25-047

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD APPLICATION FOR PERMIT

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name:	Northwestern Medicine McHenry Cancer Center
Street Address:	4305 Medical Center Drive
City and Zip Code:	McHenry, IL 60050
County: McHenry	Health Service Area: 8 Health Planning Area: A-10

Applicant(s) [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name:	Northern Illinois Medical Center d/b/a Northwestern Medicine McHenry Hospital
Street Address:	4201 Medical Center Drive
City and Zip Code:	McHenry, IL 60050
Name of Registered Agent:	Julia K. Lynch
Registered Agent Street Address:	211 East Ontario Street Suite 1800
Registered Agent City and Zip Code:	Chicago, IL 60611
Name of Chief Executive Officer:	Catie Schmit
CEO Street Address:	4201 Medical Center Drive
CEO City and Zip Code:	McHenry, IL 60050
CEO Telephone Number:	815-759-4122

Type of Ownership of Applicants

- ☒ Non-profit Corporation
- ☐ For-profit Corporation
- ☐ Limited Liability Company
- ☐ Partnership
- ☐ Governmental
- ☐ Sole Proprietorship
- ☐ Other

- Corporations and limited liability companies must provide an **Illinois certificate of good standing.**
- Partnerships must provide the name of the state in which they are organized and the name and address of each partner specifying whether each is a general or limited partner.

APPEND DOCUMENTATION AS ATTACHMENT 1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Primary Contact [Person to receive ALL correspondence or inquiries]

Name:	Bridget Orth
Title:	Director, Regulatory Planning
Company Name:	Northwestern Memorial HealthCare
Address:	541 N Fairbanks Court Suite 2700, Chicago, IL 60611
Telephone Number:	312-926-8650
E-mail Address:	borth@nm.org
Fax Number:	312-926-0373

Additional Contact [Person who is also authorized to discuss the application for permit]

Name:	Amanda Pulse Morton
Title:	Manager, Regulatory Planning
Company Name:	Northwestern Memorial HealthCare
Address:	541 N Fairbanks Court Suite 2700, Chicago, IL 60611
Telephone Number:	312-926-2846
E-mail Address:	amanda.pulse@nm.org
Fax Number:	312-926-0373

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name:	Northwestern Medicine McHenry Cancer Center
Street Address:	4305 Medical Center Drive
City and Zip Code:	McHenry, IL 60050
County: McHenry	Health Service Area: 8 Health Planning Area: A-10

Applicant(s) [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name:	Northwestern Memorial HealthCare
Street Address:	251 East Huron Street
City and Zip Code:	Chicago, IL 60611
Name of Registered Agent:	Julia K. Lynch
Registered Agent Street Address:	211 East Ontario Street Suite 1800
Registered Agent City and Zip Code:	Chicago, IL 60611
Name of Chief Executive Officer:	Howard B. Chrisman, MD
CEO Street Address:	251 East Huron Street
CEO City and Zip Code:	Chicago, IL 60611
CEO Telephone Number:	312-926-0016

Type of Ownership of Applicants

- ☒ Non-profit Corporation
- ☐ For-profit Corporation
- ☐ Limited Liability Company
- ☐ Partnership
- ☐ Governmental
- ☐ Sole Proprietorship
- ☐ Other

- Corporations and limited liability companies must provide an **Illinois certificate of good standing.**
- Partnerships must provide the name of the state in which they are organized and the name and address of each partner specifying whether each is a general or limited partner.

APPEND DOCUMENTATION AS ATTACHMENT 1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Primary Contact [Person to receive ALL correspondence or inquiries]

Name:	Bridget Orth
Title:	Director, Regulatory Planning
Company Name:	Northwestern Memorial HealthCare
Address:	541 N Fairbanks Court Suite 2700, Chicago, IL 60611
Telephone Number:	312-926-8650
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Fax Number:	312-926-0373

Additional Contact [Person who is also authorized to discuss the application for permit]

Name:	Amanda Pulse Morton
Title:	Manager, Regulatory Planning
Company Name:	Northwestern Memorial HealthCare
Address:	541 N Fairbanks Court Suite 2700, Chicago, IL 60611
Telephone Number:	312-926-2846
E-mail Address:	amanda.pulse@nm.org
Fax Number:	312-926-0373

Post Permit Contact

[Person to receive all correspondence after permit issuance-**THIS PERSON MUST BE EMPLOYED BY THE LICENSED HEALTH CARE FACILITY AS DEFINED AT 20 ILCS 3960]**

Name:	Bridget Orth
Title:	Director, Regulatory Planning
Company Name:	Northwestern Memorial HealthCare
Address:	541 N Fairbanks Court Suite 2700, Chicago, IL 60611
Telephone Number:	312-926-8650
E-mail Address:	borth@nm.org
Fax Number:	312-926-0373

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Northern Illinois Medical Center d/b/a Northwestern Medicine McHenry Hospital

Address of Site Owner: 4201 Medical Center Drive, McHenry, IL 60050

Street Address or Legal Description of the Site:

Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statements, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease, or a lease.

APPEND DOCUMENTATION AS ATTACHMENT 2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Operating Identity/Licensee

[Provide this information for each applicable facility and insert after this page.]

Exact Legal Name: Northern Illinois Medical Center d/b/a Northwestern Medicine McHenry Hospital

Address: 4201 Medical Center Drive, McHenry, IL 60050

☒	Non-profit Corporation	☐	Partnership		
☐	For-profit Corporation	☐	Governmental		
☐	Limited Liability Company	☐	Sole Proprietorship	☐	Other

- Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.
- Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.
- **Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.**

APPEND DOCUMENTATION AS ATTACHMENT 3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Organizational Relationships

Provide (for each applicant) an organizational chart containing the name and relationship of any person or entity who is related (as defined in Part 1130.140). If the related person or entity is participating in the development or funding of the project, describe the interest and the amount and type of any financial contribution.

APPEND DOCUMENTATION AS ATTACHMENT 4, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Flood Plain Requirements

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2006-5 pertaining to construction activities in special flood hazard areas. As part of the flood plain requirements, please provide a map of the proposed project location showing any identified floodplain areas. Floodplain maps can be printed at **www.FEMA.gov** or **www.illinoisfloodmaps.org**. **This map must be in a readable format**. In addition, please provide a statement attesting that the project complies with the requirements of Illinois Executive Order #2006-5 (**http://www.hfsrb.illinois.gov**). **NOTE:** A SPECIAL FLOOD HAZARD AREA AND 500-YEAR FLOODPLAIN DETERMINATION FORM has been added at the conclusion of this Application for Permit that must be completed to deem a project complete.

APPEND DOCUMENTATION AS ATTACHMENT 5, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Historic Resources Preservation Act Requirements

[Refer to application instructions.]

Provide documentation regarding compliance with the requirements of the Historic Resources Preservation Act.

APPEND DOCUMENTATION AS ATTACHMENT 6, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

DESCRIPTION OF PROJECT

1. Project Classification

[Check those applicable - refer to Part 1110.20 and Part 1120.20(b)]

Part 1110 Classification :

☐ Substantive

☒ Non-substantive

2. Narrative Description

In the space below, provide a brief narrative description of the project. Explain **WHAT** is to be done in **State Board defined terms**, **NOT WHY** it is being done. If the project site does NOT have a street address, include a legal description of the site. Include the rationale regarding the project's classification as substantive or non-substantive.

Northern Illinois Medical Center d/b/a Northwestern Medicine McHenry Hospital proposes to renovate its existing cancer center located at 4305 Medical Center Drive in McHenry.

The renovation will allow for the expansion of infusion services, radiation oncology support areas and physician office space.

The total project square footage will be 24,921 square feet: 10,221 sf of clinical/reviewable space and 14,700 sf of non-clinical/non-reviewable space.

The total project cost is $20,395,262.

The anticipated project completion date is June 30, 2028.

The project is classified as non-substantive because it does not establish a new category of service or facility as defined in 20 ILCS 3690/3.

Project Costs and Sources of Funds

Complete the following table listing all costs (refer to Part 1120.110) associated with the project. When a project or any component of a project is to be accomplished by lease, donation, gift, or other means, the fair market or dollar value (refer to Part 1130.140) of the component must be included in the estimated project cost. If the project contains non-reviewable components that are not related to the provision of health care, complete the second column of the table below. Note, the use and sources of funds must be equal.

Project Costs and Sources of Funds			
USE OF FUNDS	**CLINICAL**	**NONCLINICAL**	**TOTAL**
Preplanning Costs	$ 102,534	$ 147,466	$ 250,000
Site Survey and Soil Investigation			
Site Preparation	$ 82,027	$ 117,973	$ 200,000
Off Site Work			
New Construction Contracts			
Modernization Contracts	$ 5,282,598	$ 8,597,640	$ 13,880,238
Contingencies	$ 528,260	$ 859,764	$ 1,388,024
Architectural/Engineering Fees	$ 389,629	$ 560,371	$ 950,000
Consulting and Other Fees	$ 98,433	$ 141,567	$ 240,000
Movable or Other Equipment (not in construction contracts)	$ 1,867,880	$ 1,294,120	$ 3,162,000
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment			
Other Costs to Be Capitalized	$ 133,294	$ 191,706	$ 325,000
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	**$ 8,484,655**	**$ 11,910,607**	**$ 20,395,262**
SOURCE OF FUNDS	**CLINICAL**	**NONCLINICAL**	**TOTAL**
Cash and Securities	$ 8,484,655	$ 11,910,607	$ 20,395,262
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	**$ 8,484,655**	**$ 11,910,607**	**$ 20,395,262**

NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Related Project Costs

Provide the following information, as applicable, with respect to any land related to the project that will be or has been acquired during the last two calendar years:

Land acquisition is related to project ☐ Yes ☒ No
Purchase Price: $ N/A
Fair Market Value: $$ N/A

The project involves the establishment of a new facility or a new category of service
☐ Yes ☒ No

If yes, provide the dollar amount of all **non-capitalized** operating start-up costs (including operating deficits) through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100.

Estimated start-up costs and operating deficit cost is $ N/A

Project Status and Completion Schedules

For facilities in which prior permits have been issued please provide the permit numbers.

Indicate the stage of the project's architectural drawings:

☐ None or not applicable ☒ Preliminary
☐ Schematics ☐ Final Working

Anticipated project completion date (refer to Part 1130.140): June 30, 2028

Indicate the following with respect to project expenditures or to financial commitments (refer to Part 1130.140):

☐ Purchase orders, leases or contracts pertaining to the project have been executed.
☒ Financial commitment is contingent upon permit issuance. Provide a copy of the contingent "certification of financial commitment" document, highlighting any language related to CON Contingencies
☐ Financial Commitment will occur after permit issuance.

APPEND DOCUMENTATION AS ATTACHMENT 8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

State Agency Submittals [Section 1130.620(c)]

Are the following submittals up to date as applicable?
☒ Cancer Registry
☒ APORS
☒ All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
☒ All reports regarding outstanding permits
Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

Cost Space Requirements

Provide in the following format, the **Departmental Gross Square Feet (DGSF)** or the **Building Gross Square Feet (BGSF)** and cost. The type of gross square footage either **DGSF** or **BGSF** must be identified. The sum of the department costs **MUST** equal the total estimated project costs. Indicate if any space is being reallocated for a different purpose. Include outside wall measurements plus the departments or area's portion of the surrounding circulation space. **Explain the use of any vacated space.**

Not Reviewable Space [i.e., non-clinical]: *means an area for the benefit of the patients, visitors, staff, or employees of a health care facility and not directly related to the diagnosis, treatment, or rehabilitation of persons receiving services from the health care facility. "Non-clinical service areas" include, but are not limited to, chapels; gift shops; newsstands; computer systems; tunnels, walkways, and elevators; telephone systems; projects to comply with life safety codes; educational facilities; student housing; patient, employee, staff, and visitor dining areas; administration and volunteer offices; modernization of structural components (such as roof replacement and masonry work); boiler repair or replacement; vehicle maintenance and storage facilities; parking facilities; mechanical systems for heating, ventilation, and air conditioning; loading docks; and repair or replacement of carpeting, tile, wall coverings, window coverings or treatments, or furniture. Solely for the purpose of this definition, "non-clinical service area" does not include health and fitness centers.* [20 ILCS 3960/3]

		Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
Dept. / Area	**Cost**	**Existing**	**Proposed**	**New Const.**	**Modernized**	**As Is**	**Vacated Space**
REVIEWABLE							
Medical Surgical							
Intensive Care							
Diagnostic Radiology							
MRI							
Total Clinical							
NON-REVIEWABLE							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
TOTAL							

APPEND DOCUMENTATION AS ATTACHMENT 9, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Facility Bed Capacity and Utilization

Complete the following chart, as applicable. Complete a separate chart for each facility that is a part of the project and insert the chart after this page. Provide the existing bed capacity and utilization data for the latest **Calendar Year for which data is available. Include observation days in the patient day totals for each bed service.** Any bed capacity discrepancy from the Inventory will result in the application being deemed **incomplete**.

FACILITY NAME: Northern Illinois Medical Center d/b/a Northwestern Medicine McHenry Hospital		**CITY:** McHenry			
REPORTING PERIOD DATES: CY2024		**From:** January 1, 2024		**to:** December 31, 2024	
Category of Service	**Authorized Beds**	**Admissions**	**Patient Days**	**Bed Changes**	**Proposed Beds**
Medical/Surgical	127	8,392	39,382	0	127
Obstetrics	0	0	0	0	0
Pediatrics	0	0	0	0	0
Intensive Care	27	1,526	3,735	0	27
Comprehensive Physical Rehabilitation	0	0	0	0	0
Acute/Chronic Mental Illness	0	0	0	0	0
Neonatal Intensive Care	0	0	0	0	0
General Long-Term Care	0	0	0	0	0
Specialized Long-Term Care	0	0	0	0	0
Long Term Acute Care	0	0	0	0	0
Other ((identify)	0	0	0	0	0
TOTALS:	154	9,918	43,117	0	154

CERTIFICATION

The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives are:

- in the case of a corporation, any two of its officers or members of its Board of Directors.
- in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist).
- in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist).
- in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- in the case of a sole proprietor, the individual that is the proprietor.

This Application is filed on the behalf of Northern Illinois Medical Center d/b/a NM McHenry Hospital* **in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the fee required for this application is sent herewith or will be paid upon request.**

Catie L Schmit
SIGNATURE

Catie L. Schmit
PRINTED NAME

President, NM McHenry Hospital
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 19th day of November 2025

Signature of Notary

Seal

OFFICIAL SEAL
BRIDGET SUZANNE ORTH
NOTARY PUBLIC, STATE OF ILLINOIS
COMMISSION NO. 0998558
MY COMMISSION EXPIRES October 16, 2028

SIGNATURE

Julia Lynch
PRINTED NAME

Senior Vice President & General Counsel
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 20th day of November 2025

Signature of Notary

Seal

OFFICIAL SEAL
BRIDGET SUZANNE ORTH
NOTARY PUBLIC, STATE OF ILLINOIS
COMMISSION NO. 0998558
MY COMMISSION EXPIRES October 16, 2028

*Insert the EXACT legal name of the applicant

CERTIFICATION

The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives are:

- in the case of a corporation, any two of its officers or members of its Board of Directors.
- in the case of a limited liability company, any two of its managers or members (or the sole manager or member when two or more managers or members do not exist).
- in the case of a partnership, two of its general partners (or the sole general partner, when two or more general partners do not exist).
- in the case of estates and trusts, two of its beneficiaries (or the sole beneficiary when two or more beneficiaries do not exist); and
- in the case of a sole proprietor, the individual that is the proprietor.

This Application is filed on the behalf of Northwestern Memorial HealthCare (NMHC) * **in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the fee required for this application is sent herewith or will be paid upon request.**

SIGNATURE

Howard B. Chrisman, MD
PRINTED NAME

President & CEO
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 24th day of November 2025

Signature of Notary

Seal

OFFICIAL SEAL
BRIDGET SUZANNE ORTH
NOTARY PUBLIC, STATE OF ILLINOIS
COMMISSION NO. 0998558
MY COMMISSION EXPIRES October 16, 2028

SIGNATURE

Julia Lynch
PRINTED NAME

Senior Vice President & General Counsel
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 20th day of November 2025

Signature of Notary

Seal

OFFICIAL SEAL
BRIDGET SUZANNE ORTH
NOTARY PUBLIC, STATE OF ILLINOIS
COMMISSION NO. 0998558
MY COMMISSION EXPIRES October 16, 2028

*Insert the EXACT legal name of the applicant

SECTION III. BACKGROUND, PURPOSE OF THE PROJECT, AND ALTERNATIVES - INFORMATION REQUIREMENTS

This Section is applicable to all projects except those that are solely for discontinuation with no project costs.

1110.110(a) – Background of the Applicant

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.

2. A listing of all health care facilities currently owned and/or operated in Illinois, by any corporate officers or directors, LLC members, partners, or owners of at least 5% of the proposed health care facility.

3. For the following questions, please provide information for each applicant, including corporate officers or directors, LLC members, partners, and owners of at least 5% of the proposed facility. A health care facility is considered owned or operated by every person or entity that owns, directly or indirectly, an ownership interest.

    a. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant, directly or indirectly, during the three years prior to the filing of the application.

    b. A certified listing of each applicant, identifying those individuals that have been cited, arrested, taken into custody, charged with, indicted, convicted, or tried for, or pled guilty to the commission of any felony or misdemeanor or violation of the law, except for minor parking violations; or the subject of any juvenile delinquency or youthful offender proceeding. Unless expunged, provide details about the conviction, and submit any police or court records regarding any matters disclosed.

    c. A certified and detailed listing of each applicant or person charged with fraudulent conduct or any act involving moral turpitude.

    d. A certified listing of each applicant with one or more unsatisfied judgements against him or her.

    e. A certified and detailed listing of each applicant who is in default in the performance or discharge of any duty or obligation imposed by a judgment, decree, order or directive of any court or governmental agency.

4. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**

5. If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest that the information was previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant can submit amendments to previously submitted information, as needed, to update and/or clarify data.

APPEND DOCUMENTATION AS ATTACHMENT 11, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 11.

Criterion 1110.110(b) & (d)

PURPOSE OF PROJECT

1. Document that the project will provide health services that improve the health care or well-being of the market area population to be served.
2. Define the planning area or market area, or other relevant area, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed as applicable and appropriate for the project.
4. Cite the sources of the documentation.
5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.
6. Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals **as appropriate**.

For projects involving modernization, describe the conditions being upgraded, if any. For facility projects, include statements of the age and condition of the project site, as well as regulatory citations, if any. For equipment being replaced, include repair and maintenance records.

NOTE: Information regarding the "Purpose of the Project" will be included in the State Board Staff Report.

APPEND DOCUMENTATION AS ATTACHMENT 12, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-6) MUST BE IDENTIFIED IN ATTACHMENT 12.

ALTERNATIVES

1) Identify **ALL** the alternatives to the proposed project:

Alternative options **must** include:

A) Proposing a project of greater or lesser scope and cost.

B) Pursuing a joint venture or similar arrangement with one or more providers or entities to meet all or a portion of the project's intended purposes; developing alternative settings to meet all or a portion of the project's intended purposes.

C) Utilizing other health care resources that are available to serve all or a portion of the population proposed to be served by the project; and

D) Provide the reasons why the chosen alternative was selected.

2) Documentation shall consist of a comparison of the project to alternative options. The comparison shall address issues of total costs, patient access, quality, and financial benefits in both the short-term (within one to three years after project completion) and long-term. This may vary by project or situation. **FOR EVERY ALTERNATIVE IDENTIFIED, THE TOTAL PROJECT COST AND THE REASONS WHY THE ALTERNATIVE WAS REJECTED MUST BE PROVIDED.**

3) The applicant shall provide empirical evidence, including quantified outcome data that verifies improved quality of care, as available.

APPEND DOCUMENTATION AS ATTACHMENT 13, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IV. PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE

Criterion 1110.120 - Project Scope, Utilization, and Unfinished/Shell Space

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

1. Document that the amount of physical space proposed for the proposed project is necessary and not excessive. **This must be a narrative and it shall include the basis used for determining the space and the methodology applied.**

2. If the gross square footage exceeds the BGSF/DGSF standards in Appendix B, justify the discrepancy by documenting one of the following:

    a. Additional space is needed due to the scope of services provided, justified by clinical or operational needs, as supported by published data or studies and certified by the facility's Medical Director.

    b. The existing facility's physical configuration has constraints or impediments and requires an architectural design that delineates the constraints or impediments.

    c. The project involves the conversion of existing space that results in excess square footage.

    d. Additional space is mandated by governmental or certification agency requirements that were not in existence when Appendix B standards were adopted.

Provide a narrative for any discrepancies from the State Standard. A table must be provided in the following format with Attachment 14.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?

APPEND DOCUMENTATION AS ATTACHMENT 14, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

PROJECT SERVICES UTILIZATION:

This criterion is applicable only to projects or portions of projects that involve services, functions, or equipment for which HFSRB has established utilization standards or occupancy targets in 77 Ill. Adm. Code 1100.

Document that in the second year of operation, the annual utilization of the service or equipment shall meet or exceed the utilization standards specified in 1110.Appendix B. **A narrative of the rationale that supports the projections must be provided.**

A table must be provided in the following format with Attachment 15.

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION (PATIENT DAYS) (TREATMENTS) ETC.	PROJECTED UTILIZATION	STATE STANDARD	MEET STANDARD?
YEAR 1					
YEAR 2					

APPEND DOCUMENTATION AS ATTACHMENT 15, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

UNFINISHED OR SHELL SPACE:

Provide the following information:

1. Total gross square footage (GSF) of the proposed shell space.
2. The anticipated use of the shell space, specifying the proposed GSF to be allocated to each department, area, or function.
3. Evidence that the shell space is being constructed due to:
   a. Requirements of governmental or certification agencies; or
   b. Experienced increases in the historical occupancy or utilization of those areas proposed to occupy the shell space.
4. Provide:
   a. Historical utilization for the area for the latest five-year period for which data is available; and
   b. Based upon the average annual percentage increase for that period, projections of future utilization of the area through the anticipated date when the shell space will be placed into operation.

APPEND DOCUMENTATION AS ATTACHMENT 16, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

ASSURANCES:

Submit the following:

1. Verification that the applicant will submit to HFSRB a CON application to develop and utilize the shell space, regardless of the capital thresholds in effect at the time or the categories of service involved.
2. The estimated date by which the subsequent CON application (to develop and utilize the subject shell space) will be submitted; and
3. The anticipated date when the shell space will be completed and placed into operation.

APPEND DOCUMENTATION AS ATTACHMENT 17, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

M. Criterion 1110.270 - Clinical Service Areas Other than Categories of Service

1. Applicants proposing to establish, expand and/or modernize Clinical Service Areas Other than categories of service must submit the following information:

2. Indicate changes by Service: Indicate # of key room changes by action(s):

Service	# Existing Key Rooms	# Proposed Key Rooms
☒ **Infusion**	8	16
☒ **Radiation Oncology**	4	5
☐		

3. READ the applicable review criteria outlined below and **submit the required documentation for the criteria:**

Project Type	Required Review Criteria
New Services or Facility or Equipment	(b) – Need Determination – Establishment
Service Modernization	(c)(1) – Deteriorated Facilities
	AND/OR
	(c)(2) – Necessary Expansion
	PLUS
	(c)(3)(A) – Utilization – Major Medical Equipment
	OR
	(c)(3)(B) – Utilization – Service or Facility
1APPEND DOCUMENTATION AS ATTACHMENT 31, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

The following Sections DO NOT need to be addressed by the applicants or co-applicants responsible for funding or guaranteeing the funding of the project if the applicant has a bond rating of A- or better from Fitch's or Standard and Poor's rating agencies, or A3 or better from Moody's (the rating shall be affirmed within the latest 18-month period prior to the submittal of the application):

- **Section 1120.120 Availability of Funds – Review Criteria**
- **Section 1120.130 Financial Viability – Review Criteria**
- **Section 1120.140 Economic Feasibility – Review Criteria, subsection (a)**

VII. 1120.120 - AVAILABILITY OF FUNDS

The applicant shall document those financial resources shall be available and be equal to or exceed the estimated total project cost plus any related project costs by providing evidence of sufficient financial resources from the following sources, as applicable **[Indicate the dollar amount to be provided from the following sources]:**

_____	a)	Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:
		1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and
		2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion.
_____	b)	Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated timetable of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.
_____	c)	Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated timetable of receipts.
_____	d)	Debt – a statement of the estimated terms and conditions (including the debt time, variable or permanent interest rates over the debt time, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including:
		1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated.
		2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate.
		3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.
		4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment.
		5) For any option to lease, a copy of the option, including all

	terms and conditions. e) Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent. f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt. g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
	TOTAL FUNDS AVAILABLE

APPEND DOCUMENTATION AS ATTACHMENT 34, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION VIII. 1120.130 - FINANCIAL VIABILITY

All the applicants and co-applicants shall be identified, specifying their roles in the project funding, or guaranteeing the funding (sole responsibility or shared) and percentage of participation in that funding.

Financial Viability Waiver

The applicant is not required to submit financial viability ratios if:

1. "A" Bond rating or better
2. All the project's capital expenditures are completely funded through internal sources
3. The applicant's current debt financing or projected debt financing is insured or anticipated to be insured by MBIA (Municipal Bond Insurance Association Inc.) or equivalent
4. The applicant provides a third-party surety bond or performance bond letter of credit from an A rated guarantor.

See Section 1120.130 Financial Waiver for information to be provided

APPEND DOCUMENTATION AS ATTACHMENT 35, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

The applicant or co-applicant that is responsible for funding or guaranteeing funding of the project shall provide viability ratios for the latest three years for which **audited financial statements are available and for the first full fiscal year at target utilization, but no more than two years following project completion.** When the applicant's facility does not have facility specific financial statements and the facility is a member of a health care system that has combined or consolidated financial statements, the system's viability ratios shall be provided. If the health care system includes one or more hospitals, the system's viability ratios shall be evaluated for conformance with the applicable hospital standards.

	Historical 3 Years			Projected
Enter Historical and/or Projected Years:				
Current Ratio				
Net Margin Percentage				
Percent Debt to Total Capitalization				
Projected Debt Service Coverage				
Days Cash on Hand				
Cushion Ratio				

Provide the methodology and worksheets utilized in determining the ratios detailing the calculation and applicable line item amounts from the financial statements. Complete a separate table for each co-applicant and provide worksheets for each.

Variance

Applicants not in compliance with any of the viability ratios shall document that another organization, public or private, shall assume the legal responsibility to meet the debt obligations should the applicant default.

APPEND DOCUMENTATION AS ATTACHMENT 36, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IX. 1120.140 - ECONOMIC FEASIBILITY

This section is applicable to all projects subject to Part 1120.

A. Reasonableness of Financing Arrangements

The applicant shall document the reasonableness of financing arrangements by submitting a notarized statement signed by an authorized representative that attests to one of the following:

1) That the total estimated project costs and related costs will be funded in total with cash and equivalents, including investment securities, unrestricted funds, received pledge receipts and funded depreciation; or

2) That the total estimated project costs and related costs will be funded in total or in part by borrowing because:

   A) A portion or all the cash and equivalents must be retained in the balance sheet asset accounts to maintain a current ratio of at least 2.0 times for hospitals and 1.5 times for all other facilities; or

   B) Borrowing is less costly than the liquidation of existing investments, and the existing investments being retained may be converted to cash or used to retire debt within a 60-day period.

B. Conditions of Debt Financing

This criterion is applicable only to projects that involve debt financing. The applicant shall document that the conditions of debt financing are reasonable by submitting a notarized statement signed by an authorized representative that attests to the following, as applicable:

1) That the selected form of debt financing for the project will be at the lowest net cost available.

2) That the selected form of debt financing will not be at the lowest net cost available but is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional indebtedness, term (years), financing costs and other factors.

3) That the project involves (in total or in part) the leasing of equipment or facilities and that the expenses incurred with leasing a facility or equipment are less costly than constructing a new facility or purchasing new equipment.

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

1. Identify each department or area impacted by the proposed project and provide a cost and square footage allocation for new construction and/or modernization using the following format (insert after this page).

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE

Department (List below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Cost/Square Foot Mod.	Gross Sq. Ft. New	Gross Sq. Ft. Circ.*	Gross Sq. Ft. Mod.	Gross Sq. Ft. Circ.*	Const. $ (A x C)	Mod. $ (B x E)	
Contingency									
TOTALS									

* Include the percentage (%) of space for circulation

D. Projected Operating Costs

The applicant shall provide the projected direct annual operating costs (in current dollars per equivalent patient day or unit of service) for the first full fiscal year at target utilization but no more than two years following project completion. Direct cost means the fully allocated costs of salaries, benefits and supplies for the service.

E. Total Effect of the Project on Capital Costs

The applicant shall provide the total projected annual capital costs (in current dollars per equivalent patient day) for the first full fiscal year at target utilization but no more than two years following project completion.

APPEND DOCUMENTATION AS ATTACHMENT 37, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION X. SAFETY NET IMPACT STATEMENT

SAFETY NET IMPACT STATEMENT that describes all the following must be submitted for ALL SUBSTANTIVE PROJECTS AND PROJECTS TO DISCONTINUE HEALTH CARE FACILITIES [20 ILCS 3960/5.4]:

1. The project's material impact, if any, on essential safety net services in the community, ***including the impact on racial and health care disparities in the community,*** to the extent that it is feasible for an applicant to have such knowledge.

2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.

3. How the discontinuation of a facility or service might impact the remaining safety net providers in each community, if reasonably known by the applicant.

Safety Net Impact Statements shall also include all the following:

1. For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.

2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.

3. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.

A table in the following format must be provided as part of Attachment 37.

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	**Year**	**Year**	**Year**
Inpatient			
Outpatient			
Total			
Charity (cost in dollars)			
Inpatient			
Outpatient			
Total			
MEDICAID			
Medicaid (# of patients)	**Year**	**Year**	**Year**
Inpatient			
Outpatient			
Total			
Medicaid (revenue)			
Inpatient			

Outpatient			
Total			

APPEND DOCUMENTATION AS ATTACHMENT 38, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION X. CHARITY CARE INFORMATION

Charity Care information MUST be furnished for ALL projects [1120.20(c)].

1. All applicants and co-applicants shall indicate the amount of charity care for the latest three **audited** fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue.

2. If the applicant owns or operates one or more facilities, the reporting shall be for each individual facility located in Illinois. If charity care costs are reported on a consolidated basis, the applicant shall provide documentation as to the cost of charity care; the ratio of that charity care to the net patient revenue for the consolidated financial statement; the allocation of charity care costs; and the ratio of charity care cost to net patient revenue for the facility under review.

3. If the applicant is not an existing facility, it shall submit the facility's projected patient mix by payer source, anticipated charity care expense and projected ratio of charity care to net patient revenue by the end of its second year of operation.

Charity care" means care provided by a health care facility for which the provider does not expect to receive payment from the patient or a third-party payer (20 ILCS 3960/3). Charity Care must be provided at cost.

A table in the following format must be provided for all facilities as part of Attachment 39.

CHARITY CARE			
	Year	Year	Year
Net Patient Revenue			
Amount of Charity Care (charges)			
Cost of Charity Care			

APPEND DOCUMENTATION AS ATTACHMENT 39, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION XI -SPECIAL FLOOD HAZARD AREA AND 500-YEAR FLOODPLAIN DETERMINATION FORM

In accordance with Executive Order 2006-5 (EO 5), the Health Facilities & Services Review Board (HFSRB) must determine if the site of the CRITICAL FACILITY, as defined in EO 5, is in a mapped floodplain (Special Flood Hazard Area) or a 500-year floodplain. All state agencies are required to ensure that before a permit, grant or a development is planned or promoted, the proposed project meets the requirements of the Executive Order, including compliance with the National Flood Insurance Program (NFIP) and state floodplain regulation.

1. Applicant: Northern Illinois Medical Center (Name) 4305 Medical Center Drive (Address)
   McHenry (City) IL (State) 60050 (ZIP Code) 815-344-8000 (Telephone Number)

2. Project Location: 4305 Medical Center Drive (Address) McHenry, IL (City) (State)
   McHenry (County) Nunda 7 (Township) (Section)

3. You can create a small map of your site showing the FEMA floodplain mapping using the FEMA Map Service Center website (https://msc.fema.gov/portal/home) by entering the address for the property in the Search bar. If a map, like that shown on page 2 is shown, select the ***Go to NFHL Viewer*** tab above the map. You can print a copy of the floodplain map by selecting the  icon in the top corner of the page. Select the pin tool icon  and place a pin on your site. Print a FIRMETTE size image.

   If there is no digital floodplain map available select the **View/Print FIRM** icon above the aerial photo. You will then need to use the Zoom tools provided to locate the property on the map and use the **Make a FIRMette** tool to create a pdf of the floodplain map.

IS THE PROJECT SITE LOCATED IN A SPECIAL FLOOD HAZARD AREA: Yes___ No _X ?

IS THE PROJECT SITE LOCATED IN THE 500-YEAR FLOOD PLAIN?

If you are unable to determine if the site is in the mapped floodplain or 500-year floodplain, contact the county or the local community building or planning department for assistance.
If the determination is being made by a local official, please complete the following:

FIRM Panel Number:_____ Effective Date:_____

Name of Official:_____ Title: _____

Business/Agency:_____ Address:_____

(City) (State) (ZIP Code) (Telephone Number)

Signature:_____ Date: _____

NOTE: This finding only means that the property in question is or is not in a Special Flood Hazard Area or a 500-year floodplain as designated on the map noted above. It does not constitute a guarantee that the property will or will not be flooded or be subject to local drainage problems.

If you need additional help, contact the Illinois Statewide Floodplain Program at 217/782-4428

After paginating the entire completed application indicate, in the chart below, the page numbers for the included attachments:

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File Number 3594-752-3

STATE OF ILLINOIS

OFFICE OF THE SECRETARY OF STATE

To all to whom these Presents Shall Come, Greeting:

I, **Alexi Giannoulias,** *Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that*

NORTHERN ILLINOIS MEDICAL CENTER, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON MARCH 16, 1956, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 20TH *day of* NOVEMBER *A.D.* 2025 .

Authentication #: 2532402480 verifiable until 11/20/2026
Authenticate at: https://www.ilsos.gov

Alexi Giannoulias
SECRETARY OF STATE

ATTACHMENT-1

File Number 5257-740-3

STATE OF ILLINOIS

OFFICE OF THE SECRETARY OF STATE

To all to whom these Presents Shall Come, Greeting:

I, **Alexi Giannoulias,** *Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that*

NORTHWESTERN MEMORIAL HEALTHCARE, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON NOVEMBER 30, 1981, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 20TH *day of* NOVEMBER *A.D.* 2025 .

Authentication #: 2532402488 verifiable until 11/20/2026
Authenticate at: https://www.ilsos.gov

SECRETARY OF STATE

ATTACHMENT-1

ALTA COMMITMENT FOR TITLE INSURANCE

Issued By:

CHICAGO TITLE INSURANCE COMPANY

Commitment Number:

CCHI2103809LD

NOTICE

IMPORTANT - READ CAREFULLY: THIS COMMITMENT IS AN OFFER TO ISSUE ONE OR MORE TITLE INSURANCE POLICIES. ALL CLAIMS OR REMEDIES SOUGHT AGAINST THE COMPANY INVOLVING THE CONTENT OF THIS COMMITMENT OR THE POLICY MUST BE BASED SOLELY IN CONTRACT.

THIS COMMITMENT IS NOT AN ABSTRACT OF TITLE, REPORT OF THE CONDITION OF TITLE, LEGAL OPINION, OPINION OF TITLE, OR OTHER REPRESENTATION OF THE STATUS OF TITLE. THE PROCEDURES USED BY THE COMPANY TO DETERMINE INSURABILITY OF THE TITLE, INCLUDING ANY SEARCH AND EXAMINATION, ARE PROPRIETARY TO THE COMPANY, WERE PERFORMED SOLELY FOR THE BENEFIT OF THE COMPANY, AND CREATE NO EXTRACONTRACTUAL LIABILITY TO ANY PERSON, INCLUDING A PROPOSED INSURED.

THE COMPANY'S OBLIGATION UNDER THIS COMMITMENT IS TO ISSUE A POLICY TO A PROPOSED INSURED IDENTIFIED IN SCHEDULE A IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THIS COMMITMENT. THE COMPANY HAS NO LIABILITY OR OBLIGATION INVOLVING THE CONTENT OF THIS COMMITMENT TO ANY OTHER PERSON.

COMMITMENT TO ISSUE POLICY

Subject to the Notice; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and the Commitment Conditions, Chicago Title Insurance Company, a Florida corporation (the "Company"), commits to issue the Policy according to the terms and provisions of this Commitment. This Commitment is effective as of the Commitment Date shown in Schedule A for each Policy described in Schedule A, only when the Company has entered in Schedule A both the specified dollar amount as the Proposed Policy Amount and the name of the Proposed Insured.

If all of the Schedule B, Part I-Requirements have not been met within one hundred eighty (180) days after the Commitment Date, this Commitment terminates and the Company's liability and obligation end.

Chicago Title Insurance Company

By:

Randy Quirk, President

Attest:

Marjorie Nemzura, Secretary

Countersigned By:

Michael J. Nolan
Authorized Officer or Agent

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Chicago Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

Transaction Identification Data for reference only:

ORIGINATING OFFICE:	FOR SETTLEMENT INQUIRIES, CONTACT:
Chicago Title Insurance Company 10 South LaSalle Street, Suite 3100 Chicago, IL 60603 Main Phone: (312)223-4627 Email: chicagocommercial@ctt.com	Chicago Title and Trust Company 10 South LaSalle Street, Suite 3100 Chicago, IL 60603 Main Phone: (312)223-4627 Main Fax: (312)223-3018

Order Number: CCHI2103809LD

Property Ref.: Northwestern Medicine McHenry Hospital

SCHEDULE A

1. Commitment Date: May 28, 2021
2. Policy to be issued:

   (a) ALTA Loan Policy 2006
   Proposed Insured: Lender with a contractual obligation under a loan agreement with the Proposed Insured for an Owner's Policy, its successors and/or assigns as their respective interests may appear.
   Proposed Policy Amount: $10,000.00

3. The estate or interest in the Land described or referred to in this Commitment is:

   Fee Simple

4. The Title is, at the Commitment Date, vested in:

   Northern Illinois Medical Center, an Illinois not-for-profit corporation, formerly known as NIMED Corp., an Illinois not-for-profit corporation as to parcels 1 and 2

5. The Land is described as follows:

   SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

END OF SCHEDULE A

EXHIBIT "A"

Legal Description

PARCEL 1:

THAT PART OF THE SOUTHEAST QUARTER OF SECTION 3, TOWNSHIP 44 NORTH, RANGE 8 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT A POINT 739.30 FEET WEST AND 833.84 FEET SOUTH OF THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 3, AS MEASURED ALONG THE NORTH LINE OF SAID SOUTHEAST QUARTER AND ALONG A LINE AT RIGHT ANGLES THERETO THE NORTH LINE OF SAID SOUTHEAST QUARTER HAVING AN ASSUMED BEARING OF SOUTH 90 DEGREES 00 MINUTES 00 SECONDS WEST, 297.00 FEET; THENCE NORTH 90 DEGREES 00 MINUTES 00 SECONDS EAST, 25.00 FEET; THENCE SOUTH 00 DEGREES 00 MINUTES 00 SECONDS WEST, 205.00 FEET; THENCE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS WEST, 54.38 FEET TO A POINT OF BEGINNING; THENCE CONTINUING SOUTH 90 DEGREES 00 MINUTES 00 SECONDS WEST, 5.62 FEET; THENCE SOUTH 00 DEGREES 00 MINUTES 00 SECONDS WEST, 46.00 FEET; THENCE SOUTH 40 DEGREES 25 MINUTES 32 SECONDS WEST, 36.95 FEET; THENCE NORTH 89 DEGREES 59 MINUTES 32 SECONDS WEST, 88.00 FEET; THENCE WESTERLY ALONG A CURVED LINE CONVEX NORTHERLY AND HAVING A RADIUS OF 37.00 FEET, AN ARC DISTANCE OF 21.87 FEET TO A POINT OF TANGENCY (THE CHORD OF SAID ARC BEARS NORTH 73 DEGREES 03 MINUTES 24 SECONDS WEST, 21.56 FEET); THENCE NORTH 89 DEGREES 59 MINUTES 32 SECONDS WEST, 23.00 FEET; THENCE NORTH 00 DEGREES 00 MINUTES 28 SECONDS EAST, 98.11 FEET; THENCE NORTH 89 DEGREES 58 MINUTES 05 SECONDS EAST, 14.93 FEET; THENCE NORTH 00 DEGREES 11 MINUTES 12 SECONDS EAST, 14.73 FEET; THENCE NORTH 89 DEGREES 55 MINUTES 48 SECONDS EAST, 97.00 FEET; THENCE NORTH 00 DEGREES 04 MINUTES 12 SECONDS WEST, 17.00 FEET; THENCE NORTH 89 DEGREES 55 MINUTES 48 SECONDS EAST, 39.47 FEET; THENCE NORTH 00 DEGREES 04 MINUTES 12 SECONDS WEST, 20.92 FEET; THENCE SOUTH 89 DEGREES 59 MINUTES 32 SECONDS EAST, 9.79 FEET; THENCE SOUTH 00 DEGREES 00 MINUTES 28 SECONDS WEST, 83.10 FEET TO THE POINT OF BEGINNING, IN MCHENRY COUNTY, ILLINOIS.

PARCEL 2:

THAT PART OF THE SOUTHEAST QUARTER OF SECTION 3 AND THE SOUTHWEST QUARTER OF SECTION 2, ALL IN TOWNSHIP 44 NORTH RANGE 8, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 3 (THE NORTH LINE OF THE SOUTHEAST QUARTER OF SECTION 3 HAVING AN ASSUMED BEARING OF SOUTH 90 DEGREES 00 MINUTES 00 SECONDS WEST FOR THIS LEGAL DESCRIPTION); THENCE SOUTH 00 DEGREES 44 MINUTES 48 SECONDS WEST ALONG THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTINO 3, 937.11 FEET TO A POINT OF BEGINNING; THENCE SOUTH 70 DEGREES 48 MINUTES 48 SECONDS EAST, 60.09 FEET TO A POINT OF CURVATURE; THENCE SOUTHERLY ALONG A CURVED LINE CONVEX

EXHIBIT "A"

Legal Description

EASTERLY, HAVING A RADIUS OF 25.00 FEET AND BEING TANGENT TO SAID LAST DESCRIBED LINE AT SAID LAST DESCRIBED POINT, AN ARC DISTANCE OF 39.27 FEET TO A POINT OF TANGENCY WITH A LINE 451.00 FEET, AS MEASURED AT RIGHT ANGLES, NORTHWESTERLY OF AND PARALLEL WITH THE CENTER LINE OF STATE ROUTE 31 PER INSTRUMENT RECORDED OCTOBER 7, 1927, IN BOOK 11 OF MISCELLANEOUS RECORDS, PAGE 167 (THE CHORD OF SAID LAST DESCRIBED ARC BEARS SOUTH 25 DEGREES 48 MINUTES 48 SECONDS EAST, 35.36 FEET); THENCE SOUTH 19 DEGREES 11 MINUTES 12 SECONDS WEST ALONG SAID LAST DESCRIBED PARALLEL TO A LINE, 455.19 FEET; THENCE SOUTH 00 DEGREES 00 MINUTES 00 SECONDS WEST, 24.35 FEET TO A LINE 443.00 FEET, AS MEASURED AT RIGHT ANGLES, NORTHWESTERLY OF AND PARALLEL WITH SAID CENTER LINE OF STATE ROUTE 31; THENCE SOUTH 19 DEGREES 11 MINUTES 12 SECONDS WEST ALONG SAID LAST DESCRIBED PARALLEL LINE, 71.95 FEET TO A POINT OF CURVATURE; THENCE SOUTHWESTERLY ALONG A CURVED LINE CONVEX SOUTHEASTERLY, HAVING A RADIUS OF 120.00 FEET AND BEING TANGENT TO SAID LAST DESCRIBED LINE AT SAID LAST DESCRIBED POINT, AN ARC DISTANCE OF 104.24 FEET TO A LINE 1583.37 FEET, AS MEASURED AT RIGHT ANGLES, SOUTH OF AND PARALLEL WITH THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 3 (THE CHORD OF SAID LAST DESCRIBED ARC BEARS SOUTH 44 DEGREES 04 MINUTES 26 SECONDS WEST, 100.99 FEET); THENCE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS WEST ALONG SAID LAST DESCRIBED PARALLEL LINE, 590.74 FEET; THENCE NORTH 00 DEGREES 00 MINUTES 00 SECONDS EAST, 247.53 FEET TO AN INTERSECTION WITH A LINE 1335.84 FEET, AS MEASURED AT RIGHT ANGLES, SOUTH OF AND PARALLEL WITH THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 3; THENCE NORTH 90 DEGREES 00 MINUTES 00 SECONDS EAST ALONG SAID LAST DESCRIBED PARALLEL LINE, 60.00 FEET; THENCE NORTH 00 DEGREES 00 MINUTES 00 SECONDS EAST, 205.00 FEET; THENCE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS WEST, 25.00 FEET; THENCE NORTH 00 DEGREES 00 MINUTES 00 SECONDS EAST, 297.00 FEET TO A POINT 739.30 FEET WEST AND 833.84 FEET SOUTH OF THE NORTHEAST CORNER OF THE THE SOUTHEAST QUARTER OF SAID SECTION 3, AS MEASURED ALONG THE NORTH LINE OF SAID SOUTHEAST QAURTER AND ALONG A LINE AT RIGHT ANGLES THERETO; THENCE NORTH 90 DEGREES 00 MINUTES 00 SECONDS EAST PARALLEL WITH THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTINO 3, 283.00 FEET TO A POINT OF CURVATURE; THENCE EASTERLY ALONG A CURVED LINE CONVEX NORTHERLY, HAVING A RADIUS OF 872.94 FEET AND BEING TANGENT TO SAID LAST DESCRIBED LINE AT SAID LAST DESCRIBED POINT, AN ARC DISTANCE OF 292.32 FEET TO A POINT OF TANGENCY (THE CHORD OF SAID ARC BEARS SOUTH 80 DEGREES 24 MINUTES 24 SECONDS EAST, 290.96 FEET); THENCE SOUTH 70 DEGREES 48 MNIUTES 48 SECONDS EAST ALONG A LINE TANGENT TO SAID LAST DESCRIBED CURVED LINE AT SAID LAST DESCRIBED POINT, 166.44 FEET TO THE POINT OF BEGINNING, IN MCHENRY COUNTY, ILLINOIS.

SCHEDULE B, PART I
REQUIREMENTS

All of the following Requirements must be met:

1. The Proposed Insured must notify the Company in writing of the name of any party not referred to in this Commitment who will obtain an interest in the Land or who will make a loan on the Land. The Company may then make additional Requirements or Exceptions.

2. Pay the agreed amount for the estate or interest to be insured.

3. Pay the premiums, fees, and charges for the Policy to the Company.

4. Documents satisfactory to the Company that convey the Title or create the Mortgage to be insured, or both, must be properly authorized, executed, delivered, and recorded in the Public Records.

5. Notice: Please be aware that due to the conflict between federal and state laws concerning the cultivation, distribution, manufacture or sale of marijuana, the Company is not able to close or insure any transaction involving Land that is associated with these activities.

6. Be advised that the "good funds" of the title insurance act (215 ILCS 155/26) became effective 1-1-2010. This act places limitations upon the settlement agent's ability to accept certain types of deposits into escrow. Please contact your local Chicago Title office regarding the application of this new law to your transaction.

7. Effective June 1, 2009, pursuant to Public Act 95-988, satisfactory evidence of identification must be presented for the notarization of any and all documents notarized by an Illinois notary public. Satisfactory identification documents are documents that are valid at the time of the notarial act; are issued by a state or federal government agency; bear the photographic image of the individual's face; and bear the individual's signature.

8. **The Proposed Policy Amount(s) must be increased to the full value of the estate or interest being insured, and any additional premium must be paid at that time. An Owner's Policy should reflect the purchase price or full value of the Land. A Loan Policy should reflect the loan amount or value of the property as collateral. Proposed Policy Amount(s) will be revised and premiums charged consistent therewith when the final amounts are approved.**

END OF SCHEDULE B, PART I

SCHEDULE B, PART II
EXCEPTIONS

THIS COMMITMENT DOES NOT REPUBLISH ANY COVENANT, CONDITION, RESTRICTION, OR LIMITATION CONTAINED IN ANY DOCUMENT REFERRED TO IN THIS COMMITMENT TO THE EXTENT THAT THE SPECIFIC COVENANT, CONDITION, RESTRICTION, OR LIMITATION VIOLATES STATE OR FEDERAL LAW BASED ON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, GENDER IDENTITY, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN.

The Policy will not insure against loss or damage resulting from the terms and provisions of any lease or easement identified in Schedule A, and will include the following Exceptions unless cleared to the satisfaction of the Company:

General Exceptions

1. **Rights or claims of parties in possession not shown by Public Records.**

2. **Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the Land.**

3. **Easements, or claims of easements, not shown by the Public Records.**

4. **Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the Public Records.**

5. **Taxes or special assessments which are not shown as existing liens by the Public Records.**

6. **We should be furnished a properly executed ALTA statement and, unless the land insured is a condominium unit, a survey if available. Matters disclosed by the above documentation will be shown specifically**

7. Any defect, lien, encumbrance, adverse claim, or other matter that appears for the first time in the Public Records or is created, attaches, or is disclosed between the Commitment Date and the date on which all of the Schedule B, Part I—Requirements are met.

8. Note for additional information: the County Recorder requires that any documents presented for recording contain the following information:
   A. The name and address of the party who prepared the document;
   B. The name and address of the party to whom the document should be mailed after recording;
   C. All permanent real estate tax index numbers of any property legally described in the document;
   D. The address of any property legally described in the document;
   E. All deeds should contain the address of the grantee and should also note the name and address of the party to whom the tax bills should be sent.
   F. Any deeds conveying unsubdivided land, or, portions of subdivided and, may need to be accompanied by a properly executed "plat act affidavit."

   In addition, please note that the certain municipalities located in the County have enacted transfer tax ordinances. To record a conveyance of land located in these municipalities, the requirements of the transfer tax ordinances must be met. A conveyance of property in these cities may need to have the

SCHEDULE B, PART II
EXCEPTIONS
(continued)

appropriate transfer tax stamps affixed before it can be recorded.

This exception will not appear on the policy when issued.

C 9. Due to office closures in place or that might occur, we should be provided with our standard form of indemnity (GAP Indemnity) for defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the Public Records or attaching subsequent to the Commitment Date but prior to the date of recording of the instruments under which the Proposed Insured acquires the estate or interest or mortgage covered by this commitment. Note: Due to office closures related to covid-19 we may be temporarily unable to record documents in the normal course of business.

R 10. Taxes for the years 2020 and 2021.

General taxes for the year 2020 are marked exempt on the collector's warrant books.

Unless satisfactory evidence is submitted to substantiate said exemption our policy, if and when issued, Will be subject to said taxes.

Parcel Number: 14-02-400-042 (parcel 1)

Parcel Number: 14-02-400-036 (part of parcel 2)

S 11. Taxes for the years 2020 and 2021.

Taxes for the year 2020 are payable in two installments.

The first installment amounting to $3,205.82 is paid.

The second installment amounting to $3,205.82 is not delinquent before September 7, 2021.

Taxes for the year 2021 are not yet due and payable.

Permanent Tax No.: 14-03-400-039 (affects part of parcel 2)

I 12. The Land lies within the boundaries of a Special Service area as disclosed by ordinance recorded as document 99R085339, and is subject to additional taxes under the terms of Said Ordinance and subsequent related ordinances.

U 13. Please be advised that our search did not disclose any open mortgages of record. If you should have knowledge of any outstanding obligation, please contact the Title Department immediately for further review prior to closing.

B 14. Existing unrecorded leases and all rights thereunder of the lessees and of any person or party claiming by,

SCHEDULE B, PART II
EXCEPTIONS
(continued)

through or under the lessees.

A 15. The Company should be furnished a statement that there is no property manager employed to manage the Land, or, in the alternative, a final lien waiver from any such property manager.

T 16. The Company will require the following documents for review prior to the issuance of any title insurance predicated upon a conveyance or encumbrance by the corporation named below:

Name of Corporation: Northern Illinois Medical Center

(a) A Copy of the corporation By-laws and Articles of Incorporation

(b) An original or certified copy of a resolution authorizing the transaction contemplated herein

(c) If the Articles and/or By-laws require approval by a 'parent' organization, a copy of the Articles and By-laws
of the parent

(d) A current dated certificate of good standing from the proper governmental authority of the state in which the
entity was created

The Company reserves the right to add additional items or make further requirements after review of the requested documentation.

D 17. Rights of the United States of America to recover any public funds advanced under the provisions of one or more of the various federal statutes relating to health care.

E 18. Terms and provisions of Cross easement agreement for Ingress and Egress in favor of Northern Illinois Medical Center and Nimed Corp, for the purpose of constructing an enclosed, ground-level, all weather walkway, recorded December 20, 1984 as document 897622.

F 19. Ordinance O-01-1003, granting a conditional use permit for a heliport on the Nimc campus, recorded January 24, 2001 as document 01R004961.

G 20. Ordinance O-01-1004, amending the circulation and Land use for the Nimc Campus (Prior Ordinance o-977-818), recorded January 24, 1001 as document 01R004962.

H 21. Terms and provisions of the Plat of easement to the Commonwealth Edison Company Document 94R013362

J 22. Terms and provisions of Plat of dedication document 2007R41477

K 23. Terms and provisions of easement in favor of Nimed Corporation for Ingress and Egress recorded Oct 7

SCHEDULE B, PART II
EXCEPTIONS
(continued)

1982 document 842653 and amendment thereto recorded Dec 20 1984 document 897621

L 24. Terms and provisions as contained in an agreement made by and between Northern Illinois Medical Center, Nimed Corp., and the City of McHenry, recorded Spetember 7, 1984 as document 889914.

M 25. Utility and municipal easement per document 877386 affects 8 Foot Strip along Medical Center Drive.

N 26. Terms and provisions as contained in a water line recapture agreement recorded September 7, 1984 as document 889915, by and between the City of McHenry and Nimed Corp.

O 27. Terms and provisions as contained in a sewer line recapture agreement recorded September 7, 1984 as document 889916, by and between the City of McHenry and Nimed Corp.

P 28. Public Utilities easement, municipal easement, and sanitary line and water main easement in favor of the City of McHenry, to install, operate and maintain all equipment necessary for purpose of serving the Land and others, as recorded in the Plat of Easement recorded as document 93R019961.

Q 29. Reciprocal easement agreement recorded April 5, 2016 as document number 2016R0010829 relating to easements for access, parking, utilities and drainage and the terms, provisions and conditions set forth therein.

END OF SCHEDULE B, PART II

COMMITMENT CONDITIONS

1. **DEFINITIONS**
   (a) "Knowledge" or "Known": Actual or imputed knowledge, but not constructive notice imparted by the Public Records.
   (b) "Land": The land described in Schedule A and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is to be insured by the Policy.
   (c) "Mortgage": A mortgage, deed of trust, or other security instrument, including one evidenced by electronic means authorized by law.
   (d) "Policy": Each contract of title insurance, in a form adopted by the American Land Title Association, issued or to be issued by the Company pursuant to this Commitment.
   (e) "Proposed Insured": Each person identified in Schedule A as the Proposed Insured of each Policy to be issued pursuant to this Commitment.
   (f) "Proposed Policy Amount": Each dollar amount specified in Schedule A as the Proposed Policy Amount of each Policy to be issued pursuant to this Commitment.
   (g) "Public Records": Records established under state statutes at the Commitment Date for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge.
   (h) "Title": The estate or interest described in Schedule A.
2. If all of the Schedule B, Part I-Requirements have not been met within the time period specified in the Commitment to Issue Policy, this Commitment terminates and the Company's liability and obligation end.
3. The Company's liability and obligation is limited by and this Commitment is not valid without:
   (a) the Notice;
   (b) the Commitment to Issue Policy;
   (c) the Commitment Conditions;
   (d) Schedule A;
   (e) Schedule B, Part I-Requirements;
   (f) Schedule B, Part II-Exceptions; and
   (g) a counter-signature by the Company or its issuing agent that may be in electronic form.
4. **COMPANY'S RIGHT TO AMEND**
   The Company may amend this Commitment at any time. If the Company amends this Commitment to add a defect, lien, encumbrance, adverse claim, or other matter recorded in the Public Records prior to the Commitment Date, any liability of the Company is limited by Commitment Condition 5. The Company shall not be liable for any other amendment to this Commitment.
5. **LIMITATIONS OF LIABILITY**
   (a) The Company's liability under Commitment Condition 4 is limited to the Proposed Insured's actual expense incurred in the interval between the Company's delivery to the Proposed Insured of the Commitment and the delivery of the amended Commitment, resulting from the Proposed Insured's good faith reliance to:
      (i) comply with the Schedule B, Part I-Requirements;
      (ii) eliminate, with the Company's written consent, any Schedule B, Part II-Exceptions; or
      (iii) acquire the Title or create the Mortgage covered by this Commitment.
   (b) The Company shall not be liable under Commitment Condition 5(a) if the Proposed Insured requested the amendment or had Knowledge of the matter and did not notify the Company about it in writing.
   (c) The Company will only have liability under Commitment Condition 4 if the Proposed Insured would not have incurred the expense had the Commitment included the added matter when the Commitment was first delivered to the Proposed Insured.
   (d) The Company's liability shall not exceed the lesser of the Proposed Insured's actual expense incurred in good faith and described in Commitment Conditions 5(a)(i) through 5(a)(iii) or the Proposed Policy Amount.
   (e) The Company shall not be liable for the content of the Transaction Identification Data, if any.
   (f) In no event shall the Company be obligated to issue the Policy referred to in this Commitment unless all of the Schedule B, Part I-Requirements have been met to the satisfaction of the Company.
   (g) In any event, the Company's liability is limited by the terms and provisions of the Policy.
6. **LIABILITY OF THE COMPANY MUST BE BASED ON THIS COMMITMENT**
   (a) Only a Proposed Insured identified in Schedule A, and no other person, may make a claim under this Commitment.
   (b) Any claim must be based in contract and must be restricted solely to the terms and provisions of this Commitment.

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Chicago Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I-Requirements; Schedule B, Part II-Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

(continued)

(c) Until the Policy is issued, this Commitment, as last revised, is the exclusive and entire agreement between the parties with respect to the subject matter of this Commitment and supersedes all prior commitment negotiations, representations, and proposals of any kind, whether written or oral, express or implied, relating to the subject matter of this Commitment.

(d) The deletion or modification of any Schedule B, Part II-Exception does not constitute an agreement or obligation to provide coverage beyond the terms and provisions of this Commitment or the Policy.

(e) Any amendment or endorsement to this Commitment must be in writing and authenticated by a person authorized by the Company.

(f) When the Policy is issued, all liability and obligation under this Commitment will end and the Company's only liability will be under the Policy.

7. IF THIS COMMITMENT HAS BEEN ISSUED BY AN ISSUING AGENT

The issuing agent is the Company's agent only for the limited purpose of issuing title insurance commitments and policies. The issuing agent is not the Company's agent for the purpose of providing closing or settlement services.

8. PRO-FORMA POLICY

The Company may provide, at the request of a Proposed Insured, a pro-forma policy illustrating the coverage that the Company may provide. A pro-forma policy neither reflects the status of Title at the time that the pro-forma policy is delivered to a Proposed Insured, nor is it a commitment to insure.

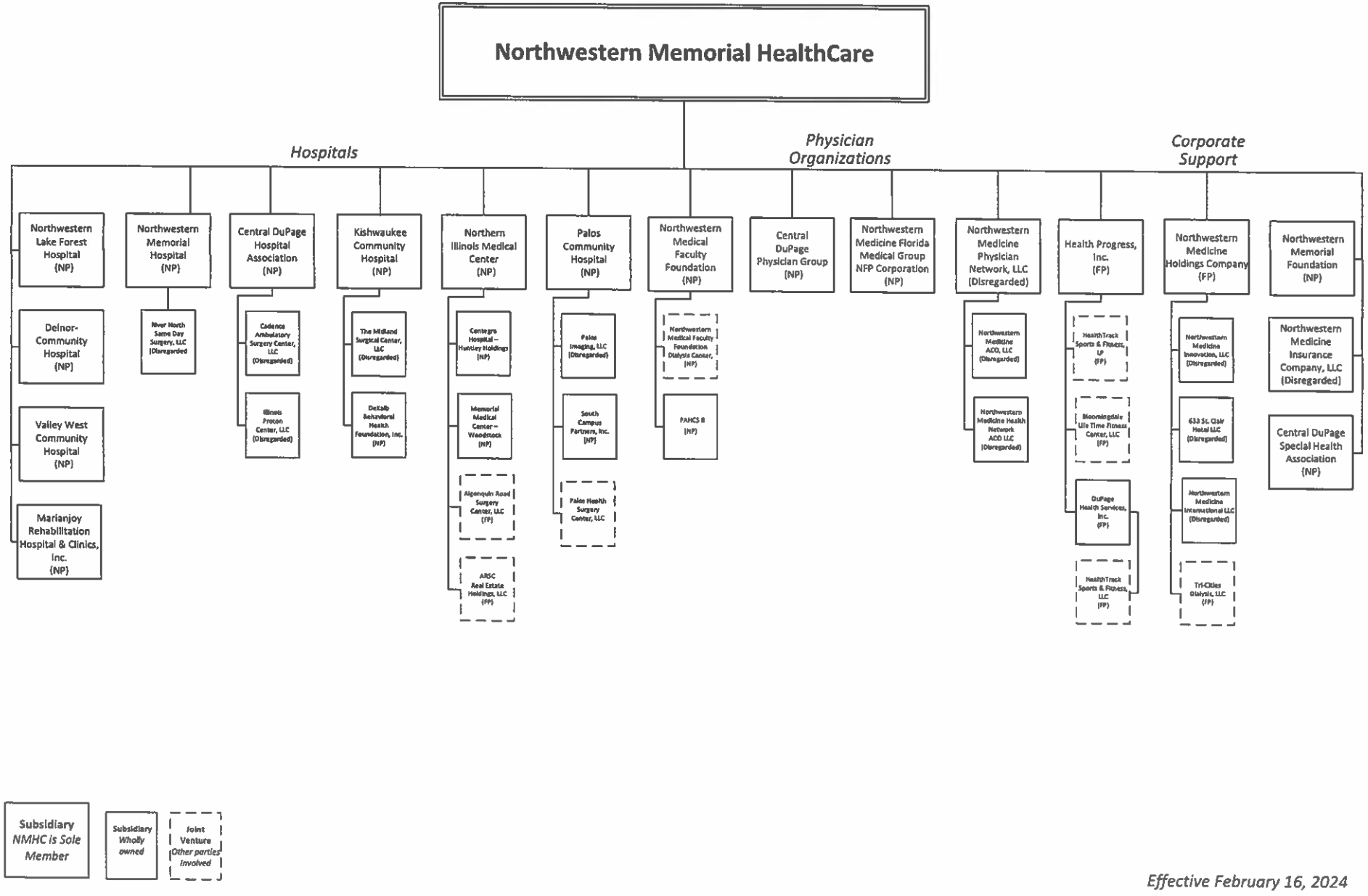
9. ARBITRATION

The Policy contains an arbitration clause. All arbitrable matters when the Proposed Policy Amount is Two Million And No/100 Dollars ($2,000,000.00) or less shall be arbitrated at the option of either the Company or the Proposed Insured as the exclusive remedy of the parties. A Proposed Insured may review a copy of the arbitration rules at http://www.alta.org/arbitration.

END OF CONDITIONS

1031 EXCHANGE SERVICES

If your transaction involves a tax deferred exchange, we offer this service through our 1031 division, IPX1031. As the nation's largest 1031 company, IPX1031 offers guidance and expertise. Security for Exchange funds includes segregated bank accounts and a 100 million dollar Fidelity Bond. Fidelity National Title Group also provides a 50 million dollar Performance Guaranty for each Exchange. For additional information, or to set-up an Exchange, please call Scott Nathanson at (312)223-2178 or Anna Barsky at (312)223-2169.



Effective February 16, 2024

Flood Plain Requirements

The location for the proposed project is 4305 Medical Center Drive in McHenry, IL 60050.

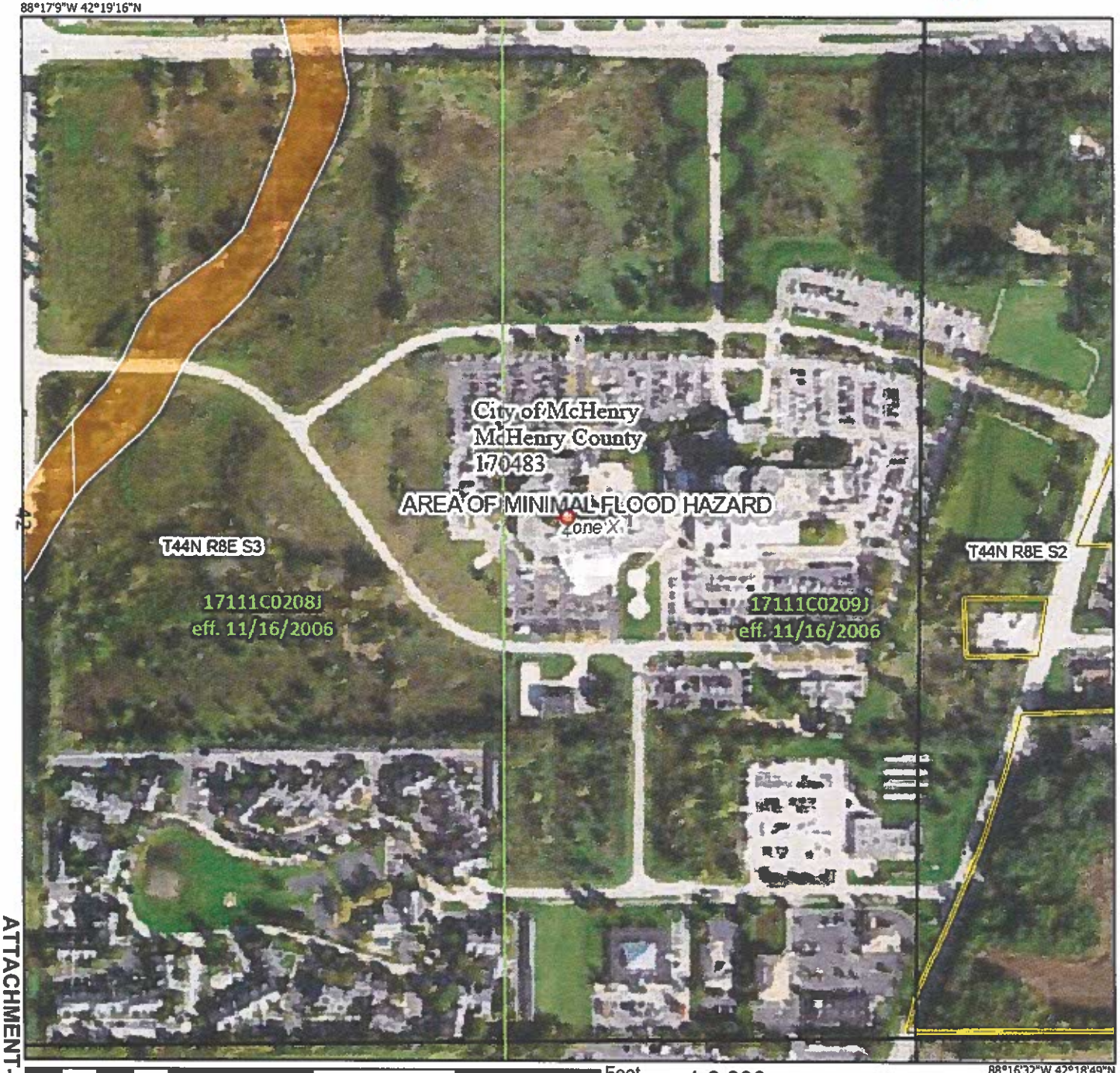
By their signatures on the Certification pages of this application, the Applicants attest that the project is not located in a flood plain and complies with the Flood Plain Rule under Illinois Executive Order #2006-5 according to the FEMA floodplain map on the following page.

ATTACHMENT-5

National Flood Hazard Layer FIRMette

FEMA

88°17'9"W 42°19'16"N



Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

SPECIAL FLOOD HAZARD AREAS
- Without Base Flood Elevation (BFE) Zone A, V, A99
- With BFE or Depth Zone AE, AO, AH, VE, AR
- Regulatory Floodway

OTHER AREAS OF FLOOD HAZARD
- 0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X
- Future Conditions 1% Annual Chance Flood Hazard Zone X
- Area with Reduced Flood Risk due to Levee. See Notes. Zone X
- Area with Flood Risk due to Levee Zone D

OTHER AREAS
- NO SCREEN Area of Minimal Flood Hazard Zone X
- Effective LOMRs
- Area of Undetermined Flood Hazard Zone D

GENERAL STRUCTURES
- Channel, Culvert, or Storm Sewer
- Levee, Dike, or Floodwall

OTHER FEATURES
- 20.2 Cross Sections with 1% Annual Chance
- 17.5 Water Surface Elevation
- Coastal Transect
- 513 Base Flood Elevation Line (BFE)
- Limit of Study
- Jurisdiction Boundary
- Coastal Transect Baseline
- Profile Baseline
- Hydrographic Feature

MAP PANELS
- Digital Data Available
- No Digital Data Available
- Unmapped

N

The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on 10/6/2025 at 2:11 PM and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

ATTACHMENT-5

Historic Resources Preservation Act Requirements

The location for the proposed project is 4305 Medical Center Drive in McHenry. The attached letter from the Illinois Historic Preservation Agency indicates that the project area is not considered a historic, architectural, or archaeological site.

ATTACHMENT-6

Illinois Department of Natural Resources

JB Pritzker, Governor • Natalie Phelps Finnie, Director
One Natural Resources Way • Springfield, Illinois 62702-1271
www.dnr.illinois.gov

McHenry County
McHenry
CON - Northwestern Medicine McHenry Hospital Cancer Center Renovation
4305 Centre Dr.

IHFSRB, SHPO Log #003072325

July 24, 2025

Amanda Pulse Morton
Northwestern Memorial HealthCare
251 E. Huron St.
Chicago, IL 60611-2908

This letter is to inform you that we have reviewed the information provided concerning the referenced project. Our review of the records indicates that no historic, architectural properties exist within the project area. Our office did not conduct an archaeological review because the project does not have new ground disturbing activity.

Please retain this letter in your files as evidence of compliance with Section 4 of the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420/1 et. seq.). This clearance remains in effect for two years from date of issuance. It does not pertain to any discovery during construction, nor is it a clearance for purposes of the Illinois Human Remains Protection Act (20 ILCS 3440).

If you have any further questions, please contact Steve Dasovich, Cultural Resources Manager, at 217/782-7441 or at Steve.Dasovich@illinois.gov.

Sincerely,

Carey L. Mayer

Carey L. Mayer, AIA
Deputy State Historic Preservation Officer

ATTACHMENT-6

Project Costs and Sources of Funds

The line item costs attributed to clinical components were calculated as a percentage of clinical square footage when actual break-outs were not available.

Itemization of each line item:

Line 1 – Preplanning Costs – ($250,000) – this includes:

- Pre-Construction Services
  - Budgeting
  - Schedule
  - Construction phasing
  - Site Logistics
- Programming
  - Gather information for occupant space requirements. Review and analysis NMHC space standards and prepare the Space Occupancy Program which will list square footage requirements and include individual attributes of the departments and all information pertinent to the planning and design of the project.

Of the total amount, $102,534 is the clinical Preplanning costs which is 1.43% of the clinical Modernization, Contingencies, and Equipment costs.

Line 3 – Site Preparation – ($200,000) – this includes:

- General Site Work
  - Earth moving for the new generator
  - Concrete pad for the generator
  - Site utilities for the generator
  - Concrete sidewalks

Of the total amount, $82,027 is the clinical Site Preparation cost which is 1.41% of the clinical Modernization and Contingencies costs.

Line 6 – Modernization Contracts – ($13,880,238) – this includes:

- All construction contracts/costs to complete the project. Includes contractor's markups, overhead, and profit. Costs are escalated to the mid-point of construction.

Of the total amount, $5,282,598 is the clinical Modernization cost which is $516.84/sf.

Line 7 – Contingencies - ($1,388,024) – this includes:

- Allowance for unforeseen Modernization costs

Of the total amount, $528,260 is the clinical Contingency cost which is 10% of the clinical Modernization costs.

Line 8 – Architectural / Engineering Fees – ($950,000) – this includes:

- Schematic Design:
  - Develop diagrammatic plans and documentation to describe the size and character of the building in a way that meets all programmatic and functional objectives, as well as accounting for all structure, shafts, elevators and stairs, communications and electrical closets, and all other design constraints; such as traffic flow and circulation patterns, exterior elevations and conceptual drawings outlining the exterior design approach.
  - Determine the capacity needed for all building systems (such as electrical, mechanical, plumbing, fire protection, and vertical transportation) as well as support functions (such as pharmacy and materials management) necessary for the uses proposed on the floors.
  - Provide statement of Probable Construction Cost.
- Design Development:
  - Develop detailed drawings and documentation to describe the size and character of the interior space as well as the overall building. Includes room layouts, structural, mechanical, electrical, plumbing, exterior elevations and sections, site plan, landscape plans, and parking garage layout.
  - The equipment and furniture consultants will prepare room-by-room FF&E requirement list. The requirements list identify room name, item description, product specification, and total quantity required. The product specifications include installation requirements that will be provided to the architect/engineer to ensure that spaces and building systems are planned to appropriately accommodate the equipment.
- Construction Documents:
  - Provide drawings and specifications
  - Prepare documentation for bidding and assembling a Guaranteed Maximum Price.
  - Assist in filing Construction Documents for approval by City and State agencies
  - Signage and Way Finding expertise
- Bidding and Negotiation Phase Services:
  - Revise Construction Documents as necessary in accordance with Reconciled Statement of Probable Construction Cost
- Construction Administration Phase Services:
  - Advise and consult during Construction Phase
  - Attend weekly job progress meetings
  - Provide on-site representation to review progress/quality of work
  - Prepare written interpretations of Contract Documents including Bulletins and information requests
  - Correct Errors or Omissions in the drawings, specifications and other documents
  - Review and approve Contractor's submittals

- Submit notifications for work which does not conform to Contract Documents
- Review and analyze requests for Change Orders
- Assist Construction Manager with punchlist completion
- Assist Construction Manager with Final Completion including system testing and commissioning
- Inspect Project after correction of work period for deficiencies and update Construction Manager

Of the total amount, $389,629 is the clinical Architectural / Engineering Fee. This amount is 6.71% of the clinical Modernization and Contingencies costs.

Line 9 – Consulting and Other Fees – ($240,000) – this includes:

- Charges for the services of various types of consulting and professional experts including:
  - Commissioning Agent - $75,000
  - Construction Material Testing - $25,000
  - Medical Equipment Planner - $40,000
  - Signage Design - $22,000
  - Pharmacy planning peer review - $10,000
  - Interior Design - $20,000
  - Security Design - $38,000
  - Test and Balance - $10,000

Of the total amount, $98,433 is the clinical Consulting and Other Fees cost.

Line 10 – Movable Capital Equipment – ($3,162,000) – this includes:

- All furniture, furnishings, and equipment for the proposed project. Group I, Group II and III medical equipment is included.

The Architect will be retained to provide specific expertise during equipment planning and specification, and to assist and ensure effective use of available funding. Equipment planning will be closely coordinated with architectural design.

FFE procurement will be managed by NM with support from outside consultants. Total acquisition costs will be evaluated during market assessment and contract award, including purchase, installation, training, and maintenance. The approval process during contract award will be consistent with existing hospital financial procedures.

Warehousing, training, acceptance testing and other logistical issues will be defined and scheduled.

Product standards will facilitate detailed equipment planning and appropriate building design, maximize the effectiveness of competitive bidding, and minimize costs for training and long-term maintenance.

Clinical and/or financial analysis of new technology will be done to determine that it is a prudent investment. New technology selected for use will support NM's primary mission, via criteria such as clinical outcomes, turnaround, or productivity.

Freight and installation costs are also included in the estimate.

Equipment Type	Estimated Cost
Administration Space	$1,304,000
Domestic Appliances (refrigerators, microwaves, icemakers, microwaves)	
Housekeeping	
Linen Carts	
Trash Carts	
Wire shelving	
Infusion	
Beds	
AEDS	
Procedure carts	
Wire supply carts	
Medication dispensers	
Flowmeters & Regulators	
Patient lifts (mobile)	
Patient Monitoring	
Infusion Pumps	
Patient scales (adult and wheelchair)	
Stainless Steel Equipment	
Stools	
Lab/Phlebotomy	
Lab Analyzers	
Temp Monitoring Systems	
Countertop lab equipment (centrifuges, strainers)	
Freezers and Refrigerators	
Blood Draw Chairs	
Phlebotomy carts	
Support equipment (sharps, gloves)	
EKG Machine	
Stools	
Medical Oncology	
Exam Tables	
Patient Monitoring	
Exam Diagnostic equipment	
Patient scales (adult and wheelchair)	
Radiation Oncology	
Exam Tables	
Patient Monitoring	
Exam Diagnostic equipment	
Patient scales (adult and wheelchair)	
Pharmacy	

Biosafety Cabinets Laminar Flow Hoods Temp Monitoring Systems Wire supply carts Refrigerators and Freezers Work tables (stainless)	
Furnishings Waiting Room furniture Patient recliners Office furniture Monitor arms	$904,000
Technology Computers Monitors Printers Phones Device Integration IT closet switches	$904,000
Other Artwork Audio/Visual (TVs, large monitors	$50,000

Of the total amount, $1,867,880 is the clinical component of the Moveable Capital Equipment cost.

Line 14 – Other Costs To Be Capitalized – ($325,000) – this includes:

- CON fee - $50,000
- Building permit fee City of McHenry - $25,000
- Landscaping/Irrigation - $50,000
- Interior and exterior signage - $200,000

Of the total amount, $133,294 is the clinical component of the Other Costs to be Capitalized.

Project Status and Completion Schedules

Anticipated project construction start date: March 2026

Anticipated midpoint of construction date: February 2027

Anticipated project construction substantial completion date: November 2027

Anticipated project completion date: June 30, 2028

Project obligation is contingent upon permit issuance. NMHC plans to sign the construction contract with a general contractor in February 2026 that will obligate the project which is subject to CON approval. The CON Contingency section of the contract is below:

S-1. Certificate of Need. NMHC and Contractor acknowledge and agree that in addition to permitting required by the City of McHenry, Illinois Department of Public Health ("IDPH") and any other Governmental Authority, this Project and Agreement are subject to the issuance of an appropriate Certificate of Need ("CON") by the Illinois Health Facilities and Services Review Board (the "Board"). The Contractor shall cooperate with NMHC's application to the Board for the CON.

Northwestern Memorial HealthCare Open CON/COE Permits

CON #22-046: NM Bronzeville Medical Office Building

CON #22-047: NM Lake Forest Hospital Expansion

CON #24-006: NM Cancer Center Warrenville

CON #24-027: NM Huntley Medical Office Building

CON #24-039: NM Surgery Center Sycamore – Addition of GI

CON #25-025: NMH New Tower Master Design Project

CON #25-030: NMH Galter 14/15 Beds Project

CON #25-033: NM LFH Open Heart Surgery

Cost Space Requirements

Department		Cost	Departmental Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
			Existing GSF	Proposed GSF	New Const.	Modern-ized	As Is	Vacated Space
CLINICAL								
Infusion Center	$	3,040,128	1,398	5,824	0	5,824	-	0
Radiation Oncology	$	2,242,470	12,261	12,392	0	4,397	7,995	0
Clinical Subtotal =	**$**	**5,282,598**	**13,659**	**18,216**	**0**	**10,221**	**7,995**	**0**
NON-REVIEWABLE								
Physician Office Space	$	4,755,240	8,471	9,324	0	9,324	-	0
Staff Support	$	692,000	2,400	1,384	0	1,384	-	0
Administration	$	675,000	5,722	1,350	0	1,350	-	0
Public/Waiting/Registration	$	599,500	4,972	4,019	0	1,199	2,820	0
MEP Systems/Building Support	$	1,875,900	512	1,443	0	1,443	-	0
Non-Clinical Subtotal =	**$**	**8,597,640**	**22,077**	**17,520**	**0**	**14,700**	**2,820**	**0**
TOTAL =	**$**	**13,880,238**	**35,736**	**35,736**	**0**	**24,921**	**10,815**	**0**
OTHER								
Preplanning Costs	$	250,000						
Site Survey & Soil Investigation	$	-						
Site Preparation	$	200,000						
Off-Site Work	$	-						
Contingencies	$	1,388,024						
A/E Fees	$	950,000						
Consulting & Other Fees	$	240,000						
Movable or Other Equipment	$	3,162,000						
Bond Issuance Expense	$	-						
Net Interest Expense During Construction	$	-						
Fair Market Value of Leased Space or Equipment	$	-						
Other Costs To Be Capitalized	$	325,000						
Acquisition of Building (excluding Land)	$	-						
Other Subtotal =	**$**	**6,515,024**						
GRAND TOTAL =	**$**	**20,395,262**						

ATTACHMENT-9

SECTION III. BACKGROUND, PURPOSE OF THE PROJECT, AND ALTERNATIVES – INFORMATION REQUIREMENTS

Criterion 1110.110(a)

BACKGROUND OF APPLICANT

A listing of all health care facilities owned or operated by the applicants, including licensing, and certification if applicable.

Northwestern Memorial HealthCare Facilities	IDPH License #	Joint Commission Organization #
Northwestern Memorial Hospital	0003251	7267
Northwestern Lake Forest Hospital d/b/a Northwestern Medicine Lake Forest Hospital	0005660	3918
Central DuPage Hospital Association d/b/a Northwestern Medicine Central DuPage Hospital	0005744	7444
Delnor-Community Hospital d/b/a Northwestern Medicine Delnor Hospital	0005736	5291
Marianjoy Rehabilitation Hospital & Clinics, Inc. d/b/a Northwestern Medicine Marianjoy Rehabilitation Hospital	0003228	7445
Kishwaukee Community Hospital d/b/a Northwestern Medicine Kishwaukee Hospital	0005470	7325
Valley West Community Hospital d/b/a Northwestern Medicine Valley West Hospital	0004690	382957
Northern Illinois Medical Center d/b/a Northwestern Medicine McHenry Hospital	0003889	7375
Northern Illinois Medical Center d/b/a Northwestern Medicine Huntley Hospital	0003889 Site #0003890	7375
Memorial Medical Center d/b/a Northwestern Medicine Woodstock Hospital	0003889 Site #0004606	7447
Palos Community Hospital d/b/a Northwestern Medicine Palos Hospital	0003210	7306
Northwestern Medicine Emergency Center Grayslake	22002	3918
Northwestern Grayslake Ambulatory Surgery Center	7003156	n/a
Northwestern Grayslake Endoscopy Center	7003149	n/a
Cadence Ambulatory Surgery Center, LLC d/b/a Northwestern Medicine Surgery Center Warrenville	7003173	n/a
The Midland Surgical Center, LLC d/b/a Northwestern Medicine Surgery Center Sycamore	7003148	n/a
River North Same Day Surgery, LLC d/b/a Northwestern Medicine Surgery Center River North	7002090	n/a
Palos Health Surgery Center, LLC*	7003224	n/a

*denotes partial ownership > 50%

A certified listing of any adverse action taken against any facility owned and/or operated by the applicants, directly or indirectly, during the three years prior to the filing of the application.

By the signatures on the Certification pages of this application, the Applicants attest that no adverse action has been taken against any facility owned and/or operated by Northwestern Memorial HealthCare during the three years prior to the filing of this application. For the purpose of this letter, the term "adverse action" has the meaning given to it in the Illinois Administrative Code, Title 77, Section 1130.140.

Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, by not limited to: official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations.

By the signatures on the Certification pages of this application, the Applicants authorize HFSRB and DPH to access any documentation which it finds necessary to verify any information submitted, including, but not limited to official records of DPH or other State agencies and/or the records of nationally recognized accreditation organizations.

Criterion 1110.110(b)

PURPOSE OF PROJECT

1. *Document that the project will provide health services that improve the health care or well-being of the market area population to be served.*

   The purpose of this project is to expand oncology services to meet current and projected demand at Northwestern Medicine McHenry Hospital Cancer Center. This project will improve access to NM care by providing convenient care delivery at a location close to where NM patients live and work.

2. *Define the planning area or market area.*

   It is anticipated that the majority of the patients who will come to the McHenry Cancer Center will reside within 17 miles of the facility. In CY24, approximately 93% of NM McHenry Hospital's inpatient cases originated from the 17-mile radius of the hospital. Additionally, 88% of the McHenry Cancer Center's outpatient visits were from patients residing within the project's 17-mile radius.

3. *Identify the existing problems or issues that need to be addressed.*

   Continued advances in cancer research, detection, and treatment have resulted in a decline in both incidence and death rates for all cancers. Among people who develop cancer, more than half will be alive in five years. Yet, cancer remains a leading cause of death in the US and McHenry County. In 2023, the age-adjusted cancer mortality rate was 197.9 deaths per 100,000 residents in McHenry County, compared to 144.7 deaths per 100,000 residents in Illinois.

   Demand for oncology services at the McHenry Cancer Center has grown substantially over the last three years. From CY21 – CY24, infusion hours at the center increased by 32%. Additionally, Sg2, healthcare and hospital consulting firm, projects continued growth in demand for outpatient cancer services in McHenry County over the next ten years. In order to accommodate the current and projected demand for outpatient services at the McHenry Cancer Center, additional infusion stations, right-sized clinical support spaces, radiology oncology exam rooms and oncology physicians' office space need to be added.

   The association between proximity to health care facilities and improved disease management has been well documented. In general, a greater distance reduces follow-up care and increases complications and mortality risks.

4. *Cite the sources of the documentation.*

   Sources of information include:
   - Hospital Records
   - Illinois Department of Public Health
   - HealthyMcHenryCounty.org
   - CDC.Gov

5. *Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.*

   Increasing capacity at the Northwestern Medicine McHenry Hospital Cancer Center will improve the health of the service area by increasing access to oncology services. Connection to the hospital will drive cost efficiencies by reducing duplication of technology/equipment.

6. *Provide goals for the proposed project.*

   The goal of the proposed project is to expand the number of infusion stations, radiology oncology exam and support spaces and oncology physicians' office space in the McHenry Cancer Center to meet current and projected demand for services.

Criterion 1110.110(d)

ALTERNATIVES

The proposed modernization project will increase access to oncology care at the NM McHenry Hospital Cancer Center. In the proposed project, the existing Cancer Center will be modernized to provide additional infusion bays and clinic space, including appropriately sized clinic support spaces, such as pharmacy, blood draw stations, and patient changing rooms.

The following alternatives were considered for the project:

1. Relocate patients to NM Huntley Hospital
2. Renovate Infusion Space Only

Alternative 1: Relocate Patients to Infusion Center at the NM Huntley MOB Location

NM also offers infusion services at NM Huntley Hospital, located approximately 11 miles from NM McHenry Hospital. NM Huntley Hospital is currently constructing a medical office building on the hospital campus (CON #24-027) that will increase the number of infusion stations by 8. However, that expansion will only accommodate NM Huntley volume; additional McHenry volume was not part of the demand projections for the Huntley location and there is insufficient capacity to accommodate additional demand.

This alternative was rejected because there is insufficient capacity to accommodate additional McHenry oncology volume.

Alternative 2: Renovate Infusion Space Only

NM considered renovating only the current infusion space at the McHenry Cancer Center to expand the number of infusion bays. This alternative would involve the creation of smaller private bays and two rooms with an open-bay configuration, accommodating 3-4 chairs per room. While this alternative addresses the need for additional infusion chairs to accommodate current and projected patient volumes, it presents significant drawbacks regarding the overall patient care experience. The proposed smaller private bays and shared infusion spaces would not provide the optimal level of comfort or privacy that patients expect at NM cancer centers.

Furthermore, this alternative does not address the comprehensive programmatic requirements of the Cancer Center, particularly the need to appropriately size key clinical support areas such as pharmacy. By modernizing the McHenry Cancer Center, NM can achieve improved efficiency in administrative and staff support spaces, and as a result, provide additional physician office space which allows NM to increase access to oncology care.

This alternative was rejected because it did not accommodate the entire program and would provide a suboptimal patient care experience.

SECTION IV. PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE

Criterion 1110.120 – Project Scope, Utilization, and Unfinished/Shell Space

SIZE OF PROJECT:

The proposed modernization project will increase access to oncology care at the NM McHenry Hospital Cancer Center. In the proposed project, the existing Cancer Center will be modernized to provide additional infusion bays and clinic space, including appropriately sized support spaces, such as pharmacy, blood draw stations, and patient changing rooms.

For areas in which there are no HFSRB size standards, NM's planning team members, architects, and consultants utilized existing functional standards and incorporated experience from other developments in the healthcare system during the past 2+ decades of growth.

Clinical Components

Infusion Center

In the proposed project, the Infusion Center will be expanded and a small amount of existing space will be renovated.

Currently, there are 8 infusion bays (mix of semi-private and private). There will be 16 private infusion rooms in the proposed project.

Infusion services include intravenous and catheter-based infusion for chemotherapy, targeted therapies, immunotherapy, blood transfusions, and fluids.

The Infusion Center space is comprised of:

- 16 Private Infusion rooms
- Team Station with Nourishment Stations
- Medication room
- Triage/Consult rooms
- Clean Supply & Soiled Utility rooms
- Patient toilets

The infusion space also includes two (2) blood draw stations. This allows patients undergoing cancer treatment to remain in the area where their treatment happens. This area will include two blood draw chairs/stations, a laboratory space for point of care testing and a single-user toilet room with pass-through door.

It also includes an expansion of the pharmacy. The pharmacy location allows a pharmacist to easily counsel patients and families and establish a more personal relationship during infusion treatments.

The additional space is needed to right-size the pharmacy to comply with regulatory requirements/codes and will include prep areas, storage spaces, and workspaces.

Comparison of Space to Standard

The total proposed square footage for the Infusion Center is 5,824 GSF. There is no State Guideline for Square Footage for infusion centers.

Radiation Oncology

The proposed project includes renovation of support areas for radiation oncology. The linear accelerator and CT simulator are not part of this project and will remain as is (7,995 GSF).

The Radiation Oncology support areas that are part of the project include:

- CT Simulator control room
- Five (5) exam/consult rooms
- Linear Accelerator control room
- Linear Accelerator specialized storage room
- Gendered patient locker & changing rooms
- Team station and staff workspace
- Staff and patient toilets
- Clean Supply & Soiled Utility rooms

Comparison of Space to Standard

The total proposed square footage for the Radiation Oncology areas that are included in the project is 4,397 GSF. There is no State Guideline for Square Footage for these areas.

SIZE OF PROJECT				
DEPARTMENT	**PROPOSED GSF**	**STATE STANDARD**	**DIFFERENCE**	**MET STANDARD?**
Infusion Center	5,824	N/A	N/A	Yes
Radiation Oncology	4,397	N/A	N/A	Yes

Non-Clinical Components

There are no State Guidelines for the non-clinical components of this project.

Physician Office Space

The proposed project includes physician office space for the Northwestern Medicine Regional Medical Group's (RMG) medical oncology, surgical oncology, and interventional radiology specialists. RMG provides NM healthcare services in Chicago's west and northwest suburbs. Additional space is needed to accommodate the growth in demand for oncology services at the McHenry Cancer Center as detailed in ATTACHMENT-15.

There is 9,324 GSF of Physician Office Space in the proposed project.

Staff Support

Staff support areas includes lounges, locker rooms, and toilet rooms dedicated to staff use. The proposed project decreases the staff support spaces by making better use of the space which also allows for the accommodation of more patient care space.

There is 1,384 GSF of staff support space in the proposed project.

Administration

Administrative offices and staff workspaces are included in the proposed project.

There is 1,350 GSF of renovated Administration space in the proposed project.

Public/Waiting/Registration

Some of the lobby, waiting areas, and registration/check-in areas are included in the project.

There is 1,199 GSF of Public/Waiting/Registration space that will be renovated and 2,820 GSF that will be left as is.

MEP Systems/Building Support

The proposed project includes dedicated rooms for mechanical, electrical, technology, and medical gas systems. The project includes new mechanical system boilers and pumps for heating, new hot water heaters for the domestic hot water and new steam generator for pharmacy humidification.

New replacement rooftop mechanical units will also be installed for the ventilation systems and a new exhaust system will be installed for the new pharmacy area.

The renovations also include a new IDF closet that the building doesn't currently have.

A new generator will also be installed for critical electrical emergency power.

The existing pneumatic tube system will be extended for the lab area and a new tube station will be installed.

There is 1,443 GSF of MEP Systems/Building Support space in the proposed project.

PROJECT SERVICES UTILIZATION:

The proposed project will increase infusion services capacity at the NM McHenry Hospital Cancer Center. The project will accommodate demand from patients within the 17-mile radius of the project and beyond.

Infusion

The NM McHenry Hospital Cancer Center is a comprehensive program for medical oncology, radiation oncology, and supportive services. The McHenry Cancer Center is anchored by Robert H. Lurie Comprehensive Cancer Center of Northwestern University at Northwestern Memorial Hospital, consistently ranked in the country for cancer care by U.S. News & World Report.

Northwestern Medicine's cancer centers provide access to state-of-the-art therapies and comprehensive cancer care offering leading edge medical, surgical and radiation oncology treatment options, as well as access to specialized research, clinical trials and diagnostic services.

From CY21 to CY24, infusion cases at McHenry increased by 32%, from 5,462 cases to to 7,234 cases. Additionally, Sg2 projects continued growth in demand for outpatient oncology services in McHenry County. In order to accommodate the growing demand for infusion services at the McHenry Cancer Center, the proposed project will increase the number of infusion stations by 8 stations from 8 to 16.

While the HFSRB does not have a utilization standard for infusion services and similarly, there is no industry standard for the utilization of infusion resources, facility planning firms have used a 60 - 65% utilization rate for the planning of infusion centers associated with academic medical centers (AMCs). AMC infusion centers typically have higher patient acuity, higher than average same-day cancellations, and complex multidisciplinary care. The NM Strategy team worked with The Advisory Board to determine the median utilization rate for AMC/NCI-designated cancer centers and found the rate to be 60%.

Infusion cases grew by an average annual increase of 11% from CY21 to CY24.

	Historic Utilization			
	CY21	CY22	CY23	CY24
Infusion Cases	5,462	6,465	6,938	7,234
Infusion Hours	10,516	12,818	13,915	14,609
# of Stations	8	8	8	8
Annual Hours of Operation	19,000	19,000	19,000	19,000
Infusion Utilization	55%	67%	73%	77%

Assuming the same average annual increase rate of 11% from CY24 – CY29, the infusion stations will be operating at utilization rate of 61% by CY29 (two years after project completion), which is higher than the NM Strategy team/The Advisory Board median utilization rate of 60%.

	Projected Utilization				
	CY25	CY26	CY27	CY28	CY29
Infusion Cases	7,885	8,595	9,368	10,211	11,130
Infusion Hours	16,007	17,533	19,205	21,035	23,040
#of Stations	8	8	8	16	16
Annual Hours of Operation	19,000	19,000	19,000	38,000	38,000
Infusion Utilization	84%	92%	101%	55%	61%

Radiation Oncology

The proposed project includes the renovation of 5 radiation oncology exam/consultation rooms, changing areas, and administrative offices to support the anticipated radiation oncology volume. It does not include renovations to the linear accelerator or CT simulator areas.

There is no State standard for utilization of exam/consultation rooms for radiation oncology.

Comparison of Utilization to Standard

UTILIZATION				
DEPARTMENT	**HISTORICAL UTILIZATION CY23 CY24**	**PROJECTED UTILIZATION CY28 CY29**	**STATE STANDARD**	**MEET STANDARD?**
Infusion Services	73% 77%	55% 61%	N/A	Yes
Radiation Oncology	N/A	N/A	N/A	Yes

UNFINISHED OR SHELL SPACE / ASSURANCES:

Not Applicable – there is no unfinished or shell space planned in the project.

M. Criterion 1110.270 – Clinical Service Areas Other than Categories of Service

Service	# of Existing Key Rooms	# of Proposed Key Rooms
Infusion Stations	8	16
Radiation Oncology Exam/Consult Rooms	4	5

Infusion

The NM McHenry Hospital Cancer Center is a comprehensive program for medical oncology, radiation oncology, and supportive services. The McHenry Cancer Center is anchored by Robert H. Lurie Comprehensive Cancer Center of Northwestern University at Northwestern Memorial Hospital, consistently ranked in the country for cancer care by U.S. News & World Report.

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While the HFSRB does not have a utilization standard for infusion services and similarly, there is no industry standard for the utilization of infusion resources, facility planning firms have used a 60 - 65% utilization rate for the planning of infusion centers associated with academic medical centers (AMCs). AMC infusion centers typically have higher patient acuity, higher than average same-day cancellations, and complex multidisciplinary care. The NM Strategy team worked with The Advisory Board to determine the median utilization rate for AMC/NCI-designated cancer centers and found the rate to be 60%.

Infusion cases grew by an average annual increase of 11% from CY21 to CY24.

	Historic Utilization			
	CY21	CY22	CY23	CY24
Infusion Cases	5,462	6,465	6,938	7,234
Infusion Hours	10,516	12,818	13,915	14,609
#of Stations	8	8	8	8
Annual Hours of Operation	19,000	19,000	19,000	19,000
Infusion Utilization	55%	67%	73%	77%

Assuming the same average annual increase rate of 11% from CY24 – CY29, the infusion stations will be operating at utilization rate of 61% by CY29 (two years after project completion), which is higher than the NM Strategy team/The Advisory Board median utilization rate of 60%.

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Infusion Utilization	84%	92%	101%	55%	61%

Radiation Oncology

The proposed project includes the renovation of 5 radiation oncology exam/consultation rooms, changing areas, and administrative offices to support the anticipated radiation oncology volume. It does not include renovations to the linear accelerator or CT simulator areas.

There is no State standard for utilization of exam/consultation rooms for radiation oncology.

SECTION VII. 1120.120 – AVAILABILITY OF FUNDS

Not Applicable – NMHC has a long-term bond rating of AA+ from S&P Global and Aa2 from Moody's Investors Service (see bond rating documents submitted in CON #25-030).

SECTION VIII. 1120.130 – FINANCIAL VIABILITY

Not Applicable – NMHC has a long-term bond rating of AA+ from S&P Global and Aa2 from Moody's Investors Service (see bond rating documents submitted in CON #25-030).

ATTACHMENTS-34, 35, 36

SECTION VIII. 1120.140 – ECONOMIC FEASIBILITY

A. Reasonableness of Financing Arrangements

Not Applicable – NMHC has a long-term bond rating of AA+ from S&P Global and Aa2 from Moody's Investors Service (see bond rating documents submitted in CON #25-030).

B. Conditions of Debt Financing

Not Applicable – the proposed project will be funded by cash and securities.

C. Reasonableness of Project and Related Costs

COST AND GROSS SQUARE FEET BY DEPARTMENT									
Department	A	B	C	D	E	F	G	H	
	Cost/Square Foot		GSF		GSF		Const. $	Mod. $	Total Cost
	New	Mod.	New	Circ.*	Mod.	Circ.*	(A x C)	(B x E)	(G + H)
CLINICAL									
Infusion Center		$ 522.00			5,824	29.4%		$ 3,040,128	$ 3,040,128
Radiation Oncology		$ 510.00			4,397	31.7%		$ 2,242,470	$ 2,242,470
Clinical Total		**$ 516.84**			**10,221**			**$ 5,282,598**	**$ 5,282,598**
NON-CLINICAL									
Physician Office Space		$ 510.00			9,324	26.6%		$ 4,755,240	$ 4,755,240
Staff Support		$ 500.00			1,384	13.2%		$ 692,000	$ 692,000
Administration		$ 500.00			1,350	12.4%		$ 675,000	$ 675,000
Public/Waiting/Registration		$ 500.00			1,199	33.5%		$ 599,500	$ 599,500
MEP Systems/Building Support		$1,300.00			1,443	9.7%		$ 1,875,900	$ 1,875,900
Non-Clinical Total		**$ 584.87**			**14,700**			**$ 8,597,640**	**$ 8,597,640**
TOTALS		**$ 556.97**			**24,921**			**$13,880,238**	**$13,880,238**

D. Projected Operating Costs

Project Direct Operating Expenses – FY29
(Infusion Center)

Total Direct Operating Costs	$ 26,450,000
Units of Service (cases)	11,130
Direct Cost per Unit of Service	$ 2,376.46

E. Total Effect of the Project on Capital Costs

Projected Capital Costs – FY29

Equivalent Adult Patient Days (NM McHenry Hospital)	56,500
Total Project Cost	$ 20,395,262
Useful Life	25
Total Annual Depreciation	$ 815,810
Depreciation Cost per Equivalent Patient Day	$ 14.44

SECTION X. SAFETY NET IMPACT STATEMENT

Not Applicable – the proposed project is NON-SUBSTANTIVE and does not involve discontinuation.

SECTION X. CHARITY CARE INFORMATION

With a mission-driven commitment to providing quality medical care for all, regardless of their ability to pay, NMHC and NM McHenry Hospital are dedicated to improving the health of the most medically underserved members of the community.

Northwestern Medicine, through care provided by NM McHenry, NM Huntley and NM Woodstock, is the largest Medicaid and charity care provider in McHenry County.

Northwestern Memorial HealthCare

	FY22	FY23	FY24
Net Patient Revenue	$7,399,122,793	$8,095,919,536	$8,883,681,780
Amount of Charity Care (charges)	$ 469,227,416	$ 360,059,649	$ 496,751,787
Cost of Charity Care	$ 90,752,502	$ 67,545,943	$ 85,721,775

Northwestern Medicine McHenry Hospital

	FY22	FY23	FY24
Net Patient Revenue	$ 320,017,652	$ 301,467,265	$ 345,830,756
Amount of Charity Care (charges)	$ 18,856,228	$ 13,979,246	$ 19,041,693
Cost of Charity Care	$ 3,518,339	$ 2,290,025	$ 3,962,137

Northwestern Memorial HealthCare saw an increase in financial assistance volume in FY24 driven by multiple factors:

- Internal enhancements, including improvements to NM's electronic medical record (EMR) system financial assistance module, increased availability of applications at check-in, and proactive outreach streamlined the financial assistance process.
- NMHC increased collaboration and outreach with community clinical providers
- Illinois' paused enrollment for the HBIA and HBIS programs and the Illinois Medicaid redetermination process drove more patients to apply for financial assistance

Community Benefits

During FY24, Northwestern Memorial HealthCare contributed $1.58 billion in community benefits including charity care, other unreimbursed care, research, education, language assistance, donations and other community benefits. NMHC is committed to this work as part of its mission to make people better by making medicine better. To this end, NM has added community partnerships as a pillar in its new NM2035 Strategic Plan. This is driven by the belief that strong collaboration with communities and community-based organizations can help drive stronger, healthier communities and individuals.

NMHC has strong relationships with several community clinical providers to foster access to primary care in the community, including with FQHCs and free clinics. Through these relationships, NM delivers health education, screening, and care to community members and also supports excellence and quality at these sites. As a result, FQHCs provided primary care services for more than 300,000 patients in FY24.

On top of existing commitments, NMHC also provided more than $5.5 million to support community clinical provider operations in FY24.

NM remains committed to advancing health equity through both internal practices and long-standing relationships with community clinical partners. In FY21, NM launched a tool to screen all patients for social determinants of health. This information will allow NM to better meet patients' needs in partnership with community organizations. As enduring partners in their respective communities, NMHC hospitals continue to cultivate new relationships while working with long-standing community partners to organize and provide resources to community collaborators addressing health inequalities.

NM McHenry Hospital Community Benefit Activities

Through outreach services and health education programs, NM McHenry improves access to health-related services/activities for the residents of McHenry County as well as surrounding areas. Examples include:

Access to Healthcare

- Continuing collaboration with Aunt Martha's, an FQHC, and with Family Health Partnership Clinic, Free and Charitable Health Clinic. Through financial and in-kind support, patients who have received care at NM facilities in McHenry County can receive primary and preventive services at these local clinical sites.
- Partnering with Cultivating Health Ministries (CHM), a program housed under the Harvard Community Senior Center. CHM brings health and wellness screenings, evidenced-based diabetes and chronic disease classes, and health topics, including mental health and substance use workshops, in both English and Spanish languages. In FY24, with financial support from NM, CHM served approximately 8,000 low-income and underserved residents in McHenry County.
- In FY24, Northwestern Medicine launched a new collaboration with Community Health Partnership in Harvard. With the support of the NM Healthier Communities Grant and joint effort with the McHenry County Department of Health, Cultivating Health Ministries, and the Northern Illinois Food Bank, NM was able to operate mobile food clinics once a month to support individuals and families in need throughout Harvard and the surrounding areas. From September 2023 through August 2024, a total of 724 households and approximately 633 individuals were reached, helping to provide essential resources to the community.

Education and Programming

- In FY25, NM McHenry provided A1C clinics, blood pressure clinics, flu vaccinations, Naloxone educational sessions and Narcan Vending in support of expanding access to care for those most in need within the community:
    - NM McHenry partnered with Marengo Stone Soup Kitchen, Youth and Family Services, Crystal Lake Food Pantry, and the Harvard Rx Mobile Program to conduct 6 blood pressure screenings and 3 A1C diabetes screenings for 134 people. 57% of these individuals screened as high risk and were connected to local resources. Early screenings can lead to timely treatment and significantly reduce the likelihood of severe health

complications and death.

- Annually, Northwestern Medicine provides no cost flu vaccines to communities with higher rates of emergency department visits due to influenza to improve health and wellness in under-resourced communities. In FY25, NM McHenry conducted eight community flu clinics, vaccinating over 250 community members against influenza, helping them avoid illness and hospitalization.
- NM McHenry hosted 6 Naloxone educational training sessions, providing Narcan to 50 people. Additionally, NM McHenry, NM Huntley, and NM Woodstock have each added a no-cost Naloxone vending machine in the lobby of their emergency departments that has provided medication to over 780 people. This Narcan is available to anyone and everyone at no cost, no questions asked. The availability of Narcan has been linked to decreased opioid-related mortality rates. By providing Narcan to individuals, first responders, and healthcare providers, communities can save lives during overdoses. Training community members in its use empowers them, including friends and family of opioid users, to act effectively in emergencies.

Behavioral Health

- Funding was provided to the Rosecrance Foundation to increase support for patients needing mental health and/or substance use support. Through this partnership, Rosecrance was able to pursue expansion of Spanish-speaking services, therapeutic recreation, and medication assisted therapies.
- NM Huntley Hospital, NM McHenry Hospital, and NM Woodstock Hospital provided operational support to Independence Health & Therapy to improve access to counseling programs and Turning Point to support a mental health counseling program for survivors of domestic violence.

Youth Pipeline Programs

- In partnership with both McHenry High School and Huntley High School, the Youth Medical Residency Program provides high school students in the fourth year of their respective health sciences track with monthly career exploration opportunities as they interact with healthcare providers in a variety of different roles on site at NM Huntley and McHenry Hospitals.
- The Chicago Medical School Internal Medicine Residency Program at NM McHenry fosters excellence in clinical skills and medical knowledge among its residents. The curriculum offers rotations in each of the sub-specialties of internal medicine in both inpatient and ambulatory settings. In FY24, 39 residents trained at NM McHenry