



Northwest Community Healthcare
Administration
800 W Central Road
Arlington Heights, IL 60005

VIA FED EX

June 2, 2020

Ms. Courtney Avery
Administrator
Illinois Health Facilities and Services Review Board
525 W. Jefferson Street 2nd floor
Springfield, IL 62761

Re: Annual Progress Report – Project 19-011
NCH Buffalo Grove Outpatient Care Center

Dear Ms. Avery,

Pursuant to 77 Illinois Administrative Code Section 1130.760, this is the Annual Progress Report for Project 19-011, NCH Buffalo Grove Outpatient Care Center. The permit was approved by the HFSRB on June 4, 2019, for the construction of an ambulatory care center in the amount of \$57,288,255.

1. Current status of the project. Work completed to date includes receiving entitlement and appropriate ordinance approvals from the Village of Buffalo Grove, and demolition of the existing medical office building following the end of physician office leases and vacation of the building. Current work and work about to begin involves obtaining the building permit, demolition of existing asphalt and curbs, topsoil stripping, regrading and excavation for foundations. Work remaining includes site utility installation, concrete foundations, building construction, interior build-out and equipping. The scope and size of the Project have not changed since the issuance of the permit.

2. Costs incurred to date. Project costs incurred to date are approximately \$2,900,000. The project also includes a lease, as reported in the permit application at a fair market value of approximately \$30.7 million. The lease amount includes the cost of the site work and core/shell building construction. The final capital cost of the project will be within the CON approved amount of \$57,288,255.

3. Obligation of the Project. NCH's letter of Financial Commitment, dated April 8, 2020 was acknowledged in the State's letter of April 15, 2020.

4. Sources of Funding. The Project is being financed with cash and securities, a mortgage and a lease, consistent with the sources of funding identified in the permit application.

5. Anticipated date of completion. It is anticipated that the project will be completed in advance of the March 1, 2022 completion date stated in the permit application.

If you have questions or need additional information, please contact me at 847-618-5060, or Ralph Weber at 847-791-0830.

Sincerely

A handwritten signature in black ink, appearing to read "Rich Casey". The signature is stylized with a large, looped "R" and a cursive "Casey".

Rich Casey
Vice President, Hospital Operations
Northwest Community Healthcare

Cc: Michael Constantino, HFSRB
Dan Ahlering, Vice President, MedProperties Group
Allen C. Jensen, Executive Director, Facilities Management, Northwest Community Healthcare
Ralph Weber, CON Consultant