 pigs per week in order to obtain the most favorable contract terms. With the proposed expansion, the Monkes will be able to achieve this industry benchmark. The expansion will also allow them to spread their labor and fixed costs over more animals.

FINANCING SUMMARY

Borrower: James P. and Wanda L. Monke

Loan Terms: First National Bank in Litchfield will originate two loans to complete the proposed expansion. The first will be a 10 year term loan in the amount of $1.5M, with monthly P & I, secured by 110 acres of real estate containing all current swine facilities, as well as the proposed facilities. First National Bank in Litchfield is requesting an IFA loan guarantee for this facility.

The second loan will be a 5 year term loan in the amount of $240,000, with monthly P & I, to finance the increased sows required for the expansion. This loan will be secured by a blanket lien on the borrower's breeding stock, equipment, and a subordinate lien on the proposed facilities. First National Bank will finance this loan without a loan guarantee.

PROJECT SUMMARY

The proposed loan will finance additional breeding stock and new facilities at the following estimated cost:

Gestation Building	$669,000
Farrowing Building	$724,950
Equipment/Crates	$106,050
1,340 Sows	$240,000

	Total	**$1,740,000**

ECONOMIC DISCLOSURE STATEMENT

Applicant: James P. and Wanda L. Monke

Project
Location: 23798 Litchfield Road
Litchfield, IL 62056
County: Montgomery

Organization: Sole-Proprietorship

Ownership: James P. and Wanda L. Monke

PROFESSIONAL & FINANCIAL

Financial Consultant:	N/A		
Attorney/Consultant:	N/A		
Bank:	First National Bank, Litchfield		Ken Elmore, President
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: Phil Hare-17th State Senate: Deanna Demuzio-49th State House: Jim Watson-97th

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 12, 2007

Project: John J. Seys and Patricia A.Seys

STATISTICS

Project Number:	ADR-TX-GT-7132	Amount:	$277,100
Type:	Agri-Debt Guarantee	IFA Staff:	Cory Mitchell
Location:	Coal Valley		

BOARD ACTION

Approval to initiate an 85% loan guarantee in favor of State Bank of Toulon in Galva.
$ 277,100 of State Treasurer's Agricultural Reserve Risk funds at risk
Staff recommends approval, subject to satisfying all conditions of the bank loan, as well as:

*Receipt of updated satisfactory appraisal to insure an LTV of 80% or less
*No further capital expenditures without prior consent of bank and IFA.
*Assignment of Life Insurance on the borrower in the amount of $250,000
*Assignment of Crop Insurance on the borrower's crop equal to debt obligations if possible.

PURPOSE

The proposed loan funds will be used to refinance the borrower's current and intermediate debt in order to reduce debt service and increase cash flow

IFA PROGRAM AND CONTRIBUTION

The Authority's Agri-Debt Restructure Guarantee Program guarantees up to 85% of a bank's loans to Illinois farmers and agribusiness owners. The guarantees are not transferable without the Authority's written consent. The Authority's agricultural guarantee obligations are backed by an IFA reserve funded for this program and are also full faith and credit obligations of the State of Illinois.

IFA's issuance of guarantees helps borrowers obtain debt financing at reduced rates of interest and improved terms.

VOTING RECORD

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

SOURCES AND USES OF FUNDS

Sources:			
IFA	$277,100	Uses:	
State Bank of Toulon	$48,900	Refinance Debt	$326,000
Total	**$326,000**	**Total**	**$326,000**

JOBS

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

BUSINESS SUMMARY

Background: John and Patricia Seys have been farming in the Coal Valley area for more than forty years. Farming has been a way of life for the Seys as they jointly farm with one son. Currently their operation includes 463 acres of corn and 221 acres of soybeans. John is employed with the township on a part-time basis to supplement the cash-flow.

Project Rationale: The proposed loan will consolidate current and intermediate debt. Combining and extending the amortization on the loans will improve the Sey's cash flow.

Transaction: The proposed financing will refinance current and intermediate debt. State Bank of Toulon will originate a 20 year loan secured by equipment, titled vehicles and a 1st REM on farm land. Payments will be structured irregularly with the first 5 annual payments paying down the overall debt by 60% along with all accrued interest each year. The remaining 15 years of annual payments will be made by the borrower paying equal principal and all accrued interest.

FINANCING SUMMARY

Borrower: John J. Seys and Patricia A. Seys

Security: 1st REM on 115.44 acres, equipment, titled vehicles and an assignment of life insurance.

Structure: 5 year term on 20 year amortization

PROJECT SUMMARY

The proposed loan will consolidate current and intermediate debt. Combining and extending the amortization on the loans will improve the Sey's cash flow. State Bank of Toulon will initiate a term loan to refinance $326,000 of current and intermediate debt. The loan will be secured by a 1st REM on 115.44 acres, equipment, titled vehicles and an assignment of life insurance.

ECONOMIC DISCLOSURE STATEMENT

Applicant:	John J. Seys and Patricia A. Seys		
Location:	Coal Valley	County:	Henry
Organization:	Sole Proprietorship		
State:	Illinois		
Ownership:	John J. Seys and Patricia Seys		

PROFESSIONAL & FINANCIAL

Accountant:	Ames Law Offices, P.O. Box 55 Orion, IL 61273
Attorney:	Ames Law Offices, P.O. Box 55 Orion, IL 61273
Bank:	State Bank of Toulon, Galva Banking Center, Ronald D. Rinkenberger, Vice President

LEGISLATIVE DISTRICTS

Congressional:	State Senate:	State House:
17th, Phil Hare	36th Mike Jacobs	72nd, Patrick Verschoore

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 12, 2007

Project: Ty L. and Darlene A. Dagen

STATISTICS

Project Number:	A-AD-GT-7139	Amount:	$170,000
Type:	Agri-Debt Guarantee	IFA Staff:	Eric Reed
Location:	Herrick	SIC Code	Swine

BOARD ACTION

Approval to initiate an 85% loan guarantee in favor of Peoples Bank & Trust in Pana.
$ 170,000 of State Treasurer's Agricultural Reserve Risk funds at risk
Staff recommends approval, subject to satisfying all conditions of the bank loan.

PURPOSE

The proposed loan proceeds will provide for the refinancing of the borrower's real estate debt and carryover operating debt. By refinancing, the borrowers will be able to restructure extend their current debts and improve cash flow.

IFA PROGRAM AND CONTRIBUTION

The Authority's Agriculture Guarantee Program guarantees up to 85% of a bank's loans to Illinois farmers and agribusiness owners. The Agri-Debt Restructuring Guarantee Program is available to assist farmers to consolidate and extend the term of agricultural debt. The guarantees are not transferable without the Authority's written consent. The Authority's agricultural guarantee obligations are backed by an IFA reserve funded for this program and are also full faith and credit obligations of the State of Illinois.

IFA's issuance of guarantees helps borrowers obtain debt financing at reduced rates of interest and improved terms

VOTING RECORD

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

SOURCES AND USES OF FUNDS

Sources:	IFA Guarantee	$170,000	Uses:	Refinance Debt	$130,000
	Peoples Bank & Trust	$30,000		Carryover Debt	$70,000
	Total	**$200,000**		**Total**	**$200,000**

JOBS

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

BUSINESS SUMMARY

Background:	Ty and Darlene Dagen have operated a small livestock farm in Shelby County for the past 20 years. Their operation consists of a 50 sow farrow to finish and 20 head cow-calf operation. After operating their swine operation jointly with Mr. Dagen's mother, the Dagen's have now assumed 100% of the operation. Ty and Darlene Dagen are both employed off the farm at PPG Industries in Mt. Zion, which provides them with off-farm income.
Project Rationale:	The borrower's have experienced recurring liquidity problems and carryover debt. In an effort to improve their loan portfolio; Peoples Bank & Trust is seeking guarantees for this borrower. With the approval of the proposed restructuring for the Dagens, Peoples Bank & Trust will be able to offer more favorable financing terms to the borrowers. The borrowers will be able to continue with their livestock operations and their off-farm employment.
Transaction:	Peoples Bank & Trust will originate a 20 year loan, secured by a 1st REM on 159 acres. The payments will be monthly principal and interest with an additional annual principal payment. A real estate appraisal was obtained 11/30/06, which stated a value of $400,000.

FINANCING SUMMARY

Borrower:	Ty L. and Darlene A. Dagen
Security:	1st REM on 159 acres
Structure:	20 year term with 20 year amortization with monthly pay, plus annual balloon principal payment.

PROJECT SUMMARY

The proposed loan proceeds will provide for the refinancing of the borrower's current real estate debt and carryover operating debt. By refinancing, the borrower will be able to restructure their current debts and improve cash flow. The $200,000 loan will be amortized over 20 years with annual debt service.

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Ty L. and Darlene A. Dagen	
Location:	RR 1 Box 285 Herrick, IL 62431	County: Shelby
Organization:	Sole-Proprietorship	
State:	Illinois	
Ownership:	Ty L. and Darlene A. Dagen	

PROFESSIONAL & FINANCIAL

Accountant:	N/A		
Attorney:	N/A		
Bank:	Peoples Bank & Trust		Nick Epley, VP
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: Phil Hare-17th State Senate: Frank Watson-51st State House: Ron Stephens-102nd

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 12, 2007

Project: Mark W. Dunn and Brenda L. Dunn

STATISTICS

Project Number:	A-DR-TX-GT-7134	Amount:	$340,000
Type:	Agri-Debt Guarantee	IFA Staff:	Cory Mitchell
Location:	Aledo		

BOARD ACTION

Approval to initiate an 85% loan guarantee in favor of Farmers State Bank of Western Illinois, Aledo
$340,000 of IFA funds at risk
Staff recommends approval, subject to satisfying all conditions of the bank loan, as well as:

*Receipt of satisfactory appraisal to insure an LTV of 80% or less on Real Estate
*Assignment of life insurance policies on the borrowers
*Assignment of CD and money market account.
*Approval by Farmers State Bank of Western Illinois and IFA for all future purchases over $5000
*Lender add cross default covenant to loan documents on both IFA loans

PURPOSE

The proposed loan funds will be used to refinance the borrower's term debt in order to reduce debt service and increase cash flow.

IFA PROGRAM AND CONTRIBUTION

The Authority's Agri-Debt Restructure Guarantee Program guarantees up to 85% of a bank's loans to Illinois farmers and agribusiness owners. The guarantees are not transferable without the Authority's written consent. The Authority's agricultural guarantee obligations are backed by an IFA reserve funded for this program and are also full faith and credit obligations of the State of Illinois.

IFA's issuance of guarantees helps borrowers obtain debt financing at reduced rates of interest and improved terms.

VOTING RECORD

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

SOURCES AND USES OF FUNDS

Sources: IFA	$340,000	Uses:		
Farmers State Bank of Western Illinois	$60,000		Refinance Debt	$400,000
Total	**$400,000**		**Total**	**$400,000**

JOBS

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

BUSINESS SUMMARY

Background:	Mark and Brenda Dunn of Aledo, Illinois farm 764 acres of which 649 are tillable. Primary crops grown have been corn, soybeans and wheat. They also raise hogs from weaning size up to market weight. The hogs have been raised on a contract basis with Biddle Farms Inc. In addition to the farming operation income, the Dunns receive rental income from a rental home in Aledo and Mrs. Dunn is employed off the farm at a local radio station.
Project Rationale:	The proposed loan will be used to consolidate intermediate term debt. Combining and extending the amortization on the loans will improve the borrowers overall cash flow.
Transaction:	Farmers State Bank of Western Illinois will originate a 30 year amortized loan to restructure intermediate term debts. This loan will be secured with 177 acres, 2 homestead's along with a blanket security agreement on machinery, assignment of CD, money market account assignment of life insurance policies. A real estate appraisal will be obtained by the bank to insure an LTV of 80% or less

FINANCING SUMMARY

Borrower:	Mark W. Dunn and Brenda L. Dunn
Security:	1st REM on 7 acres w/rental home and hog building, 1st REM on 177 acres with homestead, blanket security agreement on machinery, assignment of life insurance policies on the borrowers and assignment of CD and money market account.
Structure:	5 year term, 30 year amortization

PROJECT SUMMARY

The proposed loan will be used to refinance intermediate debt. Farmers State Bank of Western Illinois will initiate a 5 year term with a 30 year amortization loan on $400,000 with annual payments of principal and interest. The loan will be secured by 1st REM on 7 acres w/rental home and hog building, 1st REM on 177 acres with homestead, blanket security agreement on machinery, cd, money market account and assignment of life insurance policies on the borrowers.

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Mark W. Dunn and Brenda L. Dunn	
Location:	1981 24th Avenue	
	Aledo, IL 61231	County: Mercer
Organization:	Sole Proprietorship	
State:	Illinois	
Ownership:	Mark W. Dunn and Brenda L. Dunn	

PROFESSIONAL & FINANCIAL

Accountant:	Richard Lee, CPA, Aledo, Illinois
Attorney:	N/A
Bank:	Farmers State Bank of Western Illinois, Aledo, IL, Eric Coulter, VP

LEGISLATIVE DISTRICTS

Congressional:	State Senate:	State House:
17th, Phil Hare	47th John M. Sullivan	94th, Richard P. Myers

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 12, 2007

Project: Mark W. Dunn and Brenda L. Dunn

STATISTICS

Project Number:	A-AI-TX-GT-7136	Amount:	$425,000
Type:	Young Farmer Guarantee	IFA Staff:	Cory Mitchell
Location:	Aledo		

BOARD ACTION

Approval to initiate an 85% loan guarantee in favor of Farmers State Bank of Western Illinois, Aledo
$425,000 of IFA funds at risk
Staff recommends approval, subject to satisfying all conditions of the bank loan, as well as:

*Receipt of satisfactory appraisal to insure an LTV of 80% or less on Real Estate
*Assignment of CD and money market account
*Approval by Farmers State Bank of Western Illinois and IFA for all future purchases over $5000
*Lender to add cross default covenant to loan documents for both IFA loans
*Assignment of Life Insurance Policy on Borrower

PURPOSE

The proposed loan proceeds will provide permanent financing for the purchase of 132 acres (more or less) of farm land.

IFA PROGRAM AND CONTRIBUTION

The Authority's Young Farmer Guarantee Program guarantees up to 85% of a bank's loans to Illinois farmers. The guarantees are not transferable without the Authority's written consent. The Authority's agricultural guarantee obligations are backed by an IFA reserve funded for this program and are also full faith and credit obligations of the State of Illinois.

IFA's issuance of guarantees helps borrowers obtain debt financing at reduced rates of interest and improved terms

VOTING RECORD

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

SOURCES AND USES OF FUNDS

Sources:			
IFA	$425,000	Uses:	
Farmers State Bank of Western Illinois	$75,000	Purchase Land	$500,000
Total	**$500,000**	**Total**	**$500,000**

JOBS

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

BUSINESS SUMMARY

Background: Mark and Brenda Dunn of Aledo, Illinois farm 764 acres of which 649 are tillable. Primary crops grown have been corn, soybeans and wheat. They also raise hogs from weaning size up to market weight. The hogs have been raised on a contract basis with Biddle Farms Inc. In addition to the farming operation income, the Dunns receive rental income from a rental home in Aledo and Mrs. Dunn is employed off the farm at a local radio station.

Project Rationale: The borrower's continue to try and expand their operation. Purchasing the additional 132 acres from Mark's sisters at a reasonable price will allow the operation to grow at an economical rate. This acreage is adjacent to a majority of the acres already farmed by the borrower and will reduce expenses related to transportation to further distances.

Transaction: Farmers State Bank of Western Illinois will originate a 30 year amortized loan to purchase 132 acres. This loan will be secured with 177 acres, 2 homestead's along with a blanket security agreement on machinery, assignment of life insurance, assignment of CD and money market account. A real estate appraisal will be obtained by the bank to insure an LTV of 80% or less

FINANCING SUMMARY

Borrower: Mark W. Dunn and Brenda L. Dunn

Security: 1st REM on 7 acres w/rental home and hog building, 1st REM on 177 acres with homestead, blanket security agreement on machinery and assignment of CD and money market account.

Structure: 5 year term, 30 year amortization

PROJECT SUMMARY

The proposed loan will be used to purchase 132 acres of farm land. Farmers State Bank of Western Illinois will initiate a real estate loan to for $500,000 with annual principal and interest payments. The loan will be secured by 1st REM on 7 acres w/rental home and hog building, 1st REM on 177 acres with homestead, blanket security agreement on machinery, assignment of life insurance, cd and money market account.

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Mark W. Dunn and Brenda L. Dunn	
Location:	1981 24th Avenue	
	Aledo, IL 61231	County: Mercer
Organization:	Sole Proprietorship	
State:	Illinois	
Ownership:	Mark W. Dunn and Brenda L. Dunn	

PROFESSIONAL & FINANCIAL

Accountant:	Richard Lee, CPA, Aledo, Illinois
Attorney:	n/a
Bank:	Farmers State Bank of Western Illinois, Aledo, IL, Eric Coulter, VP

LEGISLATIVE DISTRICTS

Congressional:	State Senate:	State House:
17th, Phil Hare	47th John M. Sullivan	94th, Richard P. Myers

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 12, 2007

Project: Stephen Todd Fosen and Nannette Castaneda Fosen

STATISTICS

Project Number:	A-LL-TX-7138	Amount:	$314,000
Type:	Ag Participation Loan	IFA Staff:	Cory Mitchell
Location:	Lexington		

BOARD ACTION

Approval to purchase a 50% participation loan from State Bank of Graymont of Pontiac, Illinois.
$314,000 of IFA funds at risk
Staff recommends approval, subject to satisfying all conditions of the bank loan, as well as:
*receipt of satisfactory appraisal to insure an LTV of 80% or less.

PURPOSE

To provide permanent financing for the purchase of 158 acres of tillable farm land.

IFA PROGRAM AND CONTRIBUTION

Under its Participation Loan Program, the Authority participates in bank loans financing capital projects for business, industry, farmers and agri-industry, and not-for-profit corporations. The Authority will participate in loans for up to 10 years at a rate of interest that is variable or fixed for up to 5 years at 100 basis points above the 3 month LIBOR. The Authority shares pro-rata in the Bank's collateral and generally advances funds at rates up to 80% of appraised fair market value for real estate, 65% of cost for new equipment and 65% of orderly appraised liquidated value for used equipment.

IFA's participation reduces the borrower's interest expense

VOTING RECORD

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

SOURCES AND USES OF FUNDS

Sources:				
IFA	$314,000	Uses:	Purchase Land	$837,400
Borrower Equity(cash invested)	$100,400			
State Bank of Graymont	$314,000			
State Bank of Graymont(2^{nd} mortgage)	$109,000			
Total	**$837,400**		**Total**	**$837,400**

JOBS

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

BUSINESS SUMMARY

Background: Stephen and Nanette Fosen started farming in 1996 raising primarily corn, soybeans and wheat on approximately 350 acres. The borrowers reside in Lexington, IL and farm in the Dwight, IL area with Stephens's father and uncle. Total acres farmed amongst all families are 3500. The borrowers have maintained employment off-farm where Stephen is a Credit Analyst for Farm Credit Services and Nanette is an attorney for State Farm Insurance.

Project Rationale: The borrowers are purchasing 158 acres of tillable farmland to add to the 350 acres they currently farm. This purchase will allow the borrowers to grow their operation and become more profitable by spreading their expenses over more acres. State Bank of Graymont has approved the 2007 Revolving Line of Credit for the borrower

Transaction: State Bank of Graymont in Pontiac, Illinois will originate a 5 year loan with a 20 year amortization in the amount of $628,000 of which IFA will participate $314,000. Borrower is applying $100,400 as a cash down payment and State Bank of Graymont is making an additional 5 year loan with a 10 year amortization in the amount of $109,000 as a second mortgage, of which IFA has no interest in.

FINANCING SUMMARY

Borrower: Stephen Todd Fosen and Nannette Castaneda Fosen

Security: 1st Position REM

Structure: 5 year term, 20 year amortization

PROJECT SUMMARY

The borrower's are purchasing 158 acres of tillable farmland in the amount of $837,400 near Dwight, Illinois in Livingston County. IFA will participate $314,000 and will be secured by a 1st REM.

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Stephen Todd Fosen and Nannette Castaneda Fosen
Location:	115 Meadow Creek Ct. Lexington, IL 61753, McLean County (home address) Section 23, Dwight Township, Dwight, IL 60420, Livingston County (purchase property address)
State:	Illinois
Ownership:	Stephen Todd Fosen and Nannette Castaneda Fosen

PROFESSIONAL & FINANCIAL

Accountant:	DJR Tax Service, 510 IAA Drive Suite 9, Bloomington, IL 61701
Attorney:	Hunt Henderson, 112 East Center Street, Leroy, IL 61752
Bank:	State Bank of Graymont, Pontiac, IL Bob Tronc, Senior Vice President

LEGISLATIVE DISTRICTS

Congressional:	State Senate:	State House:
15th, Timothy V. Johnson	53rd, Dan Rutherford	105th, Shane Cultra

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Eric Reed & Cory Mitchell/lk

Date: June 12, 2007

Re: Overview Memo for Beginning Farmer Bonds

- **Borrower/Project Name:** Beginning Farmer Bonds
- **Locations:** Throughout Illinois
- **Board Action Requested:** Final Bond Resolutions for each attached project
- **Amounts:** Up to $250,000 maximum of new money for each project
- **Project Type: Beginning Farmer Revenue Bonds**
- **IFA Benefits:**
  - **Conduit Tax-Exempt Bonds –** no direct IFA or State funds at risk
  - **New Money Bonds:**
    - convey tax-exempt status
    - will use dedicated 2007 IFA Volume Cap set-aside for Beginning Farmer 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 Borrower's 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 Participating 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

Project Number:	**A-FB-TE-CD-7140**
Funding Manager:	Eric Reed
Borrower(s):	**Niemerg, Eric J.**
Town:	Wheeler, IL
Amount:	$119,250
Use of Funds:	Farmland – 79 acres
Purchase Price:	$238,500 / ($3,019 per ac)
%Borrower Equity	0%
%Other Agency	50%
%IFA	50%
County:	Clay
Lender/Bond Purchaser	Midland States Bank, Aaron Myers
Legislative Districts:	Congressional: 19th, John Shimkus
	State Senate: 54th, John O. Jones
	State House: 108th, David Reis

Principal and interest shall be paid annually in equal installments determined pursuant to a Thirty year amortization schedule, with the first principal and interest payment due date March 31, 2008 with the thirtieth and final payment of all outstanding balances due thirty years on March 31, 2038.

Eric J. Niemerg: Note shall bear simple interest at the expressed rate. The expressed rate shall be 5.9% fixed for the first 5 years and adjust annually thereafter to 1.00% below the Wall Street Journal Prime with a floor of 4.25%. Lender will charge .25% basis points. **Fee: $1,491**

*** Information enclosed in the border is to be considered confidential and may be exempt from disclosure under the Freedom of Information Act**

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 12, 2007

Project: Illinois River Energy, LLC

STATISTICS

Project Number:	P-SW-TE-CD-6203	Amount:	$30,000,000 (not to exceed amount)
Type:	Conduit Solid Waste Disposal Facilities Bonds		
Location:	Rochelle	IFA Staff:	Steven Trout

BOARD ACTION

Final Bond Resolution
Conduit Solid Waste Disposal Facilities Revenue Bonds
No IFA funds at risk

No extraordinary conditions
Staff recommends approval

PURPOSE

To finance the construction of 50 million gallon capacity expansion ethanol plant adjacent to the Illinois River Energy, LLC ("IRE") existing ethanol plant, the acquisition and installation of machinery and equipment, including qualifying solid waste disposal facilities, and pay cost of insurance.

IFA CONTRIBUTION & PROGRAM

Solid Waste Disposal Facilities Revenue Bonds ("SWDBs") are municipal bonds that finance qualifying, privately-owned facilities that are used in whole or in part to collect, store, treat, transport, utilize, process or provide for the final disposal of solid waste. Interest earned on the bonds is exempt from federal income tax liability, which will result in a reduced rated of interest payable by the borrower. **Issuance of these bonds is subject to an allocation of Volume Cap from the Governor's Office of Management and Budget ("GOMB").**

VOTING RECORD

Preliminary Bond Resolution, April 10, 2007:

Ayes: 9 (Phone: Goetz, Leonard) Nays: 0 Abstentions: 1 (Boyles)

Absent: 4 (Herrin, O'Brien, Rivera, Valenti) Vacancies: 1

ESTIMATED SOURCES AND USES OF FUNDS

Sources:			Uses:		
	IFA Issued Tax Exempt Solid Waste Disposal Bonds	$30,000,000		Project Costs	$100,700,000
	Bank Senior Taxable Credit Facilities	140,000,000		Refinancing Existing Debt	38,000,000
	Equity	20,600,000		Owner's Contingency	10,000,000
				Working Capital	10,000,000
				Capitalized Interest	17,200,000
				Debt Service Reserve	6,200,000
				Insur. & Closing Costs	8,500,000
	Total	**$190,600,000**			**$190,600,000**

JOBS

Current employment:	34	Projected new jobs:	15	
Jobs retained:	0	Construction jobs:	100-300	(24 months)

BUSINESS SUMMARY

Description: A farm cooperative established Illinois River Energy, LLC ("IRE") on February 2, 2002 as a Delaware limited liability company to develop, construct and operate an ethanol plant in Illinois. In October 2004, IRE acquired the 81 acres site in Rochelle on which the plant is now built. IRE reviewed a total of sixteen possible sites throughout Illinois before selecting the current site.

GTL Resources USA Inc. ("GTL") is the wholly-owned subsidiary of GTL Resources, PLC. In September 2005, GTL acquired an 85% controlling interest in IRE to develop a 50 million gallon per year (MGY) ethanol plant in Rochelle. The plant has commenced production in December of 2006 and is now fully operational at 50MGY.

Background: In a bio-refinery, a mechanical or chemical process separates biomass (plants and organic matter) into components for further processing into marketable products; such as, fuel additives, proteins, edible oils, and animal feeds.

The most common bio-refinery in the U.S. is the "simple dry-mill" ethanol plant. Simple dry-mill technology processes whole grains into three products: fuel-grade ethanol, carbon dioxide gas ("CO_2"), and an animal feed called distiller's grain (wet and dried).

The IRE ethanol plant is a dry-milling facility, where ethanol is produced by the yeast fermentation of corn feedstock and subsequent distillation and dehydration to remove water and by-products to produce pure (200 proof) ethanol. The corn feedstock is milled to flour, mixed with water and dosed with enzymes to convert the starches to sugars. The conversion of starch to sugar is completed in the cooking process and the resulting "beer mash" is cooled before being passed to batch fermentation vessels. Yeast is then added to the fermentation vessels and, with the temperature of the beer mash being maintained at approximately 90°F. The resulting "beer" is then passed to the distillation stage, which is a reflux distillation column, in which the column vapors are condensed to form 190-proof ethanol. The 190-proof ethanol is vaporized and passed through molecular sieves which contain a silica gel material which absorbs water molecules during the process. The absorbed water is removed under vacuum. The ethanol vapor from the molecular sieves is condensed to 200-proof ethanol.

The residue liquids and unconverted corn mass are separated in a centrifuge and ultimately sold for cattle feed as distillers grains. The residue liquids are then passed through the evaporating process to leave a corn concentrate which is also sold as cattle feed. These by-products form a high protein cattle feed which provides a valuable revenue stream to the overall production economics.

The Project: On March 20, 2007, GTL and IRE announced that an expansion ethanol plant would be developed adjacent to the existing 50 million gallon ethanol plant in Rochelle, Illinois. The IRE expansion plant ("the Project") will also have a nameplate of 50 million gallons per year (MGY) of ethanol. An estimated 160,000 tons of DDGS will be produced by the expansion plant. IRE has applied to the Illinois Environmental Protection Agency for an expansion air permit and to the Illinois Department of Commerce and Economic Opportunity ("DCEO") for an Enterprise Zone annexation to a portion of Lee County for the development of the Project. Construction of the Project is scheduled to begin on June 11, 2007.

The Project will have the same competitive advantages as those of the original IRE plant. There is an abundant corn supply in the State of Illinois and surrounding states. Cargill, Inc. will provide corn origination, energy risk management services. As a result of derivatives transactions in place for 95% of the original plant's nameplate corn requirements for 2007, IRE has benefited from corn prices which are significantly below the current market rates. The plant is the closest ethanol site to Chicago, one of the nation's largest ethanol markets.

Rochelle has very strong transportation infrastructure, particularly with respect to truck and rail, which enable the plant's output to be economically distributed to Chicago. Rochelle is located at the intersection of two mainline rail systems, the Union Pacific and the Burlington Northern Santa Fe. The Rochelle City Lead Track Railroad provides the plant with access to both rail lines which are the only two western transcontinental railroads. IRE is allowed use of this local rail system without incurring switching fees. There is also a rail-to-truck interposal facility near Rochelle, and resulting high truck traffic in the area, which will allow IRE to choose the best subcontractors for transporting ethanol and DDGS to profitable markets. Finally, an annexation agreement with the City of Rochelle provides city utilities up to the IRE site property line.

Preliminary engineering agreements have been executed with Fagen, Inc. ("Fagen") for the design/construction of the expansion facility. Fagen also provided these services for the original IRE ethanol plant. ICM, Inc. will provide process engineering and technology for the Project.

Provista Renewable Fuels Marketing, a joint venture ethanol-marketing company formed by US BioEnergy and CHS Inc., is the ethanol marketer of the existing plant and will be for the project.

UBE Ingredients, a wholly owned subsidiary of US BioEnergy, will market all of the DDGS.

The Team: The Company has assembled a team of highly qualified leaders to manage the project and guide their operations.

Fagen, Inc., (Fagen) will begin construction on the project in mid-June. The expected completion date is July 2009. Guarantees included in the contract with Fagen are a guaranteed fixed price for plant construction, a maximum construction period, minimum production yields, and maximum utility usage based on production. Fagen has over thirty years of construction experience and was one of the early contractors in the biofuels industry. The 100% family owned company is headquartered in Granite Falls, Minnesota. They work with over 18,000 highly skilled craftworkers nationwide that are experienced in all areas of civil, mechanical, structural steel, and electrical construction. Fagen provides safety assurance and performance bonds for projects. Together with Fagen Engineering LLC, Fagen provides complete design-build services. Fagen has been selected as the contractor to multi-ethanol plant developers such as Abengoa Bioenergy Corporation and Archer Daniels Midland as well as many smaller developers throughout the Midwest.

ICM, Inc. , ("ICM") is the technology provider for the project. The company, headquartered in Colwich, Kansas, was founded in 1995 to supply innovative technology specifically to the ethanol industry. In some instances, ICM works with a select group of partners to design, build and install ethanol plant equipment. ICM also provides engineering and plant support services.

Cargill, Inc. ("Cargill") has entered into an agreement with IRE to provide corn origination and risk management services. Cargill is an international provider of food, agricultural and risk management products and services. Cargill is also one of the nation's largest ethanol producers. The company, which is based in Wayzata, Minnesota, has over 124,000 employees in 59 countries. Corn for the project will be purchased from farmers and county elevators in the area, and supplied by the Cargill AgHorizons Northern Illinois Farm Service Group. The annual supply required for the project is expected to be 18 million bushels of corn.

Provista Renewable Fuels Marketing ("Provista") was developed by US BioEnergy and CHS Inc. for the purpose of marketing ethanol produced in the U.S. The company headquarters are located in Inver Grove Heights, Minnesota. Provista will market the project's ethanol almost entirely to only the Chicago/Milwaukee area.

UBE Ingredients, a subsidiary of US BioEnergy, will market the DDGS produced by the expansion plant. In one year, ending September 30, 2006, the company successfully marketed over two million tons of DDGS for twelve different producers. The DDGS are distributed primarily by rail to livestock operations across the country. With respect to the existing plant and the expansion plant, IRE will take advantage of local container yards to export the DDGS first to the US West Coast, then to the Far East, at attractive prices.

Government Incentives: Demands for ethanol is bolstered by a number of governmental programs regulations and incentives which are described below.

Federal and State Incentives Provided or Proposed	**Impact**
Partial exemption from federal excise tax on gasoline through 2011.	Allows ethanol to compete successfully with gasoline with MTBE, produced by oil industry.
Federal renewable fuels standard (RFS) that will double use of ethanol and biodiesel to 7.5 billion gallons per year by 2012.	Mandates increase in ethanol demand nationally.
Illinois HB 387: tax credits for buyers of E85 ethanol powered vehicle; tax credits for ethanol dispensing pumps at retail stores.	Stimulates increase in ethanol demand in Illinois.
Illinois Alternative Fuel Vehicle Rebates for converting vehicle to ethanol.	Stimulates increase in ethanol demand in Illinois.
Illinois Sales and Use Tax Exemptions for ethanol-blended fuels.	Lowers cost of ethanol to consumer at the pump. Allows ethanol to be price competitive with gasoline.

State Incentives Requested by the Company	**Impact**
IFA issuance of tax-exempt solid waste disposal bonds with volume cap allocation in amount up to $25 million.	Lowers the Company's cost of debt capital. Partial tax-exempt capital structure provides a competitive advantage with respect to other ethanol producers.
$5 million Renewable Energy Program Grant from DCEO.	Lowers equity requirement by $5 million. Reimburses IRE for higher cost of construction created by requirement of using union labor in Illinois.
Lee County Enterprise Zone Annexation (pending).	Lowers the cost of infrastructure and building materials for the expansion plant.

FINANCING SUMMARY

Obligor: Illinois River Energy, LLC.
Lender: WestLB AG, New York Branch.
Financing: Construction/Senior Term Debt (58.1%)
2nd lien tax-exempt debt (13.4%)
Amount: $160.0 million, or approximately 71.5% of funding needs, plus working capital of $10 million (4.5%).
Non-recourse debt to investors.
Maturity & Amortization: Senior Term Debt - 24-month construction (no principal) with 6 year amortization, subject to significant cash sweeps to payoff earlier.
2nd lien debt – tenor up to 12 years, including a 24-month construction period
Equity Contribution: $20.6 million, in addition to $33 million in equity contributed to finance the existing IRE plant (24%).

PROJECT SUMMARY

All funding will be used to finance the construction and equipping of an ethanol production plant. The plant will be engineered and constructed by Fagen, Inc. pursuant to a fixed-price/schedule engineering, procurement and construction (EPC) contract that is currently being negotiated. Both projects will take up to 24 months to build. Construction is scheduled to commence in July 2007. Project costs are currently estimated as follows:

Land & Site Improvements	$6,300,000
Management/Start-up	11,000,000
Construction	83,400,000
Total	$100,700,000

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Illinois River Energy, LLC, 1900 Steward Road, Rochelle, Illinois 61068 Contact Person: Richard Ruebe, Board of Managers; Phone # 312 474-7845
Project Name:	Illinois River Energy, LLC Expansion Plant
Location:	Rochelle, IL
Land Owners:	Illinois River Energy, LLC
Organization:	Illinois River Energy, LLC, a Delaware Limited Liability Company

PROFESSIONAL & FINANCIAL

Bond Underwriter:	Stern Brothers	St. Louis, MO	John May
Bond Counsel:	Chapman & Cutler LLP	Chicago, IL	Bill Libit
Senior Debt Arranger:	West LB AG	New York, NY	Michael Pantelogianis
Lender's Counsel:	Chadbourne & Parke LLP	Washington, DC	Rohit Chaudhry
Issuer's Counsel:	Kevin Cahill	Chicago, IL	Kevin Cahill
General Contractor:	Fagen, Inc.	Granite Falls, MN	
Feasibility Consultants:	Muse, Stancil & Co.	Dallas, TX	Sharon Rhoton

LEGISLATIVE DISTRICTS

Congressional:	14
State Senate:	45
State House:	90

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 12, 2007

Project: REG Cairo, LLC

STATISTICS

Project Number:	EZ-I-EZ-TE-CD-6219	Empowerment Zone Bonds	$60,000,000
Location	Cairo	IFA Staff:	Steve Trout/
SIC Code:	311222 Soybean Processing		Rick Pigg

BOARD ACTION

Amendatory Preliminary Bond Resolution to Issue Conduit Federal Empowerment Zone Revenue Bonds
No IFA funds at risk
No extraordinary conditions
Staff recommends approval

PURPOSE

To finance the construction of a 60 million-gallon capacity biodiesel plant adjacent to Bunge North America's soybean oil processing plant located at 304 34th Street in Cairo.

IFA CONTRIBUTION & PROGRAM

Congress created Federal Empowerment Zone Revenue Bonds to encourage private investment in capital projects that will create jobs for people living in designated Federal Empowerment Zones. IFA's issuance of Federal Empowerment Zone Revenue Bonds conveys federal income tax exemption on interest earned on the Bonds, which will reduce the borrower's interest expense. Pulaski County is evaluating the Renewable Energy Group's ("REG") request to contribute $30,000,000 of its allocation for Federal Empowerment Zone Revenue Bonds to facilitate IFA's issuance of Empowerment Zone Bonds to finance a portion of the Project.

REG has asked IFA give its preliminary approval to issue up to $60,000,000 of Federal Empowerment Zone Bonds, which is a $30,000,000 increase from the amount that the Board approved in January 2007. The Board's approval of this increased amount would permit REG to use up to $60,000,000 in tax-exempt bond proceeds to reimburse itself for qualifying project costs incurred, should an allocation of Empowerment Zone Revenue Bonds become available from the Board of the Southernmost Illinois Delta Empowerment Zone.

VOTING RECORD

The IFA Board gave its preliminary approval for the issuance of up to $30,000,000 in Federal Empowerment Zone Revenue Bonds and up to $20,000,000 in Taxable Revenue bonds on January 9, 2007 by the following vote:

10 ayes	0 nays	0 abstentions	4 absent

ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IF EZ Bonds:	$30,000,000	Uses:	Project Costs:	$77,000,000
	Bank Loan:	20,000,000			
	Investor Equity:	$22,000,000			
	DCEO Grant:	$5,000,000			
Total		**$77,000,000**		**Total**	**$77,000,000**

JOBS

Current employment:	0	Projected new jobs:	35
Jobs retained:	0	Construction jobs:	567

BUSINESS SUMMARY

Description: The Renewable Energy Group ("REG") was formed with the combination of West Central Cooperative's biodiesel business and REG LLC's biodiesel plant construction business. REG Cairo, LLC is an Illinois Limited Liability Company to be formed to develop, own and operate a 60 million-gallon capacity biodiesel plant in Cairo, Illinois ("the Project").

REG has produced and sold biodiesel for more than ten years through its predecessor companies. The Group is the nation's leading distributor of B100 (100% biodiesel) and is the only full-service biodiesel company offering plant management, risk management, raw material procurement, plant construction, biodiesel production and biodiesel sales and marketing services. REG serves hundreds of customers including on-highway fleets, original equipment manufacturers, maritime, military, home heating and agriculture industries.

REG's services include:

Pre-Construction: Site evaluation
Construction: contracts to build plants to produce B100 biodiesel which meets ASTM 6751 quality standard, with annual biodiesel production rates between 30 to 100 million gallons, using commercial scale continuous flow technology, and offering process design and engineering services.
Administrative Services: including accounting and credit services, insurance, payroll, IT an documentation services
Risk Management: including commodity price risk management and acquisition instruments
Feedstock and Chemical Procurement
Transportatiou Services
Research
Sales and Marketing

REG currently has three biodiesel plants in operation:

REG, INC, Ralston, Iowa: 12 million gallon plant using soybean oil as a feedstock
SoyMor, Glenvile, Minnesota: 30 million gallon plant using soybean oil as a feedstock
Western Iowa Energy, Wall Lake, Iowa: 30 million gallon plant using soybean oil and animal fats as a feedstock

All of REG's planned facilities will utilize patented continuous-flow biodiesel production technology featuring water recycling and methanol recovery and will be BQ-9000 accredited.

REG currently manages two third-party facilities in the US and has agreements to construct several more over the next few years. REG will also construct 4 additional biodiesel plants that it will own and operate. As part of new partnership with Bunge, REG will co-locate some of those facilities with Bunge oil seed processing facilities. This arrangement will allow REG to obtain most of the soy oil needed for operations from the Bunge plant.

Overview: Biodiesel is renewable fuel derived from vegetable oil or animal fat. The principal feedstock in the US is soybean oil, with several plant built recently to utilize animal fat and/or waste oil as a primary or supplemental feedstock. Biodiesel in the US is typical produced from a chemical reaction of soybean oil and methanol and is commonly mixed with diesel fuel in blend ranging from 2% ("B2") and 20% ("B20"). Biodiesel has been used extensively in Europe since the

1990s. Use in the US has been limited by production capacity because its cost of production has not been competitive with diesel fuel until recently.

Biodiesel offers significant environment benefits over traditional diesel fuel. Burning B20 versus diesel, results in a 10% reduction in carbon monoxide,15% reduction in particulates, 10% reduction in hydrocarbons and a 20% reduction in sulfate. Biodiesel has been approved for use by major truck, car and equipment manufacturers and is readily useable in blends up to 20% for most diesel engines used in the US. Biodiesel has earned an ASTM quality designation for many blends that are commonly used today. Biodiesel blends as low as 2% offer superior lubricity conventional diesel, a trait, which will become increasingly valuable as federal mandates requiring use of ultra-low sulfur diesel are implemented over the next several years.

Government Support: Biodiesel and ethanol projects are supported by several federal and state programs. Key programs at the federal level include:

Incentive	**Government Entity**
Tax Increment Financing	City of Cairo, Illinois
Economic Development Program, Truck Access Program	Illinois Department of Transportation
Agri-Business Loan Program	Illinois Department of Agriculture
EDGE Tax Credit	Illinois Department of Commerce and Economic Opportunity
Prime Sites Grant	Illinois Department of Commerce and Economic Opportunity
Renewable Energy Development Grant	Illinois Department of Commerce and Economic Opportunity
Employment Training Investment Program	Illinois Department of Commerce and Economic Opportunity

The Energy Policy Act of 1992 (EPA Act of 1992), which requires state, federal and fuel provider fleets operating in metropolitan areas to use cleaner burning fuels, such as biodiesel. President Bush recently signed into law a renewable fuel standard that is designed to increase renewable use from a target of 4 billion gallons in 2006 to 7.5 billion gallons in 2012.

The US Treasury administers a $1 per gallon tax 'blender credit' that effectively reduces the price of biodiesel by $1 per gallon. This project will also qualify for producer tax credit of $0.10 per gallon for up to 15 million gallons a year.

Key programs at the State level include:

The Department of Revenue exempts retailers from State sales tax (currently 6.25%) on sales of B11 (diesel fuel blended with 11% biodiesel). The Department of Commerce and Economic Opportunity ("DCEO") offers a capital grant for up to $0.10 per gallon or $6,500,000 for the construction of new biofuels plants. DCEO is expected to announce its grants for FY 2008, including its response to its request for $4,000,000 for this project, within several months.

Strategic Supply Partners: **Bunge North America** - As a strategic investor, Bunge North America is providing capital, site locations, raw material supply, risk management and logistics expertise that are all critical capabilities and skills necessary for the rapid growth and expansion of REG Bunge North America (the North American operating arm of Bunge Limited (NYSE: BG), is a vertically integrated food and feed ingredient company, supplying raw and processed agricultural commodities and specialized food ingredients to a wide range of customers in the livestock, poultry, food processor, foodservice and bakery industries. With headquarters in St. Louis, Missouri, Bunge North America and its subsidiaries operate grain elevators, oilseed processing plants, edible oil refineries and packaging facilities, and corn dry mills in the U.S., Canada and Mexico.

E D & F Man Holdings Ltd. - As a strategic investor E D & F Man Holdings Ltd. is providing capital, raw material supply agreements, bulk liquid storage, possible future site locations, risk management and logistics expertise that are all critical capabilities and skills necessary for the rapid growth and expansion of REG. E D & F Man Holdings Ltd. is an employee owned international trading company established in 1783 with 4,850 employees in 70 countries. A world leader in the trading of sugar, molasses, palm oil, coffee, cocoa and ethanol, E D & F Man Holdings Ltd. handles over six million tons of liquid products annually. Its North American subsidiary Westway Holdings Corporation consists of three operating divisions. Westway Terminal Company Inc. possesses 13 strategically located bulk liquid storage terminals throughout North America; these terminals have large tank farms that can provide feedstock and biodiesel storage and several could be used as biodiesel plant sites in the future. Westway Trading Corporation trades palm oil and fats and is the primary molasses supplier to the U.S. animal feed and fermentation industries. Westway Feed Products Inc. is the largest U.S. liquid feed manufacturer with 33 sites throughout North America. With its significant infrastructure and liquid handling capabilities, Westway is an ideal partner to the leaders in the biodiesel industry.

Business Partners and Investors:

Todd & Sargent, Inc. - Todd & Sargent serves as REG construction partner designing, engineering and constructing commercial-scale, state-of-the-art biodiesel facilities. This construction partnership enables REG to begin two to three plants a quarter for REG or its customers. Established in 1958, Todd & Sargent, Inc. specializes in biodiesel facilities, feed mills, grain storage facilities, flour mills, pet food plants, and grain processing facilities. They offer "single source responsibility" from concept through completion and serve REG with construction capabilities, professional designers, engineers and field staff. Todd & Sargent, Inc. is headquartered in Ames, Iowa where they take pride in being responsible for keeping clients on the leading edge of technology.

Natural Gas Partners - Founded in 1988, Natural Gas Partners is a $2.9 billion family of funds that invest private equity capital in oil and gas production, midstream and oilfield service companies. The firm also manages $350 million in two co-investment funds that invest in direct oil and gas property interests alongside NGP portfolio companies. NGP Energy Technology Partners and Natural Gas Partners are affiliates of NGP Energy Capital Management, a $3.6 billion firm based in Irving, Texas that invests in all sectors of the energy industry.

NGP Energy Technology Partners - NGP Energy Technology Partners, located in Washington, D.C., is a $148 million private equity fund that invests growth equity in companies providing technology-related products and services to the oil and gas, power and alternative energy sectors. The principals of NGP ETP have an extensive track record of partnering with the management of energy technology companies to create significant value. NGP Energy Technology Partners is an affiliate of NGP Energy Capital Management.

Crown Iron Works - Crown Iron Works Company (Crown) and REG are joint owners of trade secrets for efficient continuous flow technology. The jointly owned technology is used in biodiesel plants that are designed for continuous operation for maximum efficiency and safety. The process is a two-stage transesterification reaction followed by ester washing, drying and alcohol recovery. Excess alcohol is recovered from all product streams to virtually eliminate discharge to the air and water, and allow water reuse in the process. This same process will be used in REG plants under construction and to be built.

Crown Iron Works: provides complete design and supply services for oilseed, vegetable oil and oleo chemical processing worldwide. Crown specializes in preparation, solvent extraction, oil and fat refining, methyl ester (biodiesel) and glycerin refining technologies. Crown's engineered approach to reliable system design ensures its systems operate reliably at or above their required capacity with low steam/utility usage and high finish product quality. Headquartered in the United States with offices in England, Brazil, Honduras, India, Mexico, Russia and China, Crown can easily service their worldwide customer base.

Economic Benefits: The proposed REG project in Illinois is expected to result in significant benefits. To begin with, the REG site will be co-located next to a Bunge oilseed crushing facility. By utilizing the soy oil produced from the crushing facility, REG may contribute towards the long-term retention of the estimated 60 employees at the location.

In addition, a significant fiscal impact is expected to result from the project. The potential impact is illustrated in the following table:

Factor	Projected Impact
Estimated project investment	\$77,000,000
New full-time employees	30-35
Estimated payroll resulting from new employees	\$1,440,000 - \$1,680,000
New personal income tax with holdings related to new employees (10-year)	\$432,000 - \$504,000
Estimated property tax for Cairo, Illinois (10-year)	\$6,000,000

FINANCING SUMMARY

Obligor:	REG Cairo, LLC
Collateral:	First Mortgage in real estate financed and first lien in all machinery, equipment and other business assets.
Repayment:	Gross revenue pledge of the Project
Lender:	To be determined
IFA Financing:	Up to \$60 million of Federal Empowerment Zone Bonds.
Maturity & Amortization	Expected to amortize over approximately 15 years

PROJECT SUMMARY

Bond proceeds will be used to finance the construction and equipping of a biodiesel plant with a 60,000,000 million gallon annual production capacity near the existing Bunge North America oil processing plant . Project costs are estimated as follows:

Construction:	\$24,750,000
Project Infrastructure	3,500,000
Machinery & Equipment	48,750,000
Total	\$77,000,000

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Renewable Energy Group, 426 First Avenue, Ralston, Iowa, contact: Nile Ramsbottom, President
Project Location:	304 34th Street, Cairo, Illiois 62914
Land Owners:	The site is expected to be leased from Bunge North America.

Bunge North America is wholly owned by Bunge Limited, which is a public Delaware corporation that is listed on the New York Stock Exchange.

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	TBD		
Underwriter:	Oppenheimer & Co.	Chicago	Ralph McGinley
Lender:	To be determined		
Lender's Counsel:	To be determined		
Issuer's Counsel:	Mayer Brown, Rowe & Maw	Chicago	David Narefsky
General Contractor:	Todd & Sargent	Ames, IA	TBA
IFA Financial Advisor:	D. A. Davidson	Chicago	Bill Morris
	Scott Balice Strategies	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	12^{th} Jerry Costello
State Senate:	59^{th} Gary Forby
State House:	118^{th} Brandon Phelps

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 12, 2007

Project: Little Company of Mary

STATISTICS

Project Number:	H-HO-TE-CD-7133	Amount:	$ 90,000,000
Type:	501 (c)(3) Bond	IFA Staff:	Pam Lenane and Dana Sodikoff
Locations:	Evergreen Park, Oak Lawn, Burbank, Ridge, Chicago, Palos Heights		

BOARD ACTION

Preliminary Bond Resolution
Conduit 501(c)(3) Bonds
No IFA funds at risk

No extraordinary conditions
Staff recommends approval

PURPOSE

The 2007A Bond proceeds will be used to: (i) fund $20 million in capital projects, and (ii) refund the Series 1997A fixed rate bonds for present value savings.

The 2007B Bond proceeds will be used to refund the Series 2001 VRDBs with Auction Rate Securities. (subject to availability of bond insurance)

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 income tax-exempt status on interest earned on the Bonds paid to bondholders and thereby reducing the borrower's interest expense. 501(c)(3) bond issues do not require Volume Cap.

VOTING RECORD

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

ESTIMATED SOURCES AND USES OF FUNDS(1)
(2007A)

Sources:		***Uses:***	
IFA Bonds (Par)	$33,500,000	Project Fund	$19,765,000
IFA Bonds (Premium)	$600,000	Refunding Escrow Deposit	$14,000,000
		Cost of Issuance	$335,000
Total Sources	$34,100,000	Total	$34,100,000

(1) Does not include potential Debt Service Reserve Fund.

ESTIMATED SOURCES AND USES OF FUNDS[1]
(2007B)

Sources:		***Uses:***	
IFA Bonds	$37,735,000	Refunding Escrow Deposit	$36,135,000
		Bond Insurance (estimate)	$1,225,000
		Cost of Issuance	$375,000
Total Sources	$37,735,000	Total	$37,735,000

(1) Does not include potential Debt Service Reserve Fund.

JOBS

Current employment:	1,403 FTE's	Projected new jobs:	0
Jobs retained:	1,403 FTE's	Construction jobs:	100

BUSINESS SUMMARY

Background/Description:

Overview

The Little Company of Mary, an order of nursing sisters, was founded in Nottingham, England by Mother Mary Potter in 1877. At the present time, the Congregation operates four health care facilities in the United States of America and additional health care facilities in Europe, Africa, Australia and New Zealand.

Health care institutions located in the United States of America are operated under the auspices of the American Province Incorporated of the Little Company of Mary Sisters, located in Evergreen Park, Illinois which sponsors Little Company of Mary Hospital and Health Care Centers.

The Little Company of Mary Hospital and Health Care Centers is a not-for-profit corporation, and was incorporated in 1893. The original hospital facility was dedicated in January 1930.

Description of Properties

The Hospital Facility is situated on approximately 14 acres of property in a residential and commercial area located in the Village of Evergreen Park, Illinois.

Building	Year Completed	Number of Floors	Gross Square Feet
Main Building			
Adult Patient Rooms, Support Services, Administrative Offices, Ancillary Services, Chapel, Cancer Center and Basement	1930-2000	10 Floors	903,358
EDP Building			
Electronic Data Processing	1930	2 Floors	15,030
Boiler Building			
Boilers, Generators and Maintenance Offices	1930-1931	2 Floors	7,542

Bed Complement

The Corporation offers a full range of inpatient and outpatient diagnostic and therapeutic services and related ancillary services. The Corporation is licensed to operate 477 beds.

Bed Category	Licensed Bed Complement	Beds in Service
Medical/Surgical	339	178
Obstetrics	40	29
Pediatrics (includes critical care)	37	25
Acute Mental Illness	32	24
Intensive Care Unit (Adult)	29	26
Total Acute Care Beds	**477**	**282**

Service Area: Little Company of Mary Hospital operates in the south suburbs of Chicago, including Evergreen Park, Oak Lawn, Burbank, Chicago Ridge, Palos Heights and certain southwestern portions of the City of Chicago.

Existing Bonds: Fixed Rate Series 1997A bonds, Series 1997B Auction Rate bonds, and Series 2001 VRDBs.

PROJECT SUMMARY

The proceeds of the proposed bond deal will be used to (i) fund $20 million in capital projects, (ii) refund the Series 1997A fixed rate bonds for annual savings, and (iii) refund the Series 2001 VRDBs with Auction Rate Securities to mitigate Letter of Credit renewal risk

FINANCING SUMMARY

Security/Collateral: Gross Receivables Pledge

Structure: Fixed Rate New Money and Refunding Bonds (Series 2007A), which will carry the underlying rating of Little Company of Mary "A" (S&P); and Auction Rate Refunding Bonds (Series 2007B) which will be insured by a "AAA" rated insurer.

Maturity: August 15, 2034 (Series 2007A); and
August 15, 2029 (Series 2007B)

Credit Rating(s): Underlying rating of "A" (S&P)

ECONOMIC DISCLOSURE STATEMENT

Project name: Little Company of Mary Hospital
Locations: Evergreen Park, IL
Applicant: Little Company of Mary Hospital
Organization: 501(c)(3) Not-for-Profit Corporation
State: Illinois

Board of Trustees:	Sister Kathleen McIntyre, L.C.M.	Chairperson, American Province, The Little Company of Mary
	George J. Cullen	Vice Chair Emeritus, Partner, Cullen, Haskins, Nicholson, & Menchetti P.C.
	Stephen M. Hallenbeck	Vice Chairperson, Professor, St. Xavier University
	Thomas Fahey	Treasurer, Partner, Ungaretti & Harris 2004-2013
	Sister Jean Stickney, L.C.M.	Secretary, American Province, The Little Company of Mary
	Dennis A. Reilly	President/CEO, President & CEO, LCMH
	James D. Brosnahan	Director, Illinois State Representative 2002-2011
	George T. Caleel, D.O.	Director, Physician and Professor of Medical Education 2006-2015
	John P. Hanlon, M.D.	Director, Physician 1999
	Lawrence Kelley	Director, Standard Bank, President 2002-2011
	Jay B. Sterns	Director, Goldman Sachs, & Co.
	Martin McLaughlin	Director, WTTW, VP 1999-2008
	Joseph Pedota	Director, Certified Public Accountant, George Bagley & Co.
	Sally Miller	Director, The Northern Trust Company, SVP 2004-2013
	Janice Stewart	Director, Strategic Marketing/Realtor
	Sister Sharon Ann Walsh, L.C.M.	Director, Health Care Executive2001
	Frederick Wohlberg, M.D.	Director, Physician 2000-2009
	Kent F.W. Armbruster, M.D.	Ex-Officio VP of Medical Affairs/Physician, LCMH
	Brian P. Farrell, M.D.	Ex-Officio President of Medical Staff/Physician, LCMH
	Mary Freyer	Ex-Officio Chief Operating Officer

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Ungaretti and Harris, LLP	Chicago	Julie Seymour
Bond Counsel:	Jones Day	Chicago	Mike Mitchell
Underwriter:	Goldman, Sachs & Co.	Chicago	Jay Sterns
Underwriter's Counsel:	Winston & Strawn, LLP	Chicago	Kay McNab
Bond Trustee:	U.S. Bank National Association	Chicago	Grace Gorka
Accountant:	Ernst & Young, LLP	Chicago	Susan R. Jones
Issuer's Counsel:	Burke, Burns and Pinelli	Chicago	Mary Ann Murray

LEGISLATIVE DISTRICTS

Congressional: 1st- Bobby L. Rush
State Senate: 18th- Edward D. Maloney
State House: 36th – James D. Brosnahan

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 12, 2007

Project: Christian Homes, Inc.

STATISTICS

Project Number:	H-HO-TE-CD-7067	Amount:	$55,000,000 (Not to exceed amount)
Type:	501(c)(3) Bond	IFA Staff:	Pam Lenane and Dana Sodikoff
Locations:	Lincoln, Flanagan, Decatur, Forsyth, Chrisman, Springfield, Carmi, Washington, Bensenville		

BOARD ACTION

Final Bond Resolution
Conduit 501(c)(3) Bonds
No IFA funds at risk

Seeking a waiver from IFA policy requirements for the sale of unrated, unenhanced debt, to be based on a feasibility study by Larson Allen

PURPOSE

Bond proceeds will be used to: 1) Refund certain existing tax-exempt debt, 2) Pay for certain capital improvements at the various Illinois campuses owned and operated by Christian Homes, Inc., 3) Establish Debt Service Reserve Funds for the Series 2007 Bonds, and 4) Pay certain costs for the issuance of the Series 2007 Bonds.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are a form of municipal bonds that 501(c)(3) corporations can use to finance capital projects that will be used to further their charitable mission. IFA's issuance will convey federal income tax-exempt status on interest earned on the Bonds paid to bondholders and thereby reducing the borrower's interest expense. 501(c)(3) bond issues do not require Volume Cap.

VOTING RECORD

The IFA gave its approval for a Preliminary Bond Resolution on March 22, 2007 by the following vote:

Ayes –10	Nays – 0	Absent – 4	Vacancies – 1

ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA bonds	$51,680,000	Uses:	Refunding Escrow	$34,675,000
	Trustee Held Funds	$1,840,000		Future Capital Expenditures	$12,920,000
				Debt Service Reserve Fund	$3,770,000
				Cost of Issuance	$2,155,000
	Total	$53,520,000	Total		$ 53,520,000

JOBS

Current employment: 1688 FTE's (1189 in Illinois)	Projected new jobs: N/A (incremental additions)
Jobs retained: 1688 FTE's (1189 in Illinois)	Construction jobs: 50

BUSINESS SUMMARY

Background: Christian Homes, Inc. ("Christian Homes"), a 501(c)(3) Senior Living organization was established in 1962 in Lincoln, Illinois. Christian Homes is a multi-facility system that has a total of 15 communities which include over 1760 skilled nursing beds, over 130 assisted living apartments, and over 715 independent living apartment and garden homes located in Illinois, Indiana, Iowa, and Missouri. The table below details the unit-mix by community:

Christian Homes, Inc. and Affiliates
Unit Breakdown by Facility

		Independent Living		Health Center		
Illinois	**City**	**Congregate Apartments**	**Duplexes Cottages**	**Nursing**	**Assisted Living**	**Campus Total**
Beulah Land Christian Home	Flanagan	-	-	43	32	75
The Christian Village	Lincoln	27	38	112	-	177
Fair Havens Christian Home	Decatur	-	10	161	-	171
Heartland Christian Village	Neoga	-	8	62	9	79
Hickory Point Christian Village	Forsyth	-	50	-	48	98
Lewis Memorial Christian Village	Springfield	40	46	155	-	241
Pleasant Meadows Christian Village	Chrisman	-	4	109	12	125
Shawnee Christian Nursing Center	Herrin	-	-	159	-	159
Wabash Christian Retirement Center	Carmi	-	11	152	-	163
Washington Christian Village	Washington	-	30	122	-	152
LifeLink Bensenville Campus	Bensenville	160	13	225		398
Total Illinois		**227**	**210**	**1,300**	**101**	**1,838**
Indiana						
Chicagoland Christian Village	Crown Point	50	24	146	-	220
Hoosier Christian Village	Brownstown	-	13	97	-	110
Total Indiana		**50**	**37**	**243**	**0**	**330**
Iowa						
Risen Son Christian Village	Council Bluffs	48	48	124	36	256
Missouri						
Spring River Christian Village	Joplin	52	34	120	66	272
Organization Totals		**377**	**329**	**1,787**	**203**	**2,696**

All homes in the chart will be part of the new Christian Homes, Inc. Obligated Group (see description below) except for Heartland Christian Village in Neoga, Beulah Land Christian Home in Flanagan, and Shawnee Christian Nursing Center in Herrin. Heartland Christian Village in Neoga and Shawnee Christian Nursing Center in Herrin will not be part of the Obligated Group because they will be refunding through a HUD financing. Beulah Land Christian Home will not be part of the Obligated Group because it is in the process of being sold.

In addition to refunding the existing tax-exempt debt, funding certain capital improvements, funding a debt service reserve fund, and funding cost of issuance, Christian Homes will create a new Obligated Group legal structure which will cross collateralize all properties within the new Obligated Group. This structure will be similar to other multi-facility providers who have issued bonds through the Illinois Finance Authority, for example, The Franciscan Sisters of Chicago (The Clare at Water Tower), Smith Senior Living (Smith Village and Smith Crossings), and Friendship Senior Options (Friendship Village of Schaumburg). This new structure will provide flexibility for Christian Homes to pursue growth and future development opportunities.

Existing Tax-Exempt Bonds:

Christian Homes currently has approximately $34.445 million of outstanding tax-exempt bonds. The outstanding series of bonds are listed in the table on the following page.

In addition, Christian Homes entered into an affiliation agreement with Lifelink in 2006 whereby Christian Homes assumed the outstanding debt of Lifelink and management of the Lifelink Bensenville campus. The Lifelink debt (issued by the Illinois Finance Authority) will be refunded into the new Christian Homes Obligated Group at the time of the Series 2007 financing.

CHRISTIAN HOMES, INC. TAX EXEMPT ISSUES				
CAMPUS	**ISSUER**	**RATE**	**DATE ISSUED**	**OUTSTANDING as of 6/30/06**
Washington Christian Village	City of Washington, IL	6.00%	1991	$440,000
Risen Son Christian Village	County of Pottawattamie, IA	7.00%	1992	7,210,000
Chicagoland Christian Village	City of Crown Point, IN	7.00%	1993	5,615,000
Spring River Christian Village	City of Joplin, MO	4.58%	2003	1,553,026
Spring River Christian Village	City of Joplin, MO	5.83%	2003	9,153,598
Lewis Memorial Christian Village	City of Southern View, IL	5.83%	2002	1,757,477
Shawnee Christian Nursing Center (1)	City of Herrin, IL	7.00%	1993	1,895,000
Heatland Christian Village (1)	City of Neoga, IL	7.25%	2002	1,020,975
Hickory Point Christian Village (2)	Village of Forsythe, IL	Variable	2004	6,800,000
				35,445,076
Assumed LifeLink Debt:				
LifeLink Series 1989A	Illinois Finance Authority	Variable	1989	2,050,000
LifeLink Series 1995A	Illinois Finance Authority	Variable	1995	5,575,000
LifeLink Series 1998	Illinois Finance Authority	5.76%	1998	14,712,000
				$22,337,000
				$57,782,076

(1) This chart includes all Christian Homes, Inc. debt including debt in Missouri, Indiana and Iowa
(2) The refunding for this transaction includes only certain Illinois homes: Lewis Memorial Christian Village, Hickory Point Christian Village and the outstanding assumed Lifelink debt for a total of $30,894,477. The Washington Christian Village Bonds are being repaid prior to closing from corporate equity.
(3) Shawnee Christian Nursing Center and Heartland Christian Village will be refunded through a HUD financing which is anticipated to close in June of 2007.
(4) Hickory Point Christian Village is a construction loan.

Existing General Obligation Taxable Bonds:
Christian Homes has financed a number of small projects, working capital, and capital expenses through the issuance of subordinate taxable general obligation debt. These bonds represent the general obligation of the parent (Christian Homes, Inc.) and will be subordinate to the Tax-Exempt Series 2007 bonds. In addition, the general obligation bonds will be enhanced by a credit facility from Sovereign Bank.

PROJECT SUMMARY

The proceeds of the proposed bond deal will be used to 1) Refund existing tax-exempt debt, 2) Pay for certain capital improvements at the various Illinois campuses owned and operated by Christian Homes, Inc., 3) Establish Debt Service Reserve Funds for the Series 2007 Bonds, and 4) Pay certain costs for the issuance of the Series 2007 Bonds.

FINANCING SUMMARY

Security/Collateral: Gross revenue pledge, mortgage and master notes under a master indenture. Covenants and other legal provisions are expected to be consistent with those in use for similar financings.

Structure: The Series 2007 Bonds will include a total of approximately $15 million of Letter of Credit enhanced taxable variable rate demand bonds, as well as unrated fixed rate bonds.

Maturity: The current bond structure anticipates a final bond maturity in 2031.

Credit Rating(s): The taxable variable rate bonds, which are subordinate to the tax-exempt Series 2007 Bonds, will be enhanced by a Letter of Credit from Sovereign Bank and a confirming Letter of Credit from Fifth Third Bank. The Letter of Credit will provide for notification to the IFA if the letter of credit expires or is not renewed. The fixed rated bonds will not be rated.

Waiver: The bonds will be sold in denominations less than $100,000 (i.e. $5,000). The Borrower has requested a waiver of our unrated and non-credit enhanced debt policy. They have met the conditions for a waiver, as described below:

- The Borrower has secured a feasibility study from an independent and qualified accounting or consulting firm acceptable to the Authority demonstrating the financial viability of the project.*

*A financial and market feasibility study has been prepared for the years 2007-2010 by Larson Allen which will highlight financial ratios that support the issuance of the Series 2007 Bonds. Larson Allen is a privately held company based in Minneapolis, Minnesota which provides assurance, accounting, tax and consulting services to organizations and individuals managing business ventures and finance. Larson Allen was founded in 1953 and has 800 employees.

Cost of Issuance: The cost of issuance for this financing is high because Christian Homes, Inc. is setting up a new Obligated Group. This involves substantial due diligence on the fifteen facilities.

ECONOMIC DISCLOSURE STATEMENT

Project name:	Christian Homes, Inc. 200 North Postville Drive Lincoln, IL 62656		
Locations:	Lincoln, Flanagan, Decatur, Forsyth, Chrisman, Springfield, Cami, Washington, Bensenville (Non-Illinois locations: Brownstown, IN, Crown Point, IN, Joplin, MO, Council Bluffs, IA)		
Applicant:	Christian Homes, Inc.		
Organization:	501(c)(3) Not-for-Profit Corporation		
State:	Illinois		
Board of Trustees:	Jim Blalock	Terry Goodner	Bob Crosby
	Amy Hanson	Gary Edwards	Dick Hart
	James Frasure	Bud Klockenga	Bill Larsh
	Riva Kirk	Patricia Lincoln	Rowe Marylyn
	Paul Montgomery	Delbert Seals	Larry Periman
	Timothy Phillippe	Jenelle Ishmael	

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Hart, Southworth, and Witsman	Springfield	Michael Southworth
Bond Counsel:	Jones Day	Chicago	John Bibby Mary Kimura Sarah Dunski
Underwriter:	Ziegler Capital Markets Group	Chicago	Dan Hermann Will Carney Mike Taylor
Underwriter's Counsel:	Katten Muchin Rosenman	Chicago	Janet Hoffman Mark Laughman
Bond Trustee:	Wells Fargo	Chicago	Patricia Martirano
Accountant:	Larson, Allen, Weishair & CO.	St. Louis, MO	Allan Larson John Richter
Issuer's Counsel:	Schiff Hardin	Chicago	Bruce Weisenthal
IFA Financial Advisor:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	6th	Peter J. Roskam,
	12th	Jerry F. Costello
	15th	Timothy V. Johnson
	17th	Phil Hare
	18th	Ray LaHood
	19th	John M. Shimkus
State Senate:	39th	Don Harmon
	44th	Bill Brady
	50th	Larry K. Bomke
	53rd	Dan Rutherford
	54th	John O. Jones
	55th	Dale A. Righter
	59th	Gary Forby
State House:	77th	Angelo "Skip" Saviano
	87th	Bill Mitchell
	99th	Raymond Poe
	100th	Rick Brauer
	106th	Keith P. Sommer
	108th	David B. Reis
	109th	Roger L. Eddy
	117th	John E. Bradley

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 12, 2007

Project: Cornerstone Services, Inc.

STATISTICS

Deal Number:	N-NP-TE-CD-7126	Amount:	$14,000,000
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Sharnell Curtis Martin
Location:	Joliet	SIC Code:	8322 – Individual and Family Social Services

BOARD ACTION

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

PURPOSE

Bond proceeds will be used to refund existing IFA (IDFA) 1998 and 2002 Bond issues, refinance existing conventional debt, and pay for certain bond issuance costs.

IFA CONTRIBUTION

501(c)(3) Bonds is 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 income tax-exempt status on interest earned on the Bonds and thereby reduce the borrower's interest expense.

VOTING RECORD

Preliminary Bond Resolution, no previous voting record.

SOURCES AND USES OF FUNDS

Sources:	IFA Bonds	$14,000,000	Uses:	Refunding Bonds	$15,350,000
	Equity	2,200,000		Refinancing	1,000,000
	Bank Loan	500,000		Bond Issuance Costs	350,000
	Total Sources	$16,700,000		Total Uses	$16,700,000

The sources of equity are from the proceeds from a real estate transaction and reserve funds from the previous bond issues.

JOBS

Current employment:	375	Projected new jobs:	N/A
Jobs retained:	N/A	Construction jobs:	N/A

BUSINESS SUMMARY

Background: Cornerstone Services, Inc. was organized as a 501(c)(3) organization in 1969. The organization is a provider of services to persons with mental retardation and other developmental disabilities.

Description: Cornerstone provides services at 41 locations, primarily in Chicago's Southwest Suburbs. The organization's clients reside in Chicago and various Chicago's Southern and Southwestern suburbs. Cornerstone employs approximately 350 trained professionals including psychiatrists, nurses, social workers, therapists, counselors, teachers and paraprofessionals.

Cornerstone provides residential assisted living facilities for individuals with developmental disabilities. Additional existing programs Cornerstone provides include Case Management, Psychosocial Rehabilitation, Developmental Training and Client/Family Support.

FINANCING SUMMARY

Security: The bonds will be purchased and held as an investment by First Midwest Bank.
Structure: The Bonds will bear a fixed interest rate to be determined.
Maturity: 25 Years
Bank Collateral: First Mortgage on subject real estate, blanket lien on subject machinery and equipment
Credit Rating: First Midwest Bank, the purchaser of the bonds is an unrated bank and therefore does not have a credit rating.
Remarks: Tax-exempt savings will reduce the cost of financing by approximately 2.25% relative to a taxable financing. This will translate to approximately $2.7 million in gross debt service payments throughout the refinancing period as a result of refunding the previous bond issues.

PROJECT SUMMARY

Bond proceeds will be used to refund a 1998 and 2002 bond issues. Refinance six bank loans presently held at First Midwest Bank and pay for certain bond issuance costs. Project costs are estimated at $16,700,000.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Cornerstone Services, Inc.
777 Joyce Road
Joliet, IL 60436 (Will County)
Mr. Ben Stortz, Vice President/Chief Administration Officer
Project name: Cornerstone Services Refinancing Project
Location: 777 Joyce Road,Joliet, IL 60436 (Will County)
Organization: 501(c)(3) Corporation
State: Illinois

Board of Directors:	Judith A. Block	Robert A. Rogina	John R. Rogers
	Vincent A. Benigni	Stanley Adams	James B. Harvey
	Jean A. Hansen	Daniel W. Hecht	Stephen M. Klafter
	Alex Ledesma	Priscilla Lynch	Ruth A. Mertz
	J. D. Ross	Betsy Ruettiger	LeRoy Shepherd
	John A. Sheridan	Gregory M. Wernert	

Land Sellers: Not Applicable

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	To Be Determined		
Accountant:	Senesac & Lennon, Ltd.	Joliet	
Bond Counsel:	To Be Determined		
LOC Bank:	To Be Determined		
Underwriter:	Griffin Kubik Stephens & Thompson	Chicago	Helena Burke-Bevan
Underwriter's Counsel:	To Be Determined		
Issuer's Counsel:	Law Offices of Kevin Cahill	Chicago	Kevin Cahill
Trustee:	To Be Determined		
IFA Financial Advisor:	D. A. Davidson	Chicago	Bill Morris
	Scott Balice Strategies	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	18 – Ray LaHood
State Senate:	43 – A. J. Wilhelmi
State House:	86 – Jack McGuire

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 12, 2007

Project: Elgin Academy

STATISTICS

Number:	N-PS-TE-CD-7111	Amount:	$11,500,000
Type:	501(c)(3) Bonds	IFA Staff:	Townsend S. Albright
Locations:	Elgin	SIC Code:	8211

BOARD ACTION

Final Bond Resolution
Conduit
No IFA funds at risk

No Extraordinary conditions
Staff recommends approval

PURPOSE

Proceeds will be used to (i) finance the construction of a Media Center on the Applicant's campus, (ii) capitalize interest, and (iii) fund professional and bond issuance costs.

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 income tax-exempt status on interest paid to bondholders thereby reducing the borrower's interest rate.

VOTING RECORD

A Preliminary Bond Resolution was approved at the May 8, 2007 board meeting by a vote of:

Ayes: 11 Nays: 0 Abstentions: 0 Absent 3 (Boyles, DeNard, Nesbitt) Vacancy: 1

SOURCES AND USES OF FUNDS

Source:		Uses:	
IFA Bonds	$11,500,000	Project Costs	$10,200,000
		Capitalized interest	$1,000,000
		Legal and professional costs	300,000
Total	$11,500,000	Total	$11,500,000

JOBS

Current employment:	73	Projected new jobs:	5
Jobs retained:	N/A	Construction jobs:	50 (15 months)

BUSINESS SUMMARY

Background: Elgin Academy (the "Applicant", the "Academy") is a coeducational college preparatory school located in Elgin, Illinois. The Academy is an Illinois 501(c)(3) corporation as designated by the Internal Revenue Code. Chartered in 1839, The Academy is the oldest coeducational non-sectarian college preparatory school west of the Allegheny Mountains, and recently began its "Building the Future" fundraising campaign. It plans to undertake a campus improvement plan that includes construction of the proposed Media Center, and the upgrade and renovation of campus facilities.

In 2006, the Academy entered into an agreement with Summit School Inc. to take over the operations of Summit Academy, an Elgin private school which offers preschool through eighth grade curricula. Combined enrollment for both institutions is currently 610 students. With the consolidation to one campus in the 2007-2008 academic year, the Academy expects to realize substantial cost and efficiency benefits from the consolidation. The Academy's students are drawn from diverse geographical and socioeconomic backgrounds. The school draws from more that 30 communities located in the Fox Valley area including Elgin, Barrington, St. Charles, Dundee, and Algonquin. The Academy provides tuition assistance for needy students. Elgin Academy is accredited by the Independent Schools Association of the Central States, and recognized by the State of Illinois.

The Academy is the Sponsor of the Cupola Foundation, a not for profit corporation formed to rehabilitate, hold, and operate an apartment complex in Rockford. The project consists of 268 units and is subject to HUD regulation and the Low Income Housing Preservation and Resident Ownership Act of 1990. A list of Academy Directors is included for IFA Board review.

Project Description: Elgin Academy intends to use the net proceeds of the proposed financing to provide funds for the construction and equipping of an approximately 40,500 sq. ft. The Center is designed as a LEEDS-certified structure under the criteria of the U.S. Green Building Council. It will house the Academy's Fine Arts department and the Black Box Theater, which serves student activities and will be available for community arts and theater groups to rent space. The facility will become a campus hub which houses the Academy's print and electronic collections, and will be fully integrated into the campus computer and technology resources. The facility will have state of the art math and science labs for use by Middle and Upper School students.

Remarks: Using tax-exempt financing will permit the Academy to obtain the lowest cost of capital for financing the project. This will permit the Academy to better conserve its financial resources so as to support its non-profit mission.

FINANCING SUMMARY

Security:	Direct Pay Letter of Credit from Charter One Bank – Illinois, Chicago, Illinois
Structure:	Weekly multi-mode floating rate bonds
Collateral:	Pledge of operating earnings, investment earnings, capitalized interest, and donations.
Maturity:	30 years

PROJECT SUMMARY

Elgin Academy intends to use the net proceeds of the Authority loan to provide funds for the (i) constructing and equipping of an approximately 40,500 sq. ft. Media Center on its campus located at 350 Park Street, Elgin, Kane County, Illinois, (iii) capitalize interest, and (iii) fund professional and bond issuance costs.

Project Costs	
New Construction and Equipment	$10,200,000

Total $10,200,000

ECONOMIC DISCLOSURE STATEMENT

Applicant: Elgin Academy
Project names: Media Center Project
Locations: 350 Park Street, Elgin, Kane County, Illinois 60120
Contact Person: Gerald O'Keefe, Director of Finance and Operations, 847-695-0300
Organization: 501(c)(3) Corporation
State: Illinois
Board of Trustees:

OFFICERS

Antonis Theodorou, Chair
Steven Flexman, Vice Chair
Harold D. Rider, Treasurer
Edward Williams, Secretary

MEMBERS

Laura Anderson
Erika Digman-Siddiqui
John Gialluisi
Janet Hughes
George Karas
Fred Masnato
Alexandra Voutiritsas Noon '91
Robin Pearson
Keith Rauschenberger
Phillip Rudolph
Bill Skok
Becky Vento
John Weck

EX OFFICIO

John Cooper
Claire Suevel
Margie Ward
John Ludwig '63

PROFESSIONAL & FINANCIAL

Counsel:	Schnell, Bazos, Freeman, Kramer, Schuster & Vanek	Elgin, IL	Peter C. Bazos
Accountant:	Resnick Group, P.C.	Skokie, IL	
Bond Counsel:	Ice Miller LLP	Chicago, IL	Thomas C. Smith Patra S. Geroulis
Underwriter:	William Blair & Company	Chicago, IL	Thomas E. Lanctot
Underwriter's Counsel:	Ice Miller LLP	Chicago, IL	Thomas C. Smith Patra S. Geroulis Jeffrey O. Lewis
LOC Bank Counsel:	Chapman and Cutler LLP	Chicago, IL	Carol Thompson
Issuer's Counsel:	Mayer Brown Rowe & Maw, LP	Chicago, IL	David Narefsky
Trustee:	Amalgamated Bank of Chicago	Chicago, IL	Ann Longino
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago, IL	Bill Morris
	Scott Balice Strategies, Inc.	Chicago, IL	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 14th, J. Dennis Hastert State Senate: 22rd, Michael Noland State House: 43rd, Ruth Munson

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 12, 2007

Project: De La Salle Institute

STATISTICS

Project Number:	E-PF-TE-CD-7123	Amount:	$7,500,000
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Rich Frampton
Location:	Chicago		

BOARD ACTION

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

PURPOSE

Bond proceeds will be used by De La Salle Institute to (1) construct an addition and to renovate the Institute's West Campus (Young Women's Campus for grades 9-12), (2) to finance renovations, including enhancements of academic and athletic facilities located at the Institute's Main Campus (Young Men's Campus for grades 9-12), and (3) to refinance certain existing conventional bridge financing and taxable debt that financed prior capital improvements at both campuses.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are municipal bonds authorized under the Internal Revenue Code that enable 501(c)(3) corporations to finance capital projects furthering support of their mission. IFA's issuance of these Bonds will convey federal tax-exempt status on the interest paid to bondholders, thereby enabling bondholders to accept a below market interest rate that is passed through to the Borrower.

VOTING RECORD

No prior voting record. This is the first time this project has been presented to the Board.

PRELIMINARY ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA New Money Bonds	$7,500,000	Uses:	*New Project Cost	$8,500,000
	* Fundraising/Debt	1,160,000		Issuance Costs	160,000
	Total	**$8,660,000**		**Total**	**$8,660,000**

JOBS

Current employment: 116 FT; 25 PT (seasonal)	Projected new jobs: 5
Jobs retained: Not applicable	Construction jobs: 75 (over 14 months)

BUSINESS SUMMARY

Background: The De La Salle Institute ("De La Salle", the "Institute", or the "Borrower") is an independent Catholic secondary school established in 1889 and incorporated as a 501(c)(3) corporation under Illinois law. The Borrower is governed by a 16-member Board of Trustees (see p. 5) and is affiliated with both (1) the Christian Brothers of the Midwest, who own, administer, and help staff De La Salle, and (2) the Archdiocese of Chicago.

Description: Since its founding as a two-year commercial high school for young men, De La Salle has evolved into a comprehensive, four year, college preparatory school. Approximately 85% of De La Salle's student body pursue college studies. In 1985, De La Salle was designated as an "Exemplary School" by the U.S. Department of Education – only 65 private schools out of 6,000 nationally received this honor. De La Salle offers advance placement/honors, college preparatory, and general studies curricula.

De La Salle Institute has been committed to the education of a diverse student body and has never discriminated based on religious practice since its inception. In fact, two of De La Salle's first nine students were Jewish. Today, De La Salle's student body is comprised of various ethnic, racial, economic, and religious groups. Approximately 49% of De La Salle's student body is Caucasian, 33% African American, 16% Hispanic-American, 2% Pacific Asian-American, and 24% are non-Catholic.

In the upcoming 2007-2008 academic year, De La Salle Insitute anticipates approximately 740 students at its original Institute/Young Men's campus at 3434 South Michigan Avenue in Chicago and approximately 410 students at its Lourdes Hall/Young Women's Campus located at 1040 West 32nd Place in Chicago. De La Salle opened its Young Women's Campus in 2003 in collaboration with the Sisters of St. Joseph pursuant to a 100-year lease from the Archdiocese of Chicago. Both campuses are located approximately four miles south of the Chicago Loop.

De La Salle anticipates serving 1,153 students at its two campuses in the 2007-2008 school year. Recent enrollment has generally ranged between 1,150 and 1,160 students at its two campuses, both of which are located approximately four miles south of the Chicago Loop. De La Salle's student body is comprised of students from throughout Chicago and 20 suburbs.

De La Salle's annual tuition for the 2007-2008 school year will be $9,125. Because all students are eligible for the John Walter Clarke Educational Scholarship of $1,825 (i.e., 20% of gross tuition), net 2007-2008 academic year tuition will be $7,300 per student. Overall, approximately 55% of De La Salle's students receive supplemental financial aid from variance financial assistance programs, work-study programs, and other scholarships.

De La Salle fields athletic teams in all traditional sports and offers its students a variety of other activities include music, theatre, debate, publications, and student government. Prominent De La Salle graduates include The Honorable Richard M. Daley, Mayor of Chicago, and TV broadcasters Greg Gumbel and Bryant Gumbel.

FINANCING SUMMARY

Structure/Bondholder Security: Bondholders will be secured by a Direct Pay Letter of Credit from Fifth Third Bank. Fifth Third's long-term debt is currently rated Aa2 (Stable)/AA- (Stable)/AA- (Negative) by Moody's/S&P/Fitch. Fifth Third's short-term ratings are VMIG-1/A-1+/F1+ from Moody's/S&P/Fitch (as of 5/25/2007). The subject Bonds will be rated by Moody's, and are expected to be rated Aa2/VMIG-1 initially, consistent with Fifth Third Bank's ratings.

Bank Security/ Collateral:	Fifth Third Bank will be secured by a first mortgage on the subject properties, and a blanket first security interest in all equipment, accounts receivable, and inventory. Because De La Salle leases the land and building located at 1040 W. 32nd Place (pursuant to a 100-year lease from the Catholic Archdiocese of Chicago), Fifth Third Bank will be secured by an assignment of a leasehold mortgage on that property.
Maturity:	30 year final maturity date; 30-year amortization
Estimated Interest Rates:	Bonds will initially be sold as 7-day variable rate demand bonds by Fifth Third Securities, Inc. (Chicago). The most recent average rate on 7-day variable rate bonds was 4.05% as of 5/23/2007.

PROJECT SUMMARY FOR IFA BOND RESOLUTION

Bond proceeds will be used by De La Salle Institute to finance or refinance (i) the costs of construction and equipping of an approximately 32,000 SF, four-story addition to De La Salle's West Campus, also known as the Lourdes Hall Campus, for high school girls located at 1040 West 32nd Place, Chicago, Illinois 60608, including, a parking garage, a new student commons, a new media center, two new science labs, other educational facilities, the renovation of existing commons and a media center into five new classrooms, and the renovation of an existing school facility, including (without limitation) various classroom renovations and technology and security upgrades, (ii) costs of construction and equipping an approximately 8,600 SF, four story addition to the Lourdes Hall Campus, consisting of administrative offices, computer laboratory space, and other space for educational purposes, (iii) costs of renovation and equipping of De La Salle's Main Campus, also known as the "Institute Campus", for high school boys, located at 3434 S. Michigan Avenue, Chicago, IL 60616, including (without limitation) various technology upgrades, and lighting for the football field, and (iv) the acquisition of approximately 21,750 SF of land across the street from the Institute Campus at 100-114 East 35th Street and 3445-3455 South Michigan Avenue, Chicago, IL (i.e., located at the NE corner of South Michigan Ave. and East 35th St.), for the potential future expansion of De La Salle Institute. Collectively, these proposed capital expenditures and costs comprise the "Project".

All of the facilities to be financed or refinanced with Bond proceeds will be owned and operated by De La Salle Institute, except that the Borrower is leasing the Lourdes Hall Campus pursuant to a 100-year lease from the Archdiocese of Chicago.

Estimated project costs include:

Renovation of existing school facilities (Lourdes Hall):	$1,065,000	
1st Expansion of 8,600 SF of Lourdes Hall Campus:	1,712,000	
2nd Expansion/Renovation of 32,000 SF – Hall Campus:	4,858,000	
Installation of Wireless Technology –Hall Campus:	155,000	
Main/Institute Campus Technology and Football Field Lights:		710,000
Total	**$8,500,000**	

ECONOMIC DISCLOSURE STATEMENT

Applicant:	De La Salle Institute, 3434 S. Michigan Ave., 60616; Ph.: 312-842-7355; Fax: 312-842-5640
Web site:	www.dls.org
Contact:	Mike Senjanin, VP – Finance; Ph.: 312-842-7355; e-mail: msenjanim@dls.org
Project name:	De La Salle Series 2007 Bonds
Locations:	Main Campus/Institute Campus: 3434 S. Michigan Avenue, Chicago, IL 60616, 3445-3555 S. Michigan Avenue, Chicago, IL 60616; and West Campus/Lourdes Hall Campus, 1040 W. 32nd Place, Chicago, IL 60608

Organization: Illinois 501(c)(3) Corporation
Board Membership: *See attached list of Board of Trustees (p. 5).*

Current Land Owners:

- De La Salle Institute currently owns the Main/Institute Campus at 3434 S. Michigan Avenue
- De La Salle leases the West/Lourdes Hall Campus at 1040 W. 32nd Place property from the Catholic Archdiocese of Chicago pursuant to a 100 year lease (termfrom 2002 to 2102).
- De La Salle currently has a contract pending to purchase the 110-114 E. 35th Street and 3445-3554 S. Michigan Avenue from the City of Chicago. (The City of Chicago is the current owner of these properties.)

PROFESSIONAL & FINANCIAL

Accountant:	Selden & Fox, Ltd.	Chicago, IL	
General Counsel:	Daley & George LLP	Chicago, IL	Kelly Ryan
Bond Counsel:	Greenberg Traurig LLP	Chicago, IL	Matt Lewin
LOC Bank:	Fifth Third Bank	Chicago, IL	
Counsel to LOC Bank:	O'Keefe Lyons & Hynes, LLC	Chicago, IL	Christine Biebel
Underwriter/Remarketing Agent:	Fifth Third Securities, Inc.	Chicago, IL	Doug DeAngelis
Underwriter's Counsel:	Greenberg Traurig LLP	Chicago, IL	
Trustee:	Bank of New York	Chicago, IL	
General Contractor:	M&M Bertucci, Inc.	Chicago, IL	Mike Bertucci
Architect:	Ray/Dawson, PC	Glenwood, IL	Elbert Ray
Rating Agency:	Moody's Investors Service	New York, NY	Rob Azrin
IFA Counsel:	Pugh Jones Johnson & Quandt, P.C.	Chicago, IL	Scott Bremer
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago, IL	Bill Morris
	Scott Balice Strategies, Inc.	Chicago, IL	Lois Scott

LEGISLATIVE DISTRICTS

	3434 S. Michigan/3435 S. Wabash		*1040 W. 32nd Street*	
Congressional:	1	Bobby L. Rush	3	Daniel Willaim Lipinski
State Senate:	3	Mattie Hunter	1	Antonio ("Tony") Munoz
State House:	5	Kenneth Dunkin	2	Edward J. Acevedo

De La Salle Institute: Board of Trustees

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 12, 2007

Project: **Loyola Academy**

STATISTICS

Number:	N-PS-TE-CD-7093	Amount:	$21,500,000
Type:	501(c)(3) Bonds	IFA Staff:	Townsend S. Albright
Locations:	Wilmette, Glenview	SIC Code:	8211

BOARD ACTION

Final Bond Resolution	No Extraordinary conditions
Conduit	Staff recommends approval
No IFA funds at risk	

PURPOSE

Proceeds will be used to (i) refinance the outstanding par value of the Applicant's 1993 Series Tax-Exempt bonds issued through the Illinois Development Finance Authority, (ii) renovate existing academic buildings and athletic facilities, (iii) purchase real estate, (iv) capitalize interest, and (v) fund professional and bond issuance costs.

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 income tax-exempt status on interest paid to bondholders thereby reducing the borrower's interest rate.

VOTING RECORD

Voting record from Preliminary IFA Bond Resolution on April 10, 2007:

Ayes: 8 Nays: 0 Abstentions: 0 Absent: 6 (Goetz, Herrin, Leonard, O'Brien, Rivera, Valenti)
Vacancy: 1

SOURCES AND USES OF FUNDS

Sources:		Uses:	
IFA Series 2007A New Money Bonds	$11,500,000	Project Costs	$10,000,000
IFA Series 2007B Refunding Bonds	10,000,000	Refunding Escrow	10,000,000
		Capitalized Interest	1,000,000
		Legal and professional costs	500,000
Total	$21,500,000	Total	$21,500,000

JOBS

Current employment:	263	Projected new jobs:	0
Jobs retained:	263	Construction jobs:	50 (36 months)

BUSINESS SUMMARY

Background: Loyola Academy is a coeducational Jesuit college preparatory, which serves approximately 2,000 students from Chicago and approximately 50 suburban communities. Loyola Academy was incorporated on September 20, 1909 and was originally located on the north side of Chicago. In 1957, Loyola Academy moved from Chicago to the northern suburb of Wilmette, where it now occupies as 20-acres campus at the junction of Lake Avenue and the Edens Expressway. In 2001, Loyola Academy acquired a 60-acre site located in Glenview, which it uses as an Athletic Campus. In recent years, the school building and grounds have undergone substantial renovation, expansion and improvement, including new or remodeled facilities for science education, computer studies, foreign languages, athletics and fine arts. Basic infrastructure improvements also have been made.

Loyola Academy is accredited by the North Central Association of Colleges and Secondary Schools and the State of Illinois, and is the largest Jesuit high school in the United States. Loyola Academy is an Illinois not-for-profit corporation and a tax-exempt organization as defined by Section 501(c)(3) of the Internal Revenue Code.

Project Description: Loyola Academy intends to use the net proceeds of the Authority loan to provide funds for the refinancing of the Series 1993 Bonds, renovations within the existing academic buildings, purchase of homes located near the Wilmette campus, construction of a new parking lot for the Wilmette campus, upgrades to the athletic facilities at the Wilmette and Glenview campuses, new swimming pool at the Wilmette campus, and various other capital expenditures.

Remarks: Using tax-exempt financing will permit Loyola to obtain the lowest cost of capital for financing the project. This will permit Loyola to better conserve its financial resources so as to support its non-profit mission. Estimated savings from the refunding are negligible. Restructuring to extend maturities from 2023 to 2037 smoothes cash flow for the Applicant.

FINANCING SUMMARY

Security:	Direct Pay Letter of Credit from JP Morgan Chase Bank, N.A., Chicago, IL.
Structure:	Weekly multi-mode floating rate bonds
Collateral:	Pledge of operating earnings, investment earnings, and donations.
Maturity:	30 years

PROJECT SUMMARY

Loyola Academy intends to use the net proceeds of the Authority loan to provide funds for the (i) refinancing of the Series 1993 Bonds, (ii) renovations within the existing academic buildings, (iii) purchase of land located near the Wilmette campus for the purpose of constructing a new parking lot for the Wilmette campus which is located at 1100 Laramie Avenue, Wilmette, Cook County, Illinois, (iv) upgrades to the athletic facilities at the Wilmette and Glenview campuses, (v) a new swimming pool at the Wilmette campus, and various other capital expenditures, (vi) capitalize interest, and (vii) fund professional and bond issuance costs.

Project Costs	Land, Renovation. and New Construction	$10,000,000
	Refunding	10,000,000
	Total	$20,000,000

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Loyola Academy
Project names:	Renovation and Refunding Project
Locations:	1100 Laramie Avenue, Wilmette, IL 60091 Cook County, Illinois and 1901 St. Johns Drive, Glenview, Cook County, Illinois 60025
Contact Person:	Terence Brennan, Vice President and Chief Financial Officer 847-920-2424
Organization:	501(c)(3) Corporation
State:	Illinois

Board of Trustees:

Sarah Baine	Bro. David Henderson, S.J.	Robert Navarre
Rev. Robert Bueter, S.J.	James Hickey	Debra Perkaus
Angelo Bufalina	Robert Huffman	Christopher Perry
Michael Cannizzaro	Virginia Kendall	Sherman Reynolds
Vincent Cook	Philip Kenny	Fr. Jack Wall
Rosemary Croghan	Rev. Karl Kiser, S.J.	Edward Wanandi
Rev. Michael Garanzini, S.J.	Rev. Patrick McGrath, S.J.	Edward Wehmer
Patricia Heller	Rev. Richard McGurn, S.J.	

PROFESSIONAL & FINANCIAL

Counsel:	Vedder Price	Chicago, IL	Pearl Zager
Accountant:	Pasquesi Sheppard LLC	Lake Forest, IL	
Bond Counsel:	Perkins Coie, LLP	Chicago, IL	William E. Corbin, Jr.
Underwriter:	William Blair & Company	Chicago	Thomas E. Lanctot
Placement Agent:			
Underwriter's Counsel:	Winston & Strawn	Chicago, IL	S. Kay McNab
LOC Bank:	JP Morgan Chase Bank, N.A.	Chicago, IL	Rosemary J. Mauck
LOC Bank Counsel:	Burke, Burns & Pinelli, Ltd.	Chicago, IL	Mary Ann Murray
Issuer's Counsel:	Sonnenschein Nath & Rosenthal LLP	Chicago	Rhonda C. Thomas
Trustee:	The Bank of New York Trust Company	Chicago, IL	Daryl Pomkala
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	10th	Mark Steve Kirk
State Senate:	9th	Jeffrey M. Schoenberg
State House:	17th	Elizabeth Coulson

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 12, 2007

Project: Peoria Association for Retarded Citizens, Inc. (aka Peoria ARC)

STATISTICS

Project Number:	N-NP-TE-CD-7081	Amount:	$6,500,000 (not-to-exceed amount)
Type:	501(c)(3) Bonds	FM:	Jim Senica
Location:	Peoria		

BOARD ACTION

Final Bond Resolution
Staff recommends approval
Conduit Tax-Exempt 501(c) (3) Revenue Bonds (Advance Refunding)
No IFA funds at risk
Private Placement with G.E. Public Finance

PURPOSE

Bond proceeds will be used to refund the applicant's 1997 Tax-Exempt Bond issue, which currently has approximately $6,370,000 outstanding, and to pay costs of issuance.

IFA CONTRIBUTION

501 (c) (3) IFA Bonds are municipal bonds authorized under the Internal Revenue Code that enables 501 (c) (3) corporations to finance capital projects furthering support of their mission. IFA's issuance of these Bond's will convey federal tax-exempt status on the interest paid to bondholders, thereby enabling bondholders to accept a below market interest rate that is passed through to the borrower.

VOTING RECORD

Voting record from preliminary Board presentation on April 10, 2007:

Ayes: 8 Nays: 0 Abstentions: 0 Vacancy: By Telephone: 2
Absent: 4 (Herrin, O'Brien, Rivera & Valenti)

SOURCES AND USES OF FUNDS

Sources:	IFA Advance Ref. Bonds	6,500,000	Uses:	Refunding	$6,370,000
				Issuance Costs	130,000
	Total	$6,500,000	Total		$6,500,000

JOBS

Current employment:	315	Projected new jobs:	N/A
Jobs retained	315	Construction jobs:	N/A

BUSINESS SUMMARY

Background: Peoria Association for Retarded Citizen's, Inc. ("Peoria ARC") is a 501(c)(3) organization incorporated under Illinois law in 1957, based in Peoria, Illinois and established in 1950 by a group of parents who wanted more for their disabled children than to see them marginalized by society or institutionalized. Originally organized to serve children with mental retardation, Peoria ARC now serves children and adults with many kinds of developmental disabilities including, but not limited to, cerebral palsy, down syndrome, autism and epilepsy. A list of the organization's current Board of Directors is presented on page 4 of this report.

Day to day operations are managed by President Roy Ricketts, who has served since 1989 and is also Peoria ARC's Chief Executive Officer. Other key members of management include Stu Schmitt, Senior Vice President and Chief financial Officer, Kim Cornwell, Senior Vice President and Chief Operating Officer and Sibylle LaHood, Development Director.

Description: Peoria ARC is a human service agency serving over 660 individuals with developmental disabilities and their families at its main facility, 24 community-based residential homes, a respite care facility, an early intervention location and other host family settings. Peoria ARC provides community activities, training and education, vocational opportunities, respite care services and community-based residential settings.

Peoria ARC's mission is to maximize the quality of life of children and adults with developmental disabilities by offering an extensive range of support tools and services. By fostering an environment that promotes choice and dignity, the Agency provides opportunities for individuals to fully participate in the community.

The original founders' goals have been realized as Peoria ARC has grown to serve a multitude of clients ranging in age from infant to elderly, and it provides diverse residential, educational and vocational services. The agency's programming includes children and family services, adult support services, residential services and day programming. Programs and services are provided by Peoria ARC to persons with developmental disabilities and their families without regard to age, race, sex, religion, national origin or financial ability to pay for services rendered.

As a member unit of the Arc of Illinois and the Arc USA, Peoria ARC participates in activities and sets forth statements of principles in concert with these two organizations.

Remarks: Peoria ARC is licensed by the Illinois Department of Human Services. The Agency's programs are surveyed annually by the Department. The agency is accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF), a national accrediting entity. Peoria ARC is surveyed every three years, usually by four surveyors, and it is currently accredited through May of 2008.

The Peoria ARC operation actually consists of two separate 501 (c) (3) corporations – Peoria Association for Retarded Citizens, Inc. ("Peoria ARC" or the "Agency", the borrowing entity for this project) and Peoria ARC Foundation of Central Illinois, Inc. (the Foundation"). The foundation was established in 1990 primarily to act as a vehicle to receive funds raised through a capital campaign or other special programs. Today, the foundation's primary focus is to hold the Agency's investments and to meet the ongoing and emergency funding needs of Peoria ARC. Income from the Foundation is to be used to supplement the other sources of income and funding revenue of Peoria ARC in its operating programs and services.

The Agency is also affiliated with six other 501 (c) (3) corporations that were established through a program with the United States Department of Housing and Urban Development (HUD). Peoria ARC purchased group homes and other residential real estate with financing and other funds provided by HUD. Through these financing programs, HUD requires agencies to establish separate 501 (c) (3) corporations for each project.

FINANCING SUMMARY

Structure:	Private placement of fixed-rate term bonds with G.E. Public Finance
Bondholder Security:	The bondholder will be provided security by a first mortgage on Peoria ARC's primary facility located at 1913 Townline Road in Peoria, Illinois. Peoria ARC will also provide a general obligation pledge of all available revenues.
Term/ Interest Rate:	Bonds will be issued with a 20-year term with an interest rate fixed at 4.68% for the entire term of the bonds.

PROJECT SUMMARY FROM BOND RESOLUTION

The proposed project will include the issuance of bonds to (i) refinance the Agency's 1997 Tax-Exempt Bond issue financed through the Illinois Development Finance Authority (IDFA), which currently has approximately $6,370,000 outstanding, and (ii) pay for costs of issuance. This refinancing will allow the Agency to improve the facilities and services it offers its clients through its anticipated improved cash flow. Most importantly, improved financial condition will allow the Agency to more effectively carry out its mission of providing services to disabled persons to allow them to be better integrated into the community.

Peoria ARC expects to save approximately $200,000 in annual debt service payments through this refinance.

Proposed project costs include the following:

Refunding of existing series 1997 501 (c) (3) revenue bonds	$6,370,000
Estimated costs of issuance	130,000
Total	$6,500,000

ECONOMIC DISCLOSURE STATEMENT

Applicant/	Peoria Association for Retarded Citizens, Inc.
Contact:	Mr. Stu Schmitt Senior Vice President & Chief Financial Officer; (T) 309/689-3607;
Project name:	Peoria ARC Refunding of Series 1997 501 (c) (3) Revenue Bonds
Location:	1913 Townline Road, P.O. Box 3418 Peoria, Illinois 61612 (Peoria County)
Organization:	Illinois 501(c) (3) organization
Board Membership:	*See list of Board of Directors on page 4 of this report*
Current Land Owner:	Peoria Association for Retarded Citizens, Inc.

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Miller, Hall & Triggs	Peoria, IL	Mark Walton
Accountant:	Clifton Gunderson, LLP	Peoria, IL	Alvin Ziegler
Bond Counsel:	Chapman and Cutler LLP	Chicago	Becky Brueckel
Underwriter:	Griffin Kubik Stephens & Thompson	Chicago	Helena Burke-Bevon
Bond Purchaser:	G.E. Public Finance	Minneapolis	Miyun Cho
Issuer's Counsel:	Dykema Gossett PLLC	Chicago	Walter Deitch
IFA Fin'l. Advisor	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	18 – Ray LaHood
State Senate:	37 – Dale E. Risinger
State House:	73 – David R. Leitch

Peoria Association for Retarded Citizen's, Inc.
Board of Trustees

Name	Profession	Role on Board
Jeannie McAllister	Grade School Principal	Chairman
Sue Himes	Special Education Work Coordinator	Vice Chairman
Bill Troy	Retired Banker	Treasurer
Rick Thomas	Executive Director, Health Care Center	Immediate Past Chairman
Ed King	Retired Dean of Men, Bradley University	Member
Lynn Scott Pearson	Former County Board Member	Member
Ron Miller	Pastor	Member
Jeanette Kosier	Retired School Principal	Member
Dexter Gruber	Attorney	Member
Sonni Williams	City Attorney	Member
Kathie Raiborn	Manager, Day Care Centers	Member
Chuck Walker	CFO, CEFCO Credit Union	Member
Kevin Nelson	IT, Caterpillar, Inc.	Member
Keith Boswell	Manager, Caterpillar, Inc.	Member
Pat Kawczynski	Realtor	Member
Janet Davidson	Professor, Bradley University	Member

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 12, 2007

Project: **Jewish Federation of Metropolitan Chicago**
Jewish Charities Revenue Anticipation Note Program,
Series 2007-2008A, 2007-2008B

STATISTICS

Project Number:	N-ND-TE-CD-6105	Amount:	$35,000,000 (not-to-exceed amount)
Locations:	Multiple	PA:	Townsend Albright
SIC:	8399		

BOARD ACTION

Final Bond Resolution	No extraordinary conditions
Not-For-Profit RANs	Staff recommends approval
No IFA funds at risk	

PURPOSE

To provide cash management savings to the Federation to be used to expand services provided to its affiliated organizations.

IFA CONTRIBUTION

501(c)(3) Revenue Anticipation Notes are a form of tax-exempt instruments that 501(c)(3) corporations can use to provide working capital for use in their daily operations. IFA's issuance will convey tax exempt status on interest earned on the RANs and thereby reduce the borrower's interest expense.

VOTING RECORD

Final IFA Bond Resolution
(FY 06-07)
Voting Date: 6/13/06

Ayes:	12	
Nays:	0	
Absent:	3	(Herrin, Nesbitt, O'Brien)
Abstentions:	0	
Vacancy	0	

Note: This is an ongoing program, which requires the Board's annual approval.

SOURCES AND USES OF FUNDS

Source:	IFA RANS	$35,000,000	Use:	Working Capital	$35,000,000
Total		$35,000,000	Total		$35,000,000

BUSINESS SUMMARY

Background:	The Jewish Federation of Metropolitan Chicago is a 501(c)(3) Corporation.
Description:	The Jewish Federation of Metropolitan Chicago serves as the fund raising entity for its affiliated organizations.
Remarks:	The four borrowing organizations are all Illinois not-for-profit corporations that provide Community services to the Chicago metropolitan area. The organizations are: (i) Jewish Vocational Service and Employment Center, (ii) Jewish Community Centers, (iii) Council for Jewish Elderly, and (iv) Jewish Children's Bureau of Chicago.

PROJECT SUMMARY

Proceeds will be used to fund a working capital loan. This is the eleventh annual request for Revenue Anticipation Note financing under the terms of an ongoing semi-annual loan program designed to produce cash management savings to the Federation. The savings, which are approximately $100,000, are used to expand the services provided by the Borrowers. Authorized borrowing amounts are:

Jewish Vocational Services and Employment Center	$ 4,000,000
Jewish Community Centers	9,000,000
Council for Jewish Elderly	12,000,000
Jewish Children's Bureau of Chicago	10,000,000
Total	$35,000,000

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Jewish Federation of Metropolitan Chicago of behalf of (i) Jewish Vocational Service and Employment Center, (ii) Jewish Community Centers, (iii) Council for Jewish Elderly, and (iv) Jewish Children's Bureau of Chicago
Project name:	Jewish Charities Revenue Anticipation Note Program
Locations:	Buffalo Grove, Chicago, Skokie, Flossmoor, Highland Park, Northbrook, Evanston, Wilmette, Glenview, and Vernon Hills, Cook County, Illinois
Organization:	501(c)(3) Corporation
State:	Illinois
Board:	List of Applicant Board members attached

PROFESSIONAL & FINANCIAL

Counsel:	D'Ancona & Pflaum	Chicago, IL	Michael J. Calhoun
Accountant:	McGladrey & Pullen	Chicago, IL	
Bond Counsel:	KMZ Rosenman	Chicago, IL	Mark E. Laughman
LOC Bank:	Harris N.A.	Chicago, IL	Gregory Bins
Placement Agent:	Harris N.A.	Chicago, IL	Nicholas Knorr
Placement Counsel:	Chapman and Cutler	Chicago, IL	R. William Hunter
Issuer's Counsel:	Pugh, Jones & Johnson	Chicago, IL	Scott Bremer
Trustee:	U.S. Bank	Chicago, IL	
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago, IL	Bill Morris
	Scott Balice Strategies, Inc.	Chicago, IL	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	2nd	Jesse L. Jackson
	7th	Danny K. Davis
	9th	Janice Schakowsky
	10th	Mark S. Kirk
State Senate:	6th	John J. Cullerton
	7th	Carol Ronen
	8th	Ira R. Silverstein
	9th	Jeffrey M. Schoenberg;
	19th	M. Maggie Crotty
	26th	William E. Peterson
	28th	John Millner
	29th	Susan Garrett
	30th	Terry Link
	31st	Michael Bon
	40th	Debbie DeFrancesco Halvorson
State House:	11th	John A. Fritchey
	13th	Greg Harris
	16th	Louis I. Lang
	18th	Julie Hamos
	37th	Kevin McCarthy
	59th	Kathleen A. Ryg
	60th	Eddie Washington
	61st	Jo Ann Osmond
	80th	George F. Scully Jr.

Jewish Federation of Metropolitan Chicago -- 2006-2007 Officers and Board of Directors

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ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 12, 2007

Project: **Liberty Towers Associates II L.P., an Illinois limited partnership (Liberty Towers Apartments)**

STATISTICS

IFA Project:	M-MH-TX-CD-7001	Amount:	$5,500,000 (not-to-exceed amount)
Type:	Taxable Housing Bonds	IFA Staff:	Rich Frampton
Location:	Libertyville		

BOARD ACTION

Final Bond Resolution
Conduit Taxable and Taxable Convertible Affordable Rental Housing Revenue Refunding Bonds
No IFA Funds at risk
Staff recommends approval
No extraordinary conditions.

PURPOSE

The IFA Series 2007 Taxable Affordable Rental Housing Bonds will be used to defease the outstanding principal balance (approximately $5.3 million) of Series 1999 Village of Libertyville Tax-Exempt Bonds originally issued to purchase and renovate the Liberty Towers senior apartment project.

Additionally, reserves released from the Series 1999 Bonds would be used to finance (a) certain new reserves as required by the LOC Bank (Harris Bank), (b) appraisal, environment audit, bank counsel, and other costs related to obtaining credit enhancement, and (c) bond issuance costs.

The Borrower has requested IFA to issue two series of bonds: (1) $5,055,000 Taxable Convertible Series 2007A Bonds and (2) $245,000 Taxable Series 2007B Bonds.

The Borrower presently contemplates refinancing the IFA Taxable Convertible Series 2007A Bonds with a tax-exempt bond issue within 90 days of the 11/1/2009 call date (thereby current refunding the Series 1999 Bonds in Tax-Exempt Mode). The current interest rate borne on the Series 1999 Bonds is approximately 7.0%, while the anticipated blended interest rate on the proposed IFA Series 2007 Taxable Bonds is 6.5%.

The Liberty Towers project is a 121 unit, seven-story, affordable senior rental housing project subsidized under a Housing Assistance Payment contract from the U.S. Department of Housing and Urban Development (term through 2009). The original Series 1999 Bonds financed the acquisition and renovation of the Project, with project equity generated from the sale of 4% Low Income Housing Tax Credits to tax credit investors.

IFA CONTRIBUTION AND PROGRAM

IFA will issue conduit Taxable Affordable Rental Housing Revenue Bonds to defease existing tax-exempt bonds issued by the Village of Libertyville at a lower interest rate. Because the IFA Series 2007 Bonds will be issued in Taxable mode, no Volume Cap will be required.

The proposed IFA Series 2007A Taxable Convertible Bonds are expected to be reissued on a Tax-Exempt basis in 2009 to current refund the Series 1999 Bonds. Furthermore, the Developer would not need to acquire Volume Cap in order to reissue IFA's Taxable Series 2007A Taxable Convertible Bonds on a Tax-Exempt basis in 2009.

The IFA Series 2007B Taxable Bonds will remain in Taxable mode until maturity in 2011.

VOTING RECORD

Preliminary Bond Resolution: February 13, 2007

Ayes: 11 Nays: 0 Abstentions: 0
Absent: 3 (Herrin, Nesbitt, Valenti) Vacancies: 1

PRELIMINARY ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA Taxable Convertible Series 2007A Bonds:	$5,055,000	Uses:	Series 1999 Libertyville Defeasance Escrow:	$5,440,000
	IFA Taxable Series 2007B Bonds:	245,000			
	Existing Reserves:	1,348,636		Appraisal, Env. Audit, Reserve Funds, Credit Enh. Fee, Escrowed R/E Taxes	1,040,686
				IFA Series 2007 Bond Issuance Costs	167,950
	Total	**$6,648,636**		**Total**	**$6,648,636**

JOBS

Current employment:	5 FTE's	Projected new jobs:	N/A (Refinancing)
Jobs retained:	N/A	Construction jobs:	N/A

BUSINESS SUMMARY

Organization: **Liberty Towers Associates II, L.P. (the "Borrower")** is an Illinois limited partnership and special purpose entity established in 1999 for the express purpose of acquiring, financing, renovating, and owning **Liberty Towers** (the "**Project**" or the "Property") in Libertyville, Illinois, an existing 121-unit affordable, senior housing property originally constructed in 1979.

There are three **General Partners that own 0.1% beneficial interest in the Project. The two Operating (Managing) General Partners are (1) DRE, Inc., Libertyville, IL (0.045%), and (2) Synergic, Inc., Chicago, IL (0.045%).** The President of DRE, Inc. is **Mr. Dennis R. Egidi.** The President of Synergic, Inc**.** is **Mr. Barry L. Weinstein**, a partner in the law firm of Horowitz & Weinstein in Chicago. **The Administrative General Partner and 0.001% owner is National Corporate Tax Credit, Inc. IX, Beverly Hills, CA** (an entity that manages and syndicates ownership interests in low income housing tax credits).

The Limited Partner (and 99.0% owner) is National Corporate Tax Credit Fund IX, a California special purpose limited partnership established by the National Corporate Tax Credit, Inc. of Beverly Hills, CA to own and syndicate tax credits to corporate tax credit investors.

Background: Liberty Towers is a seven (7) story, masonry, 121-unit, rental apartment building located in downtown Libertyville (central Lake County), approximately one block east of Illinois 21 (Milwaukee Avenue) and four blocks north of Illinois 176 (Park Avenue). The units are age restricted (i.e., 62 years and older) and subject to a Section 8 HAP Contract (expires 10/13/2009) and Section 42 Low Income Housing Tax Credit income limits. Liberty Towers is located within walking distance to downtown shops, restaurants, the public library, public parks, and the Metra passenger train station.

The subject property was originally constructed in 1979 and was purchased by its current owners in 1999. The current owners financed both the acquisition and substantial renovation of the Project with $5.45 million of Affordable Rental Housing Bonds issued by the Village of Libertyville (and supplemented with 4% Low Income Housing Tax Credit equity). The scope of the renovations, completed in 2000, included the remodeling of all apartments, common areas, and roof replacement.

Liberty Towers' affordable units are comprised of 114 one bedroom units and 6 two bedroom units. There is one additional two bedroom unit that is leased to an on-site employee as a market rate unit.

The Project's common facilities include two elevators, 52 parking spaces, a laundry room, lobby area, community room with full kitchen, and a hobby/recreation room.

The Series 1999 Village of Libertyville Bonds were sold without credit enhancement and are rated A2 by Moody's. Because the Series 1999 Bonds were financed without credit enhancement, there are approximately $1.35 million of reserves that will be freed up as a result of defeasance of the Series 1999 Bonds. As proposed, the IFA Series 2007 Bonds will be secured by a Direct Pay LOC from Harris Bank.

Background on Developer and Affiliates:

DRE, Inc. is a Libertyville-based real estate investment, development, and management firm established in 1993 and specializing in the acquisition, rehabilitation, and development of multi-family residential communities in the Chicago metropolitan area. DRE, Inc. has developed eight projects in the Chicago metropolitan area, totaling 1,215 units. Mr. Dennis R. Egidi is the President of DRE and also serves as the managing general partner for 13 limited partnerships organized from 1973 to present. These partnerships include a total of 1,772 units of Section 8 Housing and Tax Credit projects that were completed with either (1) DRE, Inc. as the General Partner or (2) Mr. Egidi, through his role as Managing Partner of The Egidi Group II, as the General Partner.

The current property manager for Liberty Towers Apartments is Promex Midwest Corporation ("Promex"), of Libertyville, Illinois, which is approximately 60%-owned by Mr. Egidi, who serves as Promex' President and Chairman. Promex currently manages commercial and multifamily housing properties in the Midwest, South Carolina, and Florida. Promex currently manages 13 affordable rental properties (both multifamily and senior), including 11 located in Illinois.

Promex' 11 Illinois affordable residential rental housing projects under management include a mix of multifamily and senior properties. All eleven properties have been supported with tax credits and require compliance with Low Income Housing Tax Credit requirements. All projects, except for two (Meadow View Apartments and Sheridan Plaza) were financed with Tax Exempt Bonds. Projects in italics below were financed with the proceeds of IFA (IDFA) Bonds.

- **Liberty Towers II (Subject),** Libertyville (121 units – Section 8 Elderly)
- *Concordia Place Apartments Chicago (297 units – Section 8 Multifamily)*
- Meadow View Apartments, Blue Island (99 units – Multifamily)
- *Galesburg Towers*, Waukegan (274 units – Partial Section 8; Multifamily and Seniors)
- *Sterling Towers II,* Sterling (111 units – Section 8 Elderly)
- Hyde Park Apartments, Chicago (73 units – Section 8 Elderly)
- *Mattoon Towers II,* Mattoon (81 units – Section 8 Elderly)
- Spring Creek Towers II, Decatur (137 units – Section 8 Elderly)
- *Pontiac Towers,* Pontiac (111 units – Section 8 Elderly)
- *Rome Meadows Apartments,* Dix (95 units – Section 8 Elderly)
- Sheridan Plaza, Chicago (140 units – Section 8 Vouchers)

Previously, IFA (IDFA) has provided tax-exempt bond financing for 8 projects developed by entities affiliated with Mr. Egidi including (1) Concordia Place Apartments (July 2006), (2) Galesburg Towers, (2) Mattoon Towers, (3) Sterling Towers II, (4) Mattoon Towers, (5) Pontiac Towers, (6) Rome Meadows in Dix, (7) Cinnamon Lake Towers in Waukegan, and (8) Sandwich Apartments in Sandwich.

The Concordia Place Apartments, Galesburg Towers, and Cinnamon Lake Towers are the only IFA bond issues that remain outstanding (with all payments current as of 3/1/2007). The Sterling, Mattoon, Pontiac, Sandwich, and Rome Meadows projects were subsequently refinanced or sold without IFA (IDFA) involvement and were repaid in full.

Accessibility: Although this project was constructed prior to implementation of the Americans with Disabilities Act, and is exempted, the project has 14 handicapped-accessible (i.e., wheelchair accessible) units located throughout the building.

FINANCING SUMMARY

Security: The IFA Taxable Convertible Series 2007A and Series 2007B Taxable Bonds will be underwritten by Mesirow Financial, Inc., and secured by a Direct Pay Letter of Credit from Harris Trust and Savings Bank.

Structure: The Bonds may bear interest in two permissible modes: either (i) a Weekly Mode (i.e., 7-day Taxable floating rate bonds) or in (ii) a Flexible Mode (i.e., period of at least 30 days or more). Initially, the Borrower and Underwriter contemplate that both the Series 2007A Bonds and the Series 2007B Bonds will be sold in Flexible Mode, as described immediately below:

- The Series 2007A Taxable Convertible Bonds will be sold in Flexible Mode at an initial estimated effective fixed interest rate of 6.50% (inclusive of a 1.0% LOC Fee) for a fixed period through 10/1/2009. The IFA Series 2007A Taxable Bonds will be issued to defease the outstanding balance of the Series 1999 Village of Libertyville Bonds. *Note:* the Borrower contemplates a reissuance and conversion of these Bonds by October 1, 2009 from Taxable Mode to Tax-Exempt Mode to current refund the Series 1999 Village of Libertyville Bonds within 90 days of their scheduled November 1, 2009 call date and would then be sold as 7-day variable rate demand bonds with an interest rate cap as required by both Harris Bank (the Direct Pay LOC Bank, and National Corporate Tax Credit, Inc., the Tax Credit Investor). *[Also see Project Description on p. 6.]*
- The Series 2007B Taxable Bonds will be sold at an anticipated effective fixed interest rate of 6.40% (inclusive of a 1.0% LOC Fee) and are scheduled to mature in 2011. Proceeds of the Series 2007B Bonds will primarily be used to pay costs of bond issuance and to purchase an interest rate cap for the reissuance of the Series 2007A Taxable Convertible Bonds as Tax-Exempt 7-day floaters in 2009 (Harris Bank and the Tax Credit Investor will both require the purchase of an interest rate cap for the IFA Series 2009 reissuance).

Collateral Pledged to LOC Bank: Harris Bank will be secured by a first mortgage, and a collateral assignment of rents, leases, and contracts on the subject property for both the Series 2007A and Series 2007B Bonds (i.e., the Harris Bank LOC will secure both series of Bonds). There will be no personal guarantees provided by the General Partners (see p. 5 for listing).

Maturities/ Est. Interest Rates:

- 10/1/2029 for the IFA Series 2007A Taxable Convertible Bonds (i.e., approximately 30 years from the original date of issue) and sold for an initial term through 10/1/2009 (estimated interest rate of 5.50%; effective rate of 6.50% after adding Harris Bank's LOC Fee).
- 4/1/2011 for the IFA Series 2007B Taxable Bonds used to pay costs of issuance (estimated interest rate of 5.40% – effective rate of 6.40% after adding Harris Bank's LOC Fee). Note: these Bonds will not be subject to the proposed reissuance as Tax-Exempt Bonds in 2009 and will remain in Taxable Mode until scheduled maturity in 2011.

PROJECT DESCRIPTION FOR IFA BOND RESOLUTION

Bond proceeds will be used to (i) defease the Series 1999 Village of Libertyville Bonds that were originally issued to finance the acquisition and renovation of Liberty Towers Apartments, a 7-story, 121-unit, multifamily rental property with approximately 92,880 SF (and a net rentable area of approximately 65,100 SF), located on an approximately 1.65 acre site at 130 East Cook Street, Libertyville (Lake County), IL 60048-2036. Additionally, bond proceeds will be used to (ii) pay taxable bond costs of issuance. Finally, reserves released from the Series 1999 Bonds will used to (iii) capitalize various reserves, (iv) pay costs of credit enhancement, (v) pay certain costs of bond issuance, and (vi) purchase an interest rate cap on the contemplated 2009 reissuance of the IFA Series 2007A Bonds.

The Series 2007A Taxable Convertible Bonds will initially bear interest in Taxable Mode and will be issued with features that will enable the Series 2007A Bonds to be subject to mandatory tender within 90 days of the next call date (i.e., 11/1/2009) on the existing Series 1999 Bonds (and an anticipated conversion on 10/1/2009). At that time, it is contemplated that the IFA Series 2007A Taxable Convertible Bonds would be subject to a prospective reissuance as Tax-Exempt Current Refunding Bonds.

The IFA Series 2007B Bonds will remain in taxable mode until scheduled maturity in 2011 (and will finance taxable bond costs of issuance and an interest rate cap for the 2009 reissuance).

The Liberty Towers property is leased to elderly and disabled persons of low income who are eligible for housing payment assistance under Section 8 of the U.S. Housing Act of 1937.

ECONOMIC DISCLOSURE STATEMENT

Applicant/ Contact: Liberty Towers Associates II, L.P., an Illinois limited partnership (c/o Mr. Dennis R. Egidi, General Partner, c/o DRE, Inc., 800 S. Milwaukee Avenue, Suite 170, Libertyville (Lake County), IL 60048; Ph.: 847-816-6400; Fax: 847-816-6783; e-mail: DRE6400@aol.com)

Alternate Contact: Pat Zinovik, Corporate Field Supervisor, Promex Midwest Corporation: Ph.: 847-816-6400; Fax: 847-816-6783; e-mail: PLZinovik@aol.com

Project name: Liberty Towers Apartments
Location: 130 East Cook Avenue, Libertyville (Lake County), IL 60048-2036

Organization: Limited Partnership
State: Illinois
Ownership of Applicant: Liberty Towers Associates II, L.P., an Illinois limited partnership:

- **General Partners (0.1%):**
  - *Operating General Partners:*
    - DRE, Inc.,: Mr. Dennis R. Egidi, President, 800 S. Milwaukee Avenue, Suite 170, Libertyville (Lake County), IL 60048: 0.45%
      - Mr. Egidi also has a 60% ownership interest in Promex Midwest, the Managing Agent for Liberty Towers
    - Synergic, Inc., an Illinois corporation: Barry L. Weinstein, President, c/o Horowitz & Weinstein, 311 W. Superior St., Chicago (Cook County), IL 60610: 0.45%
  - *Administrative General Partner:*
    - National Corporate Tax Credit, Inc. IX, a California corporation (Tax Credit Investor), 9090 Wilshire Blvd., Suite 201, Beverly Hills, CA 90211
- **Limited Partner (99.9% - Tax Credit Investor):** National Corporate Tax Credit Fund IX, a California limited partnership, 9090 Wilshire Blvd., Suite 201, Beverly Hills, CA 90211

Owner: Liberty Towers Associates II, L.P.

PROFESSIONAL & FINANCIAL

Counsel:	Krasnow Saunders Cornblath LLP	Chicago, IL	Henry Krasnow
Accountant:	Rockoff Harlan Rasof, Ltd.	Skokie, IL	Michael Harlan
Bond Counsel:	Greenberg Traurig, L.L.P.	Chicago, IL	Matt Lewin
Underwriter:	Mesirow Financial, Inc.	Chicago, IL	Bill Carney
Underwriter's Counsel:	Newbanks Law Firm LLC	Cincinnati, OH	Ron Newbanks
Credit Enhancement:	Harris Bank	Chicago, IL	Steve Quasny
LOC Bank Counsel:	Charity & Associates, P.C.	Chicago, IL	Elvin Charity
Trustee:	Bank of New York	Chicago, IL	
Rating Agency:	Standard & Poor's	New York, NY	
Management Agent:	Promex Midwest Corporation	Libertyville, IL	Pat Zinovic
Appraiser:	Appraisal Research Counselors	Chicago, IL	Ron De Vries
Issuer's Counsel:	Burke Burns & Pinelli, Ltd.	Chicago, IL	Steve Welcome
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago, IL	Bill Morris
	Scott Balice Strategies, Inc.	Chicago, IL	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	10	Mark Steven Kirk
State Senate:	26	William E. Peterson
State House:	51	Ed Sullivan, Jr.

To: Members of the IFA Board

From: Steven Trout

Date: June 6, 2007

Re: Overview of the Proposed IFA Issuance of Community Providers Facilities Acquisition Program Refunding Bonds

The Illinois Association of Rehabilitation Facilities ("IARF") has asked IFA to issue $12,689,000 in bonds to refinance outstanding maturities of 6 participants in pooled IDFA bond issues done between 1992 and 1999. Two prospective participants would like IFA to issue $1,491,000 in additional bonds to finance new capital projects. The underwriter anticipates that this $14,180,000 bond issue will consist of $13,890,000 in 501(c)(3) bonds to refund prior IDFA issues and fund new projects and $290,000 in taxable bonds to finance costs of issuance in excess of 2% of the anticipated amount tax-exempt bonds.

The financing is led by Municipal Capital Markets, Inc. ("MuniCap"), a Dallas-based underwriter that specializes in financing for community providers of health care and social services. MuniCap underwrote two issues for IFA, a $5,330,000 bond issue for 2 participants in an IARF program in 2006 and $4,920,000 bond for 2 members of the Illinois Primary Health Care Association ("IPHCA") in 2004. MuniCap also underwrote $268,020,000 in bonds via 15 issues for IDFA between 1990 and 2002.

The financing team is the same group that financed the IFA issues and recent IDFA issues.

MuniCap is seeking to close this issue in June, prior to July 1, the next payment date on the Series 1997 bonds. This issue will be rated "BBB" by Standard & Poor's Corporation.

Fees for this issue will be $62,670.

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 12, 2007

Project: Bridgeway, Inc. and Broadway Foundation

STATISTICS

Project Number:	N-NP-TE-CD-7121	Amount:	$3,000,000 (not-to-exceed amount)
Type:	501(c)(3) Bonds	IFA Staff:	Steve Trout
Location:	Monmouth		

BOARD ACTION

Final Bond Resolution	Staff recommends approval
Conduit Tax-Exempt 501(c)(3) Revenue Bonds	No IFA funds at risk
No extraordinary conditions	

PURPOSE

To refinance Bridgeway Inc.'s and Bridgeway Foundation's portion of outstanding Series 1997 Illinois Development Finance Authority Community Rehabilitation Providers Facilities Acquisition Bonds, finance a new project located in Monmouth, IL, capitalize a debt service reserve and 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 income tax-exempt status on interest paid to bondholders thereby reducing the borrower's interest rate.

VOTING RECORD

Preliminary Bond Resolution: May 8, 2007

Ayes: 11 Nays: 0 Abstentions: 0 Absent: 3 (Boyles, DeNard, Nesbitt) Vacancies: 1

JOBS

Current employment:	450	Projected new jobs:	10
Jobs retained:	NA	Construction jobs: to be determined	15

BUSINESS SUMMARY

Description: Bridgeway, Inc., is a 501 c (3) corporation founded in 1993 that provides social services across 13,400 square miles which includes 10 Illinois and 3 Iowa counties. Bridgeway employs 450 individuals and serves approximately 8,900 clients per year.

History: Bridgeway Inc.'s predecessor, Spoon River Center, was organized as an Illinois not-for-profit corporation in 1971. Bridgeway Inc. was formed October 1, 1993 by the consolidation of programs and services from McDonough County Rehabilitation Center (MCRC) and Harrington Family Services into Spoon River Center, which was then renamed Bridgeway, Inc ("the Center"). MCRC retained its fixed assets and equity after contributing its programs to the Center. In June 1996, Bridgeway, Inc., combined by merger its fixed assets with the fixed assets retained MCRC and named the new entity Bridgeway Foundation. The Internal Revenue Service has designated both Bridgeway Inc. and Bridgeway Foundation as 501(c)(3) corporations.

Background: The Center was formed to provide alcohol and drug abuse prevention and treatment, community support, family and rehabilitation services on an outpatient and residential basis. The Foundation holds real property and improvements for the benefit of the Center. The Center leases certain property from the Foundation for programmatic facilities.

The Foundation and the Center will be jointly and severally liable for repayment of the Bonds.

The Center is affiliated with several other not-for-profit corporations by common management. Related parties include Bridgeway Foundation, Bridgeway Management Systems, Harrington Family Services Foundation, Residential Facilities Corporation, MCRC Rehabilitation, Inc., and MCRC Housing, Inc.

Programs: These human service corporations have served for decades the growing needs and challenges of providing community-based health and human services in west-central Illinois and eastern Iowa. These services are designed to assist and empower people in maximizing their potential for personal development and growth in all areas of human functioning.

Bridgeway serves any person who can benefit from its array of services without regard to disability, dependent status, race color, national origin or age. The Center bills its clients on a sliding scale based on income for services provided. Its programs are primarily funded by the Illinois Department of Human Services and the Illinois Department of Children & Family Services. Bridgeway is a CARF accredited organization and is also funded in part through contributions from the United Way, United Fund and Community Chest.

Bridgeway provides the following services to its participants: Childcare and Pre-School services, Family Services, Behavioral Health Services, Rehabilitation, Recovery and Day Services, Residential Services, Substance Abuse Services, Vocational Services.

Project: Bridgeway is one of six participants in a pooled financing to refinance its portion of outstanding Series 1997 IDFA Community Facilities Rehabilitation Providers Facilities Acquisition Bonds. The Illinois Association of Rehabilitation Facilities (IARF) is sponsoring the proposed financing program and sponsored many other financing programs, once of which resulted in IDFA's issuance of the Series 1997 Bonds. IARF serves as a program administrator for these programs, by bringing two or more Illinois rehabilitation facilities borrowing needs together in order to benefit from economies of scale of issuance costs, as well as to achieve a rated bond issue ("BBB"), which would not otherwise be achieved, if each of the participants issued their own bonds. This proposed issuance would be IFA's second issuance for this program, continuing a relationship that IDFA has maintained with IARF since 1990, which included the issuance of $268,020,000 in bonds via 15 issues since then.

FINANCING SUMMARY

Bonds:	Tax-exempt 501(c)(3) Bonds fully amortizing over 10 years
Co-Obligors:	Bridgeway Foundation and Bridgeway Inc.
Collateral:	General obligation pledge of the Borrower
	First Mortgage on Bridgeway's financed properties
Credit Rating:	BBB rating from Standard and Poor's

PROJECT SUMMARY

Bond proceeds will be used to (i) refinance Bridgeway's portion of outstanding Series 1997 Illinois Development Finance Authority Community Rehabilitation Providers Facilities Acquisition Bonds, (a) refinance certain Illinois Health Facilities Authority Revenue Bonds, Series 1988B (Community Provider Pooled Program) a portion of the proceeds of which, in turn, were used to acquire (I) a facility located at RR5, Galesburg, Illinois, used to provide residential housing for chronically mentally ill individuals, and (II) a facility located at 443-445 South Tremont, Kewanee, Illinois, used to provide residential housing for chronically mentally ill individuals; (b) to acquire a facility to be used to provide residential housing for chronically mentally ill individuals located at 2323 Windish Drive, Galesburg, Illinois, and (c) constructing a facility to be used to provide residential housing for chronically mentally ill individuals located at 137 East College, Kewanee, Illinois; and (ii) pay the costs of constructing and equipping na approximately 5,820 square foot building to be located at Lot O, Industrial Park Drive, in Monmouth, Illinois, for use as an administrative office space nad day training/workshop space; to fund the Debt Service Reserve and to pay costs of issuance.

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Bridgeway, Inc., 900 South Deer Road, Macomb, IL 61455
Project name:	Bridgeway, Inc.
Location:	Headquarters: 900 South Deer Road, Macomb Industrial Park Drive, Lot O, Monmouth, IL
Landowner:	Bridgeway, Inc.
Organization:	Illinois 501(c)(3) organization
Board Membership:	

Bridgeway Foundation Board		**Bridgeway, Inc. Board**	
James E. Gray	Chairman	Mark Blackburn	Chairman
Dennis Iverson	Vice-Chairman	David Garner	Vice-Chairman
Steve Pastorelli		G.S. Bond	
Janet Schreck		Bill Herrmann	
James Starnes	CEO/President	Bill Murphy	
Steve Tibbitts		Steve Pastorelli	
Luan Ippensen	Secretary	Gordon Snowden	
Phil Arnold	Treasurer	James Starnes	President
		Susan Wernsman	
		Phil Arnold	Treasurer
		Luan Ippensen	Secretary

PROFESSIONAL & FINANCIAL

Sponsor/Administrator:	Illinois Assoc. of Rehabilitation Facilities (IARF)	Springfield, IL	Bridget Ganey
Issuer Counsel:	Law Office of Kevin Cahill	Chicago	Kevin Cahill
Bond Counsel:	Pugh Jones Johnson & Quandt, PC	Chicago	Scott Bremer
Borrower's Counsel	Law Office of Steven Mills	Springfield, IL	Steve Mills, Esq.
Underwriters:	Municipal Capital Markets Group	Dallas	Kendal Cornwall
Underwriters Counsel:	Glast Phillips & Murray	Dallas	John Stasney
Trustee:	Marine Bank	Springfield, IL	George Laubner
Trustee's Counsel:	Hart, Southfield, & Witsman	Springfield, IL	Samuel J. Witsman, Esq
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	Lane Evans 17th
State Senate:	John M. Sullivan 47th, Dale E. Risinger 37th
State House:	Richard P. Myers 94th, Donald L Moffitt 74th

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 12, 2007

Project: **Good Shepherd Manor Foundation**

STATISTICS

Project Number:	N-NP-TE-CD-7114	Amount:	$1,800,000 (not-to-exceed amount)
Type:	501(c)(3) Bonds	IFA Staff:	Steve Trout
Location:	Momence, IL		

BOARD ACTION

Final Bond Resolution as a participant in a $16.805 million pooled financing
Conduit Tax-Exempt 501(c)(3) Revenue Bonds — Staff recommends approval
No extraordinary conditions — No IFA funds at risk

PURPOSE

To refinance Good Shepherd Manor's portion of certain outstanding Series 1997 Illinois Development Finance Authority Community Rehabilitation Providers Facilities Acquisition Bonds, capitalize a debt service reserve and 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 income tax-exempt status on interest paid to bondholders thereby reducing the borrower's interest rate.

VOTING RECORD

Preliminary Bond Resolution: May 8, 2007

Ayes: 11 Nays: 0 Abstentions: 0 Absent: 3 (Boyles, DeNard, Nesbitt) Vacancies: 1

JOBS

Current employment:	95	Projected new jobs:	0
Jobs retained:	NA	Construction jobs:	0

BUSINESS SUMMARY

Background: The Good Shepherd Manor Foundation (the "Foundation") was incorporated in 1981 as an Illinois not-for-profit corporation. The foundation holds property leased to Good Shepherd Group Homes, Inc, which is an Illinois not-for-profit corporation that began operations in August, 1996.

Description: Good Shepherd Manor seeks to serve the needs of men with developmental disabilities who are not capable of earning their own livelihood or meeting their basic needs in a non-structured environment. In doing so, Good Shepherd Manor also seeks to serve the needs of the families of these handicapped residents who, in their great concern for their loved ones, are anxious for their happiness and physical and social well-being, especially when the family will no longer be here to provide for them.

Programs: Good Shepherd Manor is a residential facility for 127 men with developmental disabilities in Momence, IL, about 60 miles South of Chicago. The Brothers of the Good Shepherd and a staff of over 160 professional personnel are involved with the high standards of caring for the residents. The

Brothers were founded in 1951 to help the less fortunate, and operate other programs in the United States, Canada, Ireland and England.

The Manor offers academic and vocational stimulation to prevent regression and to develop skills. Programs and daily activities for the men to stimulate the body, mind and spirit include broad range health care, instruction in academics, functional life skills, leisure and living skills, vocational training, regular recreation in a large gymnasium and on an athletic field, and Special Olympics competition.

A Work Center allows the men to perform appropriate jobs in a workshop setting for local industry, giving the residents meaningful work. Services performed for industry are sorting, packaging, repackaging, labeling, assembling and mailing.

Project: The Good Shepherd Manor Foundation is one of six participants in a pooled financing to refinance their portion of outstanding Series 1997 IDFA Community Facilities Rehabilitation Providers Facilities Acquisition Bonds. The Illinois Association of Rehabilitation Facilities (IARF) is sponsoring the proposed financing program and sponsored many other financing programs, once of which resulted in IDFA's issuance of the Series 1997 Bonds. IARF serves as a program administrator for these programs, by bringing two or more Illinois rehabilitation facilities borrowing needs together in order to benefit from economies of scale of issuance costs, as well as to achieve a rated bond issue ("BBB"), which would not otherwise be achieved, if each of the participants issued their own bonds. This proposed issuance would be IFA's second issuance for this program, continuing a relationship that IDFA maintained since 1990 that included the issuance of $268,020,000 in bonds via 15 issues.

FINANCING SUMMARY

Bonds:	Tax-exempt 501(c)(3) Bonds fully amortizing over 12 years
Security / Collateral:	General obligation pledge of the Borrower. Shared first mortgage on the financed facility.
Credit Rating:	BBB rating from Standard and Poor's

PROJECT SUMMARY

Good Shepard Manor Foundation is requesting financing for the "pay and cancel" refunding of the outstanding maturities of its portion Series 1997 Illinois Developmental Finance Authority Community Rehabilitation Providers Facilities Acquisition program Revenue Bonds. The Foundation's loan from the proceeds of the Issuer's Series 1997 Bonds, was used for the construction of nine 8-bed group homes on land owned by the Foundation at 4129 North Routes 1 & 17 in Momence. The financing was also used to refinance commercial loan secured by two 16 – bed group homes.

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Good Shepherd Manor Group Homes, Inc.		
Location:	4129 N. Routs 1 & 17, P.O Box 260. Momence IL 60954		
Organization:	Illinois 501(c)(3) organization		
Board::	Steve Hoekstra	Owner/General Manager	Hoekstra Transportation
	D. Robert O'Loughlin	School Counselor	Retired
	James Sullivan	Sales Manger	Chicago Hardware & Fixtures

PROFESSIONAL & FINANCIAL

Sponsor/Administrator:	Illinois Assoc. of Rehabilitation Facilities (IARF)	Springfield, IL	Bridget Ganey
Issuer Counsel:	Law Office of Kevin Cahill	Chicago	Kevin Cahill
Bond Counsel:	Pugh Jones Johnson & Quandt, PC	Chicago	Scott Bremer
Borrower's Counsel	Law Office of Steven Mills	Springfield, IL	Steve Mills, Esq.
Underwriters:	Municipal Capital Markets Group	Dallas	Kendal Cornwall
Underwriters Counsel:	Glast Phillips & Murray	Dallas	John Stasney
Trustee:	Marine Bank	Springfield, IL	George Laubner
Trustee's Counsel:	Hart, Southfield, & Witsman	Springfield, IL	Samuel J. Witsman, Esq

IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	Gerald C. "Jerry" Weller	11^{th} District
State Senate:	Debbie Defrancesco Halvorson	40^{th} District
State House:	Lisa M. Dugan	79^{th} District

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 12, 2007

Project: **Kankakee County Training Center for the Disabled, Inc.**

STATISTICS

Project Number:	N-NP-TE-CD-7113	Amount:	$1,850,000 (not-to-exceed amount)
Type:	501(c)(3) Bonds	IFA Staff:	Steve Trout
Location:	Bradley, Kankakee, Bourbannais		

BOARD ACTION

Final Bond Resolution	Staff recommends approval
Conduit Tax-Exempt 501(c)(3) Revenue Bonds	No IFA funds at risk
No extraordinary conditions	

PURPOSE

To refinance Kankakee County Training Center's portion of certain outstanding Series 1997 Illinois Development Finance Authority Community Rehabilitation Providers Facilities Acquisition Bonds, capitalize a debt service reserve and 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 income tax-exempt status on interest paid to bondholders thereby reducing the borrower's interest rate.

VOTING RECORD

Preliminary Bond Resolution: May 8, 2007

Ayes: 11 Nays: 0 Abstentions: 0 Absent: 3 (Boyles, DeNard, Nesbitt) Vacancies: 1

JOBS

Current employment:	193	Projected new jobs:	0
Jobs retained:	0	Construction jobs:	0

BUSINESS SUMMARY

Description: The Kankakee County Training Center for the Disabled, Inc. ("the Center" or "KCTC") was incorporated in 1996 as an Illinois not-for-profit corporation. The Center provides vocational rehabilitative services to the developmentally disabled adults of Kankakee County. KCTC serves approximately 220 clients in 5 locations with 60,000 square feet of production, office and warehouse space and has a waiting list of over 30 individuals.

Programs: KCTC's program can be summarized as follows:

Community Integrated Living Arrangements, (CILA)--KCTC currently owns twelve CILA homes, each of which houses three to five adults with developmental disabilities. Each resident pays his or her own rent, as well as groceries. Each home is staffed by individuals who assist residents with daily living skills. CILA homes are located in the community and have been purchased and renovated by the Center to accommodate the disabled. KCTC has constructed or renovated all of its CILA homes to comply with Department of Human Services standards and all the local fire and disaster codes.

Rehabilitation Program: KCTC provides people with developmental disabilities opportunities for community employment, as well as personal, social, or community services that will assist them in becoming independent.

Production Program: The Center provides vocational training opportunities and paid compensation to people with developmental disabilities who provide business customers with quality products in a timely fashion. KCTC operates this program in two vocational buildings.

Job Placement: KCTC develops jobs for the adults with developmental disabilities and seek to place its consumers in positions outside of the Center. The Center runs this program with two employment specialists and two part-time job coaches.

Special Olympics: KCTC sponsors the following events at the Special Olympics: Track & Field, Basketball, Bowling, Softball, T-Ball. The Specials Olympics is competitive event for people with disabilities in which every gets to play, and everyone gets to win, regardless of strength or ability.

Project: KCTC is one of six participants in a pooled financing to refinance its portion of outstanding Series 1997 IDFA Community Facilities Rehabilitation Providers Facilities Acquisition Bonds. The Illinois Association of Rehabilitation Facilities (IARF) is sponsoring the proposed financing program and sponsored many other financing programs, once of which resulted in IDFA's issuance of the Series 1997 Bonds. IARF serves as a program administrator for these programs, by bringing two or more Illinois rehabilitation facilities borrowing needs together in order to benefit from economies of scale of issuance costs, as well as to achieve a rated bond issue ("BBB"), which would not otherwise be achieved, if each of the participants issued their own bonds. This proposed issuance would be IFA's second issuance for this program, continuing a relationship that IDFA maintained with IARF since 1990, which included the issuance of $260,020,000 in bonds via 15 issues.

FINANCING SUMMARY

Bonds:	Tax-exempt 501(c)(3) Bonds fully amortizing over 7 years
Collateral:	General obligation pledge of the Borrower
	First Mortgage on the Center's financed properties
Credit Rating:	BBB rating from Standard & Poor's

PROJECT SUMMARY

KCTC is requesting financing for the acquisition and construction of two new group homes and the "pay and cancel" refunding of their Series 1997 Illinois Developmental Finance Authority Community Rehabilitation Providers Facilities Acquisition program Revenue Bonds. The Series 1997 bond financing was used to (i) refund a portion of the Series 1997A Bonds, a portion of the proceeds which were applied to: () refunding a portion of the Community Rehabilitation Providers Facilities Acquisition Program Revenue Bonds, Se4ries 199A, of IDFA, a portion of the proceeds of which, in turn, were applied to: (I) acquire real property located at 353 South Schuyler, Bradley, Illinois, and (II) refinance real property located at 1255 West Lawn, Kankakee, Illinois; (b) refunding a portion of the Community Rehabilitation Providers Facilities Acquisition Program Revenue Bonds, Series 1992 of IDFA, a portion of the proceeds of which, in turn, were applied to acquire land and a 26,129 square foot facility located at 1015 North Fifth Avenue, Kankakee, Illinois; (c) refunding a portion of the Community Rehabilitation Providers Facilities Acquisition Program Revenue Bonds, Series 1994A, of IDFA, a portion of the proceeds of which, in turn, were applied to: (I) construct an 18,000 square foot facility which will be used for a geriatric day program and will connected two adjacent buildings and sit improvements to land already owned by the Center located at 353 South Schuyler Avenue, Bradley, Illinois, (II) renovated an existing facility at 333 South Schuyler Avenue, Bradley, Illinois, and (III) refinance a taxable loan for a group home located at 1470 South Avenue, Kankakee, Illinois; (d) refinancing commercial bank loans used to acquire group homes located at (I) 801 West Walnut, Kankakee, Illinois, (II) 1161 Cardinal Drive, Bradley, Illinois, and (III) 490 South Cleveland, Bourbonnais, Illinois; (e) purchasing two group homes located at (I) 588 Beckman Drive, Kankakee, Illinois, (II) 520 West Donald, Kankakee, Illinois, and (III) 2025 West Budd, Kankakee, Illinois (or refinance commercial loan from SBA on 333 South Schuyler Ave., Bradley; (f) constructing additional offices and paving parking facilities at 333 South Schuyler Avenue, Bradley, Illinois (and refinance commercial loan from SBA in the approximate additional amount of $94,400 in lieu of 2525 Budd project); (g) constructing loading docks at a recycling center at 1360 East Locust, Kankakee, Illinois; (h) constructing an addition to a group home and (i) financing working capital.

ECONOMIC DISCLOSURE STATEMENT

Applicant:	The Kankakee County Training Center for the Disabled, Inc., 333 Schuyler Street, Bradley, Illinois 60915 (Contact: Stephen Mitchell, Executive Director 815/92-4022	
Location:	333 Schuyler Street, Bradley, Illinois 60915	
Organization:	Illinois 501(c)(3) organization	
Board Membership:	**Board Member**	**Position**
	Ryland Gagnon	President
	Barry A Jaffe	Vice President
	Jason Tanner	2nd Vice President
	Tom Ryan	Treasurer
	Steven Spraker	Secretary

PROFESSIONAL & FINANCIAL

Sponsor/Administrator:	Illinois Assoc. of Rehabilitation Facilities (IARF)	Springfield, IL	Bridget Ganey
Issuer Counsel:	Law Office of Kevin Cahill	Chicago	Kevin Cahill
Bond Counsel:	Pugh Jones Johnson & Quandt, PC	Chicago	Scott Bremer
Borrower's Counsel	Law Office of Steven Mills	Springfield, IL	Steve Mills, Esq.
Underwriters:	Municipal Capital Markets Group	Dallas	Kendal Cornwall
Underwriters Counsel:	Glast Phillips & Murray	Dallas	John Stasney
Trustee:	Marine Bank	Springfield, IL	George Laubner
Trustee's Counsel:	Hart, Southfield, & Witsman	Springfield, IL	Samuel J. Witsman, Esq
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	11th Gerald Weller,
State Senate:	40th Debbie Halvorson, 38th Gary Dahl
State House:	79th Lisa M Dugan. 75th Careen Gordon

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 12, 2007

Project: RAVE (Rehabilitation and Vocational Education), Inc.

STATISTICS

Project Number:	N-NP-TE-CD-7120	Amount:	$2,200,000 (not-to-exceed amount)
Type:	501(c)(3) Bonds	IFA Staff:	Steve Trout
Location:	Anna		

BOARD ACTION

Final Bond Resolution	Staff recommends approval
Conduit Tax-Exempt 501(c)(3) Revenue Bonds	No IFA funds at risk
No extraordinary conditions	

PURPOSE

To refinance Rehabilitation and Vocational Education, Inc. (RAVE) portion of certain outstanding Series 1997 Illinois Development Finance Authority Community Rehabilitation Providers Facilities Acquisition Bonds, capitalize a debt service reserve and 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 income tax-exempt status on interest paid to bondholders thereby reducing the borrower's interest rate.

VOTING RECORD

Preliminary Bond Resolution: May 8, 2007

Ayes: 11 Nays: 0 Abstentions: 0 Absent: 3 (Boyles, DeNard, Nesbitt) Vacancies: 1

JOBS

Current employment:	TBD	Projected new jobs:	0
Jobs retained:	O	Construction jobs:	0

BUSINESS SUMMARY

Description: Rehabilitation and Vocational Education Program, Inc., ("the Center" or "RAVE") was organized in 1974, and incorporated as an Illinois not-for-profit corporation for the purpose of developing service to mentally, physically, emotionally, socially, and vocationally handicapped persons. The purpose of RAVE, Inc., is to provide and be a major influence in the development of services to supplement, develop and expand the maximum opportunities for individuals who are developmentally challenged in the community and to provide for the care, welfare, safety, and security of said individuals for personal development, skills, and training.

Programs: RAVE programs can be summarized as follows:
Developmental Training – The purpose of Developmental Training is to server individuals who, due to the nature of their aptitudes and abilities, will require a more extensive and long term program in order to achieve their personal and vocational potential. Provision for intensive services, training, education, and support to adults will be conducted to enable the individual to live in the least restrictive, appropriate community environment and will be provided on a limited basis and/or procured through another source.

Work Adjustment Training: The purpose of Work Adjustment Training is to provide adults who are vocationally challenged and require on year or less of vocational and/or social training through vocational counseling, interpersonal/situational counseling, case management, development training, social recreation, independent living skill, and ancillary services in order to maximize potential for sheltered or competitive employment.

Sheltered Employment: The purpose of the Sheltered Employment program is to assist adults who are vocationally challenged and who maintain 25% of the industrial minimum and increase current level of functioning through vocational counseling, case management, developmental training, recreational activities, contract work, and placement referrals in order to maintain Sheltered Employment status and/or maximize potential to obtain and maintain competitive employment or entry to Regular Work Program.

Regular Work Program: The purpose of the Regular Work Program is to assist adults who are vocationally challenged and who have potential to maintain 50% of the industrial minimum and increase current level of functioning through vocational counseling, interpersonal/situational counseling, case management, contract work, on the job evaluations and ancillary services in order to maintain Regular Work Program status.

Project: RAVE is one of six participants in a pooled financing to refinance its portion of outstanding Series 1997 IDFA Community Facilities Rehabilitation Providers Facilities Acquisition Bonds. The Illinois Association of Rehabilitation Facilities (IARF) is sponsoring the proposed financing program and sponsored many other financing programs, once of which resulted in IDFA's issuance of the Series 1997 Bonds. IARF serves as a program administrator for these programs, by bringing two or more Illinois rehabilitation facilities borrowing needs together in order to benefit from economies of scale of issuance costs, as well as to achieve a rated bond issue ("BBB"), which would not otherwise be achieved, if each of the participants issued their own bonds. This proposed issuance would be IFA's second issuance for this program, continuing a relationship that IDFA has maintained with IARF since 1990, which included the issuance of $268,020,000 via 15 issues.

FINANCING SUMMARY

Bonds:	Tax-exempt 501(c)(3) Bonds fully amortizing over 7 years
Collateral:	General obligation pledge of the Borrower
	First Mortgage on the Center's financed properties
Credit Rating:	BBB rating from Standard & Poor's

PROJECT SUMMARY

RAVE is requesting financing for the "pay and cancel" refunding of their Series 1997 Illinois Developmental Finance Authority Community Rehabilitation Providers Facilities Acquisition program Revenue Bonds. The Series 1997 bond financing was used to (a) refund a portion of the Community Rehability Providers Facilities Acquisition Program Revenue Bonds, Series 1991, of IDFA, a portion of the proceeds of which, in turn, were applied to: (I) acquire, renovate and equip a facility located at Route 146 approximately 7 miles west of Interest 57 in Anna, Illinois, used as a manufacturing warehouse for a sheltered workshop, and (II) refinance a Ford van and to purchase equipment used at the sheltered workshop located at 214 West Davie Street, Anna, Illinois; (b) refund a portion of the Community Rehabilitation Providers Facilities Acquisition Program Revenue Bonds, Series 1994 A, of IDFA, a portion of the proceeds of which, in turn, were applied to: (I) refinance a taxable loan used to acquire and renovate a sheltered workshop facility for the developmentally disabled located at 214 West Davie Street, Anna, Illinois, and providing working capital with respect to such facility; (II) purchase an air conditioning unit for such facility, (III) refinance three taxable loans originally incurred for working capital for the Center, (IV) refinance a taxable loan incurred to acquire an existing building, equipment and franchise rights to the Tropical Sno business located at Route 146, Anna, Illinois, (V) acquire land and construct two or more, (but not more than six) facilities thereon to house geriatric developmentally disabled adults and one 6-bed CILA facility on Route 127 South, Jonesboro, Illinois, and(VI) purchase officer equipment and provide working capital for administrative offices located at 133 West Vienna Street, Anna, Illinois; © remodel, install a new roof and upgrade the phone system at its facility located at 214 West Davie, Anna, Illinois; and (d) install a new roof at the Route 146.

ECONOMIC DISCLOSURE STATEMENT

Applicant:	R.A.V.E Inc and R.A.V.E Residential Services, Inc., 1390 State Route 127 South, Jonesboro, Illinois 62952-2488 (Contact: Edward Newton, Board Chairman 618/833-6838	
Location:	State Route 127 South, Jonesboro, Illinois 62952-2488	
Organization:	Illinois 501(c)(3) organization	
Board Membership:	**Board Member**	**Position**
	Edward Newton	Board Chairman
	Bob Bolanowski	Board Chairman
	Gary Griffith	Executive Director

PROFESSIONAL & FINANCIAL

Sponsor / Administrator:	Illinois Assoc. of Rehabilitation Facilities (IARF)	Springfield, IL	Bridget Ganey
Issuer Counsel:	Law Office of Kevin Cahill	Chicago	Kevin Cahill
Bond Counsel:	Pugh Jones & Johnson, PC	Chicago	Scott Bremer
Participant's Counsel:	Law Office of Steven Mills	Springfield, IL	Steve Mills, Esq.
Underwriters:	Municipal Capital Markets Group	Dallas	Kendal Cornwall
Underwriters Counsel:	Glast Phillips & Murray	Dallas	John Stasney
Trustee:	Marine Bank	Springfield, IL	George Laubner
Trustee's Counsel:	Hart, Southfield, & Witsman	Springfield, IL	Samuel J. Witsman, Esq
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	Jerry F. Costello	12^{th} District
State Senate:	Gary Forby	59^{th} District
State House:	Brandon W. Phelps	118^{th} District

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 12, 2007

Project: **Trinity Services, Inc.**

STATISTICS

Project Number:	N-NP-TE-CD-7116	Amount:	$2,550,000 (not-to-exceed amount)
Type:	501(c)(3) Bonds	IFA Staff:	Steve Trout
Location:	Multiple		

BOARD ACTION

Final Bond Resolution	Staff recommends approval
Conduit Tax-Exempt 501(c)(3) Revenue Bonds	No IFA funds at risk
No extraordinary conditions	

PURPOSE

To refinance Trinity Services, Inc.'s portion of outstanding Series 1997 Illinois Development Finance Authority Community Rehabilitation Providers Facilities Acquisition Bonds, capitalize a debt-service reserve, and to 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 income tax-exempt status on interest paid to bondholders thereby reducing the borrower's interest rate.

VOTING RECORD

Preliminary Bond Resolution: May 8, 2007

Ayes: 11 Nays: 0 Abstentions: 0 Absent: 3 (Boyles, DeNard, Nesbitt) Vacancies: 1

JOBS

Current employment:	947	Projected new jobs:	0
Jobs retained:	0	Construction jobs:	0

BUSINESS SUMMARY

History: Trinity Services Inc., a nonprofit, non-sectarian organization, was founded in 1950 as the Trinity School in Joliet, Illinois, by a group of parents of children with developmental disabilities. Until 1987 Trinity remained a school for children and adults with mental retardation. Since then, Trinity has grown to include a wide range of programs, supports, and services for children and adults with developmental disabilities and/or behavioral health needs. In addition to the school, Trinity Services now provides residential services, adult learning programs, Behavioral Health Programs, supportive employment, and a host of support businesses . Trinity serves more than 1,400 people in the south and northwest suburban regions of Chicago, Illinois, as well as northern Nevada.

Recognition: In October of 2004, Trinity Services received a four-year term of accreditation from The Council on Quality and Leadership making the organization one of only a handful of disability providers in the world to be awarded the prestigious Four-Year Value-Added™ accreditation. Previously, Trinity had been accredited for four consecutive three-year periods from The Council, which is the highest rating an organization can receive.

In Search of America's Best Nonprofits by Richard Steckel and Jennifer Lehman singled out Trinity Services and Art Dykstra for their exemplary leadership in the field of disabilities and nonprofit management.

The Chicago Tribune featured the Roxy, a club for persons with mental illness, in a January 2005 feature article. The *New York Times* and *San Francisco Chronicle* highlighted Trinity's Staff Recognition and Retention Programs in a feature article in 2002.

Trinity Services has also earned Preferred Provider status from the Illinois Department of Mental Health/Developmental Disabilities (DMH/DD).

Funding/
Contributions: Trinity Services Inc. receives funding from the Illinois Department of Human Services, Illinois Department of Public Aid, Office of Rehabilitation Services, Department of Children and Family Services, and tuition reimbursement from local school districts. Trinity is also supported by donations from foundations, corporations, businesses, service organizations, churches, and numerous individuals.

The Trinity Foundation was formed in 1989 with the mission of supporting and funding the work and goals of Trinity Services. The ventures operated by the Foundation are distinct from Trinity Services' support businesses. By creating this separate funding entity, Trinity Services has been able to wean itself off of its sole reliance on government funds. The Trinity Foundation has been one of the main factors in solidifying the financial well-being of Trinity Services for years to come.

Program
Background: Trinity Services offers multiple programs in addition to its Trinity Autism Support Center and Family Counseling Program:

Adult Services: Trinity began providing services to adults with developmental disabilities in 1952. There are five main centers in which these services are carried out: Joliet, Frankfort, Mokena, New Lenox, and Wilmington. Adult Learning programs serve adults over the age of 21 from Trinity's residential programs as well as persons living at home or served by other agencies. Curricula range from teaching basic skills for independent living--health and safety, for example--to more advanced skills needed in finding a job, maintaining personal finances, and achieving self-reliance.

One of Adult Learning's most rewarding innovations is the Horticulture program. Small groups learn about foliage plants, flowers, vegetables, and seasonal plants. Safe Now® is an exciting new addition to Adult Learning. People working at this site package a variety of non-toxic cleaners for use by Trinity, other agencies and the community. Trinity serves more than 400 people in its five Adult Learning programs.

Behavioral Health: The headquarters for the Behavioral Health Program is located in downtown Lockport in a converted bank building. The program has three major components: Day Treatment Services, Community Living Programs, and the Center for persons with dual diagnoses.

The Day Treatment Program provides a structured setting with a daily program of therapeutic and planned activities. All are accomplished in a friendly, non-threatening atmosphere in which one feels comfortable and supported. Individual, group, and family therapy is also available 5 days a week at the Center. In addition to day treatment, another facet of Lockport Center is the provision of group homes and apartments for persons not yet ready to live in the community independently. The Community Living Program is designed for those individuals who, with support and mental health services, are able to live in the community. For persons capable of more independent living, Lockport Center supports an apartment program that provides intermittent supervision and access to full-time support from staff members and peers as needed. It serves more than 70 people with mental health needs.

Oak Avenue and Hoff Road Centers: The Centers are a subdivision of Trinity's Behavioral Health Program. Services offered at the Oak and Hoff Road Centers include individual and group therapy, adult day treatment, outpatient therapy, and family support services. These services are provided to individuals who have been dually diagnosed with both a mental illness and mild mental retardation.

Children's Services -- Trinity School: Founded in 1950, the School Program is the original program at Trinity Services. The School Program serves children aged 3-21 whom the mainstream school system is unable to serve. The children in the School Program have mild mental retardation, severe to profound mental retardation, or autism, and some have multiple disabilities (a combination of developmental, physical, or mental disabilities). The School Program serves more than 35 persons with disabilities in a wide area including LaSalle, Grundy, Cook, Dekalb, Will, and Kendall Counties.

Community Living Programs: Trinity's Community Living Programs comprise 6 Networks of community homes of 2 to 8 Individuals and apartments, which provide for more independent living. These homes, or CILAs (Community-Integrated Living Arrangements), are located in residential neighborhoods throughout the Southwest Chicago suburbs. Community Living Programs serve more than 400 persons with disabilities. Each home is staffed around the clock by Trinity's independent living counselors, who support the persons living in the home to become as much a part of the community as possible.

Respite & Family Support: Due to the need for in-home respite for persons with disabilities and their families, Trinity's Respite Program was established. Families, guardians, and foster families of individuals who are mentally and/or developmentally disabled are qualified to receive respite care services. There is no fee to families for respite care provided by Trinity Services. The Respite program is funded through a grant from the Illinois Department of Human Services. Respite services are limited to 180 hours a year per child, and a maximum of 10 hours of respite care per day.

STRIDES: Special Trinity Riders Involved in Developing Equestrian Skills (STRIDES), was started in 1990 as a therapeutic riding program for children and adults with developmental disabilities in the Will, Grundy and South Cook County region. The Annual STRIDES Ride-A-Thon, held the last Saturday in August, began in 1992..

Supported Employment: Career Access Network provides organized and planned services to assist persons with disabilities in securing career employment. A variety of assistive employment services are available to enable a person to attain his or her career employment goals. Career Access Network is a service not only to people served by Trinity, but to anyone with a disability in the Will, Cook and Grundy County areas.

Supported Employment is an additional service offered by Career Access Network. Individuals participating in this program receive assistance in becoming employed--often for the first time. The Drop-In Center was developed to further support individuals who have attained employment. Workplace issues such as conflict resolution and getting along with your boss are presented in a group format. Persons who are struggling in their new job can bring their problems to the group for discussion. In addition, the Drop-In Center plans numerous social events.

TLCs (Trinity Living Centers): Trinity Living Centers, or TLC's, are located near Trinity's main campus. These three 16-person residential programs enable adults with developmental disabilities to live with greater independence. TLC staff provide assistance in social, recreational, personal care, and daily living skills. Typically, there are several staff available during the day and evening hours to work with individuals in needed areas and to provide support for recreational activities. There is always staff support overnight as well.

Project: Proceeds are to refunding a portion of the Series 1997A Bonds, a portion of the proceeds which were applied to: (i) refund a portion of the Community Rehabilitation Providers Facilities Acquisition Program Revenue Bonds, Series 1990, of IDFA, a portion of the proceeds of which, in turn, were used to acquire, construct or refinance facilities located at 3360 Ugland Street, Joliet, Illinois, 3302

Horeshoe Lane, Joliet, Illinois, and 3360 Francis, Joliet, Illinois; (ii) refunding a portion of Community Rehabilitation Providers Facilities Acquisition Program Revenue Bonds, Series 1990A, of IDFA, a portion of the proceeds of which, in turn, was applied to (a) refinance and renovate real property located at 1410 Glenwood, Joliet, Illinois, intended for use as a group home for the mentally retarded, (b) refinance and renovate real property located at 18701 Rose Lane, Mokena, Illinois, intended for use as a group home for the mentally retarded, (c) refinance and renovate real property located at 106 South Midland, Joliet, Illinois, intended for use as a group home for the mentally retarded, (d) refinance and renovate real property located at RR1, Box 183, Mokena, Illinois, intended for use as a group home for the mentally retarded, (e) refinance and renovate real property located at RR2, Highland Avenue, Joliet, Illinois intended for use as a group home for the mentally retarded, (f) acquisition and renovation of real property located at 1151 West Park Front Street, Joliet, Illinois, intended for use as a group home for the mentally retarded, (g) acquisition and renovation of real property located at 9419 Corsair Road, Frankfort, Illinois, intended for use as a day program and training facility for the mentally retarded, (iii) refund a portion of the Community Development Providers Facilities Acquisition Program Revenue Bonds, Series 1992, of IDFA, a portion of the proceeds were, in turn, applied to (a) acquire property and construct Development Training facility at Ferro Industrial Park, New Lenox, Illinois, (III) refinancing an administrative building used for offices, located at 2505 Washington Street, Joliet, Illinois, (iv) refund a portion of the Community Rehabilitation Providers Facilities Acquisition Program Revenue Bonds, Series 1994C, of IDFA, a portion of the proceeds of which, in turn, were applied to (a) refinance a short-term commercial bank loan used to acquire two CILA group homes for developmentally disabled individuals, located at 1901-1903 Center Street, Crest Hill, Illinois and 21040 Cherry Hill Road, Joliet, Illinois, (b) refinance a short-term commercial bank used to acquire a CILA group home for developmentally disabled individuals located at 15922 Gougar Road, Lockport, Illinois, (c) refinance a short-term commercial bank loan used to acquire a residence located at 8352 Dralle Road, Frankfort, Illinois, to be used as a group home for the developmentally disabled, (d) refinance a short-term commercial bank loan used to acquire a residence at 1322 North Cooper Street New Lennox, Illinois to be used as a CILA group home for developmentally disabled individuals, (e) pay associated costs of the refinancings, including tital insurance and appraisal fees, (f) provide working capital for such facilities, (v) refund a portion of the Rehabilitation Providers Facilities Acquisition Program Revenue bonds, Series 1995A, of IDFA a portion of the proceeds which, in turn, were used to (A) refinance short-term commercial bank loans used to acquire 11 group homes located as follows: Partridge Run, Wilmington, Illinois, 60481, 20704 South Ridgeland, Frankfort, Illinois 60432, 508 West First Street, Braidwood, Illinois, 60408; 2002 South State, Lockport, Illinois, 60441; 16404 Sweedler, Manhattan, Illinois, 60442; 1133 Caton Farm Road, Crest Hill, Illinois, 60435; 240 West Baltimore, Wilmington, Illinois 60481; 13253 West 184th, Mokena, Illinois, 60448; 23816 South Cedar Manhattan, Illinois 60442, (b) acquire a behavior health facility located at 1017 South State, Lockport, Illinois, 60441; (c) acquire a developmental training site located at 1197 South Buchanan, Wilmington, Illinois, 60481, (vi) refinancing a commercial bank loan used to acquire a group home at 3650 West 183rd Street, Hazel Crest, Illinois.

FINANCING SUMMARY

Bonds:	Tax-exempt 501(c)(3) Bonds fully amortizing over 10 years
Obligors:	Trinity Services, Inc.
Collateral:	General obligation pledge of the Borrower
	First Mortgage on Trinity Services, Inc.'s financed properties
Credit Rating:	BBB rating from Standard & Poor's

PROJECT SUMMARY

Bond proceeds will be used to refinance Trinity Services, Inc.'s portion of outstanding Series 1997 Illinois Development Finance Authority Community Rehabilitation Providers Facilities Acquisition Bonds, capitalize a debt-service reserve, and to pay costs of issuance.

Trinity Services' portion of the Series 1997 Bond proceeds were used for one "new money" group home project and was used to refund their Series 1990A, 1992, 1994C and 1995A bonds. The Series 1990 bonds were used to finance three group homes. The Series 1990A bonds financed the acquisition of seven group homes. Series 1992 bonds were used to finance three sites that offer employment, therapeutic or administration services. Series 1994C bonds financed seven residential facilities. Series 1995A bonds financed eleven group homes. Series 2007 bonds will be used to refinance all properties mentioned except two previously sold whose proceeds have been escrowed for defeasance of bonds on 7/1/07 and two that have recently been sold.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Trinity Services, Inc., 100 N. Gougar Rd., Joliet, IL 60432-9787
Location: 1000 N. Gougar Rd., Joliet, IL 60432-9787
Organization: Illinois 501(c)(3) organization
Board Membership:

Raymond McShane	Chairman
Ken Stromsland	Vice-Chairman
Barbara Hall	Secretary
Jan Agazzi	Treasurer
Art Dykstra	President
Robert Brumund	
William lipsey	
Barbara McGoldrick	
Joseph Tryner	

PROFESSIONAL & FINANCIAL

Sponsor Administrator:	Illinois Assoc. of Rehabilitation Facilities (IARF)	Springfield, IL	Bridget Ganey
Issuer Counsel:	Law Office of Kevin Cahill	Chicago	Kevin Cahill
Bond Counsel:	Pugh Jones & Johnson, PC	Chicago	Scott Bremer
Participant's Counsel:	Law Office of Steven Mills	Springfield, IL	Steve Mills, Esq.
	George Troha	Joliet, IL	George Troha
Accountant:	McEnerney & Associates	Arlington Heights, IL	Jim McEnerney
Underwriters:	Municipal Capital Markets Group	Dallas	Fred Cornwall Kendal Cornwall
Underwriters Counsel:	Glast Phillips & Murray	Dallas	John Stasney
Trustee:	Marine Bank, Springfield	Springfield, IL	George Laubner
Trustee's Counsel:	Hart, Southfield, & Witsman	Springfield, IL	Samuel J. Witsman, Esq
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	11th Gerald C. Weller, 2nd Jesse L. Jackson Jr, 13th Judy Biggert
State Senate:	41st Christine Radogno, 43rd Arthur J. Wilhelmi, 40th Debbie Halvorson, 19th Maggie Crotty, 38th Gary G. Dahl
State House:	81st Renee Kosel, 75th Careen Gordon, 79th Lisa Dugan, 38th Al Riley, 85th Brent Hassert, 86th Jack McGuire

SERVICE LOCATIONS

TRINITY SERVICES INC.

Supported Employment

2627 E. Cass, Joliet, IL 60435 **SEP**	**leased**
2014 E. Washington St., Joliet, IL 60432 **Career Connections**	

School

11600 Francis Rd, Mokena, IL 60448	**leased**

Developmental Training

Joliet DT 100 N. Gougar Road, Joliet, IL 60432	
9419 Corsair Rd., Frankfort, IL 60423 **Frankfort DT** 464-0635	
14623 W. Edison, New Lenox, IL 60451 **Woodworking Shop**	**leased**
1111 E. Washington St. Joliet, IL 60433 **Trinity Distribution Center**	
2721 W. Jefferson St. Suite 200, Joliet, IL 60435 **DT Jefferson**	
1805 Ferro Drive, New Lenox, IL 60451 **New Lenox DT (Safe Now)**	
1197 S. Buchanan, Wilmington, IL 60481 **Wilmington DT**	
222 S. Water Street, Wilmington, IL 60481 **WILMINGTON DROP IN**	
217 N. First Street, Units A & C, Wilmington, IL 60481 **Trinity Barkery**	**leased**

ICFDD 16< fewer

3360 **Ugland** Lane, Joliet, IL 60432 **TLC1**
3302 **Horseshoe** Lane, Joliet, IL 60432 **TLC2**
3360 **Francis** Drive, Joliet, IL 60432 **TLC3**

CILA GROUP HOMES

1200 S. Cedar Rd., Suite 1C, New Lenox, IL 60451 **CILA East Admin.**	**leased**
1331 **Cooper** Street, New Lenox, IL 60451	
13253 W. **184th** Street, Mokena, IL 60448	
23843 **Western** Avenue, Park Forest, IL 60466	
25037 **Whispering Oaks** Lane, Crete, IL 60417	
21906 S. **Merrill**, Sauk Village, IL 60411	
1401 S. Cherry Hill Road, Joliet, IL 60433 **Hobby Acres**	
21040 **Cherry Hill**, (15 Mills Road) Joliet, IL 60435	
8352 W. **Dralle**, Frankfort, IL 60423	
210 **Haines**, New Lenox, IL 60451	
18701 **Rose Lane**, Mokena, IL 60448	
21410 **Jeffery** Drive, Matteson, IL 60443	
2502 **Erskine**, New Lenox, IL 60451	
13 **Honey Lane**, New Lenox, IL 60451	
33 E. **Nebraska** St., Frankfort, IL 60423	
356 Exchange St., **Crete**, IL 60417	
1200 S. Cedar Rd., Suite 2H-2J, New Lenox, IL 60451 **CILA Admin.**	**leased**
13016 W. **Rt. 6**, Mokena, IL 60448	
2660 **North Cedar** Road, New Lenox, IL 60451	

TRINITY SERVICES INC.

15922 Gougar Road, Lockport, IL 60441 **Lockport Gougar**
225 W. **Wood Street**, New Lenox, IL 60451
30545 S. Walsh Road, **Manhattan**, IL 60442
20704 **Ridgeland** Avenue, Frankfort, IL 60423
16404 S. **Sweedler** Road, Manhattan, IL 60442
23816 **South Cedar** Road, Manhattan, IL 60442
24409 S. Cedar Rd., Manhattan, IL 60442 **Hanover Cedar**
2302 **E. Washington** St., Joliet, IL 60433
14949 W. **Bruns Road**, Manhattan, IL 60442
17415 **Bernhard** Road, Elwood, IL 60421
1020 **Murphy** Drive, Joliet, IL 60435
2522 **Golfview**, Joliet, IL 60435
Eight (8) Intermittent CILA Apartments - Birches complex **leased**
2613A E. Cass St., Joliet, IL 60435 **Net 5 Administration - Lori's Office** **leased**
1903 **Center** Street, Crest Hill, IL 60435
1151 **West Park Front**, Joliet, IL 60435
106 S. **Midland**, Joliet, IL 60435
1410 **Glenwood**, Joliet, IL 60435
2014 E. **Washington** St., Joliet, IL 60435 **Apartment**
1018 W. **Jefferson**, Joliet, IL 60435
1128 **William** St., Joliet, IL 60435
1216 **Wilcox**, Joliet, IL 60435
327 S. **Oakview** Ave., Joliet, IL 60433
1909 **Delrose** Street, Joliet, IL 60435
427 W. Francis Road, New Lenox, IL 60451 **Petals & Twigs**
580 W. **First Street**, Braidwood, IL 60408
848 Cambridge Court **(Partridge Run)**, Wilmington, IL 60481
411 **Prairie Lane**, Wilmington, IL 60481
573 Cermak, **Braidwood**, IL 60408
240 W. **Baltimore**, Wilmington, IL 60481
222 S. Water Street, Wilmington, IL 60481 **Mill Race Apt.**
32150 **West River Road (A)**, Wilmington, IL 60481 **HUD Apts.**
32152 **West River Road (A)**, Wilmington, IL 60481 **HUD Apts.**
143 N. **Mitchell Street**, Braidwood, IL 60408 **HUD Apts.**

BEHAVIORAL HEALTH

Group Homes
1980 Mills Road, Joliet, IL 60433 **Mills Road House**
2259 **Highland** Park, Joliet, IL 60435
2002 S. **State Street**, Lockport, IL 60441
1133 **Caton Farm** Road, Lockport, IL 60441 815-723-7184
17331 Gougar Road, Lockport, IL 60441 **Purdy Farm**
17150 **Hoff Road** (House), Elwood, IL 60421

TRINITY SERVICES INC.

16145 Bruce Road, Lockport, IL 60441 **STRIDES TRAILER**	
27655 Gougar Road, Manhattan, IL 60442 **Manhattan Gougar**	
18130 Oak Ave., Lockport, IL 60441 **PODS** Men's phone	
5203 N. **Woodview**, Peoria, IL 61614	
1240 Iroquois Dr.,Suite 510, Naperville, IL 60540 **DuPage Administration**	**leased**
1062 **Alton Court**, Naperville, IL 60540	**leased**
1908 **Turtle Cove**, Naperville, IL 60540	**leased**
16935 W. **Old New Lenox Road**, Joliet, IL 60433	
16830 S. **Gaylord**, Lockport, IL 60441	
15544 W. **Spencer** Road, New Lenox, IL 60451	
873 Gougar Road, Joliet, IL 60432 **Joliet Gougar**	
1900 N. **Raynor Ave.**, Crest Hill, IL 60435	
11600 Francis Rd., Mokena, IL 60448 **Autism**	**leased**

PSR Programs

18100 **Oak Avenue**, Lockport, IL 60441
2301 Glenwood Ave, Joliet, IL 60435 **Glenwood DT**
1017 S. State Street, Lockport, IL 60441 **Roxy**
17154 Hoff Road, Elwood, IL60421 **Hoff DT**
7230 Arbor Drive, Cottage #1 Tinley Park, IL 60477 **PSR**

Family Counseling Agency

62 W. Washington St., Joliet, IL 60435 **Family Counseling Agency**	
3650 W. 183rd Street, **Homewood**, IL 60430	
1395C Main Street, **Crete**, IL 60417	**leased**

RENO, NEVADA Program

240 S. Rock Blvd. #133, Reno, NV 89502-2365 **Reno Office**	**leased**
8455 Offenhauser Dr. #517, Reno, NV 89511 **SLA Enclave**	**leased**
400 E. **Queen Way**, Sparks, NV 89431	**leased**
929 **Pinewood** Drive, Sparks, NV 89434	**leased**
773 **Glen Meadow** Drive, Sparks, NV 89434	**leased**
1627 **Clover Leaf** Drive, Sparks, NV 89434	**leased**
240 S. Rock Blvd. #133, Reno, NV 89502-2365 **Work Center**	**leased**
240 S. Rock Blvd. #133, Reno, NV 89502-2365 **Vocational Rehab.**	**leased**
220 S. Rock Blvd. #15, Reno, NV 89502-2365 **Reno Day Program**	**leased**

ADMINISTRATION

100 N. Gougar Road, Joliet, IL 60432 **Administration**
1111 E. Washington Street, Joliet, IL 60432 **Maintenance**

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 12, 2007

Project: St. Coletta's of Illinois Foundation

STATISTICS

Number:	N-PF-TE-CD-7075	Amount:	$4,650,000 (not to exceed amount)
Type:	501(c)(3) Bonds	IFA Staff:	Steven Trout
Locations:	Multiple	SIC Code:	8361

BOARD ACTION

Final Bond Resolution	No Extraordinary conditions
Conduit	Staff recommends approval
No IFA funds at risk	

PURPOSE

To refinance St. Coletta's portion of certain outstanding Series 1997, 1998, 2000 and 2002 Illinois Development Finance Authority Community Rehabilitation Providers Facilities Acquisition Bonds, and to finance the acquisition of one new group home, capitalize a debt service reserve and 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 income tax-exempt status on interest paid to bondholders thereby reducing the borrower's interest rate.

VOTING RECORD

Preliminary Bond Resolution: May 8, 2007

Ayes: 11 Nays: 0 Abstentions: 0 Absent: 3 (Boyles, DeNard, Nesbitt) Vacancies: 1

JOBS

Current employment:	3,301	Projected new jobs:	0
Jobs retained:	N/A	Construction jobs:	N/A

BUSINESS SUMMARY

Background: St. Colleta's Foundation (the "Applicant", the "Foundation") is a not for profit organization providing support and fund raising for the special need individuals utilizing St. Colleta's of Illinois (the "Agency") programs. In addition to support, the Foundation owns all of the Agency's property and receives annual rental payments from the Agency.

The Agency was founded in 1949 and sponsored by the Sisters of St. Francis of Assisi. The Agency is a social service organization which provides residential, educational, and vocational services to approximately 400 individuals with developmental disabilities without regard to race, religion, or economic background. The Agency offers services in its headquarters facility, which includes the Kennedy School and vocational training center, and in over 30 properties at which it provides administrative, residential including Children's Group Homes and Community Integrated Living Arrangements ("CILA"), vocational training and other services. The Agency operates in 15 different communities in Chicago's southern suburbs. A list of locations is provided for Board review. The Agency is accredited by the Commission on Accreditation of Rehabilitation Facilities, a national accrediting entity. The Agency is surveyed every three years and it is currently accredited through August, 2009.

Vocational Training: The Agency's vocational programs received a large boost with the opening of the Sr. Anne Mary Rischar Center. The Center provides opportunities for 250 individuals with special needs helping them to become self sufficient and to learn the responsibilities of work. An area of concentration is warehouse work. The Agency has trained individuals in the proper use of a fork lift truck and other types of equipment.

Educational Services: The Lt. Joseph P. Kennedy Jr. School provides elementary through high school education to children who are developmentally disabled or autistic. In addition to classes the students participate in pre-vocational skills that will help them prepare for job training and independent living. Sports, special events, and field trips are scheduled throughout the year. Currently, the school serves 72 students. The student/teacher ratio is approximately 9:1.

Residential Services: The Agency provides children's group homes and CILA arrangements for adults so to provide the least restrictive living environments for its clients to achieve their greatest potential.

Project: St. Coletta's is one of six participants in a pooled financing to refinance its portion of outstanding Series 1997 IDFA Community Facilities Rehabilitation Providers Facilities Acquisition Bonds. St. Coletta's will also refinance their outstanding Series 1998, 2000 and 2002 IDFA Community Facilities Rehabilitation Providers Facilities Acquisition Bonds and borrow "new money" for the acquisition of a group home. The Illinois Association of Rehabilitation Facilities (IARF) is sponsoring the proposed financing program and sponsored many other financing programs, once of which resulted in IDFA's issuance of the Series 1997 Bonds. IARF serves as a program administrator for these programs, by bringing two or more Illinois rehabilitation facilities borrowing needs together in order to benefit from economies of scale of issuance costs, as well as to achieve a rated bond issue ("BBB"), which would not otherwise be achieved, if each of the participants issued their own bonds. This proposed issuance would be IFA's second issuance for this program, continuing a relationship that IDFA maintained with IARF since 1990, which included the issuance of $260,020,000 in bonds in 15 issues.

FINANCING SUMMARY

Bonds:	Tax-exempt 501(c)(3) Bonds fully amortizing over 20 years
Collateral:	General obligation pledge of the Borrower
	First Mortgage on the Center's financed properties
Credit Rating:	BBB rating from Standard & Poor's

PROJECT SUMMARY

Proceeds will be used to (i) refund a portion of the Series 1997A bonds, a portion of the proceeds of which were applied to: (a) refunding a portion of the Community Rehabilitation Providers Facilities Acquisition Program Revenue Bonds, Series 1990A, of IDFA, a portion of the proceeds which, in turn were applied to acquire: (I) three group homes located at (A) 1317 Washburn Way, Lockport, Illinois, (B) 15423 Primrose Court, Orland Park, Illinois, and (C)) 12631 South 76th Avenue, Palos Heights, Illinois, and (II) an intermediate care facility located at 4900 West 183rd Street, Country Club Hills, Illinois, (b) refund a portion of the Community Rehabilitation Providers Facilities Acquisition Program Revenue Bonds, Series 1991, of IDFA, a portion of the proceeds which, in turn, were applied to acquire four group homes located at: (I) 8141 West 84th Street, Justice, Illinois, (II) 8636 West Raintree, Tinley Park, Illinois, (III) 17056 Lockwood, Oak Forest, Illinois, and (IV) 15322 Douglas Parkway, Lockwood, Illinois, (c) refund a portion of theCommunity Rehabilitation Providers Facilities Acquisition Program Revenue Bonds, Series 1994C, of IDFA, a portion of the proceeds of which, in turn, were applied to refinance a commercial bank loan used to acquire two residences, located at 13211 Adsit, Palos Park, Illinois and 8842 South 83rd Court, Hickory Hills, Illinois to be used as group homes for developmentally disabled individuals (ii) refund a portion of the Community Rehabilitation Providers Facilities Aequisition Revenue Bonds, Series 1998, of IDFA, a portion of the proceeds of which were, in turn, used to (iii) refund a portion of the Community Rehability Providers Facilities Acquisition Program Revenue Bonds, Series 2000 of IDFA, a portion of the proceeds which, in turn was used to refinance certain commercial loans the proceeds of which were used to finance certain residential facilities for the disabled located at 15525 South 112th Court, Orland Park, Illinois, 7535 Haystack Lane, Frankfort, Illinois, 13743 Smith Road, Lockport, Illinois, and 16521 South Churchview, Orland Park, Illinois; 9iv) refund a portion of the Community Rehabilitation Providers Facilities Acquisition Program Revenue Bonds, Series 2002 of IDFA, a portion of the proceeds of which, in turn, were used to: (a) acquire an existing residential facility located at 20357 White Fence Road, Frankfort, Illinois, (b) acquire an exisiting residential facility located at 17514 Robert Emmett Road, Lockport, Illinois, (c) Acquire an exisiting residential facility located at 21241 Schweitzer Road, Elwood, Illinois, and (v) to the purchase of an existing building located at 1503 Pheasant Lane, New Lennox, Illinois, for use as residential housing for the developmentally disabled. Three properties have been excluded from the Series 1997 refinance as they have been deemed obsolete and will be sold in the near future.

Project costs are estimated as follows:

Group Home Acquisition	$326,000
Escrow Cost	4,511,952
Total	$4,837,952

ECONOMIC DISCLOSURE STATEMENT

Applicant:	St. Colleta's of Illinois Foundation	
Project names:	Refunding Project	
Location:	18350 Crossing Drive, Tinley Park, Cook County, Illinois 60487	
Organization:	501(c)(3) Corporation	
State:	Illinois	
Board of Directors:	Mr. Kenton Bobb	Chairperson
	Mr. Patrick McShane	Vice-Chairperson
	Mr. Richard Hyland	Secretary/Treasurer
	Mr. John Gembara	Board Member
	M. Joseph Kobel	Board Member
	Mr. Jeff Kowalis	Board Member
	Mr. James McLaughlin	Board Member
	Mr. Larry Obermeier	Board Member
	Sr. Sylvia Anne Shledon, OSF	Board Member
	Mr. William Vitucci	Board Member
	Mr. Wayne Kottmeyer	Board Member (non-voting)

PROFESSIONAL & FINANCIAL

Sponsor/Administrator:	Illinois Assoc. of Rehabilitation Facilities (IARF)	Springfield, IL	Bridget Ganey
Issuer Counsel:	Law Office of Kevin Cahill	Chicago	Kevin Cahill
Bond Counsel:	Pugh Jones Johnson & Quandt, PC	Chicago	Scott Bremer
Underwriters:	Municipal Capital Markets Group	Dallas	Kendal Cornwall
Underwriters Counsel:	Glast Phillips & Murray	Dallas	John Stasney
Trustee:	Marine Bank	Springfield, IL	George Laubner
Trustee's Counsel:	Hart, Southfield, & Witsman	Springfield, IL	Samuel J. Witsman, Esq
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	11th Gerald C. "Jerry" Weller, 1st Bobby Rush, 3rd Daniel Lipinski, 13th Judy Biggert
State Senate:	19th M. Maggie Crotty, 14th Emil Jones, Jr., 16th Jaclyn Collins, 41st Christine Radogno, 43rd Arthur Wilhelmi
State House:	37th Kevin A. McCarthy, 31st Mary Flowers, 27th Monique D Davis, 38th Al Riley, 82st Jim Durkin, 81nd Renee Kosel, 85th Brent Hassert, 86h Jack McGuire

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 12, 2007

Project: **City of Pittsfield**

STATISTICS

Number:	L-GP-7128	Amount:	$8,300,000 (not to exceed)
Type:	Local Government Bond		
IFA Staff:	Eric Watson	Location:	Pittsfield, Illinois

BOARD ACTION

Preliminary Bond Resolution
Local Government Bonds
Staff recommends approval

No extraordinary conditions
No IFA funds at risk

PURPOSE

Provide financing to the City of Pittsfield for the construction of a water treatment plant.

IFA PROGRAM AND CONTRIBUTION

IFA's Local Government Bond Program assists units of local government in financing capital improvement projects. The IFA issues tax-exempt securities in the municipal market and uses the proceeds of this sale to purchase securities issued by a local government. The program provides local government units with the opportunity to achieve interest cost savings and to structure flexible loan repayment terms.

VOTING RECORD

This is the first time that this project has been presented for Board consideration.

SOURCES AND USES OF FUNDS

Sources:	IFA Bonds	$8,300,000	Uses:	Water System Updates	$8,000,000
				Costs of Issue	300,000
	Total	$8,300,000		Total	$8,300,000

JOBS

Current employment: 0
Jobs retained: 0

Projected new jobs: 0
Construction jobs: 0

BUSINESS SUMMARY

Background: The City of Pittsfield, located in Pike County has a population of 4,211 according to the 2000 census. The City is approximately 120 north east of St. Louis.

The City is the county seat of Pike County. It boasts as being the home to John Hay, Lincoln's personal secretary,. As county seat, the town was one of the various places in central Illinois where Abraham Lincoln practiced law as part of the circuit court, working on 34 cases between 1839 and 1852. In addition, Pittsfield is the self-proclaimed "Pork Capital" of the Midwest, owing to the long history of pork production in the region, which fed into the large meat-packing industry of Chicago. Though agriculture in the region is no longer so dependent on pork, the town still hosts a yearly "Pig Days" festival.

Project: Since the early 1960's the City has been obtaining the water for the residents from Lake Pittsfield, a 200 acre surface water lake. The original water treatment plant is still in operation, although over the past few years the plant is only capable of treating 450 gallon per minute compared to its original design for 1,000 gallons per minute. Presently, the City uses approximately 450 gallons per minute. Parts for the plant are difficult to find.

There is some concern that this production of water is not adequate in case of a major fire in the community. This was demonstrated a few months ago when the High School Bus Barn burned. There was major water usage, which dangerously lowered the amount of water in the City's storage tanks. The treatment system could not keep up with the usage. If the fire had not been contained a very serious situation could have occurred.

Each year the Illinois Environmental Protection Agency issues more mandates for treating the water, which results in more costs to the City. The City of Pittsfield is under a compliance commitment agreement from the IEPA to abandon the surface water source and to convert to ground water. There is always the possibility of a hazardous waste spill on Interstate 72, which crosses through the watershed of Lake Pittsfield.

The Pittsfield City Council is planning to construct 87,800 feet of 16" pipeline from a water well field from a point approximately 5 miles north of Rockport along IL 96 to the City's existing water system. A treatment plant will be constructed within the City limits to treat the raw water and transport it to an existing water tower.

Presently the City Council has an option to purchase 12 acres of land from a family located along IL 96 for the purpose of developing for the water well field. One well has been drilled, which tests show that it is capable of producing 1,600 gallons per minute. A second well will be drilled as a part of the project.

The following items will be included in the project costs: Survey & Design, Archeology & Environmental Review, Easements, Well Drilling, Land Purchase, SCADA (Electronic System for monitoring the water system), Storage Tank & Buster Station, Treatment and Softener Plant and construction.

FINANCING SUMMARY

The Bonds: The bonds will be Alternate Revenue Bonds, with the Water Systems's net revenues pledged as the primary revenue source. In the event that the net revenues are insufficient to pay principal and interest on the bonds, the City has committed to collect ad valorem property taxes levied to pay debt service on the bonds. The City must document that the primary revenues are sufficient to provide 1.25 times debt service coverage on the bonds in order to pledge ad valorem property taxes to repay the bonds without passing a voter referendum to do so. The City will pass a "backdoor referendum" authorizing issuance of the bonds unless a sufficient number of voters petition to require referendum approval. In the event that there are not adequate funds for debt service payment, the City will pledge its interceptable state revenues (State Income Tax, State Sales Tax, State Replacement Tax, and Motor Fuel Tax)

Collateral: The bonds are alternate revenue bonds of the City and are payable from (i) net revenues of the Water System and if such net revenues are insufficient to meet debt service, then (ii) ad valorem property taxes are levied against all of the taxable property in the City without limitation as to rate or amount. The bonds will also be secured by the City's interceptable State revenues.

Structure: Principal is expected to be due on February 1, beginning in 2008 with a final maturity in 2047. Interest will be fixed rate and payable each August 1 and February 1, beginning February 1, 2008. The bonds are subject to redemption prior to maturity.

Maturity: 40 years

PROJECT SUMMARY

The City of Pittsfield will use bond proceeds to construct a water pipeline and a new treatment plant.

Total costs are estimated at $8,300,000.

ECONOMIC DISCLOSURE STATEMENT

Applicant:	City of Pittsfield
Project names:	City of Pittsfield
Location:	215 N. Monroe, Pittsfield, 62363
Organization:	Municipality
Economic Development Director:	William W. McCartney
Mayor:	John Hayden

PROFESSIONAL & FINANCIAL

Underwriter:	Edward Jones	St. Louis	Chris Collier
Issuers Counsel:	Requested		
IFA Financial Advisor:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	18^{th}
State Senate:	49^{th}
State House:	97th

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 12, 2007

Project: **Village of Thompsonville**

STATISTICS

Number:	L-GP-7142	Amount:	$285,000 (not to exceed)
Type:	Local Government Pooled Program		
IFA Staff:	Eric Watson	Location:	Thompsonville, Illinois

BOARD ACTION

Final Bond Resolution
Local Government Pooled Bond Program
Staff recommends approval

No extraordinary conditions
No IFA funds at risk

PURPOSE

Provide financing for the Village of Thompsonville to refinance 1995 and 1998 series revenue bonds that were originally used to make Village sewer system improvements.

IFA PROGRAM AND CONTRIBUTION

IFA's Local Government Pooled Bond Program combines the needs of more than one unit of local government into a pooled bond issue, with the IFA serving as the financing conduit. The pooling process allows local governments to realize savings by sharing fixed costs and achieving economies of scale. In addition, the issues are supported by the "moral obligation" of the State of Illinois. This, coupled with the bonds double-tax exemption offers participants a lower overall borrowing rate.

VOTING RECORD

This is the first time that this project has been presented for Board consideration.

SOURCES AND USES OF FUNDS

Sources:	IFA Bonds	$285,000	Uses:	Refinanced Debt	$269,000
				Costs of Issue	16,000
	Total	$285,000		Total	$285,000

JOBS

Current employment: 0	Projected new jobs: 0
Jobs retained: 0	Construction jobs: 0

BUSINESS SUMMARY

Background: The Village of Thompsonville is located in Franklin County, covers a geographical area of 2.1 square miles. The Village is approximately 20 miles northeast of Marion and serves a population of approximately 571 according to the 2000 census.

Project: The Village wishes to refinance both its 1995 and 1998 revenue bonds that were issued to make Village sewer system improvements.

FINANCING SUMMARY

The Bonds:	The bonds will be Alternate Revenue Bonds, with Village sewer system revenues pledged as the primary revenue source. In the event that the net revenues are insufficient to pay principal and interest on the bonds, the Village has committed to collect ad valorem property taxes levied to pay debt service on the bonds. The Village must document that the primary revenues are sufficient to provide 1.25 times debt service coverage on the bonds in order to pledge ad valorem property taxes to repay the bonds without passing a voter referendum to do so. The Village will pass a "backdoor referendum" authorizing issuance of the bonds unless a sufficient number of voters petition to require referendum approval. In the event that there are not adequate funds for debt service payment, the Village will pledge its interceptable state revenues (State Income Tax, State Sales Tax, State Replacement Tax, and Motor Fuel Tax)
Collateral:	The bonds are secured by a pledge of (i) sewer system net revenues, and if such net revenues are insufficient to meet debt service, then (ii) ad valorem property taxes are levied against all of the taxable property in the Village without limitation as to rate or amount, and (iii) the Village's interceptable State revenues.
Structure:	Principal is expected to be due on February 1, beginning in 2008 with a final maturity no later than 2027. Interest will be fixed rate and payable each August 1 and February 1, beginning February 1, 2008. The bonds are subject to redemption prior to maturity.

Maximum Maturity: 20 years

PROJECT SUMMARY

The Village of Thompsonville wishes to refinance 1995 and 1998 series revenue bonds that were used to make sewer system improvements.

Total costs are estimated at $285,000

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Village of Thompsonville
Project names:	Village of Thompsonville
Location:	21230 Division St. Thompsonville 62890
Organization:	Illinois Municipality
Superintendent:	Dwayne Waller

PROFESSIONAL & FINANCIAL

Underwriter:	AG Edwards	St Louis, MO	Anne Noble
Bond Counsel:	Evans, Froehlich, Beth & Chamley	Champaign, IL	Kurt Froehlich
IFA Counsel:	Chapman and Cutler LLP	Chicago	Chuck Jarik
Trustee:	US Bank	St. Louis, MO	Brian Kabbes
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	12^{th} – Jerry F. Costello
State Senate:	59^{th} – Gary Forby
State House:	117^{th} – John E. Bradley

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 12, 2007

Project: Globe Energy Eco-Systems, LLC (Globe USA)

STATISTICS

Project Number:	B-LL-TX-7130	Amount:	$600,000
Type:	Participation Loan	IFA Staff:	Jim Senica
Location:	Peoria		

BOARD ACTION

Purchase of Participation Loan from Busey Bank in Peoria
$600,000 IFA funds at risk
Staff recommends approval subject to compliance with all of the Bank's terms and conditions.

PURPOSE

Loan proceeds will be used for the permanent financing of the building and improvements.

IFA PROGRAM AND CONTRIBUTION

Under its Participation Loan Program, the Authority participates in bank loans financing capital projects for business, industry, farmers and agri-industry. The Authority will participate in loans for up to 10 years at a rate of interest that is variable or fixed for up to 5 years at 100 basis points above the 3-month LIBOR. The Authority shares pro-rata in the Bank's collateral and generally in conjunction with the Bank's loan advances funds at rates up to 80% of appraised fair market value for real estate, 65% of cost for new equipment and 65% of orderly appraised liquidated value for used equipment.

IFA's participation reduces the borrower's interest expense.

VOTING RECORD

No voting record on the project as currently presented. However, at the February 13, 2007, IFA Board meeting, the Board gave preliminary approval of a $10,000,000 Industrial Revenue Bond to finance a larger version of this project. After discussion with business consultants and in experiencing difficulty in obtaining a letter of credit to support the Bond issue, management has elected to downsize the project to begin manufacturing operations and then plans to utilize Industrial Revenue Bond financing for future expansion as operations warrant.

SOURCES AND USES OF FUNDS

Sources:	IFA Participation:	$600,000	Uses:	Building acquisition	$800,000
	Busey Bank (RE Loan)	600,000		Building construction	1,200,000
	SBA 504 Loan (RE) (subord.)	800,000		Equipment Acquisition	2,000,000
	Busey Equipment Loan	990,000		Inventory	562,500
	SBA 504 Loan (Equip)	660,000		Working Capital	3,323,500
	City of Peoria Loan	150,000			
	Peoria County Loan	150,000		**Total Use of Funds**	**$7,850,000**
	Busey Line of Credit Loan	1,650,000			
	DCEO Line Participation	750,000			
	Barton Equity	1,500,000			
	Total Source of Funds	**$7,850,000**			

JOBS

Current employment:	50	Projected new jobs:	600 (within 5 years)
Jobs retained:	NA	Construction jobs	25 (average over 7 months)

BUSINESS SUMMARY

Background: Globe Energy ECO-System LLC is a Delaware Limited Liability Company formed in March 2005 to establish a U.S. presence and serve as the Company's base of global operations and center of manufacturing for the Company's Advanced Energy Technology ("AET") high efficiency products. Globe Energy has operated in the United Kingdom in excess of 12 years and is now building on its European success to enter the North American market.

Description: Globe Energy ECO-System LLC is engaged in the development, design, manufacturing, installation, and management of world-leading, energy-saving radiant heating systems for industrial applications. The Company holds the sole American rights to unique, patented AET Advanced Energy Technology which represents the worlds most advanced commercial building heating technology. As much as 80% of the heat generated by conventional industrial heating systems ends up in the roof of the building, high above the heads of the people they are designed to heat. The basic premise of Globe Energy's AET Advanced Technology System is to turn 76% and more of the primary energy consumed into heat on the floor of industrial buildings, where the people are, achieving savings of up to 90% of the cost of heating high volume industrial buildings such as hangars, factories and warehouses. Together with temperature and consumption performance guarantees, Globe Energy operates, maintains and manages their new systems for customers delivering fixed cost energy-saving profits by reducing customers' energy consumption of their existing "conventional" radiant and warm air systems.

The technology being utilized by the Company was invented by Mr. David Jones, President and Chief Technology Officer of Globe Energy ECO-System LLC. Mr. Jones, President of the Company's U.K. business for the past 12 years, has spent over 30 years developing and obtaining patent protection (over 150 individual patents!) for the AET industrial Heating System. The Company's heating equipment systems have been successfully designed, manufactured, installed and serviced for several large, well-known customers in Europe including BMW, the Dublin, Ireland International Airport, Peugot and Caterpillar, Inc., and it is poised to enter the North American market.

It is important to note that the Company's European owners have invested over $1.8 million of equity capital and reinvested $1.65 million of retained earnings to establish the U.S. business. The global growth potential is extremely strong with product manufactured in Peoria initially serving not only the North American market but also the burgeoning Asian markets. (*Traditionally, the Company's products had been manufactured in the U.K. on a contract basis*). Additionally, establishment of the Company's global headquarters in Peoria will add significantly to Peoria's reputation as an attractive location for technology-based business.

Management: David Jones is the President and Technical Officer of globe USA. He founded the original Globe UK company and invented and perfected the patented AET heating technology. He has relocated to the Peoria area and has been very involved in the development of Globe USA to date. He will continue to be responsible for the overall management of the company.

Joan Jones is the CEO and majority shareholder of Globe USA. She also is the owner of Globe-UK. Mrs. Jones plans to divide her time between the U.S.A. and UK. She is involved in the overall management of the Company but is involved to a lesser extent in the daily activities.

Glen Barton, the retired Chairman of the Board of Caterpillar is in the process of investing in Globe USA to become a 10% owner. Mr. Barton will not be involved in the daily management of the Company but lends considerable business experience to the Company, as well as valuable contacts with Caterpillar, Inc.

Davey Jones, son of David and Joan, will serve as the Vice President of Systems and Production, overseeing the production at the Peoria plant in addition to installation of units for customers. He has worked in the family business in the UK for many years and he plans to relocate to Peoria permanently with his family.

The Project: The project as presented constitutes permanent financing of the construction related to refurbishing and reconfiguring an industrial building located at 1610 Altorfer Drive in the Pioneer Industrial Park in Peoria, Illinois. Additionally, in order to facilitate the pro-rata sharing of a first mortgage on the subject real estate by IFA and the Bank, an existing first mortgage at Chase Bank on the subject real estate in the amount of $661,656 will be financed with loan proceeds of the proposed loan.

FINANCING SUMMARY

Obligor: Globe Energy Eco-System, LLC
Guarantors: David and Joan Jones
Collateral: Pro-rata first mortgage on subject real estate, aggregate LTV not to exceed 80% Assets:

Assets:	Value	Discounted
Real Estate	$2,000,000	$1,600,000 (80%)

Structure: Bank portion – U.S. Treasury + 3.00%, adjusted every 3 years; IFA portion – 3-Month LIBOR + 1%

ECONOMIC DISCLOSURE STATEMENT

Applicant: Globe Energy Ec0-Systems, LLC
Location: 1610 Altorfer Drive Peoria, Illinois 61615 (Peoria County)
Organization: Delaware Limited Liability Company
Ownership: Joan P. Jones – 45% Joan P. and David Jones, jointly – 45% other minority shareholders – 10%

PROFESSIONAL & FINANCIAL

Banker:	Busey Bank Peoria	Peoria, IL	Michael Swearingen
General Counsel:	Howard & Howard Attorneys, P.C.	Peoria, IL	William M. Shay
Accountant:	Clifton Gunderson LLP	Peoria, IL	Dennis Bailey
IFA Counsel:	Dykema Gossett PLLC	Chicago	Gregory Wright
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional: 18 – Ray LaHood
State Senate: 37 – Dale E. Risinger
State House: 73 – David R. Leitch

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 12, 2007

Project: Walter Mulica, Belmont Sausage Company and 2201 Estes, LLC.

STATISTICS

Deal Number:	I-ID-TE-CD-7094	Amount:	$8,000,000
Type:	Industrial Revenue Bonds	IFA Staff:	Sharnell Curtis Martin
Location:	Elk Grove Village	SIC Code:	2013 (Sausages and other prepared meats)

BOARD ACTION

Final Bond Resolution	Staff recommends approval
Conduit Industrial Revenue Bonds	No extraordinary conditions
No IFA funds at risk	

PURPOSE

Bond proceeds will be used to finance renovations, acquisition of equipment and to pay certain bond issuance costs.

IFA PROGRAM AND CONTRIBUTION

The Authority's Industrial Revenue Bond Program provides low interest rate financing for qualifying industrial projects. IFA's issuance of Industrial Revenue Bonds will exempt income earned on the Bonds from federal income tax and thereby enable the Borrower to obtain a lower interest rate on the debt.

Elk Grove Village has ceded approximately $2.8 million of their 2007 Home-Rule Volume Cap to the IFA to support industrial projects located in Elk Grove Village. The Company is seeking the remaining $5.2 million in Volume Cap from IFA. **Issuance of these bonds is subject to an allocation of Volume Cap from Elk Grove Village and the Governor's Office of Management and Budget.**

Due to the need for the borrower to begin the construction of the new facility expansion during the 2007 construction season, the Company will consider using interim conventional construction financing or taxable convertible bonds until the remaining Authority volume cap becomes available in 2007. The bridge financing will be at a considerably higher cost of borrowing, approximately 200 basis points higher than tax-exempt financing.

VOTING RECORD

Preliminary Bond Resolution: May 8, 2007

Ayes: 11 Nays: 0 Abstentions: 0 Vacancy: 1 (Giannoulias)
Absent: 3 (Boyles, DeNard, Nesbitt)

SOURCES AND USES OF FUNDS

Sources:	IFA Bond	$8,000,000	Uses:	Project Costs	$7,860,000
				Bond Issuance Costs	140,000
Total Sources		$8,000,000	Total Uses		$8,000,000

JOBS

Current employment:	60	Projected new jobs:	60
Jobs retained:	N/A	Construction jobs:	40

BUSINESS SUMMARY

Background: Belmont Sausage Company ("Belmont" or the "Company") was established as an "S Corporation" in 1993 by Walter Mulica. Mr. Mulica is President and manages the day-to-day operations of the Company. The bonds will be issued on behalf of Walter Mulica or 2201 Estes LLC., a limited liability corporation and the facility will be leased to the Company while the equipment will be owned by the Company.

Originally a grocer, Mr. Mulica began making and selling his sausage in his own grocery stores. In 2000, Mr. Mulica began to focus on production of his meat products and located to his current facility in Elk Grove Village and began production in 2001. The Company's product line includes: sausage, bacon, hot dogs, bologna, baked pork, chicken products, smoked ham, smoked pork, smoked turkey, veal products and head cheese.

Belmont's initial sausage products targeted an Eastern European American market and recently expanded his market to produce products popular to Hispanic Americans and African Americans.

The Company operates one 12 hour shift each day and its major customers include: Wally's Foods, Nealy Foods, Michoacan and Gerhard. Belmont's products are sold under other private labels in addition to the Belmont name and include: Gerhard Sausage, Vienna Sausage, Country Boy Snack Stick, Shefko and Steinhouse.

Description: The project is the construction of a 30,000 square foot expansion project added to an existing 88,000 square foot facility located in Elk Grove Village and the acquisition of new smoking equipment.

This is the second facility expansion that the Company will be undertaking within the last two years and is expected to be complete after a six month construction period. The two expansion projects will double Belmont's original facility and production capacity. Prior to the expansions, the Company was operating at full capacity.

FINANCING SUMMARY

Security: The bonds will be purchased and held as an investment by American Chartered Bank.
Structure: The Bonds will bear a fixed interest rate currently estimated at 6%.
Maturity: 20 Years with a five-year interest rate reset
Bank Collateral: First Mortgage on subject real estate, blanket lien on subject machinery and equipment and personal guarantee of Walter Mulica.
Credit Rating: American Chartered Bank, the purchaser of the bonds is an unrated bank and therefore does not have a credit rating.

PROJECT SUMMARY

Bond proceeds will be used to construct a 40,000 square foot addition to a manufacturing facility located at 2201 Estes in Elk Grove Village, Illinois (Cook County), acquisition of machinery and equipment for use therein and to pay certain bond issuance costs. Project costs are estimated as follows:

Construction	$5,860,000
Machinery and Equipment	2,000,000
Total Project Costs	**$7,860,000**

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Walter Mulica, Belmont Sausage Company and 2201 Estes LLC. 2201 Estes, Elk Grove Village, IL 60007 (Cook County) Walter Mulica, President and CEO
Project name:	Belmont Sausage Company Expansion Project
Location:	2201 Estes, Elk Grove Village, IL 60007
Organization:	Individual, Corporation and Limited Liability Corporation
State:	Illinois
Ownership:	Walter Mulica - 100%
Land Sellers:	Not Applicable

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	Cutler & Associates, Ltd.	Skokie	David Cutler
Bond Counsel:	Ice Miller	Chicago	Tom Smith
Bond Purchaser:	American Chartered Bank	Chicago	Michael Burg
Financial Advisor:	Total Capital Solutions, Inc.	Oak Park	Tony Grant
Issuer's Counsel:	Greene and Letts	Chicago	Allan Walker
IFA Financial Advisor:	D. A. Davidson	Chicago	Bill Morris
	Scott Balice Strategies	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	6 – Peter Roskam
State Senate:	33 – Dan Kotowski
State House:	66 – Carolyn Krause

CONFIDENTIAL

CONFIDENTIAL INFORMATION

Est. fee: $57,000

Financials: Compiled Historical Financials 12/31/04 – 12/31/06
Management's Internally Prepared Financial Projections 12/31/07 – 12/31/09

	Year Ended Dec. 31			Year Ending Dec. 31		
	2004	2005	2006	2007	2008	2009
				(Dollars in 000's)		
Income statement:						
Sales	$12,040	$14,918	$15,301	$16,831	$19,126	$19,891
Net income	(87)	526	(414)	(276)	268	571
EBITDA	787	1,229	398	634	1,150	1,250
Balance sheet:						
Current assets	$1,966	$2,507	$1,571	$1,889	$1,891	$1,796
PP&E	1,613	1,955	2,203	3,952	7,306	10,965
Total assets	3,579	4,462	3,774	5,841	9,197	12,761
Current liabilities	337	564	584	2,564	1,751	2,644
Non Current liabilities	4,291	4,422	4,135	4,500	8,400	10,500
Equity	(1,049)	(524)	(946)	(1,223)	(954)	(383)
Total liabilities/equity	$3,579	$4,462	$3,774	$5,841	$9,197	$12,761
Ratios:						
Debt coverage	2.85x	3.80x	1.62x	0.99x	1.28x	1.36x
Current ratio	5.83	4.45	2.69	0.74	1.05	1.10
Debt/equity	-4.26	-8.77	-4.56	-3.97	-8.93	17.82

Discussion: The Company's historical financial statements indicate increasing annual sales over the last three years but accompanied by net losses in 2004 and 2006.

In 2004, the Company experienced a net loss due to higher cost of goods sold. Hogs were being sold at premium prices and this type of market fluctuation tends to be common in businesses that produce commodity products.

In 2006, the construction of a 30,000 square foot addition project was initiated to expand the existing facility located in Elk Grove Village. The expense of this expansion project was paid for directly out of the Company's available cash and totaled approximately $2 million.

The Company's projections are based upon historical sales trends and pending contracts with current customers. Also, additional capacity produced as a result of the recent expansion project and the proposed financing is expected to nearly double current production capacity.

As listed in the financial summary, Walter Mulica, the owner of Belmont Sausage will be providing a personal guarantee in addition to other business assets as collateral for this financing. Mr. Mulica has a personal net worth of $28.9 million and this is comprised of $4.4 million in cash and marketable securities, $14.8 million in real estate and $9.7 million in non-marketable securities.

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 12, 2007

Project: **McKinley Foundation at the University of Illinois Urbana-Champaign (Presbyterian Hall)**

STATISTICS

Number:	E-NP-TE-CD-7095	Amount:	$27,500,000 (not to exceed)
Type:	501(c)(3) Revenue Bonds		IFA Staff: Townsend S. Albright and
Location:	Champaign		Nona R. Myers

BOARD ACTION

Preliminary Bond Resolution
Conduit Qualified 501 (c)(3) Revenue Bonds
No IFA funds at risk

No Extraordinary conditions
Staff recommends approval

PURPOSE

Proceeds will be used to finance (i) remodeling of existing buildings and construction of a new building for student housing (264 students) as well as study, recreational, and parking space, (ii) deposit moneys in the Debt Service Reserve Fund to secure the Series 2007 Bonds, (iii) capitalize interest, and (iv) pay certain costs of issuance of the Series 2007 Bonds.

IFA PROGRAM AND CONTRIBUTION

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

VOTING RECORD

Preliminary Bond Resolution; no prior vote.

SOURCES AND USES OF FUNDS

Sources:		Uses:	
IFA Revenue Bonds	$25,000,000	Project Costs	$27,850,000
Equity (Land)	5,000,000	Capitalized Interest	1,800,000
		Costs of Issuance	350,000
Total	$30,000,000	Total	$30,000,000

JOBS

Current employment:	9	Projected new jobs:	12
Jobs retained:	21	Construction jobs:	50 (15 months)

BUSINESS SUMMARY

Description: McKinley Presbyterian Church & Foundation (the "Applicant", the "Foundation") is an Illinois 501(c)(3) corporation, and is located on the campus of the University of Illinois at Champaign-Urbana. Founded in 1906, McKinley Presbyterian Church was the first church established expressly for students at a state university in the United States. In 1910 the Presbyterian Synod purchased property near the campus at 5th and John Streets to be used as a site for a church building and a house on the site that was used as a student center and living unit for men. In 1911 the student center house was moved to a location south of the new church on 5th street, and converted into a residence for Presbyterian women. A campaign for funds was initiated in 1924 to construct and maintain a Foundation building which lead to the establishment of the McKinley Foundation on October 16, 1924 as a separate Corporation.

The Service Area: The building master plan provides a creative and thoughtful model of a mixed-use urban village. The plan follows the programmatic guidance of McKinley Foundation staff and Board, City of Champaign Planning Department staff and the US Green Building Council's LEED project checklist. The new residential structure will be a 6-story steel and concrete building totaling approximately 75,725 square feet of gross building area with a 2-level parking structure underneath the building containing 66 parking spaces on the parcel now occupied by Presby House fronting at 405 John Street. The new structure will be integrated into the McKinley campus with two existing buildings containing 49,224 square feet. The finished project will blend the existing heritage buildings with the new 6-story structure.

Background: McKinley has offered Private Certified Housing for approximately 50 young men and women, on an annual basis, for nearly eighty years. This residential capacity is a small scale in comparison to other housing sponsors on campus. Student residential life for men has been provided in the Foundation building at 809 S. Fifth Street. Women are housed in a residence, known as "Presby House", which was originally a nearby farmhouse bequeathed to the Foundation by Livia Ball, then relocated to a former fraternity house at 405 E. John, adjacent to McKinley Church.

Marketing: McKinley is one of 15 Private Certified Housing facilities included as part of the University's housing program. Private Certified Housing meets standards set by UIUC for all students, including freshmen. Within any given year over 25% of the entering freshmen class chooses to live in one of these facilities. Freshman enrollment for the fall of 2006 was 7,172 and undergraduate enrollment was reported at 30,935. Total enrollment was 41,342. Freshmen are required to spend their first 30 academic hours in University or University Certified Housing. Students may transfer to Private Certified Housing as vacancies occur without penalty. The University's Private Certified Housing requires standards are met for safety, space/amenities, equal enrollment opportunity, and programming/supervision. All students are eligible to apply for housing at McKinley, regardless of religion.

Project Description:
New Presby Hall Residential Building-Floors 1-6 will contain 8 housing suites per floor, with 3 or 4 bedrooms, 2 bathrooms, kitchen, dining area and living room and an outdoor balcony in each apartment. There are a total of 168 bedrooms in the residential building providing housing for 264 students in a mix of double and single occupancy. An entry and elevator lobby will be placed in a connector between the new building and the Foundation building serving both structures with vertical transportation, creating handicap accessibility to the Foundation building that heretofore has not been available. A drop off and pick up area next to this building entry lobby will be incorporated to the site plan. The new building is an improved utilization of land space and will replace the old building on existing land owned by the Foundation. Geothermal heating/cooling will be installed to reduce utility and environmental impact.

Existing Heritage McKinley Foundation and Sanctuary Buildings-As a part of this project, the McKinley Foundation and Sanctuary buildings will be remodeled. The Foundation building will continue to serve as a student center and common area for the residents in the new building featuring the main Great Hall heavily used by students as a study hall, a computer lab, a fitness center, music rehearsal space, meeting and conference rooms, bathrooms with shower and dressing area in both, and staff offices. The first floor will also contain a student serving 1,500 square foot deli/coffee shop with a new entry to Daniel Street leased to third party tenant. An outdoor courtyard area will shared with McKinley Presbyterian Church for outdoor student gatherings and events. The second floor Westminster Hall and stage will be restored, and the associated commercial kitchen will be reconstituted to allow large group events with food service to occur. The basement level of the Sanctuary will be renovated to provide for a Nursery and Pre-school rooms and a social gathering place with a church type kitchen. The Sanctuary will be air conditioned throughout. An elevator will be installed to provide handicapped accessibility. An allocation of the cost of the religious use improvements will be assessed by bond council and financed with a Series B taxable tail of the bond funds issued.

The Design provides for:

1. 48 fully furnished units containing a total of 168 bedrooms, each in a 3 or 4 bedroom suite with 2 bathrooms, living/study lounge, kitchen and dining area. The unit design allows for 30% single occupancy bedrooms and 70% double occupancy for total of 264 beds.
2. An environmental state of the art building for the McKinley Foundation Student Center with office and conference facilities and associated student activity and study common areas on the ground floor.
3. An outdoor room featuring a seating arena and an inviting place for students to relax and mingle- a people place for students to meet and hang out at the gateway to campus.
4. Mixed-use public and commercial space create an active, pedestrian friendly, campus environment.
5. Green building initiatives and socially sustainable development near the heart of the Campus. The building is designed to achieve LEED Silver Certification.

The availability of Tax-Exempt financing will improve the Net Operating Income or the project by reducing interest expense, thereby facilitating development of the Project. This will enable the McKinley Foundation to offer quality housing and residential life to a diverse student population of all backgrounds and interests at an affordable rate.

FINANCING SUMMARY

Structure:	As proposed, IFA would issue one Series of Bonds, Series 2007. Either Multi-Mode Variable Rate or Fixed rate Revenue Bonds to be sold by George K. Baum & Company, ("the Underwriter") with credit enhancement in accordance with IFA's Bond Program Handbook.
Security/ Collateral:	The Bonds will be solely secured by a first mortgage on said property.
Maturity:	30 years

PROJECT SUMMARY

Bond proceeds will be used to (i) finance the demolition of structures currently existing at 809 South 5th Street, Champaign, Champaign County, Illinois, (ii) to finance the design, construction, and equipping of a multi-story student housing facility (the "Facility") to be located at 405 East John Street, Champaign, Champaign County, Illinois, (iii) to capitalize a Debt Service Reserve Fund, (iv) to make an initial deposit in the Operations and maintenance Fund, (v) to provide for the payment of initial operating expenses, (vi) to pay capitalized interest during construction, and (vii) to pay certain costs of issuance relating to the proposed Series 2007 Bonds.

A summary of project costs follows:

New Construction:	$21,533,000
Renovations:	2,500,000
Machinery & Equipment:	480,000
Architectural/Engineering:	1,167,000
Construction Soft Costs:	1,490,000
Contingency:	680,000
Total	$27,850,000

ECONOMIC DISCLOSURE STATEMENT

Applicant:	McKinley Foundation at the University of Illinois	
Project names:	Presbyterian Hall	
Locations:	405 E. John St., Champaign, IL 61820, Champaign County	
Contact Person:	Gary Chamberlain, Director, Finance & Operations, 217-344-0297	
Organization:	501(c)(3) Corporation	
State:	Illinois	
Board of Directors:	David Bechtel	Cindy Shepherd
	Sara Cain, President	Kathie Spegal
	Dan Grayson	Clyde Sweet
	Scott Larimer	Colleen Vojak
	Ruth McCauley	Rev. Heidi Weatherford, Director

PROFESSIONAL & FINANCIAL

Counsel:	Holland & Knight	San Francisco	Steve Taber
Accountant:	P.J. Patterson	Decatur, IL	Linda Wolfe
Bond Counsel:	Holland & Knight	San Francisco	Steve Taber
Underwriter:	George K. Baum & Company	Denver, CO	Trinidad Rodriguez
Financial Advisor:	First Busey Trust & Investment Co.	Champaign, IL	Elizabeth A. Krchak
Underwriter's Counsel:			
LOC Bank Counsel:			
Issuer's Counsel:	Hart Southworth & Witsman	Springfield, IL	Samuel Witsman
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	15th	Timothy V. Johnson
State Senate:	52nd	Michael W. Frerichs
State House:	103rd	Naomi D. Jakobsson

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
June 12, 2007

Project: Augustana College

STATISTICS

Project Number:	E-PC-TE-CD-7122	Amount:	$5,000,000
Type:	501(c)(3) Revenue Bonds	IFA Staff:	Rich Frampton
Location:	Rock Island		

BOARD ACTION

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

Comment on direct purchase structure: The proposed Bonds will be purchased as a direct investment by JPMorgan Chase Bank as lender/purchaser. JPMorgan Chase Bank is purchasing these Bonds with the intent to hold in whole until maturity (or until refinanced by another lender) and will purchase these Bonds in accordance with provisions of IFA's Bond Program Handbook (and will provide appropriate certifications). Accordingly, these Bonds will be prohibited from resale in the secondary market (either in whole or in part).

PURPOSE

Bond proceeds will be used by Augustana College to finance all or a portion of the costs of (1) providing permanent financing and completing construction of a two, 28-bed student apartment buildings; (2) financing a portion of the substantial renovation and conversion of the existing Carlsson Hall student residence building into an academic building for the Business, Psychology, and Education departments; and, (3) financing a portion of the renovation and restoration of Augustana's original Old Main building.

IFA PROGRAM AND CONTRIBUTION

501(c)(3) Bonds are municipal bonds authorized under the Internal Revenue Code that enable 501(c)(3) corporations to finance capital projects furthering their mission. IFA's issuance of these Bonds will convey federal tax-exempt status on the interest paid to bondholders, thereby enabling bondholders to accept a below market interest rate that is passed through to the Borrower.

VOTING RECORD

No prior voting record. This is the first time this project has been presented to the Board.

PRELIMINARY ESTIMATED SOURCES AND USES OF FUNDS

Sources:	IFA New Money Bonds	$5,000,000	Uses:	New Project Cost	$5,000,000
	Equity	70,000		Issuance Costs	70,000
	Total	**$5,070,000**		**Total**	**$5,070,000**

JOBS

Current employment: 669
Jobs retained: Not applicable
Projected new jobs: 2
Construction jobs: 175 (over 13 months)

BUSINESS SUMMARY

Background: Augustana College ("Augustana" or the "College") was established in 1860 and is a 501(c)(3) organization incorporated under Illinois law.

The College is affiliated with the Evangelical Lutheran Church in America. Augustana is managed by a 35-member Board of Trustees (see Economic Disclosure Statement section of this report on pp. 5-6).

Description: Founded by Swedish Lutheran settlers in 1860, Augustana began as a small school educating Swedish immigrants and has evolved into selective college of the liberal arts and sciences. The College is affiliated with the Evangelical Lutheran Church in America.

Augustana College is located on a 115-acre campus in Rock Island, Illinois, that is approximately 165 miles west of Chicago and approximately 230 miles north of St. Louis. Augustana had approximately 669 total employees as of the beginning of the Fall 2006 term, including 149 full-time faculty members.

Augustana enrolled approximately 2,250 students from varied geographic, social, ethnic, and religious backgrounds as of the Fall 2006 term. Augustana focuses on personalized instruction and provides its students with a student-to-full-time faculty ratio of 15-to-1. Student activities available include music ensembles, theatre, debate, publications, broadcasting, student government, fraternities and sororities, and a wide variety of professional, religious, departmental, political, social, and service organizations. According to the College, approximately one-third of its students participate in voluntary activities in the arts.

Augustana also offers pre-professional studies for prepare students for graduate study in dentistry, law, medicine, occupational therapy, optometry, pharmacy, physical therapy, and veterinary medicine. The College also offers both intramural and intercollegiate athletics. The Augustana Vikings compete in the College Conference of Illinois and Wisconsin (CCIW) and NCAA Division III. Augustana presently competes in ten men's varsity sports and nine women's varsity sports.

Tuition, fees, room and board for the 2007-2008 academic year will be $33,717, comprised of (1) tuition at $26,484, (2) on-campus room and board of $7,233, and (3) fees of $516. Approximately, ninety-five percent of the student body receives financial assistance.

Enrollment over the past three years has increased from 2,292 students as of the Fall 2004 semester to 2,376 students as of Fall 2006.

Augustana was the obligor on approximately $56,755,000 of tax-exempt bonds as of 6/30/2006, comprised of outstanding balances of approximately (1) $34,665,000 on Series 2003A IFA (IEFA) Bonds, (2) $7,090,000 on Series 2003B IFA (IEFA) Bonds, and (3) $15,000,000 on Series 2005 Quad Cities Regional Economic Development Authority ("QCREDA") Bonds (and, collectively, the "Prior Bonds").

Augustana's existing bonds are credit enhanced with Direct Pay Letters of Credit from Harris Trust and Savings Bank. All payments on the IFA (IEFA) Bonds were current as of 5/1/2007. Additionally, payments the QCREDA Bonds were also current as of 5/1/2007.

FINANCING SUMMARY

Structure: The Bonds will be structured a Direct Purchase and direct portfolio investment by JPMorgan Chase Bank (as "Lender/Bond Purchaser/Investor") to be held in its entirety as a single bond until maturity (or until refinanced by another bank, at which time the subject bonds must be refunded and reissued by IFA). Resale of these Bonds will be prohibited in the secondary market, as customary for lender-purchased bonds. IFA's Bond Program Handbook requires appropriate certifications from the Lender/Bond Purchaser/Investor to be provided in the closing documents to assure compliance with IFA's requirements.

Security/
Collateral: JPMorgan Chase will be secured by a general pledge of Augustana College, as obligor on the subject bonds. Augustana College will be required to adhere to specified financial covenants (e.g., minimum debt service coverage) as allowed pursuant to a $5 million additional debt consent letter executed by Harris Bank & Trust Company as of 5/28/2007. (Harris Bank will continue to provide credit enhancement for three prior conduit tax-exempt bond issues issued by both IFA (IEFA) and the Quad Cities Regional Economic Development Authority.) Augustana College will also continue to provide a negative pledge on property of the College while all tax-exempt bonds remain outstanding. JPMorgan Chase will conform all covenants to those specified by Harris Bank under the existing LOC Reimbursement Agreements.

Maturity: 15 year fixed rate; 15 year amortization

Estimated
Interest Rate: Fixed 15-year interest rate to maturity to be set based on market conditions as of the date of closing by JPMorgan Chase Bank, the Lender/Bond Purchaser/Investor (and estimated in range of 4.35% to 4.65% based on market conditions in May 2007). JPMorgan Chase has indicated that the final rate will be comparable to 15-year investment grade rated (or bank-enhanced) private activity bonds sold in the national credit markets.

PROJECT SUMMARY FOR IFA BOND RESOLUTION

Bond proceeds will be used by Augustana College to (i) finance, refinance, or reimburse a portion of the costs of demolition of certain existing improvements, (ii) the construction, remodeling, renovation, and equipping a portion of the costs of certain educational facilities located on Augustana College's campus in Rock Island (Rock Island County), Illinois as described further below, and (iii) pay certain issuance costs and related expenses.

The functional descriptions and locations of the facilities to be financed or refinanced with Bond proceeds are described below:

1. Demolition of existing improvements, and the construction of two, approximately 12,300 SF, three-story apartment buildings with 28 beds each (each building will contain seven suites of 4-single bedroom units – each suite will contain a kitchen, living room, and two bathrooms) to be known as the Parkander Residence Center and located at 3601 and 3605 11^{th} Avenue, Rock Island, Illinois (Rock Island County).
2. Renovation and remodeling of an existing approximately 40,000 SF building commonly known as Carlsson Hall located at 3601 7^{th} Avenue, Rock Island, Illinois (Rock Island County), to convert the building from a residence hall to academic space with classrooms, offices, and related facilities.
3. Renovation of an existing campus center, office, and classroom building of approximately 48,000 SF building commonly known as Old Main, located at 3600 7^{th} Avenue, Rock Island, Illinois (Rock Island County).

Collectively, the capital expenditures and costs identified above will comprise the "Project".

Estimated project costs to be financed with Bond proceeds are as follows:

Construction/Equipping of Parkander Residence Center:	$2,700,000
Renovation/Equipping of Carlsson Hall and Old Main:	2,730,000
Total	**$5,430,000**

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Augustana College, 639 38th Street, Rock Island, IL 61201-2210
Web site:	www.augustana.edu
Contact:	Paul D. Pearson, Vice President of Business & Finance, Ph.: (309) 794-7203; e-mail: Paul Pearson@augustana.edu
Project name:	Augustana College Series 2007 Bonds
Locations:	Parkander Residence Center — 3601 and 605 11th Avenue, Rock Island, IL Carlsson Hall Renovation — 3601 7th Avenue, Rock Island, IL Old Main Renovation — 3600 7th Avenue, Rock Island, IL
Organization:	Illinois 501(c)(3) Corporation
Board Membership:	*See attached list of Board of Trustees (p. 5-6).*
Current Land Owner:	Augustana College

PROFESSIONAL & FINANCIAL

Accountant:	McGladrey & Pullen	Davenport, IA	Robert Larsen
General Counsel:	Katz, Huntoon & Fieweger	Moline, IL	Karl Huntoon
Bond Counsel:	Seyfarth Shaw LLP	Chicago, IL	Jim Schraidt
Lender/Bond Purchaser/ Investor:	JPMorgan Chase Bank	Chicago, IL	Elizabeth May
Bank Counsel:	Seyfarth Shaw LLP	Chicago, IL	Jim Schraidt
Trustee:	Not applicable – direct purchase bonds.		
Arch. Design/Eng./ General Contractor:	Hodge Construction Company, Inc.	Moline, IL	
Rating Agencies:	Not applicable – direct purchase bonds.		
IFA Counsel:	Kevin Cahill	Chicago, IL	
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago, IL	Bill Morris
	Scott Balice Strategies, Inc.	Chicago	Lois Scott

LEGISLATIVE DISTRICTS

Congressional:	17	Phil Hare
State Senate:	36	Mike Jacobs
State House:	72	Patrick Verschoore

Augustana College: Board of Trustees

Mr. Charles P. Hammersmith, Jr., '73
President and CEO
Elmhurst-Chicago Stone Company
Elmhurst, IL

The Reverend Dr. Thomas F. Hanson
Senior Pastor (Retired)
First Lutheran Church, DeKalb, IL
Galena, IL

Mr. Franz "Bud" Helpenstell
Owner/Chairman of the Board
A.D. Huesing Corporation
Rock Island, IL

Ms. Diane Gustafson Hill, '66
Ret'd Lecturer and Clinical Supervisor
Northwestern Univ. (Speech Pathology)
Barrington, IL

Mr. Kurt J. Horberg, '74
Managing Partner
Telleen, Horberg, Smith & Carmen, P.C
Cambridge, IL

Mr. Douglas M. Hultquist, '77
Chairman
QCR Holdings, Inc.
Moline, IL

Mr. Robert S. Karlblom, '65
Managing Director (Retired)
Lehman Brothers, Chicago, IL
Lake Forest, IL

The Reverend Dr. Robert L. Shaner
Senior Pastor
Grace Lutheran Church
LaGrange, IL

Mr. Sunder Subbaroyan, '87
Owner and Chairman of the Board
Doerfer Companies, Cedar Falls, IA
Rock Island, IL

Mr. Duane R. Swanson, '61
Owner and Chairman of the Board
Raymond Building Supply Corporation
North Fort Myers, FL

The Reverend Dr. Reuben Swanson, '47
Bishop (Retired)
Nebraska Synod (LCA), Omaha, NE
Fort Collins, CO

Mr. Perry M. Waughtal, '58
Chairman and Co-Founder
Songy Partners Limited
Houston, TX

Mr. Thomas F. Weigand, '85
President, IWI Ventures
Madison, WI
Co-Founder and Director
Noodles & Company
Boulder, CO

The Reverend Dr. Gary Wollersheim
Bishop, Northern Illinois Synod
Evangelical Lutheran Church in America
Rockford, IL

Illinois Finance Authority

Memorandum

To: IFA Board of Directors

From: Pamela A Lenane

Date: June 12, 2007

Re: **Resolution authorizing the execution and delivery of a First Supplemental Bond Indenture and a First Supplemental Loan Agreement relating to the Illinois Health Facilities Authority's $17,000,000 Revenue Bonds, Series 1992A (Felician Health Care, Inc.); and authorizing, approving and ratifying certain other matters.**

In 1992, the Illinois Health Facilities Authority ("IHFA") issued its $17,000,000 Revenue Bonds, Series 1992A (Felician Health Care, Inc.) (the "Series 1992A Bonds"), all of which are currently outstanding, under a Bond Trust Indenture. The Series 1992A Bonds were insured by AMBAC Assurance Corporation ("Ambac"). In addition, the Series 1992A Bonds are secured by an obligation (the "Existing Note") issued by St. Mary's Hospital, Centralia, Illinois ("St. Mary's"). St. Mary's is an acute care hospital located in Centralia, Illinois.

As part of an ongoing corporate restructuring of Felican Services, Inc.("FSI") and its affiliates, FSI and SSM Regional Health Services ("SSMRHS"), an affiliate of SSM Health Care Corporation ("SSM"), have entered into a Master Agreement with respect to St. Mary's. SSM is the parent corporation of a multistate health system with twenty acute care hospitals and carries a rating of AA-/AA- (Fitch/S&P). **Under the Master Agreement, SSMRHS would become the corporate member of St. Mary's and assume all of the financial responsibilities for the Hospital. FSI will retain minimal reserved powers.**

In connection with this transaction, St. Mary's will issue a new promissory note ("Substitute Note") to the IFA under the Loan Agreement securing the payment of principal of and interest on the Series 1992A Bonds as a substitute for the Existing Note. SSM will issue an obligation under its Master Trust Indenture guaranteeing the payments on the Substitute Note. As a result of this transaction, an obligated group created under the SSM Master Indenture will be substituted for the FSI Obligated Group as the obligated entities with respect to the Series 1992A Bonds. Ambac and the holder of the Series 1992A Bonds have indicated that they will be willing to consent to the proposed substitution.

RESOLUTION NUMBER 2007-06

RESOLUTION authorizing and ratifying the execution and delivery of a First Supplemental Bond Trust Indenture and a First Supplemental Loan Agreement relating to the Illinois Health Facilities Authority's \$17,000,000 Revenue Bonds, Series 1992A (Felician Health Care, Inc.); and authorizing, approving and ratifying certain other matters.

WHEREAS, the **ILLINOIS FINANCE AUTHORITY** (the "Authority") has been created by the Illinois Finance Authority Act, as amended (the "Act"); and

WHEREAS, the Illinois Health Facilities Authority (the "Health Authority") issued its \$17,000,000 Revenue Bonds, Series 1992A (Felician Health Care, Inc.) (the "Bonds") pursuant to that Bond Trust Indenture dated as of October 1, 1992 (the "Bond Indenture") between the Health Authority and LaSalle National Bank, as bond trustee (the "Trustee"), and loaned the proceeds of the Bonds to St. Mary's Hospital, Centralia, Illinois, an Illinois not for profit corporation ("St. Mary's"); and

WHEREAS, the Bonds are secured in part by an obligation (the "Existing Note") issued by St, Mary's which is the joint and several liability of St. Mary's and the other members of an obligated group created pursuant to the Master Trust Indenture dated as of June 1, 1990, as supplemented and amended (the "FSI Master Indenture"), among St. Mary's, Felician Services, Inc., an Illinois not for profit corporation ("FSI"), certain other members of the obligated group and U.S. Bank Trust Company, N.A.., as master trustee; and

WHEREAS, the payment of principal of and interest on the Bonds is insured by Ambac Assurance Corporation ("Ambac"); and

WHEREAS, FSI and SSM Regional Health Services, an Illinois not for profit corporation ("SSMRHS") and an affiliate of SSM Health Care Corporation, a Missouri nonprofit corporation ("SSM"), have entered into a Master Agreement relating to the substitution of SSMRHS and St.

Mary's-Good Samaritan, Inc. for FSI as the corporate members of St. Mary's (the "Substitution"); and

WHEREAS, in connection with the Substitution, St. Mary's will deliver to the Bond Trustee its direct obligation note (the "Substitute Note") issued under the First Supplemental Loan Agreement dated as of June 1, 2007 (the "First Supplemental Loan Agreement") between the Authority and St. Mary's for the Existing Note; and

WHEREAS, as additional security for the Bonds, SSM will issue its Guaranty Note (the "SSM Guaranty") to U.S. Bank Trust Company, N.A., as successor to the Trustee (the "Successor Trustee"); and

WHEREAS, the SSM Guaranty will guarantee the payments by St. Mary's under the Substitute Note and under the Loan Agreement dated as of October 1, 1992 (the "Loan Agreement") entered into by the Authority and St. Mary's in connection with the issuance of the Bonds; and

WHEREAS, the St. Mary's has requested the Authority and the Successor Trustee to enter into amendments to the Bond Indenture and the Loan Agreement to permit substitution of the Substitute Note for the Existing Note; and

WHEREAS, pursuant to the terms of the Bond Indenture, the amendments to the Bond Indenture will require the consent of not less than 51% of the owners of the outstanding principal amount of the Bonds and of Ambac in order for such amendments to become effective;

NOW, THEREFORE, BE IT RESOLVED BY THE ILLINOIS FINANCE AUTHORITY as follows:

Section 1. Supplemental Bond Indenture. The Authority does hereby authorize, approve and ratify the execution by its Chairperson, Vice Chairperson, any of its other Members, Executive Director, Treasurer or any officer or employee designated by the Executive Director (each an "Authorized Officer") and the delivery of a First Supplemental Bond Trust Indenture dated as of June 1, 2007 (the "Supplemental Bond Indenture"), supplementing and amending the Bond Indenture, provided, however, that such authorization and approval is expressly conditioned on the receipt of the consent of the holders of at least 51% in aggregate principal amount of the Bonds and of Ambac. The Supplemental Bond Indenture shall be substantially in the form submitted to the Authority and hereby approved, or with such changes therein as shall be approved by the Authorized Officer 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 forms of the Supplemental Bond Indenture.

Section 2. Supplemental Loan Agreement. The Authority does hereby authorize, approve and ratify the execution by an Authorized Officer and the delivery of a First Supplemental Loan Agreement dated as of June 1, 2007 (the "Supplemental Loan Agreement"), supplementing and amending the Loan Agreement, provided, however, that such authorization and approval is expressly conditioned on the receipt of the consent of the holders of at least 51% in aggregate principal amount of the Bonds and of Ambac. The Supplemental Loan Agreement shall be substantially in the form submitted to the Authority and hereby approved, or with such changes therein as shall be approved by the Authorized Officer 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 forms of the Supplemental Loan Agreement.

Section 3. Authorization and Ratification of Subsequent Acts. The Members, officers, agents and employees of the Authority are hereby authorized and directed to do all such acts and things and to execute or accept all such documents as may be necessary to carry out and comply with the provisions of these resolutions. All of the acts and doings of the Members, officers, agents and employees of the Authority which are in conformity with the intent and purposes of these resolutions, whether heretofore or hereafter taken or done, shall be and are hereby authorized, ratified, confirmed and approved.

ADOPTED this 12th day of June, 2007.

ILLINOIS FINANCE AUTHORITY

By: ______________________________
Chairman

[SEAL]

ATTEST:

By: ______________________________
Secretary

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Steve Trout

Date: June 12, 2007

Re: **Amendatory Resolution to Amend Rural Development Loan to Defer Loan Principal Payments Nine Months for Derel's BBQ**
IFA Project B-LL-TX-658

Darrel and Marilyn Mattingly, owners of a sole proprietorship doing business as Derel's BBQ,a neighborhood catering and restaurant, wish to amend the Loan Agreement between the Illinois Finance Authority and Derel's BBQ to defer loan principal payments for six months.

A $108,000 Rural Development (RD) Loan made to Darrel and Marilyn Mattingly d/b/a Derel's BBQ was approved by the IFA Board in September, 2005 and closed November, 2005. Funding would finance the purchase of new equipment and the construction of a food storage building. Also, it was established that funding would facilitate Mr. Mattingly devoting himself to cooking and running the business, hiring staff and essentially expanding to a full-time catering and restaurant facility.

A review of Derel's BBQ year-end 2006 and year-to-date March 2007 financial statements reveal troubling information. The year-end 2006 Income Statement indicates a positive net income that would clearly be able to facilitate debt payments. Yet the Balance Sheet states a negative cash balance (of $1,731.24) and a negative ($49,576.28) equity balance. IFA staff believes that restaurant proceeds were applied to (health-care related and/or other) personal expenses that were not disclosed.

Furthermore, an IFA review of the 2004, 2005, and 2006 Balance Sheets indicate that the Gross Property, Plant, and Equipment reported balances were $58,800, $65,900, and $66,500 respectively. A minimal increase in the PP&E balances from prior (FY 2004) and post (FY 2006) IFA funding indicate that (i) IFA loan funds were not used for the originally intended purpose and/or (ii) financial information utilized to compile the balance has not been fully disclosed for fiscal reporting purposes.

First Quarter (March) 2007 financial statements provide a bleak picture of the restaurant's financial health. There is only $22.00 of cash and a negative ($48,535.35) equity balance. Furthermore, the income statement indicates stagnant revenues and increased expenses. It appears that due to personal issues, Mr. Mattingly never opened the business on a full-time basis and during the first two months of 2007, was rarely open at all.

Finally, IFA conversations with Mr. Mattingly revealed that he is seeking to personally sell the business for $125,000. To date, there has been some interest but he has received no formal bids for the property.

As of June 1, 2007 the outstanding principal balance for Derel's BBQ is $99,276.16. According to the original amortization schedule, the balance should be $96,133.91. Any and all payments made pursuant the first delinquent payment are first applied to interest, then to principal.

Given the aforementioned, it seems prudent at this time to formerly request that the IFA approve a six-month principal deferment for the RD loan made to Derel's BBQ. This would provide Mr. Mattingly some fiscal relief and allow him to concentrate on the sale of his business. We also recommend that the property be listed with a realtor, if Darrel does not have a contract for the sale of the business by July 1, 2007.

A copy of the original Board Summary is attached. In addition, a summary of the current financial condition of Derel's BBQ is provided below.

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
September 13, 2005

Project: Darrel and Marilyn Mattingly d/b/a Derel's BBQ

STATISTICS

Project Number:	B-LL-TX-658	Amount:	$110,000 (not to exceed amount)
Type:	Rural Development Loan	IFA Staff:	Rick Pigg
Location:	Harrisburg	Tax ID:	333-30-7163
NAICS Code:	72221: Limited Service Restaurant	Est. Fee:	$3,655 (first year's interest)

BOARD ACTION

Rural Development Loan
Up to $110,000 of IFA funds at risk
First mortgage in the subject real estate and first lien in equipment financed
Staff recommends approval, subject to the following conditions:

- Loan amount shall not exceed 75% of the subject property's fair market value less outstanding indebtedness
- Receipt of an independent appraisal
- Receipt on a second mortgage on the Mattingly's residence
- Assignment of life insurance in an amount equal to the loan amount

PURPOSE

To finance the acquisition and installation of restaurant equipment and improvements to a commercial kitchen and dining facility located at 130 Ingram Hill Road in Harrisburg.

VOTING RECORD

No voting record. This is the first time the IFA Board of Directors has reviewed this project.

SOURCES AND USES OF FUNDS

Sources:	IFA Rural Development Loan	$90,000	Uses:	Project Costs:	$90,000
	Total	**$90,000**		**Total**	**$90,000**

JOBS

Current employment:	4	Projected new jobs:	6
Jobs retained:	4	Construction jobs:	3

BUSINESS SUMMARY

Background: Darrel and Marilyn Mattingly, own and operate as husband and wife a sole proprietorship doing business as Derel BBQ, a neighborhood catering and restaurant that they opened in fall 2004. Darrel and Marilyn owned and operated a similar business called the Garden Patch in the same building between approximately 1985 and 1995. During those years Darrell worked as the cook and Marilyn managed the administrative and service aspects of the business. The Mattingly's sold the business to another area couple in 1995 after Marilyn became ill. That couple had success operating the business but closed it because they felt that it was too demanding. They opened a retail furniture store in the building that was not successful, leading them to sell the building back to the Mattingly's during the second half of 2004.

Darrel has since operated on a part-time basis, focusing on providing catered food or packaged barbecued beef, chicken, turkeys and hams to longstanding customers. The Mattingly's have also attracted a modest dine-in business for breakfast and lunch, which they feel could be easily expanded to include dinner and significantly higher volume. Darrel plans to devote himself full-time to cooking and running the business, hiring staff and acquiring additional equipment and completing modest enhancements to the building to accommodate the additional business.

Darrel has also been approached by Sysco Foods, a national food distributor to serve as a wholesale distributor of barbecued meat and poultry. Darrel believes that this business could generate significant sales and income with less work than running a catering business and restaurant. Tabgha, a family operation that previously ran a deli and catering business in Harrisburg, has grown from 5 to 25 employees since becoming a regional wholesales cheesecake supplier to Sysco about 7 years ago. Darrel believes that this project could provide sufficient capacity to begin serving as a supplier to Sysco and also expand the catering and restaurant business. A decision on proceeding with this initiative is not expected for at least several months.

The Project: The project includes the purchase of new freezers, refrigerators, fryers and a stove, renovation of the kitchen, pickup and dining area, office equipment and construction of a food storage building.

Financing: This project will be funded from the Authority's Rural Relending Fund. IDFA began this program in 1990 with a $2 million 1% loan from the UDDA's Rural Development Administration. This program authorized loans up to $250,0000 or 75% of total project costs in communities with populations under 25,000 for up to 10 years at a 6% fixed rate of interest. IDFA made 34 loans under this program with 5 outstanding and all current. The Authority repaid the original loan several years ago but has approximately $2 million in funds available from interest earned on loans and unloaned program proceeds. To encourage use of this program, the Authority recently reduced rates charged to borrowers to Prime less 1.25%, with a cap at 6%.

Borrower Financials: US Individual Tax Returns for Derrel and Marilyn Mattingly for 2002, 2003 and 2004. Personal financial statement for Darrel and Marilyn Mattingly as of July 28, 2005.

	2002	2003	2004	7/28/2005
Adj Gross Income	8,706	13,095	2,763	
Balance Sheet				
Current Assets				18,000
Real Estate				345,000
Other Assets				58,000
Total Assets				421,000
Liabilities				140,000
Net Worth				281,000

Discussion: The Mattingly's US income tax returns summarized above were prepared by Ron Emery of Ron Emery Accounting, a well known local CPA. Reported income has been highly variable over the period reviewed. Income reported in 2002 reflected $7,200 in wages, salaries and tips plus income earned from the Mattingly's ownership of the Cherry Street Bar and Grill. Income reported in 2003 was generated entirely form that business. Income earned in 2004 came from wages, salaries and tips, rental income earned on part of the building that was reacquired that year, a small gain on the sale of a gambling business that was partially offset by a loss on the sale of the Cherry Street Bar and Grill.

The Mattingly's personal financial statement presented as of July 28, 2005 was also prepared by Ron Emory Accounting. Current assets consist of cash and investments. Real estate assets consist of the subject building valued at $170,000 and a residence in Harrisburg valued at $150,000 and 5 acres of land between the residence and the subject property valued at $25,000. Other assets consist of restaurant equipment ($26,000), personal furnishings and vehicles. Liabilities consist of mortgages on the residence and the subject property. Trans Union assigned the Mattingly's a credit score of 790 and reported no history of late or non-payment.

Tenant Financials: Financial data for the year ended December 31, 2004 for Derel's BBQ extracted from the Mattingly's US individual income tax returns. Forecast for 2005 prepared by staff from interim financial statements as of June 30, 2005 prepared by Ron Emory Accounting. Forecasts for 2006, 2007 and 2008 prepared by staff from operating forecasts prepared by Ron Emory Accounting.

	Actual		Forecast		
	2004	**2005**	**2006**	**2007**	**2008**
Income Statement					
Net Sales	14.9	39.0	240.0	300.0	360.0
Net Income	0.4	18.4	25.6	15.9	22.7
Earnings Before Interest, Taxes, Depreciation & Amortization	5.0	20.8	38.5	28.4	34.8
Balance Sheet					
Current Assets		4.5	14.8	18.5	25.1
Net Property, Plant & Equipment		55.7	148.2	145.7	144.2
Other Assets		0.0	0.0	0.0	0.0
Total Assets		60.2	163.0	164.2	169.3
Current Liabilities		0.1	6.9	7.3	7.8
Long-term Debt		0.0	83.2	76.0	68.3
Other Liabilities		0.0	0.0	0.0	0.0
Stockholder's Equity		60.1	72.9	80.8	92.2
Total Liabilities & Stockholder's Equity		60.2	163.0	164.1	168.3
Ratios					
Debt Service Coverage (x)		N/A	4.68	2.10	2.56
Proforma Debt Service Coverage (x)		1.67			
Current Ratio		45.00	2.14	2.53	3.09
Days Cash on Hand		72.68	26.11	24.37	26.73
Debt to Equity		N/A	0.55	0.51	0.45

Discussion: Derel's BBQ has been profitable since opening late in 2004 but has generated modest sales to date because the business is only open on a part-time basis. Derel's BBQ has reported only $14,900 in sales during the Fall, 2004 and $14,000 for the first half of 2005. Lease payments of $540 a month received from another food business operating in the subject property are included in the historical and projected income statement.

The balance sheet includes $59,000 in building improvements and equipment and no indebtedness. (Mr. Mattingly values the subject property at $170,000 with $42,000 mortgage balance and reports these items in the Mattingly's personal financial statement as of July 28, 2005.)

Sales are projected to increase during the second half of the year as business picks up with the holiday season. Operating margins for the balance of the year are expected to remain at levels realized for the first six months of 2005. The forecast assumes that the project is begun by October 1, 2005 and is completed by December 31.

The operating forecast was prepared by Ron Emory, a well regarded local CPA who prepared the Mattingly's tax returns for over 25 years. Operating margins are based on margins realized by similar businesses operating in small towns in the region. (Mr. Emory currently does taxes for eight catering companies, independent and franchise restaurants.) Mr. Emory does not anticipate the Mattingly's having difficulty rapidly increasing sales once the business returns to full-time operation. A similar business that Mattingly's owned in operated generated $350,000 to $400,000 in annual sales and was consistently profitable. Currently Darrel is doing sporadic dine-in business for breakfast and lunch and is turning away catering business from everyone but longstanding customers. The forecast assumes no revenues from Sysco because discussions are still too preliminary to be included in the forecast.

The forecast includes salary expense for a full time service manager/administrator to perform the work that Marilyn did when she was in better health. The forecast assumes $105,000 in additional operating expenses in 2006, largely from increased staffing, which could be scaled back if revenues growth is slower than projected. Interest expense is forecast at 6%, the maximum rate of interest authorized under this program. Debt service is calculated assuming amortization over ten years, with level debt payments. Debt service coverage based on projected 2005 projected cashflows is estimated at 1.67 times. Coverage is expected to increase from those levels if the revenues grow as Ron Emory expects.

Collateral:

Item	Value	Basis	Advance Rate	Adj Value
Subject Property	165,000	FMV Appr (2001)	75%	132,000
Subject Equipment	30,000	Cost	0%	0
Total Collateral				132,000
Current Mortgage Balance				(42,000)
Remaining Collateral				80,000
Maximum Permitted Loan Amount (based on 2001 appraisal)				80,000

IFA will require an updated, independent appraisal confirming a loan to value ratio below 75%. Ron Emory believes that the property will appraise for $200,000, based on recent installation of new windows, siding and roof. Such a valuation would permit a borrowing up to $108,000.

FINANCING SUMMARY

Amount: The loan amount will be limited to 75% of the appraised fair market value of the subject property less any outstanding mortgage balance.

Security: First mortgage in the subject property and first lien in the equipment financed.
Second mortgage in the Mattingly's residence.

Structure: Prime less 1.25% changing as Prime changes but not to exceed 6%, pursuant to guidelines for IFA's Rural Development Loan program.

Maturity: 10 years

Amortization: Principal payment schedule based on level monthly debt service payments over 10 years using interest rates prevailing on the closing date.

PROJECT SUMMARY

Loan proceeds will be used to finance the acquisition and installation of restaurant equipment and improvements to a commercial kitchen and dining facility located at 130 Ingram Hill Road in Harrisburg. Project costs are estimated as follows:

Renovate and expand kitchen and renovate entrance	$50,000
Acquire and install freezers and refrigerators	10,000
Construct storage building	6,000
Office equipment	6,000
Acquire and install deep fryer	5,000
Acquire and install 8 burner stove	5,000
Carpet and furnishings	3,000
Contingency	5,000
Total	$90,000

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Darrel & Marilyn Mattingly D/B/A Derel's BBQ
Location:	130 Ingram Hill Rd Harrisburg IL 62946
Organization:	Proprietorship
State:	Illinois
Ownership:	Darrel & Marilyn Mattingly

PROFESSIONAL & FINANCIAL

Accountant:	Ron Emery Accounting	Ron Emery, E.A.	Harrisburg, IL

LEGISLATIVE DISTRICTS

Congressional:	19th John Shimkus
State Senate:	59th Gary Forby
State House:	118th Brandon Phelps

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Steve Trout

Date: June 12, 2007

Re: **Resolution to Amend IFA Venture Capital Loan to Defer Jaros Technologies Loan Principal Payments for An Additional Year**
<u>IFA Project V-TD-588</u>

Jaros Technologies, a company offering customized business intelligence solutions, wishes to amend the Venture Capital Loan Agreement between the Illinois Finance Authority and company to defer loan principal payments for an additional one year.

The IFA Board approved a $250,000 Venture Capital Loan to Jaros Technologies that closed in July, 2005. The loan, along with funds from DCEO, Madison County and private investors financed the development of a sales and marketing team including the hiring of a Marketing Vice-President, three account executives and a sales consultant as well as hiring several programmers and architects to continue project development.

The original loan agreement provides for interest-only payments from the date of closing until November, 2006. Upon November, 2006, the company must begin making sixteen quarterly interest payments of $18,049.89. Although Jaros is current on all interest payments, they failed to make the first and subsequent two quarterly principal payments.

Earlier in 2007, IFA's Interim Executive Director verbally agreed to defer principal payments for another year and extend the amortization schedule an additional year, after company officials maintained that there would be "grave consequences on continued growth" if principal deferment was not instituted. **We recommend that the IFA Board formally approve the deferral of principal payments on this loan**

Based on review of financial statements for FY 2005, FY 2006, and FY 2007 year-to-date, it appears that Jaros Technologies could have made principal payment requirements of the loan. Furthermore, it appears that Jaros could make principal payments over the remainder of 2007 even under its downside cash flow projections.

Company officials have explained that they are seeking to build a reserve of cash in order to maintain flexibility to invest in new technology, respond to opportunities and challenges and solidify its position in the market place.

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY

Jaros

Deal: Jaros Technologies

544 Niedringhaus Avenue, Suite B *Granite City, IL 62040*

Project Number:	V-TD-588	Amount:	$250,000
Type:	Venture Capital	FM:	Christopher Vandenberg
Location:	Granite City, IL		

BOARD ACTION

Voting Record: This is the first time before the Board of Directors.

IFA Funds at Risk? YES: [X] NO: [ ] Amount: $250,000

JOBS

Current Employment:	16	Projected new jobs:	7 (within 18 months)
Jobs Retained:	N/A	Construction jobs:	N/A

COMPANY SUMMARY

Jaros Technologies (www.jarostech.com), located in Granite City, Illinois, was founded in 1999 by Paul Scheibal. Mr. Scheibal built the company to offer mid-sized manufacturers customized business intelligence solutions. While larger companies offer business intelligence solutions, none adequately meet the needs of the mid-sized manufacturer. Jaros Analytics helps manufacturing companies "See the Picture, Not the Puzzle," by integrating disparate information systems to help clients make better decisions and create efficiencies, thereby increasing profitability. Governor Blagojevich mentioned Jaros in his Governor's Opportunity Returns plan for its region and in the 2005 State of State address.

With minimum capitalization, Jaros has built the first version of its product and has attracted a number of marquee customers, including: Arvin Meritor, GE Transportation, Snap-tite, Minuteman International and Juniper Networks. Jaros intends to use the current round of funding to continue commercialization and expand its sales force.

Jaros is contemplating a $500,000 loan consisting of:

- $250,000 loaned from IFA
- $125,000 loaned from DCEO
- $ 62,500 loaned from Madison County
- $ 62,500 loaned from Jaros investors

These funds are expected to fund operations approximately 6 months. Jaros anticipates raising another round of capital to bring the company to profitability. The Company is currently in discussion with several venture firms, but the discussions are extremely preliminary.

STATISTICS

IFA Investment:	$250,000	**IFA Ownership**	N/A
Investment Leveraged:	$250,000	**Security Type:**	Senior Debt
Pre-Money Valuation:	N/A	**# of Shares:**	N/A
Post-Money Valuation:	N/A	**Price Per Share:**	N/A

TERM SHEET

The company is seeking $500,000 from the following:

- $250,000 loaned from IFA
- $125,000 loaned from DCEO
- $ 62,500 loaned from Madison County
- $ 62,500 loaned from Jaros investors

Illinois Ventures for Community Actions will service the loan, but will not have any funds at risk in the loan. DCEO's portion will only be funded if they are appropriated funds for the project.

Terms of loan:

- The notes will have an interest rate of 7%. The lenders will receive 6% and Illinois Ventures for Community Actions will take a 1% servicing fee.
- The loan will be interest only for the first year, with level principal and interest payments for the following four years. Payments will be quarterly.
- All existing loans from the investors ($800,000 will be subordinated to the existing DCEO/Madison County loan ($400,000) and the new loan.
- 3% prepayment penalty for the first two years.
- DCEO/IFA consent is required to sell/merge the company.
- Default conditions include moving the company from Illinois, default on investor notes and other customary provisions.
- There will be an Equity Risk Premium of 8% if revenues exceed $300,000 in the first year and $1,000,000 any other year.

Loans

The company currently has outstanding loans totaling approximately $1,200,000. The investors have $800,000 in loans outstanding. These notes will be subordinated to the new loan and the existing $400,000 loan from DCEO and Madison County.

Use of funds

Proceeds of the proposed investment will be used to scale the sales and marketing team to bring on the Vice-President, Marketing, 3 account executives, 1 sales consultant and several programmers and architects to continue development on the product.

Future Funding needs:

Jaros anticipates raising another round of capital in to bring the company to profitability. The company is currently in discussion with several venture firms, but the discussions are extremely preliminary.

Burn Rate:

The current burn rate of the company is approximately $80,000/month. Management salaries currently are approximately $28,000 or 35% of the monthly burn. As new employees are hired, the burn is expect to increase to approximately $145,000.

Co-Investor

Illinois Ventures for Community Action (IVCA) is an organization whose membership is comprised of Community Action Agencies throughout the state. IVCA is a not-for-profit corporation whose purpose is to undertake job creation and economic development activities, and to distribute any profit therefrom to its member agencies to finance activities designed to eliminate poverty in Illinois. IVCA is a long standing associate of the Illinois Community Action Association (ICAA). ICAA along with its 40 member agencies serve the people of Illinois through programs and activities that include representation, education, information exchange, advocacy and various other services. The services provided promote the core beliefs and values of ICAA which include reducing suffering through organized structure, raising awareness of the plight of the poor, replacing despair with opportunity, focusing on people, and facilitating working together. Due to the various needs of the people of Illinois from community to community, the decision of which services are provided is made by each separate Community Action Agency. To find out more about Illinois Community Action Association and to learn about the services provided in your area, please visit them online at www.icaanet.org. **NOTE: THIS IS NOT THE ILLINOIS VENTURES THE AUTHORITY NORMALLY WORKS WITH.**

Department of Commerce and Economic Opportunity

Madison County

Richard Ford is a former principal and founder of Gateway Ventures, a St. Louis, MO-based venture fund. See the Key Personnel section for more detail.

PRODUCT

Jaros sells business intelligence software products as well as related implementation services. Jaros's initial two products are Jaros Analytics and Jaros Dashboard.

Jaros Analytics is a reporting and analysis solution for manufacturing companies that provides fast, easy access to historical and real-time detailed corporate data from disparate legacy systems. This enterprise software solution is unique from other business intelligence solutions because it is specifically focused on the needs of medium-sized manufacturing companies, which permits the installation time is greatly reduced. Specifically, 95% of the solution is standard and only 5% must be customized for each customer. Currently, Jaros Analytics is compatible with companies running Oracle Applications and QAD's MFG Pro. The Company is currently expanding the product to be compatible with a number of other platforms.

The completed version of Jaros Analytics consists of modules for analysis of financials, purchase orders, orders and shipments, inventory, manufacturing and costing. These areas are offered in various sub-modules. The Company is continually adding sub-modules in response to customer requests.

Jaros Dashboard is a low-cost, web-based report development and delivery tool that provides an efficient mechanism to distribute reports to employees, customers and suppliers. The tool and the associated services are with **Jaros Analytics** to provide the customer with a reporting tool when the customer does not currently have one. Currently, Jaros is using an OEM solution from Informatica.

BUSINESS MODEL/SALES CYCLE

According to IDC, the business intelligence market is growing at a compound annual growth rate of approximately 27% and is expected to be an $11.9 billion market in 2005.

Jaros earns revenue through a combination of up-front licensing fees, annual service fees and professional services for installation of their software. Jaros has four pricing tiers: 1) below $250M in revenues; 2) $250-500M, 3) $500M to $2B, and 4) above $2B. The price for the analytics modules range from $25,000 to $125,000, increasing progressively over each tier. Each user costs $700 and $350 per seat for the Analytics and Dashboard packages, respectively. Annual licensing fees are approximately 20% of the total .

Jaros plans to use a direct sales force to sell its product. From their experience, Jaros believes that the average sales cycle will be approximately 6-12 months. Initially, they begin by talking to low level IT or analysts. They rely on these "evangelists" to bring the solution to the "C" level executives for purchasing.

Current customers include Arvin Meritor, Minuteman International, Mitek Industries, Chromalloy and others. Below please see the existing pipeline, as provided by Jaros:

Pipeline – 1st Half 2005	Revenue Potential	Odds of Closing	Revenue Classification
Juniper Networks	35,000	100%	Support
Minuteman International	15,000	100%	Support
Mitek Industries	200,000	75%	New License and Services
Arvin Meritor	300,000	90%	New License and Services
Chromalloy	20,000	100%	Support
GE Transport (GE)	200,000	50%	Services
Ingersoll-Rand	500,000	75%	New License and Services
USP	300,000	50%	New License and Services
Lion Apparel	300,000	50%	New License and Services
Butler Manufacturing	375,000	50%	New License and Services
1st Half Potential	2,245,000		

KEY PERSONNEL

Management

Paul J. Scheibal, President and CEO - The founder and President and CEO of Jaros, Paul Scheibal has over 25 years of experience with over 10 years experience in business intelligence and data warehousing. Paul has a B.A. degree in mathematics and a B.A. degree in computer science from Southern Illinois University at Carbondale and a Master of Science degree in mathematics specializing in computer science from Southern Illinois University at Edwardsville. Paul founded Jaros Technologies in 1999 and has led many business intelligence solutions at companies like General Electric, Sigma Chemical, and Juniper Networks. Prior to 1999, Paul worked for Oracle Corporation and won many awards for performance, including "consultant of the year" in 1996 for the Oracle Central Region.

Stan Choflet, Vice President of Sales – Stan Choflet has a 19 year track record of success in sales and sales management in the high tech industry. Prior to leading sales and marketing at Jaros, Stan held sales and sales management positions at Cisco, Oracle and Amdahl during high growth periods at each of these companies. Over his career, Stan has specialized in working with large, strategic accounts and is known for his ability to win competitive accounts and open new markets. Stan's sales leadership accounted for over $75M in sales in the 5 years prior to joining Jaros averaging over 100% annual revenue growth in his territories. Stan holds a B.S. degree in Electrical Engineering from the University of Missouri, Rolla.

Shawn Curtiss, Vice President of Marketing – Shawn comes from an early-stage enterprise software company, MetaMatrix, for over five years. In his position, he has built international brand awareness and have positioned the company as the sector leader in the press and with analyst groups. Based partly on the position, reputation, and awareness he has generated for the company, MetaMatrix has raised over $42 million in Venture Capital. He has developed marketing programs that achieve and surpass revenue goals. Over the past five years, MetaMatrix has grown from virtually zero revenue to over $11 million. He has developed budget-conscious programs for lead generation, awareness, market penetration and others to support the sales team.

Board of Directors

Jaros currently has a five member board of directors – 3 from the management team and 2 investor representatives. At this time, the Company does not have any independent directors but they are contemplating putting together an advisory board.

Paul Scheibal

Stan Choflet

Shawn Curtiss

Richard F. Ford - The founder of Gateway Ventures, Dick Ford has consistently demonstrated over his 30+ years of business experience a talent for identifying high growth market opportunities, assessing and motivating management, establishing strategic direction and monitoring operating performance. Although involved in a full range of investment areas, Mr. Ford has been especially active in the areas of financial services; healthcare services and products; and distribution services. He has served on the Board of Directors of many public and private companies, including CompuCom Systems (NASDAQ: CMPC), D&K Healthcare Resources (NASDAQ: DKWD), NextCare, RehabCare (NASDAQ: RHBC), Rockwood Capital Advisors, and Stifel Financial (NYSE: SF). Mr. Ford graduated from Princeton University with a B.A. degree in economics and is a graduate of the Executive Program in Business Administration of Columbia University.

Eugene M. Toombs - Eugene M. Toombs is Chairman, President, and Chief Executive Officer of MiTek, Inc. MiTek, the majority of which is owned by Berkshire Hathaway, is the world's leading supplier of engineered connector products, engineering services and design software for the building components industry with operations on five continents. Prior to being CEO and President, he was President and Chief Operating Officer since 1991, and a Corporate Vice President from 1989 when he first joined MiTek.

Prior business experience includes three years with Sonoco Products Company as a Vice President, and President of a joint venture company, and fifteen years at Boise Cascade Corporation where he held a variety of general management positions.

He serves on the Board of Directors of MiTek, TALX Corporation, Tarlton Corporation, AAA (The Automobile Club of Missouri), Boys Hope/Girls Hope, Junior Achievement, and the Metropolitan YMCA. He is a member of the Bogey Club, St. Louis Club, Greenbriar Hills Country Club, and the Longboat Key Country Club in Florida. Mr. Toombs holds a Bachelor of Science Degree from Fairleigh Dickinson University and an Executive Education Degree from Harvard Business School.

COMPETITION

The business intelligence market is very crowded and includes a range of players from small niche companies (similar to Jaros) to large enterprise software companies. It is very difficult to identify the number of niche companies. Large players in this market include consulting companies, such as IBM and Accenture, and enterprise software companies including Cognos, Business Objects and Oracle. Each of these large players are multi-billion dollar companies. Since the manufacturing portion of this market is relatively "small," Jaros believes that these large companies would prefer to purchase smaller niche players to expand into those markets.

Competitive Advantages:

Jaros believes that they have a competitive advantage because:

- product is relatively low cost;
- the management team understands the needs of manufacturers and have designed a unique platform in this segment; and
- they provide timely access to information, resulting in better decisions and improving profitability.

EXIT STRATEGY

Jaros expects to exit via acquisition within three to five years. The Company expects the investors to achieve a 5X return on their investment. Since the Authority is not purchasing an equity interest in the Company, it will not enjoy in this return – the return will be limited to the interest earned on the loan.

FINANCIAL PROJECTIONS

	Actual 2003	Actual 2004	Projected 2005	Projected 2006	Projected 2007	Projected 2008
Total Revenues	$ 189,840	$ 1,035,140	$ 2,545,000	$ 6,119,000	$ 8,000,000	$ 12,000,000
COGS	$ (91,500)	$ (129,000)	$ (677,250)	$ (938,500)	$ (1,500,000)	$ (2,000,000)
Gross Profit	$ 98,340	$ 906,140	$ 1,867,750	$ 5,180,500	$ 6,500,000	$ 10,000,000
Total Expenses	$ (514,374)	$ (1,045,145)	$ (2,769,550)	$ (4,895,135)	$ (5,250,000)	$ (7,500,000)
Net Income	$ (416,034)	$ (139,005)	$ (901,800)	$ 285,365	$ 1,250,000	$ 2,500,000

Jaros Technologies, Inc.
May 10, 2005

CAPITALIZATION AND SALARIES

	Total # Shares	Total % (Dil)
Investors		
Dick Ford IRA	137.5	6.18%
Kathy Ford	37.5	1.69%
J. Hord Armstrong, III	138	6.18%
Zinsmeyer Trust	163	7.30%
Patrick Behan	175	7.87%
Sam Davis, Jr.	175	7.87%
Eugene Toombs	175	7.87%
Investors Sub-Total	***1,000***	***44.94%***
Other Equity holders		
Paul Scheibal	333	14.98%
Stanley Choflet	333	14.98%
Michael Spencer	333	14.98%
Option pool	225	10.11%
Others Sub-Total	***1,225***	***55.06%***
Total	**2,225**	**100.00%**

Salaries:

Paul Scheibal – President/CEO (FOUNDER)	110,000 + Commissions
Stan Choflet – Vice-President, Sales (FOUNDER)	108,000 + Commissions
Shawn Curtiss – Vice-President, Marketing	120,000 + Commissions

ECONOMIC DISCLOSURE INFORMATION

	Firm	Location	Contact
Company	*Jaros Technologies, Inc.*	*Granite City, IL*	*Paul Schiebel*
General Counsel:			
Accountant:			

LEGISLATIVE DISTRICTS

Congressional:	12	Jerry Costello
State Senate:	58	David Luechtefeld
State House:	116	Dan Reitz

Jaros Technologies, Inc.
May 10, 2005

	Apr 27, 05
ASSETS	
Current Assets	
Total Checking/Savings	123,085.39
Total Accounts Receivable	189,001.87
Total Other Current Assets	400.53
Total Current Assets	312,487.79
Fixed Assets	
Acc. Depr. Computers & Furniture	-66,734.78
Computers & Furniture	47,535.94
Jaros Dashboard Res & Dev	69,970.33
Acc. Amortization License	-25,682.80
License Agreement	25,682.80
Total Fixed Assets	50,771.49
TOTAL ASSETS	363,259.28
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Total Accounts Payable	17,410.62
Total Other Current Liabilities	4,844.96
Total Current Liabilities	22,255.58
Long Term Liabilities	
Deferred Income	59,916.78
Note Payable Investors	800,000.00
State of Illinois	400,000.00
Total Long Term Liabilities	1,259,916.78
Total Liabilities	1,282,172.36
Equity	
Capital Stock	3,000.00
Paid in Surplus	124,073.66
Retained Earnings	-778,795.76
Net Income	-267,190.98
Total Equity	-918,913.08
TOTAL LIABILITIES & EQUITY	363,259.28

Resolution Number 2007-06-19

Resolution to Approve and Adopt the Amended and Restated By-Laws of the Illinois Finance Authority

WHEREAS, the Illinois Finance Authority (the "Authority") is empowered by Section 801-30(e) of the Illinois Finance Authority Act, 20 ILCS 3501/801-1 *et seq.* (the "Act"), to "adopt all needful ordinances, resolutions, by-laws, rules and regulations for the conduct of its business and affairs and for the management and use of the projects developed, constructed, acquired and improved in furtherance of its purposes";

WHEREAS, the Authority's Board of Directors (the "Board") adopted the By-Laws of the Authority on January 5, 2004 (the "By-Laws") and the Board now desires to amend the By-Laws and to ratify actions of the Treasurer relating to the execution of certain Authority documents;

WHEREAS, the By-Laws may be amended by the affirmative vote of not less than eight (8) members of the Authority at any meeting, provided ten (10) days written notice of the proposed amendment has been given to all members of the Board;

WHEREAS, the Board desires to amend the By-Laws to effectuate certain changes including, but not limited to, permitting the Authority to call emergency meetings; conforming the By-Laws to the State of Illinois Open Meetings Act; and authorizing the execution of contracts, agreements, financing resolutions and other documents by the Treasurer; and

WHEREAS, all members of the Board were provided with written notice of the proposed amendments to the By-Laws on June 1, 2007 and desire to adopt and approve amendments to the By-Laws;

NOW, THEREFORE, BE IT RESOLVED BY THE ILLINOIS FINANCE AUTHORITY, AS FOLLOWS:

Section 1. Recitals. The recitals set forth above are hereby found to be true and correct and are incorporated into this Resolution as if fully set forth herein.

Section 2. Adoption of Amended and Restated By-Laws of the Illinois Finance Authority. The By-Laws attached to this Resolution as Exhibit A are hereby adopted as the By-Laws of the Authority.

Section 3. Ratification. The Board hereby ratifies the actions of Jose Garcia, the Treasurer and Chief Financial Officer of the Authority, relating to his execution of any contracts, agreements, financing resolutions and other documents relating to the Authority from the date of his appointment to the date of this Resolution.

Section 4. Enactment. This Resolution shall take effect immediately. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

This Resolution 2007-06-19 is adopted this 12th day of June 2007 by roll vote as follows:

Ayes:

Nays:

Abstain:

Absent:

____

Chairman

Attested to:

____

Secretary

EXHIBIT A

ILLINOIS FINANCE AUTHORITY

BY-LAWS

ARTICLE I

ORGANIZATION

Section 1. Name. The name of the Authority shall be the Illinois Finance Authority (the "Authority"), as provided in Section 801-25 of the Illinois Finance Authority Act, 20 ILCS 3501/801-1 *et seq.* (the "Act").

Section 2. Status. The Authority is a body politic and corporate of the State of Illinois, duly organized and existing under the Act

Section 3. Principal Office. The principal office of the Authority shall be located at Chicago, Illinois. The Authority may maintain a branch office anywhere in the State, and may utilize, without payment of rent, any office facilities that the State may conveniently make available to it

Section 4. Seal. The corporate seal of the Authority shall be a circular disk, having described around the periphery thereof the words "Illinois Finance Authority", and in the center the word "Seal".

ARTICLE II

MEMBERSHIP

Section 1. Membership of the Authority. The Authority is comprised of fifteen (15) members appointed by the Governor, with the advice and consent of the Senate of the State of Illinois. The members of the Authority shall be persons of recognized ability and experience in one or more of the following areas: economic development, finance, banking, industrial development, small business management, real estate development, housing, health facilities financing, local government financing, community development venture finance, construction, and labor relations.

Section 2. Term of Office. The provisions for the terms of office, vacancies and removal of members of the Authority are established in Section 801-15 of the Act.

Section 3. Powers. The members of the Authority shall possess and exercise all the powers granted in the Act, and by all other statutes of the State of Illinois specifically naming the Authority; and such other powers not inconsistent with the Act as are authorized by the general laws of the State of Illinois and as may be necessary to effectuate the purposes of the Act. The Executive Director or any committee of the Authority may carry out such responsibilities of the Authority as the Authority by resolution may delegate.

ARTICLE III

OFFICERS OF THE AUTHORITY

Section 1. Chairperson. The Chairperson of the Authority shall be selected by the Governor for a term of two years. The Chairperson shall preside at all meetings of the Authority and perform such other duties as shall be necessary or desirable by reason of his or her position as Chairperson or as may be directed by a duly adopted resolution of the Authority.

Section 2. Vice Chairperson or Acting Chairperson. At the direction of the Authority a Vice Chairperson or Acting Chairperson shall be elected by the Authority from among its members for a term expiring on the date of the next annual meeting following such election and if so elected he or she shall preside at meetings of the Authority and perform all duties incumbent upon the Chairperson during the absence or disability of the Chairperson.

Section 3. Secretary and Treasurer. The Authority shall appoint a Secretary and a Treasurer, who may, but need not, be members of the Authority, to hold office during the pleasure of the Authority. Before entering upon the duties of Secretary or Treasurer such person shall satisfy the applicable conditions and requirements specified in Section 845-40 of the Act. The Secretary shall keep the minutes of all meetings, maintain custody of the Authority seal, and shall execute such documents and perform such other duties as shall be directed by the Authority from time to time. The Treasurer shall collect, receive and deposit all funds of the Authority as provided by law.

Section 4. Assistant Secretary. The Authority may, but need not, appoint from time to time, one or more Assistant Secretaries who may, but need not be, a member or members of the Authority, to perform any of the duties imposed upon the Secretary unless the Authority or the Secretary shall otherwise direct.

Section 5. Executive Director. From nominations received from the Governor, the members of the Authority shall appoint an Executive Director. The Executive Director shall hold office for a one year term. The Executive Director shall be the chief administrative and operational officer of the Authority and shall direct and supervise its administrative affairs and general management and perform other such duties as may be prescribed by the members of the Authority from time to time.

Section 6. Continuation in Office Pending Appointment of Successor. The Chairperson and the Executive Director shall remain in office after the expiration of their term of office pending the appointment and qualification of their successor.

ARTICLE IV

MEETINGS

Section 1. Annual Meeting. The annual meeting of the Authority shall be held in July on such day and at such time and place as may be designated by the Authority, or in the absence of such action, by the Chairperson. The Authority shall hold an annual meeting in January of 2004 for the fiscal year ending June 30, 2004.

Section 2. Regular Meetings. The time, date and location of all regular meetings for the fiscal year in which the Annual Meeting takes place shall be established by resolution at the Annual Meeting. Immediately following such Annual Meeting, a schedule reflecting the time, date and location of the meetings so established shall be prepared, posted and distributed in accordance with the Open Meetings Act (5 ILCS 120/1 *et seq.*, as supplemented and amended) (the "Open Meetings Act"). The time, date and location of any regular meeting may be changed by resolution of the members of the Authority in compliance with the Open Meetings Act.

Section 3. Special Meetings. A special meeting of the Authority may be held upon call by the Chairperson, or any three (3) members of the Authority upon not less than forty-eight (48) hours notice to the public and each member of the Authority. Such notice shall specify the time, date and location of the meeting, include an agenda, and be given to the public in the form and manner specified by the Open Meetings Act.

Section 4. Emergency Meetings. An emergency meeting of the Authority may be held upon call by the Chairperson, or any three (3) members of the Authority. Notice of an emergency meeting shall be given as soon as practicable, but in any event prior to the holding of such meeting, to any news medium which has filed an annual request for such notice. Such notice shall specify the time, date and location of the meeting, include an agenda, and be given to the public in the form and manner specified by the Open Meetings Act. At the beginning of an emergency meeting, the Chairman shall briefly describe, for the record, the emergency circumstance(s) and such comments shall appear in the minutes.

Section 5. Quorum and Voting. Eight (8) members of the Authority shall constitute a quorum. All official acts of the Authority shall require the approval of at least eight (8) members. During the roll call of the members at any Authority meeting, the Secretary or Assistant Secretary shall call the name of the members physically present at the meeting and the name of those members participating by means of remote communication. Each member participating by means of remote communication shall be deemed authorized to attend, participate in, and vote at, the meeting once their name has been called into the roll of the members or called during any roll call vote of the members taken at such meeting.

Voting by the members on all official acts of the Authority, including, but not limited to, all resolutions, ordinances, by-laws, rules and regulations for the conduct of its business and affairs, shall be recorded. A member may make a statement for the record respecting the reasons for the casting of his or her vote. Any member wishing to do so shall declare "with a statement" after responding to roll call and casting his or her vote. Upon the completion of voting by the members on any particular official act of the Authority, and before the recording of such voting, the Chairperson shall call upon each member who has declared an intention to make a statement Each such member, when called upon by the Chairperson, shall make a concise statement respecting any reasons for the casting of his or her vote. Such a statement shall be recorded with the member's vote. Any vote of a member at any meeting or on any issue shall be cast by the member and not by proxy.

Section 6. Remote Attendance. A member of the Authority Board may attend a meeting from a remote location under the terms and conditions of the Remote Attendance Policy of the Board of Directors of the Illinois Finance Authority (the "Remote Attendance Policy"), as may be amended from time to time.

Section 7. Order of Business and Agenda. The Executive Director in consultation with the Chairperson shall establish the agenda for meetings of the Authority, provided that the Chairperson or any two (2) members of the Authority may direct that a matter be placed on the agenda. Unless otherwise provided by law, the Act, rules of the Authority or these By-Laws, the business of the Authority at any regular or special meeting shall be conducted pursuant to Robert's Rules of Order Newly Revised (2000 ed.).

Section 8. Written Minutes. The Secretary shall keep written minutes of all meetings of the Authority which shall contain, at a minimum, the following: a) the date, time and location of the meeting; b) the members of the Authority recorded as either present or absent; c) whether the members of the Authority are attending the meeting in person or via remote means as authorized by the Remote Attendance Policy; d) the specific wording of resolutions adopted; e) a general description of all matters proposed, discussed or decided; and f) a record of any vote taken, together with any statement made for the record by any member respecting his or her vote. Said minutes shall be made available for public inspection in accordance with the Open Meetings Act (5 ILCS 120, *et seq.).*

Section 9. Conflicts. In the event of a conflict, the provisions of the Act, as amended from time to time, shall supersede these By-Laws.

ARTICLE V

ADMINISTRATIVE PERSONNEL

Section 1. Controller. The Authority may, upon such terms and conditions as it shall deem proper, employ a Controller who shall have custody of the Authority's financial records, and who shall keep or cause to be kept full and accurate books and records of the accounts of the Authority. The Controller, if one is employed, shall exercise all powers and duties as may from time to time be assigned to him or her by the Authority. Before entering upon the duties of Controller, such person so employed shall execute a bond with a corporate surety. Such surety bond shall be in an amount and by such surety company as the members may determine. Such surety bond shall be conditioned upon the faithful performance of the Controller of his or her duties, and shall be executed by a surety company authorized to transact business in the State of Illinois as surety.

Section 2. Assistant Executive Directors. The Authority may employ one or more Assistant Executive Directors upon such terms and conditions as the Authority shall deem proper.

Section 3. Other Personnel. The Authority may engage the services of such other agents and employees, including attorneys, appraisers, engineers, accountants, credit analysts and other consultants, as it may deem advisable, and may prescribe their duties and fix their compensation.

ARTICLE VI

ADMINISTRATION

Section 1. Audit and Accounting Procedures. The accounts and books of the Authority, including its receipts, disbursements, contracts and other matters relating to its finances, operation and affairs shall be examined and audited at the end of each fiscal year by the Auditor General or by a firm of certified public accountants which shall certify its audit to the Comptroller of the State of Illinois.

Section 2. Fiscal Year. The initial fiscal year of the Authority shall end on June 30, 2004. Each subsequent fiscal year for the Authority shall commence on the first of July.

Section 3. Annual Budget. The Authority shall not incur any obligations for salaries, office or other administrative expenses prior to the making of appropriations to meet such expenses. The Executive Director shall prepare a tentative budget for consideration by the members of the Authority, no later than the regularly scheduled June meeting of each year. Approval of such budget shall be deemed as appropriating funds to meet such expenses. Each fiscal year, the members of the Authority, or as may be delegated to the Compensation Committee of the Authority, shall establish a salary schedule for each employee for the forthcoming fiscal year. The salary schedule established for the prior fiscal year shall remain in effect until the salary schedule for the forthcoming or current fiscal year is established. The budget and salary schedules may be amended at any time during the fiscal year by resolution of the Authority, such amendment to be deemed an additional or supplementary appropriation of funds. Prior to January 31, 2004, the members shall approve the budget of the Authority for the initial fiscal year.

Section 4. Reports. As soon after the end of each fiscal year as may be expedient, the Authority shall cause to be prepared and printed a complete report and financial statement of its operations and of its assets and liabilities. A reasonably sufficient number of such reports shall be printed for distribution to persons interested, upon request, and a copy thereof shall be filed with the Governor, the Secretary of State, the Comptroller, the Secretary of the Senate and the Chief Clerk of the House of Representatives of the State of Illinois.

Section 5. Execution of Documents. All contracts and agreements entered into by the Authority shall, except for those instances described in Section 7 of this Article, or unless the members by resolution otherwise direct, be executed on behalf of the Authority by the Chairperson, Executive Director, any Assistant Executive Director or Treasurer, and may be attested to by the Secretary or any Assistant Secretary. Nothing in these By-Laws shall be deemed to limit in any manner the right of the members by resolution adopted at a meeting to delegate other or different officers to execute a specific document or documents at any time. Nothing in these By-Laws shall be deemed to prohibit the use of facsimile signatures where compliance has been had with -the Uniform Facsimile Signature of Public Officials Act of the State of Illinois. (30 ILCS 320/1 *et seq.*, as supplemented and amended).

Section 6. Deposit and Withdrawal of Authority Funds. All funds deposited by the Treasurer in any bank shall be placed in the name of the Authority and shall be withdrawn and paid out only by check or draft upon the bank, signed by (i) the Treasurer and countersigned by the Chairperson or the Executive Director; (ii) the Chairperson and countersigned by the Treasurer or the Executive Director or (iii) the Executive Director and countersigned by the Treasurer or the Chairperson. The Authority, by resolution, may designate any of its members or any officer or employee of the Authority to affix the signatures of the Executive Director, Chairperson and Treasurer to any check or draft for payment of any salaries or wages, and for payment of any other obligation of not more than twenty-five hundred dollars ($2,500.00).

Section 7. Financing Resolutions. Whenever the Authority shall adopt a bond resolution or other resolutions authorizing a financing transaction, the Executive Director, the Treasurer and any officer or employee designated by the Executive Director, shall then be authorized to execute all documents and make all elections as may be necessary or appropriate to effectuate the intent of the Authority to complete or administer the transaction approved by such resolution.

Section 8. Transactions Under Prior Documents. The Executive Director, the Treasurer, and any officer or employee designated by the Executive Director, is authorized to execute all documents and make all elections as may be necessary or appropriate to administer transactions undertaken or approved by any Predecessor Authority, as defined in Section 845-75 of the Act.

ARTICLE VII

INDEMNIFICATION

Section 1. General. The Authority shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Authority) by reason of the fact that the person is or was a member or officer of the Authority, against expenses (including attorneys' fees) judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit or proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Authority, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in or not opposed to the best interests of the Authority, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

Section 2. Derivative Claims. The Authority shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Authority to procure a judgment in its favor by reason of the fact that the person is or was a member or officer of the Authority, against expenses (including attorneys fees) actually and reasonably incurred by the person in connection with the defense or settlement of suit if the person acted in good faith and in a manner the person' reasonably believed to be in or not opposed to the best interests of the Authority, and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Authority unless and only to the extent that the Chancery Division, Circuit Court of Cook County, State of Illinois, or the court in which such action or suit was brought, shall determine upon application that, despite the adjudication of liability but in view of ;all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as the court shall deem proper.

Section 3. Expenses. To the extent that any person referred to in Sections 1 or 2 of this Article has been successful on the merits or otherwise in the defense of any action, suit or proceeding referred to therein or in the defense of any claim, issue or matter therein, he or she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith.

Section 4. Authorization for Indemnification. Any indemnification under Sections 1 or 2 of this Article (unless ordered by a court) shall be made by the Authority only as authorized In a specific case upon a determination that indemnification of the member or officer is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Sections 1 or 2 of this Article. Such determination shall be made (i) by the members by the affirmative vote of at least eight (8) members who were not parties to such action, suit or proceeding or (ii) pursuant to the direction of the members expressed in a resolution, by independent legal counsel in a written opinion,

Section 5. Advancement of Funds for Expenses. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Authority in advance of the final disposition of such action, suit or proceeding as authorized by the members in the specific case upon receipt of an undertaking by or on behalf of the member or officer to repay such amount unless it shall ultimately be determined that he or she is entitled to be indemnified by the Authority as provided in this Article.

Section 6. Non-exclusive. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which a person seeking indemnification may be entitled under any statute, by-law, agreement, vote of disinterested members or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a member or officer and shall inure to the benefit of the' heirs, executors and administrators of such a person.

Section 7. Insurance. The Authority shall have power to purchase and maintain insurance on behalf of any person who is or was a member, officer, employee or agent of the Authority, or is or was serving at the request of the Authority as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against the person and incurred by the person in any such capacity, or arising out of the person's status as such, whether or not the Authority would have the power to indemnify the person against such liability under the provisions of this Article.

ARTICLE VIII

AMENDMENTS

These By-Laws may be amended by the affirmative vote of not less than eight (8) members of the Authority at any meeting, provided ten (10) days written notice of the proposed amendment has been given to all members. Such notice may, however, be waived if all members are present and if unanimous consent is given to the adoption of the amendment.

RESOLUTION 2007-06-20

RESOLUTION TO APPROVE THE CONTINUANCE OF THE ILLINOIS FINANCE AUTHORITY'S 401(a) CONTRIBUTION PLAN

WHEREAS, the Illinois Finance Authority (the "Authority") has been created by the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq. (the "Act"); and

WHEREAS, presently, employees of the Authority participate in the Illinois Finance Authority 401(a) Contribution Plan (the "401(a) Plan"); and

WHEREAS, at its regularly scheduled meeting held on July 11, 2006, the Authority approved the 401(a) Plan and authorized the 401(a) Plan to remain in effect until June 30, 2007; and

WHEREAS, the Authority desires to continue the 401(a) Plan until such time as the Board, or the Compensation Committee of the Board, determines it is in the best interest of the Authority to terminate the 401(a) Plan;

WHEREAS, the Authority has determined that it will advance the purposes of the Act and will be in the best interests of the citizens of the State to continue the 401(a) Plan because such 401(a) Plan is accessible to a broad group of Authority employees, provides incentive to employees to save for their own retirement and serves as an effective recruiting tool; and

WHEREAS, the Members of the Authority have the power to adopt this Resolution pursuant to the provisions of Sections 801-25, 801-30 and 801-40 of the Act.

NOW, THEREFORE, BE IT RESOLVED BY THE ILLINOIS FINANCE AUTHORITY, AS FOLLOWS:

Section 1. Recitals. The recitals set forth above are hereby found to be true and correct and are incorporated into this Resolution as if fully set forth herein.

Section 2. Adoption of 401(a) Plan. The Authority does hereby authorize, empower and direct the Executive Director of the Authority or the Chief Administrative Officer of the Authority or the Treasurer of the Authority (each an "Authorized Officer") to continue the 401(a) Plan which is qualified under Section 401(a) of the Internal Revenue Code of 1986, as amended. The 401(a) Plan shall remain in effect until such time as the Board, or the Compensation Committee of the Board, determines it is in the best interest of the Authority to terminate the 401(a) Plan.

Section 3. Miscellaneous. The Authority does hereby authorize, empower and direct the Authorized Officers, and each of them, to take or cause to be taken any and all such other and further actions, and to execute, acknowledge and deliver any and all such agreements, instruments, certificates and other documents, and to pay all such fees and expenses, as each, in his or her discretion, may deem necessary, appropriate or advisable in order to carry out the purpose and intent of this Resolution.

Section 4. Enactment. This Resolution shall take effect immediately. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of the Resolution.

This Resolution 2007-06-20 is adopted this _____ day of __________, 2007 by roll vote as follows:

Ayes:

Nays:

Abstain:

Absent:

____
Chairman

Attested to:

____

Secretary

1048358_3

Resolution Number 2007-06-21

Resolution Establishing the Meeting Schedule of the Illinois Finance Authority for Fiscal Year 2008

WHEREAS, the Illinois Finance Authority (the "Authority") is empowered by Section 801-30(e) of the Illinois Finance Authority Act, 20 ILCS 3501/801-1 *et seq.* (the "Act"), to "adopt all needful ordinances, resolutions, by-laws, rules and regulations for the conduct of its business and affairs and for the management and use of the projects developed, constructed, acquired and improved in furtherance of its purposes"; and

WHEREAS, Section 801-25 of the Act states that the Authority is subject to the Illinois Open Meetings Act, 5 ILCS 120/1 *et seq.*; and

WHEREAS, Section 2.03 of the Open Meeting Act requires the Authority to establish and publish its meeting schedule at the beginning of each fiscal year; and

WHEREAS, the Board of the Authority has the power to adopt this Resolution pursuant to Section 801-25 of the Act, and it has determined that the adoption of the following meeting schedule is in the best interest of the Authority; and

NOW THEREFORE, BE IT RESOLVED BY THE ILLINOIS FINANCE AUTHORITY, AS FOLLOWS:

Section 1. Recitals. The recitals set forth above are hereby found to be true and correct and are incorporated into this Resolution as if fully set forth herein.

Section 2. Regular Meeting Dates. The regular meeting dates, times and locations for meetings of the members of the Authority for the fiscal year commencing on July 1, 2007 and ending June 30, 2008 shall be as set forth in Exhibit A hereto.

Section 3. Committee Meetings. The regular meeting dates, times and locations for meetings of committees of the members of the Authority for the fiscal year commencing July 1, 2007 and ending June 30, 2008 shall be as set forth in Exhibit A.

Section 4. Public Notice. The Executive Director and the Secretary of the Authority are hereby each authorized and directed to give public notice of the schedule of regular meetings and all committee meetings for the 2008 Fiscal Year in accordance with requirements of the Open Meetings Act.

Section 5. Enactment. This Resolution shall take effect immediately. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of the Resolution.

This Resolution 2007-06-21 is adopted this 12th day of June 2007 by roll vote as follows:

Ayes:

Nays:

Abstain:

Absent:

Chairman

Attested to:

Secretary

EXHIBIT A

REGULAR MEETING SCHEDULE

1048465_1

IFA
ILLINOIS FINANCE AUTHORITY

Governor, Rod R. Blagojevich
Executive Director, Kym M. Hubbard

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

June 5, 2007

NOTICE OF SCHEDULED COMMITTEE OF WHOLE AND REGULAR BOARD MEETINGS FOR FISCAL YEAR 2008

During Fiscal Year 2008 (July 2007–June 2008), the Illinois Finance Authority (hereinafter "IFA") will hold its public meetings on the dates and at the locations listed below. IFA Committee of the Whole (hereinafter "COW") meetings will begin at 8:30 a.m., and regular IFA Board meetings (hereinafter "Bd. Mtg.") will begin at 11:30 a.m. **IFA Committee of the Whole** (hereinafter "COW") **in Springfield, Illinois will begin at 12:00 noon, and IFA Board meetings** (hereinafter "Bd. Mtg.") **will begin at 3:00 p.m.** Meetings will be at the following addresses:

Aon Building, Mid America Club, 200 E. Randolph Drive, 80th Floor, Chicago, Illinois (hereinafter "Mid America Club"),

IFA Chicago Office, Two Prudential Plaza, 180 N. Stetson Avenue, Suite 2555, Chicago, Illinois (hereinafter "2 Prudential Plaza"),

Illinois State Library, 300 South Second Street, Springfield, Illinois (hereinafter "State Library"), and

IFA Mt. Vernon Office, 2929 Broadway Street, Suite 7B, Mt. Vernon, Illinois (hereinafter "Mt. Vernon Office").

The IFA provides this information to you pursuant to the Illinois Open Meetings Act, 5 ILCS 120 (2000).

Following are scheduled meeting dates and locations:

Committee of the Whole @ 8:30 a.m. and Board Meeting @ 11:30 a.m.

July 10, 2007	COW -- 2 Prudential Plaza; Bd. Mtg. – Mid America Club
August 7, 2007	COW -- 2 Prudential Plaza; Bd. Mtg. – Mid America Club
September 11, 2007	COW -- 2 Prudential Plaza; Bd. Mtg. – Mid America Club
October 9, 2007	COW -- 2 Prudential Plaza; Bd. Mtg. – Mid America Club
November 13, 2007	COW -- 2 Prudential Plaza; Bd. Mtg. – Mid America Club
December 11, 2007	COW -- 2 Prudential Plaza; Bd. Mtg. – Mid America Club
January 8, 2008	COW -- 2 Prudential Plaza; Bd. Mtg. – Mid America Club
February 12, 2008	COW -- 2 Prudential Plaza; Bd. Mtg. – Mid America Club
March 11, 2008	COW -- State Library, Authors' Room; Bd. Mtg. – State Library, Rooms 403 & 404 **(COW @ 12:00 noon, Bd. Mtg. @ 3:00 p.m.)**
April 8, 2008	COW -- 2 Prudential Plaza; Bd. Mtg. – Mid America Club
May 13, 2008	COW -- 2 Prudential Plaza; Bd. Mtg. – Mid America Club
June 10, 2008	COW -- State Library, Authors' Room; Bd. Mtg. – State Library, Rooms 403 & 404 **(COW @ 12:00 noon, Bd. Mtg. @ 3:00 p.m.)**

IFA
ILLINOIS FINANCE AUTHORITY

Agriculture Committee
All meetings begin @ 8:30 a.m.

July 3, 2007	Mt. Vernon Office via teleconference
July 31, 2007	Mt. Vernon Office via teleconference
September 4, 2007	Mt. Vernon Office via teleconference
October 2, 2007	Mt. Vernon Office via teleconference
November 6, 2007	Mt. Vernon Office via teleconference
January 2, 2008	Mt. Vernon Office via teleconference
February 5, 2008	Mt. Vernon Office via teleconference
March 4, 2008	Mt. Vernon Office via teleconference
April 1, 2008	Mt. Vernon Office via teleconference
May 6, 2008	Mt. Vernon Office via teleconference
June 3, 2008	Mt. Vernon Office via teleconference

Audit Committee
Meetings begin @ 7:30 a.m.

August 7, 2007	2 Prudential Plaza
October 9, 2007	2 Prudential Plaza
February 12, 2008	2 Prudential Plaza
April 8, 2008	2 Prudential Plaza

Compensation Committee
Meetings begin @ 7:30 a.m.

July 10, 2007	2 Prudential Plaza
December 11, 2007	2 Prudential Plaza
June 10, 2008	State Library, Authors' Room **(Meeting begins @ 10:30 a.m.)**

Venture Capital Committee

July 10, 2007 @ 1:00 p.m.	2 Prudential Plaza **(Meeting begins at 1:00 p.m.)**
September 11, 2007 @ 7:30 a.m.	2 Prudential Plaza
November 13, 2007 @ 7:30 a.m.	2 Prudential Plaza
January 8, 2008 @ 7:30 a.m.	2 Prudential Plaza
March 11, 2008 @ 10:30 a.m.	State Library, Authors' Room **(Meeting begins @ 10:30 a.m.)**
May 13, 2008 @ 7:30 a.m.	2 Prudential Plaza

All meetings will be accessible to handicapped individuals in compliance with pertinent State and Federal laws upon notification of anticipated attendance. Handicapped persons planning to attend and needing special accommodations should contact the IFA at least five business days prior to the meeting to inform of their anticipated attendance:

Illinois Finance Authority
(312) 651-1300
TTY: 1-800-526-0844
VOICE: 1-800-526-0857

For David Gustman, Chairman
By:

Carla B. Burgess Jones
Secretary

MEMORANDUM

TO: IFA Board of Directors

FROM: Jim Senica

DATE: June 12, 2007

RE: IMT Real Estate, L.L.C. Participation Loan Extension Request
Project No. B-LL-TX-6090

IMT Real Estate, L.L.C. is an Illinois Limited Liability Company established to own the real estate located at 1961 Edgewater Drive, North Pekin, Illinois, in which Illinois Machine and Tool Works operates. Illinois Machine and Tool Works manufactures equipment components for the construction and agricultural equipment industries.

Heartland Bank and Trust Company and IMT Real Estate, L.L.C. have requested that IFA approve a 6-month extension to November 9, 2007, on IFA's commitment to its Participation Loan, proceeds of which were used to finance the construction of a new manufacturing building. IFA is committed to the financing after the construction of a new manufacturing building is completed and the permanent financing is established. The Board originally approved this project on May 9, 2006, with the usual six-month commitment, expiring on November 9, 2006 and a commitment extension expiring on May 9, 2007. Construction has been completed; however, a serious defect in the roof construction has resulted in significant water leakage in the building. The contractors are re-constructing the affected area at their expense with management anticipating the project to be completed by mid-summer of 2007. IFA was in the process of closing the loan with Heartland Bank when a torrential rainstorm exposed the defective construction problem.

Staff has re-reviewed the financial condition of the applicant with the lenders and management. Analysis of 2006 operating results of Illinois Machine and Tool Works (the operating Company and ultimate source of repayment on this loan) indicates revenues earned of \$26,665,498.49, which exceeded 2005 revenues of \$25,128,559 by over \$1.5 million and 2006 net income of \$1,583.724.54 which again exceeds 2005 net income of \$1.4 million. 2007 interim financial statements for the 3-month period ending March 31, 2007 indicate that the Company has generated net income of \$563,875.52 for the first quarter of the year on revenues of \$6.7 million which, based on orders in the pipeline, could place the Company in position to approach the projected 2007 revenue goal of \$30.2 million.

When originally approved by the IFA Board at the May 9, 2006, meeting, the following terms were approved:

Loan Term:	10 Years
Amortization Period:	20 Years with balloon payment due at the end of the loan term
Bank Interest Rate:	7.75% for first five years, reset for the second five years at 3% over the 5-year U.S. Treasury rate in effect at that time
IFA Rate:	200 basis pint below Bank's Rate, 5.75%
Collateral:	Pro-rate first mortgage on project real estate with an estimated "As if Completed appraised value of $2,100,000 Pro-rate second mortgage valued at $600,000 on Company's existing industrial building Unlimited personal guaranties of Mark and Mary Markovich

Upon extension of the commitment, IFA's rate will become 3-Month LIBOR + 100 basis points (6.37%) fixed for the initial 5 years of the loan and then reset at 3-month LIBOR + 100 basis point in effect at that time for the remaining 5 years of the 10-year loan. All other terms of the loan will remain intact.

A copy of the original project summary presented for Board approval is included with this memorandum to provide a complete overview of the project.

Staff recommends approval of the request.

The voting record of this Participation Loan as originally approval at the May 9, 2006, Board meeting is as follows:

Ayes:	10	Absent:	3 (Goetz, Herrin, Leonard)
Nays:	0	Abstentions:	0

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
May 9, 2006

Project: **IMT Real Estate, L.L.C.**
(Illinois Machine and Tool Works)

STATISTICS

Project Number:	B-LL-TX-6090	Amount:	$1,000,000
Type:	Participation Loan	IFA Staff:	Jim Senica
Location:	North Pekin		

BOARD ACTION

Purchase of Participation Loan from Heartland Bank & Trust Company
$1,000,000 IFA funds at risk
Staff recommends approval

PURPOSE

Proceeds will be used to finance the construction of a new manufacturing building.

VOTING RECORD

No voting record. This is the first time the IFA Board of Directors has reviewed this project.

SOURCES AND USES OF FUNDS

Sources:	IFA Participation:	$1,000,000	Uses:	Building Construction	$2,000,000
	Heartland Bank & Trust:	1,000,000		Total	$2,000,000
	Total	$2,000,000			

JOBS

Current employment:	135	Projected new jobs:	12
Jobs retained:	NA	Construction jobs:	(50/6 months)

BUSINESS SUMMARY

Background: IMT Real Estate, L.L.C. is an Illinois Limited Liability Company established to own the real estate located at 1961 Edgewater Drive, North Pekin, Illinois, in which Illinois Machine and Tool Works operates. Originally founded in 1966 as Tompco, Illinois Machine and Tool Works was purchased by current owners Mark and May Markovich in 1993 and engages in the manufacture of products for the construction and agricultural equipment industries.

Operations: Illinois Machine and Tool Works manufactures equipment components for the construction and agricultural equipment industries. The Company's extensive product listing includes such items as adaptors, arm assemblies, trunnions, blocks, brackets, caps, connectors, counterweights, couplings, covers, cylinders, elbows, flanges, heads, flywheels, housings, levers, manifolds, pins, plates, cylinder liners, pulleys, plugs, rings, shafts, sheaves, shims, spacers, supports, yokes, valve bodies and many other machined components. Material machined includes iron castings, barstock, steel forgings, steel castings, aluminum casting and stainless steel. Customers of the Company would typically be involved in the construction equipment industry (Caterpillar), the diesel engine industry (Caterpillar and Cummins Diesel), agricultural equipment industry (John Deere), engine transmission and compressor industry and the pressure regulator/valve body component industry. Illinois Machine and Tool is QS9000 registered, evidencing the Company's strong commitment to quality.

The Project: IMT Real Estate, L.L.C. is planning to construct a new manufacturing building to complement its existing 45,000 square foot plant in North Pekin. The Company is leasing additional space in East Peoria and feels the time is right to expand on their 18 acres of land, consolidating all operations in one location. The expansion will enable the Company to increase manufacturing capabilities and will allow them to significantly reduce transportation costs and lost production time associated with operating in several locations. Total cost of the project is expected to approximate $2,000,000. The Company is anticipating increasing its workforce by 9%.

FINANCING SUMMARY

Obligor: IMT Real Estate, L.L.C.

Guarantors: Mark and Mary Markovich, Illinois Machine and Tool Works

Repayment: In the event of a liquidation of our collateral, proceeds will be applied first to repay the subject loan before paying any other credit facility.

ECONOMIC DISCLOSURE STATEMENT

Applicant: IMT Real Estate, L.L.C.
Organization: Illinois Limited Liability Company
Ownership: Mark and Mary Markovich, each 50%

PROFESSIONAL & FINANCIAL

Banker:	Heartland Bank & Trust Company	Peoria	Don Shafer

LEGISLATIVE DISTRICTS

Congressional: 18 – Ray LaHood
State Senate: 46 – George P. Shadid
State House: 91 – Michael K. Smith

MEMORANDUM

TO: IFA Board of Directors

FROM: Jim Senica

DATE: June 12, 2007

RE: Precision Laser Manufacturing, Inc. Participation Loan
Amount Increase and Commitment Extension Request
Project No. B-LL-TX-6224

Precision Laser Manufacturing, Inc. is a high technology industrial organization specializing in laser processing, performing such operations as laser cutting of clutch plates and friction discs used on equipment in the earth-moving industry, laser cutting of stainless steel for companies involved in the food processing and medical industries and laser tube cutting for machinery in the agriculture industry.

Morton Community Bank and Precision Laser Manufacturing, Inc. have requested that IFA approve an increase of $50,000 in the amount of its loan (originally approved at $250,000) as well as a 6-month extension to November 14, 2007, on its commitment to its Participation Loan. IFA loan proceeds along with the Bank's loan and a Tazewell County Revolving Loan of $100,000 will be used to finance the acquisition of new laser equipment. IFA is committed to the financing after the acquisition of the equipment is completed and the permanent financing is established. The Board originally approved this project on November 14, 2006, with the usual six-month commitment, expiring on May 14, 2007. The commitment extension is being requested to allow Tazewell County time to close their loan prior to IFA closing its portion with the Bank. An additional $50,000 is being requested from both the Bank and IFA to cover a $35,000 exchange rate difference between Belgium currency and the U.S. dollar and to finance the acquisition of additional equipment components that will enable the Company to further increase manufacturing capacity. The equipment acquisition has been completed and Tazewell County estimates that they will be able to close their loan in early July.

Staff has re-reviewed the financial condition of the applicant with the lender and management. Analysis of the Company's preliminary financial statements for fiscal year 2006 reveal revenues of $1.34 million and net income of $5 million, with revenues being within $100,000 of the projected
2006 $1.44 million amount and net income equaling the projected $5 million amount.

Proforma debt service coverage with the additional $100,000 of debt would be 1.63x, 2.29x and 2.33x for fiscal years ending February 28, 2007, 2008 and 2009 respectively.

When originally approved by the IFA Board at the November 14, 2006, meeting, the following terms were approved:

Loan Term:	7 Years
Amortization Period:	7 Years
Bank Interest Rate:	8.50 % for the 7-year term of the loan
IFA Rate:	200 basis pint below Bank's Rate, 6.50%
Collateral:	pro rata first position on project equipment with an original cost of $600,000 discounted 65% to $390,000 and a pro rata second mortgage valued at $385,000 on the industrial building located at 3700 N Main in East Peoria. Unlimited personal guaranties of Todd E. Berry

Upon extension of the commitment, IFA's rate will become 3-Month LIBOR + 100 basis points (6.37%) fixed for the initial 5 years of the loan and then reset at 3-month LIBOR + 100 basis point in effect at that time for the remaining 2 years of the 7-year loan. The pro rata first position of the project equipment will increase to $455,000, reflecting 65% of the $100,000 increase in the equipment cost. Additionally, the second mortgage on the industrial real estate property has been reduced with pay down on the mortgage total since the project was originally presented. All other terms of the loan will remain intact.

A copy of the original project summary presented for Board approval is included with this memorandum to provide a complete overview of the project.

Staff recommends approval of the request.

The voting record of this Participation Loan as originally approval at the November 14, 2006, Board meeting is as follows:

Ayes:	9	Absent:	6	(Boyles, DeNard, Herrin, Nesbitt, Rice & Rivera)
Nays:	0	Abstentions:	0	

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
November 14, 2006

Project: **Precision Laser Manufacturing, Inc.**

STATISTICS

Project Number:	B-LL-TX-6224	Amount:	$250,000
Type:	Participation Loan	IFA Staff:	Jim Senica
Location:	East Peoria		

BOARD ACTION

Purchase of Participation Loan from Morton Community Bank
$250,000 IFA funds at risk
Staff recommends approval

PURPOSE

Loan proceeds will be used to finance the acquisition of new laser equipment.

VOTING RECORD

No voting record. This is the first time the IFA Board of Directors has reviewed this project.

SOURCES AND USES OF FUNDS

Sources:	IFA Participation:	$250,000	Uses:	Equipment Acquisition	$600,000
	Morton Community Bank:	250,000		Total	$600,000
	Tazewell County RLF (subord.)	100,000			
	Total	$600,000			

JOBS

Current employment:	11	Projected new jobs:	2
Jobs retained:	NA	Construction jobs:	N/A

BUSINESS SUMMARY

Background: Precision Laser Manufacturing, Inc. was started in 1990 to apply laser technology to laser cutting applications. Current owner Todd E. Berry purchased the Company, a C-corporation, in 1996.

Description: Precision Laser Manufacturing, Inc., a high technology organization specializing in laser processing, performs laser cutting of clutch plates and friction discs used on equipment in the earth-moving industry. Other unique laser applications provided by the Company are laser cutting of stainless steel for companies involved in the food processing or medical industries (including a former IDFA borrower, Hawkeye Food Machinery, Inc. of Galesburg) and laser trimmings of stampings for the automotive industry. In addition, Precision Laser Manufacturing, Inc. provides laser tube cutting for machinery in the agriculture industry, laser welding of transmission components for off-highway equipment and laser engraving of intricate part numbers. Laser tube cutting is an especially fast-growing segment of the industry as more and more companies are discovering the advantages to laser processing their tubing requirements.

Precision Laser Manufacturing, Inc.'s laser system allows the Company to weld without adding filler materials. The laser weld produces a 2 to 4 mm penetration while keeping distortion to a minimum. This is accomplished by controlling the heat applied during the welding process, which allows for a more precise weld than conventional techniques. Precision Laser Manufacturing, Inc. has the capacity and flexibility to handle both small volume prototype work as well as medium to high volume production quantities. The Company has the ability to work from a final drawing, help analyze, design and develop a rough concept or start anywhere in-between.

The Project: Precision Laser Manufacturing is planning to acquire two new 4000 watt lasers and a new 2,500 watt laser to retrofit three existing lasers. Acquisition of the new lasers will enable the Company to compete in the market more effectively in addition to accruing significant operating cost savings in terms of reduced maintenance and fuel usage.

Precision Laser Manufacturing, Inc. is a repeat borrower with IFA/IDFA. On November 20, 1996, the IDFA Board approved a $100,000 Participation Loan to assist in financing a new laser; the Company created 4 new jobs with this project. On April 16, 1997, the IDFA Board approved a second Participation Loan in the amount of $145,000 to purchase a second laser; 2 new jobs were created with this project. May 17, 2001, represented the IDFA Board approval of a third Participation Loan to PLM's owner, Todd Berry, in the amount of $240,000 to finance the acquisition of an industrial building in East Peoria; 2 additional new jobs were created with this financing. The Company and its owner have exhibited an excellent repayment history with all of these loans being fully repaid. Just as is this loan request, all prior participation loans were purchased from Morton Community Bank.

FINANCING SUMMARY

Obligor: Precision Laser Manufacturing, Inc.

Guarantor: Todd E. Berry

Repayment: In the event of a liquidation of our collateral, proceeds will be applied first to repay the subject loan before paying any other credit facility.

ECONOMIC DISCLOSURE STATEMENT

Applicant: Precision Laser Manufacturing, Inc.
Organization: Illinois C Corporation
Ownership: Todd E. Berry – 100%

PROFESSIONAL & FINANCIAL

Banker:	Morton Community Bank	East Peoria	Josh Graber

LEGISLATIVE DISTRICTS

Congressional:	18 – Ray LaHood
State Senate:	44 – Bill Brady
State House:	87 – Bill Mitchell

MEMORANDUM

TO: IFA Board of Directors

FROM: Jim Senica

DATE: June 12, 2007

RE: GFY Management Inc.
Project No. B-LL-TX-6257

GFY Management Inc. is an Illinois S corporation that owns and manages the Peoria real estate and equipment of Prima Pasta Shop, Inc., which manufactures fresh, gourmet pasta for the commercial food industry, including restaurants and institutional food services.

Chase Bank and GFY Management Inc. have requested that IFA approve a *slight* decrease to IFA's interest rate on GFY's $247,000 Participation loan approved by the IFA Board at the December 5, 2006 Board meeting. IFA staff worked with the borrower during the summer months of 2006 (*during which time IFA was customarily approving participation loans up to 200 basis points below the bank rate*) toward a September, 2006 presentation for approval before the IFA Board. Per discussion with IFA staff, management based its purchase of Prima Pasta Shop, Inc.'s real estate and equipment on an IFA 100 basis point reduction from Chase Bank's 6.25% on the $212,500 real estate portion and 6.50% on the $34,500 equipment portion of the $247,000 loan. Presentation was delayed to the Board due to illness by staff until the December board meeting and at that time, this loan was approved with an IFA interest rate of 6% for both portions of the financing.

Chase Bank and GFY Management request that the IFA rate on 50% of the outstanding balance of approximately $210,000 (as of May 25, 2006) real estate portion of the loan be reduced by 75 basis points and that the IFA rate on 50% of the outstanding balance of approximately $32,000 (as of May 25, 2006) equipment portion of the loan be reduced by 50 basis points to reflect the 100 point basis point reduction management relied on when purchasing the project assets. Providing the rate reductions requested would result in only $7,375.00 in reduced interest for IFA over the entire five-year term of the loan, an extremely small cost to maintain IFA's integrity and reputation in the area.

It is important to note that IDFA/IFA financed the original construction of the project real estate with a $150,000 Participation Loan in association with a $150,000 loan from Associated Bank when Prima Pasta Shop, Inc. was owned and operated by Sandy Arnold and Sue Dellavalle. This loan has been repaid in full after serious illness required the owners to sell the business. If it were not for the purchase by GFY Management, the business could have been closed or sold to out-of-state purchasers completely eliminating 13 manufacturing jobs in the area.

Staff has re-reviewed the financial condition of the applicant with Jeff Ulrich, the banker at Chase Bank; Jeff stated that no material adverse change has taken place within Company operations. A copy of the original project summary presented for Board approval is included with this memorandum to provide a complete overview of the project.

When originally approved by the IFA Board at the December 5, 2006, meeting, the following terms were approved:

Loan Term:	5 Years
Amortization Period:	On the $212,500 real estate portion of the loan, 20 years with balloon payment due at the end of the loan term; on the $34,500 equipment portion of the loan, 5 years
Bank Interest Rate:	6.25% on real estate portion; 6.50% on equipment portion
IFA Rate:	6.00% on both portions of the loan
Collateral:	Pro-rate first mortgage on project real estate with an appraised value of $425,000 and a pro rata first position on equipment being purchased with a cost of $173,500 discounted by 50% to $86,750 Personal guaranties of Nicholas R. Owens and Donald Q. Welch

Upon approval of the rate adjustment, IFA's rate would become 5.25% on the real estate portion of the loan and 5.50 % on the equipment portion of the loan. All other terms of the loan would remain intact.

Given the fact that the project was clearly in-process during the period when the Participation Loan rate was being marketed as "up to 200 basis point below the bank's rate", staff recommends approval of the request.

The voting record of this Participation Loan as originally approval at the December 5, 2006, Board meeting is as follows:

Ayes:	10	Absent:	5 (Boyles, DeNard, Giannoulias, O'Brien & Rice)
Nays:	0	Abstentions:	0

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY
December 5, 2006

Project: **GFY Management Inc.**

STATISTICS

Project Number:	B-LL-TX-6257	Amount:	$247,000
Type:	Participation Loan	IFA Staff:	Jim Senica
Location:	Peoria		

BOARD ACTION

Purchase of Participation Loan from JP Morgan Chase Bank
$247,000 IFA funds at risk
IFA's interest rate will be fixed at 6.00 % for the five year term of the loan.
Staff recommends approval

PURPOSE

Loan proceeds will be used to finance the acquisition of an industrial building located at 1715 West Chanute Road in Peoria's Pioneer Industrial Park and the acquisition of manufacturing equipment.

VOTING RECORD

No voting record. This is the first time the IFA Board of Directors has reviewed this project.

SOURCES AND USES OF FUNDS

Sources:	IFA Participation:	$247,000	Uses: Project Costs	$598,500
	JP Morgan Chase Bank:	248,000	Total	$598,500
	Equity	103,500		
	Total	$598,500		

JOBS

Current employment:	13	Projected new jobs:	1
Jobs retained:	13	Construction jobs:	N/A

BUSINESS SUMMARY

Background: Sandy Arnold and Sue Dellavalle started Prima Pasta Shop, Inc., an Illinois S Corporation, in 1994 to engage in the manufacture of fresh gourmet-quality pasta. In 2003, Sandy and her husband Michael received a **$150,000 IDFA participation loan** to combine with Associated Bank's loan of $150,000 to finance the construction of the 4,100 square foot building in which the Company operates; IDFA/IFA's participation loan has recently been repaid in full by the Arnolds. Within the last year, Sandy Arnold became seriously ill and had to sell the business. The applicant, GFY Management Inc., has purchased the business and will be using proceeds of this loan to finance the acquisition of the building and equipment used by the Prima Pasta Shop, Inc.

Description: Prima Pasta Shop, Inc. manufactures fresh, gourmet pasta for the commercial food industry, including restaurants and institutional food services. The Company's products include several lines of gourmet ravioli as well as various other types of pastas usually served in specialty restaurants. Distribution of the pasta had been done primarily through two distributors, SYSCO Foods, Chicago and Thomas Proestler, Rock Island. (In fact, Prima Pasta Shop, Inc. has been the number two supplier for SYSCO, Chicago.) GFY Management Inc.'s owners, Nicholas R. Owens and Donald Q. Welch, are planning to expand the business through the use of more distributors. Donald Welch's spouse, Deborah, will be managing the day-to-day operations of the Company

Prima Pasta Shop, Inc. has a wide array of customers, including major chains such as Biaggi's (an upscale Italian restaurant), The Olive Garden and prior to a menu change, Ned Kelly's. Additionally, the Company supplies numerous individual restaurants and institutional food service operations. Since the Company does ship throughout the U.S., it is subject to federal food inspection laws and has a USDA inspector on the premises three days per week.

The Project: The project entails the acquisition of the land, building and equipment of Prima Pasta Shop, Inc at a total cost of $598,500.

FINANCING SUMMARY

Obligor: GFY Management Inc.

Guarantors: Nicholas R. Owens and Donald Q. Welch

Repayment: In the event of a liquidation of our collateral, proceeds will be applied first to repay the subject loan before paying any other credit facility.

ECONOMIC DISCLOSURE STATEMENT

Applicant: GFY Management Inc.
Organization: Illinois S corporation
Ownership: Nicholas R. Owens 50% and Donald Q. Welch 50%

PROFESSIONAL & FINANCIAL

Banker:	JP Morgan Chase	Peoria	Jeffrey Ulrich

LEGISLATIVE DISTRICTS

Congressional: 18 – Ray LaHood
State Senate: 46 – Dave Koehler
State House: 93 – David R. Leitch

ILLINOIS FINANCE AUTHORITY

Memorandum

To: IFA Board of Directors

From: Rich Frampton

Date: June 12, 2007

Re: Resolution to Authorize the Conversion from a Taxable Convertible Mode to a Tax-Exempt Mode and Authorizing the Execution and Delivery of a Supplemental Trust Indenture, Supplemental Loan Agreement, a Tax-Exemption Certificate and Agreement, and Related Documents for the Deemed Reissuance of DePaul University Series 2005C Revenue Bonds
IFA Project E-PC-TE-CD-501

DePaul University, a 501(c)(3) not-for-profit incorporated under Illinois law (the "University"), wishes to (1) amend the original Trust Indenture and Loan Agreement between the Illinois Finance Authority and the University, and (2) to extend the final maturity date, and related documents in order to enable conversion of approximately $37,675,000 of IFA Series 2005C Educational Facilities Revenue Bonds (DePaul University) from Taxable Variable (Auction) Rate Mode to Tax-Exempt Variable (Auction) Rate Mode.

All of the requested changes were contemplated at the time of IFA's 2005 bond issue. At that time, the Series 2005C Bonds could not be advance refunded on a Tax-Exempt basis – accordingly, the Series 2005C Bonds were advance refunded on a Taxable Convertible basis, with the conversion to Tax-Exempt Mode scheduled to occur with 90 days of the 10/1/2007 call date on the original IFA (IEFA) Series 1997 Bonds.

A copy of the Resolution that will authorize this anticipated conversion from Taxable Auction Rate Mode to Tax-Exempt Auction Rate Mode for the IFA Series 2005C Bonds (DePaul University) is attached. The Bonds will continue to be insured by XL Capital Assurance.

The Prior IFA Voting Record for the IFA Series 2005C Revenue Bonds (DePaul University) and the current list of project professionals follows immediately below.

VOTING RECORD

Final Bond Resolution: February 8, 2005

Ayes: 8 Nays: 0 Abstentions: 0
Absent: 4 (Delgado, Herrin, O'Brien, Ozark) Vacancies: 3

PROFESSIONAL & FINANCIAL

DePaul University:	David Dabney, Treasurer	Chicago, IL	
Counsel:	O'Keefe Lyons & Hynes LLC	Chicago, IL	Daniel Coyne
Auditor:	KPMG LLP	Chicago, IL	Terri Desris
Bond Counsel:	Chapman and Cutler, LLP	Chicago, IL	Jim Luebchow
Bond Insurance:	XL Capital Assurance	New York, NY	Scott Beinhacker
Underwriter – Senior Manager:	Lehman Brothers	New York, NY	Jim Costello, Don Mathewson
Underwriter – Co-Manager:	Goldman Sachs	Chicago, IL	Rich Bellis
Underwriter's Coun.:	Foley & Lardner LLP	Chicago, IL	Christopher Knight
Trustee:	US Bank	Chicago, IL	Grace Gorka
Series 1997 Bond Trustee:	Bank of New York	Chicago, IL	Joyce Wallington-Jones
Printer:	ImageMaster-MuniOS.com	Ann Arbor, MI	Jennifer Braun
Auction Agent:	Deutsche Bank	New York, NY	Shafiq Jadavji
Issuer's Counsel:			
IFA Financial Advisors:	D.A. Davidson & Co.	Chicago, IL	Bill Morris
	Scott Balice Strategies, Inc.	Chicago, IL	Lois Scott

Attachments:

- Copy of Amendatory Resolution

RESOLUTION 07-06-__

RESOLUTION AUTHORIZING THE CONVERSION TO A TAX-EXEMPT RATE AND THE DEEMED REISSUANCE OF $35,675,000 AGGREGATE PRINCIPAL AMOUNT OF AUCTION RATE REVENUE REFUNDING BONDS, DEPAUL UNIVERSITY, SERIES 2005C (THE "CONVERTED SERIES 2005C BONDS"), OF THE ILLINOIS FINANCE AUTHORITY; AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF A FIRST SUPPLEMENTAL TRUST INDENTURE, A FIRST SUPPLEMENTAL LOAN AGREEMENT, A TAX EXEMPTION CERTIFICATE AND AGREEMENT AND RELATED DOCUMENTS; APPROVING THE DISTRIBUTION OF A REOFFERING DOCUMENT; AND AUTHORIZING AND APPROVING 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"), pursuant to the laws of the State of Illinois, including without limitation, the Act, has heretofore issued its Taxable Auction Rate Revenue Refunding Bonds, DePaul University, Series 2005C (the "Original Bonds"), pursuant to the provisions of that certain Trust Indenture dated as of March 1, 2005 (the "Original Indenture") between the Authority and U.S. Bank National Association (the "Trustee") in the aggregate principal amount of $37,600,000, and such Original Bonds are presently outstanding in the aggregate principal amount of $36,675,000; and

WHEREAS, in connection with the issuance of the Original Bonds, the Authority lent the proceeds thereof to DePaul University, an Illinois not for profit corporation (the "University"), pursuant to the provisions of that certain Loan Agreement dated as of March 1, 2005 (the "Original Loan Agreement") between the Authority and the University to provide all or a portion of the funds necessary to (i) advance refund a portion of the outstanding Illinois Educational Facilities Authority Revenue Refunding Bonds, DePaul University, Series 1997 (the "Series 1997 Bonds"), issued in the original aggregate principal amount of $58,725,000, (ii) make any required deposits to certain funds maintained in accordance with the Original Indenture and (iii) pay certain costs relating to the issuance of the Original Bonds and the Authority's Revenue Refunding Bonds, DePaul University, Series 2005A, the refunding of the outstanding Illinois Educational Facilities Authority Adjustable Demand Revenue Bonds, DePaul University, Series 1992, and the advance refunding of the Series 1997 Bonds, including the costs of bond insurance; and

WHEREAS, the Original Bonds and the Original Indenture contain provisions permitting the University, upon the satisfaction of certain conditions precedent thereto set forth in the Original Indenture, to direct the conversion of the interest rate on all or a portion of the Original Bonds to the Tax-Exempt Rate (as defined in the Original Indenture), thereby causing the Original Bonds so converted to be subject to mandatory tender and remarketing; and

WHEREAS, the University now desires to direct the conversion to the Tax-Exempt Rate and the related tender and remarketing of $35,675,000 in aggregate principal amount of the Original Bonds (the "Converted Bonds"), and has requested that the Authority approve such conversion and take all other action necessary or appropriate in connection therewith, including (i) authorizing the execution and delivery of a First Supplemental Trust Indenture between the Authority and the Trustee (the "Supplemental Indenture"), supplementing the Original Indenture, to effect such conversion and, in connection therewith, to extend the final maturity date of the Original Bonds as set forth in the Supplemental Indenture, (ii) authorizing the execution and delivery of a Tax Exemption Certificate and Agreement (the "Tax Agreement") among the Authority, the University and the Trustee relating to the Converted Bonds, (iii) approving the execution and delivery of a First Supplemental Loan Agreement between the University and the Authority (the "Supplemental Loan Agreement"), supplementing the Original Loan Agreement, and (iv) approving the distribution of a supplement to the Official Statement for the Original Bonds or another form of reoffering document (the "Reoffering Document") in connection with the tender and remarketing of the Converted Bonds; and

WHEREAS, the effect of such conversion of the interest rate on the Converted Bonds to the Tax-Exempt Rate is to cause such Converted Bonds to be deemed "reissued" for purposes of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the Authority desires to approve such conversion to the Tax-Exempt Rate and deemed reissuance, for purposes of the Code, of the Converted Bonds, and authorize or approve the execution and delivery of the Supplemental Indenture, the Tax Agreement and the Supplemental Loan Agreement, the distribution of the Reoffering Document, and any other necessary or appropriate documentation to effect the foregoing;

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

Section 1. The Authority hereby approves the conversion of the interest rate on the Converted Bonds to the Tax-Exempt Rate, and the consequent deemed reissuance of the Converted Bonds for purposes of the Code, all pursuant to the provisions of the Original Bond Indenture.

Section 2. That the Authority is hereby authorized to enter into the Supplemental Indenture with the Trustee in substantially the same form as is now before the Authority; that the form, terms and provisions of the Supplemental Indenture be, and they hereby are, in all respects approved; that the Chairman, the Vice Chairman, the Treasurer or the Executive Director (and for purposes of this Resolution, any person duly appointed to any of such offices on an interim basis) of the Authority be, and each of them hereby is, authorized, empowered and directed to execute and deliver, and the Secretary or any Assistant Secretary of the Authority be and each of them hereby is, authorized, empowered and directed to attest and to affix the official seal of the Authority to the Supplemental Indenture in the name, for and on behalf of the Authority, and thereupon to cause the Supplemental Indenture to be executed, acknowledged and delivered to the Trustee, in substantially the form now before the Authority or with such changes therein as the Chairman, the Vice Chairman, the Treasurer or the Executive Director (and for purposes of this Resolution, any person duly appointed to any of such offices on an interim basis) shall approve, his/her execution thereof to constitute conclusive evidence of such 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 as hereinabove provided, such Supplemental Indenture shall be binding on the Authority; 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; and that the Supplemental Indenture shall constitute, and hereby is made, a part of this Resolution, and a copy of the Supplemental 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 3. That the Authority is hereby authorized to enter into the Supplemental Loan Agreement with the University in substantially the same form as is now before the Authority; that the form, terms and provisions of the Supplemental Loan Agreement be, and they hereby are, in all respects approved; that the Chairman, the Vice Chairman, the Treasurer or the Executive Director (and for purposes of this Resolution, any person duly appointed to any of such offices on an interim basis) 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 Supplemental Loan Agreement in the name, for and on behalf of the Authority, and thereupon to cause the Supplemental Loan Agreement to be delivered to the University, and to be in substantially the same form as is now before the Authority or with such changes therein as the Chairman, the Vice Chairman, the Treasurer or the Executive Director (and for purposes of this Resolution, any person duly appointed to any of such offices on an interim basis) shall approve, his/her execution thereof to constitute conclusive evidence of such approval of any and all changes or revisions therein from the form of the Supplemental Loan Agreement now before the Authority; that when the Supplemental Loan Agreement is executed, attested, sealed and delivered on behalf of the Authority as hereinabove provided, such Supplemental Loan Agreement will be binding on the Authority; that from and after the execution and delivery of the Supplemental Loan 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 Supplemental Loan Agreement as executed; and that the Supplemental Loan Agreement shall constitute, and hereby is made, a part of this Resolution, and a copy of the Supplemental Loan 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 4. That the Authority is hereby authorized to enter into the Tax Agreement with the University and the Trustee in the form to be approved by bond counsel, by counsel for the Authority and by counsel for the University; that the Chairman, the Vice Chairman, the Treasurer or the Executive Director (and for purposes of this Resolution, any person duly appointed to any of such offices on an interim basis) of the Authority be, and each of them hereby is, authorized, empowered and directed to execute and deliver the Tax Agreement in the form so approved; that when the Tax Agreement is executed and delivered on behalf of the Authority as hereinabove provided, such Tax Agreement will be binding on the Authority; and that from and after the execution and delivery of the Tax 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 Tax Agreement as executed.

Section 5. That the form of the Converted Bonds now before the Authority, subject to appropriate insertions and revisions in order to comply with the provisions of the Supplemental Indenture (as executed and delivered) be, and the same hereby is, approved; that the Converted Bonds shall be executed in the name, for and on behalf of the Authority with the manual or facsimile signature of its Chairman or Vice Chairman and attested with the manual or facsimile signature of its Secretary or any Assistant Secretary and the seal of the Authority shall be impressed or imprinted thereon; that the Chairman, the Vice Chairman or any other officer of the Authority shall cause the Converted Bonds, as so executed and attested, to be delivered to the Trustee for authentication; and when the Converted Bonds shall be executed on behalf of the Authority in the manner contemplated by the Original Indenture, the Supplemental Indenture and this Resolution, they shall represent the approved form of Converted Bonds of the Authority.

Section 6. That the distribution of the Reoffering Document by the remarketing agent for the Converted Bonds, in the form to be approved by bond counsel, by counsel for the Authority and by counsel for the University, is hereby approved, and each of the Vice Chairman, the Treasurer or the Executive Director (and for purposes of this Resolution, any person duly appointed to any of such offices on an interim basis) of the Authority hereby is authorized, empowered and directed to certify that the information contained in the Reoffering Document under the headings "THE AUTHORITY" and "LITIGATION–The Authority," to the extent such information pertains to the Authority, is in a form "Deemed Final" by the Authority.

Section 7. The Chairman, the Vice Chairman, the Treasurer or the Executive Director (and for purposes of this Resolution, any person duly appointed to any of such offices on an interim basis) of the Authority, the Secretary, any Assistant Secretary and any other officer of the Authority be, and each of them hereby is, authorized to execute and deliver such documents, certificates, and undertakings of the Authority and to take such other actions as may be required in connection with carrying out and complying with this Resolution and the conversion of the interest rate on the Converted Bonds to the Tax-Exempt Rate, and the consequent deemed reissuance of the Converted Bonds for purposes of the Code, or with the execution, delivery and performance of the Supplemental Indenture, the Supplemental Loan Agreement and the Tax Agreement, all as authorized by this Resolution.

Section 8. 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 9. 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 10. That all resolutions and orders, or parts thereof, in conflict herewith, are hereby superseded to the extent of such conflict.

Section 11. That this Resolution shall be in full force and effect immediately upon its passage, as by law provided.

Illinois Finance Authority
Interoffice Memorandum

To: IFA Board of Directors

From: Sharnell Curtis-Martin

Date: June 12, 2007

Re: Network Innovations, Inc. – Change of Borrower's Name to NI Investments LLC
(IFA File No. B-LL-TX-722)

Network Innovations, Inc. is an Illinois "S" Corporation located in Chicago that is a telecommunications firm specializing in providing data and voice telecommunications to commercial businesses.

TCF Bank has requested that IFA approve a change in the name of the borrowing entity on its Participation Loan. The Board originally approved this loan of $520,000 in January 2006 and closed in February 2006. The borrower has been paying as agreed and is current on all loan payments. The individual shareholders of Network Innovations, Inc. will be the same individuals who are the members of NI Investments LLC.

Staff has reviewed the financial condition of the applicant with Eddie Soto, the banker at TCF Bank and concluded that the financial condition of the Company has not materially changed since the project was originally approved by the IFA Board in January 2006 and financial projections are better than forecasted for fiscal years 2005 and 2006. Total Revenues were $3.5 million in 2005 and $9 million in 2006 while net income was approximately $777,000 in 2005 and $912,000 in 2006. A copy of the original project summary is attached to this memorandum to provide a complete overview of the project.

Staff recommends approval of this request.

The voting record on this participation loan as originally approved at the January 2006 Board meeting is as follows:

Ayes: 10 Nays: 0 Abstentions: 0
Absent: 5 (DeNard, Fuentes, Goetz, Herrin, Nesbitt)

ILLINOIS FINANCE AUTHORITY
BOARD SUMMARY

Project: **Network Innovations, Inc.**

STATISTICS

Deal Number:	B-LL-TX-722	Amount:	$520,000
Type:	Participation Loan	IFA Staff:	Sharnell Curtis Martin
Location:	Chicago		

BOARD ACTION

Purchase of Participation from TCF Bank
$520,000 of IFA funds at risk
Collateral is parri passu first position with the bank
Exception: This loan does not meet the Board's loan to value standard but is supported by the owners' personal guarantees.
Staff recommends approval

PURPOSE

Loan proceeds will be used to finance the acquisition of a building.

VOTING RECORD

Initial Board Consideration, no previous voting record.

SOURCES AND USES OF FUNDS

Sources:	TCF Bank	$650,000	Uses:	Project Costs	$1,300,000
	IFA	520,000			
	Equity	130,000			
	Total Sources	$1,300,000		Total Uses	$1,300,000

The Source of equity is from internally generated funds.

JOBS

Current employment:	14	Projected new jobs:	25
Jobs retained:	N/A	Construction jobs:	N/A

BUSINESS SUMMARY

Background: Network Innovations, Inc. ("NI" or the "Company") was founded by Rick Stern in 1997, and is a telecommunications firm specializing in providing data and voice telecommunications including Wide Area Networks (WAN), Internet, and Voice connectivity to commercial businesses. The Company is an "S" Corporation. Horizon Network Technologies ("HNT") was also founded in 1997 by Ronald Grason as a telecommunications firm. Rick Stern was the sole stockholder of NI and Ronald Grason was the sole stockholder of HNT. The two firms, NI and HNT, operated as individual businesses but partnered on projects that served large clients.

In 2004, Mr. Grason consolidated HNT into NI. Mr. Stern and Mr. Grason each own 50% of the Company. Rick Stern in the CEO and manages the Company's operations including finance, operations, sales and provisioning. Mr. Stern has a B.S. in Telecommunications from the University of Florida and was employed for 10 years with Sprint/MCI where he managed a 19 state territory.

Ronald Grason is the COO and manages the Company's sales and marketing efforts. Mr. Grason has a B.S. Degree in Biology with a minor in Chemistry from the University of Chicago and spent 10 years in major account sales at MCI/Verio. The company recently added Milan Saric as CFO. Mr. Saric is a CPA and holds a MBA from the University of Illinois and has more than 25 years experience in financial management.

Description: The new facility located at 1246 W. George is a 5,500 square foot facility and will replace the present leased 1,700 square foot facility where NI is presently housed. The Company presently has 14 employees including Mr. Stern and Mr. Grason. The remaining employees are a five person sales staff and seven employees providing customer and administrative support. NI expects to add 25 new employees by the end of 2006.

FINANCING SUMMARY

Security: Pro-rata first position "parri passu" with TCF Bank on the building located at 1246 W. George in Chicago (Cook County), Illinois. A first mortgage and assignment of rents and leases on the subject ploperty located at located at 1246 W. George in Chicago (Cook County), Illinois, as well as the personal guarantee of Rick Stern and Ronald Grason

Structure: Based on the guidelines of the Participation Loan Program, IFA's interest will be 200 basis points below the bank's stated rate of 2.50% over the 5-year treasury with 50 basis points retained by the bank for servicing.

Maturity: The loan will be set on a 10-year term with a 10-year amortization with an interest rate reset after five years.

Covenants: Annual Financial Statements on a quarterly basis
Personal guaranties of Rick Stern and Ronald Grason
Evidence of insurance on the collateral

PROJECT SUMMARY

Bond proceeds will be used to finance the acquisition of a 5,500 square foot building located at 1246 W. George in Chicago (Cook County), Illinois. Project costs are estimated at $1,300,000.

ECONOMIC DISCLOSURE STATEMENT

Applicant:	Network Innovations, Inc.	
Project name:	Network Innovations, Inc. New Facility	
Location:	1246 W. George Street, Chicago, IL, 60657 - 4220 (Cook County)	
Organization:	"S" Corporation	
State:	Illinois	
Ownership:	Rick Stern	50%
	Ronald Grason	50%
Land Sellers:	The Brixton Group Ltd.	
	Jeffery Ruttenberg	

PROFESSIONAL & FINANCIAL

Borrower's Counsel:	To Be Determined		
Accountant:	Cappuccitti, Pawlowicz Accounting Services	Medinah	Rose Pawlowicz
IFA Counsel:	Dykema Gossett	Chicago	Daryl Pierce

LEGISLATIVE DISTRICTS

Congressional:	5 – Rham Emanuel
State Senate:	6 – John J. Cullerton
State House:	11 – John A. Fritchey