



GreenFields of Geneva Restructuring Timeline

December 8, 2017 @2:00 ET

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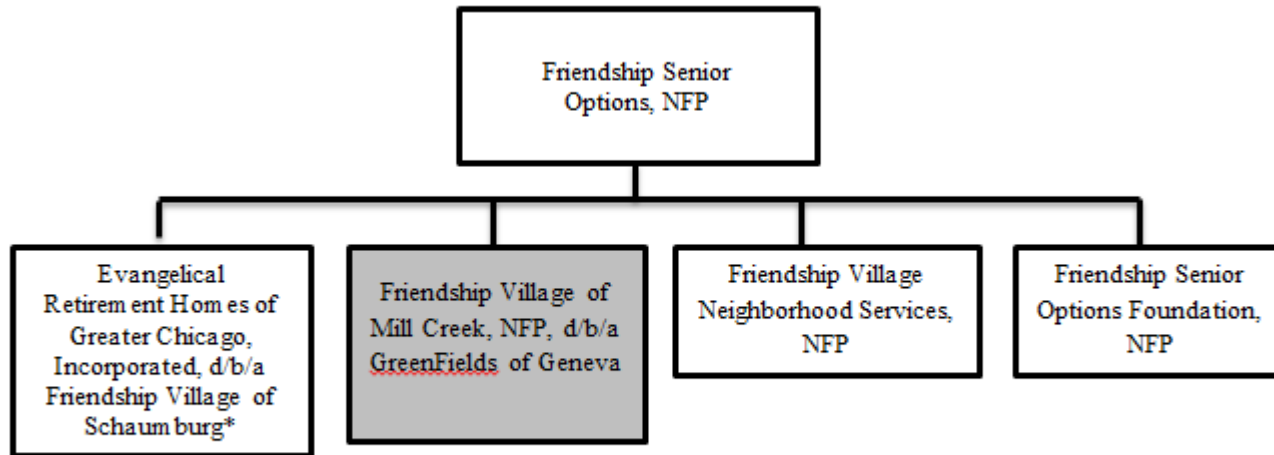
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* Member of the Obligated Group

- Friendship Senior Options (“FSO”) was founded in 2003 as an Illinois not for profit
 - FSO provides strategic direction and management services to its affiliate corporations pursuant to management service agreements
- FSO is the sole corporate member of Friendship Village of Schaumburg (“FVS”) and GreenFields of Geneva (“GreenFields”)
 - FSO is also the sole corporate member for the foundation and service program

Original Financing and Opening of GreenFields

- GreenFields was originally financed in August of 2010
 - Tax-Exempt Proceeds through Illinois Finance Authority
- After construction delays, GreenFields opened in January of 2012 for partial IL occupancy
 - Remaining IL and AL opened in April 2012
 - Healthcare opened in September 2012
- Summary of Original Capital Structure
 - Series 2010A Bonds (Long-Term Debt) - \$89,100,000
 - Series 2010B&C Bonds (Short-Term Debt) - \$28,500,00
- Because of the increased debt and the slow recovery from the economic crisis , GreenFields could not afford the amount of debt on its balance sheet

- February, 2015: FSO examined the options of refinancing the FVS debt and GreenFields both separately and combined
- November, 2015: It was determined that GreenFields would likely be difficult to refinance at any rate, given the financial performance
 - GreenFields losses per Fiscal Year

Fiscal Year	Loss
2014	\$17M
2015	\$14M
2016	\$9M

- February, 2016: First meeting with GreenFields investors to examine possibilities of restructuring

Attempts to Find Collaborative Solution

- GreenFields Bondholders expressed interest in two options:
 - A slight reduction in principal, and no change in interest rate, or
 - Combining the GreenFields debt with the FVS debt to form a single obligated group
- Neither of these options was feasible for the organization
 - The modest reduction in principal was not sufficient to allow GreenFields to meet its financial obligations
 - The single obligated group scenario put FVS at risk
- GreenFields bondholders refused to jointly hire financial advisor and independent appraiser
- FSO hired an independent appraiser showing GreenFields value at about 53% of par
- Bondholders prescribed that FSO sell GreenFields

- Due to the inherent conflict of FSO bidding on its own affiliate, an ethical wall was established to ensure all FSO employees had no knowledge of bidding on GreenFields.
- December 2016: First round of a two-phase bid process completed.
- April 2017: GreenFields filed for protection under Chapter 11 Bankruptcy
- July 2017: Second round of bidding completed with FSO as the high bid
 - Bid accepted by bankruptcy judge (\$52mm purchase price)
- November 2017: GreenFields bonds purchased by Hamlin

Resulting Debt Structure After Restructuring

FSO Series 2017 Taxable Bonds⁽¹⁾

Sources of Funds	
Series 2017A	\$ 5,700,000
Series 2017B	2,350,000
Series 2017C	5,700,000
Total Sources	\$ 13,750,000

Uses of Funds	
Equity Contribution to GreenFields	\$ 5,000,000
Liquidity Support Fund	7,500,000
Debt Service Reserve Fund	404,948
Cost of Issuance	845,052
Total Uses	\$ 13,750,000

⁽¹⁾ Friendship Village of Schaumburg is Guarantor of FSO 2017 Taxable Bonds

GreenFields of Geneva Series 2017 Tax-Exempt Bonds

Sources of Funds	
Series 2017A	\$ 65,000,000
Equity Contribution	5,000,000
Total Sources	\$ 70,000,000

Uses of Funds	
Purchase and Discharge of 2010 Bonds	\$ 52,800,000
Project Fund	5,900,000
Debt Service Reserve Fund	5,051,968
Funded Interest	3,400,000
Cost of Issuance	2,848,033
Total Uses	\$ 70,000,000

Activity	Date
Mailing of Preliminary Official Statement	Wednesday, December 6th
Investor Conference Call - GreenFields Focus	Friday, December 8th
Investor Conference Call – Credit Focus	Monday, December 11th
Bond Pricing	Tuesday, December 19th
Closing	Thursday, December 28th

