

**RESOLUTION  
R2022-187**

**A RESOLUTION AUTHORIZING THE CHAIRMAN OF BOARD TO  
EXECUTIVE A NON-BINDING LETTER OF INTENT WITH  
ILLUMINATE HC FOR THE PURCHASE OF THE DEKALB COUNTY  
REHAB AND NURSING CENTER**

Be it resolved by the County Board of the County of DeKalb, Illinois as follows:

WHEREAS, on April 20, 2022, the DeKalb County Board approved Resolution R2022-40, Authorizing the Sale, Transfer, or other Disposition of the DeKalb County Rehab & Nursing Center in Accordance with 55 ILCS 5-21001 of the Illinois Counties Code; and

WHEREAS, per the previously approved agreement with Marcus & Millichap (Resolution R2022-04), the company has provided brokerage services consistent with the terms of that agreement; and

WHEREAS, Illuminate HC has submitted a Letter of Intent to Purchase the DeKalb County Rehab & Nursing Center in the amount of \$8,300,100; and


WHEREAS, the parties understand that the letter of intent is non-binding as both parties' work through a due diligence period toward a Definitive Purchase Agreement; and

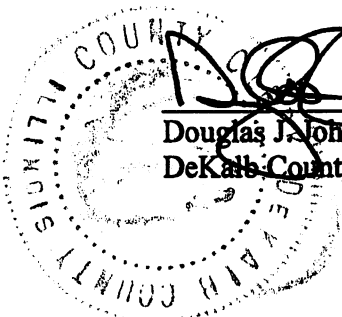
NOW, THEREFORE, BE IT RESOLVED the DeKalb County Board hereby authorizes the Chairman of the Board to execute the Non-Binding Letter of Intent between the DeKalb County Government and Illuminate HC.

PASSED THIS 20TH DAY OF JULY 2022 AT SYCAMORE, ILLINOIS

ATTEST:

SIGNED:

  
Douglas J. Johnson  
DeKalb County Clerk



  
John Frieders, Chairman  
DeKalb County Board

# illuminate<sup>HC</sup>

05/26/2022

VIA E-MAIL  
Attn: Ray Giannini  
Marcus & Millichap

Re: Purchase of Skilled Nursing Facility in Illinois

Dear Ray:

I am pleased to present this letter of intent ("LOI") which sets forth the following primary business terms and conditions under which the undersigned on behalf of an entity to be formed for the purpose of consummating the transactions described herein is interested in purchasing the business assets relating to the 190-bed skilled nursing facility, commonly known as Dekalb County Rehab & Nursing Center, and located at 2600 N. Annie Glidden Road, Dekalb, IL 60115 (the "Facility").

<b>Purchased Assets</b>	All assets, including the real estate, improvements, FF&E and other items of personal property and tangible and intangible assets, relating to the ownership and operation of the Facility and all assets and interests of Seller and Old Operator.
<b>Purchaser; New Operator</b>	An entity shall be formed to acquire the Purchased Assets and shall be referred to herein as the "Purchaser", and additional new entity will be formed to serve as licensed operator of the Facility and shall be referred to herein as the "New Operator".
<b>Seller; Old Operator</b>	The entity that owns the Purchased Assets shall be referred to herein as the "Seller", and the entity currently licensed to operate the Facility shall be referred to herein as the "Old Operator".

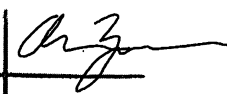
**Purchase Price** ~~Eight Million Dollars (\$8,000,000.00)~~, exclusive of Closing Costs. The Purchase Price shall be payable as follows:

- Purchaser shall deliver the Earnest Money (as herein defined) pursuant to the terms and conditions described below.
- The balance of the Purchase Price, subject to prorations and closing costs, shall be paid at Closing by delivery by wire transfer of immediately available funds.

~~Eight Million One Hundred Fifty Dollars (\$8,150,000.00)~~

Eight million, Three Hundred Thousand,  
And one Hundred Dollars <sup>00/100</sup>  
(\$ 8,300,100.00)

Date: 7-20-22

  
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# illuminate<sup>HC</sup>

## **Earnest Money**

Within three (3) business days of the execution of the LOI, Purchaser shall deposit as earnest money toward the payment of the Purchase Price an amount equal to Twenty Thousand and 00/100 Dollars (\$20,000.00) ("**Initial Earnest Money**"), which will be non-refundable. Within three (3) business days of the execution of the Definitive Agreements (herein defined), Purchaser shall deposit additional earnest money toward the payment of the Purchase Price an amount equal to Twenty Thousand and 00/100 Dollars (\$20,000.00) ("**Second Earnest Money**"), which will be non-refundable. Within three (3) business days of the expiration of the Due Diligence Period, Purchaser shall deposit as earnest money toward the payment of the Purchase Price an additional amount equal to Two Hundred and Ten Thousand and 00/100 Dollars (\$210,000.00) ("**Third Earnest Money**", together with the Initial & Second Earnest Money, the "**Earnest Money**"). Upon expiration of the Due Diligence Period, the Earnest Money shall be non-refundable, subject to (i) the breach by Seller or New Operator of any of its obligations under the Definitive Agreements, or (ii) any closing conditions provided in the Definitive Agreements. The Earnest Money shall be held in escrow in an interest-bearing account (such interest shall accrue for the benefit of Purchaser) by Landmark Abstract LLC- The title company.

## **Due Diligence**

Purchaser and New Operator will have a period of Forty Five (45) days after the execution of the Definitive Agreements (the "**Due Diligence Period**") to conduct due diligence with respect to the Facility and the Purchased Assets. Within three (3) days of following mutual execution of this Letter of Intent, Purchasers shall provide their initial list of documents and materials (the "**Due Diligence Materials**") requested in connection with their review of the Assets and Sellers shall provide the Due Diligence Materials, as well as any other materials reasonably requested by Purchaser, within seven (7) days thereafter. Purchaser may terminate the Definitive Agreements and this Transaction at any time and for any reason prior to expiration of the Due Diligence Period by giving written notice to Seller in which event the ~~Initial~~ Earnest Money shall be refunded immediately to Purchaser. Purchaser and New Operator, its agents and representatives, will have the right, during normal business hours and upon reasonable advance notice, to enter upon the property of the Facility to inspect, examine, survey and do non-invasive testing and other engineering, structural, building system, environmental, architectural or landscaping tests or investigations which are reasonable under the circumstances. Any invasive testing will require Seller's and Operator's consent.

Second  


# illuminate<sup>HC</sup>

## **Successor Liabilities**

Seller and Old Operator agree that from and after the Closing Date, Seller and Old Operator shall indemnify and hold harmless Purchaser in the event that Purchaser shall suffer one or more losses as a result of any action or inaction of Seller or Old Operator that shall arise or accrue prior to such date, including without limitation, any losses incurred by Purchaser as a result of any Civil Monetary Penalty (or state equivalent fine or penalty), Medicare/Medicaid overpayment or recoupment, state bed tax, patient trust funds or any payroll tax or similar liability (the "**Successor Liability Obligations**"). In order to secure the Seller's indemnification obligations described in this paragraph, Seller shall establish an escrow at closing for 2 years in an amount reasonably determined by the parties.

## **Definitive Agreements**

As referenced above, Purchaser, New Operator, Seller and Old Operator shall enter into transaction documents for the acquisition of the Purchased Assets by Purchaser, and transition of operation of the Facility to New Operator (the "**Definitive Agreements**"). The terms of the **Definitive Agreements** shall incorporate the provisions described herein and shall include such other provisions as mutually agreed by Purchaser, New Operator, Seller and Old Operator.

## **Closing**

The closing ("**Closing**") of the transactions contemplated hereunder shall take place, subject to the closing conditions provided in the **Definitive Agreements**, on the first day of the first month following receipt of applicable regulatory approvals; provided that in the event such regulatory approvals are received following the fifteenth (15<sup>th</sup>) day of a month then the Closing shall occur on the first day of the second month thereafter. Notwithstanding the foregoing, the Purchaser will use best efforts to close on August 31, 2022, effective September 1, 2022.

Upon mutual execution of this Letter of Intent, Purchaser is prepared to begin immediately negotiating documentation and the other required elements of the transaction, and Purchaser shall direct its attorneys to prepare drafts of the **Definitive Agreements**.

## **Closing Costs/Prorations**

Seller will pay all transfer taxes, costs and fees customarily paid by sellers in a real estate sale transaction in the county in which the Facility is located. Purchaser will pay all transfer taxes, costs and fees customarily paid by purchasers in a real estate sale transaction in the county in which the Facility is located. Purchaser and Seller

shall prorate for real estate taxes based upon customary practice in the county and state in which the Facility is located based on the most recent ascertainable real estate tax year. Purchaser and Seller shall prorate such other closing costs as per local custom in the city/town/village and county in which the Facility is located.

**Exclusivity** After this Letter of Intent has been executed by the parties, Seller agrees to withdraw the Purchased Assets from the market and to negotiate from the date hereof in good faith exclusively with Purchaser for sale of the Purchased Assets.

**No Solicitation** Seller agrees not to utilize this Letter of Intent to solicit other offers or to modify, renegotiate or otherwise improve the terms and conditions of any other offer heretofore or hereafter received by Seller.

**Non-Binding** This LOI is not legally binding on the Purchaser, New Operator, Seller and Old Operator, does not constitute a binding commitment with respect to the transaction and is subject, among other things, to due diligence and the negotiation, execution and delivery of the Definitive Agreements, and shall not give rise to the liability of any party unless and until, if ever, the Definitive Agreements are executed and delivered by all parties thereto; provided, however, that the paragraphs relating to Exclusivity and No Solicitation shall be legally binding upon the Parties immediately upon the execution hereof and shall survive expiration or termination. The Definitive Agreements, if executed by the parties, will supersede this Letter of Intent. This Letter of Intent does not contain all matters upon which agreement must be reached in order for a transaction to be consummated, and any commitment to consummate such a transaction shall be subject to any conditions expressed in the Definitive Agreements.

This Letter of Intent supersedes and cancels all prior understandings between the parties, if any, and may be executed in two or more counterparts, each of which shall constitute an original, but when taken together all such counterparts shall constitute but one Letter of Intent, and either party may execute this Letter of Intent by executing any one or more of such counterparts.

*[Signature page follows]*


illuminate<sup>INC</sup>

Notwithstanding the paragraph labeled "**Due Diligence**", which specifies the "Initial Earnest Money deposit of Twenty Thousand Dollars (\$20,000.00), this letter shall be nonbinding upon both parties until the Due Diligence Period expires.

If the foregoing is acceptable to you, kindly execute this Letter of Intent and return an executed copy to my attention.

Sincerely,

**PURCHASER AND NEW OPERATOR:**


By: 

Name: Avi Zuckerman, on behalf of Purchaser and New Operator

**ACCEPTED AND AGREED BY**

**SELLER AND OLD OPERATOR:**

[ \_\_\_\_\_ ]

By:   
Name: John Frieders  
Its: County Board Chairman