Original
10-023

UNIVERSITY OF CHICAGO
LAKE PARK

Change of Ownership
CON Application

RECEIVED

APR 23 2010

HEALTH FACILITIES &
SERVICES REVIEW BOARD

July 2010

CERTIFICATION

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

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

This Application for Permit is filed on the behalf of DaVita Inc.* 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.

SIGNATURE	SIGNATURE
Kent J. Thiry	Dennis L. Kogod
Chairman & CEO	Chief Operating Officer
Notarization: Subscribed and sworn to before me this 24 day of MARCH, 2010	Notarization: Subscribed and sworn to before me this 24 day of MARCH, 2010
Signature of Notary	Signature of Notary
Seal NOTARY PUBLIC THERESA MORAN STATE OF COLORADO	Seal NOTARY PUBLIC THERESA MORAN STATE OF COLORADO

*Insert EXACT legal name of the applicant

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DMW

Healthcare Management and Marketing

April 19, 2010

Michael Constantino
Supervisor, Project Review
Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Dear Mr. Constantino:

RE: Change of Ownership CON Application
University of Chicago – Lake Park

We are enclosing a Certificate of Need (CON) application on behalf of DaVita Inc. and Total Renal Care Inc. (TRC) to acquire substantially all of the assets of the University of Chicago Medical Center's (UCMC's) dialysis center, University of Chicago –Lake Park. The 20-station in-center hemodialysis facility is located at 1531 Hyde Park Blvd. in Chicago (60615). The facility is located in Planning Area 6.

The Asset Purchase Agreement between TRC and UCMC includes the sale of two other outpatient dialysis facilities that are owned by UCMC, University of Chicago – Stony Island and University of Chicago –Woodlawn. Due to packaging considerations, each of the three (3) CON applications is being sent under separate cover.

The initial fee deposit for this CON application is included in the University of Chicago – Woodlawn CON application in Check No. 3384533 for $5,000.00.

Thank you for your consideration of this important matter.

Sincerely,

Delia M. Wozniak

Delia M. Wozniak
President

Enclosure
CC: Kelly Ladd
Group Director
DaVita Inc. - Chicago

DMW AND ASSOCIATES, INC. 3716 N. BERNARD ST. • CHICAGO, ILLINOIS 60618 • (773) 279-0458 FAX (773) 279-0473

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name:	**University of Chicago – Lake Park**		
Street Address:	**1531 Hyde Park Boulevard**		
City and Zip Code:	**Chicago, Illinois 60615**		
County:	**Cook**	Health Service Area: **6**	Health Planning Area: **6**

Co-Applicant Identification (Parent)
[Provide for each co-applicant [refer to Part 1130.220].

Exact Legal Name:	**DaVita Inc.**
Address:	**601 Hawaii Street, El Segundo, California 90245**
Name of Registered Agent:	-
Name of Chief Executive Officer:	**Kent Thiry**
CEO Address:	**601 Hawaii Street, El Segundo, California 90245**
Telephone Number:	**(310) 792-2600 Ext. 2100**

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

Type of Ownership

- ☐ Non-profit Corporation
- ☑ For-profit Corporation
- ☐ Limited Liability Company
- ☐ Partnership
- ☐ Governmental
- ☐ Sole Proprietorship
- ☐ 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.

Primary Contact
[Person to receive all correspondence or inquiries during the review period]

Name:	**Kelly Ladd**
Title:	**Group Director**
Company Name:	**DaVita Inc.- Chicago**
Address:	**2659 N. Milwaukee Avenue, 2nd Floor, Chicago, Illinois 60647**
Telephone Number:	**(773) 276-2380, Ext. 29**
E-mail Address:	**Kelly.Ladd@davita.com**
Fax Number:	**(773) 276-4176**

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

Name:	**Delia M. Wozniak**
Title:	**President**
Company Name:	**DMW and Associates, Inc.**
Address:	**3716 N. Bernard Street, Chicago, Illinois 60618**
Telephone Number:	**(773) 279-0458**
E-mail Address:	**deliawoz@comcast.net**
Fax Number:	**(773) 279-0473**

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT

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Facility/Project Identification

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Street Address:	**1531 Hyde Park Boulevard**		
City and Zip Code:	**Chicago, Illinois 60615**		
County:	**Cook**	Health Service Area: **6**	Health Planning Area: **6**

Co-Applicant Identification (Operating Entity)
[Provide for each co-applicant [refer to Part 1130.220].

Exact Legal Name:	**Total Renal Care Inc.**
Address:	**601 Hawaii Street, El Segundo, California 90245**
Name of Registered Agent:	**-**
Name of Chief Executive Officer:	**Kent Thiry**
CEO Address:	**601 Hawaii Street, El Segundo, California 90245**
Telephone Number:	**(310) 792-2600 Ext. 2100**

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Post Permit Contact

[Person to receive all correspondence subsequent to permit issuance]

Name:	**Kelly Ladd**
Title:	**Group Director**
Company Name:	**DaVita Inc. - Chicago**
Address:	**2659 N. Milwaukee Avenue, 2nd Floor, Chicago, Illinois 60647**
Telephone Number:	**(773) 276-2380 Ext. 29**
E-mail Address:	**Kelly.Ladd@davita.com**
Fax Number:	**(773) 276-4176**

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner:	**American National Bank & Trust Co. of Chicago**
	Trustee for Trust #20960
Address of Site Owner:	**c/o The Habitat Company**
	405 N. Wabash Avenue, Chicago, IL 60611
Street Address or Legal Description of Site:	**1531 Hyde Park Boulevard, Chicago, IL 60615**

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

Operating Identity/Licensee

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

Exact Legal Name:	**Total Renal Care Inc.**
Address:	**601 Hawaii Street, El Segundo, California 90245**

- ☐ Non-profit Corporation
- ☑ For-profit Corporation
- ☐ Limited Liability Company
- ☐ Partnership
- ☐ Governmental
- ☐ Sole Proprietorship
- ☐ 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.

Organizational Relationships

Provide (for each co-applicant) an organizational chart containing the name and relationship of any person who is related (as defined in Part 1130.140). If the related person 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-3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Flood Plain Requirements NOT APPLICABLE

[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.idph.state.il.us/about/hfpb.htm)**.

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

Historic Resources Preservation Act Requirements NOT APPLICABLE

[Refer to application instructions.]

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

APPEND DOCUMENTATION AS ATTACHMENT-5, 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:	Part 1120 Applicability or Classification: [Check one only.]
☐ Substantive	☐ Part 1120 Not Applicable
☑ Non-substantive	☐ Category A Project
	☑ Category B Project
	☐ DHS or DVA Project

2. Project Outline

In the chart below, indicate the proposed action(s) for each clinical service area involved by writing the number of beds, stations or key rooms involved:

Clinical Service Areas	Establish	Expand	Modernize	Discontinue	No. of Beds, Stations or Key Rooms
Medical/Surgical, Obstetric, Pediatric and Intensive Care					
Acute/Chronic Mental Illness					
Neonatal Intensive Care					
Open Heart Surgery					
Cardiac Catheterization					
In-Center Hemodialysis	**ACQUISITION**				**20 ESRD Stations**
Non-Hospital Based Ambulatory Surgery					
General Long Term Care					
Specialized Long Term Care					
Selected Organ Transplantation					
Kidney Transplantation					
Subacute Care Hospital Model					
Post Surgical Recovery Care Center					
Children's Community-Based Health Care Center					
Community-Based Residential Rehabilitation Center					
Long Term Acute Care Hospital Bed Projects					
Clinical Service Areas Other Than Categories of Service:					
• Surgery					
• Ambulatory Care Services (organized as a service)					
• Diagnostic & Interventional Radiology/Imaging					
• Therapeutic Radiology					
• Laboratory					
• Pharmacy					
• Occupational Therapy					
• Physical Therapy					
• Major Medical Equipment					
Freestanding Emergency Center Medical Services					
Master Design and Related Projects					
Mergers, Consolidations and Acquisitions	**ACQUISITION**				**20 ESRD Stations**

3. 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.

NARRATIVE DESCRIPTION

Total Renal Care Inc. (TRC), a wholly-owned subsidiary of DaVita Inc., proposes to acquire substantially all of the assets of the University of Chicago Medical Center's (UCMC) 20-station outpatient hemodialysis facility known as University of Chicago – Lake Park, which is located at 1531 Hyde Park Boulevard in Chicago, Illinois (60615) in Planning Area 6.

The proposed Purchase Agreement between TRC and UCMC includes the sale and purchase of all of UCMC's chronic dialysis assets, and includes the following three outpatient hemodialysis facilities as well as its Home Dialysis Program:

University of Chicago – Woodlawn, 1164 E. 55th Street in Chicago (60615)
University of Chicago – Lake Park, 1531 Hyde Park Blvd. in Chicago (60615)
University of Chicago – Stony Island, 8721 S. Stony Island in Chicago (60617)
University of Chicago – Home Programs

The total proposed purchase price for the transaction is $27.8 million. The price of the various entities is as follows based on a discounted cash flow analysis:

University of Chicago – Woodlawn	$2,219,856
University of Chicago – Lake Park	$2,677,026
University of Chicago – Stony Island	$13,959,013
University of Chicago – Home Programs	$8,944,105
Total	$27,800,000

Total Renal Care Inc. (TRC) will assume the lease of 8,085 rentable gross square feet (gsf) for the 20-station hemodialysis facility. The acquisition does not involve modernization at this time.

Upon acquisition the facility will be known as Total Renal Care Inc. d/b/a Lake Park Dialysis.

The change in ownership is expected to take place within one month of permit issuance. Certification is expected within two (2) months of acquisition but no later than December 31, 2010. The project completion date is June 30, 2011.

The estimated total project cost is $3,784,934, including the fair market value (FMV) of leased space which is $1,047,008 based on $129.50 per gross square foot (gsf) for 8,085 gsf.

Project costs will be funded entirely from cash and securities by DaVita Inc. DaVita Inc. will also fund the all working capital estimated to be four months' operating expenses and the initial operating deficit.

The project is Non-Substantive per Section 1110.40(b) as the project is solely for a "Change of Ownership." The project is considered a Class B project due to its project cost.

Project Costs and Sources of Funds

Complete the following table listing all costs (refer to Part 1120.110) associated with the project. When a project or any component of a project is to be accomplished by lease, donation, gift, or other means, the fair market or dollar value (refer to Part 1130.140) of the component must be included in the estimated project cost. If the project contains non-clinical components that are not related to the provision of health care, complete the second column of the table below. See 20 ILCS 3960 for definition of non-clinical. Note, the use and sources of funds must equal.

Project Costs and Sources of Funds			
USE OF FUNDS	**CLINICAL**	**NON-CLINICAL**	**TOTAL**
Preplanning Costs	**$8,400**	-	**$8,400**
Site Survey and Soil Investigation	-	-	-
Site Preparation	-	-	-
Off Site Work	-	-	-
New Construction Contracts	-	-	-
Modernization Contracts	-	-	-
Contingencies	-	-	-
Architectural/Engineering Fees	-	-	-
Consulting and Other Fees	**$52,500**	-	**$52,500**
Movable or Other Equipment (not in construction contracts)	-	-	-
Bond Issuance Expense (project related)	-	-	-
Net Interest Expense During Construction (project related)	-	-	-
Fair Market Value of Leased Space	**FMV $1,047,008**	-	**FMV $1,047,008**
Other Costs To Be Capitalized	-	-	-
Acquisition of Dialysis Assets	**$2,677,026**	-	**$2,677,026**
TOTAL USES OF FUNDS	**$3,784,934**	-	**$3,784,934**
SOURCE OF FUNDS	**CLINICAL**	**NON-CLINICAL**	**TOTAL**
Cash and Securities	**$2,737,926**	-	**$2,737,926**
Pledges	-	-	-
Gifts and Bequests	-	-	-
Bond Issues (project related)	-	-	-
Mortgages	-	-	-
Leases (fair market value)	**FMV $1,047,008**	-	**FMV$1,047,008**
Governmental Appropriations	-	-	-
Grants	-	-	-
Other Funds and Sources	-	-	-
TOTAL SOURCES OF FUNDS	**$3,784,934**	-	**$3,784,934**

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

* **The fair market value (FMV) of the leased space is $129.50/gsf. Therefore, the FMV of the 8,085 gsf to be leased is $1,047,008. See Attachment 7B.**

Related Project Costs

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

Land acquisition is related to project ☐ Yes ☑ No Purchase Price: $________ Fair Market Value: $________
The project involves the establishment of a new facility or a new category of service ☐ Yes ☑ No If yes, provide the dollar amount of all non-capitalized operating start-up costs (including operating deficits) through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100. Estimated start-up costs and operating deficit cost is $ ________.

Project Status and Completion Schedules

Indicate the stage of the project's architectural drawings: ☑ None or not applicable ☐ Preliminary ☐ Schematics ☐ Final Working
Anticipated project completion date (refer to Part 1130.140): **June 30, 2011**
Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140): ☐ Purchase orders, leases or contracts pertaining to the project have been executed. ☐ Project obligation is contingent upon permit issuance. Provide a copy of the contingent "certification of obligation" document, highlighting any language related to CON contingencies. ☑ Project obligation will occur after permit issuance.

State Agency Submittals

Are the following submittals up to date as applicable: ☐ Cancer Registry ☐ APORS ☑ All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted ☑ All reports regarding outstanding permits **(See Attachment 7D)**

Cost Space Requirements

Provide in the following format, the department/area GSF and cost. 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.**

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

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

Facility Bed Capacity and Utilization NOT APPLICABLE

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**. Any bed capacity discrepancy from the Inventory will result in the application being deemed **incomplete**.

FACILITY NAME:			**CITY:**		
REPORTING PERIOD DATES:		**From:**		**to:**	
Category of Service	**Authorized Beds**	**Admissions**	**Patient Days**	**Bed Changes**	**Proposed Beds**
Medical/Surgical					
Obstetrics					
Pediatrics					
Intensive Care					
Comprehensive Physical Rehabilitation					
Acute/Chronic Mental Illness					
Neonatal Intensive Care					
General Long Term Care					
Specialized Long Term Care					
Long Term Acute Care					
Other ((identify)					
TOTALS:					

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*Insert EXACT legal name of the applicant

SECTION III. - PROJECT PURPOSE, BACKGROUND 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 - Project Purpose, Background 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, certification and accreditation identification numbers, 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-10, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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.

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

NOTE: The description of the "Purpose of the Project" should not exceed one page in length. Information regarding the "Purpose of the Project" will be included in the State Agency Report.

APPEND DOCUMENTATION AS ATTACHMENT-11, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

ALTERNATIVES

Document **ALL** of the alternatives to the proposed project:

Examples of alternative options 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

2) Documentation shall consist of a comparison of the project to alternative options. The comparison shall address issues of cost, 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.

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

APPEND DOCUMENTATION AS ATTACHMENT-12, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION VI. MERGERS, CONSOLIDATIONS AND ACQUISITIONS/CHANGES OF OWNERSHIP

This Section is applicable to projects involving merger, consolidation or acquisition/change of ownership.

A. Criterion 1110.240(b), Impact Statement

Read the criterion and provide an impact statement that contains the following information:

1. Any change in the number of beds or services currently offered.
2. Who the operating entity will be.
3. The reason for the transaction.
4. Any anticipated additions or reductions in employees now and for the two years following completion of the transaction.
5. A cost-benefit analysis for the proposed transaction.

B. Criterion 1110.240(c), Access

Read the criterion and provide the following:

1. The current admission policies for the facilities involved in the proposed transaction.
2. The proposed admission policies for the facilities.
3. A letter from the CEO certifying that the admission policies of the facilities involved will not become more restrictive.

C. Criterion 1110.240(d), Health Care System

Read the criterion and address the following:

1. Explain what the impact of the proposed transaction will be on the other area providers.
2. List all of the facilities within the applicant's health care system and provide the following for each facility.
   a. the location (town and street address);
   b. the number of beds;
   c. a list of services; and
   d. the utilization figures for each of those services for the last 12 month period.
3. Provide copies of all present and proposed referral agreements for the facilities involved in this transaction.
4. Provide time and distance information for the proposed referrals within the system.
5. Explain the organization policy regarding the use of the care system providers over area providers.
6. Explain how duplication of services within the care system will be resolved.
7. Indicate what services the proposed project will make available to the community that are not now available.

APPEND DOCUMENTATION AS ATTACHMENT-18, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Section IX. Financial Feasibility

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

REVIEW CRITERIA RELATING TO FINANCIAL FEASIBILITY (FIN)

Does the applicant (or the entity that is responsible for financing the project or is responsible for assu the applicant's debt obligations in case of default) have a bond rating of "A" or better?
Yes ☐ No ☑.

If yes is indicated, submit proof of the bond rating of "A" or better (that is less than two years old) from Fitch's, Moody's or Standard and Poor's rating agencies and go to Section XXVI. **If no is indicated, submit the most recent three years' audited financial statements including the following:**

1. **Balance sheet**
2. **Income statement**
3. **Change in fund balance**
4. **Change in financial position**

A. Criterion 1120.210(a), Financial Viability

1. Viability Ratios

If proof of an "A" or better bond rating has not been provided, read the criterion and complete the following table providing the viability ratios for the most recent three years for which audited financial statements are available. Category B projects must also provide the viability ratios for the first full fiscal year after project completion or for the first full fiscal year when the project achieves or exceeds target utilization (per Part 1100), whichever is later.

Provide Data for Projects Classified as:	**Category A or Category B (last three years)**			**Category B (Estimated)**
Enter Historical and/or Projected Years:	**2007**	**2008**	**2009**	**2012**
Current Ratio	**1.8**	**1.8**	**2.2**	**2.2**
Net Margin Percentage	**7.3%**	**6.6%**	**6.9%**	**7.2%**
Percent Debt to Total Capitalization	**38.0%**	**41.8%**	**37.5%**	**34.6%**
Projected Debt Service Coverage	**3.1**	**2.8**	**3.0**	**4.9**
Days Cash on Hand	**35**	**30**	**36**	**71**
Cushion Ratio	**1.7**	**1.4**	**2.0**	**6.4**

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. Insert the worksheets after this page.

2. Variance

Compare the viability ratios provided to the Part 1120 Appendix A review standards. If any of the standards for the applicant or for any co-applicant are not met, provide documentation that a person or organization will assume the legal responsibility to meet the debt obligations should the applicant default. The person or organization must demonstrate compliance with the ratios in Appendix A when proof of a bond rating of "A" or better has not been provided.

DAVITA INC. (a)

AUDITED HISTORIC VIABILITY RATIOS
(DOLLARS IN 000'S)

RATIOS	CY 2007	CY 2008	CY 2009
Current Ratio			
Current Assets	1,976,250	2,128,304	2,302,521
Current Liabilities	1,086,496	1,163,063	1,046,941
Equals	1.8	1.8	2.2
Net Margin Percentage			
Net Income	381,778	374,160	422,684
Net Operating Revenue	5,264,151	5,660,173	6,108,800
Time 100 Equals	7.3%	6.6%	6.9%
Debt Service Coverage (See calculations, next page)			
Net Income+Dep+Int+Amort	817,968	806,021	827,770
Principal + Interest	266,151	287,669	276,107
Equals	3.1	2.8	3.0
Debt Capitalization Ratio (See calculations, next page)			
Long Term Debt (b)	3,707,318	3,695,146	3,632,224
Long Term Debt + Equity (c)	9,744,094	8,838,034	9,686,127
Equals	38.0%	41.8%	37.5%
Days Cash on Hand			
Cash	447,046	410,881	539,459
Operating Expense-Depreciation (d)	4,688,903	5,069,096	5,457,130
Divided by 365 days/year	12,846	13,888	14,951
Equals	35 days	30 days	36 days
Cushion Ratio			
Cash	447,046	410,881	539,459
Maximum Annual Debt Service	266,151	287,669	276,107
Equals	1.7	1.4	2.0

DAVITA INC. (a)

AUDITED HISTORIC VIABILITY RATIOS
COMPUTATIONS: DOLLARS IN 000'S

	CY2007	CY2008	CY2009
DEBT COVERAGE RATIO			
Net Income	381,778	374,160	422,684
Depreciation / Amortization	193,470	216,917	228,986
Interest	242,720	214,944	176,100
Total	817,968	806,021	827,770
Divided By:			
Principal	23,431	72,725	100,007
Interest	242,720	214,944	176,100
Total	266,151	287,669	276,107
Equals	3.1	2.8	3.0
DEBT CAPITALIZATION RATIO			
Long Term Debt (b)	3,707,318	3,695,146	3,632,224
Divided By:			
Long Term Debt	3,707,318	3,695,146	3,632,224
Equity (c)	6,036,776	5,142,888	6,053,903
Total	9,744,094	8,838,034	9,686,127
Equals	38.0%	41.8%	37.5%
DAYS CASH ON HAND			
Cash	447,046	410,881	539,459
Divided By:			
Net Revenue	5,264,151	5,660,173	6,108,800
Minus Net Income	- 381,778	-374,160	- 422,684
Total Operating Expenses	4,882,373	5,286,013	5,686,116
Minus Depreciation	-193,470	-216,917	-228,986
Subtrahend	4,688,903	5,069,096	5,457,130
÷ 365 = Expenses/Day	12,846	13,888	14,951
Equals	34.80 days	29.59 days	36.08 days
CUSHION RATIO			
Cash & LOC	447,046	410,881	539,459
Divided By:			
Principal	23,431	72,725	100,007
Interest	242,720	214,944	176,100
Total	266,151	287,669	276,107
Equals	1.7	1.4	2.0

NOTES:

(a) Total Renal Care Inc. (TRC), Renal Treatment Centers, Inc. and Renal Life Link Inc. (RLL) are wholly-owned subsidiaries of DaVita Inc.

(b) Long term debt includes the current portion on the long term debt.

(c) Equity is defined by market equity and is the number of shares outstanding at the closing price on the last trading day of the calendar year.

(d) Operating expenses exclude equity investment losses/gains.

SOURCES: DaVita Inc., Audited Financial Statements, Annual Reports, Form 10-K, for the years ended December 31, 2006– 2009.

For Illinois CON Reporting

12/31/2009

DaVita Inc.	2004	2005	2006	2007	2008	2009	2010E	2011E	2012E	Illinois Standard
Current Ratio	1.97	1.67	1 54	1 82	1.83	2.20	2.20	2.20	2.20	>1 5
Net Margin Percentage	10.21%	7.69%	5 94%	7 25%	6.61%	6.92%	7.17%	7.17%	7.17%	>3.5%
Percent Debt to Total Capitalization	26 08%	44.62%	38.67%	38.05%	41 81%	37.50%	35.06%	34.64%	34.64%	<80%
Projected Debt Service Coverage	3.43	2.33	2.56	3.07	2 80	3.00	3.31	3.61	4.94	>1.75
Days Cash on Hand	49.13	59.96	25.63	34.80	29 59	36 08	46.11	58.58	71.05	>45
Cushion Ratio	2.43	2.09	1.09	1.66	1 43	1 95	2.78	3.85	6.40	>5.00

SUPPORTING CALCULATIONS:

Current Ratio:									
Current Assets	868.720	1,654,408	1,709,496	1,976,250	2,128,304	2,302,521	2,302,521	2,302,521	2,302,521
Current Liabilities	441.735	989.733	1,112,172	1,086.496	1,163,063	1.046,941	1,046,941	1,046,941	1,046,941
Current Ratio	1.97	1.67	1.54	1.82	1.83	2.20	2.20	2.20	2.20
Net Margin Percentage:									
Net Income	222.254	228,643	289,691	381,778	374,160	422,684	470,227	470,227	470,227
Net Revenues	2,177,330	2,973,918	4,880,662	5,264,151	5,660,173	6.108,800	6,554,805	6,554,805	6,554,805
Net Margin Percentage	10.21%	7.69%	5.94%	7.25%	6.61%	6.92%	7.17%	7.17%	7.17%
Percent Debt to Total Capitalization:									
Total Long Term Debt	1,375.832	4,157,202	3,751,251	3,707,318	3,695,146	3,632,224	3,544,724	3,479,099	3,479,099
Equity*	3.900 000	5,160 000	5,950.000	6,036.776	5,142,888	6,053.903	6.564,648	6.564,648	6,564,648
Percent Debt to Total Capitalization	26.08%	44.62%	38.67%	38.05%	41.81%	37.50%	35.06%	34.64%	34.64%
Projected Debt Service Coverage:									
Net Income	222,254	228,643	289,691	381,778	374,160	422,684	470.227	470,227	470.227
Depreciation/Amortization	82 912	116.836	173,295	193,470	216,917	228,986	230.740	230,740	230,740
Interest Expense	50,324	134,429	262,967	242,720	214,944	176,100	178,107	178,107	178,107
Available Funds	355,490	479,908	725,953	817,968	806,021	827,770	879,075	879,075	879,075
Interest Expense and principal payments	103,688	206,196	283,838	266 151	287 669	276,107	265,607	243,732	178,107
Projected Debt Service Coverage	3.43	2.33	2.56	3.07	2.80	3.00	3.31	3.61	4.94
Days Cash on Hand:									
Cash and Investments	251,979	431,811	310.202	447,046	410,881	539,459	739,459	939,459	1,139,459
Net Revenue	2,177,330	2,973,918	4,880,662	5,264.151	5,660.173	6,108,800	6,554,805	6,554,805	6,554,805
Net Income	222,254	228.643	289.691	381,778	374,160	422,684	470.227	470,227	470,227
Operating Expense	1,955,076	2,745,275	4,590,971	4,882,373	5,286,013	5,686,116	6,084,578	6,084,578	6,084,578
Less Dep/Amort	82,912	116,836	173,295	193,470	216,917	228,986	230.740	230,740	230,740
Operating Expense Net of Dep/Amort	1,872,164	2,628,439	4,417,676	4,688,903	5,069,096	5,457,130	5,853,837	5,853,837	5,853,837
Days Cash on Hand	49.13	59.96	25.63	34.80	29.59	36.08	46.11	58.58	71.05
Cushion Ratio:									
Total Cash	251,979	431,811	310,202	447,046	410,881	539 459	739,459	939,459	1,139,459
Interest Expense and Principal payments	103,686	206,196	283,838	266,151	287,669	276 107	265,607	243,732	178,107
Cushion Ratio	2.43	2.09	1.09	1.68	1.43	1,95	2.78	3.85	6.40

**Equity as defined by market equity. Market equity = shares outstanding * closing price at last trading day of calendar year.*

For forecasting: Assume constant market capitalization, based on the closing share price as of 3/3/10.

REVIEW CRITERIA RELATING TO FINANCIAL FEASIBILITY (FIN) (continued)

B. Criterion 1120.210(b), Availability of Funds

If proof of an "A" or better bond rating has not been provided, read the criterion and document that sufficient resources are available to fund the project and related costs including operating start-up costs and operating deficits. Indicate the dollar amount to be provided from the following sources:

$2,737,926 Cash & Securities
Provide statements as to the amount of cash/securities available for the project. Identify any security, its value and availability of such funds. Interest to be earned or depreciation account funds to be earned on any asset from the date of application submission through project completion are also considered cash.

________ Pledges
For anticipated pledges, provide a letter or report as to the dollar amount feasible showing the discounted value and any conditions or action the applicant would have to take to accomplish goal. The time period, historical fund raising experience and major contributors also must be specified.

________ Gifts and Bequests
Provide verification of the dollar amount and identify any conditions of the source and timing of its use.

FMV **$1,047,008** Debt Financing (indicate type(s) **Space Lease in Attachment 75(3) and FMV of the Shell Space in Attachment 7B.**
For general obligation bonds, provide amount, terms and conditions, including any anticipated discounting or shrinkage) and proof of passage of the required referendum or evidence of governmental authority to issue such bonds;
For revenue bonds, provide amount, terms and conditions and proof of securing the specified amount;
For mortgages, provide a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated;
For leases, provide a copy of the lease including all terms and conditions of the lease including any purchase options.

________ Governmental Appropriations
Provide 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, provide a resolution or other action of the governmental unit attesting to such future funding.

________ Grants
Provide a letter from the granting agency as to the availability of funds in terms of the amount, conditions, and time or receipt.

________ Other Funds and Sources
Provide verification of the amount, terms and conditions, and type of any other funds that will be used for the project.

$3,784,934 TOTAL FUNDS AVAILABLE

C. Criterion 1120.210(c), Operating Start-up Costs

If proof of an "A" or better bond rating has not been provided, indicate if the project is classified as a Category B project that involves establishing a new facility or a new category of service? Yes ☐ No☑. If yes is indicated, read the criterion and provide in the space below the amount of operating start-up costs (the same as reported in Section I of this application) and provide a description of the items or components that comprise the costs. Indicate the source and amount of the financial resources available to fund the operating start-up costs (including any initial operating deficit) and reference the documentation that verifies sufficient resources are available.

SECTION X. Economic Feasibility

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

REVIEW CRITERIA RELATING TO ECONOMIC FEASIBILITY (ECON)

A. Criterion 1120.310(a), Reasonableness of Financing Arrangements

Is the project classified as a Category B project? Yes ☑ No ☐. If no is indicated this criterion is not applicable. If yes is indicated, has proof of a bond rating of "A" or better been provided? Yes ☐ No ☑. If yes is indicated this criterion is not applicable, go to item B. If no is indicated, read the criterion and address the following:

Are all available cash and equivalents being used for project funding prior to borrowing? ☑ Yes ☐ No

If no is checked, provide a notarized statement signed by two authorized representatives of the applicant entity (in the case of a corporation, one must be a member of the board of directors) that attests to the following:

1. a portion or all of the cash and equivalents must be retained in the balance sheet asset accounts in order that the current ratio does not fall below 2.0 times; or
2. 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. Criterion 1120.310(b), Conditions of Debt Financing

Read the criterion and provide a notarized statement signed by two authorized representatives of the applicant entity (in the case of a corporation, one must be a member of the board of directors) that attests to the following as applicable:

1. The selected form of debt financing the project will be at the lowest net cost available or if a more costly form of financing is selected, that form is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional debt, term (years) financing costs, and other factors;
2. All or part of the project involves the leasing of equipment or facilities and the expenses incurred with such leasing are less costly than constructing a new facility or purchasing new equipment.

B. Criterion 1120.310(c), Reasonableness of Project and Related Costs

Read the criterion and provide the following: **NOT APPLICABLE**

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

2. For each piece of major medical equipment included in the proposed project, the applicant must certify one of the following:

REVIEW CRITERIA RELATING TO ECONOMIC FEASIBILITY (ECON) (continued)

a. that the lowest net cost available has been selected; or

b. that the choice of higher cost equipment is justified due to such factors as, but not limited to, maintenance agreements, options to purchase, or greater diagnostic or therapeutic capabilities.

3. List the items and costs included in preplanning, site survey, site preparation, off-site work, consulting, and other costs to be capitalized. If any project line item component includes costs attributable to extraordinary or unusual circumstances, explain the circumstances and provide the associated dollar amount. When fair market value has been provided for any component of project costs, submit documentation of the value in accordance with the requirements of Part 1190.40.

D. Criterion 1120.310(d), Projected Operating Costs

Read the criterion and provide in the space below the facility's projected direct annual operating costs (in current dollars per equivalent patient day or unit of service, as applicable) for the first full fiscal year of operation after project completion or for the first full fiscal year when the project achieves or exceeds target utilization pursuant to 77 Ill. Adm. Code 1100, whichever is later. If the project involves a new category of service, also provide the annual operating costs for the service. Direct costs are the fully allocated costs of salaries, benefits, and supplies. Indicate the year for which the projected operating costs are provided.

E. Criterion 1120.310(e), Total Effect of the Project on Capital Costs

Is the project classified as a category B project? Yes ☑ No ☐. If no is indicated, go to item F. If yes is indicated, provide in the space below the facility's total projected annual capital costs as defined in Part 1120.130(f) (in current dollars per equivalent patient day) for the first full fiscal year of operation after project completion or for the first full fiscal year when the project achieves or exceeds target utilization pursuant to 77 Ill. Adm. Code 1100, whichever is later. Indicate the year for which the projected capital costs are provided.

F. Criterion 1120.310(f), Non-patient Related Services

Is the project classified as a category B project and involve non-patient related services? Yes ☐ No ☑ If no is indicated, this criterion is not applicable. If yes is indicated, read the criterion and document that the project will be self-supporting and not result in increased charges to patients/residents or that increased charges are justified based upon such factors as, but not limited to, a cost benefit or other analysis that demonstrates the project will improve the applicant's financial viability.

APPEND DOCUMENTATION AS ATTACHMENT -76, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SAFETY NET IMPACT STATEMENT that describes all of the following:

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

APPEND DOCUMENTATION AS ATTACHMENT-77, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

INDEX OF ATTACHMENTS

UNIVERSITY OF CHICAGO – LAKE PARK CHANGE OF OWNERSHIP CON APPLICATION

INDEX OF ATTACHMENTS

UNIVERSITY OF CHICAGO – LAKE PARK CHANGE OF OWNERSHIP CON APPLICATION

* **The symbol " ' " indicates that a section is not applicable.**

** **Attachment 7 also includes documentation of the FMV of the space (7B); a copy of the letter of intent to purchase assets (7C); and documentation of the status of previously approved CONs/COEs (7D.)**

File Number 5823-002-2

STATE OF ILLINOIS
OFFICE OF THE SECRETARY OF STATE

To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that

TOTAL RENAL CARE, INC., INCORPORATED IN CALIFORNIA AND LICENSED TO TRANSACT BUSINESS IN THIS STATE ON MARCH 10, 1995, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE RELATING TO THE PAYMENT OF FRANCHISE TAXES, AND AS OF THIS DATE, IS A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO TRANSACT BUSINESS 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* 11TH *day of* FEBRUARY *A.D.* 2010 .

SEAL OF THE STATE OF ILLINOIS AUG. 26TH 1818

Authentication #: 1004202498
Authenticate at: http://www.cyberdriveillinois.com

Jesse White
SECRETARY OF STATE

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ATTACHMENT 1
Page 1 of 2

Delaware

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "DAVITA INC." IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE FIFTEENTH DAY OF FEBRUARY, A.D. 2010.

Jeffrey W. Bullock, Secretary of State

2391269 8300

100141076

AUTHENTICATION: 7811432

DATE: 02-15-10

You may verify this certificate online at corp.delaware.gov/authver.shtml

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ATTACHMENT 1
Page 2 of 2

SITE OWNERSHIP

Exact Legal Name of Site Owner:	**American National Bank & Trust Co. of Chicago**
	Trustee for Trust #20960
Address of Site Owner:	**c/o The Habitat Company**
	405 N. Wabash Avenue, Chicago, IL 60611
Street Address or Legal Description of Site:	**1531 Hyde Park Boulevard, Chicago, IL 60615**

DaVita Inc. (Parent)
and
Total Renal Care Inc. (Operating Entity)

ORGANIZATIONAL STRUCTURE

DaVita Inc. owns 100% of the following entities:

Renal Life Link Inc.;
Physician Dialysis Inc.;
DVA Renal Healthcare Inc. (formerly Gambro);
Renal Treatment Centers Inc.;
Total Renal Care Inc.;
The DaVita Collection Inc.; and
DaVita Village Health Inc.

Please see Attachment 3A for major subsidiaries of these entities.
Please see Attachment 3B for organizational chart for Illinois facilities.

- DaVi...
  - Ho... are Inc. (Barbara J. Erum- .5208% Joseph W. Boyd- .5208% Mary Ann Cope- 10.4167% DaVita Inc.- 85.625% Kathy F. Pughse- 2.9167%)
  - The DaVita Collection, Inc. (DaVita Inc.- 100%)
  - DVA Renal Healthcare, Inc. (DaVita Inc.- 100%)
    - Columbus-RNA-DaVita, LLC (DVA Renal Healthcare, Inc.- 60% RNA Dialysis Ventures, LLC- 40%)
    - DVA Healthcare Procurement Services, Inc. (DVA Renal Healthcare, Inc.- 100%)
    - DVA Healthcare of Maryland, Inc. (DVA Renal Healthcare, Inc.- 100%)
    - DVA Healthcare of Massachusetts, Inc. (DVA Renal Healthcare, Inc.- 100%)
    - DVA Healthcare of New London, LLC (DVA Renal Healthcare, Inc.- 51% CONNcare, Inc.- 24.5% L & M Home Care Services, Inc.- 24.5%)
    - DVA Healthcare of Norwich, LLC (DVA Renal Healthcare, Inc.- 51% CONNcare, Inc.- 49%)
    - DVA Healthcare of Pennsylvania, Inc. (DVA Renal Healthcare, Inc.- 100%)
    - DVA Healthcare of Tuscaloosa, LLC (DVA Renal Healthcare, Inc.- 51% DCH Holdings, Inc.- 49%)
    - DVA Laboratory Services, Inc. (DVA Renal Healthcare, Inc.- 100%)
    - DVA Nephrology Partners, Inc. (DVA Renal Healthcare, Inc.- 100%)
    - DVA Supply Corp. (DVA Renal Healthcare, Inc.- 100%)
    - DVA of New York, Inc. (DVA Renal Healthcare, Inc.- 100%)
    - DVA/Washington University Healthcare of Greater St. Louis, LLC (DVA Renal Healthcare, Inc.- 51% Washington University- 49%)
    - DaVita Nephrology Partners- Midwest, Co. (Kadir Mansur, M.D.- 100%)
    - Freehold Artificial Kidney Center, L.L.C. (DVA Renal Healthcare, Inc.- 100%)
    - Neptune Artificial Kidney Center, L.L.C. (DVA Renal Healthcare, Inc.- 100%)
    - Ohio River Dialysis, LLC (Nephrology Investments of Florence, LLC- 45% DVA Renal Healthcare, Inc.- 55%)
    - American Access Care of New Jersey, L.L.C. (American Access Care, LLC- 33.3% DVA Renal Healthcare, Inc.- 33.3% Philadelphia Vascular Institute, LLC- 33.3%)
    - American Access Care of Pennsylvania, L.L.C. (DVA Renal Healthcare, Inc.- 33.3% American Access Care, LLC- 33.3% Philadelphia Vascular Institute, LLC- 33.3%)
    - American Access Care of SP, L.L.C. (DVA Renal Healthcare, Inc.- 33.3% Philadelphia Vascular Institute, LLC- 33.3% American Access Care, LLC- 33.3%)
    - UT Southwestern DVA Healthcare, L.L.P. (UT Southwestern Health Systems- 49% DVA Renal Healthcare, Inc.- 51%)
    - DVA Healthcare - Southwest Ohio, LLC (Community Limited Care Dialysis Center.- 19.5% DVA Renal Healthcare, Inc.- 80.5%)
      - River Valley Dialysis, LLC (Nephrology Investments of Florence, LLC- 29.5% DVA Healthcare - Southwest Ohio, LLC- 70.5%)
    - Dialysis Holdings, Inc. (DVA Renal Healthcare, Inc.- 100%)
      - DVA Healthcare Nephrology Partners, Inc. (Dialysis Holdings, Inc.- 100%)
      - DVA Nephrology Services, Inc. (Dialysis Holdings, Inc.- 100%)
      - DVA Healthcare Renal Care, Inc. (Dialysis Holdings, Inc.- 100%)
        - Hanford Dialysis, LLC (DVA Healthcare Renal Care, Inc.- 100%)
  - DaVita VillageHealth, Inc. (DaVita Inc.- 100%)
    - DaVita VillageHealth of Georgia, Inc. (DaVita VillageHealth, Inc.- 100%)
    - DaVita VillageHealth of Colorado, Inc. (DaVita VillageHealth, Inc.- 100%)
    - DaVita VillageHealth of Kansas, Inc. (DaVita VillageHealth, Inc.- 100%)
    - DaVita VillageHealth Insurance Of Alabama, Inc. (DaVita VillageHealth, Inc.- 100%)
    - DaVita VillageHealth of Michigan, Inc. (DaVita VillageHealth, Inc.- 100%)
    - DaVita VillageHealth of Ohio, Inc. (DaVita VillageHealth, Inc.- 100%)
    - DaVita VillageHealth of Virginia, Inc. (DaVita VillageHealth, Inc.- 100%)
    - DaVita VillageHealth of Maryland, Inc. (DaVita VillageHealth, Inc.- 100%)
    - DaVita VillageHealth of California, Inc. (DaVita VillageHealth, Inc.- 100%)
  - Physicians Dialysis, Inc. (DaVita Inc.- 100%)
    - Physicians Dialysis Ventures, Inc. (Physicians Dialysis, Inc.- 100%)
      - Physicians Management, LLC (Physicians Dialysis Ventures, Inc.- 100%)
        - Physicians Choice Dialysis, LLC (Physicians Management, LLC- 100%)
          - Physicians Choice Dialysis Of Alabama, LLC (Physicians Choice Dialysis, LLC- 100%)
      - Middlesex Dialysis Center, LLC (Physicians Dialysis Ventures, Inc.- 100%)
      - Physicians Dialysis of Lancaster, LLC (Lancaster Dialysis Ventures, LLC- 49% Physicians Dialysis Ventures, Inc.- 51%)
    - PDI Holdings, Inc. (Physicians Dialysis, Inc.- 100%)
    - PDI Supply, Inc. (Physicians Dialysis, Inc.- 100%)
    - Physicians Dialysis Acquisitions, Inc. (Physicians Dialysis, Inc.- 100%)
  - Renal Life Link, Inc. (DaVita Inc.- 100%)
    - Central Ohio Dialysis, LLC (Renal Life Link, Inc.- 100%)
    - Ionia Dialysis, LLC (Ionia Dialysis Operations, LLC- 32% Royal Spartan Holdings, LLC- 13% Renal Life Link, Inc- 55%)
    - La Grange Dialysis, LLC (Renal Life Link, Inc.- 80% Abdul G. Buridi, M.D.- 20%)
    - New Hope Dialysis, LLC (Renal Life Link, Inc.- 100%)
    - New Orleans East Dialysis Center, LLC (Uribe and Mims, LLC- 20% Renal Life Link, Inc.- 80%)
    - Seneca Dialysis, LLC (Renal Life Link, Inc.- 65% Mercy Hospital of Tiffin, Ohio- 35%)
    - Strongsville Dialysis, LLC (Insuck Chang- 5% Graham Finance LLC- 30% Renal Life Link, Inc.- 60% Rafik Hussain, M.D.- 5%)
  - Renal Treatment Centers, Inc. (DaVita Inc.- 100%)
    - DaVita - West, LLC (Renal Treatment Centers, Inc.- 100%)
      - Renal Treatment Centers - Southeast, LP (Renal Treatment Centers, Inc.- 1% DaVita - West, LLC- 99%)
        - Baytown Dialysis, LLC (Renal Treatment Centers - Southeast, LP- 100%)
        - Indian River Dialysis Center, LLC (PRI Dialysis, LLC- 20% Renal Treatment Centers - Southeast, LP- 80%)
        - Dallas-Fort Worth Nephrology II, LLC (HEAL Partners, LLC- 40% Renal Treatment Centers - Southeast, LP- 60%)
        - West Monroe Dialysis, LLC (Renal Treatment Centers - Southeast, LP- 100%)
        - Talladega Dialysis LLC
        - Northwest Arkansas Kidney Centers, LLC (Renal Treatment Centers - Southeast, LP- 100%)
        - Renal Clinic Of Houston, LLC (Renal Treatment Centers - Southeast, LP- 100%)
        - Taylor Dialysis, LLC (Renal Treatment Centers - Southeast, LP- 100%)
        - Ross Clark Circle Dialysis, LLC (Renal Treatment Centers - Southeast, LP- 100%)
        - Greenspoint Dialysis, LLC (Renal Treatment Centers - Southeast, LP- 100%)
        - Austin Dialysis Centers, L.P. (Total Renal Care, Inc.- 1% Renal Treatment Centers - Southeast, LP- 59% HMB Holdings, LLC- 40%)
        - DaVita Denham Springs Kidney Care, LLC (Renal Treatment Centers - Southeast, LP- 100%)
        - East Ft. Lauderdale, LLC (Albert Caseretto, M.D.- 40% Renal Treatment Centers - Southeast, LP- 60%)
        - Mid-City New Orleans Dialysis Center, LLC (Renal Treatment Centers - Southeast, LP- 100%)
        - RTC - Texas Acquisition, Inc. (Renal Treatment Centers - Southeast, LP- 100%)
        - Weston Dialysis Center, LLC (Cleveland Clinic Florida- 20% Renal Treatment Centers - Southeast, LP- 80%)
        - Renaissance Dialysis, LLC (Renal Treatment Centers - Southeast, LP- 100%)
    - RTC TN, Inc. (Renal Treatment Centers, Inc.- 100%)
      - RTC Holdings, Inc. (RTC TN, Inc.- 100%)
    - Renal Treatment Centers - California, Inc. (Renal Treatment Centers, Inc.- 100%)
      - Canyon Springs Dialysis, LLC (Renal Treatment Centers - California, Inc.- 100%)

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- , LLC (NAMG Dialysis Ventures III, LLC- 40% Renal Treatment Centers - California, In- 60%)
- Santa Fe Springs Dialysis, LLC (Renal Treatment Centers - California, In- 100%)
- DaVita-Riverside II, LLC (NAMG Dialysis Ventures II, LLC- 40% Renal Treatment Centers - California, In- 60%)
- DaVita-Riverside, LLC (Renal Treatment Centers - California, In- 60% NAMG Dialysis Ventures, LLC- 40%)
- Elk Grove Dialysis Center, LLC (Jane Okapos;Green Koeing, M.D.- 33% Ratnaji Nallamothu, M.D.- 16% Renal Treatment Centers - California, In- 51%)
- Fullerton Dialysis Center, LLC (Renal Investment Partnership II- 40% Renal Treatment Centers - California, In- 60%)
- Irvine Dialysis Center, LLC (Renal Treatment Centers - California, In- 60% Jonathan Ahdoot, M.D.- 20% Jacob Ahdoot, M.D.- 20%)
- Long Beach Dialysis Center, LLC (Renal Treatment Centers - California, In- 90% JAYRAJ Enterprises, LLC- 10%)
- Marysville Dialysis Center, LLC (Venu Kondla, M.D.- 25% Robert Polhamus, M.D.- 20% Renal Treatment Centers - California, In- 55%)
- Ontario Dialysis Center, LLC (Renal Treatment Centers - California, In- 100%)
- Orange Dialysis, LLC (Renal Treatment Centers - California, In- 100%)
- Riverside County Home PD Program, LLC (Renal Treatment Centers - California, In- 100%)
- Soledad Dialysis Center, LLC (Soledad Dialysis Services, Inc.- 40% Renal Treatment Centers - California, In- 60%)
- Tustin Dialysis Center, LLC (NSMG Partners- 20% Renal Treatment Centers - California, In- 60% Renal Investment Partnership- 20%)

Renal Treatment Centers - Illinois, Inc. (Renal Treatment Centers, Inc.- 100%)
- Clinton Township Dialysis, LLC (Renal Treatment Centers - Illinois, Inc.- 100%)
- Sandusky Dialysis, LLC (Renal Treatment Centers - Illinois, Inc.- 80% Nephrology Partners of Sandusky, Inc.- 20%)
- Commerce Township Dialysis Center, LLC (Huron Valley Dialysis, LLC- 35% Commerce Dialysis, LLC- 10% Renal Treatment Centers - Illinois, Inc.- 55%)
- St. Luke'S Dialysis, LLC (Hillmed Dialysis Center of St. Luke's In- 40% Renal Treatment Centers - Illinois, Inc.- 60%)
- South Lincoln Dialysis, LLC (Renal Treatment Centers - Illinois, Inc.- 100%)
- Amarillo Dialysis, LLC (Renal Treatment Centers - Illinois, Inc.- 100%)
- Grosse Pointe Dialysis, LLC (Renal Treatment Centers - Illinois, Inc.- 100%)
- Central Iowa Dialysis Partners, LLC (Renal Treatment Centers - Illinois, Inc.- 70% Central Iowa Dialysis Investors, LLC- 30%)
- Central Kentucky Dialysis Centers, LLC (Mahendra Patel, M.D.- 20% Renal Treatment Centers - Illinois, Inc.- 60% Bhatti Investments, LLC- 20%)
- Chesterfield Dialysis, LLC (Renal Treatment Centers - Illinois, Inc.- 60% Lenox JV LLC- 40%)
- Chicago Heights Dialysis, LLC (Chicago Heights Renal Care, LLC- 49% Renal Treatment Centers - Illinois, Inc.- 51%)
- Dialysis of Des Moines, LLC (Renal Treatment Centers - Illinois, Inc.- 51% Dialysis of Georgia, LLC- 49%)
- Dialysis of Northern Illinois, LLC (Rockford Nephrology Partners, Ltd.- 40% Renal Treatment Centers - Illinois, Inc.- 60%)
- Downriver Centers, Inc. (Renal Treatment Centers - Illinois, Inc.- 100%)
- East Dearborn Dialysis, LLC (Kristy Enterprises, LLC- 40% Renal Treatment Centers - Illinois, Inc.- 60%)
- Kidney Centers of Michigan, L.L.C. (Renal Treatment Centers - Illinois, Inc.- 90% Michigan Dialysis Partners, LLC- 10%)
- Lawrenceburg Dialysis, LLC (Bapo, Inc.- 20% Renal Treatment Centers - Illinois, Inc.- 60% Pupidon, Inc.- 20%)
- Louisville Dialysis Centers, LLC (Renal Treatment Centers - Illinois, Inc.- 85% Abdul G. Buridi, M.D.- 15%)
- Richfield Dialysis, LLC (Renal Treatment Centers - Illinois, Inc.- 100%)
- Rochester Dialysis Center, LLC (Renal Treatment Centers - Illinois, Inc.- 60% Rochester Dialysis Partners, LLC- 30% Michigan Dialysis Partners, LLC- 10%)
- St. Clair Dialysis, LLC (Renal Treatment Centers - Illinois, Inc.- 100%)
- TRC - Indiana, LLC (Renal Treatment Centers - Illinois, Inc.- 90% Total Renal Care, Inc.- 10%)
- Westview Dialysis, LLC (Renal Treatment Centers - Illinois, Inc.- 100%)
- Wauseon Dialysis, LLC
- Princeton Dialysis, LLC (Renal Treatment Centers - Illinois, Inc.- 100%)
- Northeast Ohio Home Dialysis, LLC (Renal Treatment Centers - Illinois, Inc.- 100%)

Renal Treatment Centers - Mid-Atlantic, Inc. (Renal Treatment Centers, Inc.- 100%)
- Waldorf Dialysis, LLC (Renal Treatment Centers - Mid-Atlantic, - 100%)
- Aberdeen Dialysis, LLC (Nephrology Investments of Aberdeen, LLC- 40% Renal Treatment Centers - Mid-Atlantic, - 60%)
- Dialysis Treatment Centers of Macon, LLC (Renal Treatment Centers - Mid Atlantic, - 20% OCK LLC- 80%)
- Buford Dialysis, LLC (Renal Treatment Centers - Mid-Atlantic, - 90% Quality Kidney Care, LLC- 10%)
- Central Georgia Dialysis, LLC (Renal Treatment Centers - Mid-Atlantic, - 70% Martinez Business Holdings, LLLP- 30%)
- DaVita Tidewater, LLC (Renal Treatment Centers - Mid-Atlantic, - 60% TKS Holding Company, LLC- 40%)
- DaVita Tidewater-Virginia Beach, LLC (TKS, Virginia Beach Holding Company, LLC- 40% Renal Treatment Centers - Mid-Atlantic, - 60%)
- Dialysis of North Atlanta, LLC (Renal Treatment Centers - Mid-Atlantic, - 100%)
- North Atlanta Dialysis Center, LLC (Renal Treatment Centers - Mid-Atlantic, - 100%)
- Peninsula Dialysis Center, Inc. (Renal Treatment Centers - Mid-Atlantic, - 100%)
- Southwest Atlanta Dialysis Centers, LLC (Renal Treatment Centers - Mid-Atlantic, - 79% Total Renal Care, Inc.- 21%)
- Sugarloaf Dialysis, LLC (Quality Kidney Care, LLC- 30% Renal Treatment Centers - Mid-Atlantic, - 70%)
- Tri-City Dialysis Center, Inc. (Renal Treatment Centers - Mid-Atlantic, - 100%)

Renal Treatment Centers - Northeast, Inc. (Renal Treatment Centers, Inc.- 100%)
- Riddle Dialysis, LLC (Zenith Renal Group, LLC- 20% Renal Treatment Centers - Northeast, Inc- 70% Riddle Memorial Hospital- 10%)

Renal Treatment Centers - West, Inc. (Renal Treatment Centers, Inc.- 100%)
- Hutchinson Dialysis, L.L.C. (Kansas Nephrology Associates, P.A.- 50% Renal Treatment Centers - West, Inc.- 50%)
- Wyandotte Central Dialysis, LLC (Andrew J. Stinge, M.D.- 5.29% Richard A. Schumacher, M.D.- 5.29% Venu Nair, M.D.- 7.93% Sungamni Beedi, M.D.- 6.61% Kristine Gish Harron, M.D.- 5.29% Kirk A Duncan, M.D.- 7.93% Renal Treatment Centers - West, Inc.- 61.66%)
- DaVita Dakota Dialysis Center, LLC (Renal Treatment Centers - West, Inc.- 55% Red River Valley Dialysis, LLC- 45%)
- North Colorado Springs Dialysis, LLC (Renal Treatment Centers - West, Inc.- 100%)
- Oakes Dialysis, LLC (Renal Treatment Centers - West, Inc.- 100%)
- Brighton Dialysis Center, LLC (Western Nephrology & Metabolic Bone Dise- 40% Renal Treatment Centers - West, Inc.- 60%)
- Durango Dialysis Center, LLC (Renal Treatment Centers - West, Inc.- 95% Mark Saddler, M.D.- 5%)
- Greenwood Dialysis, LLC (Renal Treatment Centers - West, Inc.- 85% Greenwood Investment Group, LLC- 15%)
- Muskogee Dialysis, LLC (Muskogee Investment Group, LLC- 22.5% Robert M. Gold, M.D.- 5% Renal Treatment Centers - West, Inc.- 72.5%)
- Rocky Mountain Dialysis Services, LLC (DNPC Investments, LLC- 49% Renal Treatment Centers - West, Inc.- 51%)
- Sierra Rosa Dialysis Center, LLC (Renal Treatment Centers - West, Inc.- 100%)
- Southcrest Dialysis, LLC (Southcrest Venture, LLC- 40% Renal Treatment Centers - West, Inc.- 60%)
- Southern Colorado Joint Ventures, LLC (Renal Treatment Centers - West, Inc.- 60% Physicians Investment Group I, LLC- 40%)
- Southern Hills Dialysis Center, LLC (SHDC, LLC- 40% Renal Treatment Centers - West, Inc.- 60%)
- Sun City Dialysis Center, L.L.C. (Ishan N VKC, Inc.- 7.5% Asan M. Ariff, M.D., P.C.- 7.5% Anup Rai, M.D.- 25% Renal Treatment Centers - West, Inc.- 60%)
- Tulsa Dialysis, LLC (Sapulpa Venture, LLC- 30.77% Greenwood Investment Group, LLC- 9% Renal Treatment Centers - West, Inc.- 60.23%)
- Anadarko Dialysis of Oklahoma, LLC (Renal Treatment Centers - West, Inc.- 60% Oklahoma Nephrology Associates, Inc.- 40%)

Renal Treatment Centers - Hawaii, Inc. (Renal Treatment Centers, Inc.- 100%)

Total Renal Care, Inc. (DaVita Inc.- 100%)
- West Broomfield Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Lockport Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Hialeah Kidney Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Blackfoot Dialysis Partners, LLC (Total Renal Care, Inc.- 100%)
- Medlock Bridge Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Five Star Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Northwest Tucson Dialysis, LLC (Total Renal Care, Inc.- 100%)
- J.E.T. New Orleans East Dialysis, LLC (Total Renal Care, Inc.- 100%)

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- Ybo[illegible] LLC (Total Renal Care, Inc.- 100%)
- Sun City We[illegible] Dialysis Center LLC (William L. Weiss, MD- 6% Anup Rai, MD- 11.33% Ishan/N. VKC, Inc.- 11.33% Asan H. Ariff Trust- 11.33% Total Renal C[illegible] 60%)
- Joliet Dialysis, LLC (Total Renal Care, Inc.- 100%)
- West Pensacola Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Tree City Dialysis, LLC (Total Renal Care, Inc.- 100%)
- American Fork Dialysis, LLC (AFDI, LLC- 40% Total Renal Care, Inc.- 60%)
- Eastover Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Pacific Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Valley Springs Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Ridgeland Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Southwestern Tennessee Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Las Vegas Pediatric Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Salisbury Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Huntington Park Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Somerville Dialysis Center, LLC (Total Renal Care, Inc.- 60% Mittal Dialysis Enterprises, PLLC- 40%)
- San Marcos Dialysis, LLC (Total Renal Care, Inc.- 100%)
- North Austin Dialysis, LLC (Total Renal Care, Inc.- 1% Renal Treatment Centers - Southeast, LP- 99%)
- Grand Home Dialysis, LLC (Total Renal Care, Inc.- 60% Anup Rai, M.D.- 13.33% Asan H. Ariff Trust- 13.33% Ishan N. VKC, Inc.- 13.33%)
- Tel-Huron Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Colville Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Modesto Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Hagerstown Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Cherry Valley Dialysis, LLC (Total Renal Care, Inc.- 100%)
- DNP Management Company, LLC (Total Renal Care, Inc.- 100%)
- Turlock Dialysis Center, LLC (Total Renal Care, Inc.- 100%)
- Owasso Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Lord Baltimore Dialysis, LLC (Total Renal Care, Inc.- 100%)
- West Sacramento Dialysis, LLC (Total Renal Care, Inc.- 51% Capital Dialysis, LLC- 49%)
- Pooler Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Miramar Dialysis Center, LLC (Total Renal Care, Inc.- 100%)
- Green Desert Dialysis, LLC (Total Renal Care, Inc.- 55% Borney Makhija & Qazi, LLC- 45%)
- Little Rock Dialysis Centers, LLC (Total Renal Care, Inc.- 60% Arkansas Dialysis, LLC- 40%)
- Centennial LV, LLC (Total Renal Care, Inc.- 51% Centennial HD LLC- 49%)
- Mountain Park Dialysis Center, LLC (Total Renal Care, Inc.- 100%)
- Lifeline Vascular Access Network, LLC (Total Renal Care, Inc.- 100%)
- Pittsburgh Dialysis Partners, LLC (Total Renal Care, Inc.- 100%)
- RNA - DaVita Dialysis, LLC (RNA Dialysis Ventures, LLC- 40% Total Renal Care, Inc.- 60%)
- South Central Florida Dialysis Partners, LLC (Dialysis Partners I, Inc.- 40% Total Renal Care, Inc.- 60%)
- Hyattsville Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Hawaiian Gardens Dialysis Center, LLC (Total Renal Care, Inc.- 100%)
- Cordele Dialysis Center, LLC (Total Renal Care, Inc.- 100%)
- West Elk Grove Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Sylvania Dialysis Center, LLC (Total Renal Care, Inc.- 100%)
- Perry County Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Maple Grove Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Mayfield Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Union City Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Copelville Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Rita Ranch Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Reno Avenue Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Lakeside Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Lexington Dialysis, LLC (Total Renal Care, Inc.- 100%)
- University Dialysis Center, LLC (Capital Dialysis, LLC- 49% Total Renal Care, Inc.- 51%)
- Bay Area Dialysis Partnership (Renal Treatment Centers - Southeast, LP- .33% Total Renal Care, Inc.- 99.67%)
- Continental Dialysis Center of Springfield-Fairfax, Inc. (Total Renal Care, Inc.- 100%)
- Continental Dialysis Center, Inc. (Total Renal Care, Inc.- 100%)
- DaVita Nephrology Associates Of Utah, L.L.C. (Total Renal Care, Inc.- 100%)
- DaVita Rx, LLC (Total Renal Care, Inc.- 100%)
- Dialysis Center Of Abilene, L.P. (Total Renal Care, Inc.- 100%)
- Dialysis Specialists of Dallas, Inc. (Total Renal Care, Inc.- 100%)
- East Bay - DaVita Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Elberton Dialysis Facility, Inc. (Total Renal Care, Inc.- 100%)
- Greater Las Vegas Dialysis, LLC (Total Renal Care, Inc.- 60% RRT, LLC- 40%)
- Beverly Hills Dialysis Partnership (DaVita Inc.- .045% Total Renal Care, Inc.- 99.955%)
- Capital Dialysis Partnership (Total Renal Care, Inc.- 50.1% Capital Dialysis, LLC- 49.9%)
- Eastmont Dialysis Partnership (Total Renal Care, Inc.- 60.78% Renal Treatment Centers - California, In- 39.22%)
- Urbana Dialysis, LLC (Total Renal Care, Inc.- 100%)
- North Ogden Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Southwest Kidney-DaVita Dialysis Partners, LLC (Total Renal Care, Inc.- 100%)
- Western Nevada Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Waycross Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Carroll County Dialysis Facility, Inc. (Total Renal Care, Inc.- 100%)
  - Carroll County Dialysis Facility Limited Partnership (Carroll County Medical Services- 33.33% Carroll County Dialysis Facility, Inc.- 66.67%)
- East End Dialysis Center, Inc. (Total Renal Care, Inc.- 100%)
  - MD Investments, L.L.C. (Michael Douglas- 49.9% East End Dialysis Center, Inc.- 50.1%)
  - TRC - Petersburg, LLC (East End Dialysis Center, Inc.- 80% Sandy Gibson, M.D.- 20%)
- Kidney Care Rx, Inc. (Total Renal Care, Inc.- 100%)
  - Total Renal Support Services of North Carolina, LLC (Neil Realty, Inc.- 15% Kidney Care Rx, Inc.- 85%)
- RMS Lifeline Inc. (Total Renal Care, Inc.- 89.59% Minority Stockholders- 10.41%)
  - Open Access Lifeline, LLC (RMS Lifeline Inc.- 100%)
- TRC of New York, Inc. (Total Renal Care, Inc.- 100%)
  - Bronx RC Development, LLC (TRC of New York, Inc.- 51% Montefiore Medical Center, LLC- 49%)
  - TRC-Dyker Heights, L.P. (Henry Upner, M.D.- 10% New York Methodist Hospital- 10% TRC of New York, Inc.- 70% Sonia Borra, M.D.- 10%)
- TRC West, Inc. (Total Renal Care, Inc.- 100%)
  - Total Renal Care Texas Limited Partnership (Total Renal Care, Inc.- 1% TRC West, Inc.- 99%)

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- …alysis Center, LLC (Total Renal Care Texas Limited Partnersh- 100%)
- …Dialysis, LLC (Total Renal Care Texas Limited Partnersh- 100%)
  - Houston Acute Dialysis, L.P. (Total Renal Care, Inc.- 1% Total Renal Care Texas Limited Partnersh- 99%)
  - Memorial Dialysis Center, L.P. (Total Renal Care Texas Limited Partnersh- 79% Memorial Dialysis Partners, L.P.- 20% Total Renal Care, Inc.- 1%)
- Astro, Hobby, West Mt. Renal Care Limited Partnership (Total Renal Care, Inc.- 1% TRC West, Inc.- 99%)
- Bear Creek Dialysis Center, L.P. (Total Renal Care, Inc.- 1% TRC West, Inc.- 69% Bear Creek Nephrology Group- 30%)
- DaVita El Paso East, L.P. (Eastside Dialysis Consultants, LLC- 40% TRC West, Inc.- 59% Total Renal Care, Inc.- 1%)
- Dallas-Fort Worth Nephrology, L.P. (TRC West, Inc.- 83.7% Total Renal Care, Inc.- 1% HEAL Partners, LLC- 15.3%)
- Downtown Houston Dialysis Center, L.P. (TRC West, Inc.- 59% URR, LLC- 25% Joey Buquing, M.D.- 5% Stephen Fadem, M.D.- 5% Wasae Tabibi, M.D.- 5% Total Renal Care, Inc.- 1%)
- East Houston Kidney Center, L.P. (TRC-West, Inc.- 59% Stephen Fadem, M.D.- 8% Joey Buquing, M.D.- 8% Julie Robeson, M.D.- 8% Wasae Tabibi, M.D.- 8% Total Renal Care, Inc.- 1% URR, LLC- 8%)
- Edna Dialysis, L.P. (Total Renal Care, Inc.- 1% TRC West, Inc.- 99%)
- Houston Kidney Center/Total Renal Care Integrated Service Network Limited Partnership (Total Renal Care, Inc.- 1% TRC West, Inc.- 99%)
- Moncrief Dialysis Center/Total Renal Care Limited Partnership (TRC West, Inc.- 55.36% Total Renal Care, Inc.- 1% Jack Moncrief Group, P.A.- 43.64%)
- SAKDC-DaVita Dialysis Partners, L.P. (SAKDC JV I, LLC- 49% TRC-West, Inc.- 50% Total Renal Care, Inc.- 1%)
- South Shore Dialysis Center, L.P. (Total Renal Care, Inc.- 1% Space City Associates of Nephrology- 40% TRC-West, Inc.- 59%)
- Summit Dialysis Center, L.P. (Hagstrom 1997 Limited Partnership- 10.5% Tam Viet Ho, M.D.- 4% Juan J. Olivero, M.D.- 10.5% Total Renal Care, Inc.- 1% TRC West, Inc.- 74%)
- TRC El Paso Limited Partnership (TRC West, Inc.- 49.1% Dionicio Alvarez, M.D.- 49.9% Total Renal Care, Inc.- 1%)
- The Woodlands Dialysis Center, LP (Total Renal Care, Inc.- 1% Richard Foley- 22.5% Barry Neeland- 22.5% TRC West, Inc.- 54%)
- Transmountain Dialysis, L.P. (TRC West, Inc.- 59% Southwest Dialysis Consultants, LLC- 40% Total Renal Care, Inc.- 1%)
- Upper Valley Dialysis, L.P. (Total Renal Care, Inc.- 1% TRC West, Inc.- 59% Diane Oemick, M.D.- 20% Alfredo Gonzalez, M.D.- 20%)
- Willowbrook Dialysis Center, L.P. (Redentor R. Roy, M.D.- 1% Washington Serealan, M.D.- 3% Krishna Raman, M.D.- 4% Rahul Prakash, M.D.- 10% Total Renal Care, Inc.- 1% TRC West, Inc.- 59% Rupinder K. Chatha, M.D.- 5% Anil U. Sheth, M.D.- 6% Ariel Velasco, M.D.- 5% Vijayaprakash Sreenarasimhaiah, M.D.- 1% Umesh Jain- 5%)
- Total Renal Care of North Carolina, LLC (Neil Realty Co.- 15% Total Renal Care, Inc.- 85%)
  - Central Carolina Dialysis Centers, LLC (BTI Investments, LLC- 15% Total Renal Care of North Carolina, LLC- 85%)
- Ripley Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Quincy Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Decker Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Southwest Indiana Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Manzanita At Home, LLC (Total Renal Care, Inc.- 51% Capital Dialysis, LLC- 49%)
- Southeastern Indiana Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Wesley Chapel Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Jedburg Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Lincoln Park Dialysis Services, Inc. (Total Renal Care, Inc.- 100%)
- Flamingo Park Kidney Center, Inc. (Total Renal Care, Inc.- 100%)
- Greater Los Angeles Dialysis Centers, LLC (Total Renal Care, Inc.- 52.59% Mendez Transplant Associates- 25.56% Rafael G. Mendez, M.D.- 7.9% National Renal Transplant Services, Inc.- 6.05% Robert Mendez, M.D.- 7.9%)
- Iowa Health-Des Moines DaVita Dialysis Partnership, LLC (Total Renal Care, Inc.- 100%)
- Kidney Care Services, LLC (Total Renal Care, Inc.- 100%)
- Mason-Dixon Dialysis Facilities, Inc. (Total Renal Care, Inc.- 100%)
- Mena Dialysis Center, LLC (Total Renal Care, Inc.- 60% Arkansas Nephrology- 40%)
- Natomas Dialysis, LLC (Capital Dialysis, LLC- 49% Total Renal Care, Inc.- 51%)
- Nephrology Medical Associates of Georgia, LLC (Total Renal Care, Inc.- 100%)
- Open Access Sonography, Inc. (Total Renal Care, Inc.- 100%)
- Siena Dialysis Center, LLC (Total Renal Care, Inc.- 100%)
- Southeast Florida Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Spokane Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Total Renal Laboratories, Inc. (Total Renal Care, Inc.- 100%)
- Total Renal Research, Inc. (Total Renal Care, Inc.- 100%)
- USC-DaVita Dialysis Center, LLC (USC Internal Medicine, Inc.- 40% Total Renal Care, Inc.- 60%)
- VillageHealth DM, LLC (Total Renal Care, Inc.- 100%)
- Garey Dialysis Center Partnership (Victor L. Pappoe, M.D., Inc.- 40% Total Renal Care, Inc.- 60%)
- Guam Renal Care Partnership (Total Renal Care, Inc.- 99.9% DaVita Inc.- .1%)
- Los Angeles Dialysis Center (Dialysis Associates- 31.84% Total Renal Care, Inc.- 68.16%)
- Pacific Coast Dialysis Center (Renal Treatment Centers - California, In- 7% Total Renal Care, Inc.- 93%)
- Pacific Dialysis Partnership (Total Renal Care, Inc.- 99.9% DaVita Inc.- .1%)
- San Gabriel Valley Partnership (Ashok Sunder Raj, M.D.- 12.5% Total Renal Care, Inc.- 75% Nirmal Kumar, M.D.- 12.5%)
- Total Renal Care/Piedmont Dialysis Center Partnership (Total Renal Care, Inc.- 99.9% DaVita Inc.- .1%)
- Lufkin Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Sunset Dialysis, LLC (Total Renal Care, Inc.- 100%)
- TRC - Four Corners Dialysis Clinics, L.L.C. (Total Renal Care, Inc.- 51% Mark Bevan, M.D.- 49%)
- TRC-Georgetown Regional Dialysis, LLC (Total Renal Care, Inc.- 80% Georgetown University- 20%)
- Tennessee Valley Dialysis Center, LLC (Total Renal Care, Inc.- 60% Stan Vermillion, M.D.- 20% Martin Tran, D.O.- 20%)
- Total Acute Kidney Care, Inc. (Total Renal Care, Inc.- 100%)
- Total Renal Care of Colorado, Inc. (Total Renal Care, Inc.- 100%)
- Total Renal Care of Utah, L.L.C. (Total Renal Care, Inc.- 100%)
- Total Renal Care/Eaton Canyon Dialysis Center Partnership (Total Renal Care, Inc.- 87.5% Renal Treatment Centers - California, In- 12.5%)
- Total Renal Care/Peralta Renal Center Partnership (Total Renal Care, Inc.- 99.9% DaVita Inc.- .1%)
- Arcadia Gardens Dialysis, LLC (Total Renal Care, Inc.- 100%)
- SE Ohio Regional Dialysis, LLC (Total Renal Care, Inc.- 100%)
- DaVita of New York, Inc. (Total Renal Care, Inc.- 100%)
- Amery Dialysis, LLC (Total Renal Care, Inc.- 100%)
- Robinson Dialysis, LLC

Total Renal Support Services, Inc.

DaVita Inc.-Illinois Organization Chart

VillageHealth DM, LLC	Total Renal Care, Inc.	RMS Lifeline Inc.	DVA Renal Healthcare, Inc.	Renal Treatment Centers-Illinois, Inc.	Renal Life Link, Inc.	Lincoln Park Dialysis Services, Inc.	Dialysis of Northern Illinois, LLC	Chicago Heights Dialysis, LLC	Total Nephrology Care Network Medical Associates, PC
DaVita VillageHealth Division Office	Archway Acutes	Lifeline - Alsip - IL	Alton Dialysis	Churchview Dialysis	Benton Dialysis	Great Lakes Acute	Rock River Acutes	Chicago Heights Dialysis	
RMS Disease Management	DNP Regional Office East	Lifeline - MP Budget Center	Central Illinois Acutes	Dixon Kidney Center	Beverly Dialysis	Kennedy Home Dialysis At Home	Roxbury At Home	Chicago Heights PD	
	DNVO-Peoria HHD/PD IL	Lifeline - Rockford - IL	Decatur East Wood at Home	DNVO-Lake Villa PD - IL	Centralia Dialysis	Lincoln Park Dialysis fka Lincoln Park Nephrology	Roxbury Dialysis		
	DNVO-Vandalia Dialysis - IL	Lifeline - Rolling Meadows (A) - IL	Decatur East Wood Dialysis	Freeport Dialysis	Marion At Home	Skyline Home Dialysis (fka Lincoln Park PD)	Sycamore at Home		
	Emerald Dialysis (fka Hyde Park Kidney Center	Lifeline - Rolling Meadows (B) - IL	Effingham At Home	Granite City At Home	Marion Dialysis		Sycamore Dialysis (aka DeKalb)		
	Emerald Dialysis PD (fka Hyde Park PD)	Lifeline - Woodridge - IL (aka DuPage A)	Effingham Dialysis	Granite City Dialysis Center	Metro East At Home				
	Heartland (NC) Region 01 - Chicago Fire (fka Great Lakes & Skyline Region)	Lifeline Divisional Office	Illini At Home	Kankakee County Dialysis	Metro East Dialysis				
	Barrington Creek Dialysis		Illini Renal Dialysis	Kankakee County Dialysis PD	Mount Vernon At Home				
	Big Oaks Dialysis		Jacksonville Dialysis	Lake Villa at Home	Mount Vernon Dialysis				
	Lake County Dialysis		Lincoln Dialysis	Lake Villa Dialysis	Olney Dialysis Center (aka Good Samaritan Hospital)				
	Lake County PD		Litchfield Dialysis	Little Village at Home (Chicago)	Southern Illinois Acute				
	Logan Square Dialysis Services		Macon County Dialysis	Little Village Dialysis (Chicago)	Stony Creek Dialysis				
	Montclare Dialysis Center (aka Belmont Ave)		Mattoon Dialysis	Little Village PD					
	Olympia Fields At Home		Rushville Dialysis	Maryville At Home					
	Olympia Fields Dialysis		Springfield Central At Home	Maryville Dialysis					
	Olympia Fields PD		Springfield Central Dialysis	Maryville Dialysis PD					
	Palos Park Dialysis		Springfield Montvale Dialysis	Mt Greenwood PD					
	West Lawn Dialysis		Star Catchers Region 02 Office	Mt. Greenwood At Home					
	Star Catchers Region 08 - Rock River		Star Catchers Region 04 Office	Mt. Greenwood Dialysis					
	TRC Children's Dialysis Center aka Children's Chicago/Childrens Memorial Hospital		Taylorville Dialysis	Rockford Dialysis					
	Wayne County Dialysis (fka Fairfield)			Sauget Dialysis (fka East St. Louis Dialysis Center)					
				Whiteside Dialysis					

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DaVita Inc.-Illinois Organization Chart

Kidney Care Services, LLC	Joliet Dialysis, LLC	DVA Healthcare Renal Care, Inc.	DaVita Rx, LLC	DaVita Nephrology Medical Associates of Illinois, P.C.	Quincy Dialysis, LLC	Lifeline Vascular Access Network, LLC	Lockport Dialysis, LLC	Robinson Dialysis, LLC

NARRATIVE DESCRIPTION

Total Renal Care Inc. (TRC), a wholly-owned subsidiary of DaVita Inc., proposes to acquire substantially all of the assets of the University of Chicago Medical Center's (UCMC) 20-station outpatient hemodialysis facility known as University of Chicago – Lake Park, which is located at 1531 Hyde Park Boulevard in Chicago, Illinois (60615) in Planning Area 6.

The proposed Purchase Agreement between TRC and UCMC includes the sale and purchase of all of UCMC's chronic dialysis assets. Please refer to Attachment 7C for the acquisition letter of intent (LOI) which includes the following three outpatient hemodialysis facilities as well as its Home Dialysis Program:

University of Chicago – Woodlawn, 1164 E. 55th Street in Chicago (60615)
University of Chicago – Lake Park, 1531 Hyde Park Blvd. in Chicago (60615)
University of Chicago – Stony Island, 8721 S. Stony Island in Chicago (60617)
University of Chicago – Home Programs

The total proposed purchase price for the transaction is $27.8 million. The price of the various entities is as follows based on a discounted cash flow analysis:

University of Chicago – Woodlawn	$2,219,856
University of Chicago – Lake Park	$2,677,026
University of Chicago – Stony Island	$13,959,013
University of Chicago – Home Programs	$8,944,105
Total	$27,800,000

Total Renal Care Inc. (TRC) will assume the lease of 8,085 rentable gross square feet (gsf) for the 20-station hemodialysis facility (see Attachment 75(3) for the lease agreement.) The acquisition does not involve modernization at this time.

Upon acquisition the facility will be known as Total Renal Care Inc. d/b/a Lake Park Dialysis.

The change in ownership is expected to take place within one month of permit issuance. Certification is expected within two (2) months of acquisition but no later than December 31, 2010. The project completion date is June 30, 2011.

The estimated total project cost is $3,784,934, including the fair market value (FMV) of leased space which is $1,047,008 based on $129.50 per gross square foot (gsf) for 8,085 gsf (see Attachment 7B for the FMV of the space to be leased.)

Project costs will be funded entirely from cash and securities by DaVita Inc. DaVita Inc. will also fund the all working capital estimated to be four months' operating expenses and the initial operating deficit.

The project is Non-Substantive per Section 1110.40(b) as the project is solely for a "Change of Ownership." The project is considered a Class B project due to its project cost.

ATTACHMENT 6

OTHER PROJECT COSTS
University of Chicago – Lake Park

Area	Amount	Basis for Estimate
PREPLANNING		
CON Fee	$8,400	Regulation
CONSULTING & OTHER FEES		
CON Consulting	$22,500	Agreement
Legal	$30,000	DaVita Estimate
	$52,500	
FAIR MARKET VALUE OF LEASED SPACE	FMV $1,047,008	Buyer's Opinion of Value (BOV) See Attachment 7B
ACQUISITION OF ASSETS	$2,677,026 *	Letter of Intent to Purchase See Attachment 7C
TOTAL PROJECT COST	$3,784,934	

* The proposed Purchase Agreement between TRC and UCMC includes the sale and purchase of all of UCMC's chronic dialysis assets, and includes the following three outpatient hemodialysis facilities as well as its Home Dialysis Program:

University of Chicago – Woodlawn, 1164 E. 55th Street in Chicago (60615)
University of Chicago – Lake Park, 1531 Hyde Park Blvd. in Chicago (60615)
University of Chicago – Stony Island, 8721 S. Stony Island in Chicago (60617)
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University of Chicago – Home Programs	$8,944,105
Total	$27,800,000

DaVita.

USI Real Estate Brokerage Services, Inc.
Broker Opinion of Value
March 8, 2010

GOAL: Determine fair market sale price for similar type properties in the Chicago market

SUBJECT PROPERTY: 8721 S. Stony Island Chicago, IL 60617
1531 Hyde Park Blvd. Chicago, IL 60617
1164 E. 55th Street Chicago, IL 60615

CURRENT COMPS: See following page

MARKET RANGE: We found several medical buildings in the Chicago market that have recently sold and the buildings are trading between $115 - $144.00 per square foot. We are not seeing appreciation currently but do see some declining prices for medical buildings. True prices depend on building conditions and leasing rates which were not available for this report. The selling prices go down as the size goes up. The closer we got to University of Chicago Hospital the tighter the supply. There are some medical buildings for sale in the 60617 area but nothing that we found that closed except for new construction. We compared buildings which were all medical only.

CONCLUSION: Based on a comparison of the characteristics (as described above) of the Subject Property to the Comparable Properties, the **Fair Market Sales Range** for 8721 S. Stony Island Chicago, IL 60617,1531 Hyde Park Blvd. Chicago, IL 60617 and 1164 E. 55th Street Chicago, IL 60615 is between $115.00 and $144.00 PSF.

PREPARED BY: McLennan Commercial John Steffens

(This information is believed to be accurate, this is an opinion based on our research we are

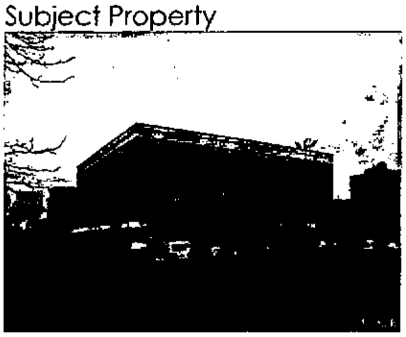
DaVita.

Subject Property

8721 S. Stony Island Chicago, IL 60617

Building Class / Type:	C
Total Building Size:	22,586 SF
Year Built:	1973
DaVita Space:	9,336 SF

Subject Property



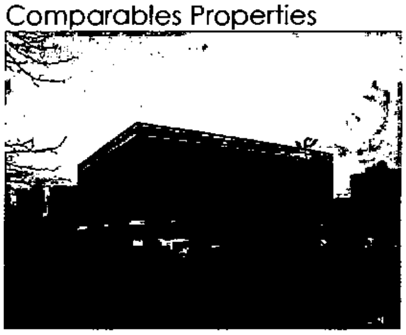
1531 Hyde Park Blvd. Chicago, IL 60617

Building Class / Type:	B
Total Building Size:	66,000 SF
Year Built:	1969
DaVita Space:	8,085 SF

1164 E. 55th Street Chicago, IL 60615

Building Class / Type:	C
Total Building Size:	11,000 est.
Year Built:	1973 est.
DaVita Space:	8,110 SF

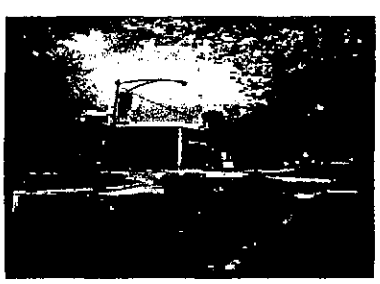
Comparables Properties



1531 Hyde Park Blvd. Chicago, IL 60617

Building Class / Type: B
Total Building Size: 144,000 SF
Year Built: 1973

Sold 09/26/2005 for $5,250,000 or $136.21 PSF



3410 W. Van Buren St. Bethany Professional Building
Building type: B single story medical
Building Size: 23,500
Year Built: 2002
Sold 12/22/2009 for $3,400,000 $144.68 PSF

(This information is believed to be accurate, this is an opinion based on our research we are

DaVita.

2450 N. Central Ave Chicago, IL 60608

Building Class/Type: B Healthcare
Total Building Size: 65,008 SF
Year Built: 1970 est.
Sold on 09/24/2009 for 7,491,500 $115.24 PSF

Market Summary
The fair market selling price for buildings is $115 - $144.00 PSF.

(This information is believed to be accurate, this is an opinion based on our research we are

DaVita.

March 9, 2010

Ms. Carolyn S. Wilson
Chief Operating Officer & Associate Dean
The University of Chicago Medical Center
5841 S. Maryland Avenue
Chicago, IL 60637

Re: Full (100%) Asset Acquisition of Dialysis Centers and Programs from The University of Chicago Medical Center

Dear Ms. Wilson:

This letter of intent will serve to express our mutual understandings with respect to a proposed transaction pursuant to which DaVita Inc. or one of its subsidiaries ("**DaVita**") will acquire from The University of Chicago Medical Center ("**Hospital**"), substantially all of the assets (the "**Assets**") of Hospital's renal dialysis centers, including a home hemodialysis program, listed on **Exhibit A** attached hereto (each, a "**Center**" and, collectively, the "**Centers**").

The intention to consummate the transaction described herein (the "**Transaction**") is subject to the following terms and conditions:

1. **Purchase Price**. Subject to further due diligence, the purchase price for the Assets shall be Twenty Seven Million Eight Hundred Thousand Dollars ($27,800,000) (the "**Purchase Price**"), which shall be payable in cash at the closing of the Transaction (the "**Closing**"). Notwithstanding the foregoing, but subject to DaVita's acceptance of the relevant Medicare provider number and agreement, five percent (5%) of the Purchase Price shall be placed in an escrow account by DaVita pending final settlement and adjudication of all open and unsettled Medicare cost reports and/or credit balance reports relating to the Centers for the period prior to the Closing (the "**Holdback**"). Subject to DaVita's final due diligence review, the Holdback will be released to Hospital on the following schedule: Five Hundred Thousand Dollars ($500,000) on the first anniversary of the Closing; Five Hundred Thousand Dollars ($500,000) on the second anniversary of the Closing; and the remainder upon final settlement and adjudication of all open and unsettled Medicare cost reports and/or credit balance reports relating to the Centers for the period prior to the Closing.

2. **Assets**. The Assets to be acquired by DaVita at the Closing will include all of the tangible and intangible assets which comprise or are used or are held for use in connection with the operation of the business at the Centers (the "**Dialysis Business**"), including, without limitation, all real property leasehold rights, improvements, furniture, fixtures, equipment, supplies, the "Inventory Amount" (as defined in Paragraph 10(g)

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below), claims and rights under contracts and leases to be assigned to DaVita as set forth below, patient lists, copies of patient files and records, telephone numbers during a transition period, trade secrets, other proprietary rights or intellectual property, goodwill, Medicare and Medicaid provider numbers and agreements (unless DaVita shall elect, within ninety (90) days after the date of this letter of intent, but in its sole discretion, not to accept them), and, to the extent permitted by law, all permits, licenses and other rights held by Hospital with respect to the ownership or operation of any or all of the Dialysis Business, and all of Hospital's books and records to the extent relating to the foregoing, in each case, regardless of whether they are on Hospital's or a related party's books (collectively, the "**Assets**"). Notwithstanding the foregoing, "Assets" shall not include any rights or property (real, personal or intellectual) related to or arising from clinical research activities other than clinical research information contained in patient files and records. All of the Assets shall be transferred to DaVita free and clear of all liens, claims and encumbrances. The parties acknowledge that the peritoneal dialysis cyclers currently used by patients in Hospital's home dialysis program are leased from a third party. At or prior to the Closing, Hospital shall, in consultation with DaVita, either obtain any necessary consents for the assignment to DaVita of such leased equipment or terminate such leases. Notwithstanding the foregoing, the Assets will not include cash, accounts receivable, contracts and leases that are not to be assigned to DaVita as set forth below, and inventory and supplies disposed of from the date hereof until Closing in the ordinary course of business consistent with past practice.

3. **Liabilities.** Except for obligations arising on or after the Closing Date under contracts assigned to DaVita, DaVita will not assume any of Hospital's Liabilities (as defined below), including, without limitation, any Liabilities arising out of the operation of the Dialysis Business (or any part thereof) or the ownership or use of any of the Assets prior to the Closing Date. "**Liabilities**" means any and all claims, lawsuits, liabilities, obligations and debts of any kind or nature whatsoever, including without limitation, **(a)** all malpractice, tort or breach of contract claims asserted by any patients, former patients, employees or any other parties that are based on acts or omissions or events occurring before the Closing Date; **(b)** any amounts (including, if applicable, any penalties or interest) due or that may become due to Medicare or Medicaid or Blue Cross/Blue Shield or any other health care reimbursement or payment intermediary or other person or entity on account of any overpayment or duplicate payment or otherwise attributable to any period prior to the Closing Date (**"Reimbursement Liabilities"**); **(c)** any obligations or liabilities attributable to any period prior to the Closing that arises out of any contract or lease, whether or not such contract or lease is properly or duly assigned to DaVita; and **(d)** all accounts payable and/or debts of Hospital.

4. **Purchase Agreement**. DaVita and Hospital shall execute an asset purchase agreement for the Transaction (the "**Purchase Agreement**"), which shall provide for the purchase and sale of the Assets and assumption of the Liabilities as specified in Paragraphs 2 and 3, above, and contain such representations, warranties and other terms as are customary for a transaction of this nature.

5. **Employees**. On or before the Closing, DaVita shall offer to hire, on such terms and conditions as DaVita generally offers to its employees, substantially all of Hospital's employees (other than physicians) who are employed principally in the Dialysis Business as of the Closing (the "**Dialysis Employees**"); provided, however, DaVita may elect not to offer employment to Dialysis Employees who do not have the unrestricted ability to provide federally reimbursed services, who do not release their personnel files to DaVita prior to Closing or who do not pass a pre-employment drug test, background check and physical exam. At Closing, if permitted by applicable law, DaVita will assume up to eighty (80) hours of vacation and other payable time off ("**PTO**") accrued as of the Closing Date by each Dialysis Employee who accepts employment with DaVita, and Hospital shall pay to DaVita an amount equal to such accrued PTO or, alternatively, shall apply a credit to DaVita against the Purchase Price hereunder. Hospital will be responsible for paying any accrued PTO in excess of eighty (80) hours to each Dialysis Employee in the next Hospital disbursed payroll at or following the Closing. If applicable law does not permit the transfer of any of the Dialysis Employees' PTO, Hospital will be responsible for paying all accrued PTO to each Dialysis Employee in the next Hospital disbursed payroll at or following the Closing. If DaVita is unable to process the transition of the Dialysis Employees who accept the offers from DaVita to DaVita's payroll and benefit plans by the Closing, then Hospital will maintain such Dialysis Employees on its payroll and in its benefit plans until such transition is completed, in each case, solely at the cost and expense of DaVita.

6. **Non-Competition and Non-Solicitation Covenant**.

(a) As used in this letter of intent, the following words and terms shall have the following respective meanings:

(i) "**Competitor**" means any person, clinic, corporation, partnership, management services organization, proprietorship, independent practice association, firm, entity or association which engages in or derives a substantial economic benefit from, or is preparing to engage in or derive a substantial economic benefit from, the business of providing or offering, arranging or subcontracting Dialysis Services, other than DaVita or an affiliate thereof. For purposes of this letter of intent, a "substantial economic benefit" shall mean that a party earns or will earn ten percent (10%) or more of its revenues from Dialysis Services.

(ii) "**Dialysis Services**" means all dialysis and renal care services and related services, including but not limited to hemodialysis, peritoneal dialysis of any type, staff assisted hemodialysis, the provision of home dialysis services and supplies and the administration of dialysis-related pharmaceuticals (including, without limitation, EPO, Aranesp, iron supplements, vitamin D supplements, or other products related to the treatment of anemia and secondary hyperparathyroidism) to end stage renal disease ("**ESRD**") patients, except as provided on an inpatient or emergency basis. Notwithstanding the foregoing, Dialysis Services shall not include aphaeresis services, acute dialysis services (including dialysis related laboratory and pharmacy services), vascular access services, and clinical research.

(iii) **"Restricted Area"** means the area within a fifteen (15) mile radius of each Center's location as of the Closing Date and its location at any time during the Restricted Period.

(iv) **"Restricted Period"** means a period of ten (10) years following the Closing Date.

(b) Pursuant to the Purchase Agreement, Hospital, on behalf of itself and its affiliates, shall agree not to **(i)** own any interest in a Competitor, **(ii)** lease, operate or manage a Competitor, **(iii)** extend credit to the business of any Competitor, or **(iv)** otherwise participate as a medical director or employee of, or contractor or consultant for, a Competitor within the Restricted Area during the Restricted Period. Nothing in the foregoing shall prohibit the Hospital from **(A)** engaging in any activity related to clinical research or **(B)** contracting or otherwise doing business with Competitors for goods and services other than Dialysis Services. Hospital, on behalf of itself and its affiliates, shall further agree that, during the Restricted Period, they will not, directly or indirectly, take any action to knowingly induce any patient, customer, employee or vendor of any Center (either individually or in the aggregate) to discontinue his, her or its affiliation with such Center; provided that the foregoing is not intended to **(x)** prohibit any physician employed by Hospital from engaging in the professional practice of nephrology or exercising such person's independent medical judgment, without consideration for any pecuniary interests of said physician, nor to require the referral of any patients for any dialysis service provided by, or to any dialysis center owned by, DaVita or any of DaVita's affiliates or **(y)** prohibit the Hospital from engaging in any general business development and marketing activities, so long as such activities do not involve the development or marketing of Dialysis Services. Ten percent (10%) of the Purchase Price will be allocated to the covenant not to compete for federal tax planning purposes only.

7. <u>Medical Director Agreement</u>.

(a) At the Closing, DaVita will enter into one or more mutually acceptable ten (10) year agreements (each, a **"Medical Director Agreement"**) with University of Chicago Physicians Group (the **"Medical Practice"**). Under each Medical Director Agreement, Medical Practice shall appoint as the medical director of each Center a physician who is duly qualified and licensed to practice medicine in the state in which the Center is located; is board certified in one or more of nephrology, pediatrics or internal medicine; has completed a board-approved training program in nephrology; specializes in the treatment of individuals with ESRD; has at least twelve (12) consecutive months of experience or training in the care of patients at ESRD facilities immediately preceding the commencement date of the Medical Director Agreement; and is experienced in the medical administration of ESRD facilities (collectively, the **"Medical Directors"**). The Medical Directors shall agree to provide oversight and responsibility for all medical and patient care aspects of the Centers to which they are assigned. The compensation payable to the Medical Practice shall be determined prior to the Closing Date and such amount shall be the fair market value of such services, consistent with DaVita's policies and procedures for medical director compensation.

(b) Medical Practice, each Medical Director, and each physician of the Medical Practice who is or who becomes an attending physician to patients at a Center on a regular basis (excluding those physicians who are providing services to patients in the absence of the regular attending physician) or who serves as a covering Medical Director at a Center on a regular basis (such physicians and covering Medical Directors collectively are referred to as "**Covered Employees**") shall agree not to, during the time periods specified in the sentence immediately following this sentence, **(i)** directly or indirectly **(A)** own any interest in a Competitor, **(B)** operate or manage a Competitor, **(C)** extend credit to a Competitor, or **(D)** otherwise participate as a medical director or employee of, or contractor or consultant for, a Competitor, and **(ii)** take any action to knowingly solicit, divert, or interfere with any relationship that DaVita has with any physicians, employees, patients, customers or vendors of the Centers. With respect to the immediately preceding sentence, the restrictions shall apply to **(x)** Medical Practice for the term of each Medical Director Agreement and for a period of two (2) years following the expiration or termination thereof, and **(y)** each Medical Director and each Covered Employee for so long as such person is providing services under a Medical Director Agreement or is attending patients at a Center on a regular and for a period of two (2) years thereafter. Each Covered Employee shall agree to be individually bound by the terms described above by signing an appropriate joinder to the applicable Medical Director Agreement. Nothing in the foregoing shall prohibit the Medical Practice, any Medical Director, or any other physician from **(1)** engaging in any activity related to clinical research or **(2)** contracting or otherwise doing business with Competitors for goods and services other than Dialysis Services. As used in the Medical Director Agreement with respect to a Covered Employee, "regular basis" shall be defined by the parties prior to the Closing Date.

8. **<u>Leases</u>**. With respect to each Center, DaVita will enter into a new lease with Hospital (or other affiliate of Hospital that owns the property), as landlord, or shall accept an assignment of existing lease for each such Center (collectively, the "**Leases**") on terms that are mutually acceptable to DaVita and each such landlord. The parties acknowledge that the rental amount under each Lease must reflect fair market value and will be supported by a broker's opinion of value. The parties further acknowledge that the leases will expire, and DaVita will have to relocate, the Woodlawn Center and the Lake Park Center within approximately two (2) years of the Closing Date.

9. **<u>Closing</u>**. Subject to the satisfaction of the Closing conditions, including without limitation issuance of a CON for the transfer of the Centers to DaVita, the Closing shall take place at 12:01 a.m. on August 1, 2010, or, if possible, at 12:01 a.m. on July 1, 2010 (the "**Closing Date**").

10. **<u>Conditions to Closing</u>**. The parties' obligations to close the Transaction shall be subject to the satisfaction of the following conditions:

(a) **<u>Due Diligence</u>**. DaVita shall have completed to its satisfaction its due diligence review of the Dialysis Business, including, without limitation, the assets and liabilities relating thereto, and Hospital shall have furnished to DaVita and its representatives such information and access to such books and records and personnel as DaVita may reasonably request for such purpose, including, without limitation, with respect to financial matters, litigation and loss contingencies, employee matters, tax and ERISA matters, vendors and patient information, legal and healthcare regulatory compliance, licenses, insurance, contracts, and other matters as DaVita may reasonably request.

(b) Documentation. The negotiation, execution, and delivery of the Purchase Agreement, Medical Director Agreements, Leases, and related documents, in each case setting forth the terms and conditions of the Transaction and containing such customary provisions, representations, warranties, covenants, and indemnifications, and providing for the receipt by the parties of such ancillary documents, as shall be reasonably acceptable to the parties and their respective counsel.

(c) Contracts. Prior to the Closing Date, Hospital shall provide DaVita with copies of all contracts and leases relating to the Dialysis Business, including, without limitation, employment agreements, and vendor agreements. Within ninety (90) days after the signing of this letter of intent, but in no event less than thirty (30) days following the provision by Hospital of all contracts and leases, DaVita shall designate which of the listed contracts and leases DaVita shall assume at the Closing. Hospital shall be responsible for obtaining any necessary consents for the assignment to DaVita at the Closing of such designated contracts and leases that are material, as determined in DaVita's reasonable discretion, to the Dialysis Business.

(d) Regulatory Matters. DaVita shall have received and reviewed to its satisfaction copies of all licenses, permits, and other regulatory materials and approval requirements pertaining to the Dialysis Business. Hospital shall be in material compliance with all standards of licensure and other applicable legal requirements, including, without limitation, all building, zoning, occupational safety and health, environmental, and health care laws, ordinances, and regulations relating to the Dialysis Business and its assets, its personnel and its operations. In addition, DaVita shall have been issued all necessary licenses, permits and approvals, including without limitation the CONs, for DaVita's operation of the Dialysis Business after the change of control contemplated hereunder. Furthermore, the transfer of the Assets and all capital contributions shall be in compliance with all applicable federal and state laws.

(e) Board and Lender Approvals. DaVita shall have received prior to the Closing Date all necessary board of director approvals.

(f) Personnel. Each Dialysis Employee shall have all licenses and permits required to carry out his or her obligations and none of them shall be on the OIG List of Excluded Individuals/Entities.

(g) Inventory. The Assets shall include that quantity of useable inventories and supplies, including, without limitation, EPO and other drugs and supplies used for dialysis treatments, as shall be sufficient to operate the Center for a period of at least eighteen (18) days in a manner consistent with prior practice (the "**Inventory Amount**"). The Purchase Price shall be decreased or increased (on a pro rata, dollar-for-dollar basis) to the extent the value of the inventory on site at Closing is less or more than the Inventory Amount, subject to an agreed upon cap.

(h) **Material Adverse Change.** There shall not have been any material adverse change in the condition (financial or otherwise) of the assets, properties or operations of the Dialysis Business or the Assets.

11. **Indemnification.** The Purchase Agreement will provide that Hospital will indemnify and hold harmless DaVita with respect to all losses arising out of any breach of any representation, warranty or covenant of Hospital made pursuant to the Purchase Agreement, or arising out of any Liabilities, including without limitation, Reimbursement Liabilities. The Purchase Agreement will also provide that DaVita will indemnify and hold harmless Hospital with respect to all losses arising out of any breach of any representation, warranty or covenant of DaVita made pursuant to the Purchase Agreement. The survival period for each party's representations and warranties and any caps and baskets applicable to each party's indemnification obligations will be determined and mutually agreed upon following the completion of DaVita's due diligence review of the Dialysis Business.

12. **Maintenance of Business.** Between the date of this letter and the Closing Date or the termination of the exclusivity period referred to in Paragraph 16 below, whichever occurs first, Hospital **(a)** shall continue to operate the Dialysis Business and maintain the Assets in the usual and customary manner consistent with past operations, **(b)** shall use its reasonable efforts to preserve the business operations of the Dialysis Business intact, to keep available the services of its current personnel, and to preserve the good will and relationships of its suppliers, patients and others having business relations with the Dialysis Business, **(c)** shall notify DaVita in writing of any event involving the Dialysis Business or Assets that has had or may be reasonably expected to have a material adverse effect on the business or financial condition of the Dialysis Business or the Assets, and **(d)** shall not sell, encumber, or otherwise dispose of any assets, without DaVita's consent, except in the ordinary course of business consistent with past practice.

13. **Transition Period.** From the date hereof through the Closing Date and thereafter for a reasonable period of time, the parties will work cooperatively with each other to develop specific transition and integration plans to assure continued quality of care and operating effectiveness following the Closing, including but not limited to a plan to ensure that DaVita does not experience an interruption in reimbursement from Medicare after the Closing Date.

14. **Public Announcements.** Subject to requirements of law, any news releases or other announcements prior to the Closing by DaVita, Hospital, or any of their respective affiliates or agents pertaining to this letter or the Transaction contemplated herein shall be approved in writing by all parties prior to release. DaVita and Hospital agree that, prior to the Closing, they shall keep the existence of this letter and its contents confidential, except as may be necessary to comply with applicable law.

15. **Confidentiality**. DaVita and Hospital hereby reaffirm their respective obligations under that certain Confidentiality Agreement, dated as of April 9, 2009, which agreement remains in full force and effect.

16. **Exclusivity**. Until August 1, 2010 (or such earlier date **(a)** on which DaVita provides written notice to Hospital that it has ended its active efforts to consummate the Transaction contemplated herein or **(b)** that constitutes the Closing Date), neither Hospital nor any of its affiliates or agents or representatives, shall, directly or indirectly, enter into any agreement, commitment or understanding with respect to, or engage in any discussions or negotiations with, or encourage or respond to any solicitations from, any other party with respect to the direct or indirect (including, without limitation by way of stock sale, merger, consolidation or otherwise) sale, lease or management of the Dialysis Business or any material portion of the Assets. Hospital shall promptly advise DaVita of any unsolicited offer or inquiry received by it or any of its affiliates, agents or representatives, including the terms thereof.

17. **Procedure**. As soon as possible after execution and delivery of this letter, the parties will cooperate in the negotiation and preparation of the Purchase Agreement and other necessary documentation and will use all reasonable efforts to satisfy the conditions set forth in Paragraph 10 which are in their respective control.

18. **Expenses**. Each party shall bear its own expenses arising out of this letter and the Transaction, with no liability for such expenses to the other party, whether or not the Transaction or any part thereof shall close.

19. **Non-Binding Effect**. It is understood that this letter merely constitutes a statement of the mutual intentions of the parties with respect to the proposed Transaction, does not contain all matters upon which agreement must be reached in order for the proposed Transaction to be consummated and, except in respect of Paragraphs 12, 14, 15, 16 and 18, above, and this Paragraph 19, creates no binding rights in favor of any party. A binding commitment with respect to the Transaction will result only if definitive agreements are executed and delivered, and then, only subject to the terms and conditions contained therein. This letter may be executed in counterparts, each of which shall be deemed to be an original, and all of which, when taken together, shall constitute one and the same letter of intent. Signatures sent by facsimile transmission shall be deemed to be original signatures.

[SIGNATURES ON NEXT PAGE]

This letter will be void and the terms contained herein revoked unless accepted and returned by 5:00 p.m. (Pacific Standard Time) on March 12, 2010. If the foregoing is acceptable to you, please so indicate by signing a copy of this letter and returning it to the undersigned.

Very truly yours,

DAVITA INC.

By: Giles Caver
Giles Caver
Director, Corporate Development

ACCEPTED AND AGREED TO:

The University of Chicago Medical Center

By: ____________________
Name: ____________________
Title: ____________________

This letter will be void and the terms contained herein revoked unless accepted and returned by 5:00 p.m. (Pacific Standard Time) on March 12, 2010. If the foregoing is acceptable to you, please so indicate by signing a copy of this letter and returning it to the undersigned.

Very truly yours,

DAVITA INC.

By: ____________________
Giles Caver
Director, Corporate Development

ACCEPTED AND AGREED TO:

The University of Chicago Medical Center

By: Carolyn Wilson
Name: Carolyn Wilson
Title: COO / Associate Dean 3/12/10

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EXHIBIT A

CENTERS

Stony Island
8725 S. Stony Island
Chicago, IL 60617

Woodlawn
1164 E 55th Street
Chicago, IL 60615

Lake Park
1531 Hyde Park Boulevard
Chicago, IL 60615

Home
5841 S. Maryland Avenue
Chicago, IL 60637

DaVita Inc. Fire Region – Chicago Metropolitan Area
Compliance Checklist
1st Quarter 2010

CON PROJECT	PERMIT/ DATE	PERMIT AMOUNT	DATES: OBLIGATION	DATES: ANNUAL PROG. REPORTS	PROJECT COMPLETION
TRC Inc. d/b/a Big Oaks Dialysis	#08-066 11/5/08	$2,812,212	Upon Permit Issuance	Sent 11/10/09 and in compliance	1/15/2011
RLL Inc. d/b/a Beverly Dialysis	#08-067 11/5/08	$2,738,465	Upon Permit Issuance	Sent 11/10/09 and in compliance	1/15/2011
TRC Inc. d/b/a West Lawn Dialysis	#08-100 3/10/09	$1,888,441	Obligated 5/29/09 State rec'd 6/23/09	Sent March 31, 2010 Due Feb. 10 – April 10	12/31/10
TRC Inc. d/b/a Barrington Creek	#09-036 1/12/10	$2,472,632	By July 12, 2011	Dec. 12- February 12	6/30/11
TRC Inc. d/b/a Palos Park Dialysis	#09-055 1/12/10	$2,657,248	By July 12, 2011	Dec. 12- February 12	8/31/11

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Big Oaks Dialysis: The project is under budget. Final realized project costs to be assembled before the end of the 2nd Quarter 2010. First patient was treated. However, facility is still awaiting certification. Follow-up on certification will be bi-weekly.

Beverly Dialysis: The project is under budget. Final realized project costs to be assembled before the end of the 2nd Quarter 2010. First patient was treated in mid-December 2009. However, facility is still awaiting certification. Follow-up on certification will be bi-weekly.

West Lawn Dialysis: The project is under budget. Final realized project costs to be assembled before the end of the 2nd Quarter 2010. First patient was treated on March 8, 2010. Facility is awaiting certification. Follow-up on certification will be bi-weekly.

Barrington Creek: The Medical Director Agreement is under negotiation.

Palos Park: The lease is under negotiation.

CON Project	Permit Date	Permit Amt.	Obligation	Annual Progress Reports	Project Completion
Fairfield Dialysis 07-075	7/24/08				Complete. Final report submitted and approved.
Vandalia Dialysis 07-098	10/22/07	1,508.262	10/22/07	11/22/08	Complete. Final report submitted and approved.
Rockford Dialysis 07-115	10/22/08	$3,106,926	10/22/07	11/22/08	Complete. Final report submitted and approved.
Robinson Dialysis 07-154	5/20/08	$1,694,954	5/09	5/09	Clinic opened 2/10. Pending CMS approval. CON permit extension granted 11/09.
Edwardsville Dialysis 07-099	7/1/08	$1,591,648	obligated	Due 7/09	Complete. Final report submitted and approved.
Benton Dialysis E-002-08					Complete. Final report submitted and approved.
Marion Dialysis E-016-07					Complete. Final report submitted and approved.
Whiteside Dialysis E-008-08					Complete. Final report submitted and approved.
Freeport Dialysis					Approved. Construction pending.
Blessing Dialysis of Quincy 09-022	9/1/09	$6,269,502			Deal closed. 10/1/09. Final Report pending.
Blessing Dialysis Center of Pittsfield 09-023	9/1/09	$917,212			Deal closed. 10/1/09. Final Report pending.
JCH Dialysis Center 09-024	9/1/09	$1,318,634			Close of deal pending

Cost/Space Requirements **Lake Park Dialysis Change of Ownership CON**

		Gross Square Feet		Amount of Proposed Total GSF That Is:			
Department/Area	**Cost**	**Existing**	**Proposed**	**New Const.**	**Remodeled**	**As Is**	**Vacated Space**
ESRD	**$3,784,934***	**8,085**				**8,085**	**0**

*** The estimated total project cost includes the fair market value (FMV) of the leased space estimated at $129.50/gsf, $1,047,008 for 8,085 rentable gross square feet (gsf.)**

ATTACHMENT 8

BACKGROUND OF APPLICANT

1 & 2. DaVita Inc. and its wholly-owner operating entity, Total Renal Care Inc., are fit, willing and able and have the qualifications background and character to adequately provide a proper standard of care.

Please refer to CON applications ##10-009 and 10-010 for Attachment 10(1), the names/addresses and other information on facilities owned or operated by DaVita Inc. through its operating entities. The list includes the Medicare and Medicaid provider numbers for each of these facilities. See Attachment 10(2) for information on Illinois facilities.

3. No adverse action has been taken against DaVita or Total Renal Care within three years preceding the filing of this Certificate of Need. Refer to Attachment 10(3.)

4. Attachment 10(3) also authorizes the State Board and its Agencies access to information in order to verify any documentation or information necessary and pertinent to this subsection.

BACKGROUND OF APPLICANT

Please refer to CON applications ##10-009 and 10-010 for Attachment 10(1), the names/addresses and other information on facilities owned or operated by DaVita Inc. through its operating entities. The list includes the Medicare and Medicaid provider numbers for each of these facilities. See Attachment 10(2) for information on Illinois facilities.

Total Renal Care, Inc.
D/B/A **Nampa Dialysis Center**
346 PARKCENTRE WAY,
NAMPA, ID 83651-1790
Phone: 208-467-5180
Medicare Certification Number: 13-2501
NPI Number: 1225089915
Primary Medicaid Number: 807605500
Ownership Type: Wholly Owned
Tax ID Number: 95-3372911

Total Renal Care, Inc.
D/B/A **Table Rock Dialysis Center**
5610 WEST GAGE ST,STE B
BOISE, ID 83706-1332
Phone: 208-658-8111
Medicare Certification Number: 13-2502
NPI Number: 1871545418
Primary Medicaid Number: 807605600
Ownership Type: Wholly Owned
Tax ID Number: 95-3372911

Total Renal Care, Inc.
D/B/A **Burley Dialysis Center**
741 N OVERLAND AVE,
BURLEY, ID 83318-3440
Phone: 208-677-5483
Medicare Certification Number: 13-2503
NPI Number: 1326099011
Primary Medicaid Number: 807605700
Ownership Type: Wholly Owned
Tax ID Number: 95-3372911

Total Renal Care, Inc.
D/B/A **Twin Falls Dialysis Center**
1840 CANYON CREST,
TWIN FALLS, ID 83301-3007
Phone: 208-737-0001
Medicare Certification Number: 13-2505
NPI Number: 1932150653
Primary Medicaid Number: 807605800
Ownership Type: Wholly Owned
Tax ID Number: 95-3372911

Total Renal Care, Inc.
D/B/A **Gate City Dialysis Center**
2001 BENCH ROAD,
POCATELLO, ID 83201-2033
Phone: 208-637-1090
Medicare Certification Number: 13-2506
NPI Number: 1497707020
Primary Medicaid Number: 807605900
Ownership Type: Wholly Owned
Tax ID Number: 95-3372911

Total Renal Care, Inc.
D/B/A **Treasure Valley Dialysis Center**
3525 E LOUISE ST,SUITE 155
MERIDIAN, ID 83642-6303
Phone: 208-639-3000
Medicare Certification Number: 13-2513
NPI Number: 1720032535
Primary Medicaid Number: 807612400
Ownership Type: Wholly Owned
Tax ID Number: 95-3372911

Total Clinics by State ID	6

Renal Life Link, Inc.
D/B/A **Metro East Dialysis**
5105 WEST MAIN STREET,
BELLEVILLE, IL 62226-4728
Phone: 618-233-9018
Medicare Certification Number: 14-2527
NPI Number: 1588633812
Primary Medicaid Number: 201649898002
Ownership Type: Wholly Owned
Tax ID Number: 20-1649898

Lincoln Park Dialysis Services, Inc.
D/B/A **Lincoln Park Dialysis fka Lincoln Park Nephrology**
3157 N LINCOLN AVE,
CHICAGO, IL 60657-3111
Phone: 773-348-0101
Medicare Certification Number: 14-2528
NPI Number: 1659330694
Primary Medicaid Number: 363191860 002
Ownership Type: Wholly Owned
Tax ID Number: 36-3191860

Total Renal Care, Inc.
D/B/A **Emerald Dialysis (fka Hyde Park Kidney Center)**
710 W 43RD ST,
CHICAGO, IL 60609-3435
Phone: 773-843-5668
Medicare Certification Number: 14-2529
NPI Number: 1578522215
Primary Medicaid Number: 953372911-006
Ownership Type: Wholly Owned
Tax ID Number: 95-3372911

Total Renal Care, Inc.
D/B/A **Logan Square Dialysis Services**
2659 N MILWAUKEE AVE,1ST FL
CHICAGO, IL 60647-1643
Phone: 773-276-3699
Medicare Certification Number: 14-2534
NPI Number: 1578522579
Primary Medicaid Number: 953372911 005
Ownership Type: Wholly Owned
Tax ID Number: 95-3372911

Renal Treatment Centers-Illinois, Inc.
D/B/A **Granite City Dialysis Center**
9 AMERICAN VILLAGE,
GRANITE CITY, IL 62040-3706
Phone: 618-452-5858
Medicare Certification Number: 14-2537
NPI Number: 1952360703
Primary Medicaid Number: 232798598001
Ownership Type: Wholly Owned
Tax ID Number: 23-2798598

Renal Life Link, Inc.
D/B/A **Mount Vernon Dialysis**
1800 JEFFERSON AVE,
MOUNT VERNON, IL 62864-4300
Phone: 618-244-4852
Medicare Certification Number: 14-2541
NPI Number: 1326072638
Primary Medicaid Number: 201649898007
Ownership Type: Wholly Owned
Tax ID Number: 20-1649898

Total Renal Care, Inc.
D/B/A **Olympia Fields Dialysis**
4557B LINCOLN HWY,STE B
MATTESON, IL 60443-2318
Phone: 708-503-1112
Medicare Certification Number: 14-2548
NPI Number: 1114986155
Primary Medicaid Number: 953372911007
Ownership Type: Wholly Owned
Tax ID Number: 95-3372911

Total Renal Care, Inc.
D/B/A **Lake County Dialysis**
918 S MILWAUKEE AVE,
LIBERTYVILLE, IL 60048-3229
Phone: 847-918-7010
Medicare Certification Number: 14-2552
NPI Number: 1265401475
Primary Medicaid Number: 953372911004
Ownership Type: Wholly Owned
Tax ID Number: 95-3372911

Lincoln Park Dialysis Services, Inc.
D/B/A **Skyline Home Dialysis**
7009 W BELMONT AVE,
CHICAGO, IL 60634-4533
Phone: 773-637-7303
Medicare Certification Number: 14-2560
NPI Number: 1306805551
Primary Medicaid Number: 363191860 004
Ownership Type: Wholly Owned
Tax ID Number: 36-3191860

Renal Treatment Centers-Illinois, Inc.
D/B/A **Sauget Dialysis (fka East St. Louis Dialysis Center)**
2061 GOOSE LAKE RD,
SAUGET, IL 62206
Phone: 618 332-7801
Medicare Certification Number: 14-2561
NPI Number: 1659337418
Primary Medicaid Number: 232798598 002
Ownership Type: Wholly Owned
Tax ID Number: 23-2798598

Renal Life Link, Inc.
D/B/A **Marion Dialysis**
324 SOUTH 4TH ST,
MARION, IL 62959-1241
Phone: 618-997-8410
Medicare Certification Number: 14-2570
NPI Number: 1932118403
Primary Medicaid Number: 201649898-006
Ownership Type: Wholly Owned
Tax ID Number: 20-1649898

DVA Renal Healthcare, Inc.
D/B/A **Effingham Dialysis**
904 MEDICAL PARK DR,STE 1
EFFINGHAM, IL 62401-2193
Phone: 217-342-9558
Medicare Certification Number: 142580
NPI Number: 1245290782
Primary Medicaid Number: 621323090031
Ownership Type: Wholly Owned
Tax ID Number: 62-1323090

DVA Renal Healthcare, Inc.
D/B/A **Jacksonville Dialysis**
1515 WEST WALNUT,
JACKSONVILLE, IL 62650
Phone: 217-243-3042
Medicare Certification Number: 142581
NPI Number: 1316916513
Primary Medicaid Number: 621323090029
Ownership Type: Wholly Owned
Tax ID Number: 62-1323090

DVA Renal Healthcare, Inc.
D/B/A **Lincoln Dialysis**
2100 WEST FIFTH,
LINCOLN, IL 62656-9115
Phone: 217-732-6798
Medicare Certification Number: 14-2582
NPI Number: 1760441976
Primary Medicaid Number: 621323090034
Ownership Type: Wholly Owned
Tax ID Number: 62-1323090

DVA Renal Healthcare, Inc.
D/B/A **Litchfield Dialysis**
915 ST FRANCES WAY,
LITCHFIELD, IL 62056-1775
Phone: 217-324-2200
Medicare Certification Number: 14-2583
NPI Number: 1184683138
Primary Medicaid Number: 621323090030
Ownership Type: Wholly Owned
Tax ID Number: 62-1323090

DVA Renal Healthcare, Inc.
D/B/A **Macon County Dialysis**
1090 WEST MCKINLEY,
DECATUR, IL 62526
Phone: 217-877-9351
Medicare Certification Number: 14-2584
NPI Number: 1972562890
Primary Medicaid Number: 621323090033
Ownership Type: Wholly Owned
Tax ID Number: 62-1323090

DVA Renal Healthcare, Inc.
D/B/A **Mattoon Dialysis**
200 RICHMOND AVE EAST,
MATTOON, IL 61938-4652
Phone: 217-234-8468
Medicare Certification Number: 142585
NPI Number: 1194794487
Primary Medicaid Number: 621323090028
Ownership Type: Wholly Owned
Tax ID Number: 62-1323090

DVA Renal Healthcare, Inc.
D/B/A **Springfield Central Dialysis**
932 N RUTLEDGE ST,
SPRINGFIELD, IL 62702-3721
Phone: 217-788-3688
Medicare Certification Number: 142586
NPI Number: 1720047970
Primary Medicaid Number: 621323090002
Ownership Type: Wholly Owned
Tax ID Number: 62-1323090

DVA Renal Healthcare, Inc.
D/B/A **Taylorville Dialysis**
901 WEST SPRESSER,
TAYLORVILLE, IL 62568-1831
Phone: 217-824-5460
Medicare Certification Number: 142587
NPI Number: 1821057027
Primary Medicaid Number: 621323090032
Ownership Type: Wholly Owned
Tax ID Number: 62-1323090

DVA Renal Healthcare, Inc.
D/B/A **Springfield Montvale Dialysis**
2930 S MONTVALE DR,STE A
SPRINGFIELD, IL 62704-5376
Phone: 217-793-2781
Medicare Certification Number: 142590
NPI Number: 1518926781
Primary Medicaid Number: 621323090035
Ownership Type: Wholly Owned
Tax ID Number: 62-1323090

DVA Renal Healthcare, Inc.
D/B/A **Decatur East Wood Dialysis**
794 EAST WOOD ST,
DECATUR, IL 62523-1155
Phone: 217-425-6403
Medicare Certification Number: 142599
NPI Number: 1336100734
Primary Medicaid Number: 621323090036
Ownership Type: Wholly Owned
Tax ID Number: 62-1323090

Total Renal Care, Inc.
D/B/A **TRC Children's Dialysis Center**
2611 N HALSTED,
CHICAGO, IL 60614-2304
Phone: 773-549-2010
Medicare Certification Number: 14-2604
NPI Number: 1396704508
Primary Medicaid Number: 953372911-010
Ownership Type: Wholly Owned
Tax ID Number: 95-3372911

Renal Life Link, Inc.
D/B/A **Benton Dialysis**
1151 ROUTE 14 WEST,
BENTON, IL 62812-1500
Phone: 618-435-4850
Medicare Certification Number: 14-2608
NPI Number: 1609885185
Primary Medicaid Number: 201649898-005
Ownership Type: Wholly Owned
Tax ID Number: 20-1649898

Renal Life Link, Inc.
D/B/A **Centralia Dialysis**
1231 STATE ROUTE 161 EAST,
CENTRALIA, IL 62801-6739
Phone: 618-533-2535
Medicare Certification Number: 14-2609
NPI Number: 1467461947
Primary Medicaid Number: 201649898-004
Ownership Type: Wholly Owned
Tax ID Number: 20-1649898

DVA Renal Healthcare, Inc.
D/B/A **Alton Dialysis**
3511 COLLEGE AVE,
ALTON, IL 62002-5009
Phone: 618-465-4745
Medicare Certification Number: 14-2619
NPI Number: 1154381697
Primary Medicaid Number: 621323090016
Ownership Type: Wholly Owned
Tax ID Number: 62-1323090

DVA Renal Healthcare, Inc.
D/B/A **Rushville Dialysis**
112 SULLIVAN DRIVE,
RUSHVILLE, IL 62681-1293
Phone: 217-322-2652
Medicare Certification Number: 142620
NPI Number: 1205805488
Primary Medicaid Number: 621323090038
Ownership Type: Wholly Owned
Tax ID Number: 62-1323090

DVA Renal Healthcare, Inc.
D/B/A **Illini Renal Dialysis**
507 E UNIVERSITY AVE,
CHAMPAIGN, IL 61820-3828
Phone: 217-378-7800
Medicare Certification Number: 142633
NPI Number: 1275502437
Primary Medicaid Number: 621323090039
Ownership Type: Wholly Owned
Tax ID Number: 62-1323090

Renal Treatment Centers-Illinois, Inc.
D/B/A **Maryville Dialysis**
2130 VADALABENE DR,
MARYVILLE, IL 62062-5632
Phone: 618-288-0703
Medicare Certification Number: 14-2634
NPI Number: 1952360869
Primary Medicaid Number: 232798598-009
Ownership Type: Wholly Owned
Tax ID Number: 23-2798598

Chicago Heights Dialysis, LLC
D/B/A **Chicago Heights Dialysis**
177 W JOE ORR ROAD,STE B
CHICAGO HEIGHTS, IL 60411-1733
Phone: 708-755-9000
Medicare Certification Number: 14-2635
NPI Number: 1881654325
Primary Medicaid Number: 201252883-001
Ownership Type: Majority Partner
Tax ID Number: 20-1252883

Renal Life Link, Inc.
D/B/A **Beverly Dialysis**
9415 S WESTERN AVE,STE 105
CHICAGO, IL 60620-6232
Phone: 773-238-5200
Medicare Certification Number: 14-2638
NPI Number: 1215023338
Primary Medicaid Number: 201649898011
Ownership Type: Wholly Owned
Tax ID Number: 20-1649898

Dialysis of Northern Illinois, LLC
D/B/A **Sycamore Dialysis (aka DeKalb)**
2200 GATEWAY DRIVE,
SYCAMORE, IL 60178-3113
Phone: 815-758-0205
Medicare Certification Number: 14-2639
NPI Number: 1295794485
Primary Medicaid Number: 680555153 001
Ownership Type: Majority Partner
Tax ID Number: 68-0555153

Renal Treatment Centers-Illinois, Inc.
D/B/A **Churchview Dialysis**
5970 CHURCHVIEW DR,
ROCKFORD, IL 61107-2574
Phone: 815-637-9662
Medicare Certification Number: 14-2640
NPI Number: 1285694729
Primary Medicaid Number: 2322798598010
Ownership Type: Wholly Owned
Tax ID Number: 23-2798598

Renal Treatment Centers-Illinois, Inc.
D/B/A **Freeport Dialysis**
1028 KUNKLE BLVD,
FREEPORT, IL 61032-3801
Phone: 815-232-2477
Medicare Certification Number: 14-2642
NPI Number: 1568431864
Primary Medicaid Number: 232798598 011
Ownership Type: Wholly Owned
Tax ID Number: 23-2798598

Renal Treatment Centers-Illinois, Inc.
D/B/A **Rockford Dialysis**
2400 NORTH ROCKTON AVENUE,STE D-1
ROCKFORD, IL 61103-3655
Phone: 815-963-4840
Medicare Certification Number: 14-2647
NPI Number: 1235198235
Primary Medicaid Number: 232798598006
Ownership Type: Wholly Owned
Tax ID Number: 23-2798598

Renal Treatment Centers-Illinois, Inc.
D/B/A **Whiteside Dialysis**
2600 NORTH LOCUST,SUITE D - DIALYSIS UNIT
STERLING, IL 61081-4602
Phone: 815-626-3173
Medicare Certification Number: 14-2648
NPI Number: 1538128533
Primary Medicaid Number: 232798598 008
Ownership Type: Wholly Owned
Tax ID Number: 23-2798598

Total Renal Care, Inc.
D/B/A **Montclare Dialysis Center (aka Belmont Ave)**
7009 W BELMONT,
CHICAGO, IL 60634-4533
Phone: 773-889-6051
Medicare Certification Number: 14-2649
NPI Number: 1861461030
Primary Medicaid Number: 953372911012
Ownership Type: Wholly Owned
Tax ID Number: 95-3372911

Renal Treatment Centers-Illinois, Inc.
D/B/A **Dixon Kidney Center**
1131 NORTH GALENA AVENUE,
DIXON, IL 61021-1015
Phone: 815-284-0595
Medicare Certification Number: 14-2651
NPI Number: 1396706750
Primary Medicaid Number: 232798598012
Ownership Type: Wholly Owned
Tax ID Number: 23-2798598

Renal Treatment Centers-Illinois, Inc.
D/B/A **Mt. Greenwood Dialysis**
3401 WEST 111TH STREET,
CHICAGO, IL 60655-3329
Phone: 773-445-0558
Medicare Certification Number: 14-2660
NPI Number: 1982673166
Primary Medicaid Number: 232798598-015
Ownership Type: Wholly Owned
Tax ID Number: 23-2798598

Renal Life Link, Inc.
D/B/A **Stony Creek Dialysis**
9115 S CICERO AVE,
OAK LAWN, IL 60453-1895
Phone: 708-423-0300
Medicare Certification Number: 14-2661
NPI Number: 1295821304
Primary Medicaid Number: 201649898010
Ownership Type: Wholly Owned
Tax ID Number: 20-1649898

Dialysis of Northern Illinois, LLC
D/B/A **Roxbury Dialysis**
622 ROXBURY ROAD,
ROCKFORD, IL 61107-5089
Phone: 815-397-0713
Medicare Certification Number: 14-2665
NPI Number: 1003875402
Primary Medicaid Number: 680555153-002
Ownership Type: Majority Partner
Tax ID Number: 68-0555153

Renal Treatment Centers-Illinois, Inc.
D/B/A **Lake Villa Dialysis**
37809 N IL ROUTE 59,
LAKE VILLA, IL 60046-7332
Phone: 847-245-4872
Medicare Certification Number: 14-2666
NPI Number: 1346209590
Primary Medicaid Number: 232798598-014
Ownership Type: Wholly Owned
Tax ID Number: 23-2798598

Renal Treatment Centers-Illinois, Inc.
D/B/A **Little Village Dialysis (Chicago)**
2335 W CERMAK ROAD,
CHICAGO, IL 60608-3811
Phone: 773-523-2939
Medicare Certification Number: 14-2668
NPI Number: 1497714414
Primary Medicaid Number: 232798598-013
Ownership Type: Wholly Owned
Tax ID Number: 23-2798598

Renal Life Link, Inc.
D/B/A **Olney Dialysis Center (aka Good Samaritan Hospital)**
117 N BOONE ST,
OLNEY, IL 62450-2109
Phone: 618-393-4234
Medicare Certification Number: 14-2674
NPI Number: 1003885229
Primary Medicaid Number: 201649898-001
Ownership Type: Wholly Owned
Tax ID Number: 20-1649898

Renal Treatment Centers-Illinois, Inc.
D/B/A **Kankakee County Dialysis**
581 WILLIAM LATHAM DRIVE,STE 104
BOURBONNAIS, IL 60914-2319
Phone: 815-936-3088
Medicare Certification Number: 14-2685
NPI Number: 1073675138
Primary Medicaid Number: 232798598021
Ownership Type: Wholly Owned
Tax ID Number: 23-2798598

Renal Treatment Centers-Illinois, Inc.
D/B/A **Maryville At Home**
2136 B VADALABENE DR,
MARYVILLE, IL 62062-5632
Phone: 618-288-6208
Medicare Certification Number: 14-2686
NPI Number: 1215134259
Primary Medicaid Number:
Ownership Type: Wholly Owned
Tax ID Number: 23-2798598

Total Clinics by State IL	45

Renal Treatment Centers-Illinois, Inc.
D/B/A **Salem Dialysis Center (IN)**
1201 N JIM DAY RD,STE 103
SALEM, IN 47167-7219
Phone: 812-883-0207
Medicare Certification Number:
NPI Number: 1689709594
Primary Medicaid Number:
Ownership Type: Wholly Owned
Tax ID Number: 23-2798598

Total Renal Care, Inc.
D/B/A **Greensburg Dialysis**
1531 N Commerce Dr,Suite 6
Greensburg, IN 47240-1291
Phone: 812-662-6570
Medicare Certification Number:
NPI Number: 1447457742
Primary Medicaid Number:
Ownership Type: Wholly Owned
Tax ID Number: 95-3372911

Total Renal Care, Inc.
D/B/A **Indy South Dialysis**
972 EMERSON PKWY,STE F
GREENWOOD, IN 46143-6559
Phone: 317-881-0641
Medicare Certification Number:
NPI Number: 1013102110
Primary Medicaid Number:
Ownership Type: Wholly Owned
Tax ID Number: 95-3372911

Renal Treatment Centers-Illinois, Inc.
D/B/A **Batesville Dialysis Center aka Renal Treatment Centers -**
232 STATE ROAD 129 SOUTH,
BATESVILLE, IN 47006-7694
Phone: 812-934-5666
Medicare Certification Number: 15-2507
NPI Number: 1023071768
Primary Medicaid Number: 200024860 A
Ownership Type: Wholly Owned
Tax ID Number: 23-2798598

Lawrenceburg Dialysis, LLC
D/B/A **Lawrenceburg Dialysis Center**
555 W EADS PARKWAY,STE 200
LAWRENCEBURG, IN 47025-1157
Phone: 812-537-5750
Medicare Certification Number: 15-2511
NPI Number: 1649234196
Primary Medicaid Number: 200471780A
Ownership Type: Majority Partner
Tax ID Number: 20-0284135

Renal Treatment Centers-Illinois, Inc.
D/B/A **Madison Dialysis Center**
220 CLIFTY DR VILLIAGE SQUARE,UNIT K
MADISON, IN 47250-1669
Phone: 812-265-2278
Medicare Certification Number: 15-2514
NPI Number: 1073577532
Primary Medicaid Number: 200024860D
Ownership Type: Wholly Owned
Tax ID Number: 23-2798598

TRC-Indiana LLC.
D/B/A **CRC - Gary**
4802 BROADWAY,
GARY, IN 46408-4509
Phone: 219-887-1199
Medicare Certification Number: 15-2521
NPI Number: 1952364648
Primary Medicaid Number: 200315330A
Ownership Type: Wholly Owned
Tax ID Number: 91-1971775

DaVita.

Heartland Region I
2659 N. Milwaukee
Chicago, IL 60647
Tel: (773) 276-2380 | Fax: (773) 276-4176
www.davita.com

March 19, 2010

Mark Gibbs
Executive Secretary
Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Dear Mr. Gibbs:

RE: Certificates Of Need for Changes of Ownership of University of Chicago Medical Center Dialysis Facilities

With regard to the above, this is to affirm that no "adverse action" has been taken against the co-applicant, DaVita Inc., within three (3) years preceding the filing of this Certificate of Need (CON). "Adverse Action" means any final action by any governmental agency or nationally recognized accredited body which is adverse to the co-applicant, DaVita Inc. These actions include, but are not limited to, any criminal conviction; any supervision, probation, suspension, revocation, termination or denial of a license or certificate or registration; in position of a conditional license; termination or suspension from participation in any program involving payment authorized under title XVIII "Medicare".

I also wish to indicate that the co-applicant, DaVita Inc., is fit, willing, and able and has the qualifications, background and character to adequately provide a proper standard of health care service for the community. Further, this letter authorizes the State Board and Agency access to information in order to verify any documentation or information submitted with respect to the above Certificate of Need.

Sincerely,

Kent Thiry
Chairman and CEO
DaVita Inc.

State of Colorado

County of: Denver

On 4-7-10, before me, Theresa Moran, Notary Public, personally appeared KENT THIRY
(name(s) of signers)

- ☒ personally known to me
- ☐ proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledge to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal

NOTARY PUBLIC
THERESA MORAN
STATE OF COLORADO

Place Notary Seal Above

Theresa Moran
Signature of Notary Public

My commission expires: 9-4-13

DaVita.

Heartland Region I
2659 N. Milwaukee
Chicago, IL 60647
Tel: (773) 276-2380 | Fax: (773) 276-4176
www.davita.com

March 19, 2010

Mark Gibbs
Executive Secretary
Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Dear Mr. Gibbs:

RE: Certificates Of Need for Changes of Ownership of University of Chicago Medical Center Dialysis Facilities

With regard to the above, this is to affirm that no "adverse action" has been taken against the co-applicant, Total Renal Care Inc., within three (3) years preceding the filing of this Certificate of Need (CON). "Adverse Action" means any final action by any governmental agency or nationally recognized accredited body which is adverse to the co-applicant, Total Renal Care Inc. These actions include, but are not limited to, any criminal conviction; any supervision, probation, suspension, revocation, termination or denial of a license or certificate or registration; in position of a conditional license; termination or suspension from participation in any program involving payment authorized under title XVIII "Medicare".

I also wish to indicate that the co-applicant, Total Renal Care Inc., is fit, willing, and able and has the qualifications, background and character to adequately provide a proper standard of health care service for the community. Further, this letter authorizes the State Board and Agency access to information in order to verify any documentation or information submitted with respect to the above Certificate of Need.

Sincerely,

Kent Thiry
Chairman and CEO
DaVita Inc.

State of Colorado

County of: Denver

On 4-7-10, before me, Theresa Moran, Notary Public, personally appeared KENT THIRY
(name(s) of signers)

☑ personally known to me
☐ proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledge to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

NOTARY PUBLIC THERESA MORAN STATE OF COLORADO

WITNESS my hand and official seal

Place Notary Seal Above

Theresa Moran
Signature of Notary Public

My commission expires: 9-4-13

66

PURPOSE OF PROJECT

1. Total Renal Care Inc.'s acquisition of the University of Chicago – Lake Park enables the University of Chicago Medical Center (UCMC) to focus limited resources on providing complex, tertiary medical services and enables DaVita Inc. to provide needed chronic dialysis services more efficiently and effectively.

   UCMC operates its dialysis facilities on a relatively small scale and cannot provide these services as effectively or efficiently as DaVita Inc. Changes in CMS regulatory and reporting requirements (October 2009) add significant data collection and reporting requirements for ESRD facilities, making it more difficult for independent entities to cost-effectively comply with the Conditions for Coverage. The acquisition allows the dialysis center to use DaVita's policies/procedures, quality/data management tools and resources to comply with the CMS requirements in a timely and cost-effective manner.

   In addition, DaVita Inc. can enhance efficiencies by negotiating larger discounts for supplies. Its financial condition will allow quick expansion of capacity as the facility has been over 100% occupied for a number of years.

2. The existing facility is located in Planning Area 6, the City of Chicago.

3. The acquisition allocates scarce capital resources more efficiently and effectively. UCMC will use its capital to address complex, tertiary medical problems and DaVita will use policies/procedures, quality/data management tools and resources to enhance timely and cost-effective compliance with the new CMS requirements. In addition, DaVita' capital resources can be used to quickly and efficiently add stations to the facility which has been over 100% utilized for a number of years.

4. References: CMS Conditions of Coverage; The Renal Network utilization data.

5. The acquired facility will use policies/procedures, quality/data management tools and resources available within the DaVita system to ensure timely and cost-effective compliance with the new CMS requirements. In addition, DaVita' capital resources can be used to quickly add stations to the facility. University of Chicago – Lake Park has consistently operated at over 100% utilization for a number of years.

6. Implementation of the new CMS regulatory and data requirements is ongoing. The acquired facility will be included in DaVita's action plans at such time as new requirements are put in place by CMS. All issues will be addressed through the normal scope of DaVita's business.

   DaVita will add stations to the facility within the next two years or sooner.

   DaVita continues to provide a high quality of care. Patient outcomes significantly exceed HFSRB standards. See Attachment 11(1) for outcomes in its Chicago-area facilities which document DaVita's high quality of care as follows:

   90.60% of patients had URRs of 65% or higher vs. HFSRB standard of at least 85% & 93.98% of patients had a Kt/V Dauridgas II.1.2 vs. the HFSRB standard of 85%.

DaVita Chicago Area Facilities
Clinical Outcomes Review
January 2009 to December 2009

Adequacy of Dialysis
This facility will be able to demonstrate the ability to provide adequate dialysis with Urea Reduction Ration (URR) greater than 65% in at least 85% of patients. This data is a compilation of clinical outcomes data from 15 facilities in the Chicago area. They are Logan Square Dialysis, Lake County Dialysis, Lincoln Park Dialysis, Children's Dialysis, Emerald Kidney Center, Olympia Fields Dialysis Center, Chicago Heights Renal Care, Stony Creek Dialysis, Beverly Dialysis, Montclare Dialysis, Mt. Greenwood Dialysis, Lake Villa Dialysis, Little Village Dialysis, Kankakee County Dialysis and Big Oaks Dialysis (December only).

Month	Percent of patients with URR>65%	Percent of patients with KT/V Daugirdas II.1.2
January 2009	91.06%	94.08%
February 2009	90.76%	93.93%
March 2009	90.99%	93.46%
April 2009	90.93%	93.74%
May 2009	90.95%	94.58%
June 2009	91.05%	94.44%
July 2009	89.25%	93.45%
August 2009	90.20%	94.50%
September 2009	91.07%	94.40%
October 2009	91.00%	94.24%
November 2009	90.38%	93.73%
December 2009	89.56%	93.18%
Average	90.60%	93.98%

ALTERNATIVES

Alternatives available to DaVita and considered were:

1. **Proceed with the acquisition of the University of Chicago Medical Centers (UCMC) dialysis clinics**

UCMC has determined that providing in-center hemodialysis services is inconsistent with its strategy of not competing with the community for care that can be provided in the community. In addition UCMC as determined that it will reserve its resources for providing complex, tertiary medical care. DaVita Inc., through its wholly-owned operating entity Total Renal Care Inc., wishes to purchase the clinics to enhance its ability to serve patients on Chicago's southside. DaVita considered the proposed purchase carefully and determined that the UCMC clinics fit well within its mission, values and business plan. Therefore the proposed acquisition transaction meets the objectives of both parties.

Therefore, pursuit of the change of ownership is the selected alternative.

2. **Decline the opportunity to purchase the UCMC dialysis clinics.**

The clinics owned by UCMC are in adjacent and sometimes overlapping service areas with the DaVita dialysis clinics in Illinois. Acquisition of the UCMC clinics will allow DaVita to extend service throughout the area currently served by UCMC. This will allow for more continuity of care for patients among communities and will allow more facilities to benefit from shared resources. As noted above, the proposed project meets the objectives of both UCMC and DaVita, and therefore *the option to decline the purchase is not an acceptable alternative, and is therefore rejected.*

3. **Pursue a Joint Venture with UCMC**

DaVita is open to Joint Venture relationships. This option was not consistent with UCMC's commitment not to compete with the community for care that can be provided in the community. In addition UCMC has determined that providing complex, tertiary medical care is a more efficient and effective use of its resources. Therefore, *this option is rejected.*

4. **Pursue opening dialysis centers in the market independent of and competing with UCMC**

DaVita wishes to be a collaborative member of the healthcare communities served by UCMC. The option to compete with UCMC's clinics would be counter to this objective, and *therefore, the option is rejected.*

IMPACT STATEMENT

1. University of Chicago – Lake Park has 20 stations and operates at over 100% utilization. The facility has consistently operated at over 100% utilization for a number of years. Upon approval of the change of ownership DaVita Inc., operating through its wholly-owned subsidiary, Total Renal Care Inc. (TRC), intends to immediately proceed with preparation and filing of a Certificate of Need (CON) application to add eight (8) stations.

2. Total Renal Care Inc. (TRC) will operate the unit.

3. The University of Chicago Medical Center's (UCMC's) leadership has determined that the sale of its three (3) outpatient dialysis programs is consistent with its strategy of not competing with the community for care that can be provided in the community. UCMC has determined that the sale will allow the medical center to use its additional resources to provide tertiary medical care. UCMC concluded that the sale is in the best interest of its patients as the historical need for dialysis treatment continues to grow significantly and each facility needs investment in added capacity.

   In addition, UCMC operates its dialysis facilities on a relatively small scale and cannot provide these services as effectively or efficiently as DaVita. Changes in CMS regulatory and reporting requirements (October 2009) add significant data collection and reporting requirements for ESRD facilities, making it more difficult for independent entities to cost-effectively comply with the Conditions for Coverage. The acquisition allows the dialysis center to use DaVita's policies/procedures, quality/data management tools and resources to comply with the CMS requirements in a timely and cost-effective manner.

   DaVita can enhance efficiencies by negotiating larger discounts for supplies. Its financial condition will allow quick expansion of capacity as the facility has been over 100% occupied for a number of years.

   Finally, UCMC has determined that a sale to DaVita would benefit its communities because of DVA's commitment to quality, continuity of service, access, and cost effectiveness (see discussion below on cost/benefit analysis, Item 5.)

   DaVita wishes to purchase the clinics to enhance its ability to serve patients who live on Chicago's south side. DaVita considered the proposed purchase carefully and determined that the UCMC clinics fit well within its mission, values and business plan. Therefore the proposed acquisition transaction meets the objectives of both parties.

   Therefore, University of Chicago Medical Center (UCMC) wishes to relinquish all ownership interest and control in the dialysis facility to DaVita Inc.

4. DaVita intends to retain all clinical employees of the UCMC dialysis program. DaVita has no intention of reducing the number of clinical employees. Additional staff will probably be needed when additional stations are operational by December 31, 2011.

5. Cost/Benefits of this transaction include the following:

<u>Quality of Care</u>
DaVita is a nationally recognized provider with superior patient outcomes (refer back to Attachment 11(1) and first-rate quality and management tracking and reporting programs.

<u>Continuity of Care</u>
DaVita intends to work collaboratively with the nephrologists over the long term. Patient care will not be interrupted as the same physicians will medically manage patient care. DaVita will maintain the current workforce to further ensure seamless patient care.

<u>Access</u>
As utilization of UCMC's outpatient dialysis programs is at capacity, with each of its three (3) facilities operating over 100% capacity, each facility needs to add stations. In addition, the HFSRB need methodology recognizes a significant unmet need for additional stations in HSA-6, the City of Chicago. DaVita is committed to meeting this recognized need through additional capital investment. DaVita intends to expand each of the three UCMC dialysis facilities within the next two years, increasing chronic renal dialysis services to the underserved areas currently occupied by the UCMC facilities.

Cost savings of this transaction will result from the purchasing power of a national corporation which can enhance efficiencies by negotiating larger discounts for supplies. In addition, the acquisition allows the dialysis center to use DaVita's policies/procedures, quality/data management tools and resources to comply with new CMS requirements in a timely and cost-effective manner, thus saving resources at UCMC to enhance its commitment to providing complex, tertiary medical services.

<u>ACCESS</u>

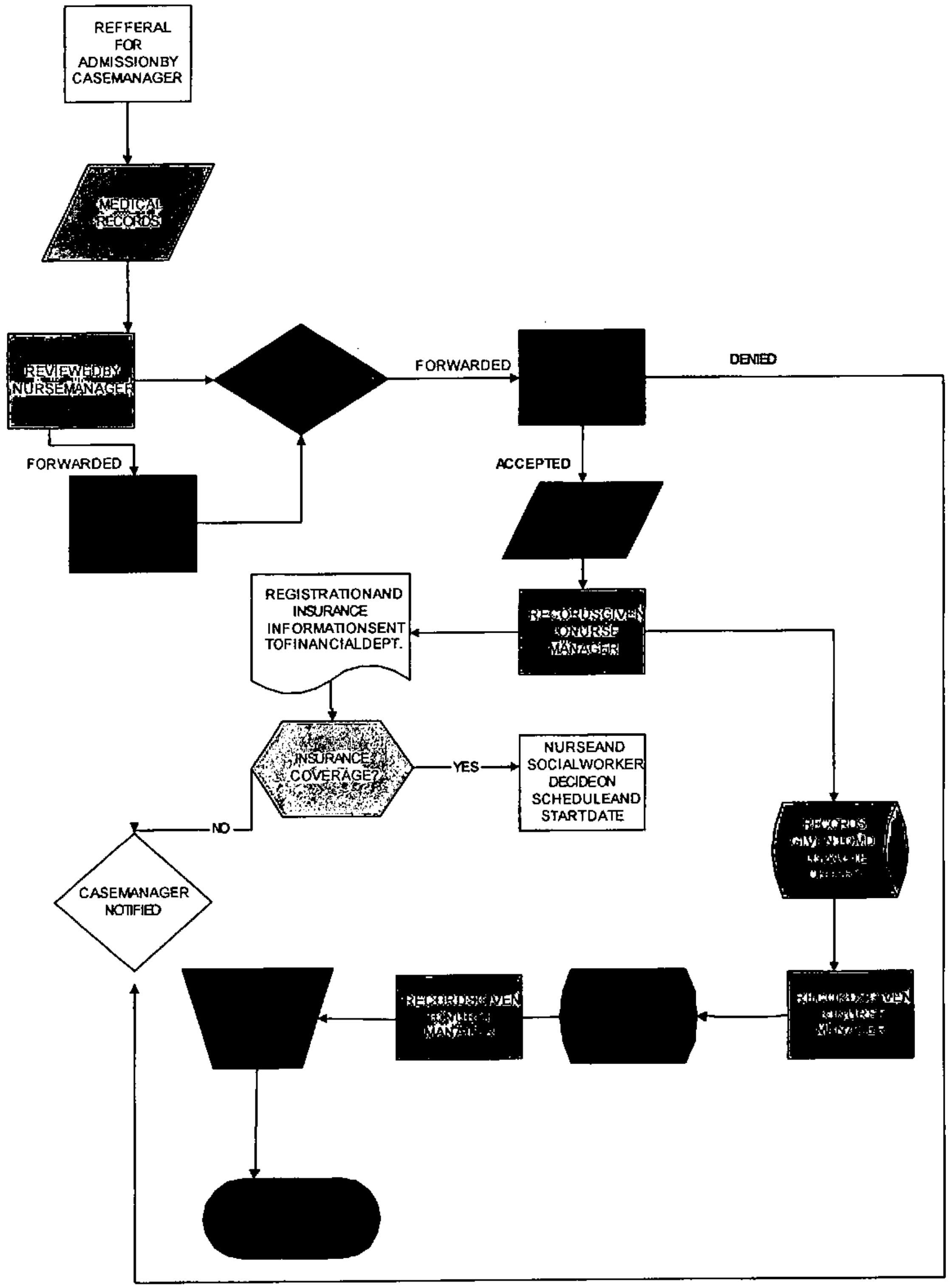
1. See Attachment 18B(1) for University of Chicago Medical Center's (UCMC's) current admissions policies.

2. See Attachment 18B(2) for Total Renal Care Inc.'s (TRC's) proposed admissions policies.

3. See Attachment 18B(3) for certification from DaVita Inc.'s and TRC's Chairman and CEO, Kent Thiry, that the proposed admissions policies will not be more restrictive.

Chronic Dialysis Admission Process

The revised process chart shows significant changes in how the initial referral is received in our system. One of the key factors in this process is that each person has a specific role in the admissions process. The Nurse Manager is the point of contact person for admission into our program. All communication and correspondence must go through the Nurse Manager. The Nurse Manager receives the medical records and forwards them to the Social Worker and Medical Director for review. The Nurse Manager and the Social Worker each make a recommendation if the patient should be accepted. The Medical Director reviews the information and makes the final decision if the patient is accepted into the program. The Medical Director gives the records back to the Nurse Manager who in turn sends the registration form and insurance information to the Financial Representation. After the patient's insurance is verified and the patient is registered into the computer, the Nurse Manager asks the Medical Director to write Standing Orders for the patient. The Nurse Manager coordinates with the Social Worker and the discharge planner to arrange a schedule and start date for the patient. After the orders are written, the Nurse Manger enters the orders into the computer and forwards the records to the Chief Technician. The Technician enters the dialysis machine codes into the computer system and gives the records back to the Nurse Manager. The Nurse Manager then gives the records to the Unit Clerk. The Unit Clerk is responsible for making a chart for the patient.


REFFERAL FOR ADMISSIONBY CASEMANAGER
MEDICAL RECORDS
REVIEWEDBY NURSEMANAGER
FORWARDED
FORWARDED
DENIED
ACCEPTED
REGISTRATIONAND INSURANCE INFORMATIONSENT TOFINANCIALDEPT.
RECORDSGIVEN TONURSE MANAGER
INSURANCE COVERAGE?
YES
NURSEAND SOCIALWORKER DECIDEON SCHEDULEAND STARTDATE
NO
CASEMANAGER NOTIFIED

The following medical records and information are needed for a patient to be admitted into our dialysis program:

Demographic Information

Labs- One month for new ESRD patients, three for transferring patients.

Hepatitis B status -within 30 days

Copy of Primary and Secondary Insurance Cards

EKG

Chest X-ray

Medication list

Dialysis Treatment Orders- for transferring patients only

History and Physical report

Renal and Vascular Consults

2728 form-for transferring patients only

Psychosocial Assessment and Social Work Notes-for transferring patients only

Nutrition Assessment

Nursing Assessment and Progress Notes

Dialysis Treatment Sheets-from the first dialysis treatment for new ESRD patients or two weeks for transferring patients

TITLE: ACCEPTING PATIENTS FOR TREATMENT

PURPOSE: To establish requirements for patient admission to a DaVita dialysis facility and to allow DaVita to obtain necessary information from the patient and to enter the correct information into the appropriate information system prior to providing dialysis treatment to a patient at a DaVita dialysis facility.

DEFINITIONS:

1. **Patient Authorization and Financial Responsibility Form (PAFR)** - Form that informs patients of their financial obligations regarding services provided to them by DaVita. The form must be signed and witnessed prior to the start of the first dialysis treatment and annually thereafter. By signing the PAFR, the patient is assigning the payment for services provided by DaVita, directly to DaVita from insurance companies. The PAFR form must be signed annually at each DaVita facility where the patient treats.
2. **Medicare Secondary Payor Form (MSP)** - Determines if a commercial Employer Group Health Plan (EGHP) (or other insurance carrier) will be primary payor. This form is completed online in Reggie and must be completed for all patients who have Medicare coverage when they start treatment at DaVita.
3. **Beneficiary Selection Form (CMS 382)** - Required by Medicare for home dialysis patients (home hemo or peritoneal). The patient selects whether they will obtain home treatment supplies from a Durable Medical Equipment (DME) provider (Method II) or from the facility that will provide home dialysis support services (Method I). DaVita currently only supports patients selecting Method I.
4. **Medical Evidence Report Form (CMS 2728)** – Required by Medicare to determine if an individual is medically entitled to Medicare under the ESRD provisions of the law and to register patients with the United States Renal Data System. The 2728 form is used as the primary source in determining the COB for patients insurance. Physicians have a 45 day grace period to sign the 2728 form when the patients are new to dialysis. Patients are only required to complete the 2728 form once not for every facility visit or transfer.
5. **Transfer patient** – An existing dialysis patient who is permanently relocating from any dialysis facility to a DaVita dialysis facility. Once the transfer is complete, the patient will become a "permanent" patient.
6. **Guest patient** – A patient who is visiting a facility and plans to return to his/her home facility within 30 days. A guest patient refers to patients visiting from a non-DaVita facility to a DaVita facility as well as visiting from a DaVita facility to another DaVita facility.
7. **Permanent patient** – A patient who has selected a DaVita dialysis facility as his/her home facility.

POLICY:

1. DaVita will accept and dialyze patients with renal failure needing a regular course of dialysis without regard to race, color, national origin, gender, sexual orientation, age, religion, or disability if:

    a) The patient's care can be managed in an outpatient dialysis facility according to individual modality;
    b) The patient is under the care of a nephrologist who is credentialed in the DaVita facility;
    c) There is adequate treatment space and staffing available to provide appropriate care to the patient;
    d) The patient (a) has been verified as Medicare or Medicaid eligible and/or has private insurance coverage which has been verified, and from which an authorization for treatment has been received by DaVita as required, or (b) accepts financial responsibility for care by signing the PAFR form;
        - Patients who are uninsured must be authorized at the facility level with written approval by the facility's Operational Vice President, or their designee, prior to treatment. *(Please refer to the Cash Payment Fee Schedule for Patients with no Insurance Coverage Policy located on the Village Web ROPS home page under the ROPS P&P Link).*
        - Patients who have an out-of-state Medicaid plan that will not pay for treatment must be authorized at the facility level with written approval by the facility's Operational Vice President, or their designee, prior to treatment.
        - Patients who are out of network and have no out of network benefits must be authorized at the facility level with written approval by the facility's Operational Vice President, or their designee, prior to treatment.

2. Guest patients must make payment for non-covered, and out of network (including out of state Medicaid plans that do not pay for treatment) services in the form of cashiers check, money order, travelers check, American Express, Visa or MasterCard prior to treatment.

3. DaVita will bill using the name and number as it appears on the beneficiary Medicare card or other document confirming the patient's health care coverage through a third party, <u>and</u> as the patient's name is confirmed by two (2) additional forms of identification which has the patient's current legal name listed on it as outlined in section 7 of this policy. If any information on the beneficiary Medicare card is incorrect, DaVita will advise the beneficiary to contact their local servicing Social Security Office to obtain a new Medicare card. If information contained on the insurance card is incorrect, DaVita will advise the policyholder to contact their insurance company to obtain a new insurance card. All insurance cards should match the patient's identification. The patient must

produce evidence that a change was initiated with the appropriate insurance carrier within 90 days of the noted discrepancy.

4. There are three mandatory data elements for any patient to be registered in Reggie. They are first and last name, DOB (date of birth) and anticipated start date at DaVita. These three fields must be completed prior to treatment.

5. Unless otherwise provided for under this policy, prior to the admission to the facility, all patients, including Transfer, Guest and Permanent Patients will be given the following documents to read and sign:
    - Patient's Rights
    - Patient's Responsibilities
    - Patient's Standards of Conduct
    - Patient Grievance Procedure
    - Authorization for and Verification of Consent to Hemodialysis / Peritoneal Dialysis
    - Reuse Information Consent form
    - Caretaker Authorization form
    - HIPAA Notice Acknowledgement form
    - Affidavit of Patient Identification form (Note: This form is only given if the patient or personal representative on behalf of the patient, is not able to produce the requested two (2) forms of personal identification verifying the patient's legal name and current legal residence upon admission or within seven (7) days of admission).

    The patient will agree to follow the Patient's Rights, Patient's Responsibilities, Patient's Standards of Conduct and the Patient Grievance Procedure. *(Please refer to Patient's Standards of Conduct; Patient Grievance Procedure; Patient Rights and Responsibilities.)*

6. Guest Patients are only required to sign the Patient's Rights, Patient's Responsibilities, Patient's Standards of Conduct and the Patient Grievance Procedure one time for each DaVita facility they visit, as long as these forms are visibly posted at the facility, unless there are changes made to any of those forms/policies, or state specifications require otherwise.

7. Listed below are the following documents that are required for hemodialysis patients and home dialysis patients prior to admission to a DaVita Dialysis facility:

- Two (2) forms of personal identification, in addition to the patient's insurance card, verifying the patient's legal name and current legal residence, one of which is a picture ID. Acceptable forms of personal identification may include:

(a). Federal or state government issued identification such as:

(1). driver's license
(2). voter's registration card
(3). passport
(4). ID card
(5). marriage certificate
(6). social security card
(7). US military photo ID card

(b). Divorce decree;

(c). Credit card;

(d). Utility bill;

(e). Pension statements;

(f). Bank account and other financial asset records;

(g). Property Deed;

(h). Mortgage;

(i). Lease Agreement;

(j). Auto registration;

(k). Job pay stub;

(l). Letters from Social Security Office;

(m). US adoption papers;

(n). Court order for a legal name change signed by a judge or court clerk;

(o). Library card;

(p). Grocery store rewards card; or

(q). For minors, school records such as school identification card, nursery or daycare records.

- All copies of patient's current insurance cards-front and back;
- Copy of History and Physical (within the last year – must be legible);
- For Hepatitis and TB testing requirements, refer to policies: *Hepatitis Surveillance, Vaccination and Infection Control Measures* and *Tuberculosis Infection Control Policy;*
- If patient is a new ESRD patient, pre dialysis labs including hematocrit or hemoglobin, albumin, BUN, creatinine, and, if available, creatinine clearance and/or urea clearance drawn within 45 days prior to first day of dialysis;
- Monthly labs within 30 days prior to first treatment date including hematocrit, hemoglobin, URR and electrolytes;
- Copies of three (3) flowsheets within two (2) weeks of requested treatment(s) for patients who have previously dialyzed;
- Copy of current hemodialysis orders for treatment;
- EKG, if available, OR if patient has known heart condition;
- Patient demographics;
- Copies of most recent Long Term Program, Patient Care Plan, Nursing, Dietary and Social Work Assessments and most recent progress notes for patients who have previously dialyzed;
- Current list of medications being administered to patient in-center and at home;
- Advance Directives, if applicable;
- Initiation of CMS 2728. Once completed, within the 45-day guideline, it should include the patients and nephrologist's signature and date. This is the official document of the patient's first date of dialysis ever, first dialysis modality, and provides transplant information, if applicable;
- Patient Authorization & Financial Responsibility Form (PAFR). Must be signed and witnessed prior to the start of the first dialysis treatment. This form allows DaVita to receive payment from insurance companies and informs the patient of the financial responsibilities regarding treatment provided to them. Without a signed PAFR Form, we cannot bill for services provided to the patient;
- CMS 382 Form. Required only for Medicare primary home dialysis patients (home hemo or peritoneal);
- Medicare Secondary Payor Form (MSP). Determines if a commercial Employer Group Health Plan (EGHP) will be primary payor. Must be completed for all patients who have Medicare coverage when they start treatment at DaVita;
- DaVita's Privacy Notice/Privacy Practice Notice. Each patient will be provided with the notice.

8. NOTE: If the patient, or personal representative on behalf of the patient, is not able to produce the requested two (2) forms of personal identification verifying the patient's legal name and current legal residence, the teammate admitting the patient should follow the procedures set forth in the Compliance Policy titled "*Patient Identification and Verification Policy,*" and any other relevant policies based on the situation at hand.

9. Any conflict with the criteria established or refusal to sign appropriate consents and authorization to bill would constitute a need for prior written authorization by the facility's Operational Vice President or designee.

EXCEPTIONS

1. A permanent DaVita patient may be treated at a facility other than his /her home facility without respect to the required documentation when:
   a) The attending nephrologist has privileges at both the facilities in question (the patient's home facility and the anticipated visiting facility), and;
   b) A visiting record is generated by the home facility at least one hour before the scheduled treatment, and;
   c) The facility administrator at the visiting facility agrees to treat the patient, and;
   d) The visiting facility has the space and resources to treat the patient.

2. All other exceptions to this policy are subject to approval by the Operational Vice President for the region/division.

Teammates are expected to report possible violations of this policy and procedure. You may make your report to an appropriate DaVita manager, to the Corporate Compliance Hotline (1-888-458-5848) or to DaVita's Corporate Compliance Department (1-888-200-1041 x156037). You may make your report anonymously and you may request confidentiality. Questions regarding this policy should be directed to the QUESTionline@davita.com.

DaVita.

Heartland Region I
2659 N. Milwaukee Avenue
Chicago, IL 60647
Tel: 773-276-2380 | Fax: 773-276-4176
www.davita.com

March 19, 2010

Dale Galassie
Chairman
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Dear Mr. Galassie:

RE: Certificate of Need (CON) for Change of Ownership
University of Chicago Medical Center – Lake Park

<u>Assurance on Admissions Policies</u>

I herein certify that the admissions policies to the above-mentioned dialysis facility will not become more restrictive. DaVita's policy for accepting patients for treatment states:

> " DaVita will accept and dialyze patients with renal failure needing a regular course of dialysis without regard to race, color, national origin, gender, sexual orientation, age, religion or disability."

This statement is integral to our mission and core values. Please accept this letter as assurance of DaVita's commitment to accept and to continue to care for patients in this manner going forward.

Sincerely,

Kent Thiry
Chairman and CEO
DaVita Inc.
Total Renal Care Inc.

State of Colorado

County of: Denver

On 4-7-10, before me, Theresa Moran, Notary Public, personally appeared KENT THIRY
(name(s) of signers)

☑ personally known to me
☐ proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledge to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

NOTARY PUBLIC
THERESA MORAN
STATE OF COLORADO

WITNESS my hand and official seal

Place Notary Seal Above

Theresa Moran
Signature of Notary Public

My commission expires: 9-4-13

HEALTH CARE SYSTEM

1. The proposed acquisition will not impact any existing health care facility.

2. A list of all DaVita's in-center hemodialysis facilities is included in Attachment 18C(1) in CON applications ## 10-009 or 10-010.

   A list of DaVita's Illinois in-center hemodialysis facilities is included herein in Attachment 18C(2).

   DaVita proposes to acquire and operate, through TRC, the three (3) outpatient dialysis facilities owned by the UCMC which are University of Chicago – Woodlawn; University of Chicago – Stony Island; and University of Chicago – Lake Park.

3 – 4. There are no current or proposed referral agreements involved in this transaction.

5. The project will have no impact on neighboring ESRD facilities as the transaction consists solely of a change of ownership of existing facilities. The change of ownership will not restrict the use of other area care providers.

6. TRC's care system does not have significant duplication of services.

7. DaVita proposes to add needed stations to the facilities within the next two years.

   DaVita will continue to provide the full array of dialysis services including hemodialysis, CAPD, CCPD and home hemodialysis. As new treatment options or technologies emerge (i.e. nocturnal dialysis) DaVita is prepared to provide these services as appropriate.

   The change of ownership improves access and continuity of care through DaVita's electronic medical record system which is available via the internet to physicians and other DaVita facilities. The electronic medical record system will improve access and continuity of care to dialysis patients who wish to receive dialysis treatments at other DaVita facilities in the U.S.A. and for dialysis patients needing hospitalizations.

DaVita's In-Center Hemodialysis Facilities in Illinois

Facility	Ownership	Medicare #	Address	City	HSA	Number of Stations As of 01-15-2010	In-Center Patients	12-31-2009 Utilization
Churchview Dialysis - East Rockford	Davita	142640	5970 Churchview Drive	East Rockford	1	24	84	58.33%
Dixon Kidney Center	Davita	142651	1131 North Galena Avenue	Dixon	1	8	25	52.08%
Freeport Dialysis Unit	Davita	142642	1028 Kunkle Avenue	Freeport	1	10	55	91.67%
Rockford Memorial Hospital	Davita	142647	2400 North Rockton Avenue	Rockford	1	20	99	82.50%
Rox bury Dialysis	Davita	142665	612 Roxbury Road	Rockford	1	16	87	90.63%
Sycamore Dialysis	Davita	142639	2200 Gateway Drive	Sycamore	1	12	51	70.83%
Whiteside Dialysis	Davita	142648	2600 North Locust	Sterling	1	15	61	67.78%
						105	462	73.33%
GAMBRO Healthcare - Jacksonville	Davita	142581	1515 West Walnut	Jacksonville	3	14	53	63.10%
GAMBRO Healthcare - Lincoln	Davita	142582	2100 West 5th Street	Lincoln	3	14	22	26.19%
GAMBRO Healthcare - Litchfield	Davita	142583	915 St. Francis Way	Litchfield	3	11	42	63.64%
GAMBRO Healthcare - Springfield Central	Davita	142586	932 North Rutledge Street	Springfield	3	21	94	74.60%
GAMBRO Healthcare - Taylorville	Davita	142587	901 West Spresser	Taylorville	3	10	26	43.33%
GAMBRO Healthcare - Montvale	Davita	142590	2930 Montvale Drive, Suite A	Springfield	3	17	77	75.49%
GAMBRO Healthcare - Rushville	Davita	142620	Route 67 & Route 24, RR #1	Rushville	3	7	25	59.52%
						94	339	60.11%
GAMBRO Healthcare - Macon County	Davita	142584	1016 West McKinley Avenue	Decatur	4	21	78	61.90%
GAMBRO Healthcare - Mattoon	Davita	142585	200 Richmond Avenue, East	Mattoon	4	16	45	46.88%
GAMBRO Healthcare - East Wood Street	Davita	142599	794 East Wood Street	Decatur	4	16	56	58.33%
GAMBRO Healthcare - Champaign	Davita	142633	507 E. University Avenue	Champaign	4	10	30	50.00%
						63	209	55.29%
Nephroplex Dialysis of Mt. Vernon	Davita	142541	1800 Jefferson Avenue	Mount Vernon	5	14	59	70.24%
Renal Life Link d/b/a Marion Dialysis	Davita	142570	324 South 4th Street	Marion	5	13	57	73.08%
GAMBRO Healthcare - Effingham	Davita	142580	904 Medical Park Drive, Suite #1	Effingham	5	16	54	56.25%
Nephroplex Dialysis of Benton	Davita	142608	1151 West Route #14	Benton	5	13	58	74.36%
Nephroplex Dialysis of Centralia	Davita	142609	1231 State Illinois Route 161 E.	Centralia	5	12	49	68.06%
Olney Dialysis Unit Olney	Davita	142674	115 North Boone	Olney	5	7	28	61.90%
Wayne County Dialysis	Davita	142688	303 NW 11th Street	Fairfield	5	8	18	33.33%
Vandalia Dialysis	Davita	142693	301 Mattes Road	Vandalia	5	8	11	22.92%
Robinson Dialysis	Davita			Robinson	5	8	0	0.00%
						99	330	55.56%
West Lawn Dialysis	Davita		7000 W. Pulaski	Chicago	6	12	1	1.39%
Lincoln Park Dialysis Center	Davita	142528	3155-57 N. Lincoln Avenue	Chicago	6	22	119	90.15%
Hyde Park Kidney Ctr (now Emerald Kidney	Davita	142529	710 W. 43rd Street	Chicago	6	24	122	84.72%
Logan Square Dialysis	Davita	142534	2659 North Milwaukee Ave.	Chicago	6	20	110	91.67%
Children's Memorial Hospital	Davita	142604	2611 North Halsted	Chicago	6	6	19	52.78%
Diamond Dialysis Center (Beverly Diaylsis)	Davita	142638	8111 South Western Avenue	Chicago	6	12	58	80.56%
Monteclare Dialysis Center	Davita	142649	7009-7011 West Belmont	Chicago	6	16	78	81.25%
Mount Greenwood Dialysis	Davita	142660	3401 W. 111th Street	Chicago	6	16	74	77.08%
Little Village Dialysis	Davita	142668	2335 W. Cermak Road	Chicago	6	16	83	86.46%
						144	664	76.85%

DaVita.

P.O. Box 2076
Tacoma, WA 98401-2076
1423 Pacific Ave.
Tacoma, WA 98402
Tel: (253) 272-1916
www.davita.com

March 26, 2010

To Whom It May Concern:

DaVita Inc. (the Company or DaVita) overall investment strategy is to maximize shareholder value by maintaining a minimum amount of cash on hand and to use its cash for acquisitions, the construction of new centers, and repurchasing shares, as well as to pay down debt. As a result of the Company's investment strategy, the days cash on hand for 2009 was below the criteria of greater than 45 days at approximately 36 days. In addition, the Company's cushion ratio in 2009 of 2.0 to 1.0 was below the criteria of greater than 5.0 to 1.0.

The Company's day's cash on hand from 2006 through 2009 has ranged from 26 days to 36 days and our cushion ratio has ranged from 1.1 to 2.0 during this same period. However, the Company is projecting its day's cash on hand to be approximately 46 days in 2010 and will increase to 71 days in 2012, exceeding the minimum requirement of 45 days of cash on hand. The Company's cushion ratio is also projected to remain below the required levels, during 2010 and 2011, but is projected to exceed the minimum requirement in 2012 as the Company continues to grow its cash primarily from strong operating cash flows. The Company plans to continue growing through acquisitions, developing new centers, repurchasing shares of its common stock and paying down debt in order to maximize shareholder value. In 2009 the Company acquired 19 new centers for approximately $88 million and spent approximately $275 million for capital asset expenditures for new center developments, relocations and for maintenance and information technology. The Company has also spent approximately $154 million to repurchase 2.9 million shares of its common stock. The Company currently has approximately $500 million remaining authorization for share repurchases which will impact future results.

Except for the days on hand, and the cushion ratio in 2009, and the projected cushion ratio for 2010 and 2011 as discussed above, the other ratios, in Section XXIX, Review of Criteria Relating to Financial Feasibility, for 2006 through 2009, as well as the projections for 2010 through 2012 are within the acceptable ranges and indicate that the Company has the ability to support the acquisition and development of additional dialysis centers because of its strong continued operating results including reliable and strong operating cash flow. As an example, for the year ended December 31, 2009, the Company generated approximately $667 million of operating cash flow.

The Company is currently in compliance with all of its financial bank covenants, and has sufficient liquidity and operating cash flows and we believe has access to borrowings to fund it scheduled debt service and other obligations for the foreseeable future. The Company has an undrawn revolving line of credit for $250 million of which $52 million is allocated for letters of credit available for liquidity purposes at any time.

Yours truly,

Kenneth W. Lamb, CPA
Senior Director of Financial Reporting

DaVita.

P.O. Box 2076
Tacoma, WA 98401-2076
1423 Pacific Ave.
Tacoma, WA 98402
Tel: (253) 272-1916
www.davita.com

March 29, 2010

Ms. Delia Wozniak
DMW and Associates, Inc.
3716 N. Bernard Street
Chicago, Illinois 60618

RE: University of Chicago – Lake Park Change of Ownership
Documentation of Financing

Dear Ms. Wozniak:

DaVita Inc., through its operating entity Total Rcnal Care Inc. (TRC), wishes to purchase substantially all of the assets of the University of Chicago – Lake Park, a 20-station chronic renal dialysis facility located at 1531 Hyde Park Boulevard in Chicago, Illinois (60615.)

TRC will assume the facility's existing lease. The facility has 8,085 gross square feet (gsf.) The lease terms are $22.03 per gsf triple net.

DaVita Inc. will provide equity financing for this project. The estimated total project cost is $2,737,926, excluding the fair market value (FMV) of the space to be leased.

In addition, DaVita Inc. will provide all necessary working capital to cover any initial operating deficit and start-up costs anticipated to be four month's operating expenses.

I have enclosed our 2009 audited financial statements to support our liquidity.
If you have any further questions, please contact me.

Sincerely,

Jim Hilger
Vice President and Controller
Enclosures

ATTACHMENT 75(2)
Page 1 of 8

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

For the Fiscal Year Ended

December 31, 2009

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number: 1-14106

DAVITA INC.

601 Hawaii Street
El Segundo, California 90245
Telephone number (310) 536-2400

Delaware (State of incorporation)	**51-0354549** (I.R.S. Employer Identification No.)

Securities registered pursuant to Section 12(b) of the Act:

Class of Security:	Registered on:
Common Stock, $0.001 par value	New York Stock Exchange
Common Stock Purchase Rights	New York Stock Exchange

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐
(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of June 30, 2009, the number of shares of the Registrant's common stock outstanding was approximately 104.0 million shares and the aggregate market value of the common stock outstanding held by non-affiliates based upon the closing price of these shares on the New York Stock Exchange was approximately $5.1 billion.

As of January 29, 2010, the number of shares of the Registrant's common stock outstanding was approximately 103.2 million shares and the aggregate market value of the common stock outstanding held by non-affiliates based upon the closing price of these shares on the New York Stock Exchange was approximately $6.2 billion.

Documents incorporated by reference

Portions of the Registrant's proxy statement for its 2010 annual meeting of stockholders are incorporated by reference in Part III of this Form 10-K.

DAVITA INC.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for establishing and maintaining an adequate system of internal control over financial reporting designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles and which includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

During the last fiscal year, the Company conducted an evaluation, under the oversight of the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's internal control over financial reporting. This evaluation was completed based on the criteria established in the report titled "Internal Control—Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Based upon our evaluation under the COSO framework, we have concluded that the Company's internal control over financial reporting was effective as of December 31, 2009.

The Company's independent registered public accounting firm, KPMG LLP, has issued an attestation report on the Company's internal control over financial reporting, which report is included in this Annual Report.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Shareholders
DaVita Inc.:

We have audited the accompanying consolidated balance sheets of DaVita Inc. and subsidiaries as of December 31, 2009 and 2008, and the related consolidated statements of income, equity and comprehensive income, and cash flows for each of the years in the three-year period ended December 31, 2009. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of DaVita Inc. and subsidiaries as of December 31, 2009 and 2008, and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 2009, in conformity with U.S. generally accepted accounting principles.

As discussed in Note 1 to the consolidated financial statements, the Company adopted Financial Accounting Standards Board (FASB) Statement of Financial Accounting Standards No. 160, Noncontrolling Interests in Consolidated Financial Statements (included in FASB ASC Topic 810, Consolidation), on a prospective basis except for the presentation and disclosure requirements which were applied retrospectively for all periods presented effective January 1, 2009.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), DaVita Inc.'s internal control over financial reporting as of December 31, 2009, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and our report dated February 25, 2010 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

/s/ KPMG LLP

Seattle, Washington
February 25, 2010

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Shareholders
DaVita Inc.:

We have audited DaVita Inc.'s internal control over financial reporting as of December 31, 2009, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). DaVita Inc.'s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying "Management's Report on Internal Control Over Financial Reporting". Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, DaVita Inc. maintained, in all material respects, effective internal control over financial reporting as of December 31, 2009, based on criteria established in *Internal Control—Integrated Framework* issued by COSO.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of DaVita Inc. and subsidiaries as of December 31, 2009 and 2008, and the related consolidated statements of income, equity and comprehensive income, and cash flows for each of the years in the three-year period ended December 31, 2009, and our report dated February 25, 2010 expressed an unqualified opinion on those consolidated financial statements.

/s/ KPMG LLP

Seattle, Washington
February 25, 2010

DAVITA INC.

CONSOLIDATED STATEMENTS OF INCOME
(dollars in thousands, except per share data)

	Year ended December 31, 2009	2008	2007
Net operating revenues	$ 6,108,800	$ 5,660,173	$ 5,264,151
Operating expenses and charges:			
Patient care costs	4,248,668	3,920,487	3,590,344
General and administrative	531,531	508,240	491,236
Depreciation and amortization	228,986	216,917	193,470
Provision for uncollectible accounts	161,786	146,229	136,682
Equity investment income	(2,442)	(796)	(1,217)
Valuation gain on alliance and product supply agreement	—	—	(55,275)
Total operating expenses and charges	5,168,529	4,791,077	4,355,240
Operating income	940,271	869,096	908,911
Debt expense	(185,755)	(224,716)	(257,147)
Other income, net	3,708	12,411	22,460
Income before income taxes	758,224	656,791	674,224
Income tax expense	278,465	235,471	245,581
Net income	479,759	421,320	428,643
Less: Net income attributable to noncontrolling interests	(57,075)	(47,160)	(46,865)
Net income attributable to DaVita Inc.	$ 422,684	$ 374,160	$ 381,778
Earnings per share:			
Basic earnings per share attributable to DaVita Inc.	$ 4.08	$ 3.56	$ 3.61
Diluted earnings per share attributable to DaVita Inc.	$ 4.06	$ 3.53	$ 3.55
Weighted average shares for earnings per share:			
Basic	103,603,885	105,149,448	105,893,052
Diluted	104,167,685	105,939,725	107,418,240

See notes to consolidated financial statements.

DAVITA INC.

CONSOLIDATED BALANCE SHEETS
(dollars in thousands, except per share data)

	December 31, 2009	December 31, 2008
ASSETS		
Cash and cash equivalents	$ 539,459	$ 410,881
Short-term investments	26,475	35,532
Accounts receivable, less allowance of $229,317 and $211,222	1,105,903	1,075,457
Inventories	70,041	84,174
Other receivables	263,456	239,165
Other current assets	40,234	33,761
Income tax receivable	—	32,130
Deferred income taxes	256,953	217,196
Total current assets	2,302,521	2,128,296
Property and equipment, net	1,104,925	1,048,075
Amortizable intangibles, net	136,732	160,521
Equity investments	22,631	19,274
Long-term investments	7,616	5,656
Other long-term assets	32,615	47,330
Goodwill	3,951,196	3,876,931
	$7,558,236	$7,286,083
LIABILITIES AND EQUITY		
Accounts payable	$ 176,657	$ 282,883
Other liabilities	461,092	495,239
Accrued compensation and benefits	286,121	312,216
Current portion of long-term debt	100,007	72,725
Income taxes payable	23,064	—
Total current liabilities	1,046,941	1,163,063
Long-term debt	3,532,217	3,622,421
Other long-term liabilities	87,692	101,442
Alliance and product supply agreement, net	30,647	35,977
Deferred income taxes	334,855	244,884
Total liabilities	5,032,352	5,167,787
Commitments and contingencies		
Noncontrolling interests subject to put provisions	331,725	291,397
Equity:		
Preferred stock ($0.001 par value, 5,000,000 shares authorized; none issued)		
Common stock ($0.001 par value, 450,000,000 shares authorized; 134,862,283 shares issued; 103,062,698 and 103,753,673 shares outstanding)	135	135
Additional paid-in capital	621,685	584,358
Retained earnings	2,312,134	1,889,450
Treasury stock, at cost (31,799,585 and 31,108,610 shares)	(793,340)	(691,857)
Accumulated other comprehensive loss	(5,548)	(14,339)
Total DaVita Inc. shareholders' equity	2,135,066	1,767,747
Noncontrolling interests not subject to put provisions	59,093	59,152
Total equity	2,194,159	1,826,899
	$7,558,236	$7,286,083

See notes to consolidated financial statements.

DAVITA INC.

CONSOLIDATED STATEMENTS OF CASH FLOW
(dollars in thousands)

	Year ended December 31, 2009	2008	2007
Cash flows from operating activities:			
Net income	$ 479,759	$ 421,320	$ 428,643
Adjustments to reconcile net income to cash provided by operating activities:			
Depreciation and amortization	228,986	216,917	193,470
Valuation gain on alliance and product supply agreement	—	—	(55,275)
Stock-based compensation expense	44,422	41,235	34,149
Tax benefits from stock award exercises	18,241	13,988	32,788
Excess tax benefits from stock award exercises	(6,950)	(8,013)	(25,541)
Deferred income taxes	50,869	94,912	18,601
Equity investment income, net	(204)	(796)	(1,217)
Loss (gain) on disposal of assets	9,761	15,216	(2,825)
Non-cash debt expense and non-cash rent charges	11,184	11,794	12,713
Changes in operating assets and liabilities, net of effect of acquisitions and divestitures:			
Accounts receivable	(32,313)	(149,939)	15,911
Inventories	15,115	(2,715)	11,271
Other receivables and other current assets	(35,104)	(40,960)	(61,049)
Other long-term assets	7,288	(11,929)	(14,528)
Accounts payable	(104,879)	57,422	(9,216)
Accrued compensation and benefits	(9,138)	(31,602)	9,691
Other current liabilities	(43,543)	8,871	657
Income taxes	44,578	(30,087)	(12,942)
Other long-term liabilities	(11,362)	8,067	5,764
Net cash provided by operating activities	666,710	613,701	581,065
Cash flows from investing activities:			
Additions of property and equipment	(274,605)	(317,962)	(272,212)
Acquisitions	(87,617)	(101,959)	(127,094)
Proceeds from asset sales	7,697	530	12,289
Purchase of investments available-for-sale	(2,062)	(2,009)	(52,085)
Purchase of investments held-to-maturity	(22,664)	(21,048)	(23,061)
Proceeds from the sale of investments available-for-sale	16,693	21,291	32,274
Proceeds from maturities of investments held-to-maturity	16,380	21,355	4,795
Purchase of equity investments	(2,100)	—	(17,550)
Distributions received on equity investments	2,547	908	1,134
Purchase of intangible assets	(329)	(65)	(2,291)
Other investment activity	—	1,220	(2,942)
Net cash used in investing activities	(346,060)	(397,739)	(446,743)
Cash flows from financing activities:			
Borrowings	18,767,592	17,089,018	13,113,640
Payments on long-term debt	(18,828,824)	(17,102,569)	(13,160,942)
Deferred financing costs	(42)	(130)	(4,511)
Purchase of treasury stock	(153,495)	(232,715)	(6,350)
Excess tax benefits from stock award exercises	6,950	8,013	25,541
Stock award exercises and other share issuances, net	67,908	40,247	62,902
Distributions to noncontrolling interests	(67,748)	(59,357)	(48,029)
Contributions from noncontrolling interests	13,071	19,074	14,735
Proceeds from sales of additional noncontrolling interests	9,375	10,701	5,536
Purchases from noncontrolling interests	(6,859)	(24,409)	—
Net cash (used in) provided by financing activities	(192,072)	(252,127)	2,522
Net increase (decrease) in cash and cash equivalents	128,578	(36,165)	136,844
Cash and cash equivalents at beginning of year	410,881	447,046	310,202
Cash and cash equivalents at end of year	$ 539,459	$ 410,881	$ 447,046

See notes to consolidated financial statements.

AVAILABILITY OF FINANCING

Space Lease

Please refer to the following documents.

97

ATTACHMENT 75(3)
42 pages

THE UNIVERSITY OF
CHICAGO
MEDICAL CENTER

March 11, 2010

VIA FED EX OVERNIGHT MAIL
Mr. Eli Unger
Antheus Capital, LLC
32 North Dean Street
2nd Floor
Englewood, New Jersey 07631

Re: Lease for University of Chicago Hospitals at Village Center
1531 East Hyde Park Boulevard, Chicago, Illinois

Dear Mr. Unger:

As we discussed, The University of Chicago Medical Center, lessee of the captioned premises, plans to assign its interest in the captioned lease to DaVita upon sale of its dialysis sites.

This letter shall represent your consent under Article XVIII (1) of the Lessee to such assignment of Lessee's interest to DaVita, with said assignment to be executed by a separate document.

Please review and sign below on both originals and return by pdf attached to email to me at as soon as possible. Also, please return one original in the enclosed envelope. Thank you for your cooperation in this regard.

Sincerely,

Jeff Finesilver
Vice President, Comer
The University of Chicago Medical Center

Agreed to by:

Eli Unger
Antheus Capital, LLC

COPY

THE
UNIVERSITY
OF CHICAGO
HOSPITALS

VICE PRESIDENT
THE UNIVERSITY
OF CHICAGO
HOSPITALS
and
DIRECTOR
CENTER FOR
ADVANCED
MEDICINE

AMB W-606 MC 6091
5841 South
Maryland Avenue
Chicago, Illinois
60637-1470

Office: 773/702-9797
Fax: 773/702-4427
E-mail: jeff@medicine.bsd.uchicago.edu

September 3, 2002

Via Registered U.S. Mail, with copy via facsimile to (312) 527-4639

Ms. Lex W. McCarthy
Senior Vice President
Mr. Matthew J. Martin
Property Manager
Mr. Daniel E. Levin
The Habitat Company
350 West Hubbard St, Suite 500
Chicago, IL 60610

RE: Notice to Exercise Lease Extension Option
Lease for University of Chicago Hospitals at Village Center
1531 East Hyde Park Boulevard, Chicago, IL

Dear Ms. McCarthy, Mr. Martin, Mr. Levin:

Pursuant to the provisions of Paragraph 1.F. of the lease dated May 1, 1992, by and between American National Bank and Trust Company, not individually, but solely as Trustee under Trust No. 20960 ("Lessor") and the University of Chicago Hospitals ("Lessee") (the "Lease"), Lessee hereby notifies Lessor of its intent to extend the Lease for the first five year option period.

Regards,

University of Chicago Hospitals

Jeffrey Finesilver
Vice-President, Hospitals
Director, Center for Advanced Medicine

Cc P. Cuellar
D. David

99

copy Paula Cuellar
-> me

Paula Cuellar
-> me

C:\wp51\uofchgo.lse
04/10/92-jcr:dt

V I L L A G E   C E N T E R

L E A S E

3-16-99 per conversation
w/ Pat Phillips - OK to have
3 parking passes.

April , 1992

100

1. **BASIC LEASE PROVISIONS.**

A.	Building Address:	1531 E. Hyde Park Blvd. Chicago, Illinois 60615
B.	Landlord and Address:	American National Bank and Trust Co. of Chicago not individually, but as Trustee under a trust agreement dated January 7, 1965 and known as Trust No. 20960 c/o The Habitat Company 405 North Wabash Avenue Chicago, Illinois 60611
C.	Tenant and Current Address:	The University of Chicago Hospitals 5841 S. Maryland Avenue, Chicago, IL 60637
D.	Use:	Medical Offices and Facilities
E.	Date of Lease:	MAY 1, ~~1991~~ 1992
F.	Lease Term:	Ten Years plus two five year options
G.	Commencement Date of Term:	The earlier to occur of (a) the date Tenant improvements have been completed, (b) the date Tenant commences business operations in the Premises; or (c) October 1, 1992
H.	Expiration Date of Term:	The day immediately preceding the date which is ten years after the Commencement Date, subject to extension options
I.	Annual Base Rent:	Space A - $76,395 Space B - $32,753
J.	Annual Base Rent Escalation:	$.50 per square foot during each of 1st 5 years; Annual CPI Adjustment thereafter
K.	Rentable Area of Premises:	Space A - 6100 sq. ft. Space B - 1985 sq. ft. 8085 sq. ft.
L.	Rentable Area of Building:	65,800 Square Feet
M.	Tenant's Proportionate Share:	12.29 Percent
N.	Percentage Rent:	Not Applicable

O.	Common Area Maintenance Base Year:	1991
P.	Real Estate Tax Base Year:	1991
Q.	Adjustment Dates:	October 1, 1993 and each October 1 Thereafter

1. **BASIC LEASE PROVISIONS.**
(Continued)

R.	Security Deposit:	None
S.	Floor of Premises:	First
T.	Broker:	The Habitat Company
U.	Exhibits:	Exhibit A-Floor Plan of Premises
V.	Hours of Operation:	At Lessee's Discretion

VILLAGE CENTER PROFESSIONAL BUILDING LEASE

ARTICLE I

Premises

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not individually, but as Trustee under a Trust Agreement dated January 7, 1965 and known as Trust Number 20960 ("Lessor"), hereby leases to The University of Chicago Hospitals ("Lessee"), for use only by the Lessee, the premises (the "Premises") shown on Exhibit A attached hereto containing a total of 8,085 square feet, in the Professional Building (the "Building") of the Shopping Center (the "Shopping Center") known as Village Center, constructed on the southwest corner of Hyde Park Boulevard and Lake Park Avenue, Chicago, Illinois, subject to the terms and provisions hereinafter set forth.

ARTICLE II

Rent

Lessee covenants to pay at the office of The Habitat Company, 405 North Wabash Avenue, Chicago, Illinois 60611 or at such other place as Lessor may from time to time designate in writing, rent for the Premises as follows:

(1) Base Rent ("Base Rent"). Tenant shall pay to Landlord Base Rent in the annual amount set forth in paragraph 1I of the Basic Lease Provisions. Base Rent is subject to adjustment pursuant to Paragraph 2 below on the first day of each lease year during the Term. Base Rent shall be prorated for partial months within the Term.

(2) Commencing with the second year of the Lease Term and through the fifth year thereof Tenant shall pay as additional Base Rent an amount equal to the Base Rent payable for the preceding year plus $.50 per square foot. By way of illustration, the aggregate Base Rent for the second year will be $113,190.50.

(3) On an annual basis commencing with October, 1997, the Base Rent for each year shall be adjusted by an amount equal to the product of the Base Rent for the prior year multiplied by a fraction, the numerator of which is the difference between the Consumer Price Index for the month of October of such year and the Consumer Price Index for October of the prior year (but in no event shall such numerator be less than zero) and the denominator of which is the Consumer Price Index for the month in which the Commencement Date occurs; provided, however, that in no event shall the Base Rent as so adjusted for any particular year be less than the Base Rent for the immediately preceding year. As used herein, "Consumer Price Index" shall mean the Consumer Price Index for All Urban Consumers (CPI-U) published by the Bureau of Labor Statistics of the United States Department of Labor for Chicago, Illinois-Northwestern Indiana (and effective as of October 1987, for Chicago-Gary-Lake County, IL-IN-WI), All Items, (1982-84=100). If the manner in which the Consumer Price Index is determined by the Bureau of Labor Statistics shall be substantially revised, including, without

limitation, a change in the base index year, an adjustment shall be made by Lessor in such revised index which would produce results equivalent as nearly as possible to those which would have been obtained if the Consumer Price Index had not been so revised. If the Consumer Price Index shall become unavailable to enable Lessor to make the adjustment referred to in the preceding sentence, then Lessor will substitute a comparable index based upon changes in the cost of living or purchasing power of the consumer dollar published by any other governmental agency or, if no such index shall be available, then a comparable index published by a major bank, financial institution, university or a recognized financial publication.

(4) Any and all other sums and charges which Lessee is required to pay pursuant to the provisions of this Lease shall be deemed to be additional rent and shall be payable within ten (10) days after notice thereof from Lessor.

(5) Base Rent and all additional rent (including the additional rent described in Article XXIX of this Lease) are collectively referred to in this Lease as "Rent". All delinquent rent shall bear interest at the rate of twelve percent (12%) per annum from the date due until paid. Lessee's covenant to pay rent shall be independent of every other covenant of this Lease. Lessee agrees to pay Rent at the times herein specified without any prior demand therefor and without any offset or deduction whatsoever.

ARTICLE III

INTENTIONALLY DELETED

ARTICLE IV

INTENTIONALLY DELETED

ARTICLE V

Definition of Lease Year

The term "Lease Year" as used in this Lease shall mean a one year period beginning on the Commencement Date (or any annual anniversary date of such Commencement Date) and expiring on the day immediately preceding the date which is one year thereafter.

ARTICLE VI

Use of Premises

(1) The Premises shall be used and occupied only for the purposes set forth in Paragraph 1D of the Basic Lease Provisions and for no other use or purpose.

(2) Lessee shall not perform any acts or carry on any practices which may injure the Building or be a nuisance or menace to other tenants in the Shopping Center and shall keep the Premises under its

control, including sidewalks adjacent to the Premises and loading platform areas, clean and free from rubbish and dirt at all times and shall store all trash and garbage in containers provided by Lessor. Lessor shall be responsible for the removal of all ordinary trash from the Premises (exclusive of "Red Bag" material) and shall keep the sidewalks in front of the Premises free of snow, ice and obstructions. Lessee shall be responsible for the removal of all "Red Bag" material from the Premises and shall provide that all such material shall be stored and removed in a safe and sanitary manner and in accordance with all governmental regulations relative thereto. Lessee shall indemnify and hold Lessor harmless from any and all liability, loss, damage, cost and expense (including attorney's fees and costs) relating to the removal and disposal of all of said material, which indemnification shall survive the termination of this Lease.

ARTICLE VII

Parking Areas, Mall Areas

Lessor has at its expense constructed in the Shopping Center a parking area or areas, walkways and other common areas. These common areas shall be for the joint use of all the Lessees and customers of the Lessees of the Shopping Center, except that the parking area shall be for the use only of the customers of the Lessees and Lessee agrees not to permit its employees to park in such parking area. Lessor shall maintain the parking area in a good and safe condition.

ARTICLE VIII

Utilities

Lessee shall pay for all heat, air conditioning, gas, water, and electricity used in the Premises. ~~Lessor will furnish heating and air conditioning units sufficient to provide comfortable occupancy and represents to Lessee that said equipment will be in good working order and condition as of the Commencement Date of this Lease~~.

ARTICLE IX

Installations, Alterations, Signs and Fixtures

(1) Lessee acknowledges that it is familiar with the Premises and is accepting the Premises in an "as-is" condition, without representation or warranty by Lessor as to the condition of the Premises and without agreement by Lessor to improve the Premises in any manner, except as provided in Article XXXIII hereof. Lessee at its own expense shall provide, install and maintain all necessary lighting fixtures, partitions, interior painting and decorating and any other improvements necessary to make the Premises suitable for Lessee's purposes.

(2) Lessee shall not erect or install any exterior or interior window or door signs, advertising media or window or door lettering or placards (collectively "Signs") without Lessor's prior written consent. Lessee shall not install any exterior lighting or plumbing fixtures, shades or awnings, or make any exterior decoration or painting, or make any changes to the store front without Lessor's prior written consent,

which consent shall not be unreasonably withheld. Use of roof is reserved to Lessor.

(3) Lessor's consent to Lessee's erection or installation of any Sign shall not constitute a waiver of the requirement in paragraph (2) of this Article IX that Lessee obtain Lessor's prior written consent to Lessee's erection or installation of any Sign.

(4) If Lessor consents to the erection of any Sign by a Lessee at the Shopping Center other than the Lessee, it shall not constitute a waiver of the requirement in paragraph (2) of this Article IX that Lessee obtain Lessor's prior written consent to Lessee's erection or installation of any Sign.

(5) Lessee shall not make any alterations in or additions to the Premises nor make any contract therefor, without first procuring Lessor's written consent, which shall not be unreasonably withheld, and delivering to Lessor the plans, specifications, names and addresses of contractors, copies of proposed contracts and the necessary permit all in form and substance satisfactory to Lessor, and furnishing indemnification against liens, costs, damages and expenses as may be required by Lessor. All alterations, additions, improvements and fixtures, other than Lessee's fixtures, which may be made or installed by Lessee upon the Premises, shall be the property of Lessor and shall remain without disturbance, molestation or injury at the termination of this Lease, whether by the lapse of time or otherwise, all without compensation or credit to Lessee. Any floor covering that is cemented or otherwise adhesively affixed to the floor of the Premises shall be considered a non-trade fixture. All trade fixtures not so removed by Lessee shall become the property of Lessor.

(6) Lessee agrees to promptly pay for any work done or material furnished in or about the Premises and authorized by Lessee and will not permit or suffer any lien to attach to the Premises. Lessee shall promptly cause any such lien or any claim therefor to be released; provided, however, that in the event Lessee contests any such claim Lessee may do so, but must indemnify and secure Lessor to its satisfaction against any charge or liability therefor.

ARTICLE X

Maintenance and Repairs

(1) Lessor shall keep the concrete floor, the electrical, sewer and plumbing systems coming to the Premises, the foundations (exclusive of floor surfacing materials or coverings), exterior walls ~~(except plate glass or glass or other breakable materials used in structural portions)~~ and roof in good repair, and if necessary or required by proper governmental authority, shall make modifications or replacements thereof, except that Lessor shall not be required to make any such repairs, modifications or replacements which become necessary or desirable by reason of the negligence of Lessee, its sublessees or assignees or their agents, servants or employees.

(2) Except as otherwise provided herein, the Lessor shall not be obligated to make repairs, replacements or improvements of any kind upon the Premises, or any equipment, facilities or fixtures therein

contained, but the same shall at all times be kept in good clean order, tenantable condition and repair by Lessee, at Lessee's own cost and expense.

(3) Lessee shall forthwith at its own cost and expense replace with glass of the same quality any cracked or broken glass, including plate glass or other breakable materials used in structural portions, and any interior and exterior windows and doors in the Premises. Lessee shall procure and maintain during the Term a policy or policies with acceptable companies, insuring Lessor and Lessee, as their interests may appear, against breakage of all such glass in the Premises and shall deposit such policy or policies, or certificates evidencing premiums thereon, with Lessor at the commencement of the Term and at least thirty (30) days prior to the expiration of each such policy. If Lessee fails to comply with such requirement, Lessor may obtain such insurance and keep the same in force and effect, and Lessee shall pay Lessor upon demand from time to time the premium cost thereof. Notwithstanding the foregoing Lessee's obligations hereunder shall only be applicable in the event of negligence or misuse by Tenant or its invitees and Landlord shall be responsible for the replacement of all glass broken as a result of vandalism or Landlord's negligence.

ARTICLE XI

Laws, Ordinances and General Conditions

(1) Lessee agrees to promptly comply with all laws, ordinances, orders and regulations affecting the Premises and the cleanliness, safety, operation and use thereof.

(2) Lessee agrees not to: (a) permit any unlawful practice to be carried on or committed on the Premises; (b) keep or use or permit to be kept or used on the Premises any flammable fluids or explosives without the prior written permission of Lessor; (c) use the Premises for any purpose whatsoever which is deemed by a court of competent jurisdiction to constitute a nuisance or for any purpose which might injure the reputation of the Shopping Center; (d) deface or injure the Building or the Premises; (e) overload the floors of the Premises; (f) create or allow to exist any environmental hazard in the Premises; or (g) commit or suffer any waste.

ARTICLE XII

Subordination

(1) Lessee agrees that this Lease shall be subordinate to any mortgages or trust deeds that now exist or which may hereafter be placed upon the Premises or the land of which the Premises are a part, and to any and all advances to be made thereunder, and to the interest thereon, and all renewals, replacements, and extensions thereof. In the event of foreclosure, Lessee shall attorn to and recognize such mortgagee or purchaser in foreclosure. In the event of any mortgagee or trustee electing to have Lessee's interest under this Lease prior to its mortgagee or deed of trust, then and in such event (upon such mortgagee or trustee notifying Lessee to that effect), this Lease shall be deemed prior to the said mortgage or trust deed, whether this Lease is dated prior to or subsequent to the date of said mortgage or trust deed.

(2) Lessee shall upon written demand from Lessor execute such other and further instruments or assurances subordinating this Lease to the underlying lien or liens of any such mortgage, or mortgages, or trust deeds, but subject to the matters aforesaid.

(3) Nothing herein contained shall empower the Lessee to do any act which can, may or shall cloud or encumber the Lessor's title.

ARTICLE XIII

Insurance

(1) Lessee shall not do anything in or about the Premises which will in any way impair or invalidate the obligation of any policy of insurance relating to the Building. If Lessee installs any electrical equipment which overloads the electrical facilities, Lessee shall at its own expense make whatever changes as are necessary to comply with all requirements of Insurance Underwriters and governmental authorities having jurisdiction, but no changes shall be made by Lessee until Lessee first submits to Lessor plans and specifications for the proposed work and obtains Lessor's written approval of the same.

(2) Lessee shall procure from companies satisfactory to Lessor and maintain during the Term at its own cost and expense, a policy or policies of insurance issued by companies satisfactory to Lessor insuring Lessor and Lessee as their interests may appear, against public liability covering the Premises and the use and operation thereof with limits of not less than $1,000,000 for each person and $1,000,000 for each accident for bodily injury and $100,000 for property damage. No insurance required to be procured and maintained by Lessee under the provisions of this Lease shall be subject to cancellation except after ten (10) days prior written notice to Lessor. All policies of insurance required to be furnished hereunder, together with receipts or other documents satisfactory to Lessor showing payment of the premiums thereon shall be deposited with Lessor prior to the Commencement Date and renewals thereof not less than thirty (30) days prior to the expiration of the term of such coverage; provided, however, that if Lessee shall maintain any insurance required hereunder under a blanket policy, Lessee shall have sufficiently complied with the terms hereof by furnishing Lessor a certificate or certificates for the same. If Lessee fails to comply with such requirement, Lessor may obtain such insurance and keep the same in effect, and Lessee shall pay Lessor the premium cost thereof upon demand.

(3) Whenever (a) any loss, cost, damage or expense resulting from fire, explosion or any other casualty or occurrence is incurred by either of the parties to this Lease in connection with the Premises or the Building in which the Premises are located, and (b) such party is then covered in whole or in part by insurance with respect to such loss, cost, damage or expense, then the party so insured hereby releases the other party from any liability it may have on account of such loss, cost, damage or expense to the extent of any amount recovered by reason of such insurance, and waives any right of subrogation which might otherwise exist in or accrue to any person on account thereof, provided that such release of liability and waiver of the right of subrogation shall not be operative in any case where the effect thereof is to invalidate such insurance coverage or increase the cost thereof

(provided, that in the case of increased cost, the other party shall have the right, within thirty (30) days following written notice, to pay such increased cost, thereupon keeping such release and waiver in full force and effect).

ARTICLE XIV

Covenant to Hold Harmless

Lessee agrees to indemnify and save Lessor, its beneficiaries and agents harmless against and from any and all claims, damages, costs and expenses, including reasonable attorneys' fees, arising from the conduct or management of the business conducted by Lessee in the Premises or from any breach or default on the part of Lessee in the performance of any covenant or agreement on the part of Lessee to be performed pursuant to the terms of this Lease, or from any act of negligence of Lessee, its agents, contractors, servants, employees, subLessees, concessionaires, or licensees in or about the Premises. In case any action or proceeding be brought against Lessor or its beneficiaries or both, by reason of any such claim, Lessee, upon notice from Lessor, covenants to defend such action or proceeding by counsel reasonably satisfactory to Lessor. It is further understood and agreed that to the maximum extent permitted by law, Lessor shall not be liable for, and Lessee waives and releases all claims for, damage to person or property sustained by Lessee or Lessee's employees, agents, servants, invitees or customers resulting from the Building or the Premises, or any equipment or appurtenance, becoming out of repair, or resulting from any accident in or about the Building or the Premises, or resulting directly or indirectly from any act or neglect of any other Lessee or occupant in the Shopping Center. Notwithstanding any provisions to the contrary above, no such claim shall be deemed waived or barred which shall be based upon the intentional torts or sole negligence of Lessor or its agents.

ARTICLE XV

Damage by Fire or Other Casualty

(1) In the event the Building or the Premises shall be partially or totally destroyed by fire, explosion, windstorm or other casualty so as to be partially or totally untenantable, Lessor may repair or restore the same after such destruction or damage, or may terminate this lease as of the date of the destruction or damage, in either case by giving Lessee notice within sixty (60) days after the date of the destruction or damage. If Lessor elects to repair or restore the Premises Lessor shall commence such repair or restoration within one hundred (100) days of the date of such damage and shall proceed with such repair or restoration in an expeditious manner. If this Lease is terminated under this paragraph (1), the Base Rent shall abate if the Premises are untenantable (and Lessee does not occupy the Premises as a result of such untenantability) on a per diem basis during the period of restoration.

(2) In the event the Building is damaged as aforesaid but is not thereby rendered untenantable, Lessor shall repair and restore the Building with reasonable dispatch, and while such damage is being repaired, Lessee, if deprived of any portion of the Premises, shall be entitled to an equitable abatement of the Base Rent as mutually agreed by the parties.

ARTICLE XVI

Eminent Domain

(1) If substantially all of the Premises shall be taken by any public authority under the power of eminent domain, then this Lease shall automatically terminate without further notice by either party hereto as of the day possession shall be taken by such public authority and Rent shall be paid to that date with a proportionate refund by Lessor of such Rent as may have been paid in advance.

(2) If more than one-third of the ground floor area of the Premises shall be taken under eminent domain, Lessee shall have the right to terminate this Lease, or (subject to Lessor's right of termination as hereinafter set forth in the Article) to continue in possession of the remainder of the Premises and Lessee shall notify Lessor in writing within ten (10) days after such taking, of Lessee's election. In the event Lessee elects to remain in possession, all of the terms herein provided shall continue in effect, except that the Base Rent shall be reduced in proportion to the amount of the Premises taken, and Lessor shall at its own cost and expense make all necessary repairs or alterations to the Building so as to constitute the remaining Premises a complete architectural unit. If more than one-third of the ground floor area of the Premises shall be taken under power of eminent domain or if the unexpired portion of the Term shall be two years or less at the date of taking of any portion of the Premises, Lessor may terminate this Lease by written notice to Lessee delivered within thirty (30) days after the order taking said property.

(3) In any event, all damages awarded for such taking under the power of eminent domain, whether for the whole or a part of the Premises, shall belong to and be the property of Lessor whether such damages shall be awarded as compensation for diminution in value to the leasehold or to the fee of the Premises or both; provided, however, that Lessor shall not be entitled to any award made to Lessee for loss of business or depreciation to, and cost of removal of, fixtures, equipment and furnishings of Lessee.

(4) For purposes of this Lease, the term "eminent domain" shall include any purchase or other acquisition in lieu of condemnation and the exercise of any similar governmental power.

ARTICLE XVII

Access to Premises

Lessor reserves the right to enter upon the Premises at reasonable hours to inspect the same, or to make repairs, additions or alterations to the Premises or other property, or to exhibit the Premises to prospective tenants, purchasers or others, and to enter the Premises at any time in the event of an emergency.

ARTICLE XVIII

Assignment and Subletting

(1) Lessee agrees not to sell, assign, mortgage, pledge, or in any manner transfer this Lease or any estate or interest thereunder and not to sublet the Premises or any part or parts thereof and not to permit any licensee or concessionaire therein without the previous written consent of Lessor in each instance which consent shall not be unreasonably withheld. Consent by Lessor to one assignment of this Lease or to one subletting of the Premises shall not be a waiver of Lessor's rights under this Article XVIII as to any subsequent assignment or subletting. Lessor's rights to assign this Lease are and shall remain unqualified.

(2) In addition, Lessee shall not allow or permit any transfer of this Lease or any interest under it, or any lien upon Lessee's interest to arise, by operation of law without first obtaining written consent from Lessor, and any such transfer, lien, assignment or subletting not so consented to by Lessor shall be invalid and of no force or effect whatsoever as against Lessor.

(3) No such subleasing or assignment, even with the approval of the Lessor, shall relieve the Lessee from liability for payment of the Rent herein provided or from the obligation to keep, and be bound by, the terms, conditions and covenants of this Lease. The acceptance of Rent from any other person shall not be deemed a waiver by Lessor of any of the provisions of this Article XVIII or to be a consent to the assignment of this Lease or subletting of the Premises.

(4) Lessee agrees that the withholding by Lessor of its consent to any proposed assignment or proposed sublease will not be deemed "unreasonable" if, among other reasonable criteria to be examined by Lessor:

(1) the proposed subtenant or assignee does not have a good business reputation or standing in the community;

(2) the intended use of the Premises by the proposed subtenant or assignee is different than the permitted use under this Lease;

(3) the use of the Premises by the proposed subtenant or assignee would violate any laws, ordinances or governmental regulations;

(4) the use of the Premises by the proposed subtenant or assignee would violate any other agreements affecting the Premises, the Lessor or any other tenants of the Shopping Center; or

(5) Lessee is in default under this Lease.

ARTICLE XIX

Bankruptcy

In the event a petition is filed by or against Lessee seeking a plan of reorganization or arrangement under the Federal Bankruptcy code, Lessor and Lessee agree, to the extent permitted by law, that the trustee in bankruptcy shall determine within sixty (60) days after the commencement of the case, whether to assume or reject this Lease.

ARTICLE XX

Default

(1) If Lessee vacates or abandons the Premises or permits the same to remain vacant or unoccupied for a period of thirty (30) days, or if Lessee shall be adjudicated insolvent or bankrupt pursuant to the provisions of any state or federal insolvency or bankruptcy act or code, or if a receiver or trustee of the property of Lessee shall be appointed by reason of Lessee's insolvency or inability to pay its debts, or if any assignment shall be made of Lessee's property for the benefit or creditors, or if Rent, or any part thereof shall not be paid when due, or if default shall be made in the prompt and full performance of any covenant, condition or agreement in this Lease to be kept or performed by Lessee and such default or breach of performance shall continue for more than fifteen (15) days after written notice to Lessee specifying such default or breach of performance, (unless Lessee has commenced and is diligently proceeding to cure such default and said default is cured within 90 days from the date of Lessor's notice) then Lessor may treat the occurrence of any one or more of the foregoing events as a breach of this Lease and thereupon at its option without further notice or demand of any kind to Lessee or any other person, may have, in addition to all other legal or equitable remedies, the following described remedies:

(a) Lessor may elect to re-enter the Premises by summary proceedings or similar proceedings and re-let the Premises, using reasonable efforts therefor, and upon receiving the rent therefrom, will apply the same first to the payment of Lessor's expenses of reletting (including repairs, alterations, improvements, attorney's fees, court costs and brokerage commissions), next to the payment of rent accruing hereunder, the balance, if any, to be paid to Lessee; but, Lessee shall remain liable for the amount of all rent reserved herein to the extent not paid from the proceeds of reletting, and such amount shall be due and payable to Lessor as damages or rent, as the case may be, on the successive rent days provided above, and Lessor may recover such amount periodically on such successive days; or,

(b) Lessor may elect to terminate the Lease and to resume possession of the Premises wholly discharged from the Lease.

Such election shall be made by written notice to Lessee at any time on or before the doing of any act or the commencement of any proceedings to recover possession of the Premises by reason of the default then existing and shall be final. If Lessor shall elect to terminate the Lease, all rights and obligations of Lessee relating to the unexpired portion of the Lease shall cease. Within ten (10) days after receipt by Lessee of notice of election by Lessor to terminate the Lease, the parties shall by an instrument in writing terminate the Lease and Lessee shall surrender and deliver to Lessor the Premises, except that Lessee may remove its trade fixtures, signs, equipment and other personal property. Upon any default by Lessee in so doing, Lessor shall have the right to re-enter the Premises by summary proceedings or similar proceedings.

(2) Upon and after entry into possession without terminating the Lease, Lessor shall take reasonable measures to mitigate the damages recoverable against Lessee by attempting to relet all or any part of the Premises for the account of Lessee for such rent and upon such terms and to such person, firm or corporation and for such period or periods as are acceptable to Lessor; provided, however, that Lessor shall not be obligated to market or relet the Premises on a priority basis over unleased or unoccupied space in the Building or the Shopping Center. Lessor shall not be required to accept any tenant offered by Lessee, or to observe any instruction given by Lessee about such reletting but shall not be unreasonable or arbitrary in connection therewith. For the purpose of such reletting, Lessor may decorate or make repairs, changes, alterations or additions in or to the Premises to the extent deemed by Lessor desirable or convenient. If the consideration collected by Lessor upon any such reletting for Lessee's account is not sufficient to pay the Rent reserved in this Lease and the cost of repairs, alterations, additions, redecorating and Lessor's other expenses, Lessee agrees to pay to Lessor the deficiency upon demand; however, the acceptance of a tenant by Lessor in place of Lessee shall constitute only satisfaction pro tanto of the obligations of Lessee.

(3) If Lessee shall fail to perform an obligation hereunder after notice of such default, then Lessor may perform such obligation for the account and expense of Lessee without further notice and Lessee shall promptly reimburse Lessor therefor.

(4) All rights and remedies of Lessor herein enumerated shall be cumulative and none shall exclude any other right or remedy allowed by law, and said rights and remedies may be exercised and enforced concurrently and whenever and as often as occasion therefor arises.

ARTICLE XXI

Costs, Expenses and Attorney's Fees

Lessee shall pay all reasonable costs, expenses and reasonable attorneys' fees that may be incurred or paid by Lessor in enforcing the covenants and agreements in this Lease.

ARTICLE XXII

Surrender of Premises

On the expiration of this Lease, or on the sooner termination hereof, Lessee shall peaceably surrender the Premises in good order, condition and repair, broomclean, fire and other unavoidable casualty, reasonable wear and tear only excepted. On or before the expiration of this Lease, or the sooner termination hereof, Lessee shall at its expense, remove its trade fixtures, signs and carpeting from the Premises and any property not removed shall be deemed abandoned. Lessee shall promptly repair at its expense, any damage occasioned by removal of its trade fixtures, signs and carpeting. All alterations, additions, improvements and fixtures (other than Lessee's trade fixtures and signs) which shall have been made or installed by Lessor upon the Premises and all hard surface bonded or adhesively affixed flooring shall remain upon and be surrendered with the Premises as a part hereof, without disturbance, molestation or injury, and without charge, at the expiration or termination of this Lease. Lessee shall promptly surrender all keys for the Premises to Lessor at the place then fixed for payment of Rent and shall inform Lessor of combinations on any locks and safes on the Premises.

ARTICLE XXIII

Holding Over

If Lessee holds possession of the Premises after the expiration or termination of this Lease, whether by lapse of time or otherwise, Lessee shall pay for the whole time during which possession is withheld an amount equal to twice the Rent for a period of time equal to the period during which possession is so withheld, and also shall pay all damages sustained by Lessor by reason of such withholding of possession. Neither the provisions of this Article nor the acceptance of such Rent by Lessor shall constitute a waiver of Lessor's right to reenter the Premises or terminate this Lease as herein provided, nor shall any other act or omission to act in apparent affirmance of the tenancy operate as a waiver of the right to terminate this Lease or any renewal thereof or of any other right of Lessor under the provisions of this Lease or provided by law.

ARTICLE XXIV

Notice

University of Chicago Hospitals

Any notice required or permitted under this Lease shall be deemed sufficiently given or served if personally delivered or sent by certified or registered mail to Lessee at Box MC 6091, 5841 S. Maryland Avenue Chicago, Illinois 60637 Attn: Jeffrey Finesilver and to Lessor c/o The Habitat Company, 405 North Wabash Avenue, Chicago, Illinois 60611 Attn: Daniel E. Levin, and either party may by notice at any time and from time to time designate a different address to which notices shall be sent. Notices given in accordance with these provisions shall be deemed received within two days after mailing or on the date of delivery if personally delivered.

ARTICLE XXV

INTENTIONALLY DELETED

ARTICLE XXVI

General

(1) The laws of the State of Illinois shall govern the validity, performance and enforcement of this Lease. The submission of this Lease for examination does not constitute an offer to lease, or a reservation of or option for the Premises, and this Lease becomes effective only upon execution and delivery thereof by Lessor and Lessee. The captions

of the several Articles contained herein are for convenience only and do not define, limit, describe or construe the contents of such Articles.

(2) Whenever a period of time is herein provided for a party to do or to perform any act or thing, such party shall not be liable or responsible for any delays due to strikes, riots, acts of God, shortages of labor or materials, national emergency, acts of a public enemy, government restrictions, laws or regulations or any other cause or causes, whether similar or dissimilar to those enumerated, beyond such party's reasonable control.

(3) Lessor and Lessee represent to each other that the person(s) executing and delivering this Lease on their behalf are authorized and empowered to do so and that all consents or approvals to the execution of this Lease on behalf of Lessor and Lessee, respectively, have been obtained.

ARTICLE XXVII

Rules and Regulations

(1) Lessee covenants and agrees with Lessor that:

(a) Lessee shall keep the Premises at a temperature sufficiently high to prevent freezing of water in pipes and fixtures.

(b) No awning or other projections shall be attached to the outside walls of the Premises or the Building without in each instance the prior written consent of Lessor.

(c) No radio or television aerial shall be erected on the roof or exterior walls of the Premises, or on the grounds, without, in each instance, the prior written consent of the Lessor. Any Aerial so installed without such written consent shall be subject to removal without notice at any time.

(d) The parking area within the Shopping Center is reserved solely for the use of the customers thereof and Lessee shall not permit any of its employees to park in said area. Notwithstanding the foregoing, Lessor shall provide Lessee with sufficient vehicle parking passes or stickers solely for use by patients of Lessee. ~~Tenant anticipates that the maximum number of passes Tenant will need is twelve~~.

The foregoing covenants and agreements in this Article XXVIII shall be referred to as "Rules and Regulations".

(2) Lessee agrees that Lessor may amend, modify, delete or add new and additional reasonable rules and regulations for the use and care of the Premises, the Building and the Shopping Center. Lessee agrees to comply with all such rules and regulations upon notice to Lessee from Lessor or upon the posting of same in such place within the Shopping Center as Lessor may designate.

(3) Lessor shall not be responsible for the violation of any of the Rules and Regulations by other tenants of the Building or the Shopping Center and Landlord shall have no obligation to enforce the same against other Tenants.

ARTICLE XXVIII

Successors and Assigns

All covenants, promises, conditions, representations and agreements herein contained shall be binding upon, apply and inure to the parties hereto and their respective successors and permitted assigns.

ARTICLE XXIX

Real Estate Taxes and Common Area Maintenance Cost

(1) For purposes of this Lease, the following words and phrases shall have the following meanings:

(A) "Adjustment Date" shall mean January 1, 1992 and every January 1 thereafter occurring within the Term.

(B) "Adjustment Year" shall mean each calendar year during which an Adjustment Date occurs.

(C) "Base Year" shall mean calendar year 1991.

(D) "Common Area Maintenance Cost" shall mean all costs and expenses of every kind and nature paid or incurred by Lessor during the Term (including appropriate reserves) in operating, managing, equipping, policing (if and to the extent provided by Lessor), protecting, insuring, heating, cooling, lighting, ventilating, repairing, replacing and maintaining the common areas, signs and other facilities in the Shopping Center. Such costs and expenses shall include but not be limited to cleaning, fire protection, snow and ice clearance, costs and expenses of planting, replanting and landscaping, water and sewage charges; premiums for liability, property damage, fire, extended coverage, malicious mischief, vandalism, workmen's compensation, employees liability and other insurance; wages, unemployment taxes, social security taxes; special assessments, real estate, personal property and parking area use taxes; fees for audits, required licenses and permits; costs and expenses of supplies; operation of loud speakers and any other equipment supplying music to the common area; reasonable depreciation of, and rents paid for the leasing of equipment used in the operation of the common areas and administrative costs equal to fifteen percent (15%) of the total costs of operating and maintaining the common areas (except appropriate reserves); but there shall be excluded costs of equipment properly chargeable to capital accounts and depreciation of the original cost of constructing the common areas.

(E) "Taxes" shall mean all federal, state and local governmental taxes, assessments and charges (including general real estate taxes, sewer rents and transit or transit district taxes or assessments) of every kind or nature, which Lessor shall pay or become obligated to pay because of or in connection with the ownership, leasing, management, control or operation of the Shopping Center (including the land on which it is situated), or of the personal property, fixtures, machines, equipment, systems or apparatus located therein or used in connection therewith (including any rental or similar taxes and licenses, building, occupancy, permit or similar fees levied in lieu of or in addition to general real or personal property taxes). For purposes hereof, Taxes for any year shall be Taxes which are due for payment or paid in that year rather than Taxes which are assessed or become a lien during such year. There shall be included in Taxes for any year the amount of all fees, costs and expenses (including reasonable attorney's fees) paid by Lessor during such year in seeking or obtaining any refund or reduction of Taxes. Taxes in any year shall be reduced by the net amount of any tax refund received by Lessor during such year. Taxes shall not include any federal, state or local sales, use, franchise, capital stock, inheritance, general income, gift or estate taxes, except that if a change occurs in the method of taxation resulting in whole or in part in the substitution of any such taxes, or any other assessment, for any Taxes as above defined, such substituted taxes or assessments shall be included in Taxes.

(F) "Lessee's Proportionate Share" shall mean 12.29%.

(2) In addition to the Base Rent payable by Lessee under this Lease, Lessee agrees to pay Lessor on and after each Adjustment Date to and including the day immediately preceding the following Adjustment Date, as additional rent, the following amounts:

(A) An amount equal to Lessee's Proportionate Share of the excess of Taxes for the Adjustment Year during which such Adjustment Date occurs over Taxes for the Base Year. Subject to the provisions of subparagraph 3(A) below, all additional rental payable herein for each Adjustment Year shall be paid in equal monthly installments in advance on or before the first day of each month during such Adjustment year; plus

(B) An amount equal to Lessee's Proportionate Share of Common Area Maintenance Cost for the Adjustment Year during which such Adjustment Date occurs over Common Area Maintenance Cost for the Base Year. Subject to the provisions of subparagraph 4(A) below, all additional rental payable herein for each Adjustment Year shall be paid in equal monthly installments in advance on or before the first day of each month during such Adjustment Year.

(3)(A) For purposes of calculating Taxes for any Adjustment Year, Lessor may make reasonable projections of Taxes for such Adjustment Year. Within a reasonable time after each Adjustment Date, Lessor shall deliver to Lessee a written statement setting forth the projections of Taxes for the Adjustment Year in which such Adjustment Date occurs and providing a calculation of the estimated additional rental payable under this Article XXIX for such Adjustment Year; provided, however, that the failure of Lessor to provide any such statement within said period shall not relieve Lessee from its obligation to continue to pay the additional rent required herein at the monthly rate then in effect. Within thirty (30) days following the date on which Lessor delivers such statement to Lessee, Lessee shall pay in a lump sum, any increases in the additional rent payable herein as reflected thereby effective retroactively to the most recently preceding Adjustment Date. On the first day of the calendar month following the date on which Lessor delivers such statement and on the first day of each calendar month thereafter to and including the date upon which Lessor delivers a subsequent statement hereunder, Lessee shall pay the increased monthly additional rent specified in such statement.

(B) Within a reasonable period after the end of each Adjustment Year, or at such later date as Lessor shall be able to determine the actual amount of Taxes for the Adjustment Year last ended, Lessor shall notify Lessee in writing of such actual amount. If such actual amount exceeds the projected amount of Taxes for such Adjustment Year, then Lessee shall, within thirty (30) days after the date of such notice from Lessor, pay to Lessor an amount equal to Lessee's Proportionate Share of such excess. The obligation to make such payment shall survive the expiration or earlier termination of this Lease. If the projected amount of Taxes for such Adjustment Year exceeds the actual amount, then . Lessor shall promptly refund such excess to Lessee.

(4)(A) For purposes of calculating the Common Area Maintenance Cost for any Adjustment Year, Lessor may make reasonable estimates or projections for such Adjustment Year. Within a reasonable time after each Adjustment Date, Lessor shall deliver to Lessee a written statement setting forth its projections of the Common Area Maintenance Cost for the Adjustment Year in which such Adjustment Date occurs and providing a calculation of the estimated additional rental payable under this Article XXIX for such Adjustment Year; provided, however, that the failure of Lessor to provide any such statement within said period shall not relieve Lessee from its obligation to continue to pay the additional rental required hereunder at the monthly rate then in effect. Within thirty (30) days following the date on which Lessor delivers such statement to Lessee, Lessee shall pay Lessor in a lump sum, any increases in the additional rental payable herein as reflected thereby retroactively to the most recently preceding Adjustment Date. On the first day of the calendar month following the date on which Lessor delivers such statement and on the first day of each calendar month thereafter to and including the date upon which Lessor delivers a subsequent statement hereunder, Lessee shall pay the increased monthly additional rental specified in such statement.

(B) Within a reasonable period after the end of each Adjustment Year, or at such later date as Lessor shall be able to determine the actual Common Area Maintenance Cost for the Adjustment Year last ended, Lessor shall notify Lessee in writing of such actual amount. If such actual amount exceeds the projected amount of the Common Area Maintenance Cost for such calendar year, then Lessee shall, within thirty (30) days after the date of said notice from Lessor, pay to Lessor, an amount equal to Lessee's Proportionate Share of such excess. The obligation to make such payment shall survive the expiration or earlier termination of this Lease. If the projected amount of Common Area Maintenance Cost for such Adjustment Year exceeds such actual amount, Lessor shall promptly refund such excess to Lessee.

5. Lessee will have the right to review and make copies of the documentation utilized by Lessor in preparing the statements as to Taxes and Common Area Maintenance Cost, such review to be on reasonable notice to Lessor and to occur at Lessor's office during business hours.

ARTICLE XXX

INTENTIONALLY DELETED

ARTICLE XXXI

Brokerage

Lessee represents to Lessor that except for The Habitat Company ("Broker"), Lessee has not dealt with any real estate broker, sales, person, or finder in connection with this Lease, and no such person initiated or participated in the negotiation of this Lease, or showed the Premises to Lessee. Lessee agrees to indemnify, defend and hold harmless Lessor, its beneficiary, officers and employees, from and against any and all claims, demands, liabilities, actions, damages, costs and expenses (including attorneys' fees) for brokerage commissions or fees arising out of a breach of such representation. Unless otherwise agreed by the parties, Lessor shall be responsible for the payment of all commissions to Broker, based upon the leasing commission policy of Lessor applicable to the Building and in effect as of the date of this Lease.

ARTICLE XXXII

Estoppel Certificate

Lessee shall within twenty (20) days after each prior written request from Lessor, execute and deliver in form and substance satisfactory to Lessor, an estoppel letter signed by Lessee and certifying: the Commencement Date and the Expiration date; the date to which Base Rent and all additional rent has been paid; the amount of Base Rent and all additional rent then being paid; the amount of any security deposit; that Lessee has accepted the Premises; that this Lease is in full force and effect and has not been modified, amended or assigned (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect); that all improvements have been fully completed; that there are no defaults of Lessor under this Lease nor any existing condition upon which the giving of notice or lapse of time would constitute a default; that Lessee has not received any concession; that there are no offsets to the payment of Rent; that Lessee has received no notice from any insurance company of any defects or inadequacies of the Premises; that Lessee has no options or rights other than as set forth in this Lease; and such other matters which Lessor may reasonably request. If the letter is to be delivered to a purchaser or other subsequent owner of the Building or the Shopping Center, it shall further include the agreement of Lessee to recognize such purchaser or other subsequent owner as Lessor under this Lease and to pay Rent to the purchaser or other subsequent owner or its designee in accordance with the terms of this Lease. It is expressly understood and agreed that any such statement may be relied upon by any prospective purchaser, mortgagee or ground Lessor of all or any portion of the Building or the Shopping center. Lessee's failure to deliver such statement within said 10 day period shall be conclusive upon Lessee that this Lease is in full force and effect, without modification except as may be represented by Lessor, that there are no uncured defaults in Lessor's performance, not more than one (1) months' rental has been paid in advance and that all other statements required to be made in the estoppel letter are conclusively made.

ARTICLE XXXIII

Leasehold Improvement Work

Upon commencement of the Term Lessor, at its expense, agrees to perform the following work and to provide certain allowances to Lessee as set forth below:

(a) remove existing metal rails and create wheelchair ramp at main entrance to Premises.

(b) demolish demising wall, other interior partitions, remove any equipment belonging to prior Tenant, remove boards from windows on East wall, replace glass if cracked or broken ~~where necessary~~.

(c) provide a double door exit at location specified by Tenant in construction drawings.

(d) contribute to Lessee up to the sum of $7,000 for use in construction of a new block wall between the Premises and adjacent space occupied by Burger King.

(e) contribute to Lessee up to the sum of $8,000 as an allowance toward the installation of a new HVAC system for the Premises, the installation to be performed by Lessee.

(f) provide space in the loading area for the parking of one van.

(g) provide asbestos abatement per code to the extent required.

(h) place Tenant name on awning.

Upon commencement of the Term, Lessee, at its expense, agrees to promptly perform all other work necessary to alter the Premises for Lessee's use.

ARTICLE XXXIV

INTENTIONALLY DELETED

ARTICLE XXXV

Rent Abatement

Notwithstanding anything to the contrary contained herein Tenant shall not be obligated to pay Base Rent or additional rent until the first to occur of (a) the date Lessee commences business operations in the Premises or (b) October 1, 1992. Notwithstanding said abatement, all the remaining provisions of this Lease (including all provisions relating to use of the Premises and insurance requirements) shall be and remain in full force and effect.

Lessor:	Lessee:
AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not individually, but solely as Trustee under Trust No. 20960 By: Herbert Realty Co. its managing agent By: ______________ VICE PRESIDENT	THE UNIVERSITY OF CHICAGO HOSPITALS By: ______________ Exec Vice President 4/29/92

Copy:
- Paulo Cuellar
- Terri Martinez
- Acts payable
→ mae

MAC PROPERTY MANAGEMENT

NEW JERSEY | REGIONAL OFFICE

32 North Dean Street, 2nd floor, Englewood, New Jersey 07631
TEL 201 541 8003 FAX 201 541 7006 WEB www.macapartments.com

November 21, 2007
University of Chicago Hospitals
Attn: Jeff Finesilver
Vice President - Hospitals
AMB W-606 MC 6091
5841 S. Maryland Avenue
Chicago, IL 60637

RE: Lease Agreement for the Lake Park Dialysis Center, Dated: May 1, 1992
1531 East Hyde Park Boulevard Chicago, Illinois 60615

Dear Mr. Finesilver:

In accordance with the terms of the above referenced Lease, the monthly base rent is to increase each October 1st during the latter five years of the Lease. The increase is based on the Consumer Price Index ("CPI") as outlined in Article II of the Lease.

I have attached a worksheet showing the new rent calculated for the October 1, 2007 - September 30, 2008. Pursuant to the terms of the Lease, the worksheet is based off the CPI for October 2007. This information is highlighted in the additional attachment originating from the Bureau of Labor Statistics website.

The new monthly base rent is $14,454.67 and will be reflected on the December 2007 invoice. Additionally, the back rent will appear on the December invoice. The back rent due covers the time period of October 2007 through November 2007. The total amount for the back rent is $1,757.16.

Sincerely,

MAC Property Management

Enclosure

University of Chicago
2008 CPI Rent Increase
Calculation

CPI INCREASE - OCTOBER 2007

2007 BASE RENT		X	OCT 07 CPI - OCT 06 CPI / OCT 92 CPI			=	RENT INCREASE	
$	13,576.09	X	206.696	-	197.5	=	$	878.58
				142.1				
NEW BASE RENT OCTOBER 2007			13,576.09	+	$ 878.58	=	$ 14,454.67	

PAST DUE RENT

Revised Billing:

October 2007 - November 2007 @ 14,454.67/month	28,909.34
	28,909.34
Less: Amount Billed	
October 2007 - November 2007 @ 13,576.09/month	27,152.18
Total Amount Due	**$ 1,757.16**

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U.S. Department of Labor
Bureau of Labor Statistics

Bureau of Labor Statistics Data

www.bls.gov

Data extracted on: November 20, 2007 (2:23:25 PM)

Consumer Price Index - All Urban Consumers

```
Series Id:     CUURA207SA0,CUUSA207SA0
Not Seasonally Adjusted
Area:          Chicago-Gary-Kenosha, IL-IN-WI
Item:          All items
Base Period:   1982-84=100
```

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
1997	160.4	161.1	161.0	160.9	161.1	161.7	161.7	162.5	162.1	162.5	162.9	162.8	161.7	161.0	162.4
1998	162.8	163.1	164.1	164.8	165.6	166.0	166.5	165.4	165.3	165.7	165.4	165.1	165.0	164.4	165.6
1999	166.1	166.4	167.0	167.6	168.2	168.9	169.4	169.3	169.7	169.7	169.3	169.2	168.4	167.4	169.4
2000	170.2	171.4	172.2	171.9	173.7	176.0	174.6	173.7	174.8	175.4	176.0	175.8	173.8	172.6	175.1
2001	178.1	178.5	177.1	178.4	179.8	179.2	177.7	178.1	179.7	178.1	177.4	177.9	178.3	178.5	178.2
2002	177.9	178.7	179.8	180.9	181.4	182.1	181.2	181.6	182.1	182.8	183.2	182.4	181.2	180.1	182.2
2003	182.7	184.1	184.8	183.4	183.4	184.1	184.1	184.5	186.1	185.8	185.6	185.5	184.5	183.8	185.3
2004	185.4	186.4	186.3	187.2	188.7	189.1	189.2	190.2	190.0	190.8	190.7	189.6	188.6	187.2	190.1
2005	189.9	190.5	191.3	193.2	193.3	194.0	194.2	195.8	198.3	197.9	197.3	196.4	194.3	192.0	196.7
2006	197.5	197.2	197.6	197.7	198.4	199.0	199.3	200.4	199.6	197.5	197.9	197.8	198.3	197.9	198.8
2007	199.401	200.630	202.483	204.019	205.686	206.092	205.561	205.813	206.454	206.696				203.052	

U.S. Bureau of Labor Statistics
Postal Square Building
2 Massachusetts Ave., NE
Washington, DC 20212-0001

Phone: (202) 691-5200
Do you have a Data question?
Do you have a Technical (web) question?
Do you have Other comments?

125

Tel-con w/ Bill Frazier - OK to sign. 9/21/05

THE HABITAT COMPANY

~~September 8, 2005~~

Mr. Jeff Finesilver
University of Chicago Hospitals
Vice President - Hospitals
AMBW606 MC6091
6841 S. Maryland Ave.
Chicago, IL 60637

RE: Village Center

Dear Mr. Finesilver:

As you know, Village Center is in the process of being sold. In connection with the sale, we are enclosing two copies of each of (i) a form of Tenant Estoppel Certificate and (ii) a form of Subordination, Attornment and Non-Disturbance Agreement. These documents are customary in connection with the sale of a property such as Village Center and so are generally already contemplated by each tenant's lease. As such, in accordance with your lease, please sign each copy where indicated and have the signature of each copy of the Subordination, Attornment and Non-Disturbance Agreement notarized where indicated. As you will see, the Tenant Estoppel Certificate is the tenant's acknowledgment of certain facts relating to its lease as stated in that form, including the payment of rent. Generally, the Subordination, Attornment and Non-Disturbance Agreement is further evidence of the subordination of leases at Village Center to mortgages placed on the property and provides that, if the purchaser defaults under its mortgage loan on Village Center, so long as a tenant is not in default under its lease, such tenant may continue its tenancy even if the lender forecloses on the property.

Please return in the enclosed envelope all of the executed and notarized documents as soon as possible to The Habitat Company, 350 West Hubbard Street, Suite 500, Chicago, Illinois 60610, Attention: Lex W. McCarthy.

If you have any questions, please feel free to call me.

Sincerely,

THE HABITAT COMPANY

Lex McCarthy

Lex W. McCarthy
Senior Vice President

LM/at
Enclosure

cc: Mark Segal

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THE HABITAT COMPANY

August 15, 2005

Mr. Jeff Finesilver
University of Chicago Hospitals
Vice President - Hospitals
AMBW606 MC6091
6841 S. Maryland Ave.
Chicago, IL 60637

RE: Village Center

Dear Mr. Finesilver:

As you may know, we are under contract to sell Village Center. A representative of the purchaser, Antheus Capital may be calling you to discuss your tenancy as a leaseholder at Village Center. Please expect a telephone call and/or visit from either David Gefsky or Eli Unger with Antheus Capital.

We certainly appreciate your cooperation. If you have any questions, please feel free to call me.

Sincerely,

THE HABITAT COMPANY

Lex McCarthy

Lex W. McCarthy
Senior Vice President

LM/at
Enclosure

cc: Mark Segal
David Gefsky
Marguerite Batau

1 27

THE HABITAT COMPANY

~~September 8, 2005~~

Mr. Jeff Finesilver
University of Chicago Hospitals
Vice President - Hospitals
AMB W606 MC6091
6841 S. Maryland Ave.
Chicago, IL 60637

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If you have any questions, please feel free to call me.

Sincerely,

THE HABITAT COMPANY

Lex McCarthy

Lex W. McCarthy
Senior Vice President

LM/at
Enclosure

cc: Mark Segal

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350 West Hubbard Street · Chicago, Illinois 60610 · Tel: 312.527.5400 · Fax: 312.527.4639 · www.habitat.com

Project: **Village Center**

TENANT ESTOPPEL CERTIFICATE

Tenant: The University of Chicago Hospitals

Landlord: Village Center, beneficiary under a Trust Agreement with LaSalle Bank National Association, as successor trustee to American National Bank and Trust Company of Chicago, under Trust Number 20960

LEASE dated: May 1, 1992

Amendments dated: None

Options: Option 1 (exercised) – 5Years – October 1, 2002 – September 30, 2007
Option 2 – 5 Years – October 1, 2007 – September 30, 2012

Premises: 1531 E. Hyde Park Blvd. – 8,085 s.f.

Monthly fixed rent: $12,966.54

CAM Pass Through: 12.29% of total CAM expenses in excess of base year 1991

Real Estate Pass Through: 12.29% of total real estate tax expense in excess of base year 1991

Lease Term: Commenced October 1, 1992 **and will expire on** September 30, 2007

As of the date hereof, the undersigned Tenant under the above-referenced Lease, certifies to 1525 HP, LLC, a Indiana limited liability company, its successors and assigns ("*Purchaser*") and PROTECTIVE LIFE INSURANCE COMPANY, its successors and/or assigns ("*Lender*") as follows with respect to the Lease:

1. The Lease is the only lease affecting said premises and has not been amended, modified, changed, altered or supplemented, except as shown above. The above information is true and correct.

2. The Lease is in full force and effect and that there are no defaults thereunder or any conditions which with only the passage of time or giving of notice or both would become a default under the terms of said Lease.

3. The fixed monthly rent shown above has been paid through September 2005.

4. No rents have been prepaid except as provided by said Lease, but in no event have rents been paid more than thirty (30) days in advance and that there are no offsets or credits against future accruing rents.

5. Tenant is open and operating and in full and complete possession of the premises demised pursuant to the terms of said Lease. The demised premises, including all improvements, common areas and parking

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areas, as constructed, satisfy the requirements of said Lease and have been accepted and approved in all respects by Tenant.

6. All duties of an inducement nature and all inducement clauses have been fulfilled by Landlord.

7. In the event that Lender shall succeed to title by foreclosure or deed in lieu of foreclosure, no claim shall be asserted against Lender for the return of any security deposit paid by Tenant unless Lender shall have received the amount of said security deposit at the time it acquires title.

8. The Lease shall not be cancelled, surrendered or merged in the ownership of the fee of said premises except as specifically provided by the terms of the Lease.

9. Tenant agrees, any provision of the Lease to the contrary notwithstanding, that Landlord may disclose to Lender any information disclosed to Landlord pursuant to the lease terms concerning gross sales, receipts, percentage rent and the like.

10. Tenant acknowledges that the address to which notices shall be given to Purchaser is c/o MAC Property Management 32 N. Dean Street, Second Floor, Englewood, NJ 07631 and to Lender is 2801 Highway 280 South, Birmingham, Alabama 35223, Attention: Investment Department.

The undersigned understands and acknowledges that Purchaser and Lender will rely on this Certificate in acquiring this property or acquiring or making a mortgage loan to Purchaser and that in connection with said loan, Purchaser's interest in the Lease is being assigned to Lender as additional security for the Loan.

TENANT:

THE UNIVERSITY OF CHICAGO HOSPITALS

By: ______________________

Name: ______________________

Title: ______________________

Date: ______________________

SUBORDINATION, ATTORNMENT AND NONDISTURBANCE AGREEMENT

THIS AGREEMENT is entered into as of the date set forth below by and between the Lender and Tenant defined below.

RECORDER'S STAMP

The following capitalized terms are definitions for the purpose of this agreement:

Lender:	PROTECTIVE LIFE INSURANCE COMPANY, its successors and/or assigns.
Tenant:	The University of Chicago Hospitals
Landlord:	Village Center, beneficiary under a Trust Agreement with LaSalle Bank National Association, as successor trustee to American National Bank and Trust Company of Chicago, under Trust Number 20960
Lease:	Lease dated May 1, 1992 demising the premises described therein ("Leased Premises") and located on the Property
Property:	the real property described in Exhibit A attached hereto and made a part hereof, together with all buildings and improvements situated thereon
Indenture:	the Mortgage and Security Agreement which encumbers or will encumber the Property to secure a mortgage loan made by Lender to Landlord

WITNESSETH:

WHEREAS, Lender is now or will become the owner and holder of the Indenture; and

WHEREAS, Tenant is the holder of the lessee's interest in the Lease covering the Leased Premises; and

WHEREAS, Tenant and Lender desire to confirm their understanding with respect to the Lease and the Indenture.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, Lender and Tenant hereby agree and covenant as follows:

1. The Lease and the rights of Tenant thereunder are now and at all times hereafter shall be subject and subordinate to the Indenture and to all renewals, modifications or extensions thereof, but such renewals, modifications and extensions shall nevertheless be subject and entitled to the benefits of the terms of this Agreement.

2. So long as Tenant is not in default (beyond any period given Tenant to cure such default) in the payment of rent or in the performance of any of the terms, covenants or conditions of the Lease on Tenant's part to be performed, Tenant's possession of the Leased Premises and Tenant's rights and privileges under the Lease, or any renewals, modifications, or extensions thereof which may be effected in accordance with any option granted in the Lease, shall not be diminished or interfered with by Lender, and Tenant's occupancy of the Leased Premises shall not be disturbed by Lender during the term of the Lease or any such renewals, modifications, or extensions thereof.

3. So long as Tenant is not in default (beyond any period given Tenant to cure such default) in the payment of rent or in the performance of any of the terms, covenants or conditions of the Lease on Tenant's part to be performed, Lender will not join Tenant as a party defendant for the purpose of terminating or otherwise affecting Tenant's interest and estate under the Lease in any action or proceeding brought by Lender for the purpose of enforcing any of its rights in the event of any default under the Indenture; provided however, Lender may join Tenant as a party in any such action or proceeding IF such joinder is necessary under any statute or law for the purpose of effecting the remedies available to the Lender under the Indenture, BUT ONLY for such purpose and NOT for the purpose of terminating the Lease.

4. Notwithstanding anything in the Lease to the contrary, Tenant shall notify Lender in writing of the occurrence of any default by Landlord and shall permit Lender a period of thirty (30) days from the date of such notice (the "Cure Period") in which to cure such default prior to proceeding to exercise any of the rights or remedies of Tenant under the Lease, including: (i) termination of the Lease, (ii) abatement of rental payments due thereunder, or (iii) performance of Landlord's covenants or obligations which Tenant asserts to be in default; provided, however, that the Cure Period granted to Lender herein: (x) shall be extended by any period of time during which Lender is diligently pursuing the cure of a default which cannot reasonably be expected to be cured within the initial thirty (30) day Cure Period, and (y) shall not be deemed to commence until after any period of time during which Lender is pursuing acquisition of title to the Leased Premises through foreclosure or otherwise, such period to include, without limitation, any period of time (a) during which Lender's acquisition of title to the Leased Premises is stayed by any proceeding in bankruptcy, any injunction or other judicial process, and (b) after

acquisition of title by Lender during which Landlord or any other party is contesting the validity of the acquisition or Lender's title to the Leased Premises, provided that in no event shall Tenant be required to forbear from executing its remedies for a period in excess of sixty (60) days.

Notwithstanding the foregoing, Tenant agrees that so long as the Indenture (including any extensions or modifications thereof) encumbers the Leased Premises, Tenant shall have no right to terminate the Lease or withhold or abate any rentals due or to become due thereunder by reason of any of the provisions of the Lease as such provisions apply to property not included within the limits of the real estate encumbered by the Indenture, provided, however, that nothing herein contained shall be construed as a waiver of Tenant's rights in personam nor remedies by way of injunctive relief against Landlord, and provided further, if Lender should succeed to the ownership of the Leased Premises by virtue of foreclosure or deed in lieu thereof or otherwise, then in such event the provisions of the Lease shall apply to Lender as owner/landlord only with respect to the land which was formerly encumbered by the Indenture.

5. If Lender shall become owner of the Leased Premises by reason of foreclosure or other proceedings brought by it, or by any other manner, or if Lender succeeds to the interests of the Landlord under the Lease, Tenant shall be bound to Lender under all of the terms, covenants and conditions of the Lease for the balance of the term thereof remaining and any extensions or renewals thereof which may be effected in accordance with any option granted in the Lease, with the same force and effect as if Lender were the Landlord under the Lease, and Tenant does hereby attorn to Lender as its Landlord, such attornment to be effective and self-operative without the execution of any further instruments on the part of any of the parties hereto, PROVIDED, HOWEVER, that Tenant shall be under no obligation to pay rent to Lender until Tenant receives written notice from Lender that it has become such owner or has succeeded to the interest of the Landlord under the Lease. The respective rights and obligations of Tenant and Lender upon such attornment, to the extent of the then remaining balance of the term of the Lease and any such extensions and renewals, shall be and are the same as now set forth therein; it being the intention of the parties hereto for this purpose to incorporate the Lease in this Agreement by reference with the same force and effect as if set forth at length herein.

6. If Lender shall become owner of the Leased Premises or if Lender shall succeed to Landlord's interest in the Lease, then during the period of Lender's ownership of such interest, but not thereafter, Lender shall be bound to Tenant under all the terms, covenants and conditions of the Lease, and during the period of Lender's ownership of Landlord's interests in the Lease, Tenant shall have the same remedies against Lender for the breach of an agreement contained in the Lease that Tenant would have had against the Landlord if Lender had not become such owner or had not succeeded to Landlord's interest therein; PROVIDED, HOWEVER, that notwithstanding any provision in the Lease to the contrary, Lender shall not be:

(a) liable for any act or omission of any prior landlord arising under the Lease (including the Landlord) or subject to any offsets or defenses which Tenant may have against any prior landlord arising under the Lease (including the Landlord) except acts, omissions, offsets and defenses of which Lender has previously been given notice in accordance with the terms of this Agreement; or

(b) bound by any rents or additional rent which Tenant might have paid for more than the current month to any prior landlord (including the Landlord); or

(c) bound by any amendment or modification of the Lease made without its consent.

7. The terms "holder of a mortgage" and "Lender" or any similar term herein or in the Lease shall be deemed to include Lender and any of its successors or assigns, including anyone who shall have succeeded to ownership of the Leased Premises or to Landlord's interests by, through or under foreclosure of the Indenture, or deed in lieu of such foreclosure or otherwise.

The term "Landlord" shall be deemed to include Landlord, the holder of the lessor's interest in the Lease and the fee owner of the Leased Premises and the successors and assigns of any of the foregoing.

8. The Landlord has assigned or will assign to Lender all of Landlord's right, title and interest in the Lease by an Assignment of Rents and Leases ("Rent Assignment"). If in the future there is a default by the Landlord in the performance and observance of the terms of the Indenture, the Lender may at its option under the Rent Assignment require that all rents and other payments due under the Lease be paid directly to Lender. Upon notification to that effect by the Lender, Tenant agrees to pay any payments due under the terms of the Lease to the Lender. The Rent Assignment does not diminish any obligations of the Landlord under the Lease or impose any such obligations on the Lender.

9. This Agreement may NOT be modified except by a written agreement signed by the parties hereto or their respective successors in interest. This agreement shall inure to the benefit of and be binding upon the parties hereto, their successors and assigns.

IN WITNESS WHEREOF, the parties have executed this Agreement on the respective dates set forth in the acknowledgements below.

"Lender"
PROTECTIVE LIFE INSURANCE COMPANY

BY: ____________________

ITS: ____________________

[CORPORATE SEAL]

ACKNOWLEDGMENT
(for Lender)

STATE OF ________ §
§ SS.
COUNTY OF ______ §

I, __________, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT ____________ personally known to me to be the ______________ of ________________, a ______________, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such __________ of said ____________, she/he signed and delivered the said instrument as __________ of said __________, as his/her free and voluntary act, and as the free and voluntary act and deed of said ___________, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this ____ day of _______, 20__.

____
Notary Public

"Tenant"
THE UNIVERSITY OF
CHICAGO HOSPITALS

BY: ______________________

ITS: ______________________

ACKNOWLEDGMENT
(for Tenant)

STATE OF ILLINOIS §
§ SS.
COUNTY OF ______ §

I, __________, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT ______________ personally known to me to be the ________________ of ________________, a ________________, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such ____________ of said ______________, she/he signed and delivered the said instrument as ____________ of said ____________, as his/her free and voluntary act, and as the free and voluntary act and deed of said ______________, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this _____ day of _______, 20__.

____
Notary Public

EXHIBIT "A"

(Legal Description of Property)

A PARCEL OF LAND COMPRISED OF THE FOLLOWING:

(A) ALL OF LOTS 1, 2 AND 3 IN OWNER'S DIVISION OF LOTS 1, 2, 3, 4, 11, 12, 13, 14, 15 AND 16 (EXCEPT THE NORTH 17 FEET OF SAID LOTS 1 AND 16) IN BLOCK 15 IN CORNELL'S RESUBDIVISION OF BLOCKS 15 AND 16 IN HYDE PARK, BEING A SUBDIVISION OF THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 11, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

(B) A PART OF LOT 2 IN BLOCK 16 IN CORNELL'S RESUBDIVISION OF BLOCKS 15 AND 16 IN HYDE PARK, BEING A SUBDIVISION OF THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 11, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

(C) A PART OF EACH OF LOTS 4, 5, 6, 7, 8, 9, 10 AND 11 IN L.B. CURRY'S SUBDIVISION OF LOT 1 IN BLOCK 16 IN CORNELL'S RESUBDIVISION OF BLOCKS 15 AND 16 IN HYDE PARK.

(D) A PART OF SOUTH LAKE PARK AVENUE VACATED BY ORDINANCE PASSED BY THE CITY COUNCIL OF THE CITY OF CHICAGO ON AUGUST 25, 1966, SAID PARCEL OF LAND BEING BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID LOT 4 IN L.B. CURRY'S SUBDIVISION AFORESAID, AND RUNNING;

THENCE EAST ALONG THE NORTH LINE OF SAID LOT 4, A DISTANCE OF 4.65 FEET;

THENCE SOUTHWARDLY ALONG THE WESTERLY LINE OF SOUTH LAKE PARK AVENUE, 80 FEET WIDE, OPENED BY RESOLUTION ADOPTED BY THE CITY COUNCIL OF THE CITY OF CHICAGO ON AUGUST 25, 1966 (SAID WESTERLY LINE BEING THE ARC OF A CIRCLE CONVEX TO THE NORTHEAST, HAVING A RADIUS OF 5000 FEET; AND BEING 80 FEET WESTERLY FROM AND CONCENTRIC WITH THE WESTERLY LINE OF THE RIGHT OF WAY OF THE ILLINOIS CENTRAL RAILROAD), A DISTANCE OF 289.24 FEET TO THE POINT OF INTERSECTION OF SAID WESTERLY LINE OF SOUTH LAKE PARK AVENUE WITH THE SOUTH LINE PRODUCED EAST OF SAID LOT 3, IN OWNER'S DIVISION AFORESAID;

THENCE WEST ALONG THE SOUTH LINE PRODUCED EAST OF SAID LOT 3, ALONG THE SOUTH LINE OF SAID LOT 3, AND ALONG THE SOUTH LINE OF LOT 2 IN SAID OWNER'S DIVISION, A DISTANCE OF 340.58 FEET TO THE SOUTHWEST CORNER OF SAID LOT 2;

THENCE NORTH ALONG THE WEST LINE OF SAID LOT 2 AND ALONG THE WEST LINE OF LOT 1 IN SAID OWNER'S DIVISION, A DISTANCE OF 283.93 FEET TO THE NORTHWEST CORNER OF SAID LOT 1;

THENCE EAST ALONG THE NORTH LINE OF SAID LOT 1, IN OWNER'S DIVISION AFORESAID, A DISTANCE OF 215.96 FEET TO THE NORTHEAST CORNER OF SAID LOT 1; AND

THENCE EAST ALONG A STRAIGHT LINE, A DISTANCE OF 67.15 FEET TO THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.

CONTAINING 89,681 SQUARE FEET (2.0588 ACRES) OF LAND, MORE OR LESS.

THE HEREINBEFORE PARCEL OF LAND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A PARCEL OF LAND IN THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 11, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, BEING BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTH LINE OF EAST HYDE PARK BOULEVARD AND THE EAST LINE OF SOUTH HARPER AVENUE, AND RUNNING;

THENCE NORTH 89 DEGREES 54 MINUTES 43 SECONDS EAST (THE BASIS OF BEARINGS BEING ASSUMED) ALONG SAID SOUTH LINE OF EAST HYDE PARK BOULEVARD, A DISTANCE OF 287.76 FEET TO THE POINT OF INTERSECTION WITH THE WESTERLY LINE OF SOUTH LAKE PARK AVENUE OPENED BY RESOLUTION RECORDED AS DOCUMENT NUMBER 19976969, SAID POINT OF INTERSECTION BEING A POINT ON A NON TANGENT CURVE;

THENCE SOUTHEASTWARDLY ALONG SAID WESTERLY LINE OF SOUTH LAKE PARK AVENUE, BEING AN ARC OF A CIRCLE, CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 5,000 FEET, AND A CHORD BEARING SOUTH 10 DEGREES 29 MINUTES 12 SECONDS EAST, AN ARC DISTANCE OF 289.24 FEET, TO A POINT OF INTERSECTION WITH THE EASTWARD EXTENSION OF THE SOUTH LINE OF LOT 3 IN OWNER'S DIVISION OF LOTS 1, 2, 3, 4, 11, 12, 13, 14, 15 AND 16 (EXCEPT THE NORTH 17 FEET OF SAID LOTS 1 AND 16) IN BLOCK 15 IN CORNELL'S RESUBDIVISION OF BLOCKS 15 AND 16 IN HYDE PARK, BEING A SUBDIVISION OF THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 11 AFORESAID;

THENCE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS WEST ALONG SAID EASTWARD EXTENSION OF THE SOUTH LINE OF LOT 3, THE SOUTH LINE OF SAID LOT 3 AND THE SOUTH LINE OF LOT 2 IN SAID OWNER'S DIVISION, A DISTANCE OF 340.58 FEET, TO A POINT OF INTERSECTION WITH THE EAST LINE OF SOUTH HARPER AVENUE;

THENCE NORTH 00 DEGREES 02 MINUTES 13 SECONDS EAST ALONG SAID EAST LINE OF SOUTH HARPER AVENUE, A DISTANCE OF 283.93 FEET, TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

DaVita.

Heartland Region I
2659 N. Milwaukee
Chicago, IL 60647
Tel: (773) 276-2380 | Fax: (773) 276-4176
www.davita.com

March 19, 2010

Ms. Delia Wozniak
President
DMW and Associates, Inc.
3716 North Bernard Street
Chicago, Illinois 60618

RE: Change of Ownership
University of Chicago – Lake Park
1531 Hyde Park Boulevard, Chicago, Illinois 60617

Conditions of the Space Lease

Dear Ms. Wozniak:

DaVita Inc., through its wholly-owned operating entity Total Renal Care Inc., proposes to purchase substantially all of the assets of the aforementioned chronic renal dialysis facility from the University of Chicago Medical Center (UCMC). The proposed purchase includes a provision allowing DaVita to assume the space lease.

The facility has 8,085 gross square feet (gsf.) The lease terms are $22.03 per gsf triple net.

The terms of the lease appear reasonable based on a comparison to similar rents in the area (see attached analysis.) Also, lease expenses are less costly than constructing a new facility.

Sincerely,

Kent J. Thiry
Chairman and Chief Executive Officer

NOTARY
See attached

Sincerely,

Dennis L. Kogod
Chief Operating Officer

NOTARY
See Attached

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA)

COUNTY OF LOS ANGELES)

On 4/1/10 before me, CHRISTINA JIMENEZ, NOTARY PUBLIC
DATE NAME, TITLE OF OFFICER – E.G.., "JANE DOE, NOTARY PUBLIC

personally appeared, DENNIS L. KOGOD

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Christina Jimenez (SEAL)
NOTARY PUBLIC SIGNATURE

CHRISTINA JIMENEZ
COMM. #1754641
NOTARY PUBLIC • CALIFORNIA
Los Angeles County
Comm. Expires Jun 30, 2011

OPTIONAL INFORMATION

THIS OPTIONAL INFORMATION SECTION IS NOT REQUIRED BY LAW BUT MAY BE BENEFICIAL TO PERSONS RELYING ON THIS NOTARIZED DOCUMENT.

TITLE OR TYPE OF DOCUMENT CONDITIONS OF SPACE LEASE - LAKE PARK

DATE OF DOCUMENT 3/19/10 NUMBER OF PAGES 4

SIGNERS(S) OTHER THAN NAMED ABOVE

SIGNER'S NAME SIGNER'S NAME

State of Colorado

County of: Denver

On 4-7-10, before me, Theresa Moran, Notary Public, personally appeared KENT THIRY
(name(s) of signers)

☑ personally known to me
☐ proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledge to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal

NOTARY PUBLIC
THERESA MORAN
STATE OF COLORADO

Place Notary Seal Above

Theresa Moran
Signature of Notary Public

My commission expires: 9-4-13

DaVita.

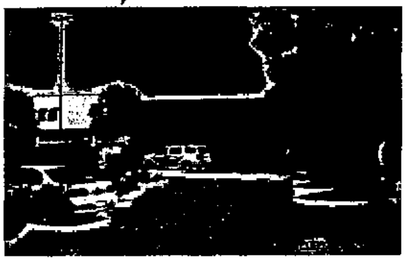
USI Real Estate Brokerage Services, Inc.
Broker Opinion of Value
March 8, 2010

GOAL:	Determine fair market rent for similar type properties in the Chicago market
SUBJECT PROPERTY:	8721 S. Stony Island Chicago, IL 60617 1531 Hyde Park Blvd. Chicago, IL 60617 1160-66 E. 55th Street Chicago, IL 60615
SUBJECT PROPERTY RENT:	\$240,402 or \$25.75 per square foot \$178,125 or \$22.03 per square foot \$210,373 or \$25.93 per square foot
CURRENT COMPS:	See following page
MARKET RANGE:	Current market rents for properties comparable to the subject property range from \$25.00 - \$30.00 Gross ("Comparable Properties"). The subject properties are well located in very small medical building markets. The demand for 5 -10,000 sq. ft. are more difficult to locate than smaller medical office. The closer we got to University of Chicago Hospital the tighter the supply. There are a number of medical buildings in the area but most are 100% leased or have small spaces available. We compared buildings which were all medical or contained several medical users.
CONCLUSION:	Based on a comparison of the characteristics (as described above) of the Subject Property to the Comparable Properties, the **Fair Market Rental Range** for 8721 S. Stony Island Chicago, IL 60617,1531 Hyde Park Blvd. Chicago, IL 60617 and 1164 E. 55th Street Chicago, IL 60615 is between \$25.00 to \$30.00 Gross.
PREPARED BY:	McLennan Commercial John Steffens

Subject Property

(This information is believed to be accurate, this is an opinion based on our research we are

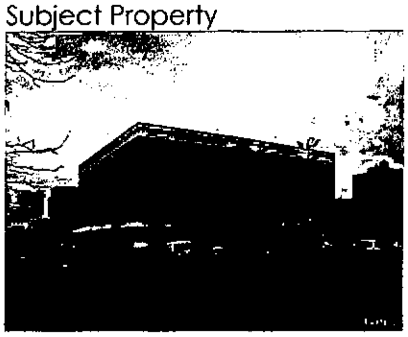
DaVita.



8721 S. Stony Island Chicago, IL 60617

Building Class / Type:	C
Total Building Size:	22,586 SF
Year Built:	1973
DaVita Space:	9,336 SF

Subject Property



1531 Hyde Park Blvd. Chicago, IL 60617

Building Class / Type:	B
Total Building Size:	66,000 SF
Year Built:	1969
DaVita Space:	8,085 SF

1164 E. 55th Street Chicago, IL 60615

Building Class / Type:	C
Total Building Size:	11,000 est.
Year Built:	1973 est.
DaVita Space:	8,110 SF

Comparables Properties

5401 S Wentworth Ave
Grand Boulevard Plaza
Chicago, IL 60609
Building Class / Type: B
Total Building Size: 144,000 SF
Year Built: 1973

Available Space: Total Avail: 14,975 SF 10,000 contiguous.
Rental Rate: $28.00 to $30.00 gross

1525 E 53rd St, Suite 530
Chicago, IL 60615
Building Class/Type: B
Total Building Size: 110,000 SF
Year Built: 1920, Renovation 1991
Available Space: 8,899 SF
Rental Rate: $30.00 gross

(This information is believed to be accurate, this is an opinion based on our research we are

Greenwood Dialysis Center
1111-1135 E 87th St, Suite 700
Bldg A
Chicago, IL 60619

Building Class/Type: B
Total Building Size: 65,000 SF
Year Built: 19
Available Space: total 9,524 with largest 7,524 SF

Rental Rate: $25.00 gross

Market Summary

Although rental rates vary above, based on the existing building type and class, the expected range of market rental rates is between $25.00 and $30.00 Gross.

(This information is believed to be accurate, this is an opinion based on our research we are

OTHER PROJECT COSTS
University of Chicago – Lake Park

Area	Amount	Basis for Estimate
PREPLANNING		
CON Fee	$8,400	Regulation
CONSULTING & OTHER FEES		
CON Consulting	$22,500	Agreement
Legal	$30,000	DaVita Estimate
	$52,500	
FAIR MARKET VALUE OF LEASED SPACE	FMV $1,047,008	Buyer's Opinion of Value (BOV) See Attachment 7B
ACQUISITION OF ASSETS	$2,677,026 *	Letter of Intent to Purchase See Attachment 7C
TOTAL PROJECT COST	$3,784,934	

* The proposed Purchase Agreement between TRC and UCMC includes the sale and purchase of all of UCMC's chronic dialysis assets, and includes the following three outpatient hemodialysis facilities as well as its Home Dialysis Program:

University of Chicago – Woodlawn, 1164 E. 55th Street in Chicago (60615)
University of Chicago – Lake Park, 1531 Hyde Park Blvd. in Chicago (60615)
University of Chicago – Stony Island, 8721 S. Stony Island in Chicago (60617)
University of Chicago – Home Programs

The total proposed purchase price for the transaction is $27.8 million. The price of the various entities is as follows based on a discounted cash flow analysis:

University of Chicago – Woodlawn	$2,219,856
University of Chicago – Lake Park	$2,677,026
University of Chicago – Stony Island	$13,959,013
University of Chicago – Home Programs	$8,944,105
Total	$27,800,000

Proposed Change of Ownership from University of Chicago – Lake Park to Total Renal Care Inc. d/b/a Lake Park Dialysis

Projected Operating Costs
1st Full Year of Operation
2011

Salaries and Benefits (approx. 35%)	$1,992,251
Medical Supplies (Excluding Epogen)	$423,427
TOTAL	$2,415,678
Number of Treatments	18,351
Cost per Treatment	$131.64

SOURCE: Feasibility Study in Attachment 76(4).

UC - Lake Park	3/3/2010

USES OF FUNDS	Cost	Life	Annual Depreciation
Inventory	$91,341	0	$0
Fixed Assets	$174,571	7	$24,939
Leasehold Improvements	$100,000	10	$10,000
Non-Compete Allocation	$267,703	10	$26,770
Goodwill	$2,043,411	0	$0
FMV of Leased Space	$1,047,008	0	$0
Fees/services	$60,900	0	$0
Total	$3,784,934		$61,709
Facility			
Square feet of space	8,085		
Cost per square foot	$11.30		
Hemo stations	19		

ESTIMATED CAPITAL EXPENDITURES	Year 1	Year 2	Year 3	Year 4	Year 5
	$377,500	$1,992,975	$30,000	$30,000	$30,000

INCOME STATEMENT		Pro Forma Projected				
		Year 1	Year 2	Year 3	Year 4	Year 5
Treatments						
Chronic		18,351	19,177	20,040	20,942	21,884
Home		0	0	0	0	0
Total Treatments		18,351	19,177	20,040	20,942	21,884
Growth			*4.5%*	*4.5%*	*4.5%*	*4.5%*
Net Revenue		$5,658,856	$ 5,813,743	$ 6,140,902	$ 6,488,108	$ 6,861,828
Net Revenue/Tx		*$308*	*$303*	*$306*	*$310*	*$314*
SW&B		$1,992,251	$2,044,084	$2,146,055	$2,254,189	$2,368,908
Other Expenses		$2,916,256	$3,041,902	$3,185,913	$3,351,680	$3,527,058
Total Expenses		$4,908,508	$5,085,986	$5,331,969	$5,605,869	$5,895,966
EBITDA		$750,349	$727,757	$808,933	$882,238	$965,862
EBITDA/Tx		*$40.89*	*$37.95*	*$40.37*	*$42.13*	*$44.13*
EBITDA as a % of Revenue		*13.3%*	*12.5%*	*13.2%*	*13.6%*	*14.1%*
Depr & Amort		$ 108,545	$ 337,220	$ 341,505	$ 345,791	$ 350,077
EBIT		$641,804	$390,538	$467,427	$536,447	$615,785
Interest Expense	0.0%	$0	$0	$0	$0	$0
Pre-Tax Income		$641,804	$390,538	$467,427	$536,447	$615,785
Income Taxes	40.4%	$259,289	$157,777	$188,841	$216,725	$248,777
Net Income		$382,515	$232,760	$278,587	$319,722	$367,008
Shares Outstanding		103,200,000	103,200,000	103,200,000	103,200,000	103,200,000
Incremental EPS		$0.004	$0.002	$0.003	$0.003	$0.004

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UC - Lake Park

PRO FORMA

	Year 1	Year 2	Year 3	Year 4	Year 5
Treatments					
Chronic	18,351	19,177	20,040	20,942	21,884
PD	0	0	0	0	0
Total Treatments	18,351	19,177	20,040	20,942	21,884
Growth		*4.5%*	*4.5%*	*4.5%*	*4.5%*
REVENUES:					
In Center	$4,101,407	$5,431,671	$5,741,636	$6,070,875	$6,425,820
Home	$0	$0	$0	$0	$0
Epogen	$1,026,341	$208,803	$218,200	$228,019	$238,279
Other Ancillary	$531,108	$173,269	$181,066	$189,214	$197,729
Gross Revenue	$5,658,856	$5,813,743	$6,140,902	$6,488,108	$6,861,828
Less:					
Contractual Allowances	$0	$0	$0	$0	$0
Epogen Allowance	$0	$0	$0	$0	$0
Net Revenue	$5,658,856	$5,813,743	$6,140,902	$6,488,108	$6,861,828
Net Revenue/Tx	$308	$303	$306	$310	$314
EXPENSES:					
SW&B - Chronic	$1,992,251	$2,044,084	$2,146,055	$2,254,189	$2,368,908
SW&B - Home	$0	$0	$0	$0	$0
Medical Supplies - Chronic	$423,427	$428,109	$447,374	$467,506	$488,544
Medical Supplies - Home	$0	$0	$0	$0	$0
Medical Supplies - Other	$0	$0	$0	$0	$0
Pharmacy	$443,020	$469,210	$496,958	$526,357	$557,506
Lab	$18,149	$18,965	$19,819	$20,711	$21,643
Epogen	$818,785	$872,825	$930,436	$991,849	$1,057,315
Provision for Bad Debts	$141,471	$145,344	$153,523	$162,203	$171,546
Maintenance and Repair	$121,000	$126,445	$132,135	$138,082	$144,295
Utilities and Telephone	$102,350	$105,420	$108,583	$111,841	$115,196
Insurance	$26,141	$28,137	$30,286	$32,598	$35,087
Taxes and Licenses	$28,595	$29,167	$29,750	$30,345	$30,952
Other Supplies	$30,730	$32,113	$33,558	$35,068	$36,646
Other Expenses	$171,409	$176,836	$188,490	$200,911	$214,151
Physician Fees	$110,000	$110,000	$110,000	$110,000	$110,000
Rent	$233,433	$240,436	$234,459	$241,493	$248,737
G&A Expenses	$247,745	$258,893	$270,543	$282,718	$295,440
Total Expenses	$4,908,508	$5,085,986	$5,331,969	$5,605,869	$5,895,966
EBITDA	$750,349	$727,757	$808,933	$882,238	$965,862
EBITDA/Tx	*$40.89*	*$37.95*	*$40.37*	*$42.13*	*$44.13*
EBITDA as a % of Revenue	*13.3%*	*12.5%*	*13.2%*	*13.6%*	*14.1%*
Depr & Amort	$ 108,545	$ 337,220	$ 341,505	$ 345,791	$ 350,077
EBIT	$641,804	$390,538	$467,427	$536,447	$615,785
CASH FLOW:					
Net Income	$382,515	$232,760	$278,587	$319,722	$367,008
Depr & Amort	$108,545	$337,220	$341,505	$345,791	$350,077
Capital Expenditures	($377,500)	($1,992,975)	($30,000)	($30,000)	($30,000)
Incremental Working Capital	($917,227)	($25,476)	($59,870)	($62,290)	($67,219)
Net Cash Flow	($803,667)	($1,448,470)	$530,223	$573,224	$619,866

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IN - CENTER

Month	Year 1 Patients	Year 1 Treatments	Year 2 Patients	Year 2 Treatments	Year 3 Patients	Year 3 Treatments	Year 4 Patients	Year 4 Treatments	Year 5 Patients	Year 5 Treatments
1	125	1,554	130	1,559	135	1,626	143	1,785	147	1,837
2	125	1,501	130	1,624	136	1,696	144	1,789	148	1,778
3	126	1,506	131	1,569	137	1,578	144	1,660	149	1,787
4	126	1,511	131	1,575	137	1,713	144	1,797	150	1,865
5	126	1,517	132	1,580	138	1,658	145	1,734	150	1,735
6	127	1,580	132	1,646	139	1,666	145	1,738	151	1,883
7	127	1,527	133	1,591	140	1,738	145	1,809	152	1,892
8	128	1,414	133	1,535	140	1,553	145	1,611	153	1,691
9	128	1,597	133	1,663	141	1,691	146	1,749	153	1,840
10	129	1,543	134	1,545	142	1,699	146	1,753	154	1,850
11	129	1,548	134	1,674	142	1,773	146	1,824	155	1,859
12	129	1,553	135	1,618	143	1,650	147	1,693	156	1,868
Total		18,351		19,177		20,040		20,942		21,884
Check		(0)		0		(0)		(0)		(0)

HOME

Month	Year 1 Patients	Year 1 Treatments	Year 2 Patients	Year 2 Treatments	Year 3 Patients	Year 3 Treatments	Year 4 Patients	Year 4 Treatments	Year 5 Patients	Year 5 Treatments
1	0	0	0	0	0	0	0	0	0	0
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
Total		-		-		-		-		-

New Patients on Service

	Year 1	Year 2	Year 3	Year 4	Year 5
Beginning Patients	125	130	135	143	147
Less 14.0% Mortality	17	18	19	20	21
Ending Patients	129	135	143	147	156
Net New Patients	**22**	**23**	**26**	**23**	**29**

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UC - Lake Park

Assumptions for Acquisition:

Acquisition Costs:	
Inventory	$91,341
Fixed Assets	$174,571
Leasehold Improvements	$100,000
Non-Compete Allocation	$267,703
Goodwill	$2,043,411
FMV of Leased Space	$1,047,008
Fees/services	$60,900
Total	$3,784,934

Revenues:	Based on combination of current UCMC census/payor mix and DVA-Chicago reimbursement history
Expenses:	Based on current UCMC levels combined with DVA-Chicago per tx expense comps
Bad Debt:	Based on 2.5% of net revenue.
Proposed Staffing:	SW&C's projected using current UCMC staffing levels/rates Benefits portion of SWB's is approximately 35%
Patient Census:	Census projected to increase from 125 pts at the beginning of year 1 to 156 pts at the end of year 5 (~4.5% CAGR)
Working Capital:	Funded by DVA and Net Income Assumes A/R @ 80 days for years 1-5 Assumes Inventory @ 18 days for years 1-5

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Proposed Change of Ownership from University of Chicago – Lake Park to Total Renal Care Inc. d/b/a Lake Park Dialysis

Projected Capital Costs
1st Full Year of Operation

2011

Depreciation/Amortization	**$108,545**
Interest	**0**
TOTAL	**$108,545**
Number of Treatments	**18,351**
Capital Cost per Treatment	**$5.91**

SOURCE: Feasibility Study in Attachment 76(4).

Safety Net Impact Statement

The project has no impact on "Safety Net Service" providers as defined in Public Act 96-031. Hemodialysis is a unique health care service which is covered by Medicare regardless of patient age. The rare patient who may ultimately be denied Medicare coverage due to lack of citizenship receives coverage through the State of Illinois' Medicaid program. See the following page for DaVita's payer mix by revenues and treatments for Illinois and Chicago facilities.

DaVita facilities will provide any member of the community with dialysis services prescribed by a licensed physician. DaVita accepts and dialyzes patients with renal failure needing a regular course of dialysis without regard to race, color, national origin, gender, sexual orientation, age, religion, or disability. In addition, DaVita provides service to persons with barriers to mainstream health care due to lack of insurance, inability to pay, or geographic isolation.

Below is the process whereby DaVita ensures that patients receive care. DaVita first verifies Medicare or Medicaid eligibility and/or private insurance coverage. Patients who lack insurance are authorized to receive treatment at the facility level with necessary written approval while they complete necessary applications for Medicare or Medicaid. Medicaid under Illinois law will provide treatment back to the first date of treatment. Medicare has a waiting period of 90 days after starting an ongoing course of dialysis. In any case, DaVita treats the patient with ongoing dialysis whether the service is ever covered or not.

Persons, who are not eligible for medical benefits because they do not meet citizenship/immigration requirements, may qualify for medical emergency care under Illinois law. Hemodialysis is considered an emergency medical condition and as long as the patient needs hemodialysis services they are covered. If there is a gap in coverage or eligibility for coverage at any time and in any case, DaVita provides care to those in any of those circumstances.

DaVita offers monthly pre-ESRD teaching to any patient who would like to attend at community based centers near its dialysis centers. Classes consist of the following different curricula: Making Healthy Choices, Taking Control and Treatment Choices including transplant services from local programs. The classes offer patients tips on how to maintain healthy living and the pro and cons of the options available for treating end stage renal disease (ESRD) along with the process to receive a transplant.

DaVita also has a website (DaVita.com) that offers an education section with topics such as kidney disease, dialysis, home dialysis, transplant and diet & nutrition. The DaVita website contains multiple sources for services available, recipes for patients with ESRD, other tools provided by DaVita and videos about multiple topics.

DaVita Clinical Research (DCR) is a renal Phase I-IV clinical trial site and site management organization. It offers the following services: Phase I-IV, Pharmacokinetics, and Pharmacodynamics. Our specialty patient population includes Renal, Renal Transplants and Peritoneal Dialysis. DCR is committed to the success of our customers' studies in providing the highest quality, professional services. It is unique, with Phase I-IV clinical trial capabilities, quick local or central institutional review board (IRB) approval, rapid enrollment of patients and board-certified physicians committed to managing all protocol-related activities. It has been conducting clinical trials for over 15 years and has worked with over 65 drug and device sponsors, to provide quality, timely and cost effective clinical trials.

DaVita Inc.

Revenues and Treatments, By Payer

	2007	2008	2009
ILLINOIS REVENUES			
Medicare	48.3%	52.6%	53.0%
BCBS of IL	14.7%	13.0%	14.2%
Medicaid	5.4%	5.8%	5.5%
Patient	0.2%	0.2%	0.3%
Commercial/all other	31.4%	28.5%	27.0%
Total	**100.0%**	**100.0%**	**100.0%**
CHICAGO REVENUES			
Medicare	44.5%	49.6%	50.2%
BCBS of IL	19.8%	17.6%	17.8%
Medicaid	8.5%	9.0%	8.7%
Patient	0.2%	0.3%	0.6%
Commercial/all other	27.0%	23.5%	22.7%
Total	**100.0%**	**100.0%**	**100.0%**
Illinois Treatments			
Medicare	77.0%	77.2%	77.3%
BCBS of IL	5.1%	5.2%	5.6%
Medicaid	6.9%	6.6%	6.5%
Patient	0.3%	0.3%	0.6%
Commercial/all other	10.7%	10.6%	10.1%
Total	**100.0%**	**100.0%**	**100.0%**
Chicago Treatments			
Medicare	73.1%	74.0%	73.8%
BCBS of IL	7.1%	7.7%	7.5%
Medicaid	11.8%	11.1%	10.8%
Patient	0.4%	0.4%	1.0%
Commercial/all other	7.6%	6.8%	6.9%
Total	**100.0%**	**100.0%**	**100.0%**

Please refer to CON Applications ##10-009 and 10-010
To review copies of DaVita Inc.'s Financial Statements

DAVITA INC.*

Audited Historic Financial Statements
2007– 2009

Financial Estimates
2010 – 2012

* DaVita Inc. is the holding company for various wholly-owned subsidiaries, including Total Renal Care Inc. (TRC), Renal Treatment Centers Inc. (RTC) and Renal Life Link Inc. (RLL).