

Constantino, Mike

From: Anthony Tiritilli [Anthony@prismhealthcaregroup.com]
Sent: Tuesday, July 31, 2012 2:38 PM
To: Constantino, Mike
Subject: Obligation Period Extension Request
Attachments: Obligation Period Extension Request.docx

July 10, 2012

Alexis Murono Kendrick
Compliance and Legislative Affairs Manager
Illinois Health Facilities and Services Review Board
525 West Jefferson St.
Springfield, Illinois 62761

Re: Extension of the Obligation Period - #10-065-Park Pointe – South Elgin Healthcare and Rehabilitation Center

Dear Ms. Kendrick:

We are respectfully requesting an “Extension of the Obligation Period” regarding the above cited property.

The reason for the delay in the project is directly related to financing. At the date of issue of the CON permit the project had the necessary approvals to obtain an allocation of bonds in the amount of \$15,444,500. However, given the environment in the capital markets at that time we were unsuccessful in inducing a financial institution to provide the necessary credit enhancement that would allow us to sell the bonds in the marketplace. As such, the bond commitment expired. Subsequent their expiration, we have been actively engaged in discussions with various lenders to provide debt financing for the project. We are confident, with the capital markets stabilizing as they have over the last 6 months, they we will be successful in obtaining the financing adequate to complete this project.

The original Project Obligation period expired on June 14, 2012, so we are requesting a onetime extension to get the project obligated by June 14, 2013.

If you have any questions or need any addition information please don't hesitate to contact me at 630.649.1577.

Sincerely

Kimberley Westerkamp
Managing Member
South Elgin Real Estate Holdings I, LLC