

**ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT**

16-025

RECEIVED

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Original

JUN 16 2016

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Facility/Project Identification

Facility Name:	Rush South Loop		
Street Address:	1411 South Michigan Avenue		
City and Zip Code:	Chicago, IL 60605		
County:	Cook	Health Service Area	VII Health Planning Area: A-03

Applicant /Co-Applicant Identification

[Provide for each co-applicant [refer to Part 1130.220].

Exact Legal Name:	Rush University Medical Center
Address:	1653 W. Congress Parkway, Chicago, IL 60612
Name of Registered Agent:	Carl Bergetz
Name of Chief Executive Officer:	Larry J. Goodman, M.D.
CEO Address:	1653 W. Congress Parkway, Chicago, IL 60612
Telephone Number:	312/942-5865

Type of Ownership of Applicant/Co-Applicant

<input checked="" type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership
<input type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental
<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Other

- o Corporations and limited liability companies must provide an **Illinois certificate of good standing**.
- o 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.

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:	Jacob M. Axel
Title:	President
Company Name:	Axel & Associates, Inc.
Address:	675 North Court Suite 210, Palatine, IL 60067
Telephone Number:	847/776-7101
E-mail Address:	jacobmaxel@msn.com
Fax Number:	847/776-7004

Additional Contact

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

Name:	Justin T. Johnson
Title:	Sr. Corporate Counsel/Associate General Counsel
Company Name:	Rush University Medical Center
Address:	1700 West Van Buren Street, Suite 301 Chicago, IL 60612
Telephone Number:	312/942-6886
E-mail Address:	Justin_T_Johnson@rush.edu
Fax Number:	312/942-4233

/

Additional Contact

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

Name:	Clare Connor Ranalli
Title:	Partner
Company Name:	McDermott Will & Emory
Address:	227 W. Monroe Street, Chicago, IL 60606
Telephone Number:	312/984-3365
E-mail Address:	cranalli@mwe.com
Fax Number:	312/277-2964

Post Permit Contact

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

Name:	Justin T. Johnson
Title:	Sr. Corporate Counsel/Associate General Counsel
Company Name:	Rush University Medical Center
Address:	1700 West Van Buren Street, Suite 301 Chicago, IL 60612
Telephone Number:	312/942-6886
E-mail Address:	Justin_T_Johnson@rush.edu
Fax Number:	312/942-4233

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner:	1411 S. Michigan, LLC
Address of Site Owner:	1250 S. Michigan Avenue, Suite A Chicago, IL 60605
Street Address or Legal Description of Site:	1411 S. Michigan Avenue, Chicago, IL 60605
Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statement, 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 <u>ATTACHMENT-2</u> , 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:	Rush University Medical Center		
Address:	c/o Justin T. Johnson 1653 W. Congress Parkway, Chicago, IL 60612		
<input checked="" type="checkbox"/>	Non-profit Corporation	<input type="checkbox"/>	Partnership
<input type="checkbox"/>	For-profit Corporation	<input type="checkbox"/>	Governmental
<input type="checkbox"/>	Limited Liability Company	<input type="checkbox"/>	Sole Proprietorship
		<input type="checkbox"/>	Other
<ul style="list-style-type: none"> o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. o 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. o Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership. 			
APPEND DOCUMENTATION AS <u>ATTACHMENT-3</u> , IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

Organizational Relationships

Provide (for each co-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 #2005-5 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 #2005-5 (<http://www.hfsrb.illinois.gov>).

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 1110.40 and Part 1120.20(b)]

Part 1110 Classification:

Substantive

X Non-substantive

2. Narrative Description

Provide in the space below, 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.

The Applicant proposes the development of a medical clinics building ("MCB") through the lease of space in a mixed use building proposed to be constructed at 1411 South Michigan Avenue in Chicago. The MCB will consist of a portion of the building's first floor, and the entirety of the fourth and fifth floors of the fifteen-story building. In addition, the MCB will be fully integrated into Rush University Medical Center's electronic health record (EHR) system, and will have 99 dedicated parking spaces within the structure. It is anticipated that 30-35 providers will be officed in the MCB on either a full or part-time basis, representing a variety of specialties, including primary care (Internal Medicine and Family Practice), Cardiology, Dermatology, OB/GYN, Endocrinology, Otolaryngology, and Rheumatology.

The MCB space on the first floor will consist of public and lobby space, as well as administrative functions, including patient scheduling and registration. The fourth floor will house physicians' offices and an imaging center, and the fifth floor will consist of physicians' offices. Small lab/specimen collection areas will be provided on both the fourth and fifth floors. It is anticipated that all physicians officed in the MCB will be Rush University Medical Center faculty members.

No inpatient services will be provided in the MCB, and therefore the project addressed through this *Application for Permit* is classified as non-substantive.

PROJECT COST AND SOURCES OF FUNDS

	Reviewable	Non-Reviewable	Total
Project Cost:			
Preplanning Costs	\$ 90,000	\$ 190,000	\$ 280,000
Site Survey and Soil Investigation			
Site Preparation	\$ 70,000	\$ 438,000	\$ 508,000
Off Site Work			
New Construction Contracts	\$ 2,427,000	\$ 6,637,200	\$ 9,064,200
Modernization Contracts			
Contingencies	\$ 96,000	\$ 294,900	\$ 390,900
Architectural/Engineering Fees	\$ 204,000	\$ 573,000	\$ 777,000
Consulting and Other Fees	\$ 200,000	\$ 800,000	\$ 1,000,000
Movable and Other Equipment (not in construction contracts)	\$ 2,914,853	\$ 7,927,571	\$ 10,842,424
Net Interest Expense During Construction Period			
Fair Market Value of Leased Space or Equipment	\$ 1,859,570	\$ 11,523,535	\$ 13,383,105
Other Costs to be Capitalized			
Acquisition of Building or Other Property			
TOTAL USES OF FUNDS	\$ 7,861,423	\$ 28,384,206	\$ 36,245,629
Sources of Funds:			
Cash and Securities	\$ 6,001,853	\$ 16,860,671	\$ 22,862,524
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)	\$ 1,859,570	\$ 11,523,535	\$ 13,383,105
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	\$ 7,861,423	\$ 28,384,206	\$ 36,245,629

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	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Purchase Price: \$	_____	
Fair Market Value: \$	_____	
The project involves the establishment of a new facility or a new category of service		
	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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 \$ _____.		

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:	
<input type="checkbox"/> None or not applicable	<input type="checkbox"/> Preliminary
<input checked="" type="checkbox"/> Schematics	<input type="checkbox"/> Final Working
Anticipated project completion date (refer to Part 1130.140):	___ March 31, 2019 ___
Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140):	
<input type="checkbox"/> Purchase orders, leases or contracts pertaining to the project have been executed.	
<input type="checkbox"/> Project obligation is contingent upon permit issuance. Provide a copy of the contingent "certification of obligation" document, highlighting any language related to CON Contingencies	
<input checked="" type="checkbox"/> Project obligation 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

Are the following submittals up to date as applicable:
<input checked="" type="checkbox"/> Cancer Registry
<input checked="" type="checkbox"/> APORS
<input checked="" type="checkbox"/> All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
<input checked="" type="checkbox"/> 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 department/area **DGSF** or the building/area **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 department's or area's portion of the surrounding circulation space. **Explain the use of any vacated space.**

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		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 following this page. Provide the existing bed capacity and utilization data for the latest **Calendar Year for which the data are 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: Rush University Medical Center		CITY: Chicago			
REPORTING PERIOD DATES: From: January 1, 2015 to: December 31, 2015					
Category of Service	Authorized Beds	Admissions	Patient Days	Bed Changes	Proposed Beds
Medical/Surgical	342	18,776	89,820	none	342
Obstetrics	34	2,523	8,077	none	34
Pediatrics	18	840	3,630	none	18
Intensive Care	132	6,512	32,922	none	132
Comprehensive Physical Rehabilitation	59	1,047	12,595	none	59
Acute/Chronic Mental Illness	70	1,530	14,338	none	70
Neonatal Intensive Care	72	582	14,769	none	72
General Long Term Care					
Specialized Long Term Care					
Long Term Acute Care					
Other ((identify))					
TOTALS:	727	31,810	176,151	none	727

CERTIFICATION

The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) are:

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

This Application for Permit is filed on the behalf of Rush University Medical Center * 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 for permit 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 permit application fee required for this application is sent herewith or will be paid upon request.

Carl Bergetz
SIGNATURE
Carl Bergetz
PRINTED NAME
Acting General Counsel
PRINTED TITLE

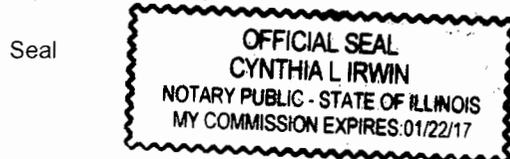
Michael J. Dandorff
SIGNATURE
Michael J. Dandorff
PRINTED NAME
EVP and COO
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 7th day of June, 2016

Notarization:
Subscribed and sworn to before me
this 7th day of June, 2016

Cynthia L. Irwin
Signature of Notary

Cynthia L. Irwin
Signature of Notary



*Insert 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.

Criterion 1110.230 – Background, Purpose of the Project, and Alternatives

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 certified listing of any adverse action taken against any facility owned and/or operated by the applicant during the three years prior to the filing of the application.
3. 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.**
4. 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 the information has been 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 is able to 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.

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, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed, as applicable and appropriate for the project. [See 1110.230(b) for examples of documentation.]
4. Cite the sources of the information provided as 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 age and condition and 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 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** of 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 1110.234 - 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.**
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;
 - b. The existing facility's physical configuration has constraints or impediments and requires an architectural design that results in a size exceeding the standards of Appendix B;
 - c. The project involves the conversion of existing space that results in excess square footage.

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	MET 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:

not applicable, no shell space included in project

Provide the following information:

1. Total gross square footage of the proposed shell space;
2. The anticipated use of the shell space, specifying the proposed GSF tot 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 are 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.

O. Criterion 1110.3030 - 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
<input type="checkbox"/>		
<input type="checkbox"/>		
<input type="checkbox"/>		

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

APPEND DOCUMENTATION AS ATTACHMENT-34, 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)

VIII. - 1120.120 - Availability of Funds

The applicant shall document that 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:**

\$22,862,524	<p>a) Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to:</p> <ol style="list-style-type: none"> 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;
_____	<p>b) Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.</p>
_____	<p>c) Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;</p>
_____	<p>d) Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including:</p> <ol style="list-style-type: none"> 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.
_____	<p>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;</p>
_____	<p>f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;</p>
_ \$13,383,105 _	<p>g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project. FAIR MARKET VALUE OF LEASED SPACE</p>
\$36,245,629	TOTAL FUNDS AVAILABLE

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

IX. 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

bond rating provided

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

1. "A" Bond rating or better
2. All of the projects 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-37, 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.

Provide Data for Projects Classified as:	Category A or Category B (last three years)			Category B (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.

2. 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 38, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

X. 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 of the cash and equivalents must be retained in the balance sheet asset accounts in order 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

Not applicable. No debt is to be used.

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	Mod.	Gross Sq. Ft. New	Circ.*	Gross Sq. Ft. Mod.	Circ.*	Const. \$ (A x C)	Mod. \$ (B x E)	
Contingency									
TOTALS									

* Include the percentage (%) of space for circulation

D. Projected Operating Costs

Not applicable due to nature of project.

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

Not applicable due to nature of project.

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 -39, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

XI. Safety Net Impact Statement

SAFETY NET IMPACT STATEMENT that describes all of the following must be submitted for ALL SUBSTANTIVE AND DISCONTINUATION PROJECTS:

not applicable

1. The project's material impact, if any, on essential safety net services 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 a given community, if reasonably known by the applicant.

Safety Net Impact Statements shall also include all of 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 43.

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

APPEND DOCUMENTATION AS ATTACHMENT 40, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

XII. Charity Care Information

Charity Care information **MUST** be furnished for **ALL** projects.

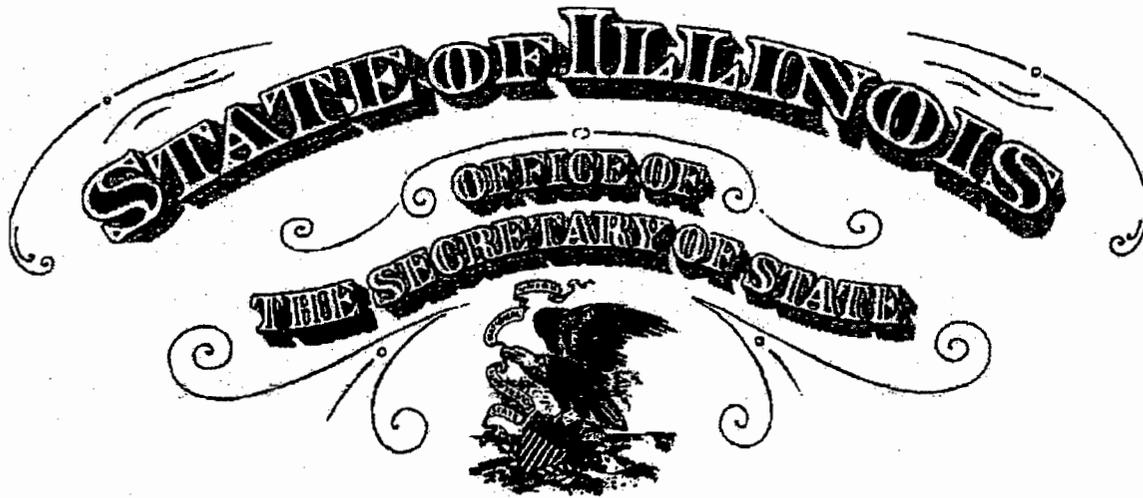
1. All applicants and co-applicants shall indicate the amount of charity care for the latest three **audited** fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue.
2. If the applicant owns or operates one or more facilities, the reporting shall be for 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 44.

CHARITY CARE			
	2012	2013	2014
Net Patient Revenue	\$939,989,000	\$966,970,000	\$1,025,637,800
Amount of Charity Care (charges)	\$83,337,645	\$119,657,172	\$138,355,670
Cost of Charity Care	\$24,408,479	\$36,717,088	\$34,763,232

APPEND DOCUMENTATION AS ATTACHMENT-41, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, 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

RUSH UNIVERSITY MEDICAL CENTER, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JULY 21, 1883, 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 30TH day of SEPTEMBER A.D. 2015 .



Authentication #: 1527301862 verifiable until 09/30/2016
Authenticate at: <http://www.cyberdriveillinois.com>

Jesse White

SECRETARY OF STATE

ATTACHMENT 1



LETTER OF INTENT

September 15, 2015

Michael J. Dandorph
Executive VP and COO
Rush University Medical Center
1725 W. Harrison St., Suite 364
Chicago, IL 60612

RE: 1411 South Michigan Avenue, Chicago, IL 60605

Dear Michael:

This letter of intent ("LOI") is being delivered to you to outline the business terms of the proposed lease ("Lease") between 1411 S. Michigan, LLC and Rush University Medical Center.

LANDLORD: 1411 S. Michigan, LLC

TENANT: Rush University Medical Center

PROJECT: A minimum 15 story mixed use residential retail/office development with attached parking garage, to-be-built in accordance with the Project Conceptual Schematics attached hereto as Exhibit A, and incorporated herein by reference. The Project shall contain approximately 199 residential apartments (and is anticipated to include the following luxury amenities for the residential occupants: swimming pool, sauna, steam room, yoga studio, club room and approximately 3,000 square foot gym with state of the art gym equipment), up to 45,000 thousand rentable square feet of retail/office space, and approximately 150 parking spaces. The Project will be located fronting Michigan Avenue, Chicago, Illinois, and shall have an address of 1411 South Michigan Avenue, Chicago, Illinois 60605.

PREMISES: Approximately 41,371 of rentable square feet of retail space on portions of the first, second, and third (approximately 17,643 square feet) floors of the to-be-built Project as depicted on the Project Conceptual Schematics, with a square footage to be verified and

ATTACHMENT 2

measured by the Landlord's field architect. Tenant shall be entitled to the exclusive use of up to 110 parking spaces throughout the Lease Term, including any such Extended Term (both as defined below). The first floor component of the Premises shall be accessed from Michigan Avenue, and shall have not less than 89 linear feet of Michigan Avenue frontage.

USE: The Premises shall be used for the operation of medical offices and for those medical uses and subspecialties associated with outpatient care.

LEASE TERM: Ten (10) years; plus one (1), five (5) year extension option ("Extended Term").

RENT: Annual Base Rent equal to Thirty Dollars (\$30) per square foot based on the net rentable square footage of approximately 41,371 square feet and a monthly rental amount for Tenant's allotted parking per stall at \$200 per month ("Parking Rent") for ten (10) years. Parking Rent shall increase by five dollars (\$5) per space, per annum during the initial Lease Term and the Extended Term.

Extended Term Base Rent shall be the then fair market rent with two percent (2%) annual increases thereafter. Exercise of the extension option shall be by written notice, no later than twelve (12) months prior to the expiration of the initial Lease Term.

POSSESSION DATE: July 1, 2017, or as mutually agreed upon by Landlord and Tenant.

RENT COMMENCEMENT: The Base Rent and the Triple Net Charges (as defined below) shall commence upon the earlier to occur of: (i) the opening of the Premises; (ii) one hundred eighty (180) days after the Possession Date; or (iii) if the Tenant uses the Landlord's general contractor for its Tenant Improvement build-out, the date a partial or final certificate of occupancy is issued for the apartment tower portion of the Project (provided Tenant's Improvements are completed at such date).

ESCALATIONS: During the initial Term, the Base Rent will increase by fifty cents (\$0.50) per square foot annually.

UTILITIES: Tenant shall be separately metered and billed directly for its own utility usage for natural gas, electricity, hot and cold water. Chilled water shall be provided by the apartment tower's chiller and allocated based on a shared formula to be agreed to by the parties.

NNN LEASE: Tenant shall be billed for its share of Real Estate Taxes

ATTACHMENT 2

as tax bills are received by Landlord and monthly for Insurance, and Common Area Maintenance (the "Triple Net Charges"). Certain Common Area Maintenance expenses that benefit the residential tenants and provide no benefit to the Tenant will be excluded.

SIGNS:

Tenant and Landlord shall agree on all of Tenant's exterior signage per a separate exhibit to the Lease. Signage identifying Tenant and/or its services, shall be located on the Project's building fronting Michigan Avenue for maximum identification of Tenant and/or its services. Subject to Landlord's reasonable approval, Tenant shall be entitled to additional identification signage in the common areas giving access to the residential and parking garage components of the Project (which may be wall hung and/or monument style), including directional signage on each level of the parking garage. Tenant shall also have the right to sidewalk mounted monument signage if permitted by the City of Chicago. All signage on behalf of Tenant shall be at Tenant's expense and shall comply with all laws.

TENANT IMPROVEMENT ALLOWANCE:

Landlord shall provide, at the option of the Tenant in its sole discretion, a Tenant Improvement Allowance up to \$2,000,000 ("TI"). The TI will be paid by Landlord upon delivery of possession of the Premises to Tenant's, Tenant's occupancy of the Premises, Tenant's payment of the 1st month's rent and delivery of lien waivers and such other documents as Landlord may reasonably require to confirm all of Tenant's build out work has been paid for in full. The annual Base Rent will be increased by an amount equal to 7% return of the TI amount (assuming a \$2,000,000 TI, annual Base Rent will increase by \$140,000), which amount shall be subject to Escalations.

LANDLORD'S WORK:

Landlord shall provide a white box code compliant build-out of the Premises consistent with a commercial office building including but not limited to fire alarm panels to each floor, electrical panels for each floor, dry wall perimeter walls, exterior entrance doors and store front type windows, complete sprinkler system, Air Handling Units, chilled water and natural gas from the Building's chiller to supply the AHUs and a looped HVAC distribution and returns, and two elevators to the second and third floors from Lobby and one elevator from Loading to second and third floors. Landlord shall provide utility lines to the Premises including hot and cold water distribution to each floor, and sewer lines, with sufficient capacity for a medical

clinic's restrooms, sinks and equipment. Landlord's scope of work is preliminarily described in the Work Letter, attached hereto as Exhibit B and incorporated herein by reference, and is subject to Landlord and Tenant's continued review and approval.

DUE DILIGENCE PERIOD:

Tenant shall have 60 days from and after the Effective Date (as defined below) for initial due diligence in which: (i) to inspect the Project; (ii) to review: Landlord's plan specifications for the Project; Landlord's development and construction timelines and significant threshold dates for the Project development, planning, title, survey, zoning and entitlement requirements and procedures; (iii) to complete initial design and engineering plans for Tenant's intended Premises build-out; and (iv) to make and conduct its review of Landlord's financing, environmental, development, regulatory, utility, engineering, soil and other tests and studies as are deemed necessary or desirable by Tenant (the "Initial Due Diligence Period"). The Initial Due Diligence Period may be extended by Tenant for an additional 60 days upon prior written notice to Landlord in order for Tenant to complete any due diligence that could not be completed or conducted during the Initial Due Diligence Period (the "Extended Due Diligence Period" and together with the Initial Due Diligence Period, collectively, the "Due Diligence Period"). If Tenant fails to give prior written notice to extend, this extension right shall be deemed waived.

CON AND BUILDING PERMIT CONDITIONS:

Tenant's lease of a portion of the third floor of the Project totaling approximately 17,643 square feet shall be conditioned upon Tenant obtaining a Certificate of Need approval (the "CON Condition") from the Illinois Health Facilities and Services Review Board (the "CON Review Board"). Without limitation to other conditions, if the CON Condition is not satisfied by the August, 2016 CON Review Board meeting, Tenant shall have the option on or before the earliest to occur of: (i) the August 2016 CON Review Board meeting; or (ii) August 31, 2016 to: (i) terminate the Lease related to the third floor and in such case Tenant shall with such third floor termination notice pay a termination fee of \$250,000 to the Landlord; or (ii) waive the CON Condition and lease the entire Premises. Further, if the third floor space is not leased by the Tenant, then Landlord shall only be required to provide up to 55 parking spaces (instead of up to 110 parking spaces) to serve the first and second floors of the Premises. Notwithstanding the foregoing, Tenant shall promptly and diligently pursue approval of the CON and will not arbitrarily withdraw its

CON application.

CONFIDENTIALITY:

Tenant and Landlord, as an affiliate of Russland Capital Group – South Loop LLC, shall be subject to the terms and conditions of that certain Reciprocal Confidentiality Agreement, attached hereto as Exhibit C and incorporated herein by reference.

EXCLUSIVITY:

Until the earliest to occur of: i) the execution of the Lease; or ii) the termination of this LOI, (A) Landlord agrees that it and each of its agents, servants and employees shall not, without the prior written consent of Tenant, explore, meet, discuss, negotiate, directly or indirectly, or enter into an agreement, including but not limited to a term sheet, letter of intent, or lease with any third party for the purpose of discussing, organizing, formulating, designing, developing, investing in or implementing an arrangement that could lead to the lease of the Premises to a third party, and (B) Tenant agrees that commencing upon the expiration of the Due Diligence Period as same may be extended by the parties hereto, and continuing until the earliest to occur of: i) the execution of the Lease; or ii) the termination of this LOI, it and each of its agents, servants and employees shall not, without the prior written consent of Landlord, explore, meet, discuss, negotiate, directly or indirectly, or enter into an agreement with any third party for the purpose of discussing, organizing, formulating, designing, developing, investing in or implementing an arrangement that could lead to Tenant leasing space, in lieu of the Premises, within the area demarcated "Restricted Area" on Exhibit D, attached hereto and incorporated herein by reference.

LOI TERM:

The term of this LOI shall commence upon the last date written below (the "Effective Date") and continue in full force and effect until the earliest to occur of: i) the execution of the Lease; or ii) the date on which either party provides written notice of its termination of this LOI.

LEASE:

Tenant shall prepare the initial draft lease and deliver same to Landlord not later than 15 days following the Effective Date, and the parties shall negotiate same in good faith.

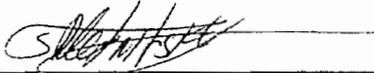
BROKER FEES:

Cain Brothers RE LLC shall be paid commission of 3% of the Base Rent, including Escalations, generated from the Lease during the initial Term. Commission shall be paid ½ upon lease execution (but such first installment shall be calculated without including the third floor space; provided, however, in the event Tenant receives the CON, Landlord

will make an additional payment to the broker so that such payment together with the first installment equal half of the total commission) and the balance of the commission shall be paid upon Tenant taking occupancy of the Premises and payment of the first month's rent.

This LOI is submitted for your review and is subject to modification by either party. This LOI is not intended to be contractual in nature (except for the provisions concerning confidentiality and exclusivity which shall be binding upon the Effective Date and pursuant to the terms and conditions herein); it is only an expression on the basis of which Landlord will consider entering into the Lease. Except for the provisions concerning "Confidentiality" and "Exclusivity", neither party will be legally bound by the terms and conditions referenced in this LOI until a mutually acceptable Lease has been fully executed by both parties.

Sincerely,



By: Jacob Bleznitsky, authorized agent
1411 S. Michigan, LLC

AGREED AND ACCEPTED:

Rush University Medical Center:

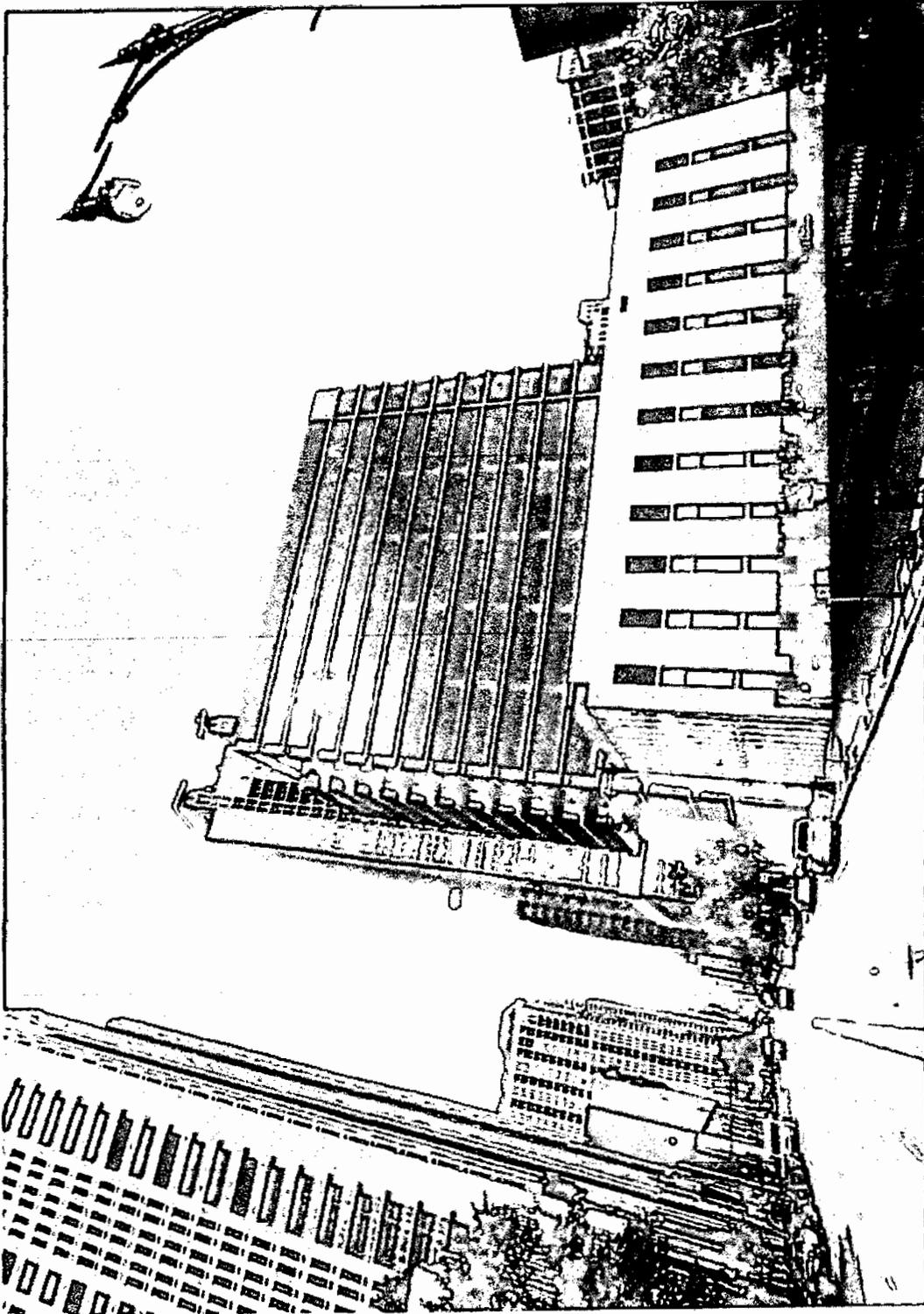
By: 
Michael J. Dandorph
Its: Executive VP and COO
Date: 9-15-15

Cc: Felix Friedman, Russland Capital - South Loop, LLC

Exhibit A

Project Conceptual Schematics

Please see attached.



BKV
GROUP

July 17, 2015

1411 South Michigan Avenue, Chicago
Perspective Looking North

ATTACHMENT 2
Hassland
Capital Group

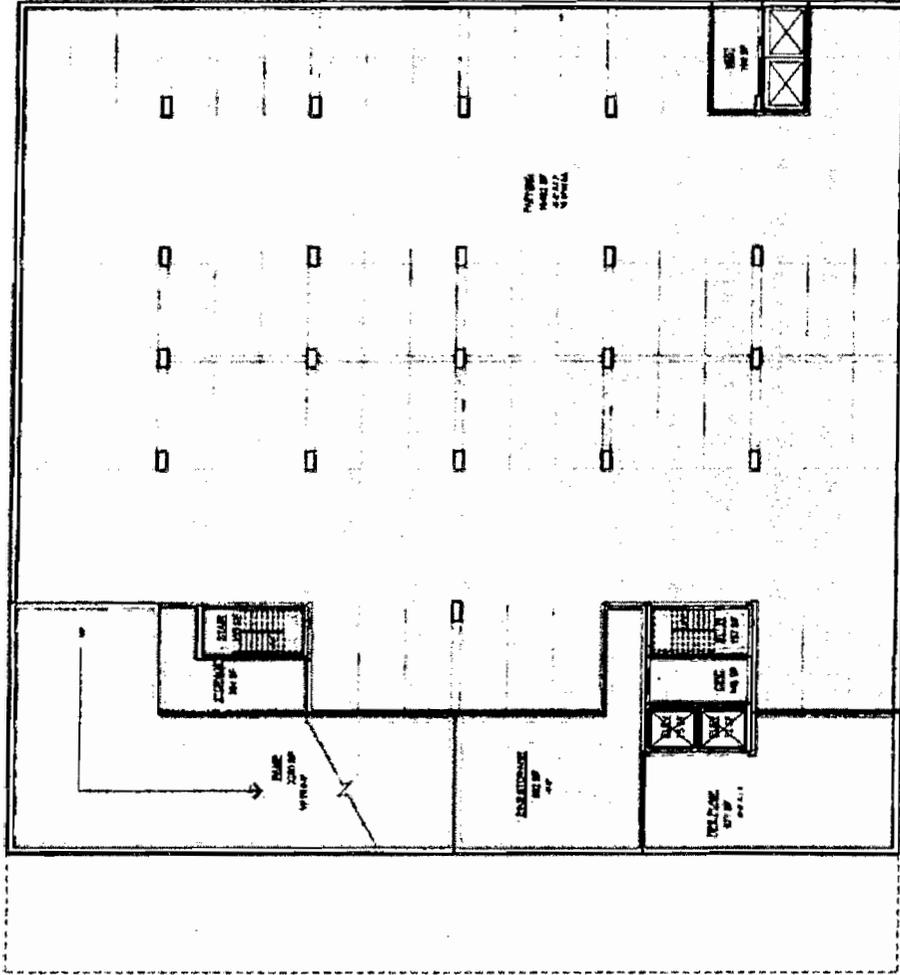


BKV
GROUP

July 17, 2015

1411 South Michigan Avenue, Chicago

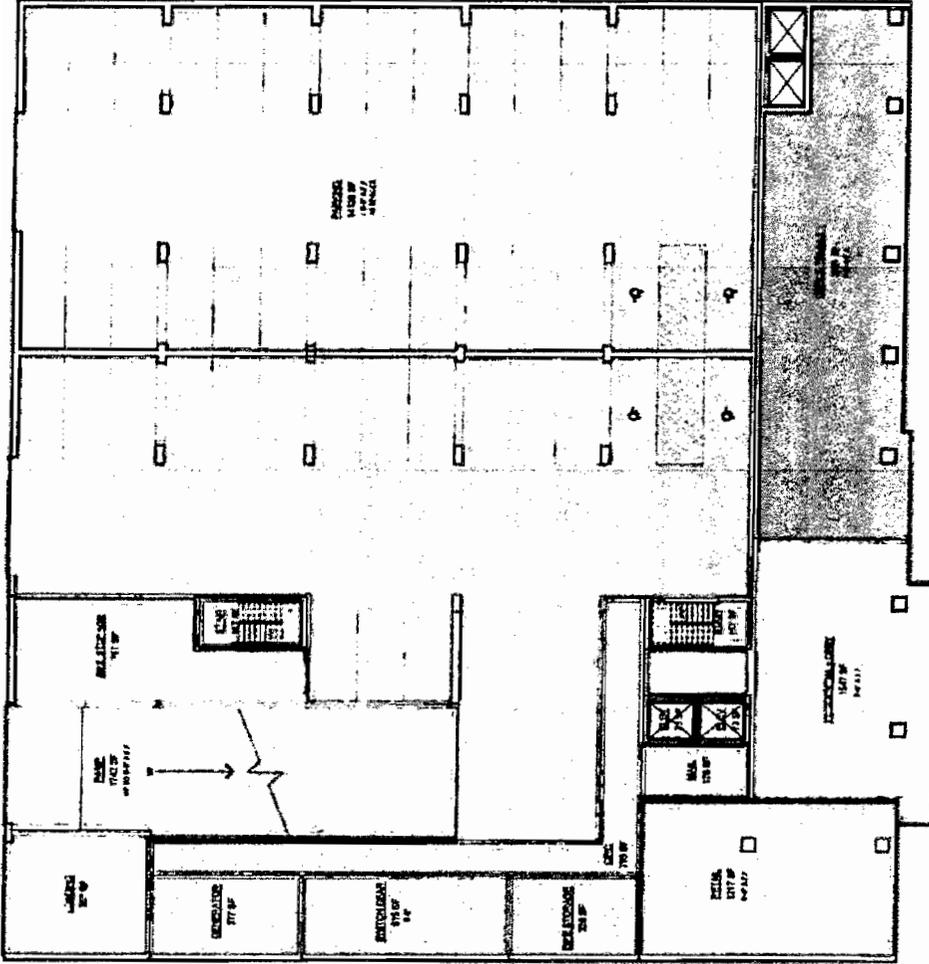
Birdseye Perspective



July 17, 2015

BKV
GROUP

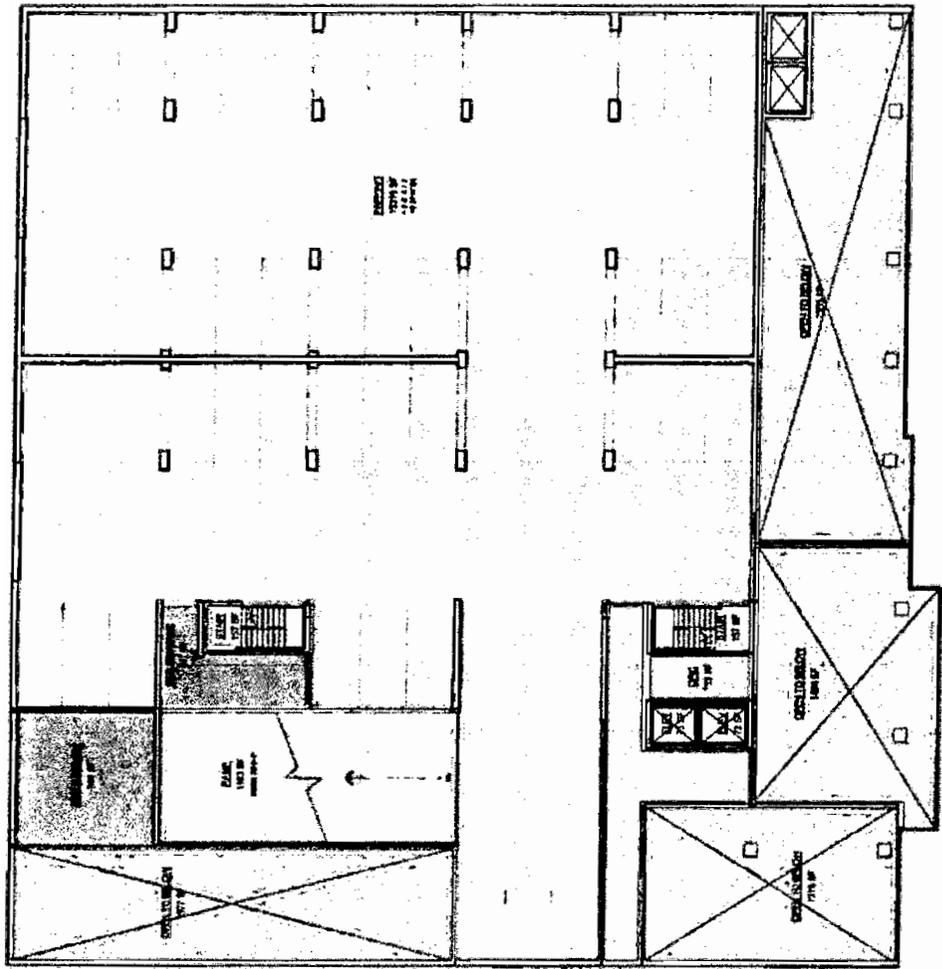
1411 South Michigan Avenue, Chicago
Basement Level



1411 South Michigan Avenue, Chicago
Level I

BKV
 GROUP

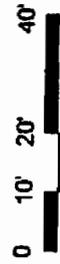
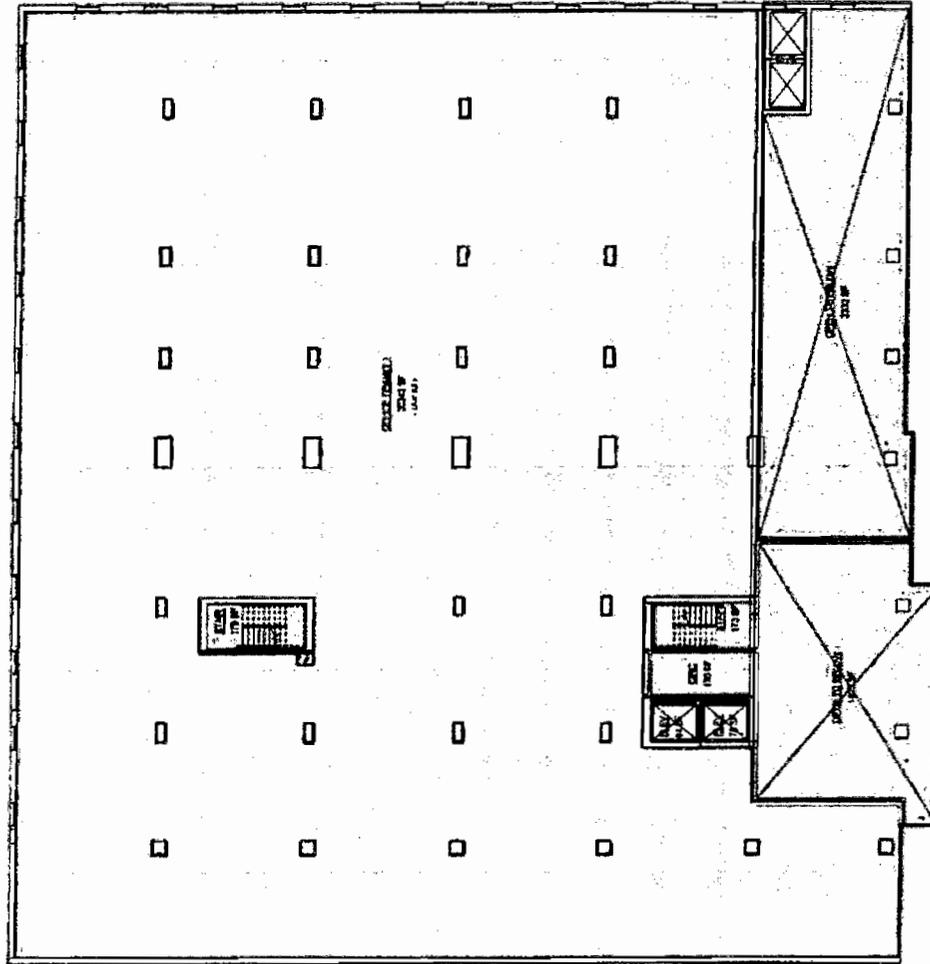
July 17, 2015



1411 South Michigan Avenue, Chicago
Level 1 Mezzanine

July 17, 2015
BKV
 GROUP

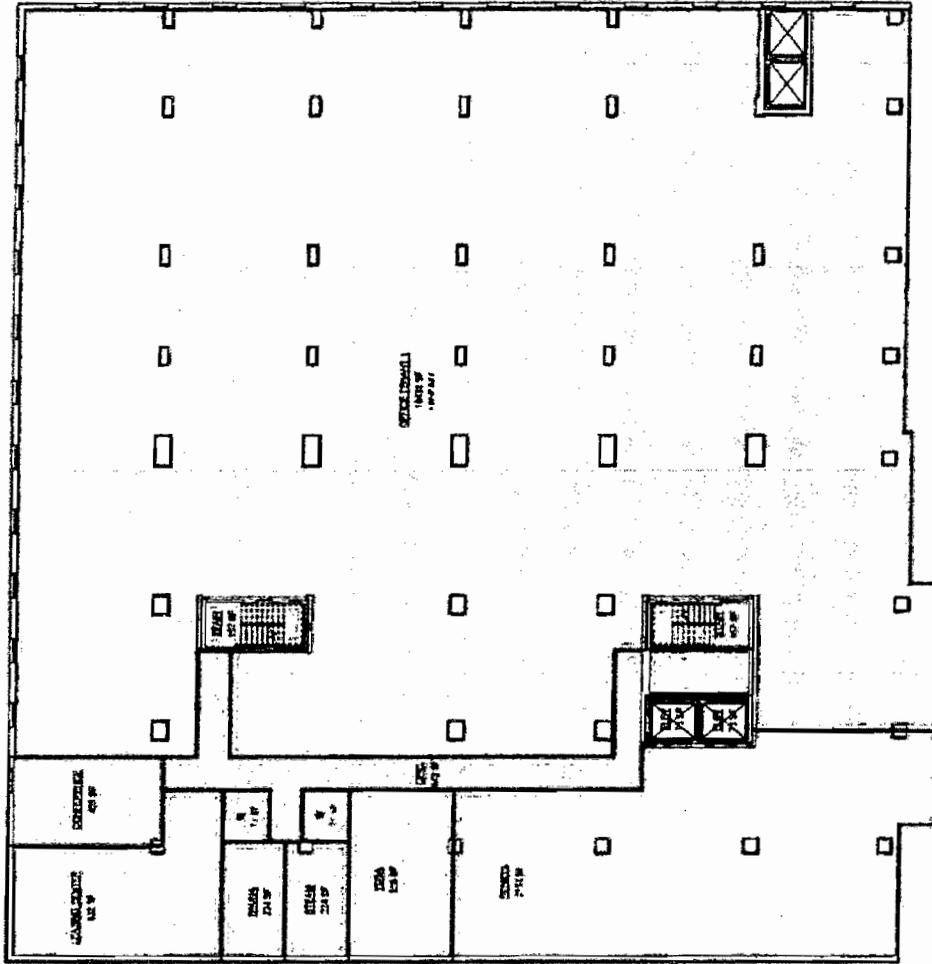
34



July 17, 2015

BKV
GROUP

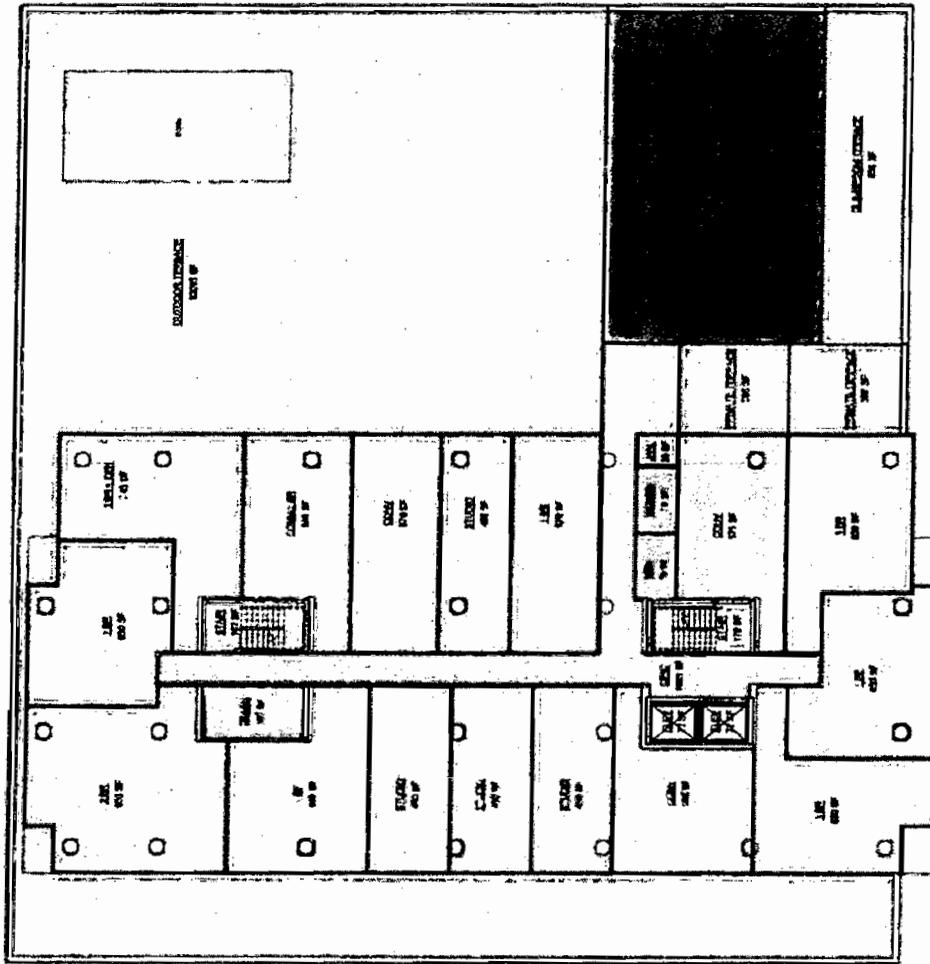
1411 South Michigan Avenue, Chicago
Level 2



BKV
GROUP

July 17, 2015

1411 South Michigan Avenue, Chicago
Level 3



North

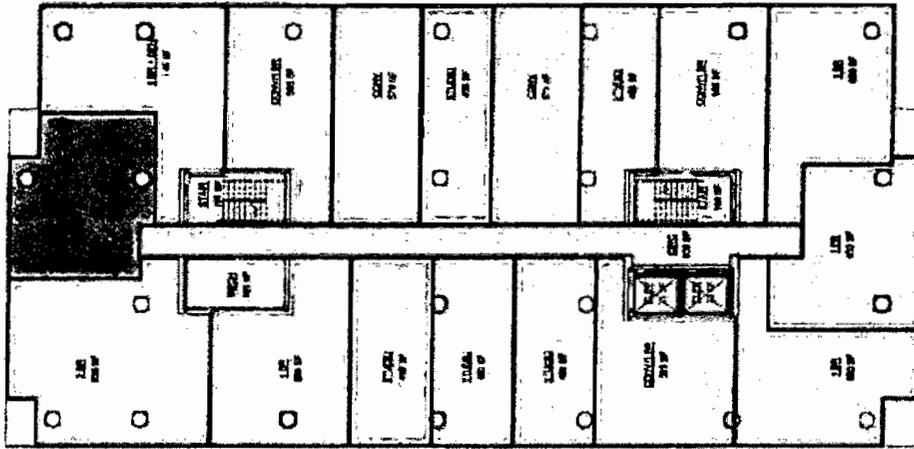


BKV
GROUP

July 17, 2015

1411 South Michigan Avenue, Chicago

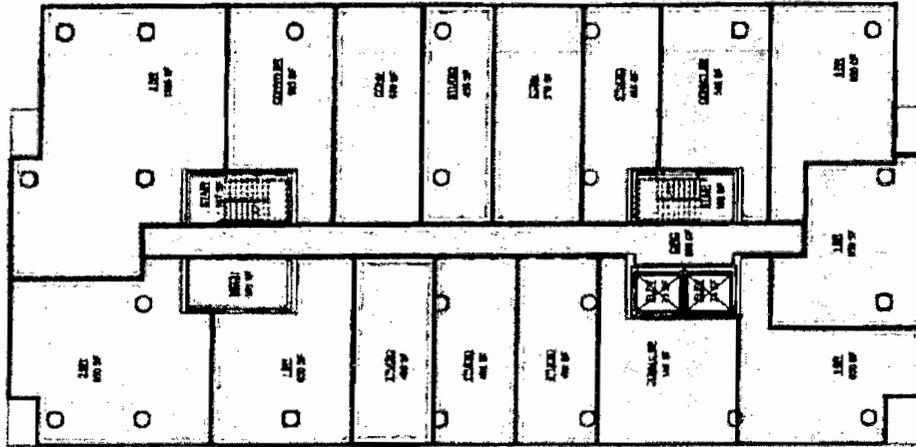
Level 4



July 17, 2015

BKV
GROUP

1411 South Michigan Avenue, Chicago
Typical Floor - Levels 5-11

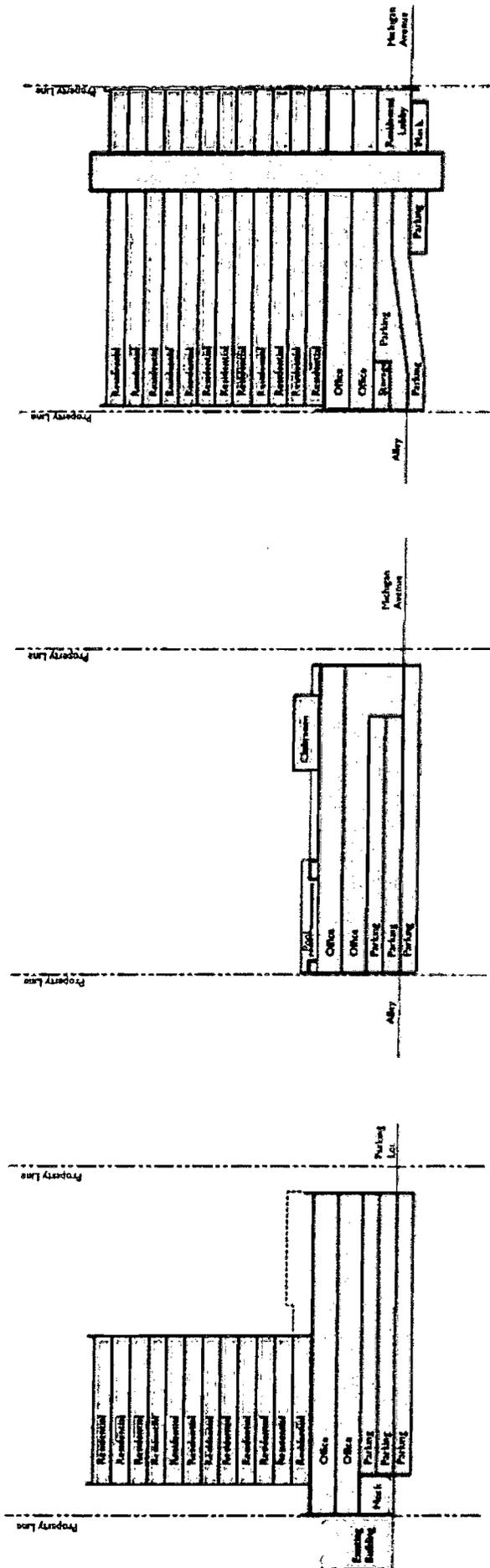


1411 South Michigan Avenue, Chicago
Typical Floor - Levels 12 - 15



July 17, 2015

BKV
 GROUP



40

0 25' 50' 100'

BKV
GROUP

July 17, 2015

1411 South Michigan Avenue, Chicago
Building Sections

ATTACHMENT 2

Exhibit B

Landlord's Scope of Work

Landlord shall provide a white box build-out of the Premises. The build out presumes an open floor plan on each floor, and will include the following sized with sufficient capacity for Tenant's use:

1. Fire Protection: fire alarm panels tied to central system to each floor with a complete sprinkler system for open floor distribution; Assume ordinary hazard group 1
2. Sufficient electrical panels to each floor. Service to be 277/480 volt, 3 phase, 4 wire, 1,200 amps Emergency power from Landlords generator to power tenant life safety loads terminated in second floor pull box.
3. Insulation and drywall of the perimeter walls on all floors;
4. Exterior storefront;
5. Exterior entrance doors to the main lobby and from staircase (interior doors are excluded from Landlord's scope);
6. HVAC for the entire area of the Premises with cooled air provide by Landlord's chiller and gas fired/electric coil heating elements in a separate mechanical room and a variable volume air handling system with distribution loop at each floor
7. Sewer lines sufficient to serve the entire area of the Premises;
8. Hot and cold water to the Premises;
9. Two electric traction, machine roomless elevators with standard cab finishes, from the garage and lobby to the second and third floors; One dedicated 4,000 service elevator from Loading area at street level to second and third floors. Electric tied to Landlords panel.
10. First floor vestibule allowance of \$150,000.
11. Two 2" empty conduits from building communication room to second floor of tenant space
12. Structural capacity for entire floor to support a live load of 100 lb/sf with a designated area of approximately 600 sf to support 200 lb/sf
13. Outside roof space for any system condensers, exhaust vents and exhaust fans

File Number

0200-214-1



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, 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

RUSH UNIVERSITY MEDICAL CENTER, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON JULY 21, 1883, 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 30TH day of SEPTEMBER A.D. 2015 .



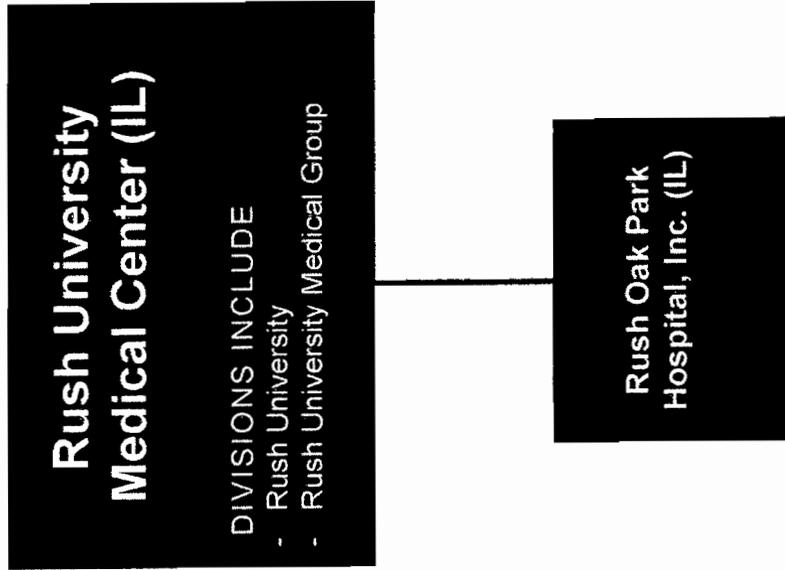
Authentication #: 1527301862 verifiable until 09/30/2016
Authenticate at: <http://www.cyberdriveillinois.com>

Jesse White

SECRETARY OF STATE

ATTACHMENT 3

Corporate Organizational Chart



 = Not-for-profit

Michael E. LaMont
Vice President

Facilities Management
1750 West Harrison Street
Suite 319 Jelke
Chicago, IL 60612

Tel 312.942.6765
Fax 312.942.8335
Mike_LaMont@rush.edu
www.rush.edu

RUSH UNIVERSITY
COLLEGE OF NURSING
RUSH MEDICAL COLLEGE
COLLEGE OF HEALTH SCIENCES
THE GRADUATE COLLEGE

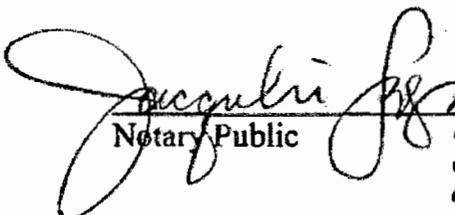


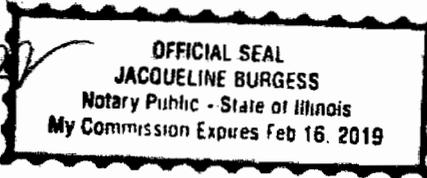
May 27, 2016

I hereby attest that the medical clinics building to be located at 1411 South Michigan Avenue in Chicago, Illinois will not be located in a flood plain, and that the location of the proposed project complies with the Flood Plain Rule under Illinois Executive Order #2005-5.


Michael E. LaMont
Vice President, Facilities Management
Rush University Medical Center

Subscribed and sworn to before me this
27th day of May, 2016.


Notary Public



OFFICIAL SEAL
JACQUELINE BURGESS
Notary Public - State of Illinois
My Commission Expires Feb 16, 2019

The screenshot displays the FEMA Intranetix Viewer interface. At the top left is the FEMA logo. To its right, the text 'Scale: 4%' and 'LOMC: 1' are visible. Below the logo is a toolbar with icons for 'Zoom In', 'Zoom Out', 'Zoom To', and 'Make a Firm'. The main area contains a map with a central rectangular window showing a detailed view of a structure, possibly a bridge or industrial facility. To the right of the map is a panel with various data fields and a legend. The interface is rendered in a high-contrast, black and white style.

ATTACHMENT 5

45

March 11, 2016

Rachel Leibowitz, Ph.D.
Deputy State Historic Preservation Officer
Illinois Historic Preservation Agency
1 Old State Capitol Plaza
Springfield, IL 62701-1507

RE: Proposed Construction of a Medical Clinics Building
to be Located in a Mixed Use Building

Dear Dr. Liebowitz:

I am in the process of developing a Certificate of Need application, to be filed with the Illinois Health Facilities Services and Review Board, and I am in need of a determination of applicability from your agency.

A 15-story structure is proposed to be constructed at 1411 South Michigan Avenue in Chicago. Prior to construction, the building located on that site will be demolished. My client desires to establish a Medical Clinics Building ("MCB") in leased space within the proposed mixed use building. The site is located in the South Loop area, and consists of a vacant lot and an adjoining lot with the single structure referenced above.

I have enclosed maps of the site and photographs for your review.

A letter from your office, confirming that the Preservation Act is not applicable to this project would be greatly appreciated.

Should you have any questions, I may be reached at the phone number below.

Sincerely,


Jacob M. Axel
President

enclosures (photographs and maps)



**Illinois Historic
Preservation Agency**

1 Old State Capitol Plaza, Springfield, IL 62701-1512

FAX (217) 524-7525

www.illinoishistory.gov

Cook County

Chicago

CON - Demolition and New Construction of Medical Clinics Building with a Mixed Use Building
1411 S. Michigan Ave.
IHPA Log #036031516

March 31, 2016

Jacob Axel
Axel & Associates, Inc.
675 North Court, Suite 210
Palatine, IL 60067

Dear Mr. Axel:

Thank you for requesting comments from our office concerning the possible effects of your project on cultural resources. Our comments are required by Section 4, Paragraph 133c21 of the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420/1 et. seq.).

Our staff has reviewed the specifications of the referenced project as submitted by your office. We cannot adequately review this proposed project until the following additional documentation has been submitted to our Agency:

Better exterior photos 35 mm or digital no smaller than 4" x 4" (not xerox) of all facades showing the building in its entirety.

Current interior photos 35 mm or digital no smaller than 4" x 4" (not xerox) of all public spaces.

Original date of construction.

Name of architect.

In your reply, please refer to IHPA Log #036031516. If you have any further questions, please contact me at 217/785-5031.

Sincerely,

Rachel Leibowitz, Ph.D.
Deputy State Historic
Preservation Officer

ATTACHMENT 6

April 12, 2016

Rachel Leibowitz, Ph.D.
Deputy State Historic Preservation Officer
Illinois Historic Preservation Agency
1 Old State Capitol Plaza
Springfield, IL 62701-1507

RE: Proposed Construction of a Medical Clinics Building
to be Located in a Mixed Use Building
IHPA Log #036031516

Dear Dr. Liebowitz:

On March 11, 2016 I requested a determination from your agency relating to the building located at 1411 S. Michigan Avenue in Chicago. That request was accompanied with numerous photographs and maps. I received the enclosed response, requesting additional documentation. Additionally, and as you may recall, on April 5, 2016 I had a telephone conversation with you, seeking direction and explaining that my client, which is applying for a Certificate of Need from the Illinois Health Facilities and Services Review Board, simply intends to lease three of fifteen floors in a proposed multi-use building.

The building currently at 1411 S. Michigan Avenue was built in approximately 1965, and served as the headquarters of the National Association of Letter Carriers until recently, when it was sold to a developer. I have no way of ascertaining the name of the architect.

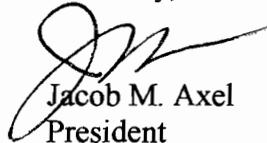
The building in question will be demolished.

Per your request I am enclosing additional photographs, including an interior view of the building's foyer and entrance, as well one of a typical work station. I am also enclosing pictures from a website that were posted when the building was for sale.

A letter from your office, confirming that the Preservation Act is not applicable to this project would be greatly appreciated.

Should you have any questions, I may be reached at the phone number below.

Sincerely,



Jacob M. Axel
President

enclosures

ATTACHMENT 6



1 Old State Capitol Plaza, Springfield, IL 62701-1512

FAX (217) 524-7525
www.illinoishistory.gov

Cook County
Chicago

CON - Demolition and New Construction of Medical Clinics Building with a Mixed Use Building
1411 S. Michigan Ave.
IHPA Log #036031516

May 13, 2016

Jacob Axel
Axel & Associates, Inc.
675 North Court, Suite 210
Palatine, IL 60067

Dear Mr. Axel:

Our staff has reviewed the additional documentation submitted concerning the above referenced undertaking. Our comments are required in accordance with Section 4 of the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420/1 et. seq.)

IHPA staff historians have been unable to determine if the building present in the project area is eligible for the National Register of Historic Places (NRHP). We require that a survey of the subject resource(s) by a qualified historian be undertaken to assist in the identification of historic properties. A list of historians with survey experience is enclosed for your reference.

The resource survey report generated for submittal to this office shall include, but not be limited to, the following:

1. Historical Context(s) Statement
2. Historic Resource Description
3. NRHP Significance and Integrity Assessment
4. Area Map and Site Plan (8.5" x 11")
5. Current 35mm Color Photographs – Exterior, Interior, Details, Site, etc.

If you have any questions, please contact David Halpin, Cultural Resources Manager, at 217/785-4998.

Sincerely,

Rachel Leibowitz, Ph.D.
Deputy State Historic
Preservation Officer

ATTACHMENT 6

June 1, 2016

Rachel Leibowitz, Ph.D.
Deputy State Historic Preservation Officer
Illinois Historic Preservation Agency
1 Old State Capitol Plaza
Springfield, IL 62701-1507

RE: Proposed Construction of a Medical Clinics Building
to be Located in a Mixed Use Building
IHPA Log #036031516

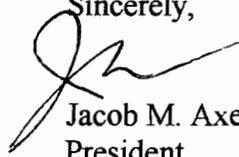
Dear Dr. Liebowitz:

Please accept this letter in response to your May 13, 2016 letter requesting additional information to assist your agency in its determine whether the building currently in the project area is eligible for the National Register of Historic Places (NRHP). As indicated in my March 11, 2016 original request for determination by your agency, my client intends to lease three stories in a planned 15-story building to be constructed at 1411 S. Michigan Avenue in Chicago. As noted in my April 12, 2016 response to your March 31, 2016 request for additional information on the site, the building to be demolished to allow the proposed construction was built in approximately 1965. As requested by your Agency, the April 12, 2016 letter contained additional exterior photographs of the building to be demolished as well as requested interior photographs of public spaces.

Enclosed is a portion of the Chicago Landmarks List, covering the 1400 block of South Michigan Avenue. This list includes both properties that have been designated as Chicago Landmarks by the City Council, as well as those under consideration for designation by the Commission of Chicago Landmarks, as of May 5, 2016. The property in question, 1411 South Michigan Avenue has neither been designated as a Chicago Landmark nor is it being considered for such designation.

Given this documentation, as well as the materials provided to your agency via the March 11, 2016 and April 12, 2016 filings, I respectfully request that your agency provide the requested documentation on this site, as required by the Illinois Health Facilities and Services Review Board, without delay, so that their review of this project can proceed without delay.

Sincerely,



Jacob M. Axel
President

enclosure

June 1, 2016

Rachel Leibowitz, Ph.D.
Deputy State Historic Preservation Officer
Illinois Historic Preservation Agency
1 Old State Capitol Plaza
Springfield, IL 62701-1507

RE: Proposed Construction of a Medical Clinics Building
to be Located in a Mixed Use Building
IHPA Log #036031516

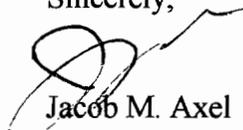
Dear Dr. Liebowitz:

Please accept this letter in response to your May 13, 2016 letter requesting additional information to assist your agency in its determine whether the building currently in the project area is eligible for the National Register of Historic Places (NRHP). As indicated in my March 11, 2016 original request for determination by your agency, my client intends to lease three stories in a planned 15-story building to be constructed at 1411 S. Michigan Avenue in Chicago. As noted in my April 12, 2016 response to your March 31, 2016 request for additional information on the site, the building to be demolished to allow the proposed construction was built in approximately 1965. As requested by your Agency, the April 12, 2016 letter contained additional exterior photographs of the building to be demolished as well as requested interior photographs of public spaces.

Enclosed is a portion of the Chicago Landmarks List, covering the 1400 block of South Michigan Avenue. This list includes both properties that have been designated as Chicago Landmarks by the City Council, as well as those under consideration for designation by the Commission of Chicago Landmarks, as of May 5, 2016. The property in question, 1411 South Michigan Avenue has neither been designated as a Chicago Landmark nor is it being considered for such designation.

Given this documentation, as well as the materials provided to your agency via the March 11, 2016 and April 12, 2016 filings, I respectfully request that your agency provide the requested documentation on this site, as required by the Illinois Health Facilities and Services Review Board, without delay, so that their review of this project can proceed without delay .

Sincerely,



Jacob M. Axel
President

enclosure

ATTACHMENT 6

Chicago Landmarks List

Following is the list of addresses of those properties designated as Chicago Landmarks by the City Council, as well as those under consideration for designation by the Commission of Chicago Landmarks (as of May 5, 2016).

Street Name	Address Range	Landmark Name
E. 8th St.	68 thru 98 (evens)	Historic Michigan Boulevard District
E. 8th St.	69 thru 99 (odds)	Historic Michigan Boulevard District
E. 9th St.	68 thru 98 (evens)	Historic Michigan Boulevard District
E. 9th St.	69 thru 99 (odds)	Historic Michigan Boulevard District
W. 9th St.	S. Plymouth Ct. (SW corner)	Site of John & Mary Jones House
E. 11th St.	21 thru 35 (odds)	Ludington Building
E. 11th St.	69 thru 99 (odds)	Historic Michigan Boulevard District
E. 11th St.	74 thru 98 (evens)	Historic Michigan Boulevard District
E. 14th St.	101 thru 115 (odds)	Historic Chicago Firehouse
E. 18th St.	100 thru 116 (evens)	Motor Row District
E. 18th St.	205 thru 315 (odds)	Prairie Avenue District
E. 18th St.	221 thru 237 (odds)	Glessner House
W. 18th St.	524 thru 530 (evens)	Schoenhofen Brewery
W. 18th St.	1215 thru 1225 (odds)	Thalia Hall
E. 21st St.	339 thru 371 (odds)	R. R. Donnelley Plant
W. 22nd Pl.	200 thru 208 (evens)	On Leong Building
E. 23rd St.	42 thru 132 (evens)	Motor Row District
E. 23rd St.	63 thru 133 (odds)	Motor Row District
W. 23rd St.	3634 thru 3658 (evens)	Shedd Park Fieldhouse
E. 24th St.	43 thru 53 (odds)	Quinn Chapel
E. 24th St.	62 thru 132 (evens)	Motor Row District
E. 24th St.	63 thru 117 (odds)	Motor Row District
E. 24th Pl.	62 thru 116 (evens)	Motor Row District
W. 27th St.	315 thru 325 (odds)	Ward Public School
E. 32nd St.	214 thru 356 (evens)	Calumet-Giles-Prairie District
E. 32nd St.	215 thru 355 (odds)	Calumet-Giles-Prairie District
W. 33rd St.	100 thru 108 (evens)	IIT Machinery Hall
W. 33rd St.	105 thru 109 (odds)	IIT Main Building
E. 33rd St.	201 thru 213 (odds)	Pilgrim Baptist Church
E. 33rd St.	213 thru 355 (odds)	Calumet-Giles-Prairie District
E. 33rd St.	214 thru 354 (evens)	Calumet-Giles-Prairie District
W. 34th St.	1 thru 33 (odds)	Crown Hall
E. 35th St.	S. King Dr.	Victory Monument (BMBD)
E. 35th St.	234 thru 244 (evens)	Calumet-Giles-Prairie District
E. 35th St.	313 thru 319 (odds)	Grand Terrace Cafe (BMBD)
E. 35th St.	401 thru 413 (odds)	Supreme Life Ins. Bldg. (BMBD)
E. 35th St.	640 thru 680 (evens)	Stephen A. Douglas Tomb
E. 35th St.	735 thru 751 (odds)	Soldiers' Home
W. 35th St.	1008 thru 1058 (evens)	Spiegel Administration Building
W. 35th St.	2400 thru 2412 (evens)	(Former) Schlitz Brewery-Tied House
E. 36th Pl.	2 thru 8 (evens)	Overton Hygienic Bldg. (BMBD)
E. 36th Pl.	751 thru 761 (odds)	Oakland District
W. 36th St.	2432 thru 2444 (evens)	DuPont-Whitehouse House
E. 37th St.	762 thru 768 (evens)	Oakland District
E. 38th St.	36 thru 58 (evens)	Wabash Ave. YMCA (BMBD)

N. Meredith Ave.	6200 thru 6360 (evens)	Old Edgebrook District
N. Meredith Ave.	6201 thru 6361 (odds)	Old Edgebrook District
N. Meyer Ct.	1610 thru 1660 (evens)	Old Town Triangle District
N. Meyer Ct.	1613 thru 1659 (odds)	Old Town Triangle District
N. Michigan Ave.	2 thru 148 (evens)	Historic Michigan Boulevard District
N. Michigan Ave.	100 thru 148 (evens)	Chgo. Public Libr. Cultural Ctr.
N. Michigan Ave.	224 thru 298 (evens)	Carbide & Carbon Building
N. Michigan Ave.	301 thru 313 (odds)	Old Republic Building
N. Michigan Ave.	327 thru 343 (odds)	333 North Michigan Building
N. Michigan Ave.	338 thru 360 (evens)	London Guarantee Building
N. Michigan Ave.	345 thru 399 (evens)	Mich. Ave. Bridge & Esplanade
N. Michigan Ave.	345 thru 399 (evens)	Site of Fort Dearborn
N. Michigan Ave.	356 thru 398 (evens)	Mich. Ave. Bridge & Esplanade
N. Michigan Ave.	356 thru 398 (evens)	Site of Fort Dearborn
N. Michigan	400 thru 424 (evens)	Wrigley Building
N. Michigan Ave.	431 thru 451 (odds)	Tribune Tower
N. Michigan Ave.	510 thru 528 (evens)	McGraw-Hill Building
N. Michigan Ave.	626 thru 638 (evens)	Woman's Athletic Club
N. Michigan Ave.	658 thru 670 (evens)	Farwell Building
N. Michigan Ave.	701 thru 713 (odds)	Allerton Hotel
N. Michigan Ave.	800 thru 820 (evens)	Old Chicago Water Tower District
N. Michigan Ave.	801 thru 821 (odds)	Old Chicago Water Tower District
N. Michigan Ave.	812 thru 816 (evens)	Perkins, Fellows & Hamilton Bldg.
N. Michigan Ave.	913 thru 925 (odds)	Palmolive Building
N. Michigan Ave.	931 thru 999 (odds)	East Lake Shore Dr. District
S. Michigan Ave.	2 thru 16 (evens)	Historic Michigan Boulevard District
S. Michigan Ave.	18 thru 30 (evens)	Gage Group
S. Michigan Ave.	32 thru 406 (evens)	Historic Michigan Boulevard District
S. Michigan Ave.	101 thru 259 (odds)	Historic Michigan Boulevard District
S. Michigan Ave.	408 thru 428 (evens)	Fine Arts Building
S. Michigan Ave.	426 thru 498 (evens)	Auditorium Building
S. Michigan Ave.	500 thru 634 (evens)	Historic Michigan Boulevard District
S. Michigan Ave.	636 thru 658 (evens)	Blackstone Hotel
S. Michigan Ave.	660 thru 1098 (evens)	Historic Michigan Boulevard District
S. Michigan Ave.	1321 thru 1323 (odds)	Wholesale Furniture Exposition Building
S. Michigan Ave.	1401 thru 1405 (odds)	Historic Chicago Firehouse
S. Michigan Ave.	1444 thru 1456 (evens)	Motor Row District
S. Michigan Ave.	1731 thru 1737 (odds)	Motor Row District
S. Michigan Ave.	1922 thru 1936 (evens)	Second Presbyterian Church
S. Michigan Ave.	1923 thru 1929 (odds)	Motor Row District
S. Michigan Ave.	2000 thru 2006 (evens)	Motor Row District
S. Michigan Ave.	2120 thru 2122 (evens)	Chess Records Studio
S. Michigan Ave.	2200 thru 2422 (evens)	Motor Row District
S. Michigan Ave.	2201 thru 2423 (odds)	Motor Row District
S. Michigan Ave.	2938 thru 2952 (evens)	Kent House
S. Michigan Ave.	3804 thru 3808 (odds)	Griffiths-Burroughs House
S. Michigan Ave.	3829 thru 3837 (odds)	South Side Comm. Art Center
S. Michigan Ave.	4349 thru 4359 (odds)	Eighth Church of Christ, Scientist
S. Michigan Ave.	4801 thru 4819 (odds)	George Cleveland Hall Library
S. Michigan Ave.	5129 thru 5135 (odds)	Pate-Comiskey-House
W. Midway Park	5800 thru 5820 (evens)	Four Schock Houses
N. Mies Way	800 thru 820 (evens)	Old Chicago Water Tower District
N. Mildred Ave.	2915 thru 2945 (odds)	Oakdale Avenue District
S. Millard Ave.	1337 thru 1349 (odds)	Stone Temple Baptist Church (preliminary)

PROJECT COSTS and SOURCES OF FUNDS

PROJECT COSTS

Pre-Planning Costs			
Market Analyses	\$	125,000	
Site Selection	\$	80,000	
Misc./Other	\$	<u>75,000</u>	
			\$ 280,000
Site Preparation			
Exterior Signage			\$ 508,000
New Construction			
Per ATTACHMENT 39C			\$ 9,064,200
Construction Contingency			
Per ATTACHMENT 39C			\$ 390,900
Architectural & Engineering Fees			
Preliminary Renderings	\$	30,000	
Design	\$	627,000	
Reg. Agency Interaction	\$	20,000	
Project Monitoring	\$	50,000	
Reimbursables	\$	10,000	
Misc./Other	\$	<u>40,000</u>	
			\$ 777,000
Consulting and Other Fees			
Legal	\$	75,000	
Zoning/Regulatory Approvals	\$	100,000	
CON-Related	\$	90,000	
Reg. Approvals, other	\$	75,000	
Project Management	\$	450,000	
Interior Design	\$	85,000	
Insurance	\$	25,000	
Equipment Planning	\$	50,000	
Misc./Other	\$	50,000	
			\$ 1,000,000
Moveable Equipment			
Attached Inventory			\$ 10,842,424
Fair Market Value of Leased Space			
Rent to be Paid During Initial Term	\$	13,383,105	
			\$ 13,383,105
TOTAL COST			\$ 36,245,629

PROJECT COSTS and SOURCES OF FUNDS

SOURCES OF FUNDS

Cash and Securities	\$ 22,862,524
Fair Market Value of Leased Space	\$ 13,383,105

TOTAL SOURCES OF FUNDS	\$ 36,245,629
-------------------------------	----------------------

Rush-South Loop
Preliminary Equipment Budget

Reviewable Areas

Imaging

Ultrasound	\$250,000	
MRI	\$1,174,629	
X-Ray	\$243,723	
CT scan	\$568,911	
Bone Density	\$89,863	
Mammography	\$225,617	
Misc.	<u>\$200,000</u>	
		\$ 2,752,743

Specimen Collection/lab

Chair	\$4,200	
A1-C Machines	\$3,200	
Refrigerator	\$8,800	
Coagcheck System	\$5,000	
Misc	<u>\$28,800</u>	
		\$ 50,000

Non-Reviewable Areas

Medical Equipment

Exam Room Tables (with arms)		
Powered Exam Tables		
Procedure Room Tables		
Otoscope Integrated Wall System		
Thermometers		
Pulse Oximeter		
Procedure Light		
Battery Powered Digital Scale		
Blood Pressure Machine and Cuffs		
A1-C Machines		
Plethysmography w Spiro. Device		
Ceiling Mounted Procedure Light		
Specula		
Equipment Baskets		
Glove Dispensers		
Hygiene Stations		
Misc		
		\$ 2,850,000

Furniture

- Reception/Waiting Area Chairs/Sofas
- Reception/Waiting Area End Tables
- Staff Lounges/Conference Tables
- Staff Lounges/Conference Chairs
- Consult Tables
- Consult Chairs
- Caregiver Workstations

Rush-South Loop
Preliminary Equipment Budget

Caregiver Task Chairs	
Lab Patient Chairs	
Exam Room Stools	
Flow Coordinator Workstations	
Flow Coordinator Chairs	
Patient Side Chairs	
Physician Office Desks	
Physician Office Chairs	
Printer Stands/Exam Rooms	
Printer Stands	
Ped Files	
Keyboard Trays	
CPU holders	
Monitor Mounts	
Exam Room Desks	
C Lockers - Tall	
Misc	\$ 970,000
Technology/IT	
Network Gear	
WAP	
Devices	
Systems	
Misc	\$ 3,202,681
Artwork	
Exam Room Art	
Corridor and Lobby Art	\$ 150,000
Interior Signage	\$ 150,000
Misc. Hardware/Other	<u>\$ 300,000</u>
Equipment Total	\$ 10,425,424
Delivery and Installation @4%	<u>\$ 417,000</u>
	\$ 10,842,424

Cost Space Requirements

Dept./Area	Cost	Gross Square Feet		Amount of Proposed Total Square Feet			Vacated Space
		Existing	Proposed	New Const.	Modernized	As Is	
Reviewable							
Imaging	\$ 5,896,067		7,900	7,900			
Lab/Specimen Collection	\$ 1,965,356		1,700	1,700			
Total	\$ 7,861,423		9,600	9,600			
Non-Reviewable							
Physicians' Offices	\$ 21,855,839		22,690	22,690			
Public Areas/Waiting	\$ 2,554,579		2,700	2,700			
Staff Support Areas	\$ 993,447		800	800			
Admin/Mtg/Conference	\$ 1,135,368		1,200	1,200			
Storage	\$ 766,374		900	900			
Mechanical	\$ 1,078,600		1,200	1,200			
Parking			30,000	30,000			
Total*	\$ 28,384,206		59,490	59,490			
PROJECT TOTAL*	\$ 36,245,629		69,090	69,090			
	*excludes parking						

58



**Illinois Department of
PUBLIC HEALTH**

HF109518

← **DISPLAY THIS PART IN A
CONSPICUOUS PLACE**

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

The person, firm or corporation whose name appears on this certificate has complied with the provisions of the Illinois statutes and/or rules and regulations and is hereby authorized to engage in the activity as indicated below.

Nirav D. Shah, M.D.,J.D.
Director

Issued under the authority of
the Illinois Department of
Public Health

EXPIRATION DATE	CATEGORY	LD NUMBER
12/31/2016		0001917
General Hospital		
Effective: 01/01/2016		

Exp. Date 12/31/2016

Lic Number 0001917

Date Printed 10/28/2015

**Rush University Medical Center
1653 West Congress Parkway
Chicago, IL 60612**

**Rush University Medical Center
1653 West Congress Parkway
Chicago, IL 60612**

*The face of this license has a colored background. Printed by Authority of the State of Illinois • P.O. #4012320 10M 3/12

FEE RECEIPT NO.

Rush University Medical Center

Chicago, IL

has been Accredited by

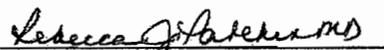


The Joint Commission

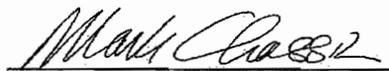
Which has surveyed this organization and found it to meet the requirements for the
Hospital Accreditation Program

September 19, 2015

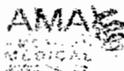
Accreditation is customarily valid for up to 36 months.


Rebecca J. Patchin, MD
Chair, Board of Commissioners

ID #7297
Print/Reprint Date: 11/18/2015


Mark R. Chassin, MD, FACP, MPP, MPH
President

The Joint Commission is an independent, not-for-profit national body that oversees the safety and quality of health care and other services provided in accredited organizations. Information about accredited organizations may be provided directly to The Joint Commission at 1-800-994-6610. Information regarding accreditation and the accreditation performance of individual organizations can be obtained through The Joint Commission's web site at www.jointcommission.org.



LICENSED HEALTHCARE FACILITIES CONTROLLED AND/OR OPERATED
BY AN APPLICANT

Rush University Medical Center
1653 West Congress Parkway
Chicago, Illinois
IDPH License #0001917

Rush Oak Park Hospital, Inc.
520 South Maple Avenue
Oak Park, Illinois
IDPH License #00001750

Rush SurgiCenter at the Professional Building
1725 W. Harrison Street
Chicago, Illinois
IDPH License #7001753

Office of Legal Affairs
Rush University Medical Center
Triangle Office Building
1700 W. Van Buren St.
Suite 301
Chicago, IL 60612

Tel: 312.942.6886
Fax: 312.942.4233
Carl_Bergetz@rush.edu
www.rush.edu



Carl Bergetz
Rush University Medical Center
Deputy General Counsel and
Associate Vice President

As Acting General Counsel of Rush University Medical Center, I hereby certify that no adverse action has been taken against it, directly or indirectly, within three (3) 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.

I hereby authorize HFSRB and IDPH to access any documentation which it finds necessary to verify any information submitted, including, but not limited to: official records of IDPH or other State agencies and the records of nationally recognized accreditation organizations.



Carl Bergetz
Acting General Counsel

Subscribed and sworn to before me this
18th day of May, 2016



Notary Public



ATTACHMENT 11

PURPOSE OF PROJECT

The proposed project is limited to the provision of physician office space and associated ancillary services in Chicago's South Loop area for Rush University Medical Center ("RUMC") faculty members. The Medical Clinics Building ("MCB") will provide both full-time offices as well as shared office suites for physicians who will use the offices on a more limited basis. This project will improve access to the physicians officed in the MCB, and as a result, the health care and well-being of area residents will be improved.

The market area for the physicians with offices in the MCB will generally be the metropolitan Chicago area, with some variation, based on the individual physicians' practices. It is anticipated that a large percentage of the patients seeking services at the proposed MCB, and particularly for the primary care specialties to be provided, will reside in the area bordered by the Chicago River on the North, Lake Michigan on the East, the Dan Ryan Expressway/I-94 on the west and 55th Street/Garfield Boulevard on the South. The anticipated concentration of patients in this area is primarily a result of the proposed MCB's location in relationship to other Rush facilities, including Rush University Medical Center, which is located approximately 2½ miles to the west. The 2018 population of that area, based on ZIP Code-specific projections developed by GeoLytics, Inc. will be 172,185. The ZIP Codes included in the area identified above include:

60602	60603	60604	60605
60607	60616	60653	60615

The goal of the proposed project is to provide contemporary and easily accessible office space for RUMC faculty members. Upon the opening of the MCB, that goal, as it relates to the market area referenced above, will be met.

ALTERNATIVES

Due to the limited nature of the proposed project and the Applicant's need to provide additional physician office space, aside from the selection of an alternative site, other alternatives were not considered. Had a different site in the area been selected, the capital cost associated with the alternative project would be either higher or lower than that of the proposed project, the quality of care provided would be identical to that of the proposed project, and access and associated operating costs would have been similar to those associated with the proposed project.

SIZE

The proposed medical clinics building (“MCB”) will be developed through the lease and building out of selected space within a multi-use building to be constructed in the South Loop area of Chicago.

The only area in the MCB having an IHFSRB-identified space standard is the imaging area, which will provide one general x-ray unit, one MRI unit, one CT unit, one mammography unit, one ultrasound unit and one bone densitometry unit; and be located on the fourth floor. The IHFSRB has adopted individual space standards for each of the imaging modalities to be provided, with the exception of bone densitometry, and has historically applied the standard used for general x-ray units to that modality. As is the norm for most multi-modality imaging departments, much of the support space—patient waiting, patient changing, supply storage, etc.—is shared among the modalities. Accordingly, and as presented in the table below, the space standards for the imaging modalities to be provided have been combined, and the proposed department is consistent with the combined standard. The only other “clinical” areas in the MCB are the proposed laboratory/specimen collection areas, which will be located on the fourth and fifth floors to provide easy patient access. The IDPH does not have an adopted space standard for such an area.

DEPARTMENT/SERVICE	PROPOSED DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
Imaging	7,900	8,000	(100)	YES

UTILIZATION

The proposed medical clinics building (“MCB”) will have a centralized imaging department consisting of five modalities having IDPH-developed utilization standards. One general radiology, one CT, one MRI, one ultrasound, and one bone densitometry unit will be provided. Consistent with past HFSRB practices, utilization standards are not applicable to imaging modalities with only one unit.

The table below presents the projected utilization of each of the imaging modalities, for the first and second years following the MCB’s opening.

Dept./ Service	Historical Utilization (TREATMENTS)	PROJECTED UTILIZATION (Hours)		STATE STANDARD	MET STANDARD?
		YEAR 1	YEAR 2		
Gen'l Radiology	N/A	1,594	1,981	N/A	N/A
Ultrasound	N/A	1,077	1,353	N/A	N/A
Mammography	N/A	986	1,216	N/A	N/A
CT	N/A	770	967	N/A	N/A
MRI	N/A	578	748	N/A	N/A
Densitometry	N/A	1,250	1,600	N/A	N/A

CLINICAL SERVICE AREAS OTHER THAN CATEGORIES OF SERVICE

The proposed medical clinics building (“MCB”) will include two clinical service areas, neither of which are IDPH-designated categories of service. They are: 1) a specimen collection/lab area, and 2) imaging, as discussed below.

The primary purpose of the clinical services identified above, as is the case with the development of the MCB in general, is to provide services to the residents of the neighborhoods located within the area identified in ATTACHMENT 12.

The imaging services, which will be located on the fourth floor, will include one room for each of the following imaging modalities: general radiology, MRI, CT, mammography, ultrasound and bone densitometry.

Service	# Existing Key Rooms	# Proposed Key Rooms
General Radiology	0	1
MRI	0	1
CT	0	1
Mammography	0	1
Ultrasound	0	1
Bone Densitometry	0	1

The specimen collection/labs (located on the fourth and fifth floors) and imaging services are being provided in the MCB in support of the physicians' offices and as a convenience to the physicians' patients.

The historical ordering of imaging and laboratory procedures by physicians officed at other RUMC sites resulted in the following projected utilization levels (examinations) to be reached in the second year following the medical clinics building's opening:

- general radiology 1,981 examinations
- ultrasound 1,353 examinations
- mammography 1,216 examinations
- CT 967 examinations
- MRI 748 examinations
- bone densitometry 1,600 examinations
- lab/specimen collection 51,145 specimens

While the Applicant does not believe that the proposed clinical services will have a significant impact on other area providers, it is anticipated that the impact that will occur will be realized by Rush University Medical Center ("RUMC") as a result of the physicians officed in the MCB being RUMC faculty members, and currently officed on the RUMC campus.

MOODY'S

INVESTORS SERVICE

New Issue: Moody's assigns A1 rating to Rush University Medical Center Obligated Group (IL) Series 2015A&B bonds; outlook stable

Global Credit Research - 09 Jan 2015

\$552M rated debt to be outstanding

ILLINOIS FINANCE AUTHORITY
Hospitals & Health Service Providers
IL

Moody's Rating

ISSUE	RATING
-------	--------

Series 2015A Fixed Rate Revenue Bonds	A1
---------------------------------------	----

Sale Amount \$410,470,000

Expected Sale Date 01/14/15

Rating Description Revenue: Other

Series 2015B Fixed Rate Revenue Bonds	A1
---------------------------------------	----

Sale Amount \$91,440,000

Expected Sale Date 01/14/15

Rating Description Revenue: Other

Moody's Outlook STA

NEW YORK, January 09, 2015 --Moody's Investors Service has assigned an A1 rating to Rush University Medical Center Obligated Group's, IL (Rush) \$410.5 million of Series 2015A and \$91.4 million of Series 2015B fixed rate revenue bonds. The bonds are to be issued by the Illinois Finance Authority. At this time we have upgraded Rush's existing rated debt to A1 from A2 affecting \$551 million of rated bonds outstanding (see Rated Debt section). The outlook is revised to stable from positive at the higher rating level.

SUMMARY RATING RATIONALE

The upgrade to A1 reflects Rush's track record of double-digit operating cash flow margins in recent years, improved liquidity ratios, and good pro forma debt coverage ratios. The stable outlook at the higher rating level reflects our expectation that Rush will continue to generate favorable operating margins and maintain liquidity strength, as well as our understanding that Rush does not plan to issue material new debt in the near/immediate term. Offsetting these strengths, Rush operates in a very competitive market with multiple prominent academic medical centers (AMC), somewhat challenging payer environment, and challenges presented by the State of Illinois' budget.

STRENGTHS

*Rush is anchored by a sizeable AMC with a broad array of tertiary and quaternary services and ambulatory locations throughout the Chicago area.

*Rush has a track record of profitability with six consecutive years of double digit operating cash flow margins and particularly strong results in FY 2013 and FY 2014.

*Rush is one of the few health systems in the Chicago area whose inpatient volumes are growing. We expect that, given market realities and changing industry dynamics, Rush's rate of inpatient volume growth will slow in the coming years.

*Rush's pro forma adjusted debt ratios are favorable (6.4 times maximum annual debt service (MADS) coverage).

*Rush's liquidity ratios have improved in recent years, as cash on hand measured an adequate 210 days at FYE 2014. Furthermore, Rush holds significant restricted cash, which bolsters the balance sheet.

*Rush's near-term capital spending plans are manageable and we do not anticipate additional leverage added over the near term.

CHALLENGES

*Rush operates in a very competitive healthcare market in the Chicago area, with four competing AMCs and other sizeable health systems.

*Given its academic mission, Medicaid is above average (16.9% of gross revenues in FY 2014, compared to all ratings median of 13.0%), which is of particular concern in Illinois given the state's budget challenges.

*Longer-term, Rush may consider new debt options to support capital spending plans that are being considered over a multiyear period.

DETAILED CREDIT DISCUSSION

USE OF PROCEEDS: Proceeds from the issuance of the Series 2015A&B fixed rate bonds will be used to refund Series 2009A,B,C,&D and Series 2006B fixed rate bonds and pay the costs of issuance. As part of the plan of finance, Rush expects to release the debt service reserve funds (DSRF) currently in place to support the Series 2006B and Series 2009 bonds. The Series 2015 bonds are not expected to be supported by a DSRF.

LEGAL SECURITY: The bonds are expected to be secured by a gross revenue pledge of the Rush Obligated Group, which includes 677 staffed bed Rush University Medical Center (RUMC), 210 staffed bed Rush-Copley Hospital (Rush-Copley), and 128 staffed bed Rush-Oak Park Hospital (Rush-Oak Park). Violating historical debt service coverage rate covenant of 1.1 times requires hiring of consultant in most cases. Additional debt tests include: (1) minimum pro-forma debt service coverage of 1.10 times; or (2) minimum historical debt service coverage of 1.1 times.

INTEREST RATE DERIVATIVES: Rush has two fixed payer swaps, one with Morgan Stanley Capital Services, Inc. and one with Citibank, N.A. with a combined notional amount of \$92.7 million. The swaps expire in November 2035. Under the agreements, Rush pays a fixed interest rate of 3.945% and receives 68% of LIBOR. Based on management data, the total net termination value of the swaps is a negative \$19.2 million to Rush. Rush's collateral posting requirement on the Citi swap is a negative \$12.5 million and negative \$12.5 million on the Morgan Stanley swap; no collateral currently is posted.

MARKET POSITION/COMPETITIVE STRATEGY: INCREASING SHARE OF VERY COMPETITIVE MARKET

Rush operates in a very competitive market, as the Chicago area includes four additional AMCs and multiple sizeable health systems that are embarking on various strategies to gain inpatient and outpatient market share and prepare for new payment methodologies. Competing AMCs include Northwestern Memorial HealthCare (Aa2 stable), University of Chicago Medical Center (Aa3 negative), University of Illinois Health Services Facilities System (A2 Negative), and Loyola University Medical Center (which is owned by Trinity Health Credit Group, Aa2 negative). Other prominent health systems include market share leader Advocate Health Care Network (Aa2 stable), NorthShore University HealthSystem (Aa2 stable), Presence Health (Baa2 stable), and Alexian Brothers Health System (A2 stable and owned by Ascension Health Alliance, Aa2).

Since opening its new patient tower in January 2012, RUMC has gained market share, increasing to 3.2% inpatient share of an eight-county service area (based on management data), making RUMC the third largest hospital in the broad market.

While Rush-Copley and Rush-Oak Park also operate in competitive local service areas, both are the market share leader each respective service area. Rush-Copley's service area centers around Aurora, IL in growing Kendall County. Rush-Oak Park's service area centers on Oak Park, IL, just west of the City of Chicago, directly west of downtown Chicago.

OPERATING PERFORMANCE: STRONG RESULTS IN RECENT YEARS

Favorably, Rush has recorded double-digit operating cash flow margins for six consecutive fiscal years.

Performance was particularly good in FY 2013 and FY 2014 (June 30 year end), when Rush recorded adjusted operating cash flow margins of 12.2% and 12.1%, respectively (adjusted to reclassify the portion of investment income included in operating revenue to non-operating; FY 2013 adjusted to include \$10.6 million of operating expenses for a favorable FICA settlement). The A1 median operating cash flow margin is 10.4%.

Factors contributing to continued strong results in FY 2014 include: inpatient admission growth (up 0.5%; admissions were up 1.9% including observation stays), which is particularly noteworthy in the current environment where volumes at most area hospitals are down; improved labor productivity, due in part to the new RUMC patient tower; a clinical resource management program to reduce variation in clinical practices and improve operational efficiency; and supply cost savings.

Looking forward, management expects Rush's adjusted operating cash flow margin to be sustained in the 11.5% to 12.5% range. While we believe that Rush may be challenged to match the particularly good results achieved in FY 2013 and FY 2014, the stable outlook at the higher rating level reflects our belief that Rush is positioned to maintain an operating cash flow margin at least in-line with A1 medians. In addition to improvement efforts noted above, future results are expected to benefit from pension expense and interest expense savings. Through three months FY 2015, Rush's operating margins were very strong, with an adjusted operating margin of nearly 13%.

BALANCE SHEET: IMPROVED LIQUIDITY, FAVORABLE DEBT RATIOS, AND MANAGEABLE CAPITAL SPENDING PLANS

Rush's liquidity position has improved considerably in recent years. Absolute unrestricted cash and investments increased to \$1.02 billion (210 days cash on hand) at FYE 2014 from \$850 million at FYE 2013 (189 days) (A1 median is 227 days). At FYE 2014, Rush's unrestricted cash and investments were allocated among approximately 68% cash and fixed income securities, 19% equities, and 13% other investments, and 100% of unrestricted cash and investments could be liquidated within one month. Rush's balance sheet is bolstered further by \$515 million of restricted cash and investments as of FYE 2014.

Rush's adjusted pro forma debt coverage ratios are favorable at the A1 rating level. Based on FY 2014 results and including the Series 2015A&B refunding bonds, adjusted debt-to-cash flow measures 2.4 times (A1 median is 3.0 times), MADS coverage measures 6.4 times (A1 median is 5.1 times), debt-to-total operating revenues measures 33% (A1 median is 37%), cash-to-direct debt measures 157% (A1 median is 151%), and monthly liquidity-to-demand debt measures 1.062% (A1 median is 371%). Factoring direct debt, operating leases, and Rush's cash balance defined benefit pension plan, Rush's pro forma cash-to-comprehensive debt measures 120% (A1 median is 124%).

Rush's capital spending plans in the near/immediate term are manageable. Between FY 2015 and FY 2019, Rush has approximately \$670 million of capital plans, translating to an average capital spending ratio of just under 1.1 times (the all ratings median is 1.2 times). Rush does not have new money debt plans over the period, which is a factor in the stable outlook at the A1 rating level. Rush is in the process of updating its long-term master facility plan, however; capital spending plans may increase in the longer-term, which may include new money debt in the out-years.

OUTLOOK

While we do not necessarily expect Rush to match the level of margins recorded in FY 2013 and FY 2014, the stable outlook at the A1 rating level reflects our expectation that Rush will continue to generate favorable operating margins and maintain liquidity strength. Also, the stable outlook incorporates our expectation that Rush does not plan to issue material new debt in the near/immediate term.

WHAT COULD CHANGE THE RATING UP

Further upgrade of the rating may be considered if Rush demonstrates continued notable organic growth while sustaining solidly double-digit operating cash flow margins and improved debt coverage and liquidity ratios.

WHAT COULD CHANGE THE RATING DOWN

A downgrade may be considered if Rush's operating margins deteriorate materially, particularly for a sustained period. Also, a material increase in debt without commensurate increase in cash flow and liquidity could lead to a downgrade.

KEY INDICATORS

Assumptions & Adjustments:

- Based on Rush University Medical Center Obligated Group consolidated financial statements
- First number reflects audited FY 2013 for the year ended June 30, 2013
- Second number reflects pro forma on audited FY 2014 for the year ended June 30, 2014
- Pro forma assumes issuance of Series 2015A&B fixed rate revenue bonds to refund Series 2006B fixed rate bonds and Series 2009A,B,C,&D fixed rate bonds
- FY 2013 adjusted to increase operating expenses by \$10.6 million to account for Rush's favorable FICA settlement
- Investment returns reclassified as non-operating and normalized at 6% unless otherwise noted
- Comprehensive debt includes direct debt, operating leases, and pension obligation, if applicable
- Monthly liquidity to demand debt ratio is not included if demand debt is de minimis
- *Inpatient admissions: 49,539; 49,804
- *Observation stays: 12,808; 13,716
- *Medicare % of gross revenues: 34.6%; 34.6%
- *Medicaid % of gross revenues: 16.9%; 16.9%
- *Total operating revenues (\$): \$1.82 billion; \$1.96 billion
- *Revenue growth rate (%) (3 yr CAGR): 4.0%; 5.6%
- *Operating margin (%): 2.6%; 4.4%
- *Operating cash flow margin (%): 12.2%; 12.1%
- *Debt to cash flow (x): 2.77 times; 2.38 times
- *Days cash on hand: 189 days; 211 days
- *Maximum annual debt service (MADS) (\$): \$56.9 million; \$47.4 million
- *MADS coverage with reported investment income (x): 4.51 times; 5.53 times
- *Moody's-adjusted MADS Coverage with normalized investment income (x): 4.95 times; 6.38 times
- *Direct debt (\$): \$663 million; \$647 million
- *Cash to direct debt (%): 128%; 157%
- *Comprehensive debt: \$884 million; \$849 million
- *Cash to comprehensive debt (%): 96%; 120%

RATED DEBT

Issued through Illinois Finance Authority (debt outstanding as of June 30, 2014):

- Series 2009C&D Fixed Rate Hospital Revenue Bonds (\$200.0 million outstanding; expected to be refunded by Series 2015A&B fixed rate bonds), rated A1
- Series 2009A&B Fixed Rate Hospital Revenue Bonds (\$208.6 million outstanding; expected to be refunded by Series 2015A&B fixed rate bonds), rated A1
- Series 2008A VRDO Hospital Revenue Bonds (\$50.0 million outstanding), supported by a direct-pay LOC from Northern Trust Company and rated Aa2/VMI1 reflecting Moody's approach to rating jointly supported

transactions) (the LOC expires in February 2017), A1 underlying rating

-Series 2006B Fixed Rate Hospital Revenue Bonds (\$92.8 million outstanding; expected to be refunded by Series 2015A&B fixed rate bonds), insured by National Public Finance Guarantee Corp (MBIA), rated A1

PRINCIPAL METHODOLOGY

The principal methodology used in this rating was Not-for-Profit Healthcare Rating Methodology published in March 2012. Please see the Credit Policy page on www.moodys.com for a copy of this methodology.

REGULATORY DISCLOSURES

For ratings issued on a program, series or category/class of debt, this announcement provides certain regulatory disclosures in relation to each rating of a subsequently issued bond or note of the same series or category/class of debt or pursuant to a program for which the ratings are derived exclusively from existing ratings in accordance with Moody's rating practices. For ratings issued on a support provider, this announcement provides certain regulatory disclosures in relation to the rating action on the support provider and in relation to each particular rating action for securities that derive their credit ratings from the support provider's credit rating. For provisional ratings, this announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating. For further information please see the ratings tab on the issuer/entity page for the respective issuer on www.moodys.com.

Regulatory disclosures contained in this press release apply to the credit rating and, if applicable, the related rating outlook or rating review.

Please see www.moodys.com for any updates on changes to the lead rating analyst and to the Moody's legal entity that has issued the rating.

Please see the ratings tab on the issuer/entity page on www.moodys.com for additional regulatory disclosures for each credit rating.

Analysts

Mark Pascaris
Lead Analyst
Public Finance Group
Moody's Investors Service

Lisa Goldstein
Backup Analyst
Public Finance Group
Moody's Investors Service

Diane F. Viacava
Additional Contact
Public Finance Group
Moody's Investors Service

Contacts

Journalists: (212) 553-0376
Research Clients: (212) 553-1653

Moody's Investors Service, Inc.
250 Greenwich Street
New York, NY 10007
USA

MOODY'S INVESTORS SERVICE

© 2015 Moody's Corporation, Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their licensors and affiliates (collectively, "MOODY'S"). All rights reserved.

CREDIT RATINGS ISSUED BY MOODY'S INVESTORS SERVICE, INC. ("MIS") AND ITS AFFILIATES ARE MOODY'S CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND CREDIT RATINGS AND RESEARCH PUBLICATIONS PUBLISHED BY MOODY'S ("MOODY'S PUBLICATION") MAY INCLUDE MOODY'S CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL, FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS AND MOODY'S OPINIONS INCLUDED IN MOODY'S PUBLICATIONS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S PUBLICATIONS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. CREDIT RATINGS AND MOODY'S PUBLICATIONS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND CREDIT RATINGS AND MOODY'S PUBLICATIONS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. NEITHER CREDIT RATINGS NOR MOODY'S PUBLICATIONS COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS AND PUBLISHES MOODY'S PUBLICATIONS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

MOODY'S CREDIT RATINGS AND MOODY'S PUBLICATIONS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS FOR RETAIL INVESTORS TO CONSIDER MOODY'S CREDIT RATINGS OR MOODY'S PUBLICATIONS IN MAKING ANY INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT.

All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the

information it uses in assigning a credit rating is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the rating process or in preparing the Moody's Publications.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by MOODY'S.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.

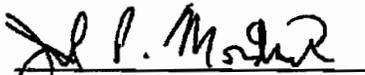
NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY SUCH RATING OR OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.

MIS, a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by MIS have, prior to assignment of any rating, agreed to pay to MIS for appraisal and rating services rendered by it fees ranging from \$1,500 to approximately \$2,500,000. MCO and MIS also maintain policies and procedures to address the independence of MIS's ratings and rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold ratings from MIS and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at www.moody's.com under the heading "Shareholder Relations — Corporate Governance — Director and Shareholder Affiliation Policy."

For Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657 AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of

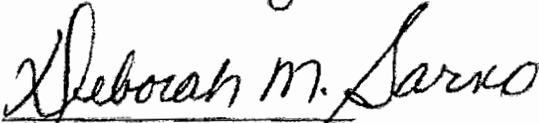
section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail clients. It would be dangerous for "retail clients" to make any investment decision based on MOODY'S credit rating. If in doubt you should contact your financial or other professional adviser.

I hereby attest that the total estimated project costs and related costs associated with the development of the Rush South Loop Project will be funded in total with cash and equivalents, potentially including investment securities, unrestricted funds, received pledge receipts, and funded depreciation.



John P. Mordach
Senior Vice President & Chief Financial Officer
Rush University Medical Center

Subscribed and sworn to before me this
21st day of May, 2016.



Notary Public



COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE

	A		B		C		D		E		F	G	H	Total
	Cost/Sq. Ft.		Mod.		New		Circ.		Mod.					
Reviewable														
Imaging	\$ 256.00				7,900							\$ 2,022,400		\$ 2,022,400
Specimen Collect./Lab.	\$ 238.00				1,700							\$ 404,600		\$ 404,600
	\$ 252.81				9,600							\$ 2,427,000		\$ 2,427,000
Const. Contingency	\$ 10.00											\$ 96,000		\$ 96,000
Total	\$ 262.81											\$ 2,523,000		\$ 2,523,000
Non-Reviewable														
Physicians' Offices	\$ 230.00				22,690							\$ 5,218,700		\$ 5,218,700
Public & Waiting	\$ 225.00				2,700							\$ 607,500		\$ 607,500
Staff Support Areas	\$ 215.00				800							\$ 172,000		\$ 172,000
Admin/Mtg/Conference	\$ 225.00				1,200							\$ 270,000		\$ 270,000
Storage	\$ 170.00				900							\$ 153,000		\$ 153,000
Mechanical	\$ 180.00				1,200							\$ 216,000		\$ 216,000
Parking*	\$ -				30,000									
	\$ 225.07				59,490							\$ 6,637,200		\$ 6,637,200
Const. Contingency	\$ 10.00											\$ 294,900		\$ 294,900
Total	\$ 235.07											\$ 6,932,100		\$ 6,932,100
PROJECT TOTAL	\$ 241.88				69,090							\$ 9,455,100		\$ 9,455,100
*99 enclosed spaces														

After paginating the entire, completed application, indicate in the chart below, the page numbers for the attachments included as part of the project's application for permit:

INDEX OF ATTACHMENTS		
ATTACHMENT NO.		PAGES
1	Applicant/Coapplicant Identification including Certificate of Good Standing	22
2	Site Ownership	23
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	42
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	43
5	Flood Plain Requirements	44
6	Historic Preservation Act Requirements	46
7	Project and Sources of Funds Itemization	54
8	Obligation Document if required	
9	Cost Space Requirements	
10	Discontinuation	
11	Background of the Applicant	59
12	Purpose of the Project	63
13	Alternatives to the Project	64
14	Size of the Project	65
15	Project Service Utilization	66
16	Unfinished or Shell Space	
17	Assurances for Unfinished/Shell Space	
18	Master Design Project	
19	Mergers, Consolidations and Acquisitions	
	Service Specific:	
20	Medical Surgical Pediatrics, Obstetrics, ICU	
21	Comprehensive Physical Rehabilitation	
22	Acute Mental Illness	
23	Neonatal Intensive Care	
24	Open Heart Surgery	
25	Cardiac Catheterization	
26	In-Center Hemodialysis	
27	Non-Hospital Based Ambulatory Surgery	
28	Selected Organ Transplantation	
29	Kidney Transplantation	
30	Subacute Care Hospital Model	
31	Children's Community-Based Health Care Center	
32	Community-Based Residential Rehabilitation Center	
33	Long Term Acute Care Hospital	
34	Clinical Service Areas Other than Categories of Service	67
35	Freestanding Emergency Center Medical Services	
	Financial and Economic Feasibility:	
36	Availability of Funds	
37	Financial Waiver	69
38	Financial Viability	
39	Economic Feasibility	77
40	Safety Net Impact Statement	
41	Charity Care Information	21

