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January 28, 2019

Via Federal Express
Via Email

Anne M. Cooper
(312) 873-3606
(312) 276-4317 Direct Fax
acooper@polsinelli.com

Mr. Michael Constantino
Illinois Health Facilities and Services Review
Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

RECEIVED

JAN 29 2019

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

Re: Ophthalmology Surgery Center of Illinois (Proj. No. 18-047)

Dear Mr. Constantino:

Enclosed please find the commitment letter from CIBC Bank for a \$1.5 million line of credit to finance leasehold improvements and equipment purchases for the Ophthalmology Surgery Center of Illinois.

Please let me know if you have any questions or need anything further for your review of the Ophthalmology Surgery Center of Illinois certificate of need application.

Sincerely,

Anne M. Cooper

Attachment

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Polsinelli LLP in California
0705301



Ophthalmology Surgery Center of Illinois, LLC Commitment Letter

I am pleased to advise you that CIBC US ("Bank") has approved and commits to make the following loan, subject to the terms and conditions outlined below. The final documentation will contain additional terms and conditions acceptable to the bank.

Commercial Mortgage

Borrower: Ophthalmology Surgery Center of Illinois, LLC

Guarantors: Kovach Eye Institute, LTD.
Elmhurst Medical Center, LLC
Kevin Kovach

Facility Type: Non Revolving Line of Credit converting to Term Note

Loan Amount: Up to \$1,500,000

Loan Purpose: To finance equipment purchases and improvements for the new surgery center in Itasca, Illinois

Term: 66 months

Repayment: Interest for the first 6 months, converting to a fixed rate of COF + 2.25%

Collateral: Fourth mortgage and assignment of rent on the property located at 152 N. Addison Elmhurst, Illinois 60126 and liens on new equipment purchases

Interest Rate: Prime floating for 6 months, converting to a 5-year amortization note at COF + 2.25%

Fee: \$1500 + All out of pocket expenses

Prepayment Penalty: None

CONDITIONS

- Landlord waiver:** Executed landlord waiver signed by both parties
- Reporting Requirements:**
- Annual tax returns of Kovach Eye Institute, LTD, Ophthalmology Center of Illinois, LLC , and Kevin Kovach within 120 days after fiscal year end.
 - Annual Personal Financial Statement of Kevin Kovach
 - Quarterly company prepared financial statement Kovach Eye Institute, LTD, Ophthalmology Center of Illinois, LLC within 45 days after quarter end.
 - Quarterly accounts receivable aging for Kovach Eye Institute, LTD
 - Such other information and reports as may be reasonably requested by the Lender. All reports and financial statements will be in form and scope reasonably acceptable to the Lender.
- Financial Covenant:**
- Minimum Debt Service Coverage Ratio > 1.25x on a trailing twelve month basis.
 - Re-amortization of existing debt
- Real Estate:**
- An evaluation of the Property satisfactory to the Bank, reflecting a value of the Property, which will result in a loan-to-value ratio not greater than 75%.
- Satisfactory environmental report to the bank.
- A Regulatory Database Report assessment of the Property satisfactory to the Bank.
- Confidentiality:**
- The material provided is confidential and may not be provided to any other third party without the Bank's prior written consent.
- Material Adverse Change:**
- All documentation, agreements, and instruments will be satisfactory to the Bank and subject to approval of the Bank's counsel. There will be no material adverse change in the collateral securing the Loan(s), the financial condition of the Borrower or Guarantor(s) and no event will have occurred which would prevent the Bank from making the Loan(s) in accordance with the terms outlined herein.

Acceptance:

If this offer is acceptable to you, please sign this letter to acknowledge that you understand and agree with its terms, and deliver the signed letter by 1/15/2019.

This Commitment letter does not attempt to describe all of the terms, conditions and requirements that would pertain to the Facility, but rather intended to outline certain basic items around which the Facility will be structured. The funding of the Facility is subject to execution and delivery of definitive legal documentation containing such terms, conditions, covenants, representations and warranties applicable to the Borrower as the Lender and its counsel require in their sole discretion. Upon closing, such documentation will govern and control in the event of any inconsistencies with this commitment.

Sincerely,

Sohila Parsinejad
Sohila Parsi
Managing Director
CIBC US Bank
CELL: 312-307-3839
DIRECT: 630-589-3260
e-mail: Sohila.parsinejad@cibc.com

The undersigned hereby acknowledges that it understand and accepts the terms, provisions and conditions contained in the foregoing letter and certifies that all facts, circumstances and representations made by the Borrower, or its agents and employees, to CIBC US Bank in connection with the Loan remains true and correct in all respects.

Accepted this 28th day of January, 2019

Borrower: Ophthalmology Surgery Center of Illinois

By: *Kevin J. Kovach*
Its: CEO

Guarantors: Kovach Eyes Institute, LTD

By: *Kevin J. Kovach*
Its: CEO

Elmhurst Medical Center, LLC.

By: *Kevin J. Kovach*
Its: CEO

Kevin Kovach

Kevin J. Kovach