



LILLY CAPITAL
PRIVATE INVESTMENT FIRM

Proposal for Purchase and Operation of the Clinton Lake Marina
1/29/2024

Prepared for: DeWitt County Board

P.O. Box 439, Clinton, IL 61727

Submitted by: Nathan R. Lilly

12 Opal Dr. Monticello, IL 61856

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I am grateful for the opportunity to submit a proposal to the County Board on the Clinton Lake Marina. This marina has made a tremendous impact on my life and brought my family much joy over the years. Much of the reason our company utilizes a sailboat as our logo is due to the beauty of Clinton lake which I believe is only enhanced by the contributions of the Clinton Lake Sailing Association. I believe it to be a once in a lifetime opportunity to purchase an asset that has been such a major part of my life. As a result, I would like to put my best foot forward and propose an offer of \$1,800,000 for the purchase of the Clinton Lake Marina as requested in the County's Request for Proposals published in late 2023. Additional details are contained in the LOI included as Exhibit A.

The same way that this Marina and Lake have impacted my lives, my intention is to make substantial investments into this property to create a destination that will inspire its visitors and stakeholders to appreciate the beauty of natural resources and participate in the outdoor activities. The following information outlines the specific considerations as stated in the County Board's RFP:

Financial Ability to Operate and Develop Property

Lilly Capital, LLC is a private investment firm which I utilize as the parent company to purchase and operate hand selected real estate assets and small businesses. I have included the Articles of Incorporation as Exhibit B. The officers of Lilly Capital are limited to myself (Nathan R. Lilly) and my wife (Katlyn J. Lilly). In addition I have an investment advisory board which is made up of 6 individuals who have demonstrated substantial success in their respective fields throughout central and southern Illinois.

Lilly Capital currently owns and operates an investment portfolio worth approximately \$25,000,000 out of Monticello, IL. We only seek to buy

extraordinary assets where passion becomes the driving force during difficult times. This focus on passion has become the primary driver in the success we have experienced to date and what differentiates our company and investment approach.

Lilly Capital has approached First Mid Bank and Trust and Prospect Bank both of which Lilly Capital has an existing relationship with. First Mid responded with the following quote, *“First Mid is eager to work with Lilly Capital on new projects and are confident in Lilly’s ability to identify good opportunities.”*. Prospect Bank also responded and provided a letter of interest which has been included as Exhibit C to this proposal.

Experience Owning, Operating, or Managing a similar Business

Lilly Capital started in the business of self storage with our flagship property being A&R Storage in Monticello, IL. This storage facility exceeds 120,000 square feet with more than 600 tenants. During our ownership, this facility has grown by 80% and now includes a variety of commercial tenants and recreational vehicles including boats. Through managing this asset we have substantial experience managing the needs of specialized space and tenant requirements similar to a marina including an virtually direct parallel in business models.

This picture is one of our facilities in Monticello, IL



In addition, Lilly Capital has purchased a variety of warehouse & industrial real estate which has been improved and leased to commercial tenants including a 10,800 SF building leased to a dog daycare/retail operation, a 13,000 SF building leased to a 3D Concrete Printing Company, and a few smaller facilities leased to more than 5 other small businesses. The primarily building representing the marina would be a perfect integration for our portfolio.

Below is a building that was recently construction by Lilly Capital for LX Construction.



Prior to starting Lilly Capital, I had worked exclusively in the Airport industry and ultimately settled at Willard Airport in Champaign, IL. I served as the Director of Finance and Administration and also as the Director of Operations and Maintenance for an extended period of time. Interesting enough, the airport is a very similar property to the Clinton Lake Marina where it is a public infrastructure that exists to support and store a particular transportation style and requires the integration of restaurants, retail, and services to support the needs of

that particular transportation. In addition, it was in this role where I became familiar with lift stations, pump houses, and underground storage tanks. I genuinely believe that outside of working for this marina directly, the airport was probably the best training one could have for the marina.

Lastly, and perhaps one of the more exciting things within the Lilly Capital portfolio is our 3D Concrete Printing company called LX Construction. This business utilizes the latest in greatest in construction robotics equipment to “print” houses and other structures out of concrete at a fraction of the time and at a discount to traditional methods. This business gives us a unique access to cutting edge building technology to support future expansion of the marina.

Development Plans

It is our intention to develop the Clinton Lake Marina into a destination to experience the beauty of outdoor recreation. IDNR’s commitment to land management has created a very special and unique opportunity to create a complimentary environment where people can interact with nature. Our goal is to execute on this vision through the following preliminary development plan.

1) Refinish/Refurbish docks:

- a. Refinish Dock 7 decking
- b. Refinish Dock 6 decking
- c. Refurbish Dock 5
- d. Refurbish Dock 3
- e. Refurbish Dock 2 (some work has been completed)
- f. Refurbish Dock 1
- g. Improve handicap accessibility

- 2) Restore the restaurant, retail, and maintenance to full service through Tenant Improvement Allowances.
- 3) Develop the eastern portion of the property to include lodging accommodations such as a hotel and/or overnight cabins.
 - a. I have a working relationship with a Central Illinois hotel operator who owns and operates 17 Marriot hotels in the area.

Here is one of their hotels in Bloomington.



- 4) Erect enclosed dry storage for boats in northern portion of property.
 - a. Install a natural shrub barrier along north side of Sailboat Rd.
- 5) Redevelop the Clinton Lake Sailing Association area into a premium event venue for use by the sailing association, weddings, and corporate retreats.

Commitments

Lilly Capital Commits to honoring all current existing v lease agreements including rental slips and the CLSA.

Lilly Capital also commits to providing public access to the Main Ramp parking areas for as long as the Lake is open for recreational boating.

Exhibit A:

Letter of Intent

Date: 1/1/2024

Purchaser: Lilly Capital, LLC

RE: Clinton Lake Marina as defined in DeWitt County's RFP

This **non-binding letter** represents Purchaser's intent to purchase the above captioned property (the "Property") including the land and improvements on the following terms and conditions:

Price: \$1,800,000

Due Diligence: Purchaser shall have a period of 30 days from execution of a purchase and sale agreement to evaluate the property in all aspects including property inspections, lease review, and environmental study. Purchaser shall have the right to terminate the agreement if Purchaser deems the property is not satisfactory for any or no reason at all.

Warranties: Purchaser will be buying the property in "as-is" conditions with no warranties provide by Seller.

Closing: Closing shall occur 30 days after expiration of Due Diligence Period

Property Taxes: Real property taxes shall be prorated at closing according to the Illinois customary proration method.

Purchase Contract: Seller shall have (10) business days from mutual execution of this Letter of Intent agreement to submit a purchase and sale agreement.

This letter of intent is **not intended** to be a binding agreement on the Seller to sell or the Buyer to buy. The purpose of this letter is to set forth the primary terms and conditions upon which to execute a formal Purchase and Sale Agreement. All other terms and conditions shall be negotiated in the formal Purchase and Sale Agreement. This offer shall be valid through 4/5/2024

Agreed and Accepted:

By: _____

Date: _____

Lilly Capital, LLC

By: _____

Date: _____

DeWitt County Board

Exhibit B: Articles of Incorporation

Form LLC-5.5	Illinois Limited Liability Company Act Articles of Organization	FILE # 07678428
Secretary of State Jesse White Department of Business Services Limited Liability Division www.cyberdriveillinois.com	Filing Fee: \$150 Approved By: <u>AMW1</u>	FILED MAR 20 2019 Jesse White Secretary of State

1. Limited Liability Company Name: LILLY CAPITAL, LLC
2. Address of Principal Place of Business where records of the company will be kept:
2579 N. 900 EAST RD
MANSFIELD, IL 61854
3. The Limited Liability Company has one or more members on the filing date.
4. Registered Agent's Name and Registered Office Address:
NATHAN LILLY
2579 N 900 EAST RD
MANSFIELD, IL 61854-6823
5. Purpose for which the Limited Liability Company is organized:
"The transaction of any or all lawful business for which Limited Liability Companies may be organized under this Act."
6. The LLC is to have perpetual existence.
7. Name and business addresses of all the managers and any member having the authority of manager:
LILLY, KATLYN J.
2579 N. 900 EAST RD
MANSFIELD, IL 61854

8. **Name and Address of Organizer**

I affirm, under penalties of perjury, having authority to sign hereto, that these Articles of Organization are to the best of my knowledge and belief, true, correct and complete.

Dated: MARCH 20, 2019

NATHAN LILLY
2579 N. 900 EAST RD
MANSFIELD, IL 61854

Exhibit C: Prospect Bank Letter



February 13, 2024

Nathan R. Lilly
Lilly Capital Marina, LP
775 E. 1700 North Rd.
Monticello, IL 61856

Re: Clinton Lake Marina (6599 Sailboat Rd. Weldon, IL.) – Letter of Interest

Dear Mr. Lilly,

Prospect Bank is pleased to present you this letter of interest to provide financial support for the acquisition of the Clinton Lake Marina referenced above. At this initial stage, we would like to express our intent to further investigate the feasibility of a financing arrangement. While we are not in a position to provide precise terms, we are willing to consider financing up to a maximum amount of \$1,620,000 for your project, pending a thorough evaluation of its feasibility and alignment with our strategic objectives.

Our team is excited about the potential collaboration and the opportunity to work closely with Lilly Capital Marina, LP. We value partnerships that align with our institution's strategic goals and bring meaningful value to the communities we serve.

Please review this information and call or email to discuss any questions or concerns you may have.

This is not a commitment to lend or a commitment from you. It is a general acknowledgment from all parties of the basic terms and conditions of the letter of interest.

Thank you.

Sincerely,



Kyle Buhr
Commercial Loan Officer
(217) 352-0077
kbuhr@bankprospect.com