

August 25, 2025

Mr. John Kniery
Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, IL 62761

**Re: Project Completion
Project # 21-008
Northwestern Medicine Old Irving Park Medical Office Building**

Dear Mr. Kniery:

This letter certifies that Project #21-008 has been completed and is in compliance with all terms of the permit, including total project cost, square footage, and services. The final realized cost is \$151,706,968 which is less than the approved permit amount of \$158,386,818. This is the total amount required to complete the project.

A detailed itemization of expenditures and sources of funds is attached. There are no additional or associated costs or capital expenditures related to the project. Also attached please find the final Applications and Certification for Payment for the construction contract, as per the American Institute of Architects form G702 and an audited financial report completed by Mitchell & Titus, LLP.

This letter is intended to complete the project close-out process for this permit. If further information or action is needed, please contact Bridget Orth at borth@nm.org.

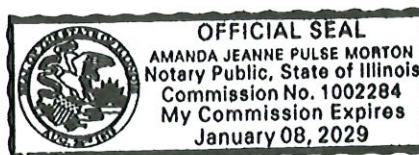
Sincerely,



John A. Orsini
Executive Vice President & Chief Financial Officer

cc: Bridget Orth, Director, Regulatory Planning

Attachments



Amanda Jeanne Pulse Morton
8/25/2025

**Northwestern Medicine Old Irving Park Medical Office Building
Project # 21-008**

**PROJECT COMPLETION COST REPORT
to the
Illinois Health Facilities and Services Review Board**

Northwestern Memorial Hospital Permit Project Expenditures

<u>Category</u>		CON Approved Budget	Project to Date through 07/31/2025
<u>USE OF FUNDS</u>			
1	PREPLANNING COSTS	\$ 130,807	\$ 131,157
2	SITE SURVEY AND SOIL INVESTIGATION	\$ 300,000	\$ 93,527
3	SITE PREPARATION	\$ 7,357,507	\$ 6,372,417
4	OFF SITE WORK	\$ 1,458,199	\$ 1,462,560
5	NEW CONSTRUCTION CONTRACTS	\$ 92,686,115	\$ 97,314,686
6	MODERNIZATION CONTRACTS	\$ -	\$ -
7	CONTINGENCIES	\$ 9,268,612	\$ 9,268,612
8	ARCHITECTURAL/ENGINEERING FEES	\$ 2,642,203	\$ 3,969,479
9	CONSULTING & OTHER FEES	\$ 10,195,306	\$ 8,600,965
10	MOVABLE CAPITAL EQUIPMENT (not in construction contracts)	\$ 32,323,069	\$ 23,222,877
11	BOND ISSUANCE EXPENSE (project related)	\$ -	\$ -
12	NET INTEREST EXPENSE DURING CONSTRUCTION (project related)	\$ -	\$ -
14	OTHER COSTS WHICH ARE TO BE CAPITALIZED	\$ 2,025,000	\$ 1,270,688
	GRAND TOTAL	\$ 158,386,818	\$ 151,706,968
<u>SOURCE OF FUNDS</u>			
16	CASH & SECURITIES	\$ 158,386,818	\$ 151,706,968
18	GIFTS & BEQUESTS	\$ -	\$ -
19	BOND ISSUES (project related)	\$ -	\$ -
25	TOTAL FUNDS	\$ 158,386,818	\$ 151,706,968
	CON PERMIT AMOUNT	\$ 158,386,818	\$ 151,706,968
% COMPLETE			
	100.0%		

APPLICATION AND CERTIFICATE FOR PAYMENT

TO OWNER: Northwestern Memorial Healthcare

541 North Fairbanks Ct.
Suite 1600
Chicago, IL 60611

PROJECT: NM Old Irving Park AOC

4441 W. Irving Park Road
Chicago, IL 60641

APPLICATION NO.: 28

PERIOD TO : 12/31/2024

PROJECT NOS.: 5321010

Distribution to:
☐ OWNER
☐ ARCHITECT
☐ CONTRACTOR

FROM CONTRACTOR: Power/Ujamaa 7, LLC
8750 W Bryn Mawr, Ste 500
Chicago, IL
. IL 60631-3546

ARCHITECT: Cannon Design
225 N Michigan Ave
Suite 1100
Chicago, IL 60601
United States

CONTRACT DATE : Jan/13/2021

CONTRACT FOR: General Construction

APPLICATION AND CERTIFICATE FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract.
Continuation sheet is attached.

1. ORIGINAL CONTRACT SUM \$ 103,340,871
2. Net change by change orders \$ 6,377,248
3. CONTRACT SUM TO DATE (Line 1 +/- 2) \$ 109,718,119
4. TOTAL COMPLETED & STORED TO DATE \$ 109,718,119
(Column 4 on G703)
5. RETAINAGE: \$ 0
(Column 5 on G703)
6. TOTAL EARNED LESS RETAINAGE \$ 109,718,119
(Line 4 less Line 5 Total)
7. LESS PREVIOUS CERTIFICATES FOR \$ 108,272,519
(Line 6 from prior Certificate)
8. CURRENT PAYMENT DUE \$ 1,445,600
9. BALANCE TO FINISH, INCLUDING RETAINAGE \$ 0
(Line 3 less Line 6)

Contractor: Power/Ujamaa 7, LLC

Date: 01/08/2025

State of: IL

County of: Cook

Subscribed and sworn to before
me this 8th day of January 2025

Notary Public:

My Commission expires: January 6, 2028

ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Architect certifies to the Owner that to the best of their knowledge, information and belief the Work has progressed as indicated, the quality of Work is in accordance with the Contract Documents, and the Contractor is entitled to the payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED \$ 1,445,600

(Attach explanation if amount certified differs from the amount applied for. Initial figures on this Application and on the Continuation Sheet that are changed to conform to the amount certified.)

ARCHITECT: Cannon Design

By: Richard Stuckey Date: February 4, 2025

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Change Order approved in previous months by Owner	8,943,627	-1,382
APPROVED THIS MONTH		
Number	Date Approved	
013	Dec/20/2024	
		-2,564,997
Current Total:	0	-2,564,997
Net Change by Change Orders		6,377,248

APPLICATION AND CERTIFICATE FOR PAYMENT

Page: 1 of 7

TO OWNER: Northwestern Memorial Healthcare
541 North Fairbanks Ct.
Suite 1600
Chicago, IL 60611

PROJECT: NM OIP GI Center & Admin Suites
4445 Irving Park Road
Chicago, IL 60641

FROM CONTRACTOR: Power Construction Company, LLC
8750 W Bryn Mawr, Ste 500
Chicago, IL
IL 60631-3546

APPLICATION NO.: 8
PERIOD TO : 07/31/2025
PROJECT NOS.: 8240105
CONTRACT DATE : 08-13-2024

ARCHITECT: Cannon Design
225 N Michigan Ave
Suite 1100
Chicago, IL 60601
United States

CONTRACT FOR: General Construction

APPLICATION AND CERTIFICATE FOR PAYMENT

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for payment were issued and payments received from the Owner, and that current payment shown herein is now due.

1. ORIGINAL CONTRACT SUM \$ 12,353,786
2. Net change by change orders \$ -706,514
3. CONTRACT SUM TO DATE (Line 1 +/- 2) \$ 11,647,272
4. TOTAL COMPLETED & STORED TO DATE \$ 11,647,272

(Column 4 on G703)

5. RETAINAGE:

(Column 5 on G703)

6. TOTAL EARNED LESS RETAINAGE \$ 0
(Line 4 less Line 5 Total)

7. LESS PREVIOUS CERTIFICATES FOR

(Line 6 from prior Certificate) \$ 9,034,859

8. CURRENT PAYMENT DUE \$ 2,612,413

9. BALANCE TO FINISH, INCLUDING RETAINAGE

(Line 3 less Line 6) \$ 0



County of: Cook

Subscribed and sworn to before me this 28th day of July 2025

Notary Public:

My Commission expires:

ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Architect certifies to the Owner that to the best of their knowledge, information and belief the Work has progressed as indicated, the quality of Work is in accordance with the Contract Documents, and the Contractor is entitled to the payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED \$ 2,612,413

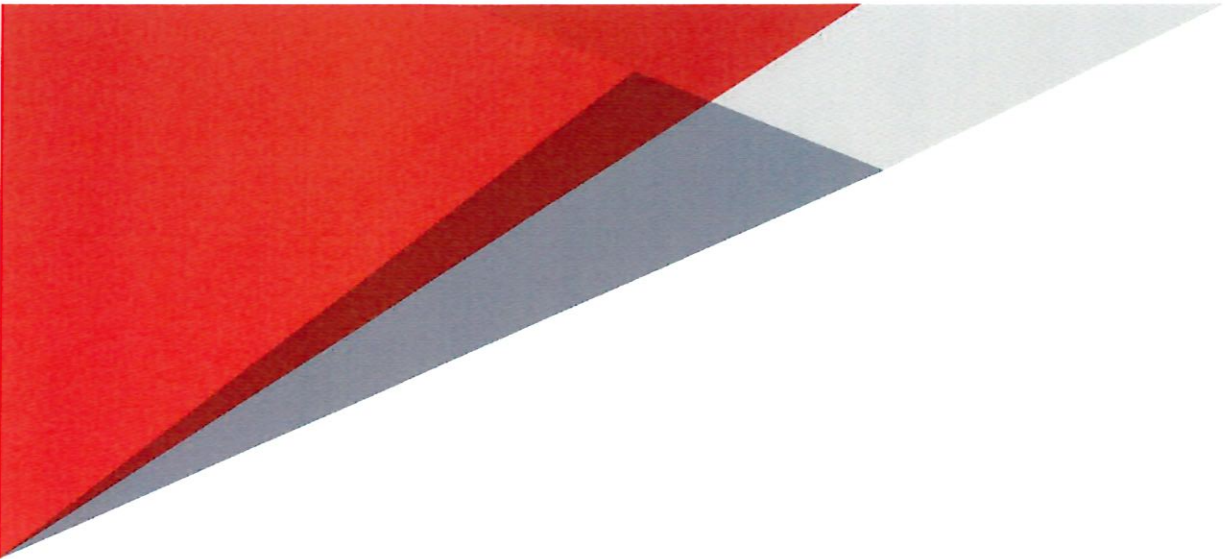
(Attach explanation if amount certified differs from the amount applied for. Initial figures on this Application and on the Continuation Sheet that are changed to conform to the amount certified.)

ARCHITECT: Cannon Design

By: Richard Stuckey Date: July 31, 2025

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Change Order approved in previous months by Owner	57,936	-57,936
APPROVED THIS MONTH		
Number		
002	356,221	0
003		-1,062,735
Date Approved		
07-02-2025		
07-28-2025		
Current Total:	356,221	-1,062,735
Net Change by Change Orders		-706,514



NORTHWESTERN MEMORIAL HEALTHCARE
(An Illinois Not-for-Profit Corporation)

HEALTH FACILITIES AND SERVICES REVIEW BOARD (HFSRB)
NORTHWESTERN MEDICINE OLD IRVING PARK MEDICAL
OFFICE BUILDING PROJECT
HFSRB PROJECT #21-008

Schedule of Project Costs and Sources of Funds
For the Period from May 20, 2021 to July 31, 2025
With Independent Auditor's Report



NORTHWESTERN MEMORIAL HEALTHCARE
(An Illinois Not-for-Profit Corporation)

Health Facilities and Services Review Board (HFSRB)
Northwestern Medicine Old Irving Park Medical
Office Building Project
HFSRB Project #21-008

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Northwestern Memorial HealthCare and
State of Illinois Health Facilities and Services Review Board

Report on the Audit of the Schedule

Opinion

We have audited the Schedule of Project Costs and Sources of Funds of Northwestern Memorial HealthCare related to the Health Facilities and Services Review Board (HFSRB) Project #21-008 for the period from May 20, 2021 to July 31, 2025 (the Schedule) and the related notes to the Schedule.

In our opinion, the accompanying Schedule presents fairly, in all material respects, the project costs and sources of funds of Northwestern Memorial HealthCare related to the HFSRB Project #21-008 for the period from May 20, 2021 to July 31, 2025, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Schedule section of our report. We are required to be independent of Northwestern Memorial HealthCare and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter — Basis of Accounting

The accompanying Schedule was prepared to present the project costs and sources of funds for HFSRB Project #21-008 for the purpose of complying with the terms of the HFSRB permit as described in Note 1 and is not intended to be a complete presentation of Northwestern Memorial HealthCare's financial position in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

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Chicago, IL 60604
T: +1 312 332 4964
F: +1 312 332 0181

mitchelltitus.com



MITCHELL TITUS

Responsibilities of Management for the Schedule

Management is responsible for the preparation and fair presentation of the Schedule in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Schedule that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the Schedule as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the Schedule.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the Schedule, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the Schedule.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Northwestern Memorial HealthCare's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the Schedule.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Northwestern Memorial HealthCare's ability to continue as a going concern for a reasonable period of time.



MITCHELL TITUS

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Restriction on Use

This report is intended solely for the information and use of the Board of Directors, management of Northwestern Memorial HealthCare and the State of Illinois, and is not intended to be, and should not be, used by anyone other than these specified parties.

Mitchell Titus, LLP

September 5, 2025

NORTHWESTERN MEMORIAL HEALTHCARE
(An Illinois Not-for-Profit Corporation)
Schedule of Project Costs and Sources of Funds
to the State of Illinois Health Facilities and Services Review Board

Northwestern Memorial Hospital Permit Project Expenditures

Final realized cost: July 31, 2025

<u>Use of Funds</u>	<u>Category</u>	<u>CON* Approved Budget</u>	<u>Project Costs to Date Through 7/31/2025</u>
1	Pre-planning costs	\$ 130,807	\$ 131,157
2	Site survey and soil investigation	300,000	93,527
3	Site preparation	7,357,507	6,372,417
4	Off-site work	1,458,199	1,462,560
5	New construction contracts	92,686,115	97,314,686
6	Modernization contracts	-	-
7	Contingencies	9,268,612	9,268,612
8	Architectural/engineering fees	2,642,203	3,969,479
9	Consulting and other fees	10,195,306	8,600,965
10	Movable capital equipment (not in construction contracts)	32,323,069	23,222,877
11	Bond issuance expense (project related)	-	-
12	Net interest expense during construction (project related)	-	-
13	Fair market value of leased space or equipment	-	-
14	Other costs that are to be capitalized	<u>2,025,000</u>	<u>1,270,688</u>
	Grand total	<u>\$158,386,818</u>	<u>\$ 151,706,968</u>
<u>Source of Funds</u>			
16	Cash and securities	\$ 158,386,818	\$ 151,706,968
18	Gifts and bequests	-	-
19	Bond issues (project related)	<u>-</u>	<u>-</u>
25	Total funds	<u>\$158,386,818</u>	<u>\$ 151,706,968</u>
	CON permit amount	<u>\$158,386,818</u>	<u>\$ 151,706,968</u>

*CON denotes certificate of need.

NORTHWESTERN MEMORIAL HEALTHCARE
(An Illinois Not-for-Profit Corporation)

NORTHWESTERN MEDICINE OLD IRVING PARK MEDICAL

Office Building Project

HFSRB Project #21-008

Notes to the Schedule of Project Costs and Sources of Funds

For the Period from May 20, 2021 to July 31, 2025

NOTE 1 DESCRIPTION OF PROJECT

Northwestern Memorial Healthcare was issued a permit to construct an outpatient medical office building located at West Irving Park Road in Chicago, Illinois. The building will include physicians' offices for the Northwestern Medical Group (NMG) and non-hospital-based ambulatory care: infusion services, diagnostic imaging, physical therapy, and well-patient laboratory.

The work on the project began on May 20, 2021 and ended on July 31, 2025. The project was approved by the Health Facilities and Services Review Board (HFSRB) on May 20, 2021, with an estimated cost of \$158,386,818. The Schedule of Project Costs and Sources of Funds (the Schedule) of Northwestern Medicine Old Irving Park Medical Office Building related to the HFSRB Project #21-008 for the period of May 20, 2021 through July 31, 2025, has been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) and is not intended to be a complete presentation of the applicant's financial position.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying Schedule is presented using the accrual basis of accounting.

Use of Estimates

The preparation of the Schedule in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures over the period covered by the Schedule. Accordingly, actual results could differ from those estimates.

Project Costs

Costs incurred to construct the outpatient medical office building for the Northwestern Medicine Old Irving Park Medical Office Building under the HFSRB Project #21-008 are stated as costs within the Schedule.

NORTHWESTERN MEMORIAL HEALTHCARE
(An Illinois Not-for-Profit Corporation)

NORTHWESTERN MEDICINE OLD IRVING PARK MEDICAL
Office Building Project
HFSRB Project #21-008
Notes to the Schedule of Project Costs and Sources of Funds
For the Period from May 20, 2021 to July 31, 2025

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Sources of Funds

The sources of funds related to the project have been obtained from Northwestern Memorial HealthCare's cash and securities.

NOTE 3 SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 5, 2025, the date the Schedule was available to be issued, and determined that there were no additional subsequent events to be recognized or disclosed in the Schedule.

