

Constantino, Mike

From: John Kniery [JKniery@foleyandassociates.com]
Sent: Thursday, January 17, 2013 11:47 AM
To: Constantino, Mike
Cc: Christopher J. Lukaart; Ed Grogg; blevinson@platinumhc.net
Subject: 12-083 Obligation
Attachments: SCFA13011711370.pdf

Mike: Please accept the attached as documentation providing proof of obligating the project. If there is anything else that you need, please do not hesitate to contact me. In addition, you will notice that obligation actually occurred under the previous project 08-086, therefore, this correspondence is to meet the letter of the law. Many thanks for your consideration on this matter.

John P. Kniery

Health Care Consultant
Foley & Associates, Inc.
1638 So. MacArthur Boulevard
Springfield, Illinois 62704
217.544.1551 - Office
217.544.3615 - Facsimile
foley@foleyandassociates.com

jkniery@foleyandassociates.com

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OJCC LLC
3089 Old Jacksonville Rd.
Springfield, IL

HAND DELIVERED

January 17, 2013

Ms. Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
Illinois Department of Public Health
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761

Re: 12-083, Springfield Nursing and
Rehabilitation Center – Obligation

Dear Ms. Avery:

Please accept this letter as verified notification that the above referenced project was obligated on September 30, 2011 under Project No. 08-086, a copy of which is attached (refer to **EXHIBIT I**). Please refer to the enclosed the MS Springfield, L.P. (formerly known as MS Springfield, LLC) loan statement from Springfield's Town and Country Bank as documentation of the financing, which you will note is almost completed at this time (**EXHIBIT II**). In fact, this Project is scheduled for completion on or prior to February 1, 2013. The project's cost, scope and design are in compliance with that which has been approved as part of the Permit Approval for Project No. 12-083.

Obligation, according to Section 1130.140, "Obligation" means the commitment of at least 33% of total funds assigned to cover total project cost, that occurs by: 1) The actual expenditure of 33% or more of the total project cost; and/or 2) The commitment to expend 33% or more of the total project cost by signed contracts or other legal means. The loan statement is indicative of item number 2 of the definition as the Applicants have already spent over 33% of the total project cost.

I trust that the above information and documentation formally addresses the project's obligation of this project and clears up any and all question and concerns presented by staff. If you have any further questions or concerns with this matter, please do not hesitate to contact me. Thanks You.

Sincerely,


Brian Levinson

ENCLOSURES



- C: John P. Kniery – CON Consultant
Michael Constantino – HFSRB Staff
V. Edward Grogg – MS Springfield, L.P.

State of Illinois
County of Coate

Sworn to before me this
17th day of January, ~~2013~~
2013

Notary Public

A handwritten signature in cursive script that reads "David Porush".

AIA[®] Document A102[™] – 2007

Standard Form of Agreement Between Owner and Contractor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price

AGREEMENT made as of the 30th day of September in the year 2011
(In words, indicate day, month and year.)

BETWEEN the Owner:
(Name, legal status, address and other information)

Mainstreet Properties Group, Inc.
189 West Jackson Street
Cicero, IN 46034

and the Contractor:
(Name, legal status, address and other information)

Walsh Construction Company II, LLC
929 West Adams Street
Chicago, IL 60607

for the following Project:
(Name, location and detailed description)

Springfield Short Stay Rehab Facility
3089 Old Jacksonville Road
Springfield, IL 62704

The Architect:
(Name, legal status, address and other information)

MSKTD of Illinois, Inc.
1715 Magnavox Way
Fort Wayne, IN 46804

The Owner and Contractor agree as follows.

ADDITIONS AND DELETIONS:
The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

This document is not intended for use in competitive bidding.

AIA Document A201[™]-2007, General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

int.

This Agreement entered into as of the day and year first written above.


OWNER (Signature)

V. Edward Cragg, President
(Printed name and title)


CONTRACTOR (Signature)

Walsh Construction Company II, LLC
Sean C. Walsh, President
(Printed name and title)

init.



MAILING ADDRESS
 P.O. Box 13255
 Springfield, IL 62791

ACCOUNT NUMBER [REDACTED]
 PAYMENT DUE DATE [REDACTED]
 PAYMENT AMOUNT .00
 TOTAL CURRENT DUE [REDACTED]
 TOTAL AMOUNT YOU ARE PAYING [REDACTED]

MS Springfield, LLC
 c/o Kylee Turner McMurray
 109 W Jackson Street
 POB 767
 Cicero IN 46034

⑆500100215⑆

PLEASE RETURN TOP PORTION OF STATEMENT WITH YOUR PAYMENT (MADE PAYABLE TO: TOWN AND COUNTRY BANK)

STATEMENT DATE - 1/03/13

PAGE 1

ACCOUNT NUMBER	[REDACTED]	PAYMENT DUE DATE	[REDACTED]
CURRENT BALANCE	9,836,062.01	PRINCIPAL DUE	.00
INTEREST RATE	[REDACTED]	INTEREST DUE	[REDACTED]
INTEREST PAID YTD	.00	ESCROW/OTHER CHGS	.00
MATURITY DATE	[REDACTED]	TOTAL CURRENT DUE	[REDACTED]
CREDIT LIMIT	10,360,000.00	PAST DUE AMOUNT	.00
AVAILABLE CREDIT	523,937.99	LATE CHARGES DUE	.00
		TOTAL AMOUNT DUE	[REDACTED]

DATE	DESCRIPTION OF TRANSACTIONS	AMOUNT	BALANCE
	BEGINNING BALANCE		8,627,011.47
12/13/12	PRINCIPAL ADVANCE	1,209,050.54	9,836,062.01
12/13/12	INTEREST ONLY PAYMENT	37,302.04	9,836,062.01

MAILING ADDRESS
 P.O. Box 13255
 Springfield, IL 62791

If you have questions in regard to your account, please call 217.787.3100 or Toll-Free 866.770.3100.
 Visit our website at www.townandcountrybank.com or call our 24-hour automated service Anytime Line: 800.506.6124





July 6, 2011

Mr. Clint Mitchell
Managing Director
LCG Capital Group, LLC
450 East 96th Street, Suite 500
Indianapolis, IN 46240

Via e-mail: cmitchell@lccapital.com

RE: MS Springfield, LLC
3089 Old Jacksonville Road
Springfield, Illinois

Dear Mr. Mitchell:

Town & Country Bank is pleased to provide this commitment letter for a loan package in the total amount of \$10,360,000 for the purpose of constructing and providing mini-perm financing for a proposed 45,000 square foot, 75-bed, skilled nursing facility in Springfield, Illinois. This Commitment will expire on October 6, 2011. The financing package will be subject to and made in accordance with the terms and conditions of this letter (the "Commitment").

Our Financing Commitment is as follows:

Construction Loan:

Borrower: MS Springfield, LLC, or some entity created to own the subject real estate.

Loan Amount: Up to \$10,360,000.00

Purpose: To provide construction financing for an approximately 45,000 square foot, 75 bed nursing facility at 3089 Old Jacksonville Road, Springfield, Illinois.

Term: Up to twenty-four (24) month construction phase with monthly payments of accrued interest from an interest reserve account.

Interest Rate: Floating monthly at Wall Street Journal Prime Rate, plus [REDACTED], subject to an interest rate floor of [REDACTED].

TOWN & COUNTRY BANK
Toll Free: 866-770-3100
www.townandcountrybank.com

P.O. Box 13255
Springfield, IL 62781-3255
217-787-3100

P.O. Box 317
Buffalo, IL 62616
217-384-4406

107 E. Highland Drive
Forsyth, IL 62635
217-872-1328

1646 State Hwy. 121
Mt Zion, IL 62549
217-664-2311

LOGAN COUNTY BANK
P.O. Box 169
Lincoln, IL 62658
217-732-3161

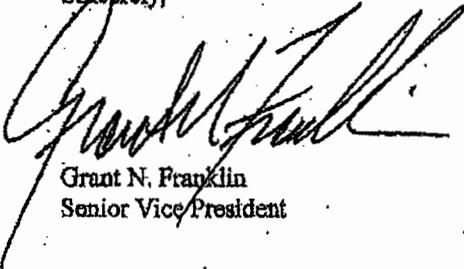
TOWN & COUNTRY BANK MORTGAGE SERVICES, INC.
P.O. Box 13255
Springfield, IL 62791-3255
217-787-3100

Mr. Clint Mitchell
LCG Capital Group, LLC
MS Springfield, LLC
Commitment Letter
July 7, 2011
Page 6 of 6

Thank you for the opportunity to provide you with this commitment for financing. If you are in agreement with the terms and conditions outlined within this Commitment Letter, please have an authorized representative of the company sign the Acceptance below, and return one copy of this letter with their check in the amount of \$10,360.00 which will be held as a deposit and applied to closing costs.

I can be reached at (217) 321-3612, or by e-mail at gfranklin@townandcountrybank.com. My mailing address is Town and Country Bank, 1925 S. MacArthur Blvd., Springfield, Illinois 62704.

Sincerely,



Grant N. Franklin
Senior Vice President

ACCEPTANCE

The Borrower hereby agrees to the above terms and conditions and accepts this Commitment for Financing provided by Town and Country Bank.

By,



Signature of Authorized Representative of
MS Springfield, LLC

7/7/11

Date