



Brian J. Giegerich

Vice President & Senior Private Banker
Wealth Management

Direct: (630) 932-6902

Fax: (630) 241-6992

Email: bjg7@ntrs.com

November 17, 2021

Terri Bowen
King-Bruwaert House
6101 S. County Line Road
Burr Ridge, IL 60527

Dear Terri:

The Northern Trust Company ("Northern Trust") is pleased to offer to you, subject to the terms and conditions hereof, a Non-Revolving Construction Line of Credit for up to 3 years, which will convert into a 5-year Term Loan on the following terms and conditions:

1. Borrower: King-Bruwaert House
2. Purpose: Construction Line of Credit and Term Loan for the purpose of redevelopment of the Health Care facility.
3. Facility: Initially, \$16.0MM Non-Revolving Line of Credit which will be converted into a \$12.0MM Term Loan
5. Term: Up to 3-Year Non-Revolving Construction Line of Credit
To be converted into 5-Year Term Loan
6. Interest Rate: CONSTRUCTION:
Floating; Secured Overnight Financing Rate (SOFR) + 2.05%
(currently 2.10%) OR
Floating at Prime – 1.00% (currently 2.25%)

TERM PERIOD:

This rate shall not be locked until completion of construction period.
The rate will either be floating at SOFR + 2.10% or
Fixed based on the Northern Trust's cost of funds at that time.

"Prime Rate" means that floating rate of interest per year announced from time to time by Northern Trust called its prime rate, which at any time may not be the lowest rate charged by Northern Trust. All interest will be computed for the actual number of days elapsed on the basis of a year of 360 days. Terms other than "Prime Rate" will be applied as further defined in the loan documents.

The Northern Trust Company

One Tower Lane, 24th Floor
Oakbrook Terrace, Illinois 60181

7. Repayment Schedule: Monthly interest only during construction period. Principal reductions may be made at any time during the floating rate construction line period.

Principal and Interest due monthly during the term loan period based on a 20-year amortization. Remaining principal due at maturity of Term facility.
8. Prepayment Terms: Prepayments of any fixed rate portion of the loan during the Term Period could result in a prepayment penalty. Optional or mandatory repayments prior to their scheduled due date may result in breakage fees or other costs, as determined by us.
9. Notice of Borrowing: Two (2) banking days in advance for SOFR and other options
10. Fees, Etc.: \$50,000.00 commitment fee payable at closing/pre-funding.
11. Expenses: Whether or not the contemplated transactions are consummated, the Borrower will pay all fees, costs and disbursements reasonably incurred by Northern Trust including without limitation fees and disbursements of Northern Trust's counsel (including without limitation time charges of attorneys who are Northern Trust employees), cost of collateral field audits or other due diligence investigation, UCC filing and lien search fees, real estate appraisal fees, survey fees, recording and title insurance costs, fees for any environmental report or analysis, and costs incurred in administration and enforcement of the Loan Documents (as defined below).
12. Collateral: A negative pledge by Borrower for all accounts receivable, inventory, equipment, patents, trademarks, service marks, fixtures, leasehold improvements, general intangibles, real estate, stock of subsidiaries of Borrower where Borrower covenants not to sell or encumber those certain assets without the consent of Northern Trust.
13. Guaranty: None
14. Subordination: No additional indebtedness without Northern Trust approval.
15. Loan Documents, Covenants, Etc.: The loan documents will contain such usual types of representations, warranties, covenants, events of default and other conditions as are required by Northern Trust, including but not limited to:
 - a) All Draws will be completed through a construction escrow managed by Northern Trust using a title company acceptable to Northern Trust.

- b) Draws will be subject to pre-inspections by an independent architect approved by Northern Trust.
- c) Minimum Ratio of Unrestricted Liquid Assets to Funded Debt of 0.80X, measured quarterly during the construction period.

During the Term Facility, the Minimum ratio of Unrestricted Liquid Assets to Funded Debt is required to be greater or equal to 1.00X and measured quarterly.

- d) Minimum Liquidity of \$25MM to be tested quarterly.
- e) TERM LOAN ONLY: Maintain a Ratio of Annual Recurring Cash Flows to Annual Debt Service and CapEx of not less than 1.00 to 1.00x, based on FYE audited financial statements. Annual Recurring Cash Flows shall mean Income (Loss) from Operations plus Depreciation, plus Interest Expense, plus 6% of Investment Assets at FYE ("Endowment Draw"). Annual Debt Service and CapEx shall mean all required principal and interest payments on the proposed loan for the year, plus the "Purchase of Property and Equipment" (CapEx) during the year. CapEx shall exclude major capital improvement projects as agreed upon by the Borrower and Northern Trust but shall include routine and deferred maintenance items.
- f) Borrower will provide Northern Trust with audited financial statements within 120 days after Fiscal Year End and internally prepared financial statements 60 days after each quarter and Covenant Compliance Certificate.

16. Other Provisions:

Northern Trust's obligation to enter into the credit arrangement described herein is subject to the satisfaction of the following conditions precedent:

- a) Completion of Northern Trust's due diligence examination of the Borrower, the results of which shall be satisfactory to Northern Trust in its sole discretion
- b) No material litigation shall have been instituted against the Borrower or any affiliate, subsidiary, or contemplated guarantor of any indebtedness of the Borrower to Northern Trust.
- c) No material adverse change, as determined by Northern Trust, shall occur or be revealed in the condition or operations, financial or otherwise, of the Borrower or any affiliate, subsidiary, or contemplated guarantor of any indebtedness of the Borrower to Northern Trust subsequent to the date hereof.
- d) The Borrower shall have executed and delivered definitive loan documents ("Loan Documents") containing terms and provisions satisfactory to Northern Trust, and shall have delivered each other document or agreement required to be delivered under the Loan



- e) Documents, each duly executed and each containing terms and provisions in form and substance satisfactory to Northern Trust and its counsel.
- f) All other conditions precedent set forth in the Loan Documents shall have been satisfied.
- g) Northern Trust shall be satisfied that, after giving effect to the initial loans, the Borrower shall have assets (excluding goodwill and other intangible assets not capable of valuation) having value, both at fair valuation and at present fair salable value, greater than the amount of its liabilities, and Northern Trust shall be satisfied that all of the assets supporting the facility shall be sufficient in value to provide the Borrower with sufficient working capital to enable it to thereafter profitably operate its businesses and to meet its obligations as they become due.
- h) If deemed necessary, during the term of proposed loans, Northern Trust reserves the right to require an Appraisal Report and Environmental Report, the results of which are acceptable to Northern Trust. If deemed necessary, Northern Trust will retain the appraisal firm. If deemed necessary, The Environmental Report can be ordered by the Borrower, but must be performed by a firm acceptable to Northern Trust and must be reviewed by Northern Trust.

Notwithstanding any other provisions of this letter, in the event any law or regulation affecting Northern Trust's entering into the financing transactions contemplated hereby shall impose upon Northern Trust any material obligation, fee, liability, loss, penalty, cost, expense or damage which is not contemplated by this letter, Northern Trust shall have no obligation to fund any Loan to the Borrower.

You hereby agree to indemnify and hold harmless Northern Trust and its directors, officers, employees and agent from and against any and all losses, claims, damages, liabilities and expenses (including, without limitation, fees and disbursements of counsel) which may be incurred by or asserted against any such indemnified party in connection with or arising out of any investigation, litigation, or proceeding, whether or not such indemnified party is a party thereto, related to any transaction or proposed transaction (whether or not consummated) contemplated by this commitment letter or the facility.

If the foregoing is satisfactory, please sign where indicated below and return a signed copy of this letter to Northern Trust.

This commitment letter will expire on the close of business on December 1, 2021 unless accepted by you as provided below or extended in writing by Northern Trust. We look forward to receiving your acceptance and closing this transaction.

Sincerely,

By: *Brian Giegerich*

Vice President

cc: Adrian Goetz
John Grube



Accepted and agreed to this

_____ day of _____, 2021

King-Bruwaert House

By _____

Print Name _____

Its _____