

Original

11-033

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

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

MAY 27 2011

This Section must be completed for all projects.

HEALTH FACILITIES &
SERVICES REVIEW BOARD**Facility/Project Identification**

Facility Name: DSI Schaumburg Renal Center		
Street Address: 1156 South Roselle Road		
City and Zip Code: Schaumburg, Illinois 60193		
County: Cook	Health Service Area: 7	Health Planning Area:

Applicant /Co-Applicant Identification

[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: Illinois Corporation Service Company
Name of Chief Executive Officer: Kent Thiry
CEO Address: 601 Hawaii Street, El Segundo, California 90245
Telephone Number: (310) 536-2500

Type of Ownership of Applicant/Co-Applicant

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

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

o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.

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

Primary Contact

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

Name: Kara Friedman
Title: Attorney
Company Name: Polsinelli Shughart PC
Address: 161 North Clark Street, Suite 4200, Chicago, Illinois 60601
Telephone Number: 312-873-3639
E-mail Address: kfriedman@polsinelli.com
Fax Number: 312-873-2939

Additional Contact

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

Name: Heather F.H. Haworth
Title: Assistant General Counsel
Company Name: DaVita, Inc.
Address: 15253 Bake Parkway, Irvine, California 92618
Telephone Number: 949-930-6843
E-mail Address: heather.haworth@davita.com
Fax Number: 855-895-2707

**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

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Street Address: 1156 South Roselle Road		
City and Zip Code: Schaumburg, Illinois 60193		
County: Cook	Health Service Area 7	Health Planning Area:

Applicant /Co-Applicant Identification

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

Exact Legal Name: DSI Schaumburg, LLC
Address: 511 Union Street, Suite 1555, Nashville, Tennessee 37219
Name of Registered Agent: Illinois Corporation Service Company
Name of Chief Executive Officer: Leif Murphy
CEO Address: 424 Church Street, Suite 1900, Nashville, Tennessee 37219
Telephone Number: 615-777-8200

Type of Ownership of Applicant/Co-Applicant

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

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Address: 15253 Bake Parkway, Irvine, California 92618
Telephone Number: 949-930-6843
E-mail Address: heather.haworth@davita.com
Fax Number: 855-895-2707

Post Permit Contact

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

Name: Heather F.H. Haworth
Title: Assistant General Counsel
Company Name: DaVita, Inc.
Address: 15253 Bake Parkway, Irvine, California 92618
Telephone Number: 949-930-6843
E-mail Address: heather.haworth@davita.com
Fax Number: 855-895-2707

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Torgo Management Inc.
Address of Site Owner: 5231 North Harlem Avenue, Chicago, IL 60656
Street Address or Legal Description of Site: 1156 South Roselle Road, Schaumburg, IL 60193 Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statement, tax assessor's documentation, deed, notarized statement of the corporation attesting to ownership, an option to lease, a letter of intent to lease or a lease.
APPEND DOCUMENTATION AS 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: DSI Schaumburg, LLC
Address: 511 Union Street, Suite 1555, Nashville, Tennessee 37219
<input type="checkbox"/> Non-profit Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> For-profit Corporation <input type="checkbox"/> Governmental <input checked="" type="checkbox"/> Limited Liability Company <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Other
<ul style="list-style-type: none"> o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner. o Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.
APPEND DOCUMENTATION AS ATTACHMENT-3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Organizational Relationships

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

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

Flood Plain Requirements – 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.hfsrb.illinois.gov>).

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

Historic Resources Preservation Act Requirements – NOT APPLICABLE

[Refer to application instructions.]

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

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

DESCRIPTION OF PROJECT**1. Project Classification**

[Check those applicable - refer to Part 1110.40 and Part 1120.20(b)]

Part 1110 Classification:

- Substantive
 Non-substantive

Part 1120 Applicability or Classification:
[Check one only.]

- Part 1120 Not Applicable
 Category A Project
 Category B Project
 DHS or DVA Project

2. Narrative Description

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

The proposed project contemplates a change in control of the ultimate parent of DSI Schaumburg, LLC, CDSI I Holding Company, Inc. By way of merger, DaVita, Inc. ("DaVita") will acquire 100% of the outstanding stock of CDSI I Holding Company, Inc. for approximately \$690 million. Pre-merger and post-merger organizational charts are attached at Attachment 4. The proposed transaction includes the transfer of up to 106 in-center hemodialysis facilities to DaVita, including 10 facilities within Illinois, subject to adjustment following Federal Trade Commission Review.

DSI Schaumburg, LLC d/b/a DSI Schaumburg Renal Center is a 14 station in-center hemodialysis facility located at 1156 South Roselle Road, Schaumburg, Illinois 60183. There will be no change in the operating entity, DSI Schaumburg, LLC, in the scope of services offered, or the number of stations as a result of the merger.

The merger is projected to be complete by July 31, 2011.

This project has been classified as non-substantive because it proposes a change of ownership, which constitutes a facility conversion under 77 Ill. Admin. Code. 1110.40(b).

Project Costs and Sources of Funds

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

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts			
Modernization Contracts			
Contingencies			
Architectural/Engineering Fees			
Consulting and Other Fees			
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 or Equipment			
Other Costs To Be Capitalized	\$13,258,102		\$13,258,102
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	\$13,258,102		\$13,258,102
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$13,258,102		\$13,258,102
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	\$13,258,102		\$13,258,102
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

Related Project Costs

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

Land acquisition is related to project Yes No
 Purchase Price: \$ _____
 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): July 31, 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.

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

State Agency Submittals

Are the following submittals up to date as applicable:

- Cancer Registry **NOT APPLICABLE**
 APORS **NOT APPLICABLE**
 All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
 All reports regarding outstanding permits
Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

Cost Space Requirements

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

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

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

Facility Bed Capacity and Utilization 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**. Include **observation days in the patient day totals for each bed service**. Any bed capacity discrepancy from the Inventory will result in the application being deemed **incomplete**.

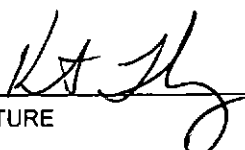
FACILITY NAME:		CITY:			
REPORTING PERIOD DATES:					
		From:		to:	
Category of Service	Authorized Beds	Admissions	Patient Days	Bed Changes	Proposed Beds
Medical/Surgical					
Obstetrics					
Pediatrics					
Intensive Care					
Comprehensive Physical Rehabilitation					
Acute/Chronic Mental Illness	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

CERTIFICATION

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

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

This Application for Permit is filed on the behalf of 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

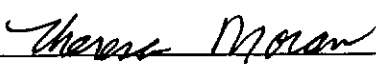
Kent Thiry

PRINTED NAME

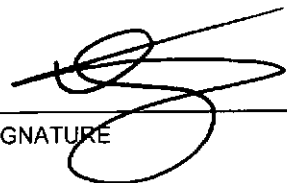
Chief Executive Officer

PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 23 day of MAY, 2011



Signature of Notary
Seal My Commission Expires 9-4-13



SIGNATURE

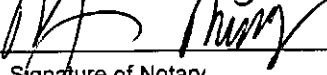
Dennis Lee Kogod

PRINTED NAME

Chief Operating Officer

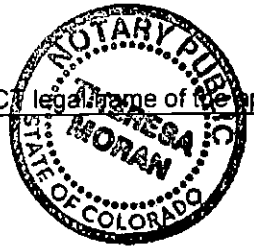
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 20 day of May, 2011



Signature of Notary
Seal My Commission Expires July 28, 2014

*Insert EXACT legal name of the applicant

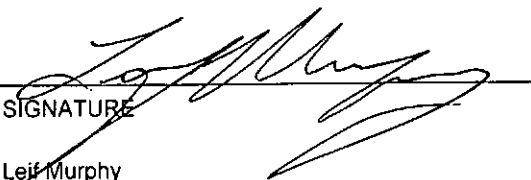


CERTIFICATION

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


This Application for Permit is filed on the behalf of DSI Schaumburg, LLC * 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

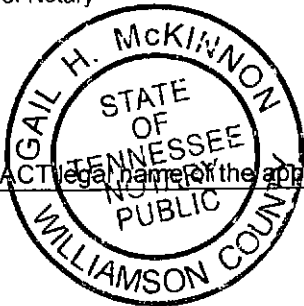
Leif Murphy
PRINTED NAME

Manager
PRINTED TITLE

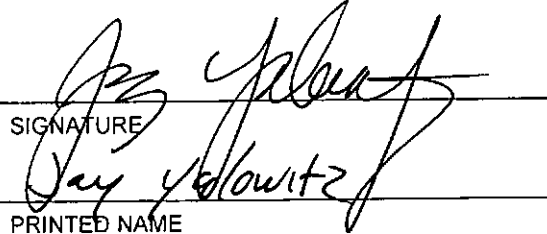
Notarization:
Subscribed and sworn to before me
this 24th day of May, 2011


Signature of Notary

Seal




*Insert EXACT legal name of the applicant


SIGNATURE

Jay Yelowitz
PRINTED NAME

Eup-secretary
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 24th day of May, 2011


Signature of Notary

Seal



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

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

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

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.
2. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant during the three years prior to the filing of the application.
3. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.
4. If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest the information has been previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.

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

PURPOSE OF PROJECT

1. Document that the project will provide health services that improve the health care or well-being of the market area population to be served.
2. Define the planning area or market area, or other, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed, as applicable and appropriate for the project. [See 1110.230(b) for examples of documentation.]
4. Cite the sources of the information provided as documentation.
5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.
6. Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals as appropriate.

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

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

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

ALTERNATIVES

- 1) Identify ALL of the alternatives to the proposed project:

Alternative options must include:

- A) Proposing a project of greater or lesser scope and cost;
 - B) Pursuing a joint venture or similar arrangement with one or more providers or entities to meet all or a portion of the project's intended purposes; developing alternative settings to meet all or a portion of the project's intended purposes;
 - C) Utilizing other health care resources that are available to serve all or a portion of the population proposed to be served by the project; and
 - D) Provide the reasons why the chosen alternative was selected.
- 2) Documentation shall consist of a comparison of the project to alternative options. The comparison shall address issues of total costs, patient access, quality and financial benefits in both the short term (within one to three years after project completion) and long term. This may vary by project or situation. **FOR EVERY ALTERNATIVE IDENTIFIED THE TOTAL PROJECT COST AND THE REASONS WHY THE ALTERNATIVE WAS REJECTED MUST BE PROVIDED.**
- 3) The applicant shall provide empirical evidence, including quantified outcome data that verifies improved quality of care, as available.

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

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

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

NOTE: For all projects involving a change of ownership THE TRANSACTION DOCUMENT must be submitted with the application for permit. The transaction document must be signed dated and contain the appropriate contingency language.

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-19, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

IX. 1120.130 - Financial Viability

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

Financial Viability Waiver

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

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

See Section 1120.130 Financial Waiver for information to be provided

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

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

Provide Data for Projects Classified as:	Category A or Category B (last three years)			Category B (Projected)
Enter Historical and/or Projected Years:				
Current Ratio				
Net Margin Percentage				
Percent Debt to Total Capitalization				
Projected Debt Service Coverage				
Days Cash on Hand				
Cushion Ratio				

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

2. Variance

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

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

X. 1120.140 - Economic Feasibility

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

A. Reasonableness of Financing Arrangements

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

- 1) That the total estimated project costs and related costs will be funded in total with cash and equivalents, including investment securities, unrestricted funds, received pledge receipts and funded depreciation; or
- 2) That the total estimated project costs and related costs will be funded in total or in part by borrowing because:
 - A) A portion or all of the cash and equivalents must be retained in the balance sheet asset accounts in order to maintain a current ratio of at least 2.0 times for hospitals and 1.5 times for all other facilities; or
 - B) Borrowing is less costly than the liquidation of existing investments, and the existing investments being retained may be converted to cash or used to retire debt within a 60-day period.

B. Conditions of Debt Financing

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

- 1) That the selected form of debt financing for the project will be at the lowest net cost available;
- 2) That the selected form of debt financing will not be at the lowest net cost available, but is more advantageous due to such terms as prepayment privileges, no required mortgage, access to additional indebtedness, term (years), financing costs and other factors;
- 3) That the project involves (in total or in part) the leasing of equipment or facilities and that the expenses incurred with leasing a facility or equipment are less costly than constructing a new facility or purchasing new equipment.

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

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

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (list below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Mod.	Gross Sq. Ft. New	Circ.*	Gross Sq. Ft. Mod.	Circ.*	Const. \$ (A x C)	Mod. \$ (B x E)	
Contingency									
TOTALS									

* Include the percentage (%) of space for circulation

D. Projected Operating Costs

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

E. Total Effect of the Project on Capital Costs

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

APPEND DOCUMENTATION AS ATTACHMENT 42, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

XI. Safety Net Impact Statement

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

1. The project's material impact, if any, on essential safety net services in the community, to the extent that it is feasible for an applicant to have such knowledge.
2. The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.
3. How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.

Safety Net Impact Statements shall also include all of the following:

1. For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act. Non-hospital applicants shall report charity care, at cost, in accordance with an appropriate methodology specified by the Board.
2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.
3. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.

A table in the following format must be provided as part of Attachment 43.

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

Medicaid (revenue)			
Inpatient			
Outpatient			
Total			

APPEND DOCUMENTATION AS ATTACHMENT-43, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

XII. Charity Care Information

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

1. All applicants and co-applicants shall indicate the amount of charity care for the latest three audited fiscal years, the cost of charity care and the ratio of that charity care cost to net patient revenue.
2. If the applicant owns or operates one or more facilities, the reporting shall be for each individual facility located in Illinois. If charity care costs are reported on a consolidated basis, the applicant shall provide documentation as to the cost of charity care; the ratio of that charity care to the net patient revenue for the consolidated financial statement; the allocation of charity care costs; and the ratio of charity care cost to net patient revenue for the facility under review.
3. If the applicant is not an existing facility, it shall submit the facility's projected patient mix by payer source, anticipated charity care expense and projected ratio of charity care to net patient revenue by the end of its second year of operation.

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

A table in the following format must be provided for all facilities as part of Attachment 44.

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

APPEND DOCUMENTATION AS ATTACHMENT-44, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Section I, Identification, General Information, and Certification
Applicants

Certificates of Good Standing for DaVita, Inc. and DSI Renal, Inc. are attached at Attachment – 1. DaVita will acquire all of the outstanding stock of CDSI I Holdings Company, Inc., the ultimate parent of the operator, DSI Renal, Inc. As the entity acquiring final control over the operator, DaVita, Inc. is named as an applicant for this CON application. DaVita, Inc. does not do business in the State of Illinois. A Certificate of Good Standing for DaVita, Inc. from the state of its incorporation, Delaware is attached.



To all to whom these Presents Shall Come, Greeting:

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

DSI SCHAUMBURG, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON JUNE 25, 2003, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.



Authentication #: 1113901666

Authenticate at: <http://www.cyberdriveillinois.com>

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 19TH day of MAY A.D. 2011

Jesse White

SECRETARY OF STATE

Delaware

PAGE 1

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 THIRTIETH DAY OF NOVEMBER, A.D. 2010.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "DAVITA INC." WAS INCORPORATED ON THE FOURTH DAY OF APRIL, A.D. 1994.

AND I DO HEREBY FURTHER CERTIFY THAT THE FRANCHISE TAXES HAVE BEEN PAID TO DATE.


AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL REPORTS HAVE BEEN FILED TO DATE.

2391269 8300

101133217



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


Jeffrey W. Bullock, Secretary of State
AUTHENTICATION: 8386715

DATE: 11-30-10

22

Attachment 1

Section I, Identification, General Information, and Certification
Site Ownership

A copy of the lease between Torgo Management, Inc, and DSI Renal, Inc. is attached at Attachment – 2.

OPENING AND EXPIRATION DATE DECLARATION

Suite 1156-A

LANDLORD TORGO MANAGEMENT, INC, an Illinois Corporation, as agent for beneficiaries of COSMOPOLITAN BANK AND TRUST, SUCCESSOR IN INTEREST TO FIRST BANK OF OAK PARK, AS TRUSTEE w/va dated 11/23/93 and known as Trust No 13581

TENANT RENAL CARE GROUP SCHAUMBURG, LLC

LEASE EFFECTIVE DATE December 9, 2003

DEMISED PREMISES NUMBER 1156-A S. Roselle Road, Schaumburg, Illinois 60193

SQUARE FOOTAGE Approximately, 6,214 Rentable Square feet

Landlord and Tenant acknowledge and agree that the Commencement Date of the above referenced Lease is June 16, 2004 and the Expiration Date of the Lease is June 30, 2014

LANDLORD

TENANT

TORGO MANAGEMENT, INC, as agent for beneficiaries of COSMOPOLITAN BANK AND TRUST, SUCCESSOR IN INTEREST TO FIRST BANK OF OAK PARK, AS TRUSTEE w/va dated 11/23/93 and known as Trust No 13581

RENAL CARE GROUP SCHAUMBURG, LLC

By *Stephen P. Ash*
Printed STEPHEN P. ASH
Title PRES
Date 8/9/04, 2004

By *David M. Dill*
Printed David M. Dill
Its Vice President of Managing Member
Date August 17, 2004

CONSENT TO LEASE ASSIGNMENT

THIS CONSENT TO ASSIGNMENT (this "Consent") is entered into as of February 27,
2006, by and among TORGO MANAGEMENT, INC , an Illinois Corporation, as agent for
beneficiaries of COSMOPOLITAN BANK AND TRUST, AS TRUSTEE u/t/a dated 11/23/93
and known as Trust No 13581 ("Landlord"), RENAL CARE GROUP SCHAUMBURG, LLC, a
Delaware limited liability company ("Assignor"), and NATIONAL RENAL INSTITUTES,
INC . a Delaware corporation ("Assignee"),

AND 1156 B WITNESSETH

WHEREAS, Landlord and Assignor are parties to that certain Lease dated December 9,
2003, as it may have been amended (collectively, the "Lease"), whereby Assignor leased certain
premises located at 1156A^S Roselle Road, Schaumburg, Illinois 60193 (the "Premises"),
capitalized terms not specifically defined herein shall have the meaning ascribed to them in the
Lease,

WHEREAS, pursuant to the terms and conditions of that certain Asset Purchase
Agreement by and among Renal Care Group, Inc , Fresenius Medical Care Holdings, Inc , and
National Renal Institutes, Inc (the "Transaction"), Assignor desires to assign to Assignee and
Assignee desires to assume from Assignor the Lease, and

WHEREAS, Assignee has agreed to assume the Lease,

NOW, THEREFORE, in consideration of the foregoing, the parties agree as follows

- 1 Landlord consents to the assignment and assumption of the Lease
- 2 Except as otherwise specifically provided herein, nothing contained in this
Consent shall be construed to modify, waive, impair or affect any of the covenants, agreements,
terms, provisions or conditions contained in the Lease, or to waive any breach in the due
keeping, observance or performance thereof, or to enlarge or increase Landlord's obligations
under the Lease
- 3 Assignee agrees to assume all the rights and obligations under the Lease and shall
be liable for the performance of all obligations of the Assignor under the Lease from and after
the date of closing of the Transaction with respect to the Premises, and Assignee agrees that,
from and after such closing date, it shall perform and observe all of the terms and conditions of
the Lease on the part of the Assignor thereunder to be performed and observed for the remainder
of the current term of the Lease
- 4 Notwithstanding anything herein to the contrary, Assignor acknowledges and
agrees that Assignor is not being released from any obligations under the Lease to be performed
or observed by Tenant thereunder for the remainder of the Term of the Lease, it being the intent
that both Assignor and Assignee remain jointly and severally liable for all obligations to be
performed or observed by Tenant under the Lease for the remainder of the Term of the Lease

5 The right to the return of any security deposit referred to in the Lease is hereby assigned by Assignor to Assignee

6 This Consent shall not be construed as a consent by Landlord to, or as permitting, any other or further assignment of the Lease, and no such further assignment shall be made without the prior written consent of Landlord in each instance, except to the extent permitted under the Lease

7 This Consent shall inure to the benefit of, and be binding upon, the parties hereto and to their respective successors and assigns

8 Landlord has not made any representations or warranties whether with respect to the condition of the Premises, or otherwise, except that Landlord states that it is entitled to execute this Consent

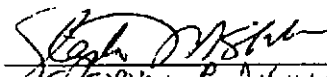
9 Assignor agrees to pay promptly all fees, charges and other expenses of Landlord on account of the assignment and assumption of the Lease, including Landlord's attorney's fees and expenses

10 All prior statements, understandings, representations and agreements between the parties to this Consent with respect to Landlord's consent to the assignment of the Lease, whether oral or written, are superseded by and merged in this Consent. This Consent may be executed in one or more counterparts each of which, when so executed and delivered, shall be deemed to be an original, but all of which, when taken together, shall constitute but one and the same instrument

IN WITNESS WHEREOF, the parties have caused this Consent to Assignment to be duly executed as of the day and year first above written

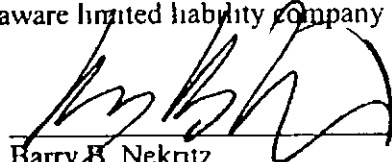
LANDLORD

TORGO MANAGEMENT, INC , an Illinois Corporation, as agent for beneficiaries of COSMOPOLITAN BANK AND TRUST, AS TRUSTEE w/a dated 11/23/93 and known as Trust No 13581

By 
Name STEPHEN P. DISILVESTRO
Title PRESIDENT

ASSIGNOR

RENAL CARE GROUP SCHAUMBURG, LLC, an Delaware limited liability company

By 
Name Barry B. Nekritz
Title Authorized Representative

ASSIGNEE


NATIONAL RENAL INSTITUTES, INC , a Delaware corporation

By _____
Name _____
Title _____

IN WITNESS WHEREOF, the parties have caused this Consent to Assignment to be duly executed as of the day and year first above written

LANDLORD

TORGO MANAGEMENT, INC., an Illinois Corporation, as agent for beneficiaries of COSMOPOLITAN BANK AND TRUST, AS TRUSTEE w/va dated 11/23/93 and known as Trust No 13581

By 
Name. STEPHEN P DI SIVIERO
Title PRESIDENT


ASSIGNOR

RENAL CARE GROUP SCHAUMBURG, LLC, an Delaware limited liability company

By 
Name Barry B Nekritz
Title Authorized Representative

ASSIGNEE

NATIONAL RENAL INSTITUTES, INC , a Delaware corporation


By 
Name Judy Letkovitz
Title VP & Secretary

REAFFIRMATION OF GUARANTY

In consideration of and as an inducement to TORGO MANAGEMENT, INC , an Illinois Corporation, as agent for beneficiaries of COSMOPOLITAN BANK AND TRUST, AS TRUSTEE w/va dated 11/23/93 and known as Trust No 13581 ("Landlord"), to execute that certain Consent to Lease Assignment dated February 23, 2006, between RENAL CARE GROUP SCHAUMBURG, LLC, a Delaware limited liability company ("Assignor") and NATIONAL RENAL INSTITUTES, INC , a Delaware corporation ("Assignee"), of the lease dated December 9, 2003, (and as it may have been amended) for the premises located at 1156A and 1156B S Roselle Road, Schaumburg, Illinois 60193 ("Lease"), the undersigned, as Guarantor of the Lease, does hereby reaffirm its Guaranty dated December 9, 2003

Dated March ____, 2006

RENAL CARE GROUP, INC ,
a Delaware corporation

By 
Name Douglas Chappell
Title Senior Vice President

DELIVERY OF POSSESSION DATE CERTIFICATE

AND

FIRST AMENDMENT TO LEASE AGREEMENTS

LANDLORD FORGO MANAGEMENT, INC., as agent for beneficiaries of COSMOPOLITAN BANK AND TRUST SUCCESSOR IN INTEREST TO FIRST BANK OF OAK PARK, AS TRUSTEE w/ta dated 11/23/93 and known as Trust No. 13581

TENANT RENAI CARE GROUP SCHAUMBURG LLC

EFFECTIVE DATE OF LEASES December 9, 2003

COMMON ADDRESSES 1156-A & 1156-B S Roselle Road, Schaumburg, Illinois 60193

SQUARE FOOTAGE Approximately 6,214 Rentable Square Feet (as to Suite 1156-A)
Approximately 3,160 Rentable Square Feet (as to Suite 1156-B)

DEMISED PREMISES POSSESSION DATE February 16, 2004

PROJECTED OPENING DATE On or about July 1, 2004

Landlord and Tenant acknowledge and agree that the Demised Premises described in each of the above-referenced Leases have been delivered to Tenant for the performance of Tenant's Work (as said term is defined in and contemplated in each of such Leases) on the Delivery of Possession Date noted above

Additionally, pursuant to Section 1.03 of the Leases, Landlord confirms that it has fully reviewed and approved, in all respects material to and required by it, the improvement plans and specifications, prepared by Tenant and its consultants for the initial Tenant's Work to be undertaken, as and if applicable, by Tenant in or about the Demised Premises as contemplated by, among other provisions, Section 1.02 of each Lease. Attached hereto and incorporated herein by reference as Exhibit F, which exhibit is deemed hereby as added to and fully incorporated into each of the Leases hereby as pertains to the Tenant's Work if any to be initially undertaken in each such Demised Premises, is a schedule and schematic of those improvement plans

Tenant further acknowledges that all of Landlord's Work pursuant to said Lease has been completed except as follows NONE

Landlord and Tenant agree that this Certificate and First Amendment will not change, modify, amend or revise the terms, conditions and provisions of the Leases, except as may be provided herein and as agreed to by the parties hereto. Landlord and Tenant each hereby confirm and ratify, all of the terms, conditions and covenants of the Lease. Further, to the extent that Landlord is required to procure the consent(s) of any third-party or parties as to the matters addressed herein, Landlord certifies unto Tenant that such consents and approvals have been requested and received

[SIGNATURES ON FOLLOWING PAGE]

LANDLORD

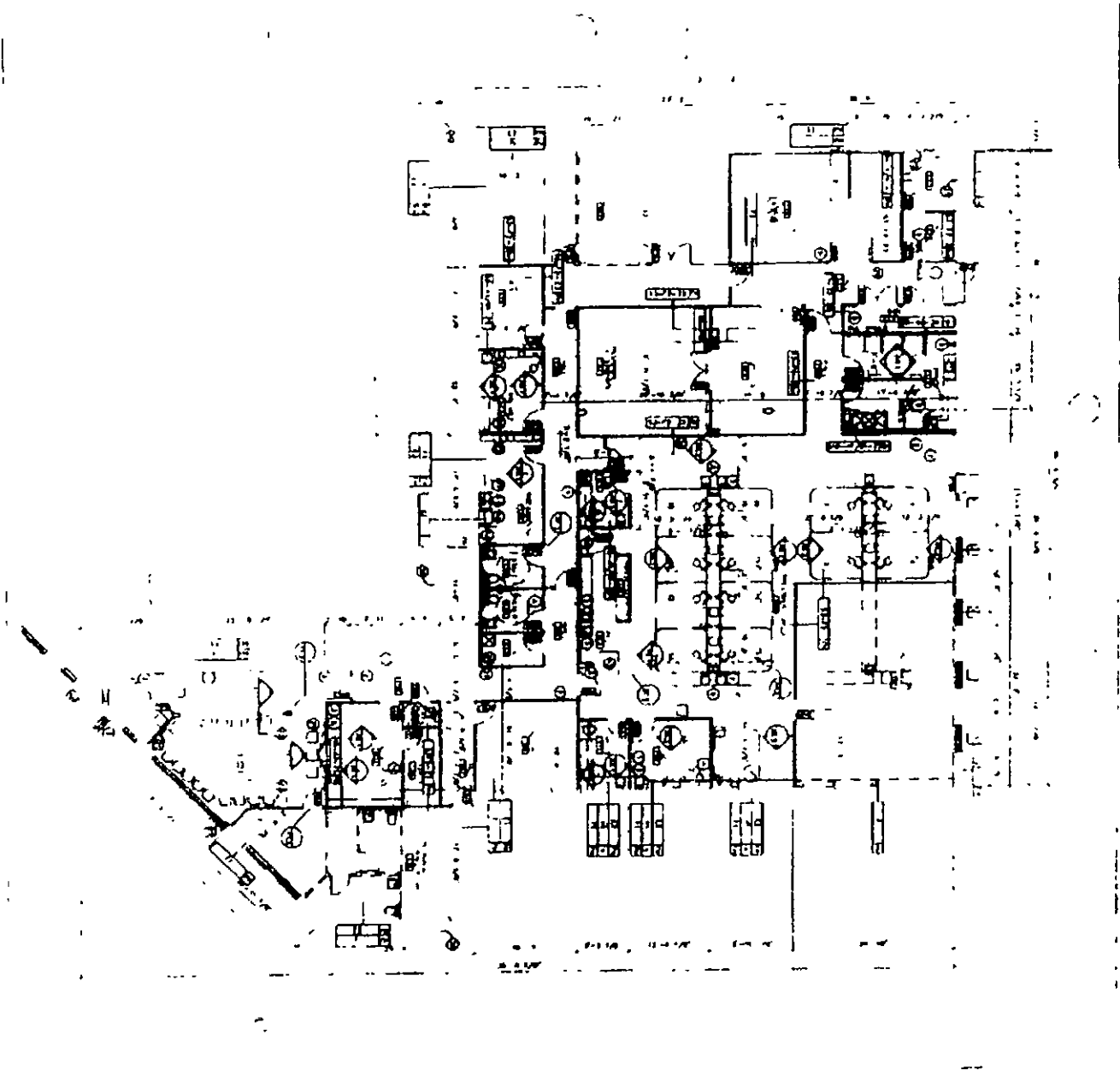
TORGO MANAGEMENT, INC, as agent
for beneficiaries of COSMOPOLITAN
BANK AND TRUST, SUCCESSOR IN
INTEREST TO FIRST BANK OF OAK
PARK, AS TRUSTEE a/v/a dated 11/23/93
and known as Trust No 13581

By *Stephen P. Dill*
Printed STEPHEN P. DILL
Its PRESIDENT
Date of Execution 2/25/, 2004

TENANT

RENAL CARE GROUP
SCHAUMBURG LLC

By *Dana M. Dill*
Printed Dana M. Dill
Its Vice President & Managing Member
Date of Execution 3/8/04, 2004



NO.	DATE	REVISION
1		FOR SECURITY

EXHIBIT "F"
Page 1 of 2

ARCHITECTURE

- A01 PROJECT INFORMATION
- A11 WALL TYPE LEGEND & NOTES
- A12 FLOOR PLAN
- A13 ENLARGED PLANS
- A41 WALL SECTIONS & DETAILS
- A42 HALF WALL SECTIONS & DETAILS
- A43 MIL-WORK SECTIONS & DETAILS
- A51 FINISH SPECIFICATIONS & NOTES
- A52 FINISH PLAN
- AE1 INTERIOR ELEVATIONS
- AE2 INTERIOR PAINTS
- AF1 REFLECTED CEILING PLAN
- AB1 DOOR / WINDOW SCHEDULE
- AB2 DOOR / WINDOW DETAILS
- AB3 DOOR / WINDOW DETAILS

PLUMBING

- PC1 PLUMBING LEGEND & NOTES
- P1 SANITARY FLOOR PLAN
- P12 PLUMBING FLOOR PLAN
- P13 MEDICAL PIPING FLOOR PLAN
- P61 STACKS SCHEDULES & DETAILS

MECHANICAL

- MC1 HVAC LEGEND AND NOTES
- M1 HVAC DUCTWORK PLAN
- M7 HVAC SCHEDULE & DETAILS

ELECTRICAL

- E01 ELECTRICAL LEGEND & NOTES
- F1 LIGHTING PLAN
- E21 LIGHTING SCHEDULE NOTES & PLAN
- E31 POWER PLAN
- E32 HVAC POWER PLAN
- E41 ONE LINE DIAGRAM & SCHEDULE
- E51 SYSTEM PLAN
- E61 PANEL SCHEDULES & NOTES
- E62 RISES & DETAILS

TORGO MANAGEMENT, INC., an Illinois Corporation,
as agent for beneficiaries of **COSMOPOLITAN BANK AND TRUST,**
SUCCESSOR IN INTEREST TO FIRST BANK OF OAK PARK, AS TRUSTEE
w/Us dated 11/23/93 and known as Trust No. 13581, AS "LANDLORD,"

AND

RENAL CARE GROUP SCHAUMBURG, LLC, AS "TENANT"

LEASE AGREEMENT

Demised Premises

1156-A South Roselle Road
Schaumburg, Illinois 60193

LEASE SYNOPSIS

LEASE AGREEMENT BETWEEN TORGO MANAGEMENT, INC., an Illinois Corporation, as agent for beneficiaries of COSMOPOLITAN BANK AND TRUST, SUCCESSOR IN INTEREST TO FIRST BANK OF OAK PARK, AS TRUSTEE w/va dated 11/23/93 and known as Trust No 13581 ("LANDLORD") and RENAL CARE GROUP SCHAUMBURG, LLC, a Delaware limited liability company ("TENANT")

EFFECTIVE DATE December 9, 2003

LANDLORD TORGO MANAGEMENT, INC., as agent for beneficiaries of COSMOPOLITAN BANK AND TRUST, SUCCESSOR IN INTEREST TO FIRST BANK OF OAK PARK, AS TRUSTEE w/va dated 11/23/93 and known as Trust No 13581

ADDRESS OF LANDLORD 5231 N Harlem Avenue
Chicago, Illinois 60656

TENANT RENAL CARE GROUP SCHAUMBURG, LLC

ADDRESS OF TENANT c/o 2525 West End Avenue, Suite 600, Nashville, Tennessee 37203

TENANT'S TRADE NAME RENAL CARE GROUP or RENAL CARE GROUP SCHAUMBURG
or RCG SCHAUMBURG

LEASE TERM Ten (10) years commencing upon the Commencement Date, plus if applicable, the remainder of the calendar month in which the Expiration Date occurs

COMMENCEMENT DATE As determined pursuant to Section 1.02 of the Lease

RENT ABATEMENT There shall be no Rent for the period until Commencement Date
Minimum Rent shall be paid in accordance with Article 11 and Exhibit C
of the Lease

FLOOR AREA Approximately 6,214 square feet, being the rentable area of the Demised Premises, as outlined in Exhibits A & A-1 to the Lease

DEMISED PREMISES 1156-A S Roselle Road, Schaumburg, Illinois, as Shown on Exhibits A & A-1 to the Lease

PERMITTED USES Operation of a renal dialysis care services facility and any related and ancillary use, including medical and business offices in conjunction therewith

SECURITY DEPOSIT [INTENTIONALLY OMITTED]

GUARANTOR RENAL CARE GROUP, INC

INITIAL MINIMUM COMMON AREA PAYMENT \$15,535.00 per year
(\$1,294.58 per month)

INITIAL MINIMUM REAL ESTATE TAX PAYMENT \$25,788.10 per year
(\$2,149.01 per month)

TENANT'S PROPORTIONATE SHARE OF COMMON AREA MAINTENANCE EXPENSES Five and Four Hundred Twenty-Fifths Percent (5.425%)

TENANT'S PROPORTIONATE SHARE OF TAXES Five and Four Hundred Twenty-Fifths percent (5.425%)

WHEREVER THE TERMS AND CONDITIONS OF THIS LEASE SYNOPSIS AND THE TERMS AND CONDITIONS OF THE LEASE TO WHICH THIS LEASE SYNOPSIS IS ATTACHED CONFLICT, THE TERMS AND CONDITIONS OF THE LEASE SHALL CONTROL

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LEASE AGREEMENT

THIS LEASE AGREEMENT is made and entered into this 2nd day of December, 2003 (the "Effective Date"), by and between TORGO MANAGEMENT INC an Illinois Corporation, as agent for beneficiaries of COSMOPOLITAN BANK AND TRUST, SUCCESSOR IN INTEREST TO FIRST BANK OF OAK PARK, AS TRUSTEE w/va dated 11/23/93 and known as Trust No 13581 (hereinafter referred to as "Landlord"), and RENAL CARE GROUP SCHAUMBURG, LLC (hereinafter referred to as "Tenant")

WITNESSETH

That for and in consideration of the rentals hereinafter reserved and of the mutual covenants and agreements hereinafter set forth, the parties hereto hereby mutually agree as follows

ARTICLE I GRANT AND TERM

SECTION 1 01 DEMISED PREMISES Landlord hereby leases to Tenant for the Term (as defined in Section 1 02 below) and upon the covenants hereinafter set forth, approximately, six thousand two hundred fourteen (6,214) rentable square feet of ground floor area in the shopping center, commonly known as 1156-A South Roselle Road, Schaumburg, Illinois in the Shopping Center known as the Schaumburg Towncenter or by such other name as Landlord may from time to time hereafter designate (hereinafter "Shopping Center") The Shopping Center is legally described on Exhibit A hereto which exhibit is incorporated herein by reference The leased space shall hereinafter be referred to as the "Demised Premises" The Demised Premises and the 1156-B Premises (as defined in Section 1 02 below) are collectively cross-hatched on the site plan of the Shopping Center attached hereto and made a part hereof as Exhibit A, and the Demised Premises are more particularly outlined by the single cross-hatching in relation to the 1156-B Premises in Exhibit A-1 hereto Further, at all times following the Effective Date and during the Term of this Lease, Landlord hereby grants to Tenant an easement at all times following the Effective Date of this Lease and during the entirety of the Term for, and shall provide Tenant, its agents and contractors and, as applicable, third-party utility companies with, access to and use of all portions of the Common Areas of the Shopping Center to which Tenant may reasonably need access outside of the Demised Premises for purposes of undertaking and installing, and hereafter repairing, modifying and/or replacing, the utility services to the Demised Premises to be undertaken by Tenant and its agents and contractors in accordance with this Lease, including as pertains to the initial installation and future repair, modification and replacement of Tenant's required water and sanitary sewer line services as generally depicted in the schematic attached hereto as Exhibit F-1 attached hereto, and to the extent that Tenant may need access to areas of the Shopping Center exclusively leased to third-parties, Landlord will work in good faith with Tenant to procure appropriate access to those areas to allow installation, repair modification and/or replacement of the required work, including the water line and sanitary sewer services generally outlined in Exhibit F-1 hereto

SECTION 1 02 TERM Subject to Tenant's option rights to extend the Term as contemplated by Section 3 01 of this Lease, the term (the "Term") of this Lease shall be for a period of ten (10) years, commencing upon that date (the "Commencement Date") which is the earlier of (i) that date which is one hundred twenty (120) days following the Demised Premises Possession Date (as defined in Section 4 02 hereof), or (ii) that date following the Demised Premises Possession Date and upon which Tenant has substantially completed its initial tenant improvements, receives the appropriate certificate of occupancy and other consents without legal qualification necessary and appropriate to allow it to occupy the Demised Premises for the Permitted Uses and the approximately 3,160 square feet referred to as 1156-B South Roselle Road within the Shopping Center (the "1156-B Premises") as separately leased by Tenant from Landlord under that Lease Agreement entered into by and between Landlord and Tenant on or about the Effective Date hereof (the "1156-B Lease"), and expiring at midnight, central time, on the last calendar day of the month following the expiration of ten (10) full years after the Commencement Date, unless sooner terminated in accordance with the provisions hereof (the "Expiration Date") The period between the Possession Date and the Commencement Date of the Term shall be referred to as Tenant's "Fixturing Period" Each consecutive twelve (12) month period beginning with the Commencement Date shall hereinafter be referred to as a "Lease Year" provided, however, that if the Commencement Date is not the first day of a month, the first Lease Year shall be the period beginning on the Commencement Date and continuing for twelve (12) consecutive full calendar months after the first day of the month immediately succeeding the Commencement Date After the Effective Date hereof, and so long as Tenant's Work as to its initial tenant's improvements within and about the Demised Premises does not materially interfere with Landlord's Work as contemplated by Section 4 02, Landlord shall permit Tenant and Tenant's agents or independent contractors to enter the Demised Premises and the 1156-B Premises prior to the Commencement Date specified in this Lease and in the 1156-B Lease in order that Tenant may make the Demised Premises and the 1156-B Premises ready for Tenant's use and occupancy in accordance with the provisions of Exhibit F hereof (which Exhibit F shall be prepared by Tenant and agreed upon by the parties in writing by addendum hereto prior to commencement of such Tenant's Work

by Tenant) and the corresponding exhibit to the 1156-B Lease. Such entry shall be pursuant to a conditional exclusive license, which license shall be subject to the condition that Tenant and Tenant's employees, agents, contractors, subcontractors, workmen, mechanics, suppliers, and invitees shall work in harmony and not materially interfere with Landlord and its agents and contractors in doing its Landlord's Work under this Lease or the 1156-B Lease, its work in the Shopping Center or with work performed by Landlord or others for other tenants and occupants of the Shopping Center. If at any time such entry or occupancy shall cause or threaten to cause material disharmony or material interference, Landlord, in its reasonable discretion, shall have the right to suspend such license upon twenty-four (24) hours' prior written notice to Tenant. Tenant agrees that any such entry into and occupancy of the Demised Premises prior to the Commencement Date shall be deemed to be under, and Tenant shall abide by, all of the terms, covenants, conditions and provisions of the Lease, except as to the covenant to pay Rent. Tenant further agrees that to the extent permitted by law, Landlord and its beneficiary shall not be liable in any way for any injury or death to any person or persons, loss or damage to any of Tenant's Work and installations made in the Demised Premises or loss or damage to the property placed therein prior to the Commencement Date, the same being at Tenant's sole risk, unless such occurrence is due to Landlord's or Landlord's agent's gross negligence. It shall be a condition to the license given by Landlord to Tenant pursuant to this Section 1 02 that Tenant shall give to Landlord not less than five (5) days' prior written notice, which notice shall contain and/or shall be accompanied by (i) a construction schedule and final copies of Tenant's improvements plans and specifications which are to be agreed upon by Landlord and Tenant pursuant to Section 1 03 of this Lease, (ii) the names and addresses of all contractors, subcontractors and material suppliers for whom and which such access is being requested, and (iii) certificates of insurance complying with the insurance requirements set forth in this Lease. All of the foregoing shall be subject to Landlord's prior approval, which approval shall be delivered within the time frame contemplated by Section Article XX, Subsection (p) and which shall not be unreasonably withheld. If requested by Landlord or Tenant and provided this Lease is not terminated pursuant to Section 1 03 hereof, immediately following establishment of the Possession Date and, thereafter, Commencement Date, or at any other time during the Term hereof, Tenant and Landlord shall each execute an appropriate Demised Premises Acceptance Declaration (following the Possession Date) and an Opening and Termination Date Declaration (following the Commencement Date) in the forms attached hereto as Exhibit B and Exhibit E, respectively, specifying the information called for in said forms.

SECTION 1 03 CONTINGENCIES Notwithstanding anything to the contrary otherwise set forth in this Lease or the 1156-B Lease, Tenant's obligations under this Lease are expressly contingent upon the occurrence of each of the following events (each a "Contingency") on or before that date which is the thirtieth (30th) calendar day following but excluding the Effective Date (the "Contingencies Deadline")

(a) Tenant must have satisfied itself that it will be able to obtain all required governmental approvals or variances, if any, special exceptions and other approvals necessary or appropriate in its discretion (including, without limitation, all applicable certificate(s) of need and City of Schaumburg, Illinois approvals) allowing for the unqualified issuance of operation permits, building permits and any other permits and approvals necessary for, the construction of the repairs, modifications and other improvements constituting the initial Tenant's Work within the Demised Premises and, if and as applicable, within the 1156-B Premises in accordance with its anticipated Tenant's Work to be outlined, when final, in Exhibit F hereto and to the 1156-B Lease (such plans and specifications to be agreed upon by Landlord and Tenant as contemplated by Section 1 03(b) hereof), and to, upon completion all such improvements, permit the use and occupancy of the Demised Premises and the 1156-B Premises for the intended Permitted Uses as of the Commencement Date of the Term hereof.

(b) If it so elects, Tenant must have received, reviewed and approved, at its sole cost and expense, a firm, final owner's leasehold commitment for title insurance from a title insurance company acceptable to it and in a form and of content acceptable to it bearing a commitment by such Title Company to issue a final leasehold owner's policy insuring Tenant's anticipated leasehold interest(s) in the Demised Premises, together with customary endorsements and other endorsements desired by Tenant, and a Landlord's "owner's affidavit" to permit the deletion of the so-called "standard exceptions".

(c) Tenant must have received an executed and recordable consent, recognition and non-disturbance agreement in a form and of content acceptable to Tenant and its counsel in their reasonable discretion, which consent as to form and content shall not be unreasonably withheld, conditioned or delayed, from each lender or other secured party, if any, having a mortgage, deed of trust, ground lease interest or similar secured interest in the Shopping Center, including the Demised Premises as of the Contingencies Deadline, and which agreement shall, among other matters, provide for each such lender's consent to this Lease and the 1156-B Lease, including, to the extent contemplated by lender's loan documents with Landlord, Tenant's intended Permitted Uses and to the repairs, improvements and modifications to the Demised Premises and, if and to the extent initially contemplated, the 1156-B Premises as may be contemplated by the Tenant's Work, and

(d) Tenant and Landlord must have entered into for recording a memorandum of lease in a form acceptable to Tenant and its counsel which consent as to form and content shall not be unreasonably withheld, conditioned or delayed, for recording, at Tenant's expense reflecting Tenant's leasehold interest in the Demised Premises and other matters as the parties thereto may agree

If any one or more of the Contingencies is or are not fulfilled to the sole satisfaction of Tenant on or before the Contingencies Deadline, Tenant may either, in its sole discretion and without further liability, (i) upon written notice to Landlord given within five (5) days thereafter, terminate this Lease, and upon such termination, neither party shall owe any further obligation to, or have liability to the other under this Lease, or (ii) notify Landlord in writing that Tenant has elected to waive all unsatisfied Contingencies. If Tenant does not, within five (5) days after the Contingency Deadline give Landlord the notice provided for in (i) or (ii) above (the "Contingencies Notice"), the unsatisfied Contingencies shall be deemed to have been waived by Tenant. The parties agreed to cooperate in good faith in an effort to assist Tenant in satisfaction of its Contingencies, provided, however it is acknowledged that, except for procurement of appropriate governmental approvals and permits for such work (which Landlord agrees to pursue immediately upon establishment of the Effective Date hereof), Landlord shall not be required to incur any expense or liability under this Lease as to Landlord's Work until Landlord has received written notice from Tenant that Tenant has satisfied or waived the Contingencies in their entirety

ARTICLE II RENT AND DEPOSIT

SECTION 2 01 MINIMUM RENT Provided that this Lease is not otherwise terminated prior thereto as contemplated above, then commencing upon the Commencement Date, Tenant covenants and agrees to pay annual minimum rent (the "Minimum Rent") to Landlord, in monthly installments, in advance according to the Minimum Rent Schedule attached hereto as Exhibit C

SECTION 2 02 PERCENTAGE RENT [INTENTIONALLY DELETED]

SECTION 2 03 PAYMENTS BY TENANT Tenant shall pay to Landlord, without demand, deductions, set-offs or counterclaims except as otherwise provided for in this Lease, the 'Rent', which is hereby defined as the sum of the Minimum Rent and all Additional Rent, when and as the same shall be due and payable to Landlord hereunder; provided however no monthly rental payments shall be deemed late until after the fifth (5th) day of the month for which such sums are due. Unless otherwise stated in this Lease, all other sums of money or charges payable to Landlord from Tenant by this Lease are defined as "Additional Rent" and are due twenty (20) days after the rendering of an invoice therefor and failure to pay such charges carries the same consequences as Tenant's failure to pay Minimum Rent. All payments and charges required to be made by Tenant to Landlord hereunder shall be payable in coin or currency of the United States of America, at the address indicated herein. No payment to or receipt by Landlord of a lesser amount than the then amount required to be paid hereunder shall be deemed to be other than on account of the earliest amount of such obligation then due hereunder. No endorsement or statement on any check or other communication accompanying a check for payment of any amounts payable hereunder shall be deemed an accord and satisfaction, and Landlord may accept such check in payment without prejudice to Landlord's right to recover the balance of any sums owed by Tenant hereunder

SECTION 2 04 DEPOSIT [INTENTIONALLY DELETED]

SECTION 2 05 LATE CHARGE In the event any sums required hereunder to be paid are not received on or before the fifth (5th) calendar day after the same are due, then, Tenant shall immediately pay, as Additional Rent, a late payment service charge equal to (a) One Hundred Fifty Dollars (\$150.00), plus, if not paid within fifteen (15) days of the initial date such sums are due, (b) interest from the original due date until said past due amount shall be paid by Tenant to Landlord at a rate equal to four percent (4%) above the prime rate as announced by the Bank One of Chicago from time to time, which rate (hereinafter the "Default Rate") shall change when and as said prime rate changes but which rate shall not be in excess of any maximum interest rate permitted by law

ARTICLE III OPTION TO EXTEND

SECTION 3 01 OPTION TO EXTEND Provided that no uncured Default by Tenant is existing under this Lease at the time the applicable option to renew described below is exercised or at the commencement of the applicable renewal option period, Landlord hereby grants Tenant the right, privilege and option to extend this lease for two (2) successive periods of five (5) years each, commencing, if and as exercised by Tenant as applicable, immediately on the Expiration Date of the initial ten-year Term hereof and the expiration date of the first five-year renewal period, and upon the same terms and conditions contained in this Lease (other than as set forth in this Article III) to the contrary, upon notice in writing to Landlord of Tenant's intention to exercise each such option, given at least one hundred and eighty (180) days prior to, as applicable, the expiration of the initial ten-year Term or preceding initial renewal period of this Lease. If Tenant fails to timely exercise the first renewal period

option, the second renewal period option shall be immediately deemed to be null and void and of no further force or effect

SECTION 3 02 OPTION RENTS In the event Tenant exercises a renewal period option to extend the Term provided for herein, Tenant covenants and agrees to pay to Landlord annual Minimum Rent for such renewal period, as exercised, in monthly installments on the first day of each month of such renewal period and in advance, according to the Minimum Rent Schedule attached hereto as Exhibit C

SECTION 3 03 PERCENTAGE RENT DURING OPTION PERIOD (INTENTIONALLY DELETED)

ARTICLE IV PREPARATION OF DEMISED PREMISES

SECTION 4 01 SITE PLAN Exhibit A sets forth the general layout of the Shopping Center as of the Effective Date hereof Landlord does not warrant or represent that the Shopping Center is constructed exactly as shown thereon, provided, however, Landlord acknowledges that any materials provided to Tenant by Landlord or its agents with respect to the Demised Premises to assist Tenant in preparing its plans and specifications for the Tenant's Work are substantially complete and accurate. Subject to the limitations and requirements set forth in this Lease, Landlord may change or alter any of the Stores, common areas or any other aspect in the Shopping Center, or may sell or lease any other portions of the Shopping Center without the consent of or prior notice to Tenant, provided, however, Landlord agrees that at all times during the Term hereof, including as the Term may be extended, the relative location and actual size of the Demised Premises and the 1156-B Premises shall remain unchanged, and any modifications, alterations or improvements otherwise undertaken by Landlord to the remainder of the Shopping Center or any portion thereof, shall be taken only in a manner so as not to (A) materially interfere with Tenant's or its patient's access to the Demised Premises or Tenant's business operations in or about the Demised Premises, or (B) materially interfere with the parking areas serving the Demised Premises for Tenant and its patients or the patient and delivery loading and supply access points at the Demised Premises. Further, as to access, deliveries and parking, subject to applicable laws and codes pertaining to the Shopping Center, Landlord represents and warrants unto Tenant that at no additional charge or cost beyond that factored into the Minimum Rents payable by Tenant hereunder (W) Tenant and Tenant's agents, officers, invitees, guests, patients, contractors and employees shall at all times during the Term have direct access for ingress and egress to and from the Demised Premises and one or more of the public rights-of-way adjoining the Shopping Center and known as Wise Road, Roselle Road and Hartford Road, (X) Tenant, its agents, representatives, employees, patients, contractors and invitees shall have the right to conduct pick-ups, drop-offs and the deliveries via semi-tractor truck transport or otherwise at the Demised Premises at any time during the Term, and the vehicles or carrier(s) making such drop-offs, pick-ups and deliveries to at the Demised Premises shall have the right to temporarily park their vehicles in any egress/ingress lanes and parking areas within the Shopping Center for purposes of loading and unloading provided such activities do not unreasonably interfere with other tenants' use and occupancy of the Shopping Center, (Y) at all times after the Effective Date and on a non-exclusive use basis with other tenants and occupants of the Shopping Center, there shall be located upon and within the boundaries of the Shopping Center property those number of parking spaces required by applicable laws, regulations, codes and ordinances to provide for the uses (including the Permitted Use) within the Shopping Center, including handicapped parking spaces, and (Z) Landlord shall not relocate any handicapped parking spaces in proximity to the Demised Premises without the prior written consent of Tenant

SECTION 4 02 LANDLORD'S WORK Landlord, at its sole cost and expense and prior to the Demised Premises Possession Date (defined below), shall construct and otherwise undertake the repairs, modifications and improvements to the Demised Premises (and, as applicable, the 1156-B Premises) substantially in accordance with the "Outline Specifications" attached hereto and made a part hereof as Exhibit D (hereinafter referred to as "Landlord's Work") As a condition precedent to Tenant's obligations under this Lease, and subject to Tenant not having otherwise terminated this Lease (and/or the 1156-B Lease) pursuant to the provisions of Section 1 03, if the Landlord's Work (as defined below) is not substantially completed on or before the expiration of forty-five (45) days after the Contingencies Deadline (such deadline being herein referred to as the "Demised Premises Possession Date" or "Possession Date"), and Landlord subsequently fails to substantially complete the Landlord's Work within thirty (30) days immediately following default notice by Tenant in accordance with Section 14 03, then Tenant may, in addition to exercising all other rights and remedies available to it under this Lease or at law or in equity, undertake to complete the Landlord's Work and receive reimbursement from Landlord as contemplated by Section 14 03 The Rent Commencement Date shall also be delayed by each day that Landlord's Work is delayed as result of Landlord's failure to do so Without limiting or amending Landlord's obligations elsewhere under this Lease, Landlord warrants to Tenant for twelve (12) months after the Possession Date and for the Term of any warranties for materials, supplies or equipment, less ordinary wear and tear, that the Landlord's Work shall be completed by Landlord and its contractor(s) in a good and workman-like manner, free from faulty materials, in accordance with all applicable legal requirements, and sound engineering standards, and in accordance with all applicable plans, installation

instructions and specifications fit for Tenant's undertaking of the Tenant's Work. Such warranty includes without limitation, the repair or replacement (including labor), at Landlord's sole cost of all materials, fixtures and equipment which are defective or which are defectively installed by Landlord, Landlord's contractors and their subcontractors. Landlord shall, at Tenant's option, assign to Tenant or enforce for the benefit of Tenant, all warranties from subcontractors and material suppliers for such materials workmanship, fixtures and equipment in effect after the expiration of such twelve (12) month warranty period. The foregoing warranty shall not include any repairs or replacements necessitated due to the grossly negligence or intentionally wrongful acts of Tenant, or its employees, agents and/or contractors.

SECTION 4 03 DELIVERY OF POSSESSION DATE Provided Tenant does not terminate this Lease beforehand by its terms and provided, further, that Landlord has properly and substantially completed its Landlord's Work to the reasonable satisfaction of Tenant subject only to immaterial punch-list items, if any, that will not interfere with issuance of, as applicable, required preliminary/temporary certificates of occupancy (or the local equivalent) as pertains to the Demised Premises or with the undertaking by Tenant of the initial Tenant's Work hereunder, Tenant agrees to take physical possession of the Demised Premises on the Possession Date. Subject to Tenant's rights, at its option, of earlier access under Section 1 02 hereof and subject to delays in finalization of the plans and specifications for the initial Tenant's Work and applicable permitting processes, from and after the Possession Date, Tenant agrees to diligently perform Tenant's Work but delays incurred by Tenant in commencing or thereafter completing its initial Tenant Work, while not delaying the Commencement Date of the Term, shall not result in a Default by Tenant hereunder.

SECTION 4 04 TENANT'S WORK Other than Landlord's Work done pursuant to Section 4 02 and Exhibit D hereto, all work necessary or appropriate to put the Demised Premises in a condition appropriate for Tenant's use thereof for the Permitted Use is to be performed by Tenant at its expense (hereinafter referred to as "Tenant's Work") in accordance with, when final and included by future addendum hereto, Exhibit F attached hereto and made a part hereof and in accordance with the provisions of Section 4 06 hereof. All entry into the Demised Premises and work done by Tenant shall, subject to the other terms of this Lease, be at Tenant's sole risk. All additional initial work, if any, performed by Tenant beyond that scheduled and described in approved Exhibit F shall, as contemplated by Section 1 02 hereof, be subject to Landlord's reasonable prior written approval, including, but not limited to, written approval of Tenant's plans and specifications as prepared by an independent professional, and all of Tenant's Work, including that initial work as contemplated by Exhibit F, shall be in accordance with good construction practices, all applicable laws, Landlord's insurance requirements as set forth in Section 4 05(b) and 9 02 hereinbelow and shall be undertaken in such a manner as to not unreasonably interfere with the use by other tenants and occupants of their respective premises. Landlord shall have no responsibility or liability for any loss or damage to any property belonging to Tenant, except that resulting from Landlord's or its agents' contractors, representatives or employees' negligence or intentional acts. Tenant agrees to pay for all the utilities used or consumed in the Demised Premises by Tenant on and after the delivery of Demised Premises upon the Possession Date. Tenant shall obtain at Tenant's sole expense all certificates, approvals and permits which may be necessary so that a certificate of occupancy for the Demised Premises may be issued, including zoning variations or special use permits. If any zoning variations or special use permits are required, Tenant shall, subject to its contingency rights under Section 1 03(a) hereof, use its best efforts to obtain such variations or permits, and Landlord shall cooperate with Tenant in all reasonable respects in obtaining such variations or permits. In addition, Tenant shall keep Landlord reasonably informed of its progress in obtaining such variations and permits. Copies of all such certificates shall be delivered to Landlord. Notwithstanding any provision of this Lease to the contrary, Landlord shall, in order to assist Tenant with the costs of procuring and installing those dedicated and separately metered water and sewer lines required by Tenant for use of the Demised Premises and the 1156-B Premises for the Permitted Use, contribute to Tenant the sum not to exceed Eight Thousand Eight Hundred Dollars (\$8,800 00) (such amount being referred to as the "Landlord's Contribution"). Landlord's Contribution shall be made available and paid to Tenant by Landlord promptly and in all events within twenty (20) days following the last of completion of such applicable work by Tenant and presentation by Tenant to Landlord of copies of bona-fide receipts for items or labor purchased from unrelated third-parties, a sworn contractor's statement of completion and original lien waivers from Tenant's general contractor and the subcontractors and materialmen involved in the construction of such portions of Tenant's Work, together with any other documentation reasonably required by Landlord.

SECTION 4 05 SUBSEQUENT ALTERATIONS BY TENANT

(a) Following that initial Tenant Work contemplated by Exhibit F when complete, Tenant may not make any subsequent changes, modifications or alterations to the Demised Premises, including but not limited to demolition, erecting permanent partitions, making alterations or additions, or boring or screwing into ceilings, walls or floors, whether or not the same may be required under this Lease, without the prior written consent of Landlord in each instance, which consent shall not be unreasonably withheld, conditioned or delayed. Any alterations shall be performed in a first-class and workmanlike manner and in accordance with all applicable legal and insurance requirements and the terms and provisions of this

Lease. Further, in performing future work within or about the Demised Premises, Tenant agrees that it shall also comply with Landlord's reasonable and non-discriminatory rules and regulations as may be then applicable to the Shopping Center as published from time to time, provided, Landlord represents unto Tenant that, as of the Effective Date, no such rules and regulations are in existence. Notwithstanding the foregoing, future cosmetic and non-structural changes to the interior of the Demised Premises, including painting, wallpapering, floor covering changes or carpeting shall in no event, require prior notice to Landlord, or its consent. In addition, Landlord agrees that Tenant may install all necessary and appropriate moveable partitions, trade equipment and trade fixtures necessary for the conduct of its business within the Demised Premises, and same shall at all times remain as personal property of Tenant regardless of the manner of annexation.

(b) Prior to the commencement of any work by Tenant, Tenant shall (i) obtain Commercial General Liability and workers' Compensation insurance in the amounts and as contemplated by Section 9.02 of this Lease, and name Landlord and its property manager, if applicable for the shopping Center as an additional insured (or as their interests may otherwise be appropriate) and shall deliver duplicate originals of all certificates of such insurance to Landlord, and (ii) require its contractors to carry and maintain Commercial General Liability and Workers' Compensation insurance and provide certificate of insurance naming Tenant and Landlord as additional insureds.

(c) No promise of Landlord to alter, remodel, improve, repair, decorate or clean the Demised Premises or the common areas, or any part thereof, and no representation respecting the condition of the Demised Premises or the Shopping Center has been made to Tenant by Landlord, except as specifically set forth in this Lease. Except as set forth herein, Tenant hereby expressly acknowledges that Landlord has made no representations or warranties, express or implied, as to the design or adequacy of (i) the Shopping Center for use as a shopping center facility, or (ii) the Demised Premises for the use set forth in Section 5.01(a).

SECTION 4.06 LIEN CLAIMS Tenant shall not permit any lien or claim for lien for any mechanic, laborer or supplier or any other lien to be filed against the Shopping Center, the Demised Premises, or any part thereof arising out of work performed, or alleged to have been performed by, or at the direction of, or on behalf of Tenant, but excluding Landlord's Work or any other repair, maintenance or replacement obligations of Landlord as to the Shopping Center, or any portion thereof, contemplated by this Lease for which Landlord shall be responsible. In the event that any such lien or claim is filed against the Demised Premises or the Shopping Center or any portion thereof as a result of any work or act of Tenant, Tenant, at its expense, shall discharge or bond over the same within thirty (30) days from the filing thereof. If Tenant fails to discharge said mechanic's lien, Landlord may bond over or pay the same without inquiring into the validity or merits of such lien. Said lien and all sums so advanced by Landlord, including Landlord's reasonable expenses and reasonable attorneys' fees, shall be paid on demand by Tenant as Additional Rent.

ARTICLE V CONDUCT OF BUSINESS

SECTION 5.01 USE AND TRADE NAME

(a) Tenant may use and occupy the Demised Premises for the Permitted Uses as set forth in the Lease Synopsis comprising a portion of this Lease and for no other purpose without the prior written consent of Landlord, which consent shall not be unreasonably withheld, delayed or conditioned. Upon completion of the initial Tenant's Work within the Demised Premises and occupancy of the Demised Premises by Tenant, Tenant's initial hours of operation within the Demised Premises are expected to be, approximately, 5:00 a.m. to 11:00 p.m. daily, but Tenant shall, notwithstanding the foregoing anticipated hours of operations, have access to the Demised Premises twenty-four (24) hours per day, seven (7) days per week, three hundred sixty-five (365) days per year throughout the Term and may, subject to applicable law and at its discretion, but without any obligation, operate during other hours as Tenant may desire, including upon holidays. Nothing contained to the contrary, expressly or implicitly, in this Lease shall be deemed or construed as a requirement that Tenant open for business in the Demised Premises or continuously operate its business in the Demised Premises.

(h) Tenant shall operate its business from the Demised Premises under any one of the following full names only:

"RENAL CARE GROUP", or "RENAL CARE GROUP SCHAUMBURG", or "RCG SCHAUMBURG", and under no other trade name without Landlord's prior written consent.

SECTION 5.02 ESTOPPEL CERTIFICATES From time to time within twenty (20) days after receipt by Tenant of written request therefor from Landlord or from any mortgagee under any mortgage or any beneficiary under any deed of trust on the real property on which the building containing the Demised Premises is located or of which the Demised Premises are a part, deliver, in recordable form, a

duly executed and acknowledged certificate or statement to the party requesting said certificate or statement or to any other person, firm or corporation designated by Landlord, certifying, (a) that this Lease is unmodified and in full force and effect, or, if there has been any modification, that the same is in full force and effect as modified, and stating any such modification, (b) the date of commencement of the Term of this Lease, (c) that Rent is paid currently without any off-set or defense thereto (or, if any set-off or defense is applicable, the facts and circumstances pertaining thereto), (d) the dates to which the Rent and other charges payable hereunder by Tenant have been paid, and the amount of Rent and other charges, if any, paid in advance, (e) whether or not there is then existing any known claim of Landlord's default hereunder and, if so and to the extent known, specifying the nature thereof, (f) whether or not the Lease contains any exclusive use provisions, and (g) any other matters relating to the status of such Lease as shall be reasonably requested by Landlord or any such mortgagee or beneficiary from time to time, provided that, in fact, such facts are accurate and reasonably ascertainable. Any such certificate or statement by Tenant may, at the election of the requesting party, include Tenant's undertaking not to pay rentals or other charges for more than a specified period in advance of the due dates therefor set forth herein. Upon request from time to time, Landlord agrees to provide Tenant with one or more similar estoppels for the benefit of Tenant's proposed permitted assignee(s), subtenant(s) and lender(s).

SECTION 5 03 UTILITIES Tenant, at its expense, shall arrange for and pay all costs for all utilities and services provided directly for or used in or at, and as separately metered to, the Demised Premises, commencing upon delivery by Landlord to Tenant and acceptance of the Demised Premises by Tenant upon the Possession Date and throughout the Term of this Lease. Tenant shall pay directly to the public utility companies, the cost of any installation not included in Landlord's Work of any and all such utility services. If Tenant subsequently desires additional gas, telegraphic, burglar alarm, computer installations or signal service not contemplated by Landlord's Work or the initial Tenant's Work, Landlord shall, upon request and provided that any such service is feasible and compatible with Shopping Center systems, reasonably direct, in consultation with Tenant and the utility providers, the location and method of all connections and wiring, if any, for such service. The installation, maintenance and use of any such additional service beyond that contemplated by Landlord's Work shall be at Tenant's sole expense. Tenant agrees to indemnify and hold harmless Landlord from and against any and all claims arising from the installation by Tenant and maintenance of such utility being the Tenant's obligations to maintain and other services and from all costs and charges for utilities consumed on or by the Demised Premises.

SECTION 5 04 SIGN Tenant shall install and maintain one (1) sign affixed to the front of the Demised Premises, subject to the prior written approval of Landlord (which approval shall not be unreasonably withheld, conditioned or delayed) and conforming to all applicable legal and insurance requirements. Tenant's sign shall be consistent with the specifications and requirements contained in Exhibit C attached hereto. Tenant shall pay for all costs in connection with such sign and shall be responsible for the cost of proper installation and removal thereof and any damage caused to the Demised Premises thereby not otherwise resulting from the negligent or intentional acts of Landlord, its agents, employees and representatives. In the event Landlord deems it necessary to remove such sign for safety reasons then Landlord shall have the right to do so upon not less than ten (10) days prior written notice to Tenant and provided, further, that Landlord shall replace such sign as soon as practicable at Landlord's sole cost. No additional signs which can be seen from the exterior of the Demised Premises shall be installed or displayed in, on or about the Demised Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. Any interior signs must be tasteful and shall be prepared in a professional manner (not hand-lettered). Any sign or display visible from the exterior of the Demised Premises which does not meet the above criteria may, provided Tenant has not removed such upon notice of default, be removed at any time by Landlord without notice or Landlord incurring any liability therefor.

SECTION 5 05 TENANTS WARRANTIES AND OBLIGATIONS Tenant warrants, represents, covenants and agrees to and with Landlord, that throughout the Term hereof it shall (i) subject to Landlord's obligations under this Lease, keep the Demised Premises, including the floors, signs and any platform or loading dock used exclusively by Tenant clean, neat, sanitary and safe and in good order, repair and condition (including all necessary replacements not the obligation of the Landlord, painting and decorating), and shall keep all glass in doors and windows comprising a portion of the Demised Premises clean and in good condition and shall replace promptly all glass which may become damaged or broken with glass of the same quality, ordinary wear and tear and damage by fire or other casualty excepted, (ii) pay, before delinquent, any and all taxes, assessments and public charges imposed upon Tenant's business, equipment or trade fixtures, (iii) comply, and cause all of Tenant's employees, agents, concessionaires, licensees and invitees to comply with all of the rules and regulations of the Shopping Center ("Rules and Regulations") as reasonably and non-discriminatorily adopted in writing from time to time and enforced by Landlord, provided, however, Landlord shall have no duty or obligation to enforce any of the Rules and Regulations (none which exist as of the Effective Date hereof) or the terms, covenants or conditions of any lease of space in the Shopping Center against any tenant or any other person or entity, and Landlord shall not be liable to Tenant, Tenant's agents or employees, or anyone claiming through Tenant, its agents or employees for violation of any of the Rules and Regulations of any term, covenant or condition of any lease by anyone or any entity, (iv) observe all restrictive covenants of

record or of which Tenant is notified in writing which are applicable to the Shopping Center and its Tenants, provided, however, Landlord represents that the Demised Premises are not subject to any easements, rights, rules, regulations, duties, obligations, covenants, conditions, restrictions, limitations or agreements in existence or being negotiated which may or would materially hinder, interfere with, impede, constrain or otherwise restrict or prohibit Tenant's occupancy and use of the Demised Premises for the Permitted Use or the use, on a non exclusive basis with other tenants and occupants of the Shopping Center, of the Common Areas, and Landlord will not, without the prior written consent of Tenant while this Lease, or any renewal or extension hereof, is in effect, agree to or undertake to make any modification, amendment or otherwise to any existing documents, instruments, declarations or restrictions which may be of record as of the Effective Date, or otherwise create or enter into any new agreements, or take or fail to take any act which would violate the terms and provision of this Lease, (v) not use the parking areas or sidewalks or any space outside the Demised Premises for display, sale, storage, or any other similar undertaking, (vi) not use any advertising medium or sound devices inside the Demised Premises which may be heard outside the Demised Premises, or permit any objectionable odors to emanate from the Demised Premises, (vii) keep the Demised Premises sufficiently heated to prevent freezing of water in pipes and fixtures in and about the Demised Premises, (viii) subject to the provision of this Section 5 05, comply and require all of Tenant's employees, agents, concessionaires, licensees and invitees to comply with all laws, ordinances orders and governmental regulations, and with the directions of any public officer authorized by law, with respect to the Demised Premises or the Shopping Center and the use and occupancy thereof for the Permitted Use, (ix) operate its business in the Demised Premises under one of those anticipated Tenant's trade names as set forth in Section 5 01, and under no other name without the prior written approval of Landlord, (x) subject to Landlord's Work obligations hereunder, upgrade the sprinkler system within the Demised Premises to the extent required and otherwise install and maintain such fire protection devices as may be required by any governmental body related to Tenant's use of the Demised Premises for the Permitted Use, (xi) provide trash storage and removal services regardless of the location of any storage and removal facilities, except that if Landlord, in its sole discretion, shall provide trash services to Tenant, Tenant shall be obligated to use and pay for the same in the manner and as part of the Common Area Maintenance Expenses, (xii) change Tenant's air conditioning filter as necessary, but not less often than five (5) times a year, and have Tenant's air conditioner and heater serviced as necessary, but not less often than two (2) times a year, (xiii) subject to conditions or circumstances within or about the Shopping Center not created by Tenant or those under this control, keep the Demised Premises free from insects and vermin and contract for regularly scheduled extermination service at such times and with such contractors as Landlord shall approve in writing, and (xiv) employ only such labor in the performance of any Tenant Work in and about the Demised Premises as will not cause any substantial or material conflict or controversy with any labor organization representing trades performing work for Landlord, its contractors or subcontractors

SECTION 5 06 LEGAL REQUIREMENTS Tenant shall, at its own expense, comply with all laws, orders, ordinances and with directions of public officers thereunder respecting all matters of occupancy, condition or maintenance of the Demised Premises as pertains solely to Tenant's use of the Demised Premises for the Permitted Use(s), whether such orders or directions shall be directed to Tenant or Landlord, and Tenant shall hold Landlord harmless from any and all costs or expenses on account thereof. Tenant shall procure and maintain all licenses and permits legally necessary for the operation of Tenant's business and allow Landlord to inspect them on request. Notwithstanding anything to the contrary set forth in this Lease, including this Section 5 06, Landlord shall be solely responsible to comply, at its cost and expense but subject to reimbursement by Tenant for Tenant's Proportionate Share of Common Area Maintenance Expenses under Article VI to the extent applicable and recoverable, with all laws, statutes, ordinances, regulations or rules (including, without limitation, zoning, environmental, fire and the Americans with Disabilities Act) affecting the Shopping Center generally, including the Common Areas, and not pertaining solely to the Demised Premises for the Permitted Use

ARTICLE VI. COMMON AREA

SECTION 6 01 COMMON AREA DEFINED "Common Area" herein shall be defined as all areas exterior to the Premises as shown or legal described on Exhibit A, which are available for the joint use and benefit of Landlord, Tenant and other tenants of the Shopping Center, and their respective employees, agents, subtenants, concessionaires, licensees, contractors, customers, patients and other invitees, including but not limited to parking areas, parking spaces, driveways, truck serviceways, passageways, sidewalks, entrances to and from public thoroughfares, exits, lighting facilities, loading docks (except that Tenant shall have the exclusive right to use the dumpster pad and loading dock and service areas immediately behind and serving the Demised Premises, if any.) courts, roof, landscaped areas and utility lines

SECTION 6 02 USE During the Term of this Lease, Tenant is granted, subject to reasonable and non-discriminatory rules and regulations promulgated by Landlord from time to time as pertains to the entirety of the Shopping Center and in addition to those rights and privileges granted elsewhere in this Lease, the nonexclusive license to permit its employees, agents, subtenants, concessionaires, licensees, contractors, customers, patients and other invitees to use the Common Areas, including for ingress and

egress to and from the Demised Premises from a public street or highway. Landlord shall, subject to the other provisions of this Lease (including, without limitation, Section 4.01 hereof), have the right, at any time and from time to time, without notice to or consent of Tenant, to change the size, location, elevation and nature of any of the areas in the Shopping Center excluding the Demised Premises or of the Common Areas or any part thereof, including, without limitation, the right to locate and/or erect thereon kiosks, structures and other buildings and improvements of any type, subject to any easements and restrictions of record granted or approved by Landlord from time to time, to establish, modify, amend and enforce reasonable rules and regulations with respect to the Common Areas and the use thereof. Provided, however, during the Term hereof, as same may be extended by Tenant, Landlord shall not modify or alter the utilities running through or comprising any portion of the Common Areas servicing the Demised Premises to such an extent as would materially interfere with Tenant's use and enjoyment of the Demised Premises for the Permitted Use(s).

SECTION 6.03 COMMON AREA MAINTENANCE EXPENSES Landlord agrees to maintain and keep in good service and repair all Common Areas. Subject to the provisions of Section 6.05 hereof, Tenant agrees to reimburse Landlord, as Additional Rent, for its Proportionate Share (as determined in accordance with Section 6.04) of all costs and expenses incurred by Landlord in managing, servicing, insuring, cleaning, maintaining, repairing, and (to the extent Landlord, in its sole discretion, deems appropriate) policing and protecting all Common Areas in the Shopping Center (the "Common Area Maintenance Expenses"). Common Area Maintenance Expenses shall include, but not be limited to, the following costs and expenses: (i) gas, electricity, water, sewer, other utility charges (including surcharges) of whatever nature, and removal of rubbish, dirt, debris, snow and ice pertaining solely to the Common Areas, (ii) insurance premiums for insurance covering property damage, fire, extended liability coverage for the Shopping Center, rent loss, workers' compensation, employer's liability, and contractual liability insurance premiums, (iii) building personnel costs, including, but not limited to, salaries, wages, employment taxes, social security, fringe benefits, and other direct costs of engineers, superintendents, watchmen, porters, and any other building personnel, (iv) costs of service and maintenance contracts, including, but not limited to, chillers, boilers, roof controls, windows, janitorial and general cleaning, (v) all other maintenance and repair expenses and supplies which may be deductible for such calendar year in computing Federal income tax liability, (vi) any other costs and expenses (i.e., items which are not capital improvements) incurred by Landlord in operating the Shopping Center, including, without limitation, the costs and expenses required to properly maintain the parking lot and the landscaping for the Shopping Center, (vii) the costs of any additional services not provided to the Shopping Center at the Lease Commencement Date but thereafter provided by Landlord for the benefit of all tenants of the Shopping Center in the prudent management of the Shopping Center, (viii) the cost of any capital improvements which are made by Landlord after the completion of initial construction Shopping Center and excluding, in all respects, future additions to the Shopping Center of floor area for leasing or occupancy, provided, however, that the costs of each such capital improvement, together with any financing charges incurred in connection therewith, shall be amortized and/or depreciated over the useful life thereof and only that portion thereof attributable to such Lease Year shall be included in the Common Area Maintenance Expenses for such Lease Year, (ix) reasonable management fees and other administrative fees and costs (including attorneys' and auditors' fees) but excluding costs and fees expended in negotiating leases or in improving other leased premises for exclusive use of occupancy, and (x) roof repair, maintenance or replacement. Common Area Maintenance Expenses shall not include (a) principal payments or interest payments on any mortgages, deeds of trust, or other financing encumbrances, (b) leasing commissions payable by Landlord, or (c) deductions for depreciation of the improvements shown on Exhibit A.

SECTION 6.04 CALCULATION OF COMMON AREA MAINTENANCE EXPENSE Tenant's obligations shall be calculated as follows: (a) Landlord shall aggregate together all Common Area Maintenance Expenses to which shall be added an additional administrative fee in an amount equal to fifteen percent (15%) of such expenses, (b) divide the Common Area Maintenance Expenses by a number which is the total square footage of the gross rentable floor area in the Shopping Center (and any expansion thereof), and (c) multiply the quotient arrived at through the calculations described in (b) above by the total square footage of floor area in the Demised Premises. The gross rentable floor area in effect for the whole of any Lease Year or partial Lease Year shall be the average of the gross rentable floor area on the first day of each calendar month in such Lease Year or partial Lease Year. Initially, and subject to reductions as may result following the Effective Date from future expansions of the Shopping Center, Tenant's percentage share shall be five and four hundred twenty-fifth percent (5.425%) as calculated by dividing the gross rentable square footage of the Demised Premises (6,214 square feet) by the total gross rentable square feet in the Shopping Center, whether occupied or not, (114,547 square feet) (the "Tenant's Proportionate Share"). Tenant shall pay Landlord, in advance and as Additional Rent, Tenant's Proportionate Share of Landlord's estimate of Common Area Maintenance Expenses, as computed above, in twelve (12) equal monthly installments with the monthly installment of Minimum Rent. Notwithstanding the above, in the event Landlord at any time determines that the amount of Common Area Expenses actually being paid by Landlord exceeds the estimate upon which Tenant's Proportionate Share of Common Area Expenses was computed, Tenant, following a written request, from Landlord, shall commence to pay with the next installment of monthly Minimum Rent due, and as Additional Rent hereunder, an amount sufficient to result in Tenant paying its full Tenant's Proportionate Share. At the

end of each year, there shall, in accordance with Section 6.05 below, be an adjustment if the estimated Tenant's Proportionate Share amount paid by Tenant differs from the Tenant's Proportionate Share actually incurred and paid in that year. Tenant's obligation to pay its Proportionate Share of Common Area Expenses arising during the Term of this Lease shall survive the expiration or, as applicable, earlier termination of this Lease for one (1) year.

SECTION 6.05 YEAR-END VERIFICATIONS OF COMMON AREA MAINTENANCE EXPENSES, CAP

(a) Following the Commencement Date of the Term, at the end of each Lease Year, Landlord shall give written notice to the Tenant within three hundred sixty (360) days setting forth in reasonable detail by category the Common Area Maintenance Expenses for the Lease Year just ended. If Tenant's Proportionate Share of Common Area Maintenance Expenses for the Lease Year previously ended and subject to the verification exceeds the aggregate monthly payments of Additional Rent for such costs already paid by Tenant for such Lease Year, then Tenant, subject to, if applicable, the cap set forth in Section 6.05(c) hereof, shall pay the difference to Landlord within thirty (30) days of Tenant's receipt of such notice, subject however, to Tenant's right to contest such determination. If the aggregate monthly payments of Additional Rent for Common Area Maintenance Expenses exceed Tenant's Proportionate Share thereof for the subject Lease Year, then Landlord shall promptly, and in all events within thirty (30) days thereafter, submit payment of such overages to Tenant. Landlord agrees that refunds or rebates made to it from contestations made by Landlord or otherwise as to any Common Area Maintenance Expenses, as well as Taxes described under Article VIII hereof, during the course of any Lease Year shall be taken into account in calculating each year-end expenses adjustment so that the tenants and occupants of the Shopping Center, including Tenant, each receive the benefit of an equitable share of such refunds or rebates.

(b) Tenant shall have thirty (30) days following its receipt thereof to dispute the Landlord's calculation of Common Area Maintenance Expenses for each subject Lease Year by submitting written notice to Landlord, which notice shall include the specific allegations of Tenant's dispute. If within thirty (30) days after the submittal of the written notice, no settlement is reached, the disputed Common Area Maintenance Expenses items shall be referred to a certified public accounting firm selected by Landlord, and approved by the Tenant, to resolve the disputed items. In the event the determination results in a variance of ten (10%) per cent or less in the Tenant's Proportionate Share of Common Area Maintenance Expenses for the prior year, Tenant shall pay the expenses involved in such determination.

(c) Notwithstanding anything to the contrary in this Lease, including this Article VI, the amount of Common Area Maintenance Expenses payable by Tenant to Landlord hereunder shall not increase in any given subsequent Lease Year by an amount greater than ten percent (10%) over the amount of such expenses paid as Additional Rent hereunder by Tenant to Landlord in the immediately preceding Lease Year. The initial Common Area Maintenance Expense amount payable by Tenant as Additional Rent for its occupancy of the Demised Premises shall be \$1,294.58 per month, or \$15,535.00 annualized. Thus, by way of example only, the monthly amount of Common Area Maintenance Expense payable by Tenant in the first Lease Year being \$1,294.58 per month, in the second Lease Year of the Term the maximum monthly amount payable therefore by Tenant shall be \$1,424.03 per month, and the maximum monthly amount payable in the third Lease Year shall be \$1,566.44 per month and so forth through the remainder of the Term. It is also understood that the obligation for Additional Rent placed upon Tenant by the provisions of this Article VI and by Article VIII are intended to fairly reimburse Landlord for Tenant's Proportionate Share of such actual Common Area Maintenance Expenses hereunder (including Landlord's contemplated insurance expenses) and actual Real Estate Taxes incurred by Landlord and is not meant to result in a profit to Landlord. Further, to the extent that the water and/or sanitary sewer services provided to the Demised Premises are segregated from and separately metered to the Demised Premises from the Common Areas of the Shopping Center and from those premises of other tenants and occupants within the Shopping Center, Landlord shall not include in the Common Area Maintenance Expenses chargeable to Tenant those expenses as relates to services supplied to other premises within the Shopping Center.

ARTICLE VII REPAIRS AND MAINTENANCE

SECTION 7.01 LANDLORD'S OBLIGATIONS Landlord shall, at its cost and expense but subject to Tenant's obligations under Article VI as pertains to its Proportionate Share of Common Area Maintenance Expenses, keep in good repair, perform all maintenance to, and replace the structural and load-bearing portions of (including all load-bearing walls, columns, supports and joists), the roof and roof decking (if applicable), the foundation and floor slabs, and exterior of the Shopping Center, including outside the Demised Premises and about the Common Areas. Notwithstanding the foregoing, Tenant shall, at its own cost and expense, repair, replace and pay for all damage and maintenance to the roof, foundation, and exterior walls caused by any act or omission of Tenant or Tenant's employees, guests, agents, sublessees, invitees, suppliers, contractors, or damage caused by breaking and entering as to the Demised Premises, or by uncured default hereunder of Tenant. Tenant shall immediately give Landlord

written notice of any defect or need for maintenance or repairs which Landlord is obligated to provide pursuant to this paragraph, after which Landlord shall have a reasonable opportunity to repair the same not to exceed forty-five (45) days (or such shorter time as may be reasonably and commercially appropriate for critical circumstances). No notice requirements placed upon Tenant hereby shall release Landlord from its obligations to remain reasonably informed as to the condition of the Shopping Center and to affirmatively take steps to repair, remediate or replace matters on the exterior of the Demised Premises for which Landlord is obligated without prior notice from Tenant. Landlord's liability hereunder shall be limited only to the cost of providing such maintenance, or repairs or curing such defects, and shall in no event be construed to include any damage, consequential or otherwise, that may be sustained by Tenant or any others by reason of such defects or needed maintenance and repairs, unless resulting from the grossly negligent or intentional act or omission of Landlord. In the event Tenant should, after notice of default given by Landlord and failure to cure within the applicable cure period provided for by this Lease, continue to neglect to reasonably maintain the Demised Premises, or maintain the HVAC equipment, as set forth in Section 7.02 Landlord shall have the right, but not the obligation, to cause repairs to be made and all costs therefor shall be payable by Tenant to Landlord as Additional Rent on the next rental installment date, together with interest at the rate of 0.75% per month until Landlord's cost has been fully reimbursed.

SECTION 7.02 TENANT'S OBLIGATIONS Tenant shall, at its sole cost and expense but subject to normal wear and tear, casualty loss and condemnation loss, promptly make or cause to be made all necessary repairs to the Demised Premises (except those which are the specific responsibilities of Landlord pursuant to the foregoing paragraph or as elsewhere set forth in this Lease), and shall include, but not be limited to, windows, glass and plateglass, doors, any special store fronts, interior non-structural walls, ceilings, and finish work, floors and floor coverings. All such repairs shall be of first quality and shall be constructed and installed to the reasonable satisfaction of Landlord and in compliance with all governmental codes and requirements and in accordance with the provisions of Section 4.05.

Subject to Landlord's initial obligations under Section 4.02, Section 4.03 and Exhibit D hereof, Tenant agrees to maintain and repair the HVAC equipment at its own expense during the Term of the Lease, if the same shall require repairs. In the event the cost of repairs to the HVAC is equal to or greater than the cost of replacement or if the unit cannot be repaired, Landlord shall be responsible for the cost of replacement of the HVAC unit(s). In such event, Tenant shall immediately notify Landlord of the need for the unit's replacement, and Landlord shall make a determination thereof through Landlord's own reasonable source. If Landlord's source shall determine the unit(s) should be replaced, Landlord shall take action to replace such unit(s) as quickly as reasonably possible given then-current weather conditions and contractor availability and shall, in all events, make such replacement within fifteen (15) days after determination of the need for replacement. If said unit(s) is(are) not replaced within said fifteen (15) days, Tenant, upon written notice to Landlord, may obtain and install a suitable replacement unit at Landlord's cost and expense.

If Tenant refuses or neglects or otherwise fails to make any repairs or replacements required of it hereunder to the reasonable satisfaction of Landlord within the time period for cure for such Tenant omission or failure to act after written demand of Landlord as contemplated by Section 14.01(d), Landlord may then make such reasonable repairs or replacements and Tenant shall promptly pay Landlord's cost thereof plus annual interest at the Default Rate contemplated by Section 2.05 on the unpaid amount after presentation of a statement therefor, until Landlord's cost has been fully reimbursed. Subject to Section 9.02, if Tenant occupies space in which there is exterior glass, then Tenant shall be responsible for the damage, breakage or repair of such glass, except to the extent that Landlord or Tenant receives proceeds from Landlord's insurance specifically covering such damages, breakage and repairs. Notwithstanding any provision of this Article VII to the contrary, Tenant, at its expense, shall make any and all repairs to the Demised Premises as may be necessitated by any break-in, forcible entry, or other trespass unto or upon the Demised Premises (except by Landlord or those under its control), regardless of whether or not such entry and damage is caused by the negligence or fault of Tenant or occurs during or after business hours.

ARTICLE VIII REAL ESTATE TAXES

SECTION 8.01 LIABILITY Starting with the Commencement Date and throughout the entire Term of this Lease, Tenant shall pay Landlord, as Additional Rent, Tenant's Proportionate Share of Taxes, as hereinafter defined, for each tax year. The term "Taxes" means the total of all taxes and assessments general and special, ordinary and extraordinary, foreseen and unforeseen, including assessments for public improvements and betterments, assessed, levied or imposed during the Term of this Lease with respect to the ownership, leasing, management, control or operation of the land and improvements included within the Shopping Center, taxes on this Lease's Rents, or on this lease or subleases for the Demised Premises or on the privilege of leasing or subleasing for the Demised Premises, provided, however, not included in the term Taxes under any circumstances shall be any federal or state income tax, or any franchise, estate, excise tax, sales tax, gift or inheritance taxes, any real estate transfer taxes imposed by reason of sale of the Shopping Center, or any portion(s) thereof, and any penalties and

interest resulting from the late or non-payment of the Taxes. The term "Taxes" also includes all fees costs and expenses (including reasonable attorneys fees and court costs) paid or incurred by Landlord in seeking or obtaining any refund or reduction of Taxes whether or not successful. If, at any time during the term of this Lease, the present method of taxation shall be changed so that in lieu of the whole or any part of any Taxes levied, assessed or imposed on real estate and the improvements thereon there shall be levied, assessed or imposed on Landlord a capital levy or other tax directly on the Rents received therefrom and/or a franchise tax, assessment, levy or charge measured by or based, in whole or in part, upon such Rents for the present or any future building or buildings in the Shopping Center, then all such taxes, assessments, levies or charges, or the part thereof so measured or based for the Demised Premises, shall be deemed to be included within the term "Taxes" for the purposes hereof. Tenant's Proportionate Share of Taxes shall be five and four hundred twenty-fifths percent (5 425%) and, subject to reduction due to future expansion of the Shopping Center. Tenant's Proportionate Share of Taxes shall be calculated as follows: (i) Landlord shall aggregate together all Taxes, (ii) then Landlord shall divide that number which is the total square footage of the gross leasable floor area in the Shopping Center (and any expansion thereof), and (iii) multiply the quotient by the total square footage of floor area in the Demised Premises. The gross leasable floor area in effect for the whole of any Lease Year or partial Lease Year shall be the average of the gross leasable floor area on the first day of each calendar month in such Lease Year or partial Lease Year.

SECTION 8 02 METHOD OF PAYMENT Tenant's Proportionate Share of Taxes shall be paid monthly (prorated for the first and last Lease Years of the Term) together with payments of Minimum Rent so that Landlord shall have sufficient funds to pay Taxes when due without advancing same on behalf of Tenant. On or about the Commencement Date, Landlord shall provide Tenant with a statement of the amount which Tenant must reimburse (where applicable) to Landlord for Taxes paid by Landlord in advance respecting Tenant's Proportionate Share of Taxes for the current tax year, or the amount which Tenant shall pay monthly so that by the next tax payment date Tenant will have paid its full share of Taxes for the current tax year, and the amount Tenant shall pay in equal monthly installments following the next tax payment date.

Monthly payments due after the tax payment date following the Commencement Date shall be based on Landlord's good faith estimate of Taxes required to be paid on the second tax payment date following the Commencement Date. Landlord may make adjustments (no more than once per Lease Year) in its estimates as necessary based upon billings from the taxing authority, and any adjustments necessary shall be paid or credited within twenty (20) days of Landlord's statement. The initial Tenant's Proportionate Share of Taxes payable by Tenant as Additional Rent for its occupancy of the Demised Premises shall be \$2,149.01 per month, or \$25,788.10 annualized. Notwithstanding the end of the Term hereof, Tenant and Landlord shall continue for a period of two (2) years after the Expiration Date or, as applicable, earlier termination hereof, to be liable to the other as applicable, for all Tenant's Proportionate Share of Taxes incurred for the period of Tenant's occupancy, and Tenant and Landlord shall promptly remit, and in all events within thirty (30) days, to the other any amount due to the other upon notice of a deficiency or, as applicable, overage in the amount of Taxes theretofore paid by Tenant on its Proportionate Share basis.

ARTICLE IX INSURANCE, INDEMNITY AND LIABILITY

SECTION 9 01 LANDLORD'S OBLIGATIONS Landlord shall obtain and maintain, as part of the Common Area Maintenance Expense pursuant to Article VI, during the Term of this Lease, fire and extended coverage insurance, insuring against all reasonable perils and liabilities, for not less than ninety percent (90%) of the replacement value of the Shopping Center, including the Demised Premises and Landlord's Work. Landlord shall also, at its sole cost and expense, carry general public liability as regards the Common Areas in amounts as commercially reasonable or, at a minimum, at levels required by Landlord's lender(s). Such insurance shall be issued by an insurance company licensed to do business in the State of Illinois.

SECTION 9 02 TENANT'S OBLIGATIONS

(a) Tenant, at Tenant's sole cost and expense, shall obtain and maintain, for the Term of this Lease, as such Term may be extended, insurance policies providing the following coverage: (i) Tenant's fixtures, equipment, furnishings, merchandise, and other contents in the Demised Premises, for the value of said items as Tenant may reasonably determine in its discretion, (ii) all perils included in the classification "fire and extended coverage" under insurance industry practices in effect from time to time in the jurisdiction in which the Shopping Center is located on Tenant's improvements within the Demised Premises as Tenant may reasonably determine in its discretion, (iii) plate glass insurance, if available, and (iv) Commercial General Liability and Workers' Compensation insurance naming Landlord and its property manager, if applicable, for the Shopping Center as additional insureds, which policy is to be in the minimum amount of One Million and No/100 Dollars (\$1,000,000.00) combined aggregate limit for bodily injury and property damage. The minimum limits hereinabove set forth may, at Landlord's option, be increased by not more than ten percent (10%), such increase to occur not more often than once during

each two (2) consecutive Lease Years during the Term hereof. Tenant shall deliver to Landlord certificates of insurance evidencing the insurance to be carried by Tenant hereunder prior to the Commencement Date, upon all renewals thereof and within thirty (30) days following the expiration of such coverage.

(b) The policies described in this Section 9.02 shall (i) be written by responsible insurance companies authorized to do business in the State of Illinois and acceptable to Tenant and reasonably acceptable to Landlord provided that Tenant may elect to carry the insurance described under one or more insurance policies and/or pursuant to a "blanket" policy of insurance covering other locations of Tenant and/or its related entities, (ii) subject to deductible amounts and self-insured retention amounts that are reasonable under the circumstances for an entity in the industry of Tenant and its direct or indirect parent company, Renal Care Group, Inc. ("Parent"), which entity is of comparable size and creditworthiness of Parent so long as Tenant agrees to pay all such deductible or self-insured retention amounts in the event of any claim under such insurance, (iii) contain, to the extent and at a cost reasonably available to Tenant, an express waiver of any right of subrogation by the insurance company against Landlord and Landlord's agents and employees, (iv) contain a provision that it shall not be cancelled and that it shall continue in full force and effect unless Landlord has received at least thirty (30) days prior written notice of such cancellation or termination, (v) shall contain a provision that such policy and the coverage evidenced thereby shall be primary and noncontributing with respect to any policies carried by Landlord, and that any coverage carried by Landlord (except those casualty and property damage policies carried by Landlord on the Shopping Center, generally, including the Common Areas) shall be excess insurance, (vi) subject to the other provisions of this Lease, shall contain a provision (to the extent available) that no act or omission of Landlord shall effect or limit the obligation of the insurer to pay the amount of any loss sustained, and (vii) not be materially changed as respects the Demised Premises without prior notice to Landlord.

(c) Tenant shall not knowingly permit to be done any act which will invalidate or be in conflict with the fire insurance policies covering the Shopping Center or any other insurance referred to in this Lease. Tenant will promptly comply with all future reasonable rules and regulations, if any, relating to such policies, provided such do not interfere with the Permitted Use. If the acts of Tenant or its employees or agents shall increase the rate of insurance referred to in this Lease, such increases shall be at the cost and expenses of Tenant, provided, however, Landlord represents and warrants to Tenant that Tenant's intended use of the Demised Premises, generally, for the Permitted Use(s) shall not (i) invalidate or conflict with Landlord's insurance policies, (ii) conflict with any future rules and regulations relating to such policies (there being, as of the Effective Date, no such rules and regulations in existence), and (iii) shall not increase the cost and expense of such insurance or policies.

(d) In the event that Tenant fails to procure, maintain and/or pay for, at the times and for the durations specified in this Section 9.02, any insurance required by this Section, or fails to carry insurance required by law or governmental regulation, as regards its business operations within the Demised Premises, Landlord may (but without obligation to do so) at any time or from time to time, after Tenant's failure to cure upon fifteen (15) days prior written notice, procure such insurance and pay the reasonable premiums therefore, in which event Tenant shall repay the Landlord all sums so paid by Landlord together with interest thereon as provided elsewhere herein and any reasonable costs or expenses incurred by Landlord in connection therewith, within twenty (20) days following Landlord's written demand to Tenant for such payment.

SECTION 9.03 COVENANTS TO HOLD HARMLESS

(a) Landlord and Tenant each hereby releases the other, and their respective officers, directors, employees, and agents from any and all liability or responsibility for any loss or damage to property covered by, or which loss or damage is required pursuant to this Lease to be insured by, valid and collectible fire insurance with standard and extended coverage endorsement, to the extent of the proceeds collected or collectible under such insurance policies or which would have been collectible under such insurance policies if maintained as required hereunder, even if such fire or other casualties shall have been caused by the fault or negligence of the other party, or any one for whom such party may be responsible.

(b) Tenant agrees to hold harmless and indemnify Landlord, Landlord's beneficiary, and their respective agents, beneficiaries, partners, officers, servants and employees against claims and liabilities, including reasonable attorneys' fees, (i) for and against injuries to all persons and damage to, or theft or misappropriation or loss of property occurring in the Demised Premises, arising from Tenant's occupancy of the Demised Premises or the conduct of its business or from activity, work, or anything done, permitted or suffered by Tenant in or about the Demised Premises, or (ii) from any uncured breach or default on the part of Tenant in the performance of any covenant or agreement on the part of Tenant to be performed pursuant to the terms of this Lease, or (iii) due to any the gross negligent act or omission of Tenant, its agents, employees, guests or invitees in or about the Demised Premises. In case of any action or proceeding brought against Landlord, Landlord's beneficiary, any mortgagee, master lessor, or any of

their respective agents, beneficiaries, partners, officers, servants or employees by reason of any such claims for which Tenant is obligated hereunder, upon notice from Landlord, Tenant covenants to defend such action or proceeding at Tenant's expense with counsel reasonably satisfactory to Landlord

(c) Landlord agrees to hold harmless and indemnify Tenant, Tenant's successors or assignees, any and all subtenants, and their respective agents, beneficiaries, partners, officers, servants and employees against claims and liabilities (i) for and against injuries to all persons and damage to, or theft or misappropriation or loss of property occurring outside the Demised Premises, arising from Landlord's actions with respect to areas of the Shopping Center outside the Demised Premises, or (ii) from the conduct of its business or from activity, work, or anything done, permitted or suffered by Landlord outside the Demised Premises, (iii) from any uncured breach or default on the part of Landlord in the performance of any covenant or agreement on the part of Landlord to be performed pursuant to the terms of this Lease, or (iv) due to the gross negligence of Landlord or its agents. In case of any action or proceeding brought against Tenant, Tenant's assignees or successors, any and all subtenant(s), or any of their respective agents, beneficiaries, partners, officers, servants or employees by reason of any such claims, upon notice from Tenant, Landlord covenants to defend such action or proceeding at Landlord's expense

SECTION 9.04 LIABILITY OF LANDLORD TO TENANT Except with respect to any damages resulting from the gross negligence of Landlord or otherwise being the obligation of Landlord under this Lease, Tenant, but only to the extent permitted by applicable law, releases Landlord and Landlord's beneficiary and their respective agents, beneficiaries, partners, officers, servants and employees, from and waives all claims for damages to person or property sustained by Tenant, its agents, employees, representatives resulting directly or indirectly from damage caused by water, snow, frost, steam, excessive heat or cold, sewerage, any gas, odors or noise, or the bursting or leaking of pipes or plumbing fixtures, falling plaster, broken glass, sprinkling, heating, ventilating or air conditioning systems, devices or equipment, or flooding, and shall apply without distinction as to the person whose act or neglect was responsible for the damage and whether the damage was due to any of the acts specifically enumerated above, or from any other thing or circumstance, whether of a like nature or of a wholly different nature. All personal property belonging to the Tenant or any occupant of the Demised Premises, or their respective agents, employees, representatives, that is in the Demised Premises or Shopping Center shall be there at the risk of Tenant or such other person only, and Landlord and Landlord's beneficiary and their respective agents, beneficiaries, partners, officers, servants and employees shall not be liable for damage thereto or theft or misappropriation thereof, unless caused by the gross negligence or willful misconduct of Landlord or its representatives, agents or employees, or those under Landlord's control

ARTICLE X DESTRUCTION OF DEMISED PREMISES

SECTION 10.01 RECONSTRUCTION, LEASE CONTINUANCE AND RENT ABATEMENT If all or a substantial portion of the Demised Premises shall be damaged by fire or other casualty, this Lease shall not be terminated or otherwise affected, except that, if (i) any such fire or other casualty occurs at any time following the first day of the ninety-seventh (97th) month of the Term of this Lease and the cost of repairs to the Demised Premises exceeds Ten Thousand Dollars (\$10,000.00) as estimated by Landlord within thirty (30) days of the casualty event, or (ii) the 1156-B Lease is terminated by its terms as a result of a fire or other casualty event, then in either of the foregoing circumstances contemplated by subparts (i) or (ii) herein, then, in such event, either Landlord or Tenant may terminate this Lease upon written notice to other within sixty (60) days following the casualty event, or (iii) if the Demised Premises and/or the building in which the Demised Premises are located and/or another building or other building in the Shopping Center are damaged or destroyed

(a) by fire or other casualty insured under Landlord's insurance policies in effect on the date of the fire or other casualty, so that thirty-three percent (33%) or more of the floor space contained in the Demised Premises, and fifty percent (50%) or more of the floor space designed for occupancy by other tenants in the building in which the Demised Premises are located or fifty percent (50%) or more of the floor space designed for occupancy by tenants in all the buildings in the Shopping Center is untenable, or

(b) more than thirty-three percent (33%) of the Common Areas are damaged by fire or other casualty, or

(c) by any casualty other than those covered by Landlord's insurance policies in effect on the date of such casualty, then, in any such event, Landlord, at its option, may terminate this Lease upon thirty (30) days notice to Tenant given within ninety (90) days after the fire or other casualty

Upon the giving of any such notice of termination under subparts (i), (ii) or (iii) hereof by Landlord or, if and as applicable, Tenant, the Term of this Lease shall terminate by limitation upon the giving of said notice as fully and effectively as if the date said notice is given had been the date in this Lease specifically provided for the termination of the Term of this Lease, and upon such termination,

neither party shall have any further rights or obligations to the other, other than as specifically set forth in this Lease. If this Lease is not terminated by either party under subparts (i) or (ii), or if Landlord does not terminate this Lease under subpart (iii)(a), (iii)(b) or (iii)(c) above, then Landlord shall, at its sole cost and expense, promptly and with due diligence repair and/or rebuild the Demised Premises and/or the damaged or destroyed building or buildings, as the case may be, the Term of this Lease shall continue without interruption, and this Lease shall remain in full force and effect. In the event this Lease is not terminated as provided for above but Landlord thereafter fails or is otherwise unable for any reason(s) to fully repair or rebuild the damaged areas, including the Demised Premises and, as applicable, Common Areas, within one hundred twenty (120) days following the date of such casualty event then, in such event and notwithstanding anything to the contrary set forth in this Lease, Tenant may terminate this Lease upon written notice to Landlord. If the casualty occurs during the first sixty (60) months of the Term and this Lease is not terminated as contemplated hereby, Tenant shall, using the proceeds from the insurance provided for in Section 9.02, repair, restore, replace or rebuild that portion of the Demised Premises constituting Tenant's Work, as defined herein, together with any additional improvements installed by Tenant, such that the Demised Premises shall be restored to its condition as of immediately prior to the occurrence of such casualty. Following the sixtieth (60th) month of the Term of this Lease, Tenant shall have no obligation to rebuild or repair the Demised Premises upon the occurrence of a casualty event, provided, however, this Lease shall remain in effect, unless otherwise terminated pursuant to this or other provisions of this Lease. All proceeds of Tenant's insurance carried as to its alterations, improvements, fixtures, equipment, etc., shall remain the property of and be payable solely to Tenant. If Tenant's insurance proceeds shall be less than Tenant's obligation hereunder, Tenant shall pay the entire excess cost, to the extent Tenant is obligated to reconstruct such improvements, fixtures or otherwise. The Minimum Rent, Tenant's Proportionate Share of Common Area Maintenance Expenses, and Tenant's Proportionate Share of Taxes and other Additional Rent amounts or contributions which are payable hereunder during the existence of such damage and until such repair or rebuilding is substantially completed shall be equitably abated. Equitable abatement shall terminate upon the earlier of (i) the date upon which Tenant re-commences to use substantially all of the Demised Premises for business with the public, or (ii) the date upon which Landlord substantially completes its repair or rebuilding work plus the expiration of a period equal in duration to one hundred twenty (120) days thereafter. However, in no event shall Minimum Rent abate, in whole or in part, if such fire or casualty was caused by the act or neglect of Tenant, its employees or agents.

ARTICLE XI CONDEMNATION

SECTION 11.01 EMINENT DOMAIN If fifteen percent (15%) or more of the floor area of the Demised Premises shall be taken or condemned by any competent government authority, then either party may elect to terminate this Lease by giving notice to the other party not more than ninety (90) days after the date on which such title shall vest in the authority, provided, that if Landlord elects, by giving Tenant written notice thereof within thirty (30) days following the condemnation date, to make reasonably comparable space in the Shopping Center available to Tenant under the same terms as herein provided and so long as Tenant received insurance or other compensation to improve such new space, Tenant shall accept such space and this Lease shall then apply to such space. Appropriate adjustments will be made to reflect any difference between the rentable area of the replacement space and the rentable area of the Demised Premises. In the event this Lease is not terminated by either party as contemplated hereby, Landlord shall promptly, at its sole cost and expense except as for improvements or modifications to the Demised Premises as constituting Tenant Work, and within one hundred twenty (120) days of the date of conveyance in condemnation or taking repair or reconstruct the Shopping Center to a condition substantially similar to the original Shopping Center taking into consideration the areas affected by such event of condemnation or taking. If Landlord is unable for any reason(s) to fully repair or rebuild the damaged areas, including the Demised Premises and, as applicable, Common Areas, within said one hundred twenty (120) days, then, in such event, and notwithstanding anything to the contrary set forth in this Lease, Tenant may terminate this Lease upon written notice to Landlord. In all events hereunder, if the parking facilities are reduced below the minimum parking requirements imposed by the applicable authorities or this Lease, Landlord or Tenant may elect to terminate this Lease by giving the other notice within one hundred twenty (120) days after such taking. In case of any taking or condemnation, whether or not the Term of this Lease shall cease and terminate, the entire award shall be the property of Landlord, provided, however, so long as such does not diminish the award payable to Landlord for its interests in the Demised Premises, Tenant shall be entitled to receive the award, if any, attributable to the then unamortized value of the permanent and affixed Tenant improvements and alterations made by it to the Demised Premises prior to and during the Term of this Lease. Further, nothing contained herein shall prevent Tenant from pursuing a separate claim against the condemning authority for relocation expenses and the value of furnishings, equipment and trade fixtures installed in the Demised Premises at Tenant's expense and which Tenant is entitled pursuant to this Lease to remove at the expiration or earlier termination of the term, the value of the unexpired Term, and loss of business, including profits.

SECTION 11.02 RENT APPORTIONMENT Tenant's obligation to pay Minimum Rent and Tenant's obligations as to Additional Rents shall be apportioned or ended, as the case may be, as of the date of vesting of title or termination of this Lease as a result of such condemnation. Any purchase of all

or a portion of the Shopping Center in lieu of a taking or condemnation under powers of eminent domain shall be deemed a taking or condemnation thereof

ARTICLE XII ASSIGNMENT, SUBLETTING AND ENCUMBERING LEASE

SECTION 12 01 ASSIGNMENT, SUBLETTING Tenant shall not, without the express written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed (i) assign or otherwise transfer, mortgage, pledge or encumber or otherwise hypothecate this Lease or any of its rights hereunder or offer or advertise to do so, (ii) sublet the Demised Premises or any part thereof or permit the use of the Demised Premises or any part thereof by any persons other than Tenant or its agents, or (iii) permit the assignment or other transfer of this Lease or any of Tenant's rights hereunder by operation of law. Notwithstanding the foregoing, Landlord agrees that a transfer or assignment of this Lease in conjunction with a transfer of all or substantially all of the assets of Tenant, or of the membership interests of Tenant, or of Guarantor, or of the parent company of Tenant shall not be deemed to be a transfer in violation of this paragraph or any other provision of this Lease and shall not require Landlord's prior approval (but shall be given prior written notice) so long as the surviving or purchasing entity has a net worth at the date of the proposed assignment of at least Ten Million Dollars (\$10,000,000.00). In the event of an assignment, transfer, or sublease, unless otherwise specifically agreed by Landlord, Tenant shall not be relieved of its obligations or liabilities hereunder for the balance of the remaining Term of this Lease then in existence, provided, however, Tenant's continuing obligations shall, as to any non-affiliate of Tenant, survive for only the remaining Term then in effect, excluding any as of yet unexercised renewal terms. Further, provided Tenant is not in default hereunder and Landlord is provided prior written notice, Landlord expressly consents to Tenant's assignment or subletting of the Demised Premises or any part thereof to any parent, subsidiary or affiliate of Tenant, provided Tenant or the parent entity of Tenant retains majority control of such entity, and such assignment or subletting shall not relieve or release Tenant from any obligations of Tenant under this Lease. Tenant may also sublease or license any portion(s) of the Demised Premises to medical practitioners, third-party physicians, practice groups or professional corporations without the consent of Landlord, provided Tenant remains obligated hereunder. Any attempted or purported transfer, assignment, mortgaging, pledging, encumbering or otherwise hypothecating of this Lease or any of Tenant's interest hereunder and any attempted or purported subletting or grant of a right to use or occupy all or a portion of the Demised Premises, in violation of this Article XII shall be null and void and shall not confer any rights upon any purported transferee, assignee, mortgagee, sublessee, or occupant.

SECTION 12 02 TENANT COVENANTS Tenant specifically acknowledges that no sublease or assignment whether approved by Landlord or not, shall, (i) in any way change or otherwise affect the Permitted Use as set forth in Section 5 01 hereof unless addressed in such written consent, or (ii) violate any exclusive use or other restrictive covenant granted by Landlord of which Tenant has notice. As of the Effective Date of this Lease, Landlord represents and warrants it has granted only the following exclusive uses within the Shopping Center: (a) retail sale of "Italian-style" food to Riccardo's, (b) full service retail hair salon to Late Night Hair, (c) dental office and associate dental lab facility to Dr. Vinay Patel, (d) travel agency and retail specialty coffee and similar beverages to Cafe Caribe, (e) full service Indian (or southwest Asian) store to sell Indian groceries, Indian movies and CD's or such other items generally sold in an Indian Retail Store to Indian Grocery Store, (f) sale of flowers to Old Schaumburg Florist, (g) dry cleaning and professional shirt laundry to Valet Express, (h) children's dance studio and training to Dorothy Dance, (i) exercise facility to Women's Workout World, (j) personnel and staffing agency to Express Personnel, (k) take-out and delivery of pizza to Papa Saverio's, and (l) retail dollar and/or convenience store to Dollar Mart. Landlord will provide written notice to Tenant of future exclusives which Landlord may grant as to premises in the Shopping Center.

SECTION 12 03 CONSENT PROCESS In the event Tenant desires to sublet the Demised Premises, or any portion thereof, or assign this Lease, and such transfer, subletting or assignment requires Landlord's consent, Tenant shall give written notice thereof to Landlord at least sixty (60) days prior to the proposed commencement date of such subletting or assignment, which notice shall set forth the name of the proposed subtenant or assignee, the relevant terms of any sublease and copies of financial reports and other relevant financial information of the proposed subtenant or assignee. Landlord shall notify Tenant in writing of its decision to approve or disapprove of the proposed subletting or assignment within sixty (60) days after Landlord's actual receipt of Tenant's written notice. Notwithstanding any assignment or subletting to which consent is given, Tenant shall at all times remain directly, primarily and fully responsible and liable for the payment of the Rent herein specified and for compliance with all of its other obligations under the terms, provisions and covenants of this Lease subject to the qualifications set forth in Section 12 01 above. Upon a Default (as hereinafter defined), if the Demised Premises or any part thereof are then assigned or sublet, Landlord, in addition to any other remedies herein provided or provided by law, may, at its option, collect directly from such assignee or subtenant all such Rents due and becoming due to Tenant under such assignment or sublease and apply such Rent against any sums due to Landlord from Tenant hereunder, and no such collection shall be construed to constitute a novation or a release of Tenant from the further performance of Tenant's obligations hereunder. No assignment, or pledge shall become effective until said assignee or pledgee has agreed in writing, on a form reasonably

approved by Landlord to be bound by this Lease for matters first accruing hereunder thereafter just as if said assignee or pledgee were the original tenant

SECTION 12 04 COST REIMBURSEMENT Any costs and expenses, including attorneys fees (which shall include the cost of any time expended by any in house counsel of Landlord) incurred by Landlord in connection with any proposed or purported assignment, encumbrance, transfer or sublease requiring Landlord's consent shall be borne by Tenant and shall be payable to Landlord within twenty (20) days on demand as Additional Rent, provided such costs and expenses reimbursable by Tenant shall not exceed Five Thousand Dollars (\$5,000 00)

ARTICLE XIII SUBORDINATION AND FINANCING

SECTION 13 01 SUBORDINATION This Lease and Tenant's tenancy hereunder shall be subject and subordinate at all times to the lien of any mortgage, mortgages, deeds of trust or ground leases now or hereafter placed upon the interest of the Landlord in the Shopping Center and/or the Demised Premises. This subordination shall likewise apply to each and every advance made or hereafter to be made under such mortgages, to all renewals, modifications, replacement and extensions of such leases and such mortgages, and to spreaders and consolidations of such mortgages. The subordination provisions of this Section 13 01 shall be self-operative and no further instrument of subordination shall be required. However, in confirmation of such subordination, Tenant agrees to execute and deliver such instruments as may be reasonably requested by Landlord or by any mortgagee subordinating this Lease to the lien of any present or future mortgages or deeds of trust, within twenty (20) days after written request therefor by Landlord. Notwithstanding the foregoing, in consideration for Tenant's subordination, Landlord shall obtain the agreement (in a form reasonably acceptable to Tenant and addressing such other matters as Tenant and Landlord's lender, ground lessor or superior interest holder may deem appropriate) of each existing and future holder of any and all mortgages, deeds of trust, mortgages or security instruments, ground leases or superior interest in, to or on the Shopping Center and for the benefit of Tenant consenting to this Lease, and its terms and conditions, and agreeing that it will not disturb the possession of Tenant in the Demised Premises following the foreclosure, taking of deed in lieu, termination (as may be the case) of such mortgage, deed of trust ground lease, or other proceedings or actions to enforce such mortgage, deed of trust or ground lease, or casualty event if this Lease is not terminated so long as Tenant is not in default hereunder beyond the expiration of applicable cure periods.

SECTION 13 02 ATTORNTMENT If and so long as this Lease is in full force and effect, then at the option of the mortgagee but subject to pre-existing non-disturbance agreements between such mortgagee and Tenant (i) this Lease shall, subject to Tenant's rights and remedies under this Lease, remain in full force notwithstanding (a) a default under the mortgage by Landlord, (b) failure of Landlord to comply with this Lease, (c) a defense to which Tenant might be entitled against Landlord under this Lease, or (d) any bankruptcy or similar proceedings with respect to Landlord, (ii) if any such mortgagee shall become possessed of the Demised Premises, Tenant shall, subject to Tenant's rights and remedies under this Lease, be obligated to such mortgagee to pay to it the Rents and other charges due hereunder and to thereafter comply with all the terms of this Lease, and (iii) if any mortgagee or purchaser at a private or public sale shall become possessed of the Shopping Center, including the Demised Premises Tenant shall, without charge, subject to Tenant's rights and remedies under this Lease, attorn to such mortgagee or purchaser as its landlord under the Lease.

ARTICLE XIV. DEFAULTS

SECTION 14 01 ELEMENTS OF DEFAULT If any one or more of the following events occur, said event or events shall hereby be a "Default" hereunder:

(a) if Tenant, or any guarantor of Tenant's obligations hereunder, shall make an assignment for the benefit of creditors or file a petition in any state court in bankruptcy, reorganization, composition, or make an application in any such proceedings for the appointment of a trustee or receiver for all or any portion of its property,

(b) if any petition shall be filed under state law against Tenant, or any guarantor of Tenant's obligations hereunder, in any bankruptcy, reorganization, or insolvency proceedings, and said proceedings shall not be dismissed or vacated within forty-five (45) days after written notice from Landlord that such petition is filed.

(c) if a receiver or trustee shall be appointed under state law for Tenant, or any guarantor of Tenant's obligations hereunder, for all or any portion of the property of either of them, and such receivership or trusteeship shall not be set aside within forty-five (45) days after written notice from Landlord that such appointment has been made,

(d) if Tenant refuses to take possession of the Demised Premises at the delivery of Possession Date, and fails to cure such within thirty (30) days thereafter, provided Landlord has first properly and substantially completed Landlord's Work in accordance with the terms of this Lease.

(e) [INTENTIONALLY DELETED],

(f) if Tenant fails to pay Minimum Rent, its share of Additional Rent, including the Common Area Maintenance Expenses, Taxes, or any other charges required to be paid by Tenant, within five (5) days of when same shall become due and payable and fails to cure such default upon ten (10) days written notice from Landlord,

(g) if Tenant shall fail to perform or observe any terms and conditions of this Lease other than those matters identified in subsections (a), (b), (c), (d), (f), (h), (i), (j), (k) and (l) of this Section 14 01, and such failure shall continue for twenty (20) days after Tenant's receipt of written notice from Landlord (except that such twenty (20) day period shall be automatically extended for such additional period of time as is reasonably necessary in Landlord's opinion to cure such Default - but in no event more than sixty (60) days - if such Default cannot be cured within such period, provided Tenant commences the process of curing the same within said twenty (20) day period and diligently pursues such cure).

(h) if Tenant shall be given a total of five (5) notices of Default during the initial Term of this Lease or, as applicable, each renewal option Terms under Section 14 01(f) or (g), notwithstanding any subsequent cure of the Default identified in such notices,

(i) if any execution, levy, attachment or other legal process of law shall occur upon Tenant's goods, fixtures, or interest in the Demised Premises and such is not dismissed or vacated within forty-five (45) days of written notice from Landlord to Tenant that such process has been instituted,

(j) if Tenant does, or permits to be done, any act which causes a mechanics' lien claim to be filed against the Demised Premises or the Shopping Center and Tenant does not comply with the provisions of Section 4 06,

(k) if Tenant fails to cure immediately any hazardous condition that Tenant has first created or caused within the Demised Premises in violation of law or in breach of this Lease by Tenant or thus controlled by Tenant, or

(l) if Tenant defaults under any other lease of space in the Shopping Center, including the 1156-B Lease and fails to use such default(s) within the curative time period(s) prescribed thereby

SECTION 14 02 LANDLORD'S REMEDIES Should a Default occur under this Lease and Tenant thereafter fails to cure same during the provided grace and cure period, Landlord may pursue any or all of the following

(i) Landlord may terminate this Lease, by giving written notice of such termination as provided in the appropriate subsection of Section 14 01 above, whichever is applicable, to Tenant, whereupon this Lease shall automatically cease and terminate and Tenant shall be immediately obligated to quit the Demised Premises. If Landlord elects to terminate this Lease, everything contained in this Lease on the part of Landlord to be done and performed shall cease without prejudice, subject, however, to the right of Landlord to recover from Tenant all Rent and any other sums accrued up to the time of termination or recovery of possession by Landlord, whichever is later

(ii) Upon termination of this Lease pursuant to Section 14 02(i), Landlord may proceed to recover possession of the Demised Premises under and by virtue of the provisions of the laws of the jurisdiction in which the Shopping Center is located, or by such other proceedings, including re-entry and possession, as may be applicable

(iii) Should this Lease be terminated before the expiration of the Term of this Lease by reason of Tenant's uncured Default as hereinabove provided, or if Tenant shall intentionally and legally abandon the Demised Premises before the expiration or termination of the Term of this Lease without having paid, or having the interest of paying the full rental for the remainder of such Term as such accrues, Landlord shall have the option to relet the Demised Premises for such rent and upon such terms as are not unreasonable under the circumstances and if the full rental reserved under this Lease (and any of the costs, expenses or damages indicated below) shall not be realized by Landlord, Tenant shall be liable for all damages sustained by Landlord, including, without limitation, deficiency in Rent, reasonable attorneys' fees, brokerage fees and expenses of placing the Demised Premises in commercially reasonable rentable condition. Landlord, in putting the Demised Premises in good order or preparing the same for rental may, at Landlord's option, make such alterations, repairs or replacements in the Demised Premises, and the making of such alterations, repairs, or replacements shall not operate or be construed to release

Tenant from liability hereunder as aforesaid. While Landlord agrees to use good faith efforts to mitigate its damages upon an uncured default by Tenant, Landlord shall in no event be liable in any way whatsoever for failure to relet the Demised Premises, or in the event that the Demised Premises are relet, for failure to collect the rent under such reletting, and in no event shall Tenant be entitled to receive the excess, if any, of such net rent collected over the sums payable to Tenant to Landlord hereunder.

(iv) Any damage or loss of Rent sustained by Landlord may be recovered by Landlord, at Landlord's option, at the time of the reletting or in separate actions, from time to time, as said damage shall have been made more easily ascertainable by successive relettings, or at Landlord's option in a single proceeding deferred until the expiration of the Term of this Lease (in which event Tenant hereby agrees that the cause of action shall not be deemed to have accrued until the date of expiration of said Term).

(v) Nothing contained herein shall prevent the enforcement of any claim Landlord may have against Tenant for anticipatory breach of the unexpired Term of this Lease. In the event of a breach or anticipatory breach by Tenant of any of the covenants or provisions hereof, Landlord shall have the right of requesting an injunction and the right to invoke any remedy allowed at law or in equity as if re-entry, summary proceedings and other remedies were not provided for herein. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed for any cause, or in the event of Landlord obtaining possession of the Demised Premises, by reason of the uncured Default by Tenant of any of the covenants and conditions of this Lease or otherwise.

SECTION 14.03 Events of Default by Landlord, Tenant's Remedies Except where a shorter period of time may be provided for elsewhere in this Lease, if Landlord shall violate or fail to perform any material term, condition, covenant or agreement to be performed or observed by Landlord under this Lease, and such failure shall continue for a period of thirty (30) days after written notice thereof (plus such additional time as is reasonably necessary in the event such default is incapable of being cured in thirty (30) days so long as Landlord is continuously and diligently pursuing the remedy of such default), then, in addition to all other rights and remedies available to it at law and in equity, Tenant shall have the right, at its sole option, to cure such Landlord defaults. Should Tenant elect to cure Landlord's defaults, then Tenant may perform such act or acts required of Landlord hereunder in a manner as Tenant deems reasonable and commercially necessary and, in such event, within twenty (20) days of written demand by Tenant for reimbursement of the reasonable costs, expenses and fees expended by it in curing same. Landlord's obligations under this Section 14.03 shall survive a termination or expiration hereof for a period of one (1) year. In the event of default by Landlord, Tenant agrees that it shall use reasonable efforts to mitigate its damages.

SECTION 14.04 ADDITIONAL REMEDIES AND WAIVERS The rights and remedies of both parties set forth herein shall be in addition to any other right and remedies now or hereinafter provided by law, and all such rights and remedies shall be cumulative, provided, however, only actual damages and not any exemplary special, consequential damages shall be recoverable upon an event of uncured default by either party. No action or inaction by either party shall constitute a waiver of a Default and no waiver of Default shall be effective unless it is in writing, signed by the party agreement whom such waiver is sought to be enforced.

SECTION 14.05 CURE OF TENANT DEFAULT If Tenant shall be in Default hereunder after expiration of the applicable cure period(s) prescribed by Section 14.01, Landlord shall have the option, upon ten (10) days further written notice to Tenant, to cure said Default for the account of and at the expense of the Tenant. No such notice shall be required for emergency repairs. Tenant agrees to pay Landlord interest, at a rate equal to the Default Rate, and for all sums due and owing to Landlord no more than five (5) days after the date such sums are due.

SECTION 14.06 INTENTIONALLY OMITTED

ARTICLE XV RIGHT OF ACCESS

Landlord may, in the accompaniment of a designated representative of Tenant, upon reasonable prior notice to Tenant of not less than twenty-four (24) hours except in emergency instances and during Tenant's business hours, enter upon the Demised Premises for the purpose of inspecting, making repairs, replacements, or alterations, and showing the Demised Premises to prospective purchasers, lenders or, during the last six (6) months of the Term, lessees. During the last six (6) months of the Term, Landlord shall also have the right to display one or more "For Rent" signs on or about the Demised Premises.

ARTICLE XVI DELAYS

Neither Landlord nor Tenant shall be deemed to be in default with respect to any obligations to perform any of the terms, covenants and conditions of this Lease, if Landlord's or Tenant's failure to

perform any such obligation is due in whole or in part to any strike, lockout, labor dispute (whether legal or illegal and whether such dispute is with Landlord or Tenant or some other person or entity) labor shortage, civil disorder, failure of power, restrictive governmental laws and regulations, riots, insurrections, war, freight embargo, contractor or supplier delays, fuel, water, material, tool or supply shortages or the inability to obtain such commodities on reasonable terms, lack of or delays in transportation, accidents, casualties, severe weather, acts of God, acts of other tenants or occupants of the Shopping Center or any other cause beyond the reasonable control of Landlord or Tenant. In such event the time for performance by Landlord or Tenant shall be extended by an amount of time equal to the period of the delay so caused. Notwithstanding the foregoing, in no event shall this Article XVI apply in any way to any monetary obligations of Tenant under this Lease except as otherwise contemplated by this Lease.

ARTICLE XVII END OF TERM

SECTION 17.01 RETURN OF DEMISED PREMISES Upon the expiration or termination of this Lease, Tenant shall quit and surrender the Demised Premises, to Landlord in good order, broom clean, normal wear and tear and acts of God and casualty or, as applicable condemnation or eminent domain excepted. Subject to the other terms of this Lease, Tenant shall, at its expense, remove all trade equipment, trade fixtures and personal property of Tenant, and repair damage caused by such removal. Tenant shall execute and acknowledge a quit-claim deed of Tenant's interest in the Demised Premises, in recordable form, in favor of the Landlord twenty (20) days after written notice and demand therefor by Landlord.

SECTION 17.02 HOLDING OVER If Tenant shall hold possession of the Demised Premises after the expiration or termination of this Lease: (a) Tenant shall be deemed a tenant at will on a month-to-month basis, (b) Tenant shall pay, in addition to routine monthly Additional Rent sums (without further mark-up), monthly Minimum Rent therefore at a rate equal to one hundred twenty-five percent (125%) of the monthly Minimum Rent last prevailing hereunder, but, if such holdover shall continue for more than ninety (90) days after Landlord's written notice to Tenant, Tenant shall, commencing as of the ninety-first (91st) day, pay monthly Rent at a rate equal to one hundred fifty percent (150%) of the monthly Minimum Rent last prevailing hereunder. (c) there shall be no renewal or extension of this Lease by operation of law or otherwise except by written agreement of Landlord and Tenant to have extended the Term or to create a new lease between them, and (d) the tenancy at will may be terminated upon thirty (30) days' notice from Landlord. The provisions of this Section 17.02 shall not constitute a waiver by Landlord of any re-entry rights of Landlord provided hereunder or by law, provided, however, in the case of any such holdover by Tenant, Landlord's remedies shall be limited to amounts set forth in this Section 17.02 for such occupancy and to Landlord's rights to terminate Tenant's continued occupancy of the Demised Premises. No payment by Tenant, or receipt by Landlord, of a lesser amount than the correct rent shall be deemed to be other than a payment on account, nor shall any endorsement or statement on any check or letter accompanying any check for payment of Rent or any other amounts owed to Landlord be deemed to effect or evidence an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of the Rent or other amount owed or to pursue any other remedy provided in this Lease.

ARTICLE XVIII COVENANT OF QUIET ENJOYMENT

Landlord covenants that if and so long as Tenant pays the Rent and all other charges provided for herein, and performs all of its obligations provided for herein, Tenant shall at all times during the Term hereof peaceably, have, hold and enjoy the Demised Premises, without any interruption or disturbance from Landlord, or any one claiming through or under Landlord, subject to the terms hereof.

ARTICLE XIX RIGHTS RESERVED TO LANDLORD

Subject to the other provisions of this Lease, including Landlord's covenants, representations and obligations and warranties, Landlord shall have the following rights exercisable without, except as noted, prior notice and without effecting an eviction or disturbance of Tenant's use or possession or giving rise to any claim for setoffs or abatement of Rent:

- (a) To establish or change the name, designation or street address of the Shopping Center
- (b) To install and maintain signs in or on any part of the Shopping Center outside of the Demised Premises,
- (c) To enter the Demised Premises in an emergency, using such force as is reasonably necessary if Landlord is unable to contact Tenant per the emergency contact information for Tenant on file with Landlord,

(d) To decorate, remodel, repair, alter or otherwise prepare the Demised Premises for re-occupancy at any time after Tenant is in uncured default in its obligations under this Lease after, as applicable, notice and Tenant's failure to cure, or is removed from the Demised Premises upon an uncured Default.

(e) Provided that reasonable access to the Demised Premises shall be maintained during Demised Premises hours and the business of Tenant conducted on the Demised Premises shall not be interfered with unreasonably, to make inspections, repairs, decorations, alterations, additions or improvements in or to the Common Areas or the Shopping Center including installations, repairs, replacements, additions or alterations within the Demised Premises required of Landlord, and to make repairs, additions or alterations in the Shopping Center which may change Common Areas or the method of ingress to or egress from the Demised Premises or the Shopping Center, convert common areas into leaseable areas or change the use thereof, and to perform any acts related to the safety, protection, preservation, reletting, sale or improvement of the Shopping Center or any part of the Shopping Center and for any of the foregoing purposes may upon notice to Tenant and at times reasonably acceptable to Tenant, enter the Demised Premises with such material as Landlord may deem necessary, erect scaffolding and all other necessary structures adjacent to the Demised Premises, and close or temporarily suspend operations of one or more (but not all) entrances, doors, corridors, elevators, escalators or other facilities comprising the Common Areas of the Shopping Center

(f) To approve the weight, size and location of safes, computers and other heavy articles in and about the Demised Premises and to require all such items and other furniture and equipment to be moved in and out of the Demised Premises and Shopping Center only at such times as will not unreasonably deny or obstruct the rights, or use of, or access to, any part of the Shopping Center by other tenants and their employees and customers, or threaten their safety, and in all events, at the Tenant's sole risk and responsibility.

(g) To do or permit to be done any work on or about the exterior of the Shopping Center or any adjacent or nearby building, land, street or alley.

(h) Subject to the provisions of Section 12.02, to grant to any person or entity the exclusive right to conduct any business or render any service in the Shopping Center, provided such exclusive right shall not operate to exclude Tenant from the use(s) expressly permitted by this Lease, and

(i) To lease any portion of the Shopping Center to any person or entity for any use or purpose as Landlord, in its sole discretion, may determine

ARTICLE XX MISCELLANEOUS

(a) This Lease contains the entire agreement between the parties hereto and there are no promises, agreements, conditions, undertakings, or warranties, oral or written, between them or other than as herein set forth

(b) No notice or other communications given under this Lease shall be effective unless the same is in writing, and such written notice shall be effective upon the earlier of (i) receipt, (ii) two (2) days following sending by nationally recognized overnight courier (e.g., UPS, FedEx, Airborne Express) (iii) or date which is three (3) days after the date on which such notice is deposited in the U.S. mails by registered or certified mail, return receipt requested, first class, postage prepaid, addressed

(1) If to Landlord, TORGO MANAGEMENT, INC., 5231 N. Harlem Avenue, Chicago, Illinois 60656, attention ROBERT F. DI SILVESTRO, or to such other person and address as Landlord shall designate by giving notice thereof to Tenant

(2) If to Tenant, to the Demised Premises address with a duplicate original to RENAL CARE GROUP, INC., 2525 West End Avenue, Suite 600, Nashville, Tennessee 37203, or as tenant shall designate by giving notice thereof to Landlord

(c) It is the intent of the parties hereto that all questions with respect to the construction of the Lease and the rights and the liabilities of the parties hereto shall be determined in accordance with the laws of the State of Illinois

(d) This Lease shall bind and inure to the benefit of the parties hereto and their respective legal representatives, heirs, successors and assigns

(e) There shall be no personal liability on Landlord, Landlord's beneficiaries or any successor in interest with respect to any provisions of this Lease. Tenant shall look solely to the interest in the Shopping Center of the then owner of the Shopping Center and the Demised Premises for the

satisfaction of any remedies of the Tenant in the event of an uncured breach by Landlord of any of its obligations hereunder

(f) Each party warrants and represents unto the other that there was no broker or agent instrumental in consummating this Lease other than MOHR PARTNERS, INC., on behalf of Tenant, and TORGO MANAGEMENT, INC., on behalf of Landlord. Each party agrees to indemnify and hold the other harmless against any claims for brokerage or other commissions arising by reason of a breach by the other of this representation and warranty, provided, however, the Landlord shall be solely responsible for the payment of all commissions pursuant to this Lease and/or any separate brokerage agreement as pertaining to this Lease involving the aforementioned Brokers

(g) Landlord hereunder shall have the right to freely assign this Lease upon notice to but without the consent of Tenant

(h) The terms of this Lease shall not be interpreted to, and do not, mean that Landlord and Tenant are partners or joint venturers

(i) Landlord and Tenant hereby waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other on or in respect of any matter whatsoever arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant hereunder, Tenant's use or occupancy of the Demised Premises, and/or any claim of injury or damage

(j) If any provision of this Lease or the application thereof any person or circumstances shall to any extent be invalid or unenforceable, the remainder of this Lease, or the application of such provision to persons or circumstances other than those to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Lease shall be valid and be enforced to the fullest extent permitted by law

(k) No failure by either party to insist upon the strict performance of any term, covenant, agreement, provision, condition or limitation of this Lease to be kept, observed or performed by the other, and no failure by either party to exercise any right or remedy consequent upon a breach of any such term, covenant, agreement, provision, condition or limitation of this Lease, shall constitute a waiver of any such breach or of any such term, covenant, agreement, provision, condition or limitation

(l) The parties hereby agree that a memorandum hereof may be recorded with the Cook County, Illinois Recorder of Deeds at the cost and expense of the Tenant, and Landlord agrees to execute such memorandum in a form reasonably and mutually acceptable to the parties' and their counsel

(m) Landlord may from time to time elect to designate a lock box collection agent (independent agent, bank or other financial institution) to act as Landlord's agent for the collection of amounts due Landlord. In such event, the date of payment of Rent or other sums paid Landlord through such agent shall be the date of agent's receipt of such payment (or the date of collection of any such sum if payment is made in the form of a negotiable instrument thereafter dishonored upon presentment), however, for purposes of this Lease, no such payment or collection shall be deemed "accepted" by Landlord if Tenant is in uncured default hereunder and Landlord issues a check payable to the order of the Tenant in the amount sent to the lock box and if Landlord mails the check to the Tenant addressed to the place designated in this lease for notice to Tenant within twenty-one (21) days after the amount sent by the Tenant is received by the lock box collection agent or if the Landlord returns a dishonored instrument within twenty-one (21) days of its dishonor. Return of any such sum to Tenant by so sending such a check of the Landlord or by so sending a dishonored instrument to the Tenant shall be deemed to be rejection of Tenant's tender of such payment for all purposes

(n) After the Effective Date hereof and at all times prior to Expiration date hereof, subject to earlier termination or expiration thereof and provided Tenant is not then in uncured default beyond the cure period(s) applicable thereto, Tenant shall have a right of first offer to lease space within the Shopping Center contiguous to and in proximity to the Demised Premises and designated as the "Refusal Space" as outlined by single cross-hatching on Exhibit "A-2" attached hereto and incorporated herein by reference. At such time as any portion of the Refusal Space hereafter is or becomes available for lease to anyone other than the then existing tenant, prior to putting such space on the market available for third-party leasing during the Term hereof, Landlord shall first notify Tenant in writing of Landlord's willingness to make the Refusal Space available to Tenant (an "Offer"). Tenant shall have twenty-five (25) days from its receipt of such notice of the Offer to, at its option without any obligation, exercise its right and option to lease the entire Refusal Space as described in the Offer. If the Offer is submitted to Tenant and accepted by Tenant, then the subject Refusal Space as leased by Tenant shall be made available to Tenant upon the same terms and conditions, excluding Minimum Rent (which shall be computed upon a per gross rentable square footage basis for such space at then current "Market Rate" as defined below), embodied in this Lease, provided the lease of the Refusal Space to Tenant shall end on the same date that this Lease ends with respect to the original Demised Premises, subject to applicable

rights of renewal granted Tenant and which shall also apply to the Refusal Space. If and to the extent required, Tenant does agree to and shall construct an appropriate dividing and demising wall in accordance with all applicable laws, codes and ordinances segregating the Refusal Space from all contiguous third-party premises. Otherwise, except as herein expressly provided, the subject Refusal Space will, subject to the terms and conditions of this Lease, be delivered in its 'AS-IS' physical condition with the Tenant's obligation to pay Minimum Rent and Additional Rent for such Refusal Space to begin on the date of Landlord's tender of delivery of such Refusal Space, which tendering by Landlord shall be a date within sixty (60) days immediately following Tenant's notice to Landlord of its (Tenant's) exercise of its rights hereunder as to the subject Refusal Space, or subject to Tenant's rights set forth below, the date upon which Landlord is able to tender the Refusal Space to Tenant upon vacation and broom cleaning of the Refusal Space. The commencement date of the portion of the Term pertaining to the subject Refusal Space as leased to Tenant hereunder shall be delayed and Tenant's obligations (including those to pay any rental sums or other amounts hereunder) shall be delayed and abated pending the delivery of the subject Refusal Space by Landlord so long as Landlord's failure or inability to deliver the subject Refusal Space is through no fault of Tenant. However, notwithstanding anything to the contrary herein, should Landlord thereafter continue to fail or otherwise be unable to deliver the subject Refusal Space to Tenant within ninety (90) days of the date Tenant notifies Landlord that it (Tenant) elects to lease all of the subject Refusal Space identified in the Offer, then Tenant shall, pursuant to written notice provided to Landlord on or before the ninety-fifth (95th) day following Tenant's initial notice, have the right to rescind its election and obligations to take such Refusal Space with no further obligation or liability to Landlord hereunder as to such Refusal Space. Landlord and Tenant shall execute such amendment(s) to this Lease as they and their counsel shall deem reasonably and mutually appropriate to document the addition of the subject Refusal Space to Demised Premises and to, among other things, confirm the revised Minimum Rent and the revised Tenant's Proportionate Share percentages for future determinations of applicable Additional Rent. If Tenant elects not to exercise its right of first offer contained herein as to any Offer, then Landlord may lease the subject Refusal Space described in the Offer to any third-party, and Tenant shall have no further rights under this Section as to such space described in the Offer until such space next becomes available during the Term of this Lease, if at all. Landlord shall permit Tenant access to the offered Refusal Space for inspections as Tenant may deem reasonably necessary or appropriate during the period of time which Tenant has under this Section to determine if it intends to exercise or not exercise its option rights. For purposes of this Section XX(n), the term "Market Rate" shall mean shall mean Minimum Rent determined with reference to the average of normal values being achieved by landlords in lease renewals entered into with private sector tenants for comparable space (i.e., the Demised Premises in its as is condition at the time of determination of the Market Rent) in comparable buildings in equally desirable locations within the same Schaumburg, Illinois market assuming operating expense and real estate pass-throughs and fixed base rent increases corresponding to those contained in this Lease. Provided, in no event shall the Market Rent be less than the amount of Minimum Rent payable under this Lease for the last Lease Year of immediately preceding expiring Term.

(o) Landlord expressly waives any and all liens, interests and claims which it may have as of the Effective Date of this Lease, the Possession Date hereof and/or during the Term of this Lease arising by statute or by operation of law, in and to Tenant's personal property, equipment, trade fixtures, furniture or other moveable property of Tenant (herein, "Tenant's Personal Property") in or on the Demised Premises, and Landlord agrees that Tenant's Personal Property (including any hereafter acquired personal property) shall not become part of the Demised Premises regardless of the manner in which the same may be attached or affixed to the Demised Premises by Tenant, provided that the same can be removed by Tenant without materially damaging or altering the Demised Premises, and any such damage shall be repaired promptly by Tenant. Further, Landlord agrees that it will not prevent any lender of Tenant, or such lender's designee, from entering upon the Demised Premises during the Term at reasonable times to inspect and remove Tenant's Personal Property, provided that said lender agrees to repair promptly and fully any and all damage resulting to the Demised Premises. Additionally, if, after the Commencement Date of the Term hereof, Landlord intends to terminate this Lease or otherwise exercise any right granted to Landlord hereunder to require Tenant to surrender the Demised Premises or to remove any portion of Tenant's Personal Property, Landlord agrees to notify Tenant's lender (of which Landlord has received written notice from Tenant, including such lender's name, notice address and telephone number), and Landlord shall grant to such lender the right to enter upon the Demised Premises during the Term of this Lease to do any or all of the following with respect to Tenant's Personal Property: (i) assemble, have appraised, sever, remove, maintain, inspect, repair, lease and/or transfer; provided in any such case that such lender's presence on and/or occupancy of the Demised Premises shall be upon and subject to all of the terms, covenants and conditions of this Lease, including the payment by such lender to Landlord, periodically, a per diem occupancy fee equivalent to the monthly rental and other charges then currently payable by Tenant hereunder based on a thirty (30) day month, for the actual number of days such lender uses and/or occupies the Demised Premises pursuant hereto. Further, nothing in this Lease shall give Landlord the right to use, possess or retain any of Tenant's records, files, patient's names or records.

(p) Unless a particular Section of this Lease provides for a longer or shorter period of time as to a particular matter, in the event Landlord does not respond in writing to a written request by Tenant

for Landlord's consent, permission or approval as set forth or otherwise required under this Lease within fifteen (15) days after Tenant's delivery of the same, it shall thereafter be automatically deemed that Landlord has consented to or approved such request by Tenant or that Landlord has given its permission thereto. In the event Landlord does respond and does not consent, give its permission or give its approval Landlord shall provide with reasonable specificity the reason(s) therefore in writing so as to permit Tenant, should it so elect or desire, to make modifications or revisions to such request and to resubmit a further request for consent, permission or approval to Landlord.

(q) Landlord agrees to reasonably assist Tenant in (i) the procurement of any licenses, permits, "sign-offs", approvals, or certificates which may be required by any governmental or quasi-governmental agency or authority with respect to Tenant's Improvements, alterations or other leasehold improvements permitted under the terms hereof in and to the Demised Premises, and with respect to (ii) the obtaining of any services, utilities or facilities from any utility company or companies supplying the same to the Shopping Center.

(r) Except in the event of an uncured Default by Tenant under this Lease or the 1156-B Lease Landlord agrees that a termination of the 1156-B Lease prior to the Expiration Date of this Lease shall permit Tenant to also terminate this Lease effective at the same time as the termination date of the 1156-B Lease.

(s) All Riders and all Exhibits referred to in and attached hereto are hereby incorporated in this Lease.

IN WITNESS WHEREOF, and intending that this Lease be a sealed instrument, Landlord and Tenant have executed this Lease under seal on the dates indicated below.

LANDLORD

TORGO MANAGEMENT, INC., as agent
for beneficiaries of COSMOPOLITAN
BANK AND TRUST, SUCCESSOR IN
INTEREST TO FIRST BANK OF OAK
PARK, AS TRUSTEE a/v/a dated 11/23/93
and known as Trust No. 13581

By Stephen P. DiSilvestro
Printed STEPHEN P. DISILVESTRO
Its SECRETARY
Date of Execution December 9, 2003

TENANT

RENAL CARE GROUP
SCHAUMBURG, LLC

By David M. Dill
Printed David M. Dill
Its Vice President & Managing Member
Date of Execution December 2, 2003

TABLE OF EXHIBITS

EXHIBITS A, A-1 & A 2	Legal Description and Site Plan / Demised Premises / Refusal Space Diagram
EXHIBIT B	Possession Date Certificate
EXHIBIT C	Minimum Rent Schedule
EXHIBIT D	Landlord's Work Outline Specifications
EXHIBIT E	Opening and Expiration Date Declaration
EXHIBIT F & F-1	Tenant's Work / Water Line & Sanitary Sewer Line Diagram
EXHIBIT G	Sign Specifications
EXHIBIT H	Guaranty

EXHIBIT A

LEGAL DESCRIPTION AND SITE PLAN

EXHIBIT A-1
DEMISED PREMISES

65

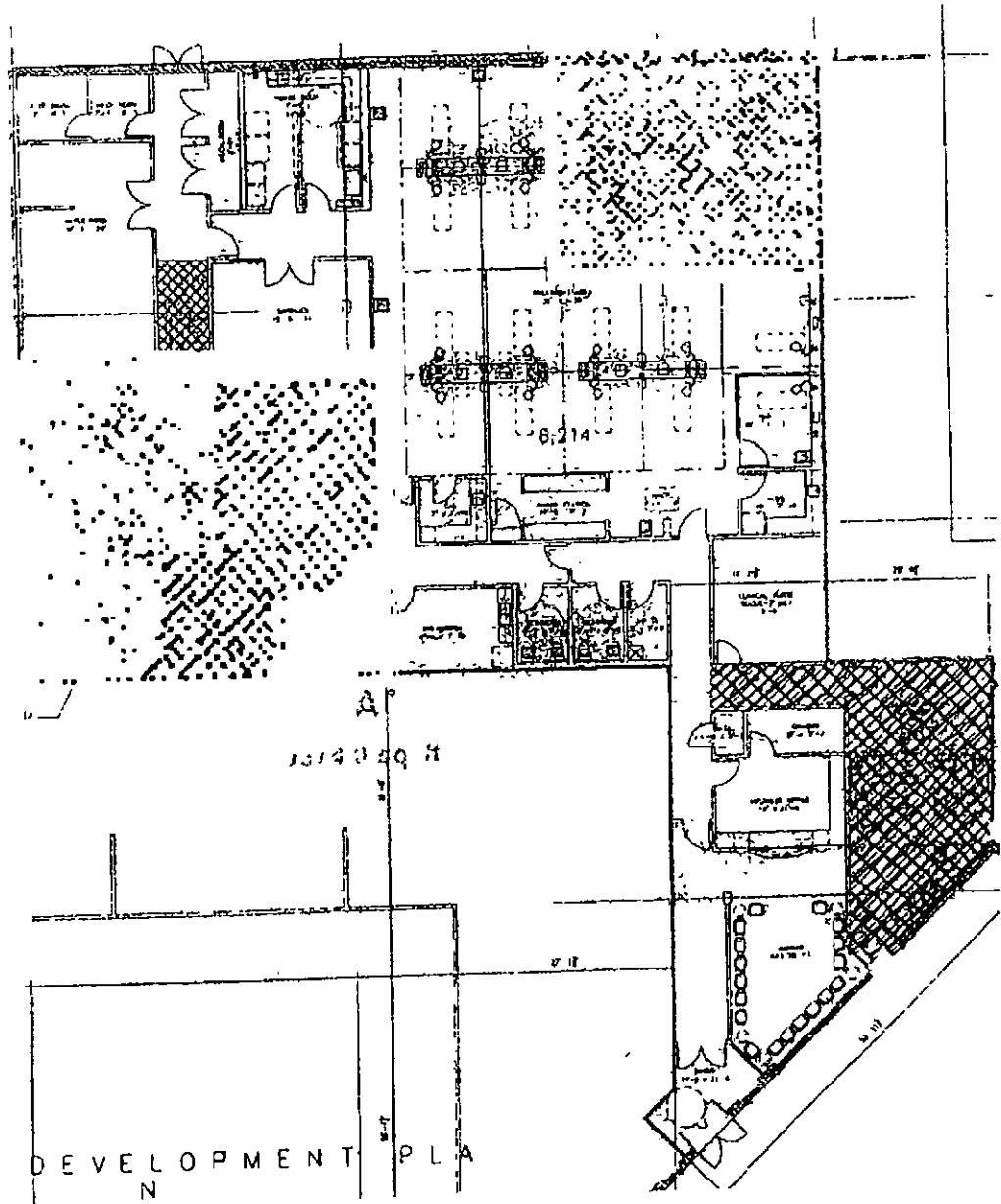


EXHIBIT A-1
DEMISED PREMISES

EXHIBIT A-2
REFUSAL SPACE

SCHAUMBURG TOWN CENTER

NW Corner Roselle Road and Wise Road, Schaumburg, Illinois

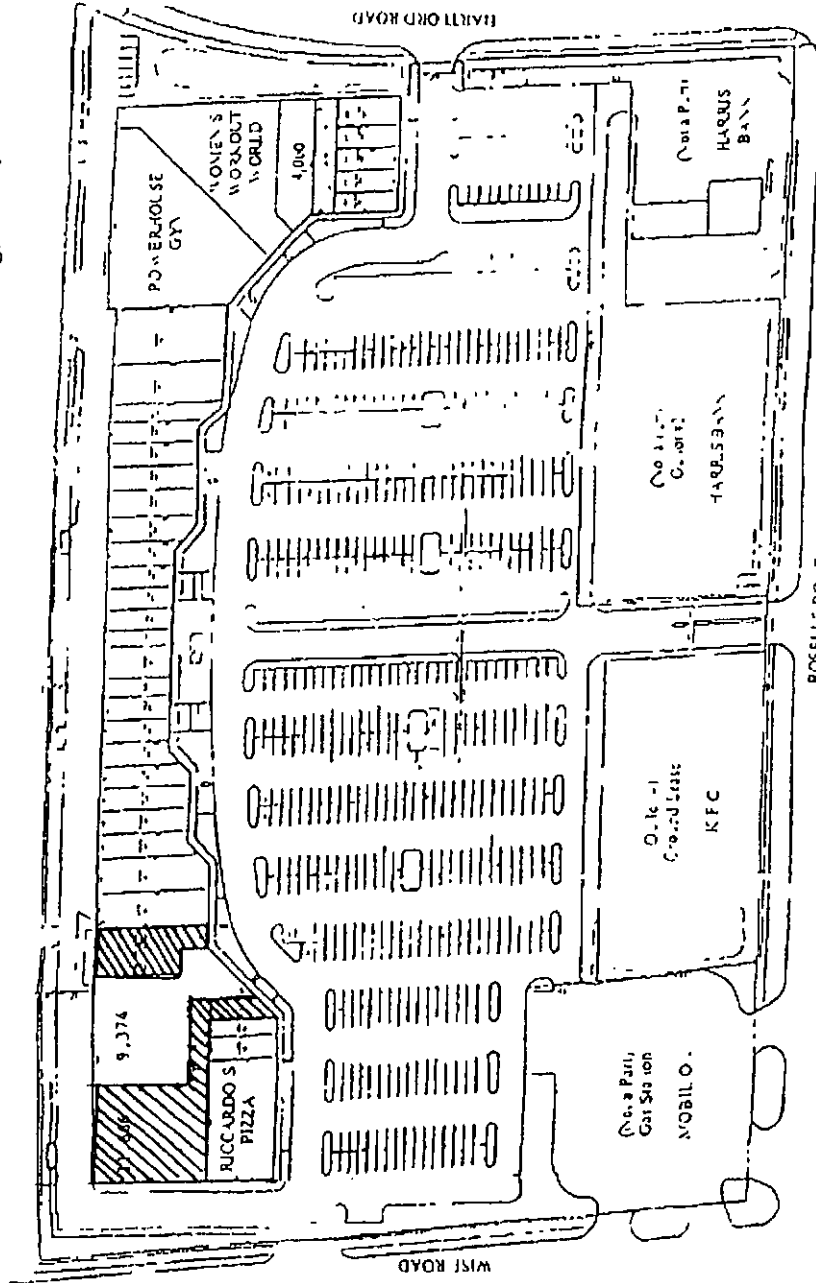


EXHIBIT A-2
REFUSAL SPACE

No warranty or representation, express or implied, is made as to the accuracy of data herein

LEGAL DESCRIPTION

LOTS 1, 2 AND 3 OF THE SCHUBERT TRACT, IN SCHAUMBURG TOWNSHIP, BEING A SUBDIVISION OF PART OF LOT 1223 BEING A SUBDIVISION OF PART OF SECTION 21 TOWNSHIP 41 NORTH RANGE 3, EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS

Block	Lot	Area	Remarks
1	1	0.45	0.45
1	2	0.45	0.45
1	3	0.45	0.45
1	4	0.45	0.45
1	5	0.45	0.45
1	6	0.45	0.45
1	7	0.45	0.45
1	8	0.45	0.45
1	9	0.45	0.45
1	10	0.45	0.45
1	11	0.45	0.45
1	12	0.45	0.45
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1	94	0.45	0.45
1	95	0.45	0.45
1	96	0.45	0.45
1	97	0.45	0.45
1	98	0.45	0.45
1	99	0.45	0.45
1	100	0.45	0.45

15000 N. WISCONSIN, LLC
5231 W. HAZEL AVE.
Chicago, Illinois 60656
(773) 374-7777

EXHIBIT B

DELIVERY OF POSSESSION DATE CERTIFICATE

LANDLORD TORGO MANAGEMENT, INC. as agent for beneficiaries of COSMOPOLITAN BANK AND TRUS, SUCCESSOR IN INTEREST TO FIRST BANK OF OAK PARK, AS TRUSTEE w/va dated 11/23/93 and known as Trust No 13581

TENANT RENAL CARE GROUP SCHAUMBURG, LLC

LEASE EFFECTIVE DATE December ____, 2003

COMMON ADDRESS 1156-A S Roselle Road, Schaumburg, Illinois 60193

SQUARE FOOTAGE Approximately, 6,214 Rentable Square Feet

DEMISED PREMISES POSSESSION DATE _____, 200__

PROJECTED OPENING DATE _____, 200__

Landlord and Tenant acknowledge and agree that the Demised Premises described in the above-referenced Lease has been delivered to Tenant for the performance of Tenant's Work (as said term is defined in the Lease) on the Delivery of Possession Date noted above

Tenant further acknowledges that all of Landlord's Work pursuant to said Lease has been completed except as follows _____

LANDLORD
TORGO MANAGEMENT, INC. as agent for beneficiaries of COSMOPOLITAN BANK AND TRUST, SUCCESSOR IN INTEREST TO FIRST BANK OF OAK PARK, AS TRUSTEE w/va dated 11/23/93 and known as Trust No 13581

TENANT
RENAL CARE GROUP SCHAUMBURG, LLC

By _____
Printed _____
Its _____
Date _____, 200__

By _____
President
Date _____, 200__

EXHIBIT C
MINIMUM RENT SCHEDULE

There shall be no Rent payable by Tenant for the period to the Commencement Date as determined in accordance with the provisions of Section 1.02 of the Lease to which this Exhibit is attached, and following the Commencement Date of the Term, Minimum Rent shall be payable as follows

	<u>LEASE YEAR</u>	<u>ANNUAL MINIMUM RENT</u>	<u>MONTHLY MINIMUM RENT</u>	<u>P S F</u>
FIXED MINIMUM RENT	1	\$49,712 00	\$4,142 67	\$8 00
	2	51,203 36	4,266 95	8 24
	3	52,756 86	4,396 40	8 49
	4	54,310 36	4,525 86	8 74
	5	55,926 00	4,660 50	9 00
	6	57,603 78	4,800 32	9 27
	7	59,343 70	4,945 31	9 53
	8	61,145 76	5,095 48	9 84
	9	63,009 96	5,250 83	10 14
	10	64,874 16	5,406 18	10 44

	<u>LEASE YEAR</u>	<u>ANNUAL MINIMUM RENT</u>	<u>MONTHLY MINIMUM RENT</u>	<u>P S F</u>
FIXED MINIMUM RENT FOR OPTION PERIOD 1, IF EXERCISED BY TENANT	11	\$66,800 50	\$5,566 71	\$10 75
	12	68,788 98	5,732 42	11 07
	13	70,839 60	5,903 30	11 40
	14	72,952 36	6,079 36	11 74
	15	75,127 26	6,260 61	12 09

	<u>LEASE YEAR</u>	<u>ANNUAL MINIMUM RENT</u>	<u>MONTHLY MINIMUM RENT</u>	<u>P S F</u>
FIXED MINIMUM RENT FOR OPTION PERIOD 2, IF EXERCISED BY TENANT	16	\$77,364 30	\$6,447 03	\$12 45
	17	79,663 48	6,638 62	12 82
	18	82,024 80	6,835 40	13 20
	19	84,510 40	7,042 53	13 60
	20	87,058 14	7,254 85	14 01

EXHIBIT D

LANDLORD'S WORK OUTLINE SPECIFICATIONS

- 1 Smooth (all existing flooring materials to include adhesive and/or grout removed) and level concrete floor slab throughout the Demised Premises
- 2 Separately metered electrical service (800 amp, 4 wire, 3 phase) wiring supplied to Tenant's specified location inside the Demised Premises. Main Distribution panels provided by Tenant
- 3 Separately metered gas service (1000 CFH @ 4 oz) as required to service HVAC and hot water tanks supplied to the Demised Premises at the Tenant's specified location
- 4 H V A C Landlord shall supply HVAC units to handle 250 square feet per ton of cooling in Patient Treatment Room, Lab, and Storage Room of the Demised Premises. HVAC units must have the capacity to handle 300 square feet per ton of cooling in balance of Demised Premises, or provide Tenant credit to install such HVAC units. All HVAC systems must comply with ASHRAE Standard 62-1989. All internal ductwork within the Demised Premises shall be Tenant's responsibility and expense.
- 5 Other than as noted in this Exhibit D, the Demised Premises shall be provided to Tenant in "as is" condition.

EXHIBIT E

OPENING AND EXPIRATION DATE DECLARATION

LANDLORD TORGO MANAGEMENT, INC, an Illinois Corporation, as agent for beneficiaries of COSMOPOLITAN BANK AND TRUST, SUCCESSOR IN INTEREST TO FIRST BANK OF OAK PARK AS TRUSTEE w/a dated 11/23/93 and known as Trust No 13581

TENANT RENAL CARE GROUP SCHAUMBURG, LLC

LEASE EFFECTIVE DATE December _____, 2003

DEMISED PREMISES NUMBER 1156-A S Roselle Road, Schaumburg, Illinois 60193

SQUARE FOOTAGE Approximately, 6,214 Rentable Square feet

Landlord and Tenant acknowledge and agree that the Commencement Date of the above referenced Lease is _____, 200__ and the Expiration Date of the Lease is _____, 201__

LANDLORD
TORGO MANAGEMENT, INC, as agent for beneficiaries of COSMOPOLITAN BANK AND TRUST, SUCCESSOR IN INTEREST TO FIRST BANK OF OAK PARK, AS TRUSTEE w/a dated 11/23/93 and known as Trust No 13581

TENANT
RENAL CARE GROUP SCHAUMBURG, LLC

By _____
Printed _____
Its _____
Date _____, 200__

By _____
President
Date _____, 200__

EXHIBIT F
TENANT'S WORK
(To Be Completed)

EXHIBIT F-1

WATER LINE/SANITARY SEWER LINE SCHEMATIC

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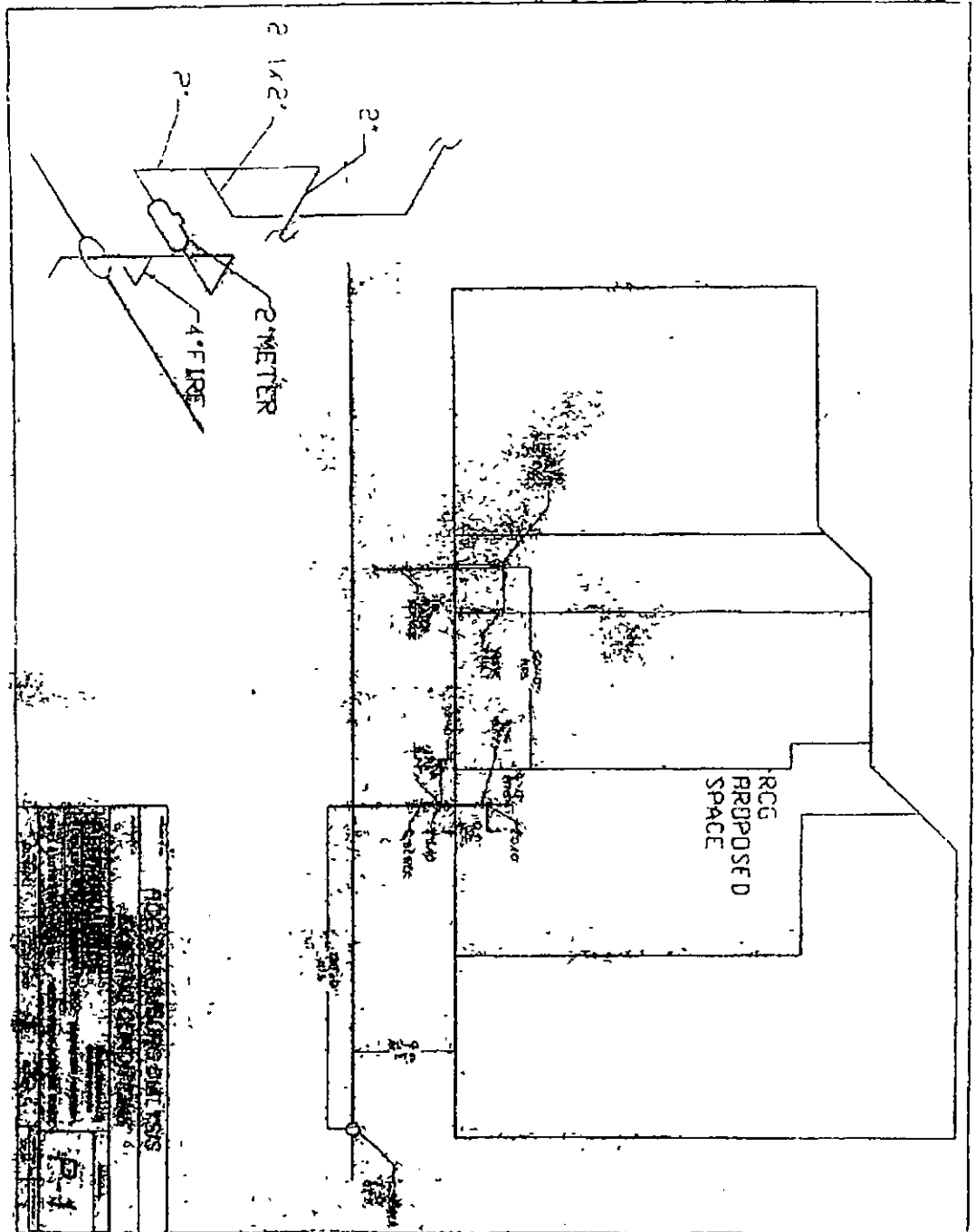


EXHIBIT F-1
WATER LINE & SANITARY SEWER LINES

EXHIBIT G

SIGN SPECIFICATIONS

SCHAUMBURG TOWNCENTER
BUILDING SIGN PROGRAM

- TYPE Individually mounted back lit letters
- SIZE
- A) Letter size is to be 32" maximum and 10" minimum (Except as otherwise noted below)
 - B) Multiple rows are not to exceed 32" total height, including space (except as otherwise noted below)
 - C) Minimum strokes is 1 1/2" No bold face type will be permitted
 - D) Depth of letters to be 4 1/2"
 - E) Total Horizontal Measurements shall not exceed 75% of the lease space width on spaces up to 30' in width

Canopy sign on lease spaces greater than 30' in width shall be subject to Landlord's approval (as note below)

- F) Size must conform to City requirements
- STYLE
- A) Shall be approved by Landlord No logos will be permitted

COLORS AND MATERIALS

- A) Rohm & Haas plex faces red, yellow, ivory and blue,
- B) Neon tubing red for red faces, yellow for yellow faces, 4500 for ivory and blue for blue faces
- C) 040 aluminum returns to match #313 dark bronze

PLACEMENT Centered horizontally and vertically

MOUNTING Mounted directly onto sign canopy surface provided for signs with no exposed connections Final electrical hook-ups to be performed by licensed electrician

APPROVAL Three (3) sets of drawings are to be submitted for and approval by the Landlord prior to fabrication Any variation of the above specifications must be approved by the Landlord Drawings must include a cross-section

Abstract

1156-B S Roselle Road

Report Date 11/16/2005 9 21 07 AM

Lease Information			
Lease ID	2 533	City	Schaumburg
Client Lease ID		State	IL
Branch Number		Zip	60193
Tenant Legal Name	Renal Care Group Schaumburg, LLC	Country	United States
Division/Region	Renal Care--> MidAmerica--> 07--> 02	Building Owner	
Facility	SHM	Building Rentable Area	114,547 00
Relationship		Abstract Prepared by	L Schasane
Lease Type	Lessee	Abstract Reviewed by	
Lease Abstract Name		Date Lease Prepared	12/14/2004
Suite#	1156-B	Last Modified Info	9/16/2005 11 00 41 AM
Building Name	1156-B S Roselle Road	Closed?	no
Address	1156-B S Roselle Road		

Lease Index & Notes			
Lease Agreement Date	12/9/2003	Lease Status	Active
Execution	12/9/2003	Lease Recovery Type	NNN
Original Commencement Date	6/16/2004	Month to Month	
Current Commencement Date	6/16/2004	Portion of space is subleased	
Date of Occupancy		Date Rent Due	
Lease Expiration Date	6/30/2014		
Vacate Notice Date			

Contacts						
Type	Company Name	Attention To	Address	Phone	Fax	Email
Landlord	Torgo Management, Inc		5231 N Harlem Avenue Chicago IL, 60656 United States			
	Notes			Fed ID	Vendor ID	

Tenant Space Information			
Usable SF	0 00	Rentable SF	3,160 00

Space Utilization	

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Abstract
 1156-B S Roselle Road
 Report Date 11/16/2005 9 21 07 AM

Space Type	Description	Usable Area	Rentable Area
Other	Dialysis	0 00	3 160 00

Rent Schedule			
Current Monthly Base Rent	\$2,169 87	Current Annual Base Rent PSF	\$8 24
Current Monthly Expenses	\$0 00	Current Annual Expenses PSF	\$0 00
Current Monthly Total	\$2,169 87	Current Annual Total PSF	\$8 24

Lease Rent

Code	Rent Begin	End Date	Frequency	Amount	Yearly Amount	Amt / SF	Total SF
OpEx	06/16/2004	06/15/2005	Monthly	\$658 33	\$7,899 96	\$2 50	3,160
	GL Code			Description			
Taxes	06/16/2004	06/15/2005	Monthly	\$1,092 83	\$13,113 96	\$4 15	3,160
	GL Code			Description			
Base Rent	06/16/2004	06/15/2005	Monthly	\$2,106 67	\$25,280 04	\$8 00	3,160
	GL Code			Description			
Base Rent	06/16/2005	06/15/2006	Monthly	\$2,169 87	\$26,038 44	\$8 24	3,160
	GL Code			Description			
Base Rent	06/16/2006	06/15/2007	Monthly	\$2,235 70	\$26,828 40	\$8 49	3,160
	GL Code			Description			
Base Rent	06/16/2007	06/15/2008	Monthly	\$2,301 53	\$27,618 36	\$8 74	3,160
	GL Code			Description			
Base Rent	06/16/2008	06/15/2009	Monthly	\$2,370 00	\$28,440 00	\$9 00	3,160
	GL Code			Description			
Base Rent	06/16/2009	06/15/2010	Monthly	\$2,441 10	\$29,293 20	\$9 27	3,160
	GL Code			Description			
Base Rent	06/16/2010	06/15/2011	Monthly	\$2,514 83	\$30,177 96	\$9 55	3,160
	GL Code			Description			
Base Rent	06/16/2011	06/15/2012	Monthly	\$2,591 20	\$31,094 40	\$9 84	3,160
	GL Code			Description			
Base Rent	06/16/2012	06/15/2013	Monthly	\$2,670 20	\$32,042 40	\$10 14	3,160
	GL Code			Description			
Base Rent	06/16/2013	06/30/2014	Monthly	\$2,749 20	\$32,990 40	\$10 44	3,160

Contract
 1156-B S Roselle Road
 Report Date: 11/16/2005 9:21:07 AM

GL Code	Description
---------	-------------

Allocations

Cost Center	Cost Percent	Space Percent	Total Expense/CC	Head Count	Status	Use Type
Total	0.00	0.00	\$0.00	0		

Financial Notes

CPI	CPI Adjustment	CPI Adjustment Date
-----	----------------	---------------------

Expenses & Taxes		
Tax Base Year	Tax Stop Amt	\$0.00
Op Base Year	Op Stop Amt	\$0.00
	Prorata Share (%)	2.76

Options
 Lease Options

Type	Begin	End	Notification	Reminder	Status	Action Taken
Renewal	07/01/2014	06/30/2019	01/01/2014	01/01/2014	Active	
	Description: 1st of 2-5 year renewal options with 180 days prior written notice with rent at \$2,830.83 for year 11, \$2,915.10 for year 12, \$3,002.00 for year 13, \$3,091.53 for year 14 and \$3,183.70 for year 15					
	Action Date: Action Notes					
Renewal	07/01/2019	06/30/2024	01/01/2019	01/01/2019	Active	
	Description: 2nd of 2-5 year renewal options with 180 days prior written notice with rent at \$3,278.50 for year 16, \$3,375.93 for year 17, \$3,476.00 for year 18, \$3,581.33 for year 19 and \$3,689.30 for year 20					
	Action Date: Action Notes					
Right of First Refusal	06/14/2004	06/30/2014			Active	
	Description: TT has right of first refusal to lease any adjacent space					
	Action Date: Action Notes					

Clauses

Clause Type	Clause
ADA Requirements	LL shall be solely responsible to comply, at its cost and expense but subject to reimbursement by TT for its share, with all laws and regulations including ADA
After Hours HVAC	Not Specified

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Abstract
 1156-B S Roselle Road
 Report Date 11/16/2005 9 21 07 AM

	Doc	Sec	Page
Audit Rights	TT shall have 30 days following its receipt thereof to dispute LL's calculation of CAM expenses by submitting written notice to LL		
	Doc Lease	Sec 6 05b	Page 10
CAM Charges	TT agrees to reimburse LL, as additional rent, for its proportionate share (2 758%) of CAM costs. The initial monthly amount shall be \$658 33. CAM charges payable by TT shall not increase in any given subsequent lease year by more than 10%. LL may estimate		
	Doc Lease	Sec 6 03-6 05	Page 9-10
Holdover	Tenant at will on month-to-month basis, with rent at 125% of last prevailing rent after 90 days, monthly minimum rent shall be at 150%. Tenancy at will may be terminated upon 30 days notice from LL		
	Doc Lease	Sec 17 02	Page 20
Indemnification	TT & LL agree to hold each other harmless and indemnify each other against claims and liabilities, including reasonable attorneys' fees for and against injuries to all persons and damage to property occurring in premises		
	Doc Lease	Sec 9 03	Page 13-14
Landlord Maintenance & Repair	LL shall, at its cost and expense but subject to TT's obligations under Art VI, keep in good repair, perform all maintenance to, and replace structural and load-bearing portions of roof, roof decking, foundation and floor slabs, and exterior of shopping center including demised premises and common areas		
	Doc Lease	Sec 7 01	Page 10
Landlord Services	Not specified		
	Doc	Sec	Page
Legal Notices	Notices in writing and effective upon the earlier of (i) receipt, (ii) 2 days following sending by nationally recognized overnight courier, or (iii) date which is 3 days after date on which notice is deposited in US mails by registered or certified mail, return receipt requested, first class, postage prepaid		
	Doc Lease	Sec 20	Page 21
Real Estate Taxes	TT shall pay, as additional rent, its proportionate share (2 578%) of taxes monthly as estimated by LL. The initial monthly amount shall be \$1,092 83		
	Doc Lease	Sec 8	Page 11
Tenant Maintenance & Repair	TT shall, at its sole cost and expense, make all necessary repairs to premises including windows, glass and plate glass, doors, any special storefronts, interior non-structural walls, ceilings and finish work, floors and floor coverings. TT agrees to maintain and repair the HVAC equipment at its own expense. If cost of repair is equal or greater than cost of replacement or if unit can't be repaired, LL shall be responsible for cost of replacement		
	Doc Lease	Sec 7 02	Page 11
Utilities	TT, at its expense, shall arrange for and pay all costs for all utilities and services used and as separately metered		
	Doc Lease	Sec 5 03	Page 7

Notes (Other)

(L5/4 04) LL's contribution amount is also for space at 1156- A S Roselle Rd, Date Rent Due not specified, therefore not included herein, Page 36 of Lease is missing which appears to be a Guaranty - Per Misty there is not a page 36 or a Guaranty

General Notes / Comments

Redcount

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Abstract
 1156-B S Roselle Road
 Report Date 11/16/2005 9 21 07 AM

Current Headcount 0 00 Future Headcount 0 00

Security Deposit	
Security Deposit Amount	\$0 00
Guarantor	
Deposit Notes	(L/Synopsis) Intentionally omitted
Security Deposit Return Date	

Leasehold Improvements	
Landlord Improvements	\$8,800 00
Tenant Improvements	\$0 00

Documents Index			
Lease Amendments			
Description	Type	Execution Date	Effective Date
Lease & Memorandum of Lease	Lease	12/09/2003	12/09/2003
	Comments		
Delivery of Possession Date Certificate & 1st Amendment	Amendment	03/08/2004	03/08/2004
	Comments	Sets forth terms and st	

Additional Memos	
Lease Memos	
Memo Description	Memo

TORGO MANAGEMENT, INC, an Illinois Corporation,
as agent for beneficiaries of **COSMOPOLITAN BANK AND TRUST**,
SUCCESSOR IN INTEREST TO FIRST BANK OF OAK PARK, AS TRUSTEE
u/v/a dated 11/23/93 and known as Trust No 13581, AS "LANDLORD,"

AND

RENAL CARE GROUP SCHAUMBURG, LLC, AS "TENANT"

LEASE AGREEMENT

Demised Premises

1156-B South Roselle Road
Schaumburg, Illinois 60193

LEASE SYNOPSIS

LEASE AGREEMENT BETWEEN TORGO MANAGEMENT, INC, an Illinois Corporation, as agent for beneficiaries of COSMOPOLITAN BANK AND TRUST, SUCCESSOR IN INTEREST TO FIRST BANK OF OAK PARK, AS TRUSTEE w/va dated 11/23/93 and known as Trust No 13581 ("LANDLORD") and RENAL CARE GROUP SCHAUMBURG, LLC, a Delaware limited liability company ("TENANT")

EFFECTIVE DATE December 9, 2003

LANDLORD TORGO MANAGEMENT, INC, as agent for beneficiaries of COSMOPOLITAN BANK AND TRUST, SUCCESSOR IN INTEREST TO FIRST BANK OF OAK PARK, AS TRUSTEE w/va dated 11/23/93 and known as Trust No 13581

ADDRESS OF LANDLORD 5231 N Harlem Avenue
Chicago, Illinois 60656

TENANT RENAL CARE GROUP SCHAUMBURG, LLC

ADDRESS OF TENANT c/o 2525 West End Avenue, Suite 600, Nashville, Tennessee 37203

TENANT'S TRADE NAME RENAL CARE GROUP or RENAL CARE GROUP SCHAUMBURG
or RCG SCHAUMBURG

LEASE TERM Ten (10) years commencing upon the Commencement Date, plus, if applicable, the remainder of the calendar month in which the Expiration Date occurs

COMMENCEMENT DATE As determined pursuant to Section 1.02 of the Lease

RENT ABATEMENT There shall be no Rent for the period until Commencement Date. Minimum Rent shall be paid in accordance with Article II and Exhibit C of the Lease

FLOOR AREA Approximately 3,160 square feet, being the rentable area of the Demised Premises, as outlined in Exhibits A & A-1 to the Lease

DEMISED PREMISES 1156-B S Roselle Road, Schaumburg, Illinois, as Shown on Exhibits A & A-1 to the Lease

PERMITTED USES Operation of a renal dialysis care services facility and any related and ancillary use, including medical and business offices in conjunction therewith

SECURITY DEPOSIT [INTENTIONALLY OMITTED]

GUARANTOR RENAL CARE GROUP, INC

INITIAL MINIMUM COMMON AREA PAYMENT \$7,900.00 per year
(\$658.33 per month)

INITIAL MINIMUM REAL ESTATE TAX PAYMENT \$13,114.00 per year
(\$1,092.83 per month)

TENANT'S PROPORTIONATE SHARE OF COMMON AREA MAINTENANCE EXPENSES Two and Seven Hundred Fifty-Eights Percent (2.758%)

TENANT'S PROPORTIONATE SHARE OF TAXES Two and Seven Hundred Fifty-Eights percent (2.758%)

WHEREVER THE TERMS AND CONDITIONS OF THIS LEASE SYNOPSIS AND THE TERMS AND CONDITIONS OF THE LEASE TO WHICH THIS LEASE SYNOPSIS IS ATTACHED CONFLICT, THE TERMS AND CONDITIONS OF THE LEASE SHALL CONTROL

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LEASE AGREEMENT

THIS LEASE AGREEMENT is made and entered into this 9th day of December 14th, 2003 (the "Effective Date"), by and between TORGO MANAGEMENT, INC., an Illinois Corporation, as agent for beneficiaries of COSMOPOLITAN BANK AND TRUST, SUCCESSOR IN INTEREST TO FIRST BANK OF OAK PARK, AS TRUSTEE u/v/a dated 11/23/93 and known as Trust No. 13581 (hereinafter referred to as "Landlord"), and RENAL CARE GROUP SCHLAUMBURG, L.L.C. (hereinafter referred to as "Tenant")

WITNESSETH

That for and in consideration of the rentals hereinafter reserved and of the mutual covenants and agreements hereinafter set forth the parties hereto hereby mutually agree as follows

ARTICLE I GRANT AND TERM

SECTION 1 01 DEMISED PREMISES Landlord hereby leases to Tenant for the Term (as defined in Section 1 02 below) and upon the covenants hereinafter set forth, approximately, three thousand one hundred sixty (3,160) rentable square feet of ground floor area in the shopping center, commonly known as 1156-B South Roselle Road, Schaumburg, Illinois in the Shopping Center known as the Schaumburg Towncenter or by such other name as Landlord may from time to time hereafter designate (hereinafter "Shopping Center") The Shopping Center is legally described on Exhibit A hereto which exhibit is incorporated herein by reference The leased space shall hereinafter be referred to as the "Demised Premises" The Demised Premises and the 1156-A Premises (as defined in Section 1 02 below) are collectively cross-hatched on the site plan of the Shopping Center attached hereto and made a part hereof as Exhibit A, and the Demised Premises are more particularly outlined by the double cross-hatching in relation to the 1156 A Premises in Exhibit A-1 hereto Further, at all times following the Effective Date and during the Term of this Lease, Landlord hereby grants to Tenant an easement for, and shall provide Tenant, its agents and contractors and, as applicable, third-party utility companies with, access to and use of all portions of the Common Areas of the Shopping Center to which Tenant may reasonably need access outside of the Demised Premises for purposes of undertaking and installing, and hereafter repairing, modifying and/or replacing, the utility services to the Demised Premises to be undertaken by Tenant and its agents and contractors in accordance with this Lease, including as pertains to the initial installation and future repair, modification and replacement of Tenant's required water and sanitary sewer line services as generally depicted in the schematic attached hereto as Exhibit F-1 attached hereto, and to the extent that Tenant may need access to areas of the Shopping Center exclusively leased to third-parties, Landlord will work in good faith with Tenant to procure appropriate access to those areas to allow installation, repair, modification and/or replacement of the required work, including the water line and sanitary sewer services generally outlined in Exhibit F-1 hereto

SECTION 1 02 TERM Subject to Tenant's option rights to extend the Term as contemplated by Section 3 01 of this Lease, the term (the "Term") of this Lease shall be for a period of ten (10) years, commencing upon that date (the "Commencement Date") which is the earlier of (i) that date which is one hundred twenty (120) days following the Demised Premises Possession Date (as defined in Section 4 02 hereof), or (ii) that date following the Demised Premises Possession Date and upon which Tenant has substantially completed its initial tenant improvements (if any to be made to the subject Demised Premises given it is being leased by Tenant primarily as prospective expansion space), receives the appropriate certificate of occupancy and other consents without legal qualification necessary and appropriate to allow it to occupy the Demised Premises for the Permitted Uses and the approximately 6,214 square feet referred to as 1156-A South Roselle Road within the Shopping Center (the "1156-A Premises") as separately leased by Tenant from Landlord under that Lease Agreement entered into by and between Landlord and Tenant on or about the Effective Date hereof (the "1156-A Lease"), and expiring at midnight, central time, on the last calendar day of the month following the expiration of ten (10) full years after the Commencement Date, unless sooner terminated in accordance with the provisions hereof (the "Expiration Date") The period between the Possession Date and the Commencement Date of the Term shall be referred to as Tenant's "Fixturing Period" Each consecutive twelve (12) month period beginning with the Commencement Date shall hereinafter be referred to as a "Lease Year" provided, however, that if the Commencement Date is not the first day of a month, the first Lease Year shall be the period beginning on the Commencement Date and continuing for twelve (12) consecutive full calendar months after the first day of the month immediately succeeding the Commencement Date After the Effective Date hereof, and so long as Tenant's Work as to its initial tenant's improvements within and about the Demised Premises does not materially interfere with Landlord's Work as contemplated by Section 4 02, Landlord shall permit Tenant and Tenant's agents or independent contractors to enter the Demised Premises and the 1156-A Premises prior to the Commencement Date specified in this Lease and in the 1156-A Lease in order that Tenant may make the Demised Premises and the 1156-A Premises ready for Tenant's use and occupancy in accordance with the provisions of Exhibit F hereof (which Exhibit F shall be prepared by Tenant and agreed upon by the parties in writing by addendum hereto prior to commencement of such

Tenant's Work by Tenant) and the corresponding exhibit to the 1156-A Lease. Such entry shall be pursuant to a conditional exclusive license, which license shall be subject to the condition that Tenant and Tenant's employees, agents, contractors, subcontractors, workmen, mechanics, suppliers, and invitees shall work in harmony and not materially interfere with Landlord and its agents and contractors in doing its Landlord's Work under this Lease or the 1156-A Lease, its work in the Shopping Center or with work performed by Landlord or others for other tenants and occupants of the Shopping Center. If at any time such entry or occupancy shall cause or threaten to cause material disharmony or material interference, Landlord, in its reasonable discretion, shall have the right to suspend such license upon twenty-four (24) hours' prior written notice to Tenant. Tenant agrees that any such entry into and occupancy of the Demised Premises prior to the Commencement Date shall be deemed to be under and Tenant shall abide by, all of the terms, covenants, conditions and provisions of the Lease, except as to the covenant to pay Rent. Tenant further agrees that to the extent permitted by law, Landlord and its beneficiary shall not be liable in any way for any injury or death to any person or persons, loss or damage to any of Tenant's Work and installations made in the Demised Premises or loss or damage to the property placed therein prior to the Commencement Date, the same being at Tenant's sole risk, unless such occurrence is due to Landlord's or Landlord's agent's gross negligence. It shall be a condition to the license given by Landlord to Tenant pursuant to this Section 1.02 that Tenant shall give to Landlord not less than five (5) days' prior written notice, which notice shall contain and/or shall be accompanied by (i) a construction schedule and final copies of Tenant's improvements plans and specifications which are to be agreed upon by Landlord and Tenant pursuant to Section 1.03 of this Lease, (ii) the names and addresses of all contractors, subcontractors and material suppliers for whom and which such access is being requested, and (iii) certificates of insurance complying with the insurance requirements set forth in this Lease. All of the foregoing shall be subject to Landlord's prior approval, which approval shall be delivered within the time frame contemplated by Section Article XX, Subsection (p) and which shall not be unreasonably withheld. If requested by Landlord or Tenant and provided this Lease is not terminated pursuant to Section 1.03 hereof, immediately following establishment of the Possession Date and, thereafter, Commencement Date, or at any other time during the Term hereof, Tenant and Landlord shall each execute an appropriate Demised Premises Acceptance Declaration (following the Possession Date) and an Opening and Termination Date Declaration (following the Commencement Date) in the forms attached hereto as Exhibit B and Exhibit E, respectively, specifying the information called for in said forms.

SECTION 1.03 CONTINGENCIES Notwithstanding anything to the contrary otherwise set forth in this Lease or the 1156-A Lease, Tenant's obligations under this Lease are expressly contingent upon the occurrence of each of the following events (each a "Contingency") on or before that date which is the thirtieth (30th) calendar day following but excluding the Effective Date (the "Contingencies Deadline")

(a) Tenant must have satisfied itself that it will be able to obtain all required governmental approvals or variances, if any, special exceptions and other approvals necessary or appropriate in its discretion (including, without limitation, all applicable certificate(s) of need and City of Schaumburg, Illinois approvals) allowing for the unqualified issuance of operation permits, building permits and any other permits and approvals necessary for, the construction of the repairs, modifications and other improvements constituting the initial Tenant's Work within, if and as applicable, the Demised Premises and, within the 1156-A Premises in accordance with its anticipated Tenant's Work to be outlined, when final, in Exhibit F hereto and to the 1156-A Lease (such plans and specifications to be agreed upon by Landlord and Tenant as contemplated by Section 1.03(b) hereof), and to, upon completion all such improvements, permit, as applicable, the use and occupancy of the Demised Premises and the 1156-A Premises for the intended Permitted Uses as of the Commencement Date of the Term hereof,

(b) If it so elects, Tenant must have received, reviewed and approved, at its sole cost and expense, a firm, final owner's leasehold commitment for title insurance from a title insurance company acceptable to it and in a form and of content acceptable to it bearing a commitment by such Title Company to issue a final leasehold owner's policy insuring Tenant's anticipated leasehold interest(s) in the Demised Premises, together with customary endorsements and other endorsements desired by Tenant, and a Landlord's "owner's affidavit" to permit the deletion of the so-called "standard exceptions".

(c) Tenant must have received an executed and recordable consent, recognition and non-disturbance agreement in a form and of content acceptable to Tenant and its counsel in their reasonable discretion, which consent as to form and content shall not be unreasonably withheld, conditioned or delayed, from each lender or other secured party, if any, having a mortgage, deed of trust, ground lease interest or similar secured interest in the Shopping Center, including the Demised Premises, as of the Contingencies Deadline, and which agreement shall, among other matters, provide for each such lender's consent to this Lease and the 1156-A Lease, including, to the extent contemplated by lender's loan documents with Landlord, Tenant's intended Permitted Uses and to, if and to the extent initially contemplated, the repairs, improvements and modifications to the Demised Premises and the 1156-A Premises as may be contemplated by the Tenant's Work, and

(d) Tenant and Landlord must have entered into for recording a memorandum of lease in a form acceptable to Tenant and its counsel, which consent as to form and content shall not be unreasonably withheld, conditioned or delayed, for recording, at Tenant's expense, reflecting Tenant's leasehold interest in the Demised Premises and other matters as the parties thereto may agree

If any one or more of the Contingencies is or are not fulfilled to the sole satisfaction of Tenant on or before the Contingencies Deadline, Tenant may either, in its sole discretion and without further liability, (i) upon written notice to Landlord given within five (5) days thereafter, terminate this Lease, and upon such termination, neither party shall owe any further obligation to, or have liability to, the other under this Lease, or (ii) notify Landlord in writing that Tenant has elected to waive all unsatisfied Contingencies. If Tenant does not, within five (5) days after the Contingency Deadline give Landlord the notice provided for in (i) or (ii) above (the "Contingencies Notice"), the unsatisfied Contingencies shall be deemed to have been waived by Tenant. The parties agreed to cooperate in good faith in an effort to assist Tenant in satisfaction of its Contingencies, provided, however, it is acknowledged that, except for procurement of appropriate governmental approvals and permits for such work (which Landlord agrees to pursue immediately upon establishment of the Effective Date hereof), Landlord shall not be required to incur any expense or liability under this Lease as to Landlord's Work until Landlord has received written notice from Tenant that Tenant has satisfied or waived the Contingencies in their entirety.

ARTICLE II RENT AND DEPOSIT

SECTION 2 01 MINIMUM RENT Provided that this Lease is not otherwise terminated prior thereto as contemplated above, then commencing upon the Commencement Date, Tenant covenants and agrees to pay annual minimum rent (the "Minimum Rent") to Landlord, in monthly installments, in advance, according to the Minimum Rent Schedule attached hereto as Exhibit C

SECTION 2 02 PERCENTAGE RENT (INTENTIONALLY DELETED)

SECTION 2 03 PAYMENTS BY TENANT Tenant shall pay to Landlord, without demand, deductions, set-offs or counterclaims except as otherwise provided for in this Lease, the "Rent", which is hereby defined as the sum of the Minimum Rent and all Additional Rent, when and as the same shall be due and payable to Landlord hereunder, provided however no monthly rental payments shall be deemed late until after the fifth (5th) day of the month for which such sums are due. Unless otherwise stated in this Lease, all other sums of money or charges payable to Landlord from Tenant by this Lease are defined as "Additional Rent" and are due twenty (20) days after the rendering of an invoice therefor and failure to pay such charges carries the same consequences as Tenant's failure to pay Minimum Rent. All payments and charges required to be made by Tenant to Landlord hereunder shall be payable in coin or currency of the United States of America, at the address indicated herein. No payment to or receipt by Landlord of a lesser amount than the then amount required to be paid hereunder shall be deemed to be other than on account of the earliest amount of such obligation then due hereunder. No endorsement or statement on any check or other communication accompanying a check for payment of any amounts payable hereunder shall be deemed an accord and satisfaction, and Landlord may accept such check in payment without prejudice to Landlord's right to recover the balance of any sums owed by Tenant hereunder.

SECTION 2 04 DEPOSIT (INTENTIONALLY DELETED)

SECTION 2 05 LATE CHARGE In the event any sums required hereunder to be paid are not received on or before the fifth (5th) calendar day after the same are due, then, Tenant shall immediately pay, as Additional Rent, a late payment service charge equal to (a) One Hundred Fifty Dollars (\$150.00), plus, if not paid within fifteen (15) days of the initial date such sums are due, (b) interest from the original due date until said past due amount shall be paid by Tenant to Landlord at a rate equal to four percent (4%) above the prime rate as announced by the Bank One of Chicago from time to time, which rate (hereinafter the "Default Rate") shall change when and as said prime rate changes but which rate shall not be in excess of any maximum interest rate permitted by law.

ARTICLE III OPTION TO EXTEND

SECTION 3 01 OPTION TO EXTEND Provided that no uncured Default by Tenant is existing under this Lease at the time the applicable option to renew described below is exercised or at the commencement of the applicable renewal option period, Landlord hereby grants Tenant the right, privilege and option to extend this lease for two (2) successive periods of five (5) years each, commencing, if and as exercised by Tenant as applicable, immediately on the Expiration Date of the initial ten-year Term hereof and the expiration date of the first five-year renewal period, and upon the same terms and conditions contained in this Lease (other than as set forth in this Article III to the contrary), upon notice in writing to Landlord of Tenant's intention to exercise each such option, given at least one hundred and eighty (180) days prior to, as applicable, the expiration of the initial ten-year Term or preceding initial renewal period of this Lease. If Tenant fails to timely exercise the first renewal period

option, the second renewal period option shall be immediately deemed to be null and void and of no further force or effect

SECTION 3 02 OPTION RENTS In the event Tenant exercises a renewal period option to extend the Term provided for herein, Tenant covenants and agrees to pay to Landlord annual Minimum Rent for such renewal period, as exercised, in monthly installments on the first day of each month of such renewal period and in advance, according to the Minimum Rent Schedule attached hereto as Exhibit C

SECTION 3 03 PERCENTAGE RENT DURING OPTION PERIOD (INTENTIONALLY DELETED)

ARTICLE IV PREPARATION OF DEMISED PREMISES

SECTION 4 01 SITE PLAN Exhibit A sets forth the general layout of the Shopping Center as of the Effective Date hereof. Landlord does not warrant or represent that the Shopping Center is constructed exactly as shown thereon, provided, however, Landlord acknowledges that any materials provided to Tenant by Landlord or its agents with respect to the Demised Premises to assist Tenant in preparing its plans and specifications for the Tenant's Work are substantially complete and accurate. Subject to the limitations and requirements set forth in this Lease, Landlord may change or alter any of the stores, common areas or any other aspect in the Shopping Center, or may sell or lease any other portions of the Shopping Center without the consent of or prior notice to Tenant, provided, however, Landlord agrees that at all times during the Term hereof, including as the Term may be extended, the relative location and actual size of the Demised Premises and the 1156-A Premises shall remain unchanged, and any modifications, alterations or improvements otherwise undertaken by Landlord to the remainder of the Shopping Center, or any portion thereof, shall be taken only in a manner so as not to (A) materially interfere with Tenant's or its patient's access to the Premises or Tenant's business operations in or about the Demised Premises, or (B) materially interfere with the parking areas serving the Demised Premises for Tenant and its patients or the patient and delivery loading and supply access points at the Demised Premises. Further as to access, deliveries and parking, subject to applicable laws and codes pertaining to the Shopping Center, Landlord represents and warrants unto Tenant that at no additional charge or cost beyond that factored into the Minimum Rents payable by Tenant hereunder (W) Tenant and Tenant's agents, officers, invitees, guests, patients, contractors and employees shall at all times during the Term have direct access for ingress and egress to and from the Demised Premises and one or more of the public rights-of-way adjoining the Shopping Center and known as Wise Road, Roselle Road and Hartford Road, (X) Tenant, its agents, representatives, employees, patients, contractors and invitees shall have the right to conduct pick-ups, drop-offs and the deliveries via semi tractor truck transport or otherwise at the Demised Premises at any time during the Term, and the vehicles or carrier(s) making such drop-offs, pick-ups and deliveries to at the Demised Premises shall have the right to temporarily park their vehicles in any egress/ingress lanes and parking areas within the Shopping Center for purposes of loading and unloading provided such activities do not unreasonably interfere with other tenants' use and occupancy of the Shopping Center, (Y) at all times after the Effective Date and on a non-exclusive use basis with other tenants and occupants of the Shopping Center, there shall be located upon and within the boundaries of the Shopping Center property those number of parking spaces required by applicable laws, regulations, codes and ordinances to provide for the uses (including the Permitted Use) within the Shopping Center, including handicapped parking spaces, and (Z) Landlord shall not relocate any handicapped parking spaces in proximity to the Demised Premises without the prior written consent of Tenant.

SECTION 4 02 LANDLORD'S WORK Landlord, at its sole cost and expense and prior to the Demised Premises Possession Date (defined below), shall construct and otherwise undertake the repairs, modifications and improvements to the Demised Premises (and, as applicable, the 1156-A Premises) substantially in accordance with the "Outline Specifications" attached hereto and made a part hereof as Exhibit D (hereinafter referred to as "Landlord's Work"). As a condition precedent to Tenant's obligations under this Lease, and subject to Tenant not having otherwise terminated this Lease (and/or the 1156-A Lease) pursuant to the provisions of Section 1 03, if the Landlord's Work (as defined below) is not substantially completed on or before the expiration of forty-five (45) days after the Contingencies Deadline (such deadline being herein referred to as the "Demised Premises Possession Date" or "Possession Date"), and Landlord subsequently fails to substantially complete the Landlord's Work within thirty (30) days immediately following default notice by Tenant in accordance with Section 14 03, then Tenant may in addition to exercising all other rights and remedies available to it under this Lease or at law or in equity, undertake to complete the Landlord's Work and receive reimbursement from Landlord as contemplated by Section 14 03. The Rent Commencement Date shall also be delayed by each day that Landlord's Work is delayed as result of Landlord's failure to do so. Without limiting or amending Landlord's obligations elsewhere under this Lease, Landlord warrants to Tenant for twelve (12) months after the Possession Date and for the Term of any warranties for materials, supplies or equipment, less ordinary wear and tear, that the Landlord's Work shall be completed by Landlord and its contractor(s) in a good and workman-like manner, free from faulty materials, in accordance with all applicable legal requirements, and sound engineering standards, and in accordance with all applicable plans, installation

instructions and specifications fit for Tenant's undertaking of the Tenant's Work. Such warranty includes, without limitation, the repair or replacement (including labor), at Landlord's sole cost, of all materials, fixtures and equipment which are defective or which are defectively installed by Landlord, Landlord's contractors and their subcontractors. Landlord shall, at Tenant's option, assign to Tenant, or enforce for the benefit of Tenant, all warranties from subcontractors and material suppliers for such materials, workmanship, fixtures and equipment in effect after the expiration of such twelve (12) month warranty period. The foregoing warranty shall not include any repairs or replacements necessitated due to the grossly negligence or intentionally wrongful acts of Tenant, or its employees, agents and/or contractors.

SECTION 4.03 DELIVERY OF POSSESSION DATE Provided Tenant does not terminate this Lease beforehand by its terms and provided, further, that Landlord has properly and substantially completed its Landlord's Work to the reasonable satisfaction of Tenant subject only to immaterial punch-list items, if any that will not interfere with issuance of, as applicable, required preliminary/temporary certificates of occupancy (or the local equivalent) as pertains to the Demised Premises or with the undertaking by Tenant of the initial Tenant's Work hereunder, Tenant agrees to take physical possession of the Demised Premises on the Possession Date. Subject to Tenant's rights, at its option, of earlier access under Section 1.02 hereof and subject to delays in finalization of the plans and specifications for the initial Tenant's Work and applicable permitting processes, from and after the Possession Date, Tenant agrees to diligently perform Tenant's Work to the extent those portions of the initial Tenant's Work pertain to the Demised Premises, but delays incurred by Tenant in commencing or thereafter completing its initial Tenant Work to the extent those portions of the initial Tenant's Work pertain to the Demised Premises, while not delaying the Commencement Date of the Term, shall not result in a Default by Tenant hereunder.

SECTION 4.04 TENANT'S WORK Other than Landlord's Work done pursuant to Section 4.02 and Exhibit D hereto, all work necessary or appropriate to put the Demised Premises in a condition appropriate for, if applicable, Tenant's use thereof for the Permitted Use is to be performed by Tenant at its expense (hereinafter referred to as "Tenant's Work") in accordance with, when final and included by future addendum hereto, Exhibit F attached hereto and made a part hereof and in accordance with the provisions of Section 4.06 hereof. All entry into the Demised Premises and work done by Tenant shall, subject to the other terms of this Lease, be at Tenant's sole risk. All additional initial work, if any, performed by Tenant beyond that scheduled and described in approved Exhibit F, including at such time as Tenant shall expand operations into the areas comprising the Demised Premises hereunder shall, as contemplated by Section 1.02 hereof, be subject to Landlord's reasonable prior written approval, including, but not limited to, written approval of Tenant's plans and specifications as prepared by an independent professional, and all of Tenant's Work, including that initial work as contemplated by Exhibit F, shall be in accordance with good construction practices, all applicable laws, Landlord's insurance requirements as set forth in Section 4.05(b) and 9.02 hereinbelow and shall be undertaken in such a manner as to not unreasonably interfere with the use by other tenants and occupants of their respective premises. Landlord shall have no responsibility or liability for any loss or damage to any property belonging to Tenant, except that resulting from Landlord's or its agents, contractors, representatives or employees' negligence or intentional acts. Tenant agrees to pay for all the utilities used or consumed in the Demised Premises by Tenant on and after the delivery of the Demised Premises upon the Possession Date. Tenant shall obtain at Tenant's sole expense all certificates, approvals and permits which may be necessary so that a certificate of occupancy for the Demised Premises may be issued, including zoning variations or special use permits. If any zoning variations or special use permits are required, Tenant shall, subject to its contingency rights under Section 1.03(a) hereof and subject to the parties' acknowledgement that the Demised Premises hereunder shall initially be leased by Tenant only for potential future expansion of the Permitted Use therein beyond those areas leased by Tenant under the 1156-A Lease, use its best efforts to obtain such variations or permits, and Landlord shall cooperate with Tenant in all reasonable respects in obtaining such variations or permits. In addition, Tenant shall keep Landlord reasonably informed of its progress in obtaining such variations and permits. Copies of all such certificates shall be delivered to Landlord.

SECTION 4.05 SUBSEQUENT ALTERATIONS BY TENANT

(a) Following that initial Tenant Work contemplated by Exhibit F when complete, Tenant may not make any subsequent changes, modifications or alterations to the Demised Premises, including but not limited to demolition, erecting permanent partitions, making alterations or additions, or boring or screwing into ceilings, walls or floors, whether or not the same may be required under this Lease, without the prior written consent of Landlord in each instance, which consent shall not be unreasonably withheld, conditioned or delayed. Any alterations shall be performed in a first-class and workmanlike manner and in accordance with all applicable legal and insurance requirements and the terms and provisions of this Lease. Further, in performing future work within or about the Demised Premises, Tenant agrees that it shall also comply with Landlord's reasonable and non-discriminatory rules and regulations as may be then applicable to the Shopping Center as published from time to time, provided, Landlord represents unto Tenant that, as of the Effective Date, no such rules and regulations are in existence. Notwithstanding the foregoing, future cosmetic and non-structural changes to the interior of the Demised Premises, including

painting, wallpapering, floor covering changes or carpeting shall, in no event, require prior notice to Landlord, or its consent. In addition, Landlord agrees that Tenant may install all necessary and appropriate moveable partitions, trade equipment and trade fixtures necessary for the conduct of its business within the Demised Premises and same shall at all times remain as personal property of Tenant regardless of the manner of annexation.

(b) Prior to the commencement of any work by Tenant, Tenant shall (i) obtain Commercial General Liability and workers' Compensation insurance in the amounts and as contemplated by Section 9.02 of this Lease, and name Landlord and its property manager, if applicable for the shopping Center as an additional insured (or as their interests may otherwise be appropriate) and shall deliver duplicate originals of all certificates of such insurance to Landlord, and (ii) require its contractors to carry and maintain Commercial General Liability and Workers' Compensation insurance and provide certificate of insurance naming Tenant and Landlord as additional insureds.

(c) No promise of Landlord to alter, remodel, improve, repair, decorate or clean the Demised Premises or the common areas, or any part thereof, and no representation respecting the condition of the Demised Premises or the Shopping Center has been made to Tenant by Landlord, except as specifically set forth in this Lease. Except as set forth herein, Tenant hereby expressly acknowledges that Landlord has made no representations or warranties, express or implied, as to the design or adequacy of (i) the Shopping Center for use as a shopping center facility, or (ii) the Demised Premises for the use set forth in Section 5.01(a).

SECTION 4.06 LIEN CLAIMS Tenant shall not permit any lien or claim for lien for any mechanic, laborer or supplier or any other lien to be filed against the Shopping Center, the Demised Premises, or any part thereof arising out of work performed, or alleged to have been performed by, or at the direction of, or on behalf of Tenant, but excluding Landlord's Work or any other repair, maintenance or replacement obligations of Landlord as to the Shopping Center, or any portion thereof, contemplated by this Lease for which Landlord shall be responsible. In the event that any such lien or claim is filed against the Demised Premises or the Shopping Center or any portion thereof as a result of any work or act of Tenant, Tenant, at its expense, shall discharge or bond over the same within thirty (30) days from the filing thereof. If Tenant fails to discharge said mechanic's lien, Landlord may bond over or pay the same without inquiring into the validity or merits of such lien. Said lien and all sums so advanced by Landlord, including Landlord's reasonable expenses and reasonable attorneys' fees, shall be paid on demand by Tenant as Additional Rent.

ARTICLE V CONDUCT OF BUSINESS

SECTION 5.01 USE AND TRADE NAME

(a) Tenant may use and occupy the Demised Premises for the Permitted Uses as set forth in the Lease Synopsis comprising a portion of this Lease and for no other purpose without the prior written consent of Landlord, which consent shall not be unreasonably withheld, delayed or conditioned. Upon completion of the initial Tenant's Work within the Demised Premises and occupancy of the Demised Premises by Tenant, Tenant's initial hours of operation within the Demised Premises are expected to be, approximately, 5:00 a.m. to 11:00 p.m. daily, but Tenant shall, notwithstanding the foregoing anticipated hours of operations, have access to the Demised Premises twenty-four (24) hours per day, seven (7) days per week, three hundred sixty-five (365) days per year throughout the Term and may, subject to applicable law and at its discretion, but without any obligation, operate during other hours as Tenant may desire, including upon holidays. Nothing contained to the contrary, expressly or implicitly, in this Lease shall be deemed or construed as a requirement that Tenant open for business in the Demised Premises or continuously operate its business in the Demised Premises. Without limiting the foregoing and as alluded to elsewhere in this Lease, Landlord acknowledges that Tenant is, as of the Effective Date hereof, leasing the Demised Premises only as possible expansion space should it seek to expand the Permitted Use beyond those areas leased under 1156-A Lease, and Tenant shall not be required to improve the Demised Premises or otherwise operate its business within the Demised Premises leased hereunder.

(b) Tenant shall operate its business from the Demised Premises under any one of the following full names only:

"RENAL CARE GROUP", or "RENAL CARE GROUP SCHAUMBURG", or "RCG SCHAUMBURG", and under no other trade name without Landlord's prior written consent.

SECTION 5.02 ESTOPPEL CERTIFICATES From time to time within twenty (20) days after receipt by Tenant of written request therefor from Landlord or from any mortgagee under any mortgage or any beneficiary under any deed of trust on the real property on which the building containing the Demised Premises is located or of which the Demised Premises are a part, deliver, in recordable form, a duly executed and acknowledged certificate or statement to the party requesting said certificate or

statement or to any other person, firm or corporation designated by Landlord, certifying, (a) that this Lease is unmodified and in full force and effect, or, if there has been any modification, that the same is in full force and effect as modified, and stating any such modification, (b) the date of commencement of the Term of this Lease, (c) that Rent is paid currently without any off-set or defense thereto (or, if any set off or defense is applicable, the facts and circumstances pertaining thereto), (d) the dates to which the Rent and other charges payable hereunder by Tenant have been paid, and the amount of Rent and other charges, if any, paid in advance, (e) whether or not there is then existing any known claim of Landlord's default hereunder and, if so and to the extent known, specifying the nature thereof, (f) whether or not the Lease contains any exclusive use provisions, and (g) any other matters relating to the status of such Lease as shall be reasonably requested by Landlord or any such mortgagee or beneficiary from time to time, provided that, in fact, such facts are accurate and reasonably ascertainable. Any such certificate or statement by Tenant may, at the election of the requesting party, include Tenant's undertaking not to pay rentals or other charges for more than a specified period in advance of the due dates therefor set forth herein. Upon request from time to time, Landlord agrees to provide Tenant with one or more similar estoppels for the benefit of Tenant's proposed permitted assignee(s), subtenant(s) and lender(s).

SECTION 5.03 UTILITIES Tenant, at its expense, shall arrange for and pay all costs for all utilities and services provided directly for or used in or at, and as separately metered to, the Demised Premises, commencing upon delivery by Landlord to Tenant and acceptance of the Demised Premises by Tenant upon the Possession Date and throughout the Term of this Lease. Tenant shall pay directly to the public utility companies the cost of any installation not included in Landlord's Work and all such utility services. If Tenant subsequently desires additional gas, telegraphic, burglar alarm, computer installations or signal service not contemplated by Landlord's Work or the initial Tenant's Work, Landlord shall, upon request and provided that any such service is feasible and compatible with Shopping Center systems, reasonably direct, in consultation with Tenant and the utility providers, the location and method of all connections and wiring, if any, for such service. The installation, maintenance and use of any such additional service beyond that contemplated by Landlord's Work shall be at Tenant's sole expense. Tenant agrees to indemnify and hold harmless Landlord from and against any and all claims arising from the installation by Tenant and maintenance of such utility being the Tenant's obligations to maintain and other services and from all costs and charges for utilities consumed on or by the Demised Premises.

SECTION 5.04 SIGN Tenant shall install and maintain one (1) sign affixed to the front of the Demised Premises, subject to the prior written approval of Landlord (which approval shall not be unreasonably withheld, conditioned or delayed) and conforming to all applicable legal and insurance requirements. Tenant's sign shall be consistent with the specifications and requirements contained in Exhibit G attached hereto. Tenant shall pay for all costs in connection with such sign and shall be responsible for the cost of proper installation and removal thereof and any damage caused to the Demised Premises thereby not otherwise resulting from the negligent or intentional acts of Landlord, its agents, employees and representatives. In the event Landlord deems it necessary to remove such sign for safety reasons then Landlord shall have the right to do so upon not less than ten (10) days prior written notice to Tenant and provided, further, that Landlord shall replace such sign as soon as practicable at Landlord's sole cost. No additional signs which can be seen from the exterior of the Demised Premises shall be installed or displayed in, on or about the Demised Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. Any interior signs must be tasteful and shall be prepared in a professional manner (not hand-lettered). Any sign or display visible from the exterior of the Demised Premises which does not meet the above criteria may, provided Tenant has not removed such upon notice of default, be removed at any time by Landlord without notice or Landlord incurring any liability therefor.

SECTION 5.05 TENANT'S WARRANTIES AND OBLIGATIONS Tenant warrants, represents, covenants and agrees to and with Landlord, that throughout the Term hereof it shall (i) subject to Landlord's obligations under this Lease, keep the Demised Premises, including the floors, signs and any platform or loading dock used exclusively by Tenant clean, neat, sanitary and safe and in good order, repair and condition (including all necessary replacements not the obligation of the Landlord, painting and decorating), and shall keep all glass in doors and windows comprising a portion of the Demised Premises clean and in good condition and shall replace promptly all glass which may become damaged or broken with glass of the same quality, ordinary wear and tear and damage by fire or other casualty excepted, (ii) pay, before delinquent, any and all taxes, assessments and public charges imposed upon Tenant's business, equipment or trade fixtures, (iii) comply, and cause all of Tenant's employees, agents, concessionaires, licensees and invitees to comply with all of the rules and regulations of the Shopping Center ("Rules and Regulations") as reasonably and non-discriminatorily adopted in writing from time to time and enforced by Landlord, provided, however, Landlord shall have no duty or obligation to enforce any of the Rules and Regulations (none which exist as of the Effective Date hereof) or the terms, covenants or conditions of any lease of space in the Shopping Center against any tenant or any other person or entity, and Landlord shall not be liable to Tenant, Tenant's agents or employees, or anyone claiming through Tenant, its agents or employees for violation of any of the Rules and Regulations of any term, covenant or condition of any lease by anyone or any entity, (iv) observe all restrictive covenants of record or of which Tenant is notified in writing which are applicable to the Shopping Center and its

Tenant, provided however, Landlord represents that the Demised Premises are not subject to any easements, rights, rules, regulations, duties, obligations, covenants, conditions, restrictions, limitations or agreements in existence or being negotiated which may or would materially hinder, interfere with, impede, constrain or otherwise restrict or prohibit Tenant's occupancy and use of the Demised Premises for the Permitted Use or the use, on a non-exclusive basis with other tenants and occupants of the Shopping Center, of the Common Areas, and Landlord will not, without the prior written consent of Tenant while this Lease, or any renewal or extension hereof, is in effect, agree to or undertake to make any modification, amendment or otherwise to any existing documents, instruments, declarations or restrictions which may be of record as of the Effective Date, or otherwise create or enter into any new agreements, or take or fail to take any act which would violate the terms and provision of this Lease, (v) not use the parking areas or sidewalks or any space outside the Demised Premises for display, sale, storage, or any other similar undertaking, (vi) not use any advertising medium or sound devices inside the Demised Premises which may be heard outside the Demised Premises, or permit any objectionable odors to emanate from the Demised Premises, (vii) keep the Demised Premises sufficiently heated to prevent freezing of water in pipes and fixtures in and about the Demised Premises, (viii) subject to the provision of this Section 5 05, comply and require all of Tenant's employees, agents, concessionaires, licensees and invitees to comply with all laws, ordinances, orders and governmental regulations, and with the directions of any public officer authorized by law, with respect to the Demised Premises or the Shopping Center and the use and occupancy thereof for the Permitted Use, (ix) operate its business in the Demised Premises under one of those anticipated Tenant's trade names as set forth in Section 5 01, and under no other name without the prior written approval of Landlord, (x) subject to Landlord's Work obligations hereunder, upgrade the sprinkler system within the Demised Premises to the extent required and otherwise install and maintain such fire protection devices as may be required by any governmental body related to Tenant's use of the Demised Premises for the Permitted Use, (xi) provide trash storage and removal services regardless of the location of any storage and removal facilities, except that if Landlord, in its sole discretion, shall provide trash services to Tenant, Tenant shall be obligated to use and pay for the same in the manner and as part of the Common Area Maintenance Expenses, (xii) change Tenant's air conditioning filter as necessary, but not less often than five (5) times a year, and have Tenant's air conditioner and heater serviced as necessary, but not less often than two (2) times a year, (xiii) subject to conditions or circumstances within or about the Shopping Center not created by Tenant or those under this control, keep the Demised Premises free from insects and vermin and contract for regularly scheduled extermination service at such times and with such contractors as Landlord shall approve in writing, and (xiv) employ only such labor in the performance of any Tenant Work in and about the Demised Premises as will not cause any substantial or material conflict or controversy with any labor organization representing trades performing work for Landlord, its contractors or subcontractors

SECTION 5 06 LEGAL REQUIREMENTS Tenant shall, at its own expense, comply with all laws, orders, ordinances and with directions of public officers thereunder respecting all matters of occupancy, condition or maintenance of the Demised Premises as pertains solely to Tenant's use of the Demised Premises for the Permitted Use(s), whether such orders or directions shall be directed to Tenant or Landlord, and Tenant shall hold Landlord harmless from any and all costs or expenses on account thereof. Tenant shall procure and maintain all licenses and permits legally necessary for the operation of Tenant's business and allow Landlord to inspect them on request. Notwithstanding anything to the contrary set forth in this Lease, including this Section 5 06, Landlord shall be solely responsible to comply, at its cost and expense but subject to reimbursement by Tenant for Tenant's Proportionate Share of Common Area Maintenance Expenses under Article VI to the extent applicable and recoverable, with all laws, statutes, ordinances, regulations or rules (including, without limitation, zoning, environmental, fire and the Americans with Disabilities Act) affecting the Shopping Center generally, including the Common Areas, and not pertaining solely to the Demised Premises for the Permitted Use.

ARTICLE VI COMMON AREA

SECTION 6 01 COMMON AREA DEFINED "Common Area" herein shall be defined as all areas exterior to the Demised Premises as shown or legal described on Exhibit A, which are available for the joint use and benefit of Landlord, Tenant and other tenants of the Shopping Center, and their respective employees, agents, subtenants, concessionaires, licensees, contractors, customers, patients and other invitees, including but not limited to parking areas, parking spaces, driveways, truck serviceways, passageways, sidewalks, entrances to and from public thoroughfares, exits, lighting facilities, loading docks (except that Tenant shall have the exclusive right to use the dumpster pad and loading dock and service areas immediately behind and serving the Demised Premises, if any,) courts, roof, landscaped areas and utility lines.

SECTION 6 02 USE During the Term of this Lease, Tenant is granted, subject to reasonable and non-discriminatory rules and regulations promulgated by Landlord from time to time as pertains to the entirety of the Shopping Center and in addition to those rights and privileges granted elsewhere in this Lease, the nonexclusive license to permit its employees, agents, subtenants, concessionaires, licensees, contractors, customers, patients and other invitees to use the Common Areas, including for ingress and egress to and from the Demised Premises from a public street or highway. Landlord shall, subject to the

other provisions of this Lease (including, without limitation, Section 4.01 hereof), have the right, at any time and from time to time, without notice to or consent of Tenant, to change the size, location, elevation and nature of any of the areas in the Shopping Center excluding the Demised Premises or of the Common Areas or any part thereof, including, without limitation, the right to locate and/or erect thereon kiosks, structures and other buildings and improvements of any type, subject to any easements and restrictions of record granted or approved by Landlord from time to time, to establish, modify, amend and enforce reasonable rules and regulations with respect to the Common Areas and the use thereof. Provided, however, during the Term hereof, as same may be extended by Tenant, Landlord shall not modify or alter the utilities running through or comprising any portion of the Common Areas servicing the Demised Premises to such an extent as would materially interfere with Tenant's use and enjoyment of the Demised Premises for the Permitted Use(s).

SECTION 6.03 COMMON AREA MAINTENANCE EXPENSES Landlord agrees to maintain and keep in good service and repair all Common Areas. Subject to the provisions of Section 6.03 hereof, Tenant agrees to reimburse Landlord, as Additional Rent, for its Proportionate Share (as determined in accordance with Section 6.04) of all costs and expenses incurred by Landlord in managing, servicing, insuring, cleaning, maintaining, repairing, and (to the extent Landlord, in its sole discretion, deems appropriate) policing and protecting all Common Areas in the Shopping Center (the "Common Area Maintenance Expenses"). Common Area Maintenance Expenses shall include, but not be limited to, the following costs and expenses: (i) gas, electricity, water, sewer, other utility charges (including surcharges) of whatever nature, and removal of rubbish, dirt, debris, snow and ice pertaining solely to the Common Areas, (ii) insurance premiums for insurance covering property damage, fire, extended liability coverage for the Shopping Center, rent loss, workers' compensation, employer's liability, and contractual liability insurance premiums, (iii) building personnel costs, including, but not limited to, salaries, wages, employment taxes, social security, fringe benefits, and other direct costs of engineers, superintendents, watchmen, porters, and any other building personnel, (iv) costs of service and maintenance contracts, including, but not limited to, chillers, boilers, roof controls, windows, janitorial and general cleaning, (v) all other maintenance and repair expenses and supplies which may be deductible for such calendar year in computing Federal income tax liability, (vi) any other costs and expenses (i.e., items which are not capital improvements) incurred by Landlord in operating the Shopping Center, including, without limitation, the costs and expenses required to properly maintain the parking lot and the landscaping for the Shopping Center; (vii) the costs of any additional services not provided to the Shopping Center at the Lease Commencement Date but thereafter provided by Landlord for the benefit of all tenants of the Shopping Center in the prudent management of the Shopping Center, (viii) the cost of any capital improvements which are made by Landlord after the completion of initial construction Shopping Center and excluding, in all respects, future additions to the Shopping Center of floor area for leasing or occupancy, provided, however, that the costs of each such capital improvement, together with any financing charges incurred in connection therewith, shall be amortized and/or depreciated over the useful life thereof and only that portion thereof attributable to such Lease Year shall be included in the Common Area Maintenance Expenses for such Lease Year, (ix) reasonable management fees and other administrative fees and costs (including attorneys' and auditors' fees) but excluding costs and fees expended in negotiating leases or in improving other leased premises for exclusive use of occupancy and (x) routine roof repair, maintenance or replacement. Common Area Maintenance Expenses shall not include (a) principal payments or interest payments on any mortgages, deeds of trust, or other financing encumbrances, (b) leasing commissions payable by Landlord, or (c) deductions for depreciation of the improvements shown on Exhibit A.

SECTION 6.04 CALCULATION OF COMMON AREA MAINTENANCE EXPENSE Tenant's obligations shall be calculated as follows: (a) Landlord shall aggregate together all Common Area Maintenance Expenses to which shall be added an additional administrative fee in an amount equal to fifteen percent (15%) of such expenses, (b) divide the Common Area Maintenance Expenses by a number which is the total square footage of the gross rentable floor area in the Shopping Center (and any expansion thereof), and (c) multiply the quotient arrived at through the calculations described in (b) above by the total square footage of floor area in the Demised Premises. The gross rentable floor area in effect for the whole of any Lease Year or partial Lease Year shall be the average of the gross rentable floor area on the first day of each calendar month in such Lease Year or partial Lease Year. Initially, and subject to reductions as may result following the Effective Date from future expansions of the Shopping Center, Tenant's percentage share shall be Two and Seven hundred fifty-eight percent (275.8%) as calculated by dividing the gross rentable square footage of the Demised Premises (3,160 square feet) by the total gross rentable square feet in the Shopping Center, whether occupied or not, (114,347 square feet) (the "Tenant's Proportionate Share"). Tenant shall pay Landlord, in advance and as Additional Rent, Tenant's Proportionate Share of Landlord's estimate of Common Area Maintenance Expenses, as computed above, in twelve (12) equal monthly installments with the monthly installment of Minimum Rent. Notwithstanding the above, in the event Landlord at any time determines that the amount of Common Area Expenses actually being paid by Landlord exceeds the estimate upon which Tenant's Proportionate Share of Common Area Expenses was computed, Tenant, following a written request, from Landlord, shall commence to pay with the next installment of monthly Minimum Rent due, and as Additional Rent hereunder, an amount sufficient to result in Tenant paying its full Tenant's Proportionate Share. At the

end of each year, there shall, in accordance with Section 6 05 below, be an adjustment if the estimated Tenant's Proportionate Share amount paid by Tenant differs from the Tenant's Proportionate Share actually incurred and paid in that year. Tenant's obligation to pay its Proportionate Share of Common Area Expenses arising during the Term of this Lease shall survive the expiration or, as applicable, earlier termination of this Lease for one (1) year.

SECTION 6 05 YEAR END VERIFICATIONS OF COMMON AREA MAINTENANCE EXPENSES, CAP

(a) Following the Commencement Date of the Term, at the end of each Lease Year, Landlord shall give written notice to the Tenant within three hundred sixty (360) days setting forth in reasonable detail by category the Common Area Maintenance Expenses for the Lease Year just ended. If Tenant's Proportionate Share of Common Area Maintenance Expenses for the Lease Year previously ended and subject to the verification exceeds the aggregate monthly payments of Additional Rent for such costs already paid by Tenant for such Lease Year, then Tenant, subject to, if applicable, the cap set forth in Section 6 05(c) hereof, shall pay the difference to Landlord within thirty (30) days of Tenant's receipt of such notice, subject however, to Tenant's right to contest such determination. If the aggregate monthly payments of Additional Rent for Common Area Maintenance Expenses exceed Tenant's Proportionate Share thereof for the subject Lease Year, then Landlord shall promptly, and in all events within thirty (30) days thereafter, submit payment of such overages to Tenant. Landlord agrees that refunds or rebates made to it from contestations made by Landlord or otherwise as to any Common Area Maintenance Expenses, as well as Taxes described under Article VIII hereof, during the course of any Lease Year shall be taken into account in calculating each year-end expenses adjustment so that the tenants and occupants of the Shopping Center, including Tenant, each receive the benefit of an equitable share of such refunds or rebates.

(b) Tenant shall have thirty (30) days following its receipt thereof to dispute the Landlord's calculation of Common Area Maintenance Expenses for each subject Lease Year by submitting written notice to Landlord, which notice shall include the specific allegations of Tenant's dispute. If within thirty (30) days after the submittal of the written notice, no settlement is reached, the disputed Common Area Maintenance Expenses items shall be referred to a certified public accounting firm selected by Landlord, and approved by the Tenant, to resolve the disputed items. In the event the determination results in a variance of ten (10%) per cent or less in the Tenant's Proportionate Share of Common Area Maintenance Expenses for the prior year, Tenant shall pay the expenses involved in such determination.

(c) Notwithstanding anything to the contrary in this Lease, including this Article VI, the amount of Common Area Maintenance Expenses payable by Tenant to Landlord hereunder shall not increase in any given subsequent Lease Year by an amount greater than ten percent (10%) over the amount of such expenses paid as Additional Rent hereunder by Tenant to Landlord in the immediately preceding Lease Year. The initial Common Area Maintenance Expense amount payable by Tenant as Additional Rent for its occupancy of the Demised Premises shall be \$658.33 per month, or \$7,900.00 annualized. Thus, by way of example only, the monthly amount of Common Area Maintenance Expense payable by Tenant in the first Lease Year being \$658.33 per month, in the second Lease Year of the Term the maximum monthly amount payable therefor by Tenant shall be \$724.16 per month, and the maximum monthly amount payable in the third Lease Year shall be \$796.58 per month and so forth through the remainder of the Term. It is also understood that the obligation for Additional Rent placed upon Tenant by the provisions of this Article VI and by Article VIII are intended to fairly reimburse Landlord for Tenant's Proportionate Share of such actual Common Area Maintenance Expenses hereunder (including Landlord's contemplated insurance expenses) and actual Real Estate Taxes incurred by Landlord and is not meant to result in a profit to Landlord. Further, to the extent that the water and/or sanitary sewer services provided to the Demised Premises are segregated from and separately metered to the Demised Premises from the Common Areas of the Shopping Center and from those premises of other tenants and occupants within the Shopping Center, Landlord shall not include in the Common Area Maintenance Expenses chargeable to Tenant those expenses as relates to services supplied to other premises within the Shopping Center.

ARTICLE VII REPAIRS AND MAINTENANCE

SECTION 7 01 LANDLORD'S OBLIGATIONS Landlord shall, at its cost and expense but subject to Tenant's obligations under Article VI as pertains to its Proportionate Share of Common Area Maintenance Expenses, keep in good repair, perform all maintenance to, and replace the structural and load-bearing portions of (including all load-bearing walls, columns, supports and joists), the roof and roof decking (if applicable), the foundation and floor slabs, and exterior of the Shopping Center, including outside the Demised Premises and about the Common Areas. Notwithstanding the foregoing, Tenant shall, at its own cost and expense, repair, replace and pay for all damage and maintenance to the roof, foundation, and exterior walls caused by any act or omission of Tenant or Tenant's employees, guests, agents, sublessees, invitees, suppliers, contractors, or damage caused by breaking and entering as to the Demised Premises or by uncured default hereunder of Tenant. Tenant shall immediately give Landlord

written notice of any defect or need for maintenance or repairs which Landlord is obligated to provide pursuant to this paragraph, after which Landlord shall have a reasonable opportunity to repair the same not to exceed forty-five (45) days (or such shorter time as may be reasonably and commercially appropriate for critical circumstances). No notice requirements placed upon Tenant hereby shall release Landlord from its obligations to remain reasonably informed as to the condition of the Shopping Center and to affirmatively take steps to repair, remediate or replace matters on the exterior of the Demised Premises for which Landlord is obligated without prior notice from Tenant. Landlord's liability hereunder shall be limited only to the cost of providing such maintenance, or repairs or curing such defects and shall in no event be construed to include any damage, consequential or otherwise that may be sustained by Tenant or any others by reason of such defects or needed maintenance and repairs unless resulting from the grossly negligent or intentional act or omission of Landlord. In the event Tenant should, after notice of default given by Landlord and failure to cure within the applicable cure period provided for by this Lease, continue to neglect to reasonably maintain the Demised Premises, or maintain the HVAC equipment, as set forth in Section 7.02 Landlord shall have the right, but not the obligation, to cause repairs to be made and all costs therefor shall be payable by Tenant to Landlord as Additional Rent on the next rental installment date, together with interest at the rate of 0.75% per month until Landlord's cost has been fully reimbursed.

SECTION 7.02 TENANTS OBLIGATIONS Tenant shall, at its sole cost and expense but subject to normal wear and tear, casualty loss and condemnation loss, promptly make or cause to be made all necessary repairs to the Demised Premises (except those which are the specific responsibilities of Landlord pursuant to the foregoing paragraph or as elsewhere set forth in this Lease), and shall include, but not be limited to, windows, glass and plateglass, doors, any special store fronts, interior non-structural walls, ceilings, and finish work, floors and floor coverings. All such repairs shall be of first quality and shall be constructed and installed to the reasonable satisfaction of Landlord and in compliance with all governmental codes and requirements and in accordance with the provisions of Section 4.05.

Subject to Landlord's initial obligations under Section 4.02, Section 4.03 and Exhibit D hereof, Tenant agrees to maintain and repair the HVAC equipment at its own expense during the Term of the Lease, if the same shall require repairs. In the event the cost of repairs to the HVAC is equal to or greater than the cost of replacement or if the unit cannot be repaired, Landlord shall be responsible for the cost of replacement of the HVAC unit(s). In such event, Tenant shall immediately notify Landlord of the need for the unit's replacement, and Landlord shall make a determination thereof through Landlord's own reasonable source. If Landlord's source shall determine the unit(s) should be replaced, Landlord shall take action to replace such unit(s) as quickly as reasonably possible given then-current weather conditions and contractor availability and shall, in all events, make such replacement within fifteen (15) days after determination of the need for replacement. If said unit(s) is/are not replaced within said fifteen (15) days, Tenant, upon written notice to Landlord, may obtain and install a suitable replacement unit at Landlord's cost and expense.

If Tenant refuses or neglects or otherwise fails to make any repairs or replacements required of it hereunder to the reasonable satisfaction of Landlord within the time period for cure for such Tenant omission or failure to act after written demand of Landlord as contemplated by Section 14.01(d), Landlord may then make such reasonable repairs or replacements and Tenant shall promptly pay Landlord's cost thereof plus annual interest at the Default Rate contemplated by Section 2.05 on the unpaid amount after presentation of a statement therefor, until Landlord's cost has been fully reimbursed. Subject to Section 9.02, if Tenant occupies space in which there is exterior glass, then Tenant shall be responsible for the damage, breakage or repair of such glass, except to the extent that Landlord or Tenant receives proceeds from Landlord's insurance specifically covering such damages, breakage and repairs. Notwithstanding any provision of this Article VII to the contrary, Tenant, at its expense, shall make any and all repairs to the Demised Premises as may be necessitated by any break-in, forcible entry, or other trespass unto or upon the Demised Premises (except by Landlord or those under its control), regardless of whether or not such entry and damage is caused by the negligence or fault of Tenant or occurs during or after business hours.

ARTICLE VIII REAL ESTATE TAXES

SECTION 8.01 LIABILITY. Starting with the Commencement Date and throughout the entire Term of this Lease, Tenant shall pay Landlord, as Additional Rent, Tenant's Proportionate Share of Taxes, as hereinafter defined, for each tax year. The term "Taxes" means the total of all taxes and assessments, general and special, ordinary and extraordinary, foreseen and unforeseen, including assessments for public improvements and betterments, assessed, levied or imposed during the Term of this Lease with respect to the ownership, leasing, management, control or operation of the land and improvements included within the Shopping Center, taxes on this Lease's Rents, or on this lease or subleases for the Demised Premises or on the privilege of leasing or subleasing for the Demised Premises, provided, however, not included in the term Taxes under any circumstances shall be any federal or state income tax, or any franchise, estate, excise tax, sales tax, gift or inheritance taxes, any real estate transfer taxes imposed by reason of sale of the Shopping Center, or any portion(s) thereof, and any penalties and

interest resulting from the late or non-payment of the Taxes. The term "Taxes" also includes all fees, costs and expenses (including reasonable attorneys fees and court costs) paid or incurred by Landlord in seeking or obtaining any refund or reduction of Taxes whether or not successful. If, at any time during the term of this Lease, the present method of taxation shall be changed so that in lieu of the whole or any part of any Taxes levied, assessed or imposed on real estate and the improvements thereon there shall be levied, assessed or imposed on Landlord a capital levy or other tax directly on the Rents received therefrom and/or a franchise tax, assessment, levy or charge measured by or based in whole or in part upon such Rents for the present or any future building or buildings in the Shopping Center, then all such taxes, assessments, levies or charges, or the part thereof so measured or based for the Demised Premises shall be deemed to be included within the term "Taxes" for the purposes hereof. Tenant's Proportionate Share of Taxes shall be two and seven hundred fifty-eight percent (2758%) and, subject to reduction due to future expansion of the Shopping Center, Tenant's Proportionate Share of Taxes shall be calculated as follows: (i) Landlord shall aggregate together all Taxes, (ii) then Landlord shall divide that number which is the total square footage of the gross leasable floor area in the Shopping Center (and any expansion thereof), and (iii) multiply the quotient by the total square footage of floor area in the Demised Premises. The gross leasable floor area in effect for the whole of any Lease Year or partial Lease Year shall be the average of the gross leasable floor area on the first day of each calendar month in such Lease Year or partial Lease Year.

SECTION 8 02 METHOD OF PAYMENT Tenant's Proportionate Share of Taxes shall be paid monthly (prorated for the first and last Lease Years of the Term) together with payments of Minimum Rent so that Landlord shall have sufficient funds to pay Taxes when due without advancing same on behalf of Tenant. On or about the Commencement Date, Landlord shall provide Tenant with a statement of the amount which Tenant must reimburse (where applicable) to Landlord for Taxes paid by Landlord in advance respecting Tenant's Proportionate Share of Taxes for the current tax year, or the amount which Tenant shall pay monthly so that by the next tax payment date Tenant will have paid its full share of Taxes for the current tax year, and the amount Tenant shall pay in equal monthly installments following the next tax payment date.

Monthly payments due after the tax payment date following the Commencement Date shall be based on Landlord's good faith estimate of Taxes required to be paid on the second tax payment date following the Commencement Date. Landlord may make adjustments (no more than once per Lease Year) in its estimates as necessary based upon billings from the taxing authority, and any adjustments necessary shall be paid or credited within twenty (20) days of Landlord's statement. The initial Tenant's Proportionate Share of Taxes payable by Tenant as Additional Rent for its occupancy of the Demised Premises shall be \$1,092.83 per month, or \$13,114.00 annualized. Notwithstanding the end of the Term hereof, Tenant and Landlord shall continue for a period of two (2) years after the Expiration Date or, as applicable, earlier termination hereof, to be liable to the other as applicable, for all Tenant's Proportionate Share of Taxes incurred for the period of Tenant's occupancy, and Tenant and Landlord shall promptly remit, and in all events within thirty (30) days, to the other any amount due to the other upon notice of a deficiency or, as applicable, overage in the amount of Taxes theretofore paid by Tenant on its Proportionate Share basis.

ARTICLE IX INSURANCE, INDEMNITY AND LIABILITY

SECTION 9 01 LANDLORD'S OBLIGATIONS Landlord shall obtain and maintain as part of the Common Area Maintenance Expense pursuant to Article VI, during the Term of this Lease, fire and extended coverage insurance, insuring against all reasonable perils and liabilities, for not less than ninety percent (90%) of the replacement value of the Shopping Center, including the Demised Premises and Landlord's Work. Landlord shall also, at its sole cost and expense, carry general public liability as regards the Common Areas in amounts as commercially reasonable or, at a minimum, at levels required by Landlord's lender(s). Such insurance shall be issued by an insurance company licensed to do business in the State of Illinois.

SECTION 9 02 TENANT'S OBLIGATIONS

(a) Tenant, at Tenant's sole cost and expense, shall obtain and maintain, for the Term of this Lease, as such Term may be extended, insurance policies providing the following coverage: (i) Tenant's fixtures, equipment, furnishings, merchandise, and other contents in the Demised Premises, for the value of said items as Tenant may reasonably determine in its discretion, (ii) all perils included in the classification "fire and extended coverage" under insurance industry practices in effect from time to time in the jurisdiction in which the Shopping Center is located on Tenant's improvements within the Demised Premises as Tenant may reasonably determine in its discretion, (iii) plate glass insurance, if available, and (iv) Commercial General Liability and Workers' Compensation insurance naming Landlord and its property manager, if applicable, of the Shopping Center as additional insureds, which policy is to be in the minimum amount of One Million and No/100 Dollars (\$1,000,000.00) combined aggregate limit for bodily injury and property damage. The minimum limits hereinabove set forth may, at Landlord's option, be increased by not more than ten percent (10%), such increase to occur not more often than once during

each two (2) consecutive Lease Years during the Term hereof Tenant shall deliver to Landlord certificates of insurance evidencing the insurance to be carried by Tenant hereunder prior to the Commencement Date, upon all renewals thereof and within thirty (30) days following the expiration of such coverage

(b) The policies described in this Section 9.02 shall (i) be written by responsible insurance companies authorized to do business in the State of Illinois and acceptable to Tenant and reasonably acceptable to Landlord provided that Tenant may elect to carry the insurance described under one or more insurance policies and/or pursuant to a "blanket" policy of insurance covering other locations of Tenant and/or its related entities, (ii) subject to deductible amounts and self-insured retention amounts that are reasonable under the circumstances for an entity in the industry of Tenant and its direct or indirect parent company, Renai Care Group, Inc. ("Parent"), which entity is of comparable size and creditworthiness of Parent so long as Tenant agrees to pay all such deductible or self insured retention amounts in the event of any claim under such insurance, (iii) contain, to the extent and at a cost reasonably available to Tenant, an express waiver of any right of subrogation by the insurance company against Landlord and Landlord's agents and employees (iv) contain a provision that it shall not be cancelled and that it shall continue in full force and effect unless Landlord has received at least thirty (30) days prior written notice of such cancellation or termination, (v) shall contain a provision that such policy and the coverage evidenced thereby shall be primary and noncontributing with respect to any policies carried by Landlord and that any coverage carried by Landlord (except those casualty and property damage policies carried by Landlord on the Shopping Center, generally, including the Common Areas) shall be excess insurance, (vi) subject to the other provisions of this Lease, shall contain a provision (to the extent available) that no act or omission of Landlord shall effect or limit the obligation of the insurer to pay the amount of any loss sustained, and (vii) not be materially changed as respects the Demised Premises without prior notice to Landlord

(c) Tenant shall not knowingly permit to be done any act which will invalidate or be in conflict with the fire insurance policies covering the Shopping Center or any other insurance referred to in this Lease. Tenant will promptly comply with all future reasonable rules and regulations, if any, relating to such policies, provided such do not interfere with the Permitted Use. If the acts of Tenant or its employees or agents shall increase the rate of insurance referred to in this Lease, such increases shall be at the cost and expenses of Tenant, provided, however, Landlord represents and warrants to Tenant that Tenant's intended use of the Demised Premises, generally, for the Permitted Use(s) shall not (i) invalidate or conflict with Landlord's insurance policies, (ii) conflict with any future rules and regulations relating to such policies (there being, as of the Effective Date, no such rules and regulations in existence), and (iii) shall not increase the cost and expense of such insurance or policies

(d) In the event that Tenant fails to procure, maintain and/or pay for, at the times and for the durations specified in this Section 9.02, any insurance required by this Section, or fails to carry insurance required by law or governmental regulation, as regards its business operations within the Demised Premises Landlord may (but without obligation to do so) at any time or from time to time, after Tenant's failure to cure upon fifteen (15) days prior written notice, procure such insurance and pay the reasonable premiums therefore, in which event Tenant shall repay the Landlord all sums so paid by Landlord together with interest thereon as provided elsewhere herein and any reasonable costs or expenses incurred by Landlord in connection therewith, within twenty (20) days following Landlord's written demand to Tenant for such payment

SECTION 9.03 COVENANTS TO HOLD HARMLESS

(a) Landlord and Tenant each hereby releases the other, and their respective officers, directors, employees, and agents from any and all liability or responsibility for any loss or damage to property covered by, or which loss or damage is required pursuant to this Lease to be insured by, valid and collectible fire insurance with standard and extended coverage endorsement, to the extent of the proceeds collected or collectible under such insurance policies or which would have been collectible under such insurance policies if maintained as required hereunder, even if such fire or other casualties shall have been caused by the fault or negligence of the other party, or any one for whom such party may be responsible

(b) Tenant agrees to hold harmless and indemnify Landlord, Landlord's beneficiary, and their respective agents, beneficiaries, partners, officers, servants and employees against claims and liabilities, including reasonable attorneys' fees, (i) for and against injuries to all persons and damage to, or the theft or misappropriation or loss of property occurring in the Demised Premises, arising from Tenant's occupancy of the Demised Premises or the conduct of its business or from activity, work, or anything done, permitted or suffered by Tenant in or about the Demised Premises, or (ii) from any uncured breach or default on the part of Tenant in the performance of any covenant or agreement on the part of Tenant to be performed pursuant to the terms of this Lease, or (iii) due to any the gross negligent act or omission of Tenant, its agents, employees, guests or invitees in or about the Demised Premises. In case of any action or proceeding brought against Landlord, Landlord's beneficiary, any mortgagee, master lessor or any of

their respective agents, beneficiaries, partners, officers, servants or employees by reason of any such claims for which Tenant is obligated hereunder, upon notice from Landlord, Tenant covenants to defend such action or proceeding at Tenant's expense with counsel reasonably satisfactory to Landlord.

(c) Landlord agrees to hold harmless and indemnify Tenant, Tenant's successors or assignees, any and all subtenants, and their respective agents, beneficiaries, partners, officers, servants and employees against claims and liabilities (i) for and against injuries to all persons and damage to, or theft or misappropriation or loss of property occurring outside the Demised Premises, arising from Landlord's actions with respect to areas of the Shopping Center outside the Demised Premises, or (ii) from the conduct of its business or from activity, work, or anything done, permitted or suffered by Landlord outside the Demised Premises (iii) from any uncured breach or default on the part of Landlord in the performance of any covenant or agreement on the part of Landlord to be performed pursuant to the terms of this Lease, or (iv) due to the gross negligence of Landlord or its agents. In case of any action or proceeding brought against Tenant, Tenant's assignees or successors, any and all subtenant(s), or any of their respective agents, beneficiaries, partners, officers, servants or employees by reason of any such claims, upon notice from Tenant, Landlord covenants to defend such action or proceeding at Landlord's expense.

SECTION 9 04 LIABILITY OF LANDLORD TO TENANT Except with respect to any damages resulting from the gross negligence of Landlord or otherwise being the obligation of Landlord under this Lease, Tenant but only to the extent permitted by applicable law, releases Landlord and Landlord's beneficiary and their respective agents, beneficiaries, partners, officers, servants and employees, from and waives all claims for damages to person or property sustained by Tenant, its agents, employees, representatives resulting directly or indirectly from damage caused by water, snow, frost, steam, excessive heat or cold, sewerage, any gas, odors or noise, or the bursting or leaking of pipes or plumbing fixtures, falling plaster, broken glass, sprinkling, heating, ventilating or air conditioning systems, devices or equipment, or flooding, and shall apply without distinction as to the person whose act or neglect was responsible for the damage and whether the damage was due to any of the acts specifically enumerated above or from any other thing or circumstance, whether of a like nature or of a wholly different nature. All personal property belonging to the Tenant or any occupant of the Demised Premises, or their respective agents, employees, representatives, that is in the Demised Premises or Shopping Center shall be there at the risk of Tenant or such other person only, and Landlord and Landlord's beneficiary and their respective agents, beneficiaries, partners, officers, servants and employees shall not be liable for damage thereto or theft or misappropriation thereof, unless caused by the gross negligence or willful misconduct of Landlord or its representatives, agents or employees, or those under Landlord's control.

ARTICLE X DESTRUCTION OF DEMISED PREMISES

SECTION 10 01 RECONSTRUCTION, LEASE CONTINUANCE AND RENT ABATEMENT If all or a substantial portion of the Demised Premises shall be damaged by fire or other casualty, this Lease shall not be terminated or otherwise affected, except that, if (i) any such fire or other casualty occurs at any time following the first day of the ninety-seventh (97th) month of the Term of this Lease and the cost of repairs to the Demised Premises exceeds Ten Thousand Dollars (\$10,000.00) as estimated by Landlord within thirty (30) days of the casualty event, or (ii) the 1156-A Lease is terminated by its terms as a result of a fire or other casualty event, then in either of the foregoing circumstances contemplated by subparts (i) or (ii) herein, then, in such event, either Landlord or Tenant may terminate this Lease upon written notice to other within sixty (60) days following the casualty event, or (iii) if the Demised Premises and/or the building in which the Demised Premises are located and/or another building or other building in the Shopping Center are damaged or destroyed

(a) by fire or other casualty insured under Landlord's insurance policies in effect on the date of the fire or other casualty, so that thirty-three percent (33%) or more of the floor space contained in the Demised Premises, and fifty percent (50%) or more of the floor space designed for occupancy by other tenants in the building in which the Demised Premises are located or fifty percent (50%) or more of the floor space designed for occupancy by tenants in all the buildings in the Shopping Center is untenable, or

(b) more than thirty-three percent (33%) of the Common Areas are damaged by fire or other casualty, or

(c) by any casualty other than those covered by Landlord's insurance policies in effect on the date of such casualty, then, in any such event, Landlord, at its option, may terminate this Lease upon thirty (30) days notice to Tenant given within ninety (90) days after the fire or other casualty.

Upon the giving of any such notice of termination under subparts (i), (ii) or (iii) hereof by Landlord or, if and as applicable, Tenant, the Term of this Lease shall terminate by limitation upon the giving of said notice as fully and effectively as if the date said notice is given had been the date in this Lease specifically provided for the termination of the Term of this Lease, and upon such termination,

neither party shall have any further rights or obligations to the other, other than as specifically set forth in this Lease. If this Lease is not terminated by either party under subparts (i) or (ii), or if Landlord does not terminate this Lease under subpart (iii)(a), (iii)(b) or (iii)(c) above, then Landlord shall, at its sole cost and expense, promptly and with due diligence repair and/or rebuild the Demised Premises and/or the damaged or destroyed building or buildings, as the case may be, the Term of this Lease shall continue without interruption, and this Lease shall remain in full force and effect. In the event this Lease is not terminated as provided for above but Landlord thereafter fails or is otherwise unable for any reason(s) to fully repair or rebuild the damaged areas, including the Demised Premises and, as applicable, Common Areas, within one hundred twenty (120) days following the date of such casualty event, then, in such event, and notwithstanding anything to the contrary set forth in this Lease, Tenant may terminate this Lease upon written notice to Landlord. If the casualty occurs during the first sixty (60) months of the Term and this Lease is not terminated as contemplated hereby, Tenant shall, using the proceeds from the insurance provided for in Section 9.02, repair, restore, replace or rebuild that portion of the Demised Premises constituting Tenant's Work, as defined herein, together with any additional improvements installed by Tenant, such that the Demised Premises shall be restored to its condition as of immediately prior to the occurrence of such casualty. Following the sixtieth (60th) month of the Term of this Lease, Tenant shall have no obligation to rebuild or repair the Demised Premises upon the occurrence of a casualty event, provided, however, this Lease shall remain in effect, unless otherwise terminated pursuant to this or other provisions of this Lease. All proceeds of Tenant's insurance carried as to its alterations, improvements, fixtures, equipment, etc., shall remain the property of and be payable solely to Tenant. If Tenant's insurance proceeds shall be less than Tenant's obligation hereunder, Tenant shall pay the entire excess cost, to the extent Tenant is obligated to reconstruct such improvements, fixtures or otherwise. The Minimum Rent, Tenant's Proportionate Share of Common Area Maintenance Expenses, and Tenant's Proportionate Share of Taxes and other Additional Rent amounts or contributions which are payable hereunder during the existence of such damage and until such repair or rebuilding is substantially completed shall be equitably abated. Equitable abatement shall terminate upon the earlier of (i) the date upon which Tenant re-commences to use substantially all of the Demised Premises for business with the public, or (ii) the date upon which Landlord substantially completes its repair or rebuilding work plus the expiration of a period equal in duration to one hundred twenty (120) days thereafter. However, in no event shall Minimum Rent abate, in whole or in part, if such fire or casualty was caused by the act or neglect of Tenant, its employees or agents.

ARTICLE XI CONDEMNATION

SECTION 11.01 EMINENT DOMAIN If fifteen percent (15%) or more of the floor area of the Demised Premises shall be taken or condemned by any competent government authority, then either party may elect to terminate this Lease by giving notice to the other party not more than ninety (90) days after the date on which such title shall vest in the authority, provided, that if Landlord elects, by giving Tenant written notice thereof within thirty (30) days following the condemnation date, to make reasonably comparable space in the Shopping Center available to Tenant under the same terms as herein provided and so long as Tenant received insurance or other compensation to improve such new space, Tenant shall accept such space and this Lease shall then apply to such space. Appropriate adjustments will be made to reflect any difference between the rentable area of the replacement space and the rentable area of the Demised Premises. In the event this Lease is not terminated by either party as contemplated hereby, Landlord shall promptly, at its sole cost and expense except as for improvements or modifications to the Demised Premises as constituting Tenant Work, and within one hundred twenty (120) days of the date of conveyance in condemnation or taking repair or reconstruct the Shopping Center to a condition substantially similar to the original Shopping Center taking into consideration the areas affected by such event of condemnation or taking. If Landlord is unable for any reason(s) to fully repair or rebuild the damaged areas, including the Demised Premises and, as applicable, Common Areas, within said one hundred twenty (120) days, then, in such event, and notwithstanding anything to the contrary set forth in this Lease, Tenant may terminate this Lease upon written notice to Landlord. In all events hereunder, if the parking facilities are reduced below the minimum parking requirements imposed by the applicable authorities or this Lease, Landlord or Tenant may elect to terminate this Lease by giving the other notice within one hundred twenty (120) days after such taking. In case of any taking or condemnation whether or not the Term of this Lease shall cease and terminate, the entire award shall be the property of Landlord, provided, however, so long as such does not diminish the award payable to Landlord for its interests in the Demised Premises, Tenant shall be entitled to receive the award, if any, attributable to the then unamortized value of the permanent and affixed Tenant improvements and alterations made by it to the Demised Premises prior to and during the Term of this Lease. Further, nothing contained herein shall prevent Tenant from pursuing a separate claim against the condemning authority for relocation expenses and the value of furnishings, equipment and trade fixtures installed in the Demised Premises at Tenant's expense and which Tenant is entitled pursuant to this Lease to remove at the expiration or earlier termination of the term, the value of the unexpired Term, and loss of business, including profits.

SECTION 11.02 RENT APPORTIONMENT Tenant's obligation to pay Minimum Rent and Tenant's obligations as to Additional Rents shall be apportioned or ended, as the case may be, as of the date of vesting of title or termination of this Lease as a result of such condemnation. Any purchase of all

or a portion of the Shopping Center in lieu of a taking or condemnation under powers of eminent domain shall be deemed a taking or condemnation thereof

ARTICLE XII ASSIGNMENT, SUBLETTING AND ENCUMBERING LEASE

SECTION 12 01 ASSIGNMENT, SUBLETTING Tenant shall not, without the express written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed (i) assign or otherwise transfer, mortgage, pledge or encumber or otherwise hypothecate this Lease or any of its rights hereunder or offer or advertise to do so, (ii) sublet the Demised Premises or any part thereof or permit the use of the Demised Premises or any part thereof by any persons other than Tenant or its agents, or (iii) permit the assignment or other transfer of this Lease or any of Tenant's rights hereunder by operation of law. Notwithstanding the foregoing, Landlord agrees that a transfer or assignment of this Lease in conjunction with a transfer of all or substantially all of the assets of Tenant, or of the membership interests of Tenant, or of Guarantor, or of the parent company of Tenant shall not be deemed to be a transfer in violation of this paragraph or any other provision of this Lease and shall not require Landlord's prior approval (but shall be given prior written notice) so long as the surviving or purchasing entity has a net worth at the date of the proposed assignment of at least Ten Million Dollars (\$10,000,000.00). In the event of an assignment, transfer, or sublease, unless otherwise specifically agreed by Landlord, Tenant shall not be relieved of its obligations or liabilities hereunder for the balance of the remaining Term of this Lease then in existence, provided, however, Tenant's continuing obligations shall, as to any non-affiliate of Tenant, survive for only the remaining Term then in effect, excluding any as of yet unexercised renewal terms. Further, provided Tenant is not in default hereunder and Landlord is provided prior written notice, Landlord expressly consents to Tenant's assignment or subletting of the Demised Premises or any part thereof to any parent, subsidiary or affiliate of Tenant, provided Tenant or the parent entity of Tenant retains majority control of such entity, and such assignment or subletting shall not relieve or release Tenant from any obligations of Tenant under this Lease. Tenant may also sublease or license any portion(s) of the Demised Premises to medical practitioners, third-party physicians, practice groups or professional corporations without the consent of Landlord, provided Tenant remains obligated hereunder. Any attempted or purported transfer, assignment, mortgaging, pledging, encumbering or otherwise hypothecating of this Lease or any of Tenant's interest hereunder, and any attempted or purported subletting or grant of a right to use or occupy all or a portion of the Demised Premises, in violation of this Article XII shall be null and void and shall not confer any rights upon any purported transferee, assignee, mortgagee, sublessee, or occupant.

SECTION 12 02 TENANT COVENANTS Tenant specifically acknowledges that no sublease or assignment whether approved by Landlord or not, shall, (i) in any way change or otherwise affect the Permitted Use as set forth in Section 5 01 hereof unless addressed in such written consent, or (ii) violate any exclusive use or other restrictive covenant granted by Landlord of which Tenant has notice. As of the Effective Date of this Lease, Landlord represents and warrants it has granted only the following exclusive uses within the Shopping Center: (a) retail sale of "Italian-style" food to Riccardo's, (b) full service retail hair salon to Late Night Hair, (c) dental office and associate dental lab facility to Dr. Vinay Patel, (d) travel agency and retail specialty coffee and similar beverages to Café Caribe, (e) full service Indian (or southwest Asian) store to sell Indian groceries, Indian movies and CD's or such other items generally sold in an Indian Retail Store to Indian Grocery Store, (f) sale of flowers to Old Schaumburg Florist, (g) dry cleaning and professional shirt laundry to Valet Express, (h) children's dance studio and training to Dorothy Dance, (i) exercise facility to Women's Workout World, (j) personnel and staffing agency to Express Personnel, (k) take-out and delivery of pizza to Papa Saverio's, and (l) retail dollar and/or convenience store to Dollar Mart. Landlord will provide written notice to Tenant of future exclusives which Landlord may grant as to premises in the Shopping Center.

SECTION 12 03 CONSENT PROCESS In the event Tenant desires to sublet the Demised Premises, or any portion thereof, or assign this Lease, and such transfer, subletting or assignment requires Landlord's consent Tenant shall give written notice thereof to Landlord at least sixty (60) days prior to the proposed commencement date of such subletting or assignment, which notice shall set forth the name of the proposed subtenant or assignee, the relevant terms of any sublease and copies of financial reports and other relevant financial information of the proposed subtenant or assignee. Landlord shall notify Tenant in writing of its decision to approve or disapprove of the proposed subletting or assignment within sixty (60) days after Landlord's actual receipt of Tenant's written notice. Notwithstanding any assignment or subletting to which consent is given, Tenant shall at all times remain directly, primarily and fully responsible and liable for the payment of the Rent herein specified and for compliance with all of its other obligations under the terms, provisions and covenants of this Lease subject to the qualifications set forth in Section 12 01 above. Upon a Default (as hereinafter defined), if the Demised Premises or any part thereof are then assigned or sublet, Landlord, in addition to any other remedies herein provided or provided by law, may, at its option, collect directly from such assignee or subtenant all such Rents due and becoming due to Tenant under such assignment or sublease and apply such Rent against any sums due to Landlord from Tenant hereunder and no such collection shall be construed to constitute a novation or a release of Tenant from the further performance of Tenant's obligations hereunder. No assignment, or pledge shall become effective until said assignee or pledgee has agreed in writing, on a form reasonably

approved by Landlord, to be bound by this Lease for matters first accruing hereunder thereafter just as if said assignee or pledgee were the original tenant

SECTION 12 04 COST REIMBURSEMENT Any costs and expenses, including attorneys fees (which shall include the cost of any time expended by any in house counsel of Landlord) incurred by Landlord in connection with any proposed or purported assignment, encumbrance, transfer or sublease requiring Landlord's consent shall be borne by Tenant and shall be payable to Landlord within twenty (20) days on demand as Additional Rent, provided such costs and expenses reimbursable by Tenant shall not exceed Five Thousand Dollars (\$5,000.00)

ARTICLE XIII SUBORDINATION AND FINANCING

SECTION 13 01 SUBORDINATION This Lease and Tenant's tenancy hereunder shall be subject and subordinate at all times to the lien of any mortgage, mortgages, deeds of trust or ground leases now or hereafter placed upon the interest of the Landlord in the Shopping Center and/or the Demised Premises. This subordination shall likewise apply to each and every advance made or hereafter to be made under such mortgages, to all renewals, modifications, replacement and extensions of such leases and such mortgages, and to spreaders and consolidations of such mortgages. The subordination provisions of this Section 13 01 shall be self-operative and no further instrument of subordination shall be required. However, in confirmation of such subordination, Tenant agrees to execute and deliver such instruments as may be reasonably requested by Landlord or by any mortgagee subordinating this Lease to the lien of any present or future mortgages or deeds of trust, within twenty (20) days after written request therefor by Landlord. Notwithstanding the foregoing, in consideration for Tenant's subordination, Landlord shall obtain the agreement (in a form reasonably acceptable to Tenant and addressing such other matters as Tenant and Landlord's lender, ground lessor or superior interest holder may deem appropriate) of each existing and future holder of any and all mortgages, deeds of trust, mortgages or security instruments ground leases or superior interest in, to or on the Shopping Center and for the benefit of Tenant consenting to this Lease, and its terms and conditions, and agreeing that it will not disturb the possession of Tenant in the Demised Premises following the foreclosure, taking of deed in lieu, termination (as may be the case) of such mortgage, deed of trust ground lease, or other proceedings or actions to enforce such mortgage, deed of trust or ground lease, or casualty event if this Lease is not terminated so long as Tenant is not in default hereunder beyond the expiration of applicable cure periods.

SECTION 13 02 ATTORNMEN If and so long as this Lease is in full force and effect, then at the option of the mortgagee but subject to pre-existing non-disturbance agreements between such mortgagee and Tenant (i) this Lease shall, subject to Tenant's rights and remedies under this Lease, remain in full force notwithstanding (a) a default under the mortgage by Landlord, (b) failure of Landlord to comply with this Lease, (c) a defense to which Tenant might be entitled against Landlord under this Lease, or (d) any bankruptcy or similar proceedings with respect to Landlord, (ii) if any such mortgagee shall become possessed of the Demised Premises, Tenant shall, subject to Tenant's rights and remedies under this Lease, be obligated to such mortgagee to pay to it the Rents and other charges due hereunder and to thereafter comply with all the terms of this Lease, and (iii) if any mortgagee or purchaser at a private or public sale shall become possessed of the Shopping Center, including the Demised Premises, Tenant shall, without charge, subject to Tenant's rights and remedies under this Lease, attorn to such mortgagee or purchaser as its landlord under the Lease.

ARTICLE XIV DEFAULTS

SECTION 14 01 ELEMENTS OF DEFAULT If any one or more of the following events occur, said event or events shall hereby be a "Default" hereunder.

(a) if Tenant, or any guarantor of Tenant's obligations hereunder, shall make an assignment for the benefit of creditors or file a petition in any state court in bankruptcy, reorganization, composition, or make an application in any such proceedings for the appointment of a trustee or receiver for all or any portion of its property,

(b) if any petition shall be filed under state law against Tenant, or any guarantor of Tenant's obligations hereunder, in any bankruptcy, reorganization, or insolvency proceedings, and said proceedings shall not be dismissed or vacated within forty-five (45) days after written notice from Landlord that such petition is filed,

(c) if a receiver, or trustee shall be appointed under state law for Tenant, or any guarantor of Tenant's obligations hereunder, for all or any portion of the property of either of them, and such receivership or trusteeship shall not be set aside within forty five (45) days after written notice from Landlord that such appointment has been made.

(d) if Tenant refuses to take possession of the Demised Premises at the delivery of Possession Date, and fails to cure such within thirty (30) days thereafter, provided Landlord has first properly and substantially completed Landlord's Work in accordance with the terms of this Lease

(e) (INTENTIONALLY DELETED),

(f) if Tenant fails to pay Minimum Rent, its share of Additional Rent, including the Common Area Maintenance Expenses, Taxes, or any other charges required to be paid by Tenant, within five (5) days of when same shall become due and payable and fails to cure such default upon ten (10) days written notice from Landlord,

(g) if Tenant shall fail to perform or observe any terms and conditions of this Lease other than those matters identified in subsections (a), (b), (c), (d), (f), (h), (i), (j), (k) and (l) of this Section 14 01, and such failure shall continue for twenty (20) days after Tenant's receipt of written notice from Landlord (except that such twenty (20) day period shall be automatically extended for such additional period of time as is reasonably necessary in Landlord's opinion to cure such Default but in no event more than sixty (60) days - if such Default cannot be cured within such period, provided Tenant commences the process of curing the same within said twenty (20) day period and diligently pursues such cure),

(h) if Tenant shall be given a total of five (5) notices of Default during the initial Term of this Lease or, as applicable, each renewal option Terms under Section 14 01(f) or (g), notwithstanding any subsequent cure of the Default identified in such notices,

(i) if any execution, levy, attachment or other legal process of law shall occur upon Tenant's goods, fixtures, or interest in the Demised Premises and such is not dismissed or vacated within forty-five (45) days of written notice from Landlord to Tenant that such process has been instituted,

(j) if Tenant does, or permits to be done, any act which causes a mechanics' lien claim to be filed against the Demised Premises or the Shopping Center and Tenant does not comply with the provisions of Section 4 06,

(k) if Tenant fails to cure immediately any hazardous condition that Tenant has first created or caused within the Demised Premises in violation of law or in breach of this Lease by Tenant or thus controlled by Tenant, or

(l) if Tenant defaults under any other lease of space in the Shopping Center, including the 1156-A Lease, and fails to use such default(s) within the curative time period(s) prescribed thereby

SECTION 14 02 LANDLORD'S REMEDIES Should a Default occur under this Lease, and Tenant thereafter fails to cure same during the provided grace and cure period Landlord may pursue any or all of the following

(i) Landlord may terminate this Lease, by giving written notice of such termination as provided in the appropriate subsection of Section 14 01 above, whichever is applicable, to Tenant, whereupon this Lease shall automatically cease and terminate and Tenant shall be immediately obligated to quit the Demised Premises. If Landlord elects to terminate this Lease, everything contained in this Lease on the part of Landlord to be done and performed shall cease without prejudice, subject, however, to the right of Landlord to recover from Tenant all Rent and any other sums accrued up to the time of termination or recovery of possession by Landlord, whichever is later

(ii) Upon termination of this Lease pursuant to Section 14 02(i), Landlord may proceed to recover possession of the Demised Premises under and by virtue of the provisions of the laws of the jurisdiction in which the Shopping Center is located, or by such other proceedings, including re-entry and possession, as may be applicable

(iii) Should this Lease be terminated before the expiration of the Term of this Lease by reason of Tenant's uncured Default as hereinabove provided, or if Tenant shall intentionally and legally abandon the Demised Premises before the expiration or termination of the Term of this Lease without having paid, or having the interest of paying the full rental for the remainder of such Term as such accrues, Landlord shall have the option to relet the Demised Premises for such rent and upon such terms as are not unreasonable under the circumstances and if the full rental reserved under this Lease (and any of the costs, expenses or damages indicated below) shall not be realized by Landlord Tenant shall be liable for all damages sustained by Landlord, including, without limitation, deficiency in Rent, reasonable attorneys' fees, brokerage fees and expenses of placing the Demised Premises in commercially reasonable rentable condition. Landlord, in putting the Demised Premises in good order or preparing the same for rental may, at Landlord's option, make such alterations, repairs or replacements in the Demised Premises, and the making of such alterations, repairs, or replacements shall not operate or be construed to release

Tenant from liability hereunder as aforesaid. While Landlord agrees to use good faith efforts to mitigate its damages upon an uncured default by Tenant, Landlord shall in no event be liable in any way whatsoever for failure to relet the Demised Premises, or in the event that the Demised Premises are relet for failure to collect the rent under such reletting, and in no event shall Tenant be entitled to receive the excess, if any, of such net rent collected over the sums payable to Tenant to Landlord hereunder.

(iv) Any damage or loss of Rent sustained by Landlord may be recovered by Landlord, at Landlord's option, at the time of the reletting, or in separate actions, from time to time, as said damage shall have been made more easily ascertainable by successive relettings, or at Landlord's option in a single proceeding deferred until the expiration of the Term of this Lease (in which event Tenant hereby agrees that the cause of action shall not be deemed to have accrued until the date of expiration of said Term).

(v) Nothing contained herein shall prevent the enforcement of any claim Landlord may have against Tenant for anticipatory breach of the unexpired Term of this Lease. In the event of a breach or anticipatory breach by Tenant of any of the covenants or provisions hereof, Landlord shall have the right of requesting an injunction and the right to invoke any remedy allowed at law or in equity as if re-entry, summary proceedings and other remedies were not provided for herein. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed for any cause, or in the event of Landlord obtaining possession of the Demised Premises, by reason of the uncured Default by Tenant of any of the covenants and conditions of this Lease or otherwise.

SECTION 14.03. EVENTS OF DEFAULT BY LANDLORD, TENANT'S REMEDIES. Except where a shorter period of time may be provided for elsewhere in this Lease, if Landlord shall violate or fail to perform any material term, condition, covenant or agreement to be performed or observed by Landlord under this Lease, and such failure shall continue for a period of thirty (30) days after written notice thereof (plus such additional time as is reasonably necessary in the event such default is incapable of being cured in thirty (30) days so long as Landlord is continuously and diligently pursuing the remedy of such default), then, in addition to all other rights and remedies available to it at law and in equity, Tenant shall have the right, at its sole option, to cure such Landlord defaults. Should Tenant elect to cure Landlord's defaults, then Tenant may perform such act or acts required of Landlord hereunder in a manner as Tenant deems reasonable and commercially necessary and, in such event, within twenty (20) days of written demand by Tenant for reimbursement of the reasonable costs, expenses and fees expended by it in curing same. Landlord's obligations under this Section 14.03 shall survive a termination or expiration hereof for a period of one (1) year. In the event of default by Landlord, Tenant agrees that it shall use reasonable efforts to mitigate its damages.

SECTION 14.04. ADDITIONAL REMEDIES AND WAIVERS. The rights and remedies of both parties set forth herein shall be in addition to any other right and remedies now or hereinafter provided by law, and all such rights and remedies shall be cumulative, provided, however, only actual damages and not any exemplary special, consequential damages shall be recoverable upon an event of uncured default by either party. No action or inaction by either party shall constitute a waiver of a Default and no waiver of Default shall be effective unless it is in writing, signed by the party agreement whom such waiver is sought to be enforced.

SECTION 14.05. CURE OF TENANT DEFAULT. If Tenant shall be in Default hereunder after expiration of the applicable cure period(s) prescribed by Section 14.01, Landlord shall have the option, upon ten (10) days further written notice to Tenant, to cure said Default for the account of and at the expense of the Tenant. No such notice shall be required for emergency repairs. Tenant agrees to pay Landlord interest, at a rate equal to the Default Rate, and for all sums due and owing to Landlord no more than five (5) days after the date such sums are due.

SECTION 14.06. INTENTIONALLY OMITTED.]

ARTICLE XV. RIGHT OF ACCESS

Landlord may, in the accompaniment of a designated representative of Tenant, upon reasonable prior notice to Tenant of not less than twenty four (24) hours except in emergency instances and during Tenant's business hours, enter upon the Demised Premises for the purpose of inspecting, making repairs, replacements, or alterations, and showing the Demised Premises to prospective purchasers, lenders or, during the last six (6) months of the Term, lessees. During the last six (6) months of the Term, Landlord shall also have the right to display one or more "For Rent" signs on or about the Demised Premises.

ARTICLE XVI. DELAYS

Neither Landlord nor Tenant shall be deemed to be in default with respect to any obligations to perform any of the terms, covenants and conditions of this Lease, if Landlord's or Tenant's failure to

perform any such obligation is due in whole or in part in any strike, lockout, labor dispute (whether legal or illegal and whether such dispute is with Landlord or Tenant or some other person or entity) labor shortage, civil disorder, failure of power, restrictive governmental laws and regulations, riots, insurrections, war, freight embargo, contractor or supplier delays, fuel, water material, tool or supply shortages or the inability to obtain such commodities on reasonable terms, lack of or delays in transportation, accidents, casualties, severe weather, acts of God, acts of other tenants or occupants of the Shopping Center or any other cause beyond the reasonable control of Landlord or Tenant. In such event, the time for performance by Landlord or Tenant shall be extended by an amount of time equal to the period of the delay so caused. Notwithstanding the foregoing, in no event shall this Article XVI apply in any way to any monetary obligations of Tenant under this Lease except as otherwise contemplated by this Lease.

ARTICLE XVII END OF TERM

SECTION 17.01 RETURN OF DEMISED PREMISES Upon the expiration or termination of this Lease, Tenant shall quit and surrender the Demised Premises, to Landlord in good order, broom clean, normal wear and tear and acts of God and casualty or, as applicable condemnation or eminent domain excepted. Subject to the other terms of this Lease, Tenant shall, at its expense, remove all trade equipment, trade fixtures and personal property of Tenant, and repair damage caused by such removal. Tenant shall execute and acknowledge a quit-claim deed of Tenant's interest in the Demised Premises, in recordable form, in favor of the Landlord twenty (20) days after written notice and demand therefor by Landlord.

SECTION 17.02 HOLDING OVER If Tenant shall hold possession of the Demised Premises after the expiration or termination of this Lease: (a) Tenant shall be deemed a tenant at will on a month-to-month basis, (b) Tenant shall pay, in addition to routine monthly Additional Rent sums (without further mark up), monthly Minimum Rent therefore at a rate equal to one hundred twenty-five percent (125%) of the monthly Minimum Rent last prevailing hereunder, but, if such holdover shall continue for more than ninety (90) days after Landlord's written notice to Tenant, Tenant shall, commencing as of the ninety-first (91st) day, pay monthly Rent at a rate equal to one hundred fifty percent (150%) of the monthly Minimum Rent last prevailing hereunder, (c) there shall be no renewal or extension of this Lease by operation of law or otherwise except by written agreement of Landlord and Tenant to have extended the Term or to create a new lease between them, and (d) the tenancy at will may be terminated upon thirty (30) days' notice from Landlord. The provisions of this Section 17.02 shall not constitute a waiver by Landlord of any re-entry rights of Landlord provided hereunder or by law, provided, however, in the case of any such holdovers by Tenant, Landlord's remedies shall be limited to amounts set forth in this Section 17.02 for such occupancy and to Landlord's rights to terminate Tenant's continued occupancy of the Demised Premises. No payment by Tenant, or receipt by Landlord, of a lesser amount than the correct rent shall be deemed to be other than a payment on account, nor shall any endorsement or statement on any check or letter accompanying any check for payment of Rent or any other amounts owed to Landlord be deemed to effect or evidence an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of the Rent or other amount owed or to pursue any other remedy provided in this Lease.

ARTICLE XVIII COVENANT OF QUIET ENJOYMENT

Landlord covenants that if and so long as Tenant pays the Rent and all other charges provided for herein, and performs all of its obligations provided for herein, Tenant shall at all times during the Term hereof peaceably, have, hold and enjoy the Demised Premises, without any interruption or disturbance from Landlord, or any one claiming through or under Landlord, subject to the terms hereof.

ARTICLE XIX RIGHTS RESERVED TO LANDLORD

Subject to the other provisions of this Lease, including Landlord's covenants, representations and obligations and warranties, Landlord shall have the following rights exercisable without, except as noted, prior notice and without effecting an eviction or disturbance of Tenant's use or possession or giving rise to any claim for setoffs or abatement of Rent:

- (a) To establish or change the name, designation or street address of the Shopping Center.
- (b) To install and maintain signs in or on any part of the Shopping Center outside of the Demised Premises,
- (c) To enter the Demised Premises in an emergency, using such force as is reasonably necessary if Landlord is unable to contact Tenant per the emergency contact information for Tenant on file with Landlord.

(d) To decorate, remodel, repair, alter or otherwise prepare the Demised Premises for re occupancy at any time after Tenant is in uncured default in its obligations under this Lease after as applicable, notice and Tenant's failure to cure, or is removed from the Demised Premises upon an uncured Default.

(e) Provided that reasonable access to the Demised Premises shall be maintained during Demised Premises hours and the business of Tenant conducted on the Demised Premises shall not be interfered with unreasonably, to make inspections, repairs, decorations, alterations additions or improvements in or to the Common Areas or the Shopping Center including installations, repairs, replacements, additions or alterations within the Demised Premises required of Landlord, and to make repairs additions or alterations in the Shopping Center which may change Common Areas or the method of ingress to or egress from the Demised Premises or the Shopping Center, convert common areas into leaseable areas or change the use thereof, and to perform any acts related to the safety, protection preservation, reletting, sale or improvement of the Shopping Center or any part of the Shopping Center and for any of the foregoing purposes may upon notice to Tenant and at times reasonably acceptable to Tenant, enter the Demised Premises with such material as Landlord may deem necessary, erect scaffolding and all other necessary structures adjacent to the Demised Premises, and close or temporarily suspend operations of one or more (but not all) entrances, doors, corridors, elevators, escalators or other facilities comprising the Common Areas of the Shopping Center

(f) To approve the weight, size and location of safes, computers and other heavy articles in and about the Demised Premises and to require all such items and other furniture and equipment to be moved in and out of the Demised Premises and Shopping Center only at such times as will not unreasonably deny or obstruct the rights, or use of, or access to, any part of the Shopping Center by other tenants and their employees and customers, or threaten their safety, and in all events, at the Tenant's sole risk and responsibility,

(g) To do or permit to be done any work on or about the exterior of the Shopping Center or any adjacent or nearby building, land, street or alley.

(h) Subject to the provisions of Section 12.02, to grant to any person or entity the exclusive right to conduct any business or render any service in the Shopping Center, provided such exclusive right shall not operate to exclude Tenant from the use(s) expressly permitted by this Lease, and

(i) To lease any portion of the Shopping Center to any person or entity for any use or purpose as Landlord, in its sole discretion, may determine

ARTICLE XX MISCELLANEOUS

(a) This Lease contains the entire agreement between the parties hereto and there are no promises, agreements, conditions, undertakings, or warranties, or representations, oral or written, between them or other than as herein set forth

(b) No notice or other communications given under this Lease shall be effective unless the same is in writing, and such written notice shall be effective upon the earlier of (i) receipt, (ii) two (2) days following sending by nationally recognized overnight courier (e.g., UPS, FedEx, Airborne Express) (iii) or date which is three (3) days after the date on which such notice is deposited in the U.S. mails by registered or certified mail, return receipt requested, first class, postage prepaid, addressed

(1) If to Landlord, TORGO MANAGEMENT, INC., 5231 N Harlem Avenue, Chicago, Illinois 60656, attention ROBERT F DI SILVESTRO, or to such other person and address as Landlord shall designate by giving notice thereof to Tenant

(2) If to Tenant, to the Demised Premises address with a duplicate original to RENAL CARE GROUP, INC., 2525 West End Avenue, Suite 600, Nashville, Tennessee 37203, or as tenant shall designate by giving notice thereof to Landlord

(c) It is the intent of the parties hereto that all questions with respect to the construction of the Lease and the rights and liabilities of the parties hereto shall be determined in accordance with the laws of the State of Illinois

(d) This Lease shall bind and inure to the benefit of the parties hereto and their respective legal representatives, heirs, successors and assigns

(e) There shall be no personal liability on Landlord, Landlord's beneficiaries or any successor in interest with respect to any provisions of this Lease. Tenant shall look solely to the interest in the Shopping Center of the then owner of the Shopping Center and the Demised Premises for the

satisfaction of any remedies of the Tenant in the event of an uncured breach by Landlord of any of its obligations hereunder

(f) Each party warrants and represents unto the other that there was no broker or agent instrumental in consummating this Lease other than MOHR PARTNERS, INC. on behalf of Tenant, and FORGO MANAGEMENT, INC., on behalf of Landlord. Each party agrees to indemnify and hold the other harmless against any claims for brokerage or other commissions arising by reason of a breach by the other of this representation and warranty, provided, however, the Landlord shall be solely responsible for the payment of all commissions pursuant to this Lease and/or any separate brokerage agreement as pertaining to this Lease involving the aforementioned Brokers.

(g) Landlord hereunder shall have the right to freely assign this Lease upon notice to but without the consent of Tenant.

(h) The terms of this Lease shall not be interpreted to, and do not, mean that Landlord and Tenant are partners or joint venturers.

(i) Landlord and Tenant hereby waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other on or in respect of any matter whatsoever arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant hereunder, Tenant's use or occupancy of the Demised Premises, and/or any claim of injury or damage.

(j) If any provision of this Lease or the application thereof any person or circumstances shall to any extent be invalid or unenforceable, the remainder of this Lease, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

(k) No failure by either party to insist upon the strict performance of any term, covenant, agreement, provision, condition or limitation of this Lease to be kept, observed or performed by the other, and no failure by either party to exercise any right or remedy consequent upon a breach of any such term, covenant, agreement, provision, condition or limitation of this Lease, shall constitute a waiver of any such breach or of any such term, covenant, agreement, provision, condition or limitation.

(l) The parties hereby agree that a memorandum hereof may be recorded with the Cook County, Illinois Recorder of Deeds at the cost and expense of the Tenant, and Landlord agrees to execute such memorandum in a form reasonably and mutually acceptable to the parties' and their counsel.

(m) Landlord may from time to time elect to designate a lock box collection agent (independent agent, bank or other financial institution) to act as Landlord's agent for the collection of amounts due Landlord. In such event, the date of payment of Rent or other sums paid Landlord through such agent shall be the date of agent's receipt of such payment (or the date of collection of any such sum if payment is made in the form of a negotiable instrument thereafter dishonored upon presentment), however, for purposes of this Lease, no such payment or collection shall be deemed "accepted" by Landlord if Tenant is in uncured default hereunder and Landlord issues a check payable to the order of the Tenant in the amount sent to the lock box and if Landlord mails the check to the Tenant addressed to the place designated in this lease for notice to Tenant within twenty-one (21) days after the amount sent by the Tenant is received by the lock box collection agent or if the Landlord returns a dishonored instrument within twenty-one (21) days of its dishonor. Return of any such sum to Tenant by so sending such a check of the Landlord or by so sending a dishonored instrument to the Tenant shall be deemed to be rejection of Tenant's tender of such payment for all purposes.

(n) After the Effective Date hereof and at all times prior to Expiration date hereof, subject to earlier termination or expiration thereof and provided Tenant is not then in uncured default beyond the cure period(s) applicable thereto, Tenant shall have a right of first offer to lease space within the Shopping Center contiguous to and in proximity to the Demised Premises and designated as the "Refusal Space" as outlined by single cross-hatching on Exhibit A-2 attached hereto and incorporated herein by reference. At such time as any portion of the Refusal Space hereafter is or becomes available for lease to anyone other than the then existing tenant, prior to putting such space on the market available for third-party leasing during the Term hereof, Landlord shall first notify Tenant in writing of Landlord's willingness to make the Refusal Space available to Tenant (an "Offer"). Tenant shall have twenty-five (25) days from its receipt of such notice of the Offer to, at its option without any obligation, exercise its right and option to lease the entire Refusal Space as described in the Offer. If the Offer is submitted to Tenant and accepted by Tenant, then the subject Refusal Space as leased by Tenant shall be made available to Tenant upon the same terms and conditions, excluding Minimum Rent (which shall be computed upon a per gross rentable square footage basis for such space at then current "Market Rate" as defined below), embodied in this Lease, provided the lease of the Refusal Space to Tenant shall end on the same date that this Lease ends with respect to the original Demised Premises, subject to applicable

rights of renewal granted Tenant and which shall also apply to the Refusal Space. If and to the extent required, Tenant does agree to and shall construct an appropriate dividing and demising wall in accordance with all applicable laws, codes and ordinances segregating the Refusal Space from all contiguous third-party premises. Otherwise, except as herein expressly provided, the subject Refusal Space will, subject to the terms and conditions of this Lease, be delivered in its "AS-IS" physical condition with the Tenant's obligation to pay Minimum Rent and Additional Rent for such Refusal Space to begin on the date of Landlord's tender of delivery of such Refusal Space, which tendering by Landlord shall be a date within sixty (60) days immediately following Tenant's notice to Landlord of its (Tenant's) exercise of its rights hereunder as to the subject Refusal Space, or, subject to Tenant's rights set forth below, the date upon which Landlord is able to tender the Refusal Space to Tenant upon vacation and broom cleaning of the Refusal Space. The commencement date of the portion of the Term pertaining to the subject Refusal Space as leased to Tenant hereunder shall be delayed and Tenant's obligations (including those to pay any rental sums or other amounts hereunder) shall be delayed and abated pending the delivery of the subject Refusal Space by Landlord so long as Landlord's failure or inability to deliver the subject Refusal Space is through no fault of Tenant. However, notwithstanding anything to the contrary herein, should Landlord thereafter continue to fail or otherwise be unable to deliver the subject Refusal Space to Tenant within ninety (90) days of the date Tenant notifies Landlord that it (Tenant) elects to lease all of the subject Refusal Space identified in the Offer, then Tenant shall, pursuant to written notice provided to Landlord on or before the ninety-fifth (95th) day following Tenant's initial notice, have the right to rescind its election and obligations to take such Refusal Space with no further obligation or liability to Landlord hereunder as to such Refusal Space. Landlord and Tenant shall execute such amendment(s) to this Lease as they and their counsel shall deem reasonably and mutually appropriate to document the addition of the subject Refusal Space to Demised Premises and to, among other things, confirm the revised Minimum Rent and the revised Tenant's Proportionate Share percentages for future determinations of applicable Additional Rent. If Tenant elects not to exercise its right of first offer contained herein as to any Offer, then Landlord may lease the subject Refusal Space described in the Offer to any third-party, and Tenant shall have no further rights under this Section as to such space described in the Offer until such space next becomes available during the Term of this Lease, if at all. Landlord shall permit Tenant access to the offered Refusal Space for inspections as Tenant may deem reasonably necessary or appropriate during the period of time which Tenant has under this Section to determine if it intends to exercise or not exercise its option rights. For purposes of this Section XX(n), the term "Market Rate" shall mean shall mean Minimum Rent determined with reference to the average of normal values being achieved by landlords in lease renewals entered into with private sector tenants for comparable space (i.e., the Demised Premises in its as is condition at the time of determination of the Market Rent) in comparable buildings in equally desirable locations within the same Schaumburg, Illinois market assuming operating expense and real estate pass throughs and fixed base rent increases corresponding to those contained in this Lease. Provided, in no event shall the Market Rent be less than the amount of Minimum Rent payable under this Lease for the last Lease Year of immediately preceding expiring Term.

(o) Landlord expressly waives any and all liens, interests and claims which it may have as of the Effective Date of this Lease, the Possession Date hereof and/or during the Term of this Lease arising by statute or by operation of law, in and to Tenant's personal property, equipment, trade fixtures, furniture or other moveable property of Tenant (herein, "Tenant's Personal Property") in or on the Demised Premises, and Landlord agrees that Tenant's Personal Property (including any hereafter acquired personal property) shall not become part of the Demised Premises regardless of the manner in which the same may be attached or affixed to the Demised Premises by Tenant, provided that the same can be removed by Tenant without materially damaging or altering the Demised Premises, and any such damage shall be repaired promptly by Tenant. Further, Landlord agrees that it will not prevent any lender of Tenant, or such lender's designee, from entering upon the Demised Premises during the Term at reasonable times to inspect and remove Tenant's Personal Property, provided that said lender agrees to repair promptly and fully any and all damage resulting to the Demised Premises. Additionally, if, after the Commencement Date of the Term hereof, Landlord intends to terminate this Lease or otherwise exercise any right granted to Landlord hereunder to require Tenant to surrender the Demised Premises or to remove any portion of Tenant's Personal Property, Landlord agrees to notify Tenant's lender (of which Landlord has received written notice from Tenant, including such lender's name, notice address and telephone number), and Landlord shall grant to such lender the right to enter upon the Demised Premises during the Term of this Lease to do any or all of the following with respect to Tenant's Personal Property: (i) assemble, have appraised, sever, remove, maintain, inspect, repair, lease and/or transfer, provided in any such case that such lender's presence on and/or occupancy of the Demised Premises shall be upon and subject to all of the terms, covenants and conditions of this Lease, including the payment by such lender to Landlord, periodically, a per diem occupancy fee equivalent to the monthly rental and other charges then currently payable by Tenant hereunder, based on a thirty (30) day month, for the actual number of days such lender uses and/or occupies the Demised Premises pursuant hereto. Further, nothing in this Lease shall give Landlord the right to use, possess or retain any of Tenant's records, files, patient's names or records.

(p) Unless a particular Section of this Lease provides for a longer or shorter period of time as to a particular matter, in the event Landlord does not respond in writing to a written request by Tenant

for Landlord's consent, permission or approval as set forth or otherwise required under this Lease within fifteen (15) days after Tenant's delivery of the same, it shall thereafter be automatically deemed that Landlord has consented to or approved such request by Tenant or that Landlord has given its permission thereto. In the event, Landlord does respond and does not consent, give its permission or give its approval, Landlord shall provide with reasonable specificity the reason(s) therefor in writing so as to permit Tenant, should it so elect or desire, to make modifications or revisions to such request and to resubmit a further request for consent, permission or approval to Landlord.

(q) Landlord agrees to reasonably assist Tenant in (i) the procurement of any licenses, permits, "sign-offs", approvals, or certificates which may be required by any governmental or quasi governmental agency or authority with respect to Tenant's Improvements, alterations or other leasehold improvements permitted under the terms hereof in and to the Demised Premises, and with respect to (ii) the obtaining of any services, utilities or facilities from any utility company or companies supplying the same to the Shopping Center.

(r) Except in the event of an uncured Default by Tenant under this Lease or the 1156-A Lease, Landlord agrees that a termination of the 1156-A Lease prior to the Expiration Date of this Lease shall permit Tenant to also terminate this Lease effective at the same time as the termination date of the 1156-A Lease.

(s) All Riders and all Exhibits referred to in and attached hereto are hereby incorporated in this Lease.

IN WITNESS WHEREOF, and intending that this Lease be a sealed instrument, Landlord and Tenant have executed this Lease under seal on the dates indicated below:

LANDLORD

TORGO MANAGEMENT, INC., as agent
for beneficiaries of COSMOPOLITAN
BANK AND TRUST, SUCCESSOR IN
INTEREST TO FIRST BANK OF OAK
PARK, AS TRUSTEE *s/v/a* dated 11/23/93
and known as Trust No. 13581

By *Stephen P. DiSanto*
Printed STEPHEN P. DISANTO
Its SECRETARY
Date of Execution December 7, 2003

TENANT

RENAL CARE GROUP
SCHAUMBURG, I.L.C.

By *David M. Hill*
Printed DAVID M. HILL
Its Vice President or Managing Member
Date of Execution December 7, 2003

TABLE OF EXHIBITS

EXHIBITS A, A-1 & A-2	Legal Description and Site Plan/Demised Premises/ Refusal Space Diagram
EXHIBIT B	Possession Date Certificate
EXHIBIT C	Minimum Rent Schedule
EXHIBIT D	Landlord's Work Outline Specifications
EXHIBIT E	Opening and Expiration Date Declaration
EXHIBIT F & f-1	Tenant's Work / Water Line & Sanitary Sewer Line Diagram
EXHIBIT G	Sign Specifications
EXHIBIT H	Guaranty

EXHIBIT A

SITE PLAN

111

SCHAUMBURG TOWNCENTER

NW Corner Roselle Road and Wise Road, Schaumburg, Illinois

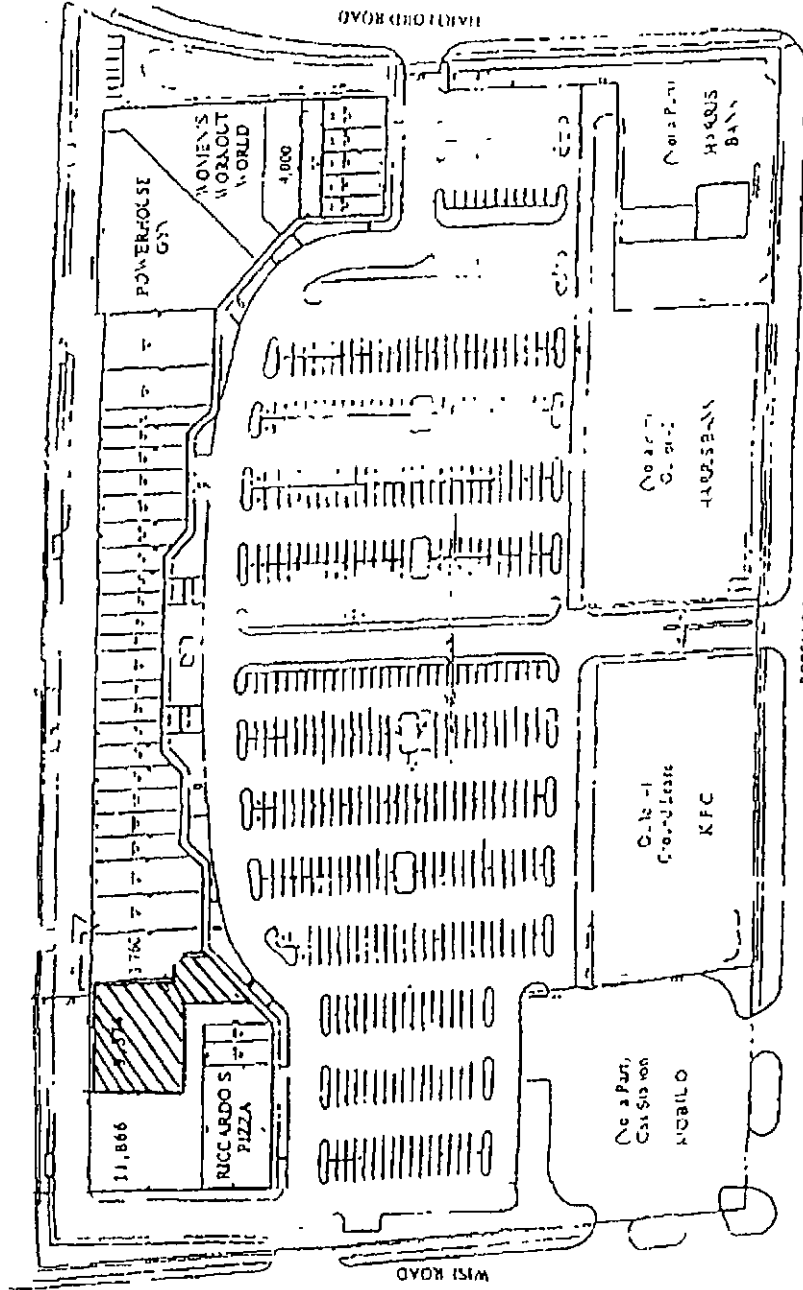


EXHIBIT A
SITE PLAN

LEGAL DESCRIPTION

LOTS 1, 2 AND OUTLOT 1A IN SQUARE
TOWNSHIP BEING A RESUBDIVISION OF PART OF
12333 BEING A SUBDIVISION OF PART OF LOT
17 TOWNSHIP 41 NORTH RANGE 3 EAST OF
THE 3RD PRINCIPAL MERIDIAN 23 COOK COUNTY
ILLINOIS

LOT	ACRES	LEGAL DESCRIPTION
1	1.00	LOT 1
2	1.00	LOT 2
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10	1.00	LOT 10
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20	1.00	LOT 20
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30	1.00	LOT 30
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40	1.00	LOT 40
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50	1.00	LOT 50
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60	1.00	LOT 60
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950	1.00	LOT 950
...
960	1.00	LOT 960
...
970	1.00	LOT 970
...
980	1.00	LOT 980
...
990	1.00	LOT 990
...
1000	1.00	LOT 1000

FORGE MANAGEMENT, INC.
5211 N. Meacham Avenue
Chicago, Illinois 60636
(773) 744-7777

No warranty or representation, express or implied, is made as to the accuracy of data herein

EXHIBIT A-1
DEMISED PREMISES

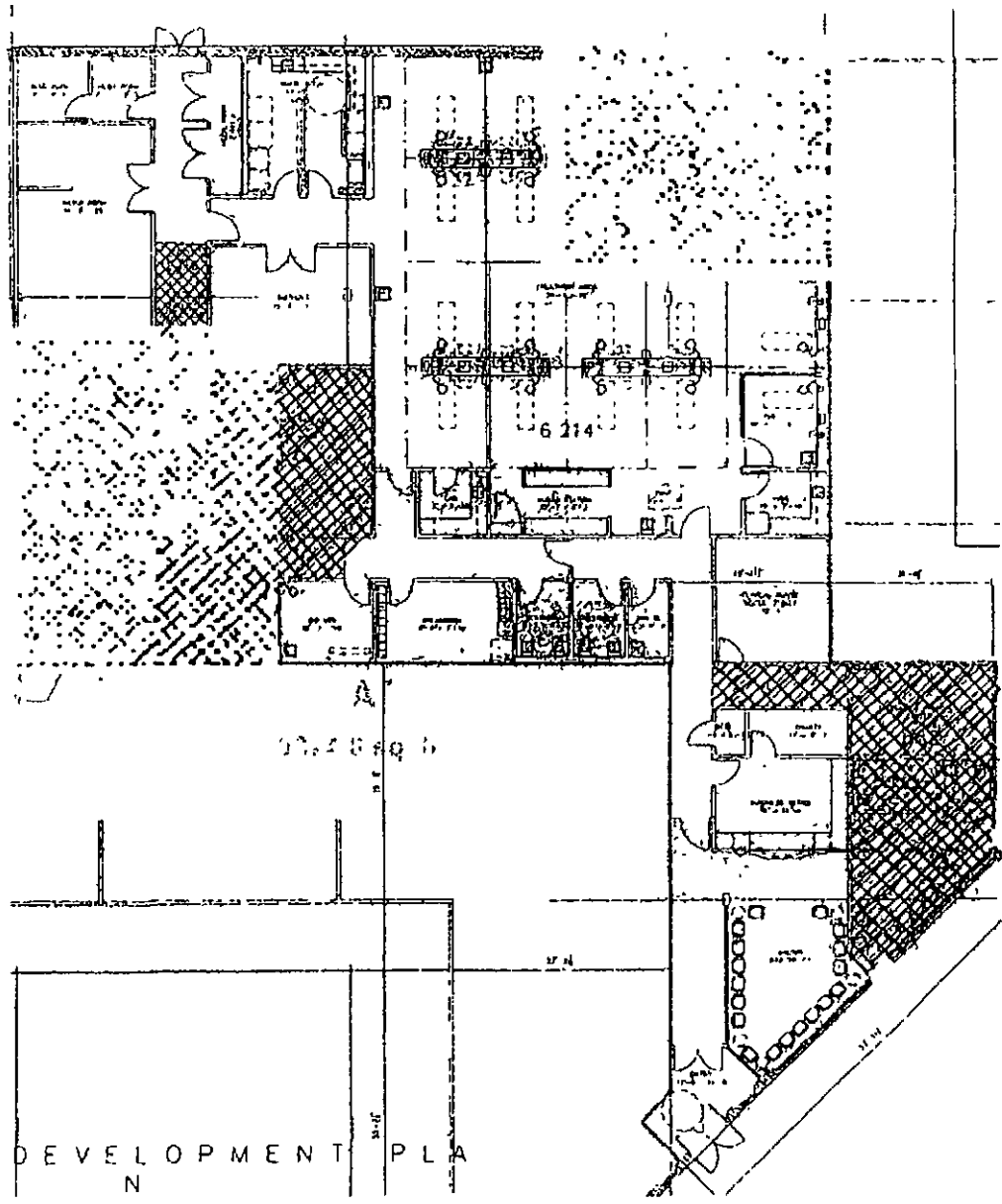


EXHIBIT A-1
DEMISED PREMISES

EXHIBIT A-2
REFUSAL SPACE

115

EXHIBIT B

DELIVERY OF POSSESSION DATE CERTIFICATE

LANDLORD TORGO MANAGEMENT, INC, as agent for beneficiaries of COSMOPOLITAN BANK AND TRUS, SUCCESSOR IN INTEREST TO FIRST BANK OF OAK PARK, AS TRUSTEE w/a dated 11/23/93 and known as Trust No 13581

TENANT RENAL CARE GROUP SCHAUMBURG, LLC

LEASE EFFECTIVE DATE December _____, 2003

COMMON ADDRESS 1156 H S Roselle Road, Schaumburg, Illinois 60193

SQUARE FOOTAGE Approximately, 3,160 Rentable Square Feet

DEMISED PREMISES POSSESSION DATE _____, 200__

Landlord and Tenant acknowledge and agree that the Demised Premises described in the above-referenced Lease has been delivered to Tenant for the performance of Tenant's Work (as said term is defined in the Lease) on the Delivery of Possession Date noted above

Tenant further acknowledges that all of Landlord's Work pursuant to said Lease has been completed except as follows _____

LANDLORD

TENANT

TORGO MANAGEMENT, INC, as agent for beneficiaries of COSMOPOLITAN BANK AND TRUST, SUCCESSOR IN INTEREST TO FIRST BANK OF OAK PARK, AS TRUSTEE w/a dated 11/23/93

RENAL CARE GROUP SCHAUMBURG, LLC
and known as Trust No 13581

By _____

Printed _____
Its _____
Date _____, 200__

By _____

President
Date _____, 200__

EXHIBIT C

MINIMUM RENT SCHEDULE

There shall be no Rent payable by Tenant for the period to the Commencement Date as determined in accordance with the provisions of Section 1.02 of the Lease to which this Exhibit is attached and following the Commencement Date of the Term, Minimum Rent shall be payable as follows

	<u>LEASE YEAR</u>	<u>ANNUAL MINIMUM RENT</u>	<u>MONTHLY MINIMUM RENT</u>	<u>P S F</u>
FIXED MINIMUM RENT	1	\$25,280 00	\$2,106 67	\$8 00
	2	26,038 40	2,169 87	8 24
	3	26,828 40	2,235 70	8 49
	4	27,618 40	2,301 53	8 74
	5	28,440 00	2,370 00	9 00
	6	29,293 00	2,441 10	9 27
	7	30,178 00	2,514 83	9 55
	8	31,094 40	2,591 20	9 84
	9	32,042 40	2,670 20	10 14
	10	32,990 40	2,749 20	10 44

	<u>LEASE YEAR</u>	<u>ANNUAL MINIMUM RENT</u>	<u>MONTHLY MINIMUM RENT</u>	<u>P S F</u>
FIXED MINIMUM RENT FOR OPTION PERIOD 1, IF EXERCISED BY TENANT	11	\$33,970 00	\$2,830 83	\$10 75
	12	34,981 20	2,915 10	11 07
	13	36,024 00	3,002 00	11 40
	14	37,098 40	3,091 53	11 74
	15	38,204 40	3,183 70	12 09

	<u>LEASE YEAR</u>	<u>ANNUAL MINIMUM RENT</u>	<u>MONTHLY MINIMUM RENT</u>	<u>P S F</u>
FIXED MINIMUM RENT FOR OPTION PERIOD 2, IF EXERCISED BY TENANT	16	\$39,342 00	\$3,278 50	\$12 45
	17	40,511 20	3,375 93	12 82
	18	41,712 00	3,476 00	13 20
	19	42,976 00	3,581 33	13 60
	20	44,271 60	3,689 30	14 01

EXHIBIT D

LANDLORD'S WORK OUTLINE SPECIFICATIONS

- 1 Smooth (all existing flooring materials to include adhesive and/or grout removed) and level concrete floor slab throughout the Demised Premises
- 2 Separately metered electrical service (800 amp, 4 wire, 3 phase) wiring supplied to Tenant's specified location inside the Demised Premises. Main Distribution panels provided by Tenant
- 3 Separately metered gas service (1000 CFH @ 4 oz) as required to service HVAC and hot water tanks supplied to the Demised Premises at the Tenant's specified location
- 4 H V A C Landlord shall supply HVAC units to handle 250 square feet per ton of cooling in Patient Treatment Room, Lab, and Storage Room of the Demised Premises. HVAC units must have the capacity to handle 300 square feet per ton of cooling in balance of Demised Premises, or provide Tenant credit to install such HVAC units. All HVAC systems must comply with ASHRAE Standard 62-1989. All internal ductwork within the Demised Premises shall be Tenant's responsibility and expense.
- 5 Other than as noted in this Exhibit D, the Demised Premises shall be provided to Tenant in "as is" condition.

EXHIBIT E

OPENING AND EXPIRATION DATE DECLARATION

LANDLORD TORGO MANAGEMENT, INC., an Illinois Corporation, as agent for
beneficiaries of COSMOPOLITAN BANK AND TRUST, SUCCESSOR IN
INTEREST TO FIRST BANK OF OAK PARK, AS TRUSTEE a/v/a dated
11/23/93 and known as Trust No. 13581

TENANT RENAL CARE GROUP SCHAUMBURG, LLC

LEASE EFFECTIVE DATE December _____, 2003

PREMISES NUMBER 1156-B S Roselle Road, Schaumburg, Illinois 60193

SQUARE FOOTAGE Approximately, 3,160 Rentable Square feet

Landlord and Tenant acknowledge and agree that the Commencement Date of the above referenced Lease
is _____, 200__ and the Expiration Date of the Lease is _____, 201__

LANDLORD

TENANT

TORGO MANAGEMENT, INC., as agent
for beneficiaries of COSMOPOLITAN
BANK AND TRUST, SUCCESSOR IN
INTEREST TO FIRST BANK OF OAK
PARK, AS TRUSTEE a/v/a dated 11/23/93
and known as Trust No. 13581

RENAL CARE GROUP
SCHAUMBURG, LLC

By _____
Printed _____
Its _____
Date _____, 200__

By _____
President
Date _____, 200__

EXHIBIT F

TENANT'S WORK

(To Be Completed)

EXHIBIT F-1

WATER LINE/SANITARY SEWER LINE SCHEMATIC

EXHIBIT C

SIGN SPECIFICATIONS

SCHAUMBURG TOWNCENTER
BUILDING SIGN PROGRAM

- TYPE Individually mounted back lit letters
- SIZE A) Letter size is to be 32' maximum and 10" minimum (Except as otherwise noted below)
- B) Multiple rows are not to exceed 32' total height, including space (except as otherwise noted below)
- C) Minimum strokes is 1 1/2" No bold face type will be permitted
- D) Depth of letters to be 4 1/2"
- E) Total Horizontal Measurements shall not exceed 75% of the lease space width on spaces up to 30' in width
- Canopy sign on lease spaces greater than 30' in width shall be subject to Landlord's approval (as note below)
- F) Size must conform to City requirements
- STYLE A) Shall be approved by Landlord No logos will be permitted
- COLORS AND MATERIALS
- A) Rohm & Haas plex faces red, yellow, ivory and blue,
- B) Neon tubing red for red faces, yellow for yellow faces, 4500 for ivory and blue for blue faces
- C) 040 aluminum returns to match #313 dark bronze
- PLACEMENT Centered horizontally and vertically
- MOUNTING Mounted directly onto sign canopy surface provided for signs with no exposed connections Final electrical hook-ups to be performed by licensed electrician
- APPROVAL Three (3) sets of drawings are to be submitted for and approval by the Landlord prior to fabrication Any variation of the above specifications must be approved by the Landlord Drawings must include a cross-section

DELIVERY OF POSSESSION DATE CERTIFICATE

AND

FIRST AMENDMENT TO LEASE AGREEMENTS

LANDLORD FORGO MANAGEMENT, INC, as agent for beneficiaries of
(OSMOPOLITAN BANK AND TRUST, SUCCESSOR IN INTEREST TO
FIRST BANK OF OAK PARK, AS TRUSTEE w/w dated 11/23/93 and known
as Trust No 13581

TENANT RFNAL CARE GROUP SCHAUMBURG LLC

EFFECTIVE DATE OF LEASES December 9, 2003

COMMON ADDRESSES 1156-A & 1156-B S Roselle Road, Schaumburg, Illinois 60193

SQUARE FOOTAGE Approximately 6,214 Rentable Square Feet (as to Suite 1156-A)
Approximately 3,160 Rentable Square Feet (as to Suite 1156-B)

DEMISED PREMISES POSSESSION DATE February 16, 2004

PROJECTED OPENING DATE On or about July 1, 2004

Landlord and Tenant acknowledge and agree that the Demised Premises described in each of the above-referenced Leases have been delivered to Tenant for the performance of Tenant's Work (as said term is defined in and contemplated in each of such Leases) on the Delivery of Possession Date noted above

Additionally, pursuant to Section 1.03 of the Leases, Landlord confirms that it has fully reviewed and approved, in all respects material to and required by it, the improvement plans and specifications, prepared by Tenant and its consultants for the initial Tenant's Work to be undertaken, as and if applicable, by Tenant in or about the Demised Premises as contemplated by, among other provisions, Section 1.02 of each Lease. Attached hereto and incorporated herein by reference as Exhibit F, which exhibit is deemed hereby as added to and fully incorporated into each of the Leases hereby as pertains to the Tenant's Work, if any, to be initially undertaken in each such Demised Premises, is a schedule and schematic of those improvement plans

Tenant further acknowledges that all of Landlord's Work pursuant to said Lease has been completed except as follows NONE

Landlord and Tenant agree that this Certificate and First Amendment will not change, modify, amend or revise the terms, conditions and provisions of the Leases, except as may be provided herein and as agreed to by the parties hereto. Landlord and Tenant each hereby confirm and ratify, all of the terms, conditions and covenants of the Lease. Further, to the extent that Landlord is required to procure the consent(s) of any third-party or parties as to the matters addressed herein, Landlord certifies unto Tenant that such consents and approvals have been requested and received

[SIGNATURES ON FOLLOWING PAGE]

LANDLORD

TORGO MANAGEMENT, INC, as agent
for beneficiaries of COSMOPOLITAN
BANK AND TRUST, SUCCESSOR IN
INTEREST TO FIRST BANK OF OAK
PARK, AS TRUSTEE a/w/a dated 11/23/93
and known as Trust No 13581

By John P. Bell

Printed STEPHEN P. D. SIMONSON

Its PRESIDENT

Date of Execution 2/25/, 2004

TENANT

RENAL CARE GROUP
SCHAUMBURG, LLC

By Dan M. Dill

Printed DANAM DILL

Its Vice President of Managing Member

Date of Execution 3/8/04, 2004

ARCHITECTURAL

- A01 PROJECT INFORMATION
- A11 WALL TYPE LEGEND & NOTES
- A12 FLOOR PLAN
- A13 ENLARGED PLANS
- A41 WALL SECTIONS & DETAILS
- A42 HALF WALL SECTIONS & DETAILS
- A43 MILL WORK SECTIONS & DETAILS
- A51 FINISH SPECIFICATIONS & NOTES
- A52 FINISH PLAN
- A61 INTERIOR ELEVATIONS
- A62 INTERIOR EXTERIORS
- A71 REFLECTED CEILING PLAN
- A81 DOOR / WINDOW SCHEDULE
- A82 DOOR / WINDOW DETAILS
- A83 DOOR / WINDOW DETAILS

PLUMBING

- P01 PLUMBING LEGEND & NOTES
- P1 SANITARY FLOOR PLAN
- P12 PLUMBING FLOOR PLAN
- P13 MEDICAL PIPING FLOOR PLAN
- P61 STACKS SCHEDULES & DETAILS

MECHANICAL

- M01 HVAC LEGEND AND NOTES
- M1 HVAC NETWORK PLAN
- M7 HVAC SCHEDULE & DETAILS

ELECTRICAL

- E01 ELECTRICAL LEGEND & NOTES
- E11 LIGHTING PLAN
- E21 LIGHTING SCHEDULE NOTES & PLAN
- E31 POWER PLAN
- E32 HVAC FLOOR PLAN
- E41 ONE LINE DIAGRAM & SCHEDULE
- E51 SYSTEM PLAN
- E61 PANEL SCHEDULES & NOTES
- E62 RISERS & DETAILS

OPENING AND EXPIRATION DATE DECLARATION

Suite 1156-B

LANDLORD FORGO MANAGEMENT, INC, an Illinois Corporation, as agent for beneficiaries of COSMOPOLITAN BANK AND TRUST, SUCCESSOR IN INTEREST TO FIRST BANK OF OAK PARK, AS TRUSTEE w/ua dated 11/23/93 and known as Trust No 13581

TENANT RENAL CARE GROUP SCHAUMBURG, LLC

LEASE EFFECTIVE DATE December 9, 2003

DEMISED PREMISES NUMBER 1156-B S Roselle Road, Schaumburg, Illinois 60193

SQUARE FOOTAGE Approximately, 3,160 Rentable Square feet

Landlord and Tenant acknowledge and agree that the Commencement Date of the above referenced Lease is June 16, 2004 and the Expiration Date of the Lease is June 30, 2014

LANDLORD

TENANT

TORGO MANAGEMENT, INC, as agent for beneficiaries of COSMOPOLITAN BANK AND TRUST, SUCCESSOR IN INTEREST TO FIRST BANK OF OAK PARK, AS TRUSTEE w/ua dated 11/23/93 and known as Trust No 13581

RENAL CARE GROUP SCHAUMBURG, LLC

By Stephen P. D. Swartz
Printed STEPHEN P. D. SWARTZ
Title PRESIDENT
Date AUGUST 9, 2004

By David M. Dill
Printed David M. Dill
Its Vice President of Managing Member
Date: August 17, 2004

RENAL CARE GROUP, INC

Equipment Operating and Capital Leases

Name of Clinic	Schaumburg
----------------	------------

	Lessor	Description of Equipment	Type of Lease (Operating or Capital)	Current Monthly Payment	Lease Expiration Date	Type of Document attached

1	Pitney Bowes	Postage Meter	Operating	78 MTM		Quarterly invoice - Lease is on a month-to-month basis
2						
3						
4						
5						
6						
7						
8						
9						
10						

Pitney Bowes
2225 AMERICAN DRIVE
NEENAH WI, 54956-1005

CONSOLIDATED RENTAL INVOICE

PAGE 1 OF 3

PLEASE MY ACCOUNT ON PB.COM - ONLINE ACCESS
DIRECT (800) 228-1071 BILLING INQUIRIES
INQUIRIES (800) 322-8000 SALES AND GENERAL INFO
TO THE (800) 522-0020 EQUIPMENT REPAIR
ABOVE (800) 243-7824 SUPPLIES-ORDERS/BILLING
ADDRESS (800) 243-7800 POSTAGE BY PHONE
OR CALL (800) 462-6797 COPIER/FAX SUPPLY LINE

ACCOUNT NUMBER 2018-1279-86-8
INVOICE NUMBER 982690
INVOICE DATE 09/16/05
TOTAL AMOUNT DUE \$234.00
TERMS NET 30 DAYS
PO #
ORDER NUMBER 00368138

EQUIPMENT INSTALLED AT: EQUIPMENT BILLED TO:

17575717867 1784-1

SEE ATTACHED DETAIL LISTINGS

RENAL CARE GROUP
STE 250
25050 COUNTRY CLUB BLVD
NORTH OLMS TED OH 44070-5357

262
CHECK # _____
DATE _____
AUG 29 2005
CCT # _____
USE TAX _____

INVOICE SUMMARY PERIOD COVERED 10/16/05 - 01/15/06

PRODUCT	QTY	AMOUNT	AMOUNT DUE
RENTAL CHARGES	002	234 00	234 00
		234 00	234 00

VISIT US AT OUR WEBSITE WWW.PB.COM

TOTAL TAX 0 00

CONTINUED ON NEXT PAGE

PLEASE MAIL PAYMENT TO
PO BOX 856390
LOUISVILLE KY 40285-6390

TOTAL AMOUNT DUE \$234.00

DUNS 00118 - 1793
TAX ID 06-0495050

PLEASE DETACH AND INCLUDE YOUR ACCOUNT NUMBER
ON YOUR CHECK, MADE PAYABLE TO PITNEY BOWES

DIST 003 N-035033

CONSOLIDATED RENTAL INVOICE



INVOICE LIST

INVOICE # 982690 INVOICE DATE 09/16/05 PERIOD COVERED 10/16/05 - 01/15/06

CUSTOMER REF #	PO NUMBER	LOCATION	MODEL/ SERIAL #	ACCOUNT NUMBER	TOTAL AMOUNT
ITEM # 1		SCHAUMBURG IL	MP04/00066847	20181279868	114 00
ITEM # 2		SCHAUMBURG IL	P700/02552699	20181279868	120 00
			TOTAL AMOUNT DUE		\$234 00



INVOICE DETAIL INVOICE # 982690 INVOICE DATE 09/16/05 PERIOD COVERED 10/16/05 - 01/15/06

CUSTOMER REFERENCE #	MODEL	SERIAL #	PRICE	AMOUNT DUE
ITEM # 1	MPO4	0000066847	114 00	114 00
WEIGHING PLATFORM DM1001 FOR PERIOD 10/16/05 - 01/15/06				
TAXES STATE	00	COUNTY	00	CITY
			00	TOTAL TAX 00
INSTALLED AT	RENAL CARE GROUP SHAUMBURG 1156 S ROSELLE RD SCHAUMBURG IL 60193-4072			
INSTALL ID	2018-1279-86-8			SUB TOTAL AMOUNT 114 00

ITEM # 2	P700	0002552699	120 00	120 00
DM1001- US LIVE FOR PERIOD 10/16/05 - 01/15/06 CHARGE BASED ON THE TERMS OF CONTRACT				
TAXES STATE	00	COUNTY	00	CITY
			00	TOTAL TAX 00
INSTALLED AT	RENAL CARE GROUP SHAUMBURG 1156 S ROSELLE RD SCHAUMBURG IL 60193-4072			
INSTALL ID	2018-1279-86-8			SUB TOTAL AMOUNT 120 00

Section I, Identification, General Information, and Certification
Operating Identity/Licensee

The Illinois Certificate of Good Standing for DSI Schaumburg, LLC is attached at Attachment – 3.

Persons with a five percent or greater ownership interest in DSI Schaumburg Renal Center are listed in the table below:

DSI Schaumburg, LLC Ownership	
Person/Entity	Ownership Interest
DSI Renal, Inc.	95%
Sejal Patel, M.D.	5%



To all to whom these Presents Shall Come, Greeting:

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

DSI SCHAUMBURG, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON JUNE 25, 2003, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED 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 19TH day of MAY A.D. 2011

Jesse White

Authentication #: 1113901666

Authenticate at: <http://www.cyberdriveillinois.com>

SECRETARY OF STATE

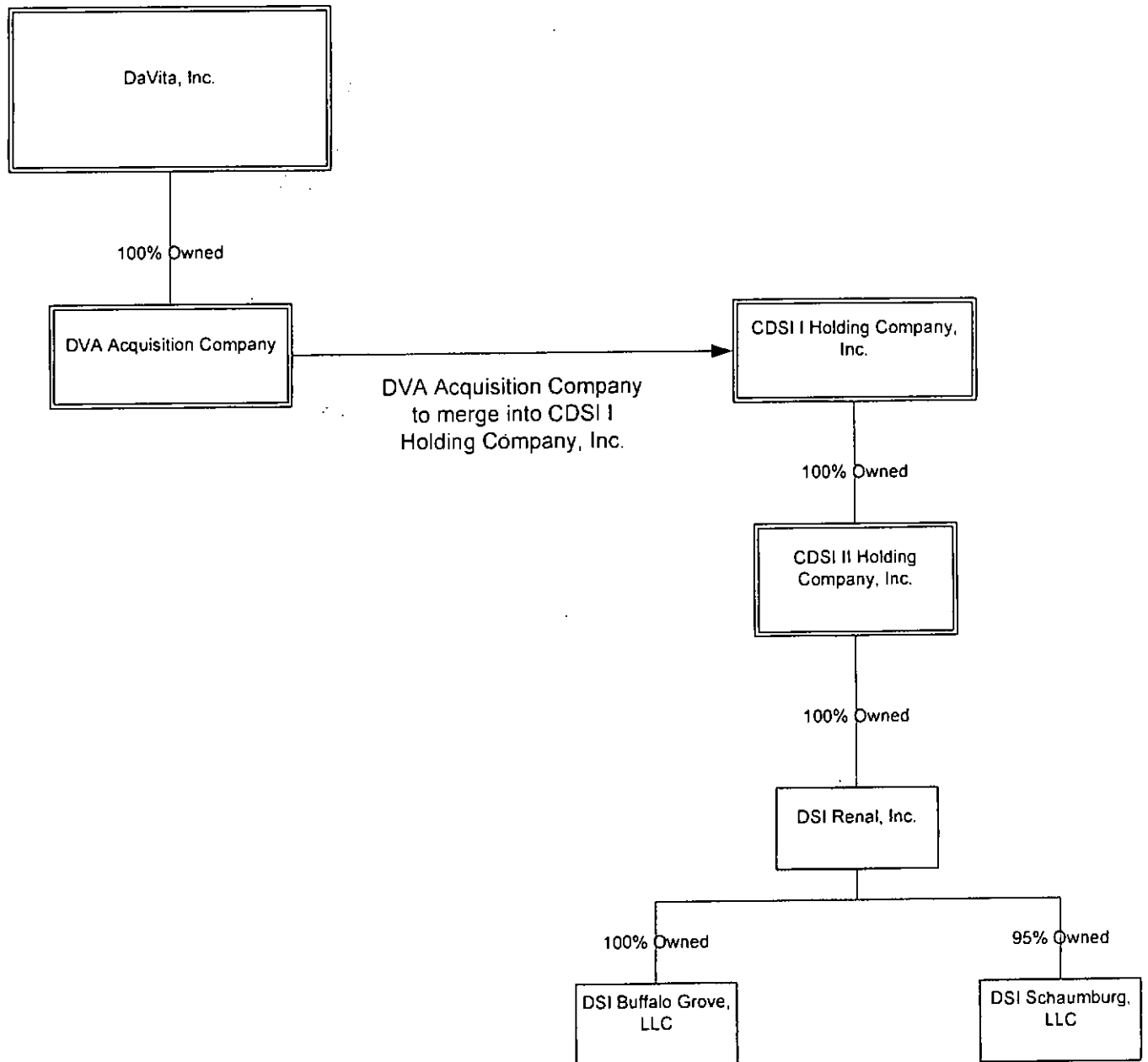
135

Section I, Identification, General Information, and Certification
Organizational Relationships

The pre and post merger organizational charts for DaVita, Inc. and DSI Renal, Inc. are attached at Attachment – 4.

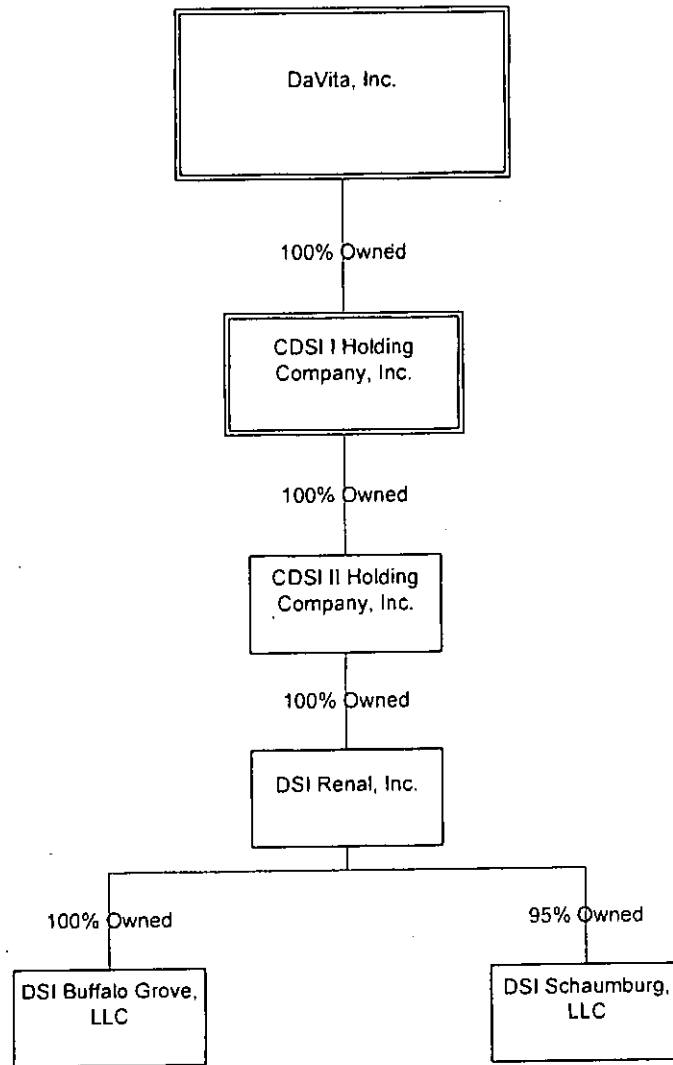
DaVita – DSI Renal, Inc.

Pre-Merger Organizational Chart



DaVita, Inc. – DSI Renal, Inc.

Post-Merger Organizational Chart



Section I, Identification, General Information, and Certification
Flood Plain Requirements

The Applicants propose a change of control of the operating entity, DSI Schaumburg, LLC. The proposed project involves no construction or modernization. Accordingly, this criterion is not applicable.

Section I, Identification, General Information, and Certification
Historic Resources Preservation Act Requirements

The Applicants propose a change of control of the operating entity, DSI Schaumburg, LLC. The proposed project involves no construction or modernization. Accordingly, this criterion is not applicable.

**Section I, Identification, General Information, and Certification
Cost Space Requirements**

Cost Space Table							
Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
CLINICAL							
ESRD	\$13,258,102	9,374					
Total Clinical	\$13,258,102	9,374	0	0	0	0	0
NON CLINICAL	\$0	0	0	0	0	0	0
Total Non-clinical	\$0	0	0	0	0	0	0
TOTAL	\$13,258,102	9,374	0	0	0	0	0

Section III, Project Purpose, Background and Alternatives – Information Requirements
Criterion 1110.230, Project Purpose, Background and Alternatives

Background of the Applicants

The Applicants are fit, willing and able, and have the qualifications, background and character to adequately provide a proper standard of health care services for the community. DaVita is a leading provider of dialysis services in the United States. The Applicants propose a change in control of the ultimate parent of DSI Schaumburg, LLC, CDSI I Holding Company, Inc. The proposed transaction includes the transfer of up to 106 in-center dialysis facilities to DaVita, including 10 facilities within Illinois, subject to adjustment following Federal Trade Commission Review. The DSI facilities will maintain their current locations but will be fully integrated with DaVita and will implement DaVita's operational processes and quality initiatives.

DaVita has taken on many initiatives to improve the lives of patients suffering from chronic kidney disease ("CKD") and end stage renal disease ("ESRD"). These programs include the EMPOWER, IMPACT, CathAway, and transplant assistance programs. Information on the EMPOWER, IMPACT and CathAway programs are attached at Attachment – 11A.

There are over 26 million patients with CKD and that number is expected to rise. Current data reveals a troubling trend:

- The prevalence of CKD stages 1 to 4 has increased from 10% to 13.1% between 1988 and 2004¹
- Increasing prevalence of diabetes and hypertension, the two major causes of CKD

Additionally, approximately 65% of CKD Medicare patients (patients 67 and older) have never been evaluated by a nephrologist.² Timely CKD care, however, is imperative because adverse outcomes of CKD can often be prevented or delayed through early detection and treatment. Several studies have shown that early detection, intervention and care of CKD may result in improved patient outcomes:

- Reduced GFR is an independent risk factor for morbidity and mortality,
- A reduction in the rate of decline in kidney function upon nephrologists referrals has been associated with prolonged survival of CKD patients,
- Late referral to a nephrologists has been correlated with lower survival during the first 90 days of dialysis, and
- Timely referral of CKD patients to a multidisciplinary nephrology team may improve outcomes and reduce cost.

A care plan for patients with CKD includes strategies to slow the loss of kidney function, manage comorbidities, and prevent or treat cardiovascular disease and other complications of CKD, as well as ease the transition to kidney replacement therapy. Through the EMPOWER program, DaVita offers educational services to CKD patients that can help patients reduce, delay, and prevent adverse outcomes of untreated CKD. The EMPOWER program encourages CKD patients to take control of their health and make informed decisions about their dialysis care.

The IMPACT program seeks to reduce patient mortality rates during the first 90-days of dialysis through patient intake, education and management, and reporting. In fact, since piloting in October 2007, the program has not only shown to reduce mortality rates by 8 percent but has also resulted in improved patient outcomes.

¹ US Renal Data System, USRDS 2007 Annual Data Report: Atlas of Chronic Kidney Disease and End-Stage Renal Disease in the United States, Bethesda, MD: National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases; 2007.

² Id.

The CathAway program seeks to reduce the number of patients with central venous catheters ("CVC") through arteriovenous fistula ("AV fistula") placement. AV fistulas have superior patency, lower complication rates, improved adequacy, lower cost to the healthcare system, and decreased risk of patient mortality compared to CVCs. In July 2003, the Centers for Medicare and Medicaid Services, the End Stage Renal Disease Networks and key providers jointly recommended adoption of a National Vascular Access Improvement Initiative ("NVAII") to increase the appropriate use of AV fistulas for hemodialysis. The CathAway program is designed to comply with NVAII through patient education outlining the benefits for AV fistula placement and support through vessel mapping, fistula surgery and maturation, first cannulation and catheter removal.

DaVita's transplant referral and tracking program ensures every dialysis patient is informed of transplant as a modality option and promotes access to transplantation for every patient who is interested and eligible for transplant. The social worker or designee obtains transplant center guidelines and criteria for selection of appropriate candidates and assists transplant candidates with factors that may affect their eligibility, such as severe obesity, adherence to prescribed medicine or therapy, and social/emotional/financial factors related to post-transplant functioning.

In an effort to better serve all kidney patients, DaVita believes in requiring that all providers measure outcomes in the same way and report them in a timely and accurate basis or be subject to penalty. There are four key measures that are the most common indicators of quality care for dialysis providers - dialysis adequacy, fistula use rate, nutrition and bone and mineral metabolism. Adherence to these standard measures has been directly linked to 15-20% fewer hospitalizations. On each of these measures, DaVita has demonstrated superior clinical outcomes, which directly translated into 7% reduction in hospitalizations among DaVita patients, the monetary result of which is \$210M to \$230M in hospitalization savings to the health care system and the American taxpayer.

Neither the Centers for Medicare and Medicaid Services or the Illinois Department of Public Health has taken any adverse action involving civil monetary penalties or restriction or termination of participation in the Medicare or Medicaid programs against any of the applicants, or against any Illinois health care facilities owned or operated by the Applicants, directly or indirectly, within three years preceding the filing of this application.

1. Health care facilities owned or operated by the Applicants:

A list of health care facilities owned or operated by DaVita in Illinois is attached at Attachment – 11B.

A list of health care facilities owned or operated by DSI Renal in Illinois is attached at Attachment – 11C.

Dialysis facilities are not subject to State Licensure.

2. Certification that no adverse action has been taken against any of the Applicants, or against any health care facilities owned or operated by the Applicants, directly or indirectly, within three years preceding the filing of this application is attached at Attachment – 11D.

3. An authorization permitting the Illinois Health Facilities and Services Review Board ("HFSRB") and the Illinois Department of Public Health ("IDPH") access to any documents necessary to verify information submitted, including, but not limited to: official records of IDPH or other State agencies; and the records of nationally recognized accreditation organizations is attached at Attachment – 11D.



Office of the Chief
Medical Officer (OCMO)
Allen R. Nissenson, MD
Chief Medical Officer
Meredith Mathews, MD
Robert Provenzano, MD
John Robertson, MD
David B. Van Wyck, MD

601 Hawaii Street, El Segundo, CA 90245 | 1-800-313-4872 | www.davita.com/physicians

April 30, 2009

Dear Physicians:

As your partner, DaVita® and OCMO are committed to helping you achieve unprecedented clinical outcomes with your patients. As part of OCMO's Relentless Pursuit of Quality™, DaVita will be launching our top two clinical initiatives; IMPACT and CathAway™, at our annual 2009 Nationwide Meeting. Your facility administrators will be orienting you on both programs upon their return from the meeting in early May.



IMPACT: The goal of IMPACT is to reduce incident patient mortality. IMPACT stands for Incident Management of Patients Actions Centered on Treatment. The program focuses on three components: patient intake, education and management and reporting. IMPACT has been piloting since October 2007 and has demonstrated a reduction in mortality. The study recently presented at the National Kidney Foundation's Spring Clinical Meeting in Nashville, TN. In addition to lower mortality rates, patient outcomes improved - confirming this vulnerable patient population is healthier under DaVita's relentless pursuit of quality care.



CathAway: Higher catheter use is associated with increased infection, morbidity, mortality and hospitalizations ^{(1) (2)}. The 7-step Cathaway Program supports reducing the number of patients with central venous catheters (CVCs). The program begins with patient education outlining the benefits of fistula placement. The remaining steps support the patient through vessel mapping, fistula surgery and maturation, first cannulation and catheter removal. For general information about the CathAway program, see the November 2008 issue of QUEST, DaVita's Nephrology Journal.

Here is how you can support both initiatives in your facilities:

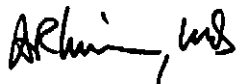
- **Assess incident patients regularly in their first 90 days:** Discuss patients individually and regularly. Use the IMPACT scorecard to prompt these discussions.
- **Adopt "Facility Specific Orders":** Create new facility specific orders using the form that will be provided to you.
- **Minimize the "catheter-removal" cycle time:** Review each of your catheter patients with your facility teammates and identify obstacles causing delays in catheter removal. Work with the team and patients to develop action plans for catheter removal.
- **Plan fistula and graft placements:** Start AV placement plans early by scheduling vessel mapping and surgery evaluation appointments for Stage 4 CKD patients. Schedule fistula placement surgery for those patients where ESRD is imminent in the next 3-6 months.

Launch Kits:

In May, Launch Kits containing materials and tools to support both initiatives will be arriving at your facilities. IMPACT kits will include a physician introduction to the program, step by step implementation plan and a full set of educational resources. FAs and Vascular Access Leaders will begin training on a new tool to help identify root-causes for catheter removal delays.

Your support of these efforts is crucial. As always, I welcome your feedback, questions and ideas. Together with you, our physician partners, we will drive catheter use to all-time lows and help give our incident patients the quality and length of life they deserve.

Sincerely,



Allen R. Nissenson, MD, FACP
Chief Medical Officer, DaVita

- (1) Dialysis Outcomes and Practice Patterns Study (DOPPS): 2 yrs/7 Countries / 10,000 pts.
- (2) Pastan et al: Vascular access and increased risk of death among hemodialysis patients.



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DaVita.



Knowledge is power.

EMPOWER® is an educational program by DaVita®. The program includes a series of free community based classes for patients with chronic kidney disease (CKD). These classes encourage you to take control of your kidney disease and prepare for dialysis by making healthy choices about your kidney care

Taking Control Of Kidney Disease

Learn how to slow the progression of kidney disease.

- Kidney disease and related conditions
- Behavior modification
- Dietary guidelines
- Common medications
- Insurance choices
- Ways to cope with CKD
- Questions to ask your health care team

Making Healthy Choices

Learn how to prepare for dialysis.

- Kidney disease and related conditions
- Behavior modification
- Dietary guidelines
- Common medications
- Treatments that allow you to stay active and continue to work
- Insurance choices
- Ways to cope with CKD
- Questions to ask your health care team

Treatment Choices

An in-depth look at all of your treatment choices.

- Kidney disease and related conditions
- Treatments that allow you to stay active and continue to work
- Insurance choices
- Ways to cope with CKD
- Questions to ask your health care team

To register for a class, call 1-888-MyKidney (695-4363).

EMPOWER®
1-888-MyKidney (695-4363) | DaVita.com/EMPOWER

DaVita®

IMPACT stands for Incident Management of Patients, Actions Centered on Treatment. It's a comprehensive patient management program designed to focus on incident patients throughout their first three months of dialysis. The first days of dialysis are particularly challenging for patients, families and health care teams.

These patients require more education and closer management than patients who have been receiving dialysis for a longer period because of their compromised conditions and high mortality risk. IMPACT is focused on easing the process for patients transitioning to dialysis.

The desired goal of this program are to provide comprehensive patient education, target key monitoring points in the first 90 days for better adherence to treatment, improved outcomes and reduced mortality.

Achieve "Top Two" status in 2010.

What's the significance of achieving Top Two status?

Reducing both incident patient mortality and the number of catheter patients are DaVita's top two clinical goals for 2010. Medical Directors, FAs and RODs who achieve both program goals in 2010 will achieve Top Two status for the year.

These initiatives are tied to strong clinical outcomes and improved quality of life. Reaching the Top Two goals means a high level of care for your patients, and special recognition and honors.

To reach your 2010 IMPACT Goal:
Achieve a graduate grade of 75% or better
by December 31 for September new admits

To reach your 2010 CathAway Goal:
Achieve Day-90 catheter percentage
of 18% or lower by December 31





Dear Physician Partners:

IMPACT™ is an initiative focused on reducing incident patient mortality. The program provides a comprehensive onboarding process for incident patients, with program materials centered on four key clinical indicators—access, albumin, anemia, and adequacy.

Medical Directors: How can you support IMPACT in your facilities?

- Customize the new Standard Admission Order template into facility-specific orders.
Drive use of the standard order with your attending physicians
- Review your facility IMPACT scorecard at your monthly QIFMM meeting
- Talk about IMPACT regularly with your attending physicians

Attending Physicians: How can you support IMPACT in your facilities?

- Use the IMPACT scorecard to assess incident patients
- Educate teammates about the risk incident patients face and how IMPACT can help

How was IMPACT developed? What are the initial results?

From October 2007 to April 2009, IMPACT was piloted in DaVita® centers. Early results, presented at the National Kidney Foundation's Spring Clinical Meeting in Nashville, TN this April, showed an 8% reduction in annualized mortality. In addition to lower mortality, IMPACT patients showed improvements in fistula placement rates and serum albumin levels. The results are so impressive that we are implementing this program throughout the Village.

Your support of this effort is crucial.

If you have not seen the IMPACT order template and scorecard by the end of June, or if you have additional questions about the program, email impact@davita.com. Together we can give our incident patients the quality and length of life they deserve.

Sincerely,

Dennis Kogod
Chief Operating Officer

Allen R. Nissenson, MD, FACP
Chief Medical Officer

Corporate Office • 601 Hawaii Street, El Segundo, CA 90245 • 1-800-474-8122 • www.davita.com

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Davita.



FOR IMMEDIATE RELEASE

DaVita's IMPACT Program Reduces Mortality for New Dialysis Patients

Study Shows New Patient Care Model Significantly Improves Patient Outcomes

El Segundo, Calif., (March, 29, 2009) – DaVita Inc., a leading provider of kidney care services for those diagnosed with chronic kidney disease (CKD), today released the findings of a study revealing DaVita's IMPACT™ (Incident Management of Patients, Actions Centered on Treatment) pilot program can significantly reduce mortality rates for new dialysis patients. The study presented at the National Kidney Foundation's Spring Clinical Meeting in Nashville, TN details how the IMPACT patient care model educates and manages dialysis patients within the first 90 days of treatment, when they are most unstable and are at highest risk. In addition to lower mortality rates, patient outcomes improved - confirming the health of this vulnerable patient population is better supported under DaVita's *Relentless Pursuit of Quality*™ care.

The pilot program was implemented with 606 patients completing the IMPACT program over a 12 month period in 44 DaVita centers around the nation. IMPACT focuses on patient education and important clinical outcomes - such as the measurement of adequate dialysis, access placement, anemia, and albumin levels - monitoring the patient's overall health in the first 90 days on dialysis. Data reflects a reduction in annualized mortality rates by eight percent for IMPACT patients compared with non-IMPACT patients in the DaVita network. Given that DaVita has roughly 28,000 new patients starting dialysis every year, this reduction affects a significant number of lives.

In addition, a higher number of IMPACT patients versus non-IMPACT patients had an arteriovenous fistula (AVF) in place. Research shows that fistulas - the surgical connection of an artery to a vein - last longer and are associated with lower rates of infection, hospitalization and death compared to all other access choices.

Allen R. Nissenson, MD, Chief Medical Officer at DaVita says, "The IMPACT program is about quality patient care starting in the first 90 days and extending beyond. Improved outcomes in new dialysis patients translates to better long term results and healthier patients overall."

Researchers applaud the IMPACT program's inclusion of all patients starting dialysis, regardless of their cognitive ability or health status. Enrolling all patients at this early stage in their treatment allows them to better understand their disease and care needs while healthcare providers work to improve their outcomes. Through this program, DaVita mandates reporting on this particular population to better track and manage patients through their incident period.

Dennis Kogod, Chief Operating Officer of DaVita says, "We are thrilled by the promising results IMPACT has had on our new dialysis patients. DaVita continues to be the leader in the kidney care community, and we look forward to rolling out this program to all facilities later this year, to improve the health of all new dialysis patients."

DaVita, IMPACT and *Relentless Pursuit of Quality* are trademarks or registered trademarks of DaVita Inc. All other trademarks are the properties of their respective owners.

Poster Presentation
NKF Spring Clinical Meeting
Nashville, TN
March 26-28, 2009

Incident Management of Hemodialysis Patients: Managing the First 90 Days

John Robertson¹, Pooja Goel¹, Grace Chen¹, Ronald Levine¹, Debbie Benner¹, and Amy Burdan¹
¹DaVita Inc., El Segundo, CA, USA

IMPACT (Incident Management of Patients, Actions Centered on Treatment) is a program to reduce mortality and morbidity in new patients during the first 3 months of dialysis, when these patients are most vulnerable. IMPACT was designed to standardize the onboarding process of incident patients from their 0 to 90-day period. We report on an observational (non-randomized), un-blinded study of 606 incident patients evaluated over 12 months (Oct77-Oct08) at 44 US DaVita facilities.

The study focused on 4 key predictive indicators associated with lower mortality and morbidity –anemia, albumin, adequacy and access (4As). IMPACT consisted of:

- (1) Structured New Patient Intake Process with a standardized admission order, referral fax, and an intake checklist;
- (2) 90-day Patient Education Program with an education manual and tracking checklist;
- (3) Tools for 90-day Patient Management Pathway including QOL; and
- (4) Data Monitoring Reports.

Data as of July, 2008 is reported. Patients in the IMPACT group were 60.6 ± 15.1 years old (mean±SD), 42.8% Caucasian, 61% male with 25% having a fistula. Results showed a reduction in 90-day mortality almost 2 percentage points lower (6.14% vs. 7.98%; $p < 0.10$) among IMPACT versus nonIMPACT patients. Changes among the 4As showed higher albumin levels from 3.5 to 3.6 g/dL (note that some IMPACT patients were on protein supplementation during this period) and patients achieving fistula access during their first 90-days was 25% vs. 21.4%, IMPACT and nonIMPACT, respectively ($p \leq 0.05$). However, only 20.6% of IMPACT patients achieved Hct targets ($33 \leq 3 \times \text{Hb} \leq 36$) vs. 23.4% for controls ($p < 0.10$); some IMPACT patients may still have >36 -level Hcts. Mean calculated Kt/V was 1.54 for IMPACT patients vs. 1.58 for nonIMPACT patients ($p \leq 0.05$).

IMPACT is a first step toward a comprehensive approach to reduce mortality of incident patients. We believe this focus may help us to better manage CKD as a continuum of care. Long-term mortality measures will help determine if this process really impacts patients in the intended way, resulting in longer lives and better outcomes.

IMPACT Tools

Here's how the IMPACT program will help the team record data, educate patients and monitor their progress in your facilities.

- 1 Standard Order Template, a two-page form with drop-down menus that can be customized into a center-specific template
- 2 Intake Checklist to gather registration and clinical data prior to admission
- 3 Patient Announcement to alert teammates about new incident patients
- 4 Patient Education Book and Flip Chart to teach patients about dialysis
- 5 Tracking Checklist for the team to monitor progress over the first 90 days
- 6 IMPACT Scorecard to track monthly center summary and patient level detail for four clinical indicators: access, albumin, adequacy, anemia

1

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Attention, teammates!
A new IMPACT patient is about to step up to the plate.

Let's become their biggest fans. Let's coach and encourage them. And let's cheer them along every step of their first 90 days.

4

5

Indicator	Target	Actual	Notes
Access	100%	100%	
Albumin	3.5 g/dL	3.5 g/dL	
Adequacy	1.05	1.05	
Anemia	11.5 g/dL	11.5 g/dL	

6

Indicator	Target	Actual	Notes
Access	100%	100%	
Albumin	3.5 g/dL	3.5 g/dL	
Adequacy	1.05	1.05	
Anemia	11.5 g/dL	11.5 g/dL	



Headquarters
1627 Cole Blvd, Bldg 18
Lakewood CO 80401
1-888-200-1041

IMPACT

For more information, contact
1-800-400-8331

DaVita.com

Our Mission
To be the Provider,
Partner and Employer
of Choice

Core Values
Service Excellence
Integrity
Team
Continuous Improvement
Accountability
Fulfillment
Fun

Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number
Logan Square Dialysis	2659 N MILWAUKEE AVE	1ST FL	CHICAGO	COOK	IL	60647-1643	14-2534
Lake County Dialysis Services	918 S MILWAUKEE AVE		LIBERTYVILLE	LAKE	IL	60048-3229	14-2552
Lincoln Park Dialysis	3157 N LINCOLN AVE		CHICAGO	COOK	IL	60657-3111	14-2528
Skyline Home Dialysis	7009 W BELMONT AVE		CHICAGO	COOK	IL	60634-4533	14-2560
TRC Children's Dialysis Center	2611 N HALSTED ST		CHICAGO	COOK	IL	60614-2301	14-2604
Emerald Dialysis	710 W 43RD ST		CHICAGO	COOK	IL	60609-3435	14-2529
Olympia Fields Dialysis Center	4557B LINCOLN HWY	STE B	MATTESON	COOK	IL	60443-2318	14-2548
Granite City Dialysis Center	9 AMERICAN VLG		GRANITE CITY	MADISON	IL	62040-3706	14-2537
Sauget Dialysis	2061 GOOSE LAKE RD		SAUGET	SAINT CLAIR	IL	62206-2822	14-2561
Churchview Dialysis	5970 CHURCHVIEW DR		ROCKFORD	WINNEBAGO	IL	61107-2574	14-2640
Freeport Dialysis	1028 S KUNKLE BLVD		FREEPORT	STEPHENSON	IL	61032-6914	14-2642
Rockford Dialysis	3339 N ROCKTON AVE		ROCKFORD	WINNEBAGO	IL	61103-2839	14-2647
Whiteside Dialysis	2600 N LOCUST	STE D	STERLING	WHITESIDE	IL	61081-4602	14-2648
Chicago Heights Dialysis	177 W JOE ORR RD	STE B	CHICAGO HEIGHTS	COOK	IL	60411-1733	14-2635
Benton Dialysis	1151 ROUTE 14 W		BENTON	FRANKLIN	IL	62812-1500	14-2608
Centralia Dialysis	1231 STATE ROUTE 161		CENTRALIA	MARION	IL	62801-6739	14-2609
Marion Dialysis	324 S 4TH ST		MARION	WILLIAMSON	IL	62959-1241	14-2570
Mount Vernon Dialysis	1800 JEFFERSON AVE		MOUNT VERNON	JEFFERSON	IL	62864-4300	14-2541
Metro East Dialysis	5105 W MAIN ST		BELLEVILLE	SAINT CLAIR	IL	62226-4728	14-2527
Olney Dialysis Center	117 N BOONE ST		OLNEY	RICHLAND	IL	62450-2109	14-2674
Stony Creek Dialysis	9115 S CICERO AVE		OAK LAWN	COOK	IL	60453-1895	14-2661
Beverly Dialysis	8109 SOUTH WESTERN AVE		CHICAGO	COOK	IL	60620-5939	14-2638
Maryville Dialysis	2130 VADALABENE DR		MARYVILLE	MADISON	IL	62062-5632	14-2634
Montclare Dialysis Center	7009 W BELMONT AVE		CHICAGO	COOK	IL	60634-4533	14-2649
Roxbury Dialysis Center	622 ROXBURY RD		ROCKFORD	WINNEBAGO	IL	61107-5089	14-2665
Dixon Kidney Center	1131 N GALENA AVE		DIXON	LEE	IL	61021-1015	14-2651
Sycamore Dialysis	2200 GATEWAY DR		SYCAMORE	DEKALB	IL	60178-3113	14-2639

Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number
Mt. Greenwood Dialysis	3401 W 111TH ST		CHICAGO	COOK	IL	60655-3329	14-2660
Lake Villa Dialysis	37809 N IL ROUTE 59		LAKE VILLA	LAKE	IL	60046-7332	14-2666
Little Village Dialysis	2335 W CERMAK RD		CHICAGO	COOK	IL	60608-3811	14-2668
Kankakee County Dialysis	581 WILLIAM R LATHAM SR DR	STE 104	BOURBONNAIS	KANKAKEE	IL	60914-2439	14-2685
Wayne County Dialysis	303 NW 11TH ST	STE 1	FAIRFIELD	WAYNE	IL	62837-1203	14-2688
Edwardsville Dialysis	235 S BUCHANAN ST		EDWARDSVILLE	MADISON	IL	62025-2108	14-2701
Vandalia Dialysis	301 MATTES AVE		VANDALIA	FAYETTE	IL	62471-2061	14-2693
Macon County Dialysis	1090 W MCKINLEY AVE		DECATUR	MACON	IL	62526-3208	14-2584
Effingham Dialysis	904 MEDICAL PARK DR	STE 1	EFFINGHAM	EFFINGHAM	IL	62401-2193	14-2580
Jacksonville Dialysis	1515 W WALNUT ST		JACKSONVILLE	MORGAN	IL	62650-1150	14-2581
Litchfield Dialysis	915 ST FRANCES WAY		LITCHFIELD		IL	62056-1775	14-2583
Mattoon Dialysis	200 RICHMOND AVE E		MATTOON	COLES	IL	61938-4652	14-2585
Springfield Central Dialysis	932 N RUTLEDGE ST		SPRINGFIELD	SANGAMON	IL	62702-3721	14-2586
Taylorville Dialysis	901 W SPRESSER ST		TAYLORVILLE	CHRISTIAN	IL	62568-1831	14-2587
Lincoln Dialysis	2100 WEST FIFTH		LINCOLN	LOGAN	IL	62656-9115	14-2582
Springfield Montvale Dialysis	2930 MONTVALE DR	STE A	SPRINGFIELD	SANGAMON	IL	62704-5376	14-2590
Decatur East Wood Dialysis	794 E WOOD ST		DECATUR	MACON	IL	62523-1155	142599
Alton Dialysis	3511 COLLEGE AVE		ALTON	MADISON	IL	62002-5009	14-2619
Rushville Dialysis	112 SULLIVAN DRIVE		RUSHVILLE	SCHUYLER	IL	62681-1293	14-2620
Illini Renal Dialysis	507 E UNIVERSITY AVE		CHAMPAIGN	CHAMPAIGN	IL	61820-3828	14-2633
Woodridge Home Dialysis	7425 JAMES AVE	STE 103	WOODRIDGE	DUPAGE	IL	60517-2356	14-2696
Big Oaks Dialysis	5623 W TOUHY AVE		NILES	COOK	IL	60714-4019	14-2712
West Lawn Dialysis	7000 S PULASKI RD		CHICAGO	COOK	IL	60629-5842	14-2719
Robinson Dialysis	1215 N ALLEN ST	STEB	ROBINSON	CRAWFORD	IL	62454-1100	14-2714
Adams County Dialysis	436 N 10TH ST		QUINCY	ADAMS	IL	62301-4152	14-2711
Pittsfield Dialysis	640 W WASHINGTON ST		PITTSFIELD	PIKE	IL	62363-1350	14-2708

Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number
Jerseyville Dialysis	917 S STATE ST		JERSEYVILLE	JERSEY	IL	62052-2344	14-2636
Stoncrest Dialysis	1302 E STATE ST		ROCKFORD	WINNEBAGO	IL	61104-2228	14-2615
Crystal Springs Dialysis	720 COG CIRCLE		CRYSTAL LAKE	MCHENRY	IL	60014-7301	14-2716
Cobblestone Dialysis	934 CENTER ST	STE A	ELGIN	KANE	IL	60120-2125	14-2715
Lake Park Dialysis	1531 E HYDE PARK BLVD		CHICAGO	COOK	IL	60615-3039	14-2717
Stony Island Dialysis	8725 S STONY ISLAND AVE		CHICAGO	COOK	IL	60617-2709	14-2718
Woodlawn Dialysis	1164 E 55TH ST		CHICAGO	COOK	IL	60615-5115	14-2310
Woodlawn Home Program	5841 S MARYLAND AVE	RM L-026	CHICAGO	COOK	IL	60637-1447	14-3524
Lockport Home Dialysis	16626 W 159TH ST	STE 703	LOCKPORT	WILL	IL	60441-8019	14-2697
Maryville Home Dialysis	2136B VADALABENE DR		MARYVILLE	MADISON	IL	62062-5632	14-2686
Kennedy Home Dialysis	5509 N CUMBERLAND AVE	STE 515	CHICAGO	COOK	IL	60656-4702	14-2691

DSI Renal Inc. Illinois Facilities

Facility	Address	City	Services	Number of Stations 3/20/2011	Average Utilization 04/01/2010 to 03/31/2011
DSI Loop Renal Center	1101 South Canal Street,	Chicago	In-Center Hemo, HHD	28	45.68%
DSI Scottsdale Renal Center	4651 West 79th Street, Suite 100	Chicago	In-Center Hemo, HHD	35	42.26%
DSI Evanston Renal Center	1715 Central Street	Evanston	In-Center Hemo	18	55.09%
DSI South Holland Renal Center	16136 South Park Avenue	South Holland	In-Center Hemo	20	92.29%
DSI Markham Renal Center	3053-3055 West 159th Street	Markham	In-Center Hemo	24	72.57%
DSI Hazel Crest Renal Center	3470 West 183rd Street	Hazel Crest	In-Center Hemo	17	87.50%
DSI Arlington Heights Renal Center	17 West Golf Road	Arlington Heights	In-Center Hemo	18	58.10%
DSI Buffalo Grove Renal Center	1291 W. Dundee Road	Buffalo Grove	In-Center Hemo	16	70.31%
DSI Schaumburg Renal Center	Town Center, NW Corner	Schaumburg	In-Center Hemo, HHD	14	86.61%
DSI Waukegan Renal Center	1616 North Grand Avenue	Waukegan	In-Center Hemo, HHD	22	75.95%

May 18, 2011

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

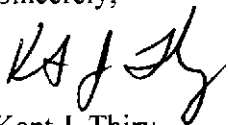
Re: Adverse Action and Access to Information

Dear Chairman Galassie:

I hereby certify under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 that no adverse action has been taken against any facility owned or operated in Illinois by DaVita, Inc. during the three years prior to filing this application.


Additionally, pursuant to 77 Ill. Admin. Code § 1110.230(a)(3)(C), I hereby authorize the Health Facilities and Services Review Board ("HFSRB") and the Illinois Department of Public Health ("IDPH") access to any documents necessary to verify information submitted as part of this application for permit. I further authorize HFSRB and IDPH to obtain any additional information or documents from other government agencies which HFSRB or IDPH deem pertinent to process this application for permit.

Sincerely,



Kent J. Thiry
Chief Executive Officer
DaVita, Inc.

Subscribed and sworn to me
This 23 day of MAY, 2011



Notary Public



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May 18, 2011

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

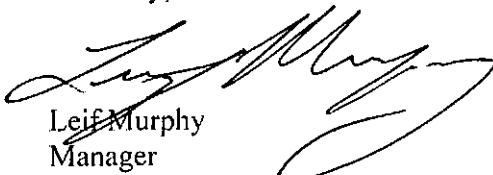
Re: Adverse Action and Access to Information

Dear Chairman Galassie:

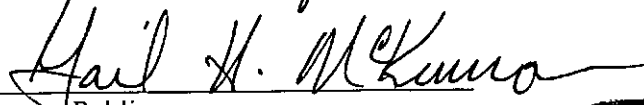
I hereby certify under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 that no adverse action has been taken against any facility owned or operated in Illinois by DSI Schaumburg, LLC. during the three years prior to filing this application.

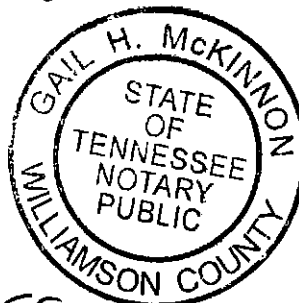
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Sincerely,


Leif Murphy
Manager
DSI Schaumburg, LLC

Subscribed and sworn to me
This 24th day of May, 2011


Notary Public



Section III, Project Purpose, Background and Alternatives – Information Requirements
Criterion 1110.230(b), Project Purpose, Background and Alternatives

Purpose of the Project

1. The purpose of the proposed merger of DaVita and DSI Renal, Inc. is to ensure ESRD patients throughout the country have continued access to life sustaining dialysis services. Acquisition of the DSI facilities will create economies of scale, integrate clinical, administrative and support functions, eliminate functional redundancies and redesign patient care delivery and allow the systems to share the resources and benefits of DaVita's infrastructure and processes and quality initiatives. Notably, on January 1, 2011, the Centers for Medicare and Medicaid Services ("CMS") implemented a new bundled prospective payment system for dialysis providers. This change in reimbursement is arguably the most dramatic change to the dialysis industry since the inclusion of chronic end-stage renal disease to the Medicare program. Under the new bundled payment system, CMS will make a single bundled payment to a dialysis facility for each dialysis treatment that will cover all services. This is a significant departure from the previous payment system where facilities were paid a composite rate for a defined set of items and services and paid separately for drugs, laboratory tests, and other services not included in the composite rate. The new bundled payment provides a fixed rate that encompasses all goods and services provided during dialysis treatment, including pharmaceuticals and most laboratory services that were historically reimbursed separately. Dialysis facilities whose costs are below the bundled payment will remain solvent while dialysis facilities whose costs exceed the bundled payment are liable for the difference and if their fixed cost structure is too high for this reimbursement model, their continued success would be in jeopardy.

To thrive in this new reimbursement environment, providers will need to provide dialysis in the most cost effective manner and DaVita is one of the best positioned providers to meet that challenge.

2. A map of the market area for DSI Schaumburg Renal Center is attached at Attachment – 12. The market area encompasses a 30 minute normal travel time radius around the facility.
3. DSI Schaumburg Renal Center is located in HSA 7. Based upon the May 20, 2011 Update to Inventory of Other Health Services, there is currently a need for 8 stations in HSA 7. The proposed merger of DaVita and DSI Renal, Inc. will ensure ESRD patients residing in HSA 7 retain access to life sustaining dialysis.

4. Reference

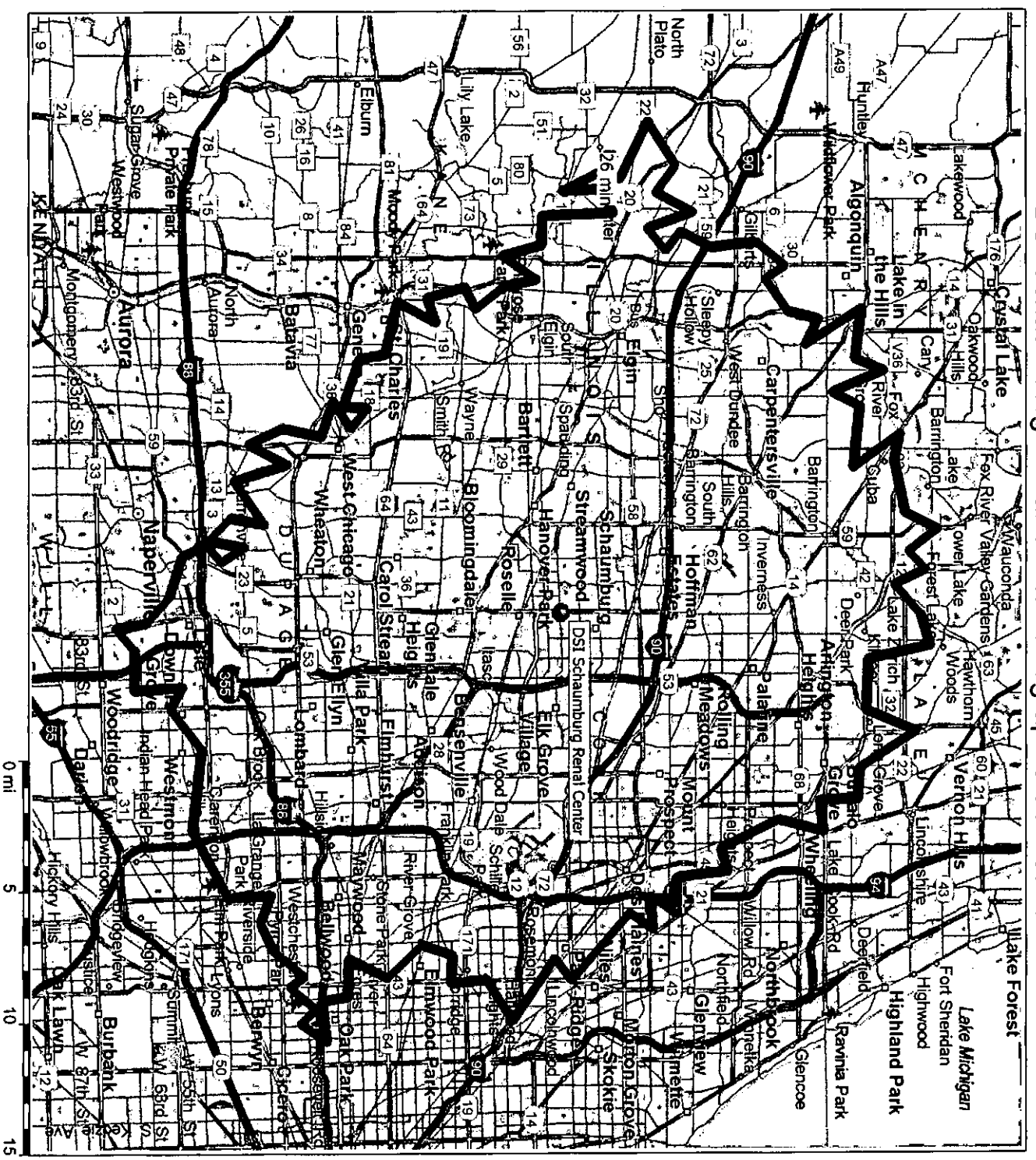
Illinois Health Facilities and Services Review Board, Update to Inventory of Other Health Services 8 (May 20, 2011) available at <http://www.hfsrb.illinois.gov/pdf/Other%20Services%20Update%2005-20-2011.pdf> (last visited May 23, 2011).

5. DaVita and DSI Renal, Inc. are leading providers of dialysis in the United States. The merger of DSI Renal, Inc. into DaVita will allow DaVita to increase its operational efficiency in this new payment environment, improve quality and ensure dialysis patients have continued access to life sustaining dialysis services.
6. The acquired facilities will be integrated into DaVita's normal operational processes, including DaVita's quality outcomes programs, and, thus, are anticipated to have outcomes comparable to other DaVita facilities.

Additionally, in an effort to better serve all kidney patients, DaVita believes in requiring that all providers measure outcomes in the same way and report them in a timely and accurate basis or be subject to penalty. There are four key measures that are the most common indicators of

quality care for dialysis providers - dialysis adequacy, fistula use rate, nutrition and bone and mineral metabolism. Adherence to these standard measures has been directly linked to 15-20% fewer hospitalizations. On each of these measures, DaVita has demonstrated superior clinical outcomes, which directly translated into 7% reduction in hospitalizations among DaVita patients, the monetary result of which is \$210M to \$230M in hospitalization savings to the health care system and the American taxpayer.

DSI Schaumburg Renal Center Geographic Service Area



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Section III, Project Purpose, Background and Alternatives – Information Requirements
Criterion 1110.230(c), Project Purpose, Background and Alternatives

Alternatives

1. Do Nothing

DSI Renal, Inc. operates ten dialysis facilities in Illinois. These facilities are located in HSAs 6, 7, 8. Acquisition of the DSI facilities will create economies of scale, integrate clinical, administrative and support functions, eliminate functional redundancies and redesign patient care delivery and allow the systems to share the resources and benefits of DaVita's infrastructure and processes and quality initiatives. Without a merger, these objectives cannot be achieved and, therefore, this option was rejected.

There is no cost associated with this alternative.

2. Exclude Illinois facilities from proposed acquisition

DaVita briefly considered excluding the Illinois facilities from the proposed merger. As set forth in Criterion 1120.230(b), operational efficiency will be a key to success in the new bundled payment environment. For smaller dialysis organizations, it will be difficult to obtain more favorable purchasing contracts or implement new systems to more effectively manage dialysis treatment and capture all qualifying adjustments for claims processing. Without the resources of a larger dialysis provider, the DSI Illinois facilities may find it difficult to survive in this payment reality and have to discontinue operations. As the purpose of the proposed transaction is to maintain access to dialysis services, this alternative was not feasible. Further, if the merger were to move forward without the Illinois facilities included the transaction would have to be restructured and this was not practical or desired.

There is no cost associated with this alternative.

3. Acquire DSI Renal, Inc., including Illinois facilities

DaVita carefully considered whether the DSI facilities fit with its mission, vision, values and business plan before entering into a definitive agreement to acquire DSI Renal, Inc. DSI Renal Inc. operates 106 dialysis facilities across the country, including 10 dialysis facilities in Illinois. Acquisition of the DSI facilities will allow DaVita to reach a new patient base and will improve DSI's operational efficiency. Through the acquisition, DaVita will be able to bring the broader line of chronic kidney disease services to DSI patients. These services will be beneficial for patients, physicians, payors, and taxpayers in providing more effective care and helping to reduce costs to the health care system. Accordingly, DaVita decided the acquisition of DSI Renal was the most feasible option.

The cost of this alternative is \$13,258,102.

Table 1110.230(c) Alternative to the Proposed Project Cost-Benefit Analysis				
Alternative	Community Need	Access	Cost	Status
Do Nothing	Not met	Decreased	\$0	Reject
Exclude Illinois Facilities	Not met	Decreased	\$0	Reject
Acquire DSI Facilities	Met	Maintained	\$13,258,102	Accept

Section VI, Mergers, Consolidations and Acquisitions/Changes of Ownership
Criterion 1110.240(b), Impact Statement

Attached as a supplement to this application is a copy of the merger agreement between DaVita, Inc., DVA Acquisition Company, CDSI I Holding Company, Inc., and CDSI Representative, LLC.

1. Change in Services Currently Offered

No change in the number of ESRD stations is anticipated as a result of the proposed merger. The Applicants may decide to add stations under the Health Facilities Planning Act at a later date, should the need arise based upon capacity and utilization trends.

2. Operating Entity

No change in the operating entity is anticipated as a result of the proposed merger. DaVita will acquire 100% of the stock of CDSI I Holding Company, Inc., the ultimate parent of DSI Renal, Inc., the current operating entity.

3. Reason for the Transaction

As set forth in Criterion 1110.230(b), the purpose for the transaction is to ensure ESRD patients have continued access to dialysis services. The merger of DaVita and DSI Renal, Inc. will allow DaVita to increase operational efficiency and improve quality and improve quality, which are vital for success in the new bundled payment environment.

4. Anticipated Additions or Reductions of Employees

No material clinical staffing changes are anticipated now or for the next two years except to the extent DSI staffing models are inconsistent with those of DaVita. DaVita determines its staffing needs according to treatment needs. Staffing hours and/or positions will be added or reduced according to patient census and care needs.

5. Cost-Benefit Analysis

As set forth throughout this application, the proposed transaction contemplates a change in control of the ultimate parent of DSI Renal, Inc., CDSI I Holding Company, Inc. By way of merger, DaVita will acquire 100% of the outstanding stock of CDSI I Holding Company, Inc. for approximately \$690 million. The proposed transaction includes the transfer of 106 in-center hemodialysis facilities to DaVita, including 10 facilities within Illinois. While DaVita will incur costs inherent in operating the DSI facilities, the DSI facilities will likely achieve cost savings due to economies of scale and shared resources.

Section VI, Mergers, Consolidations and Acquisitions/Changes of Ownership
Criterion 1110.240(c), Access

1. Current Admissions Policy

A copy of the current admissions policy for DSI Renal, Inc. is attached as Attachment 19-A.

2. Proposed Admissions Policy

A copy of the admissions policy for DaVita, Inc. is attached as Attachment 19-B.

3. Admission Policy Certification

A letter from DaVita's CEO certifying the admissions policies of DSI Renal, Inc. will not become more restrictive is attached as Attachment 19-C.



DSI Renal, Inc.

100-16: POLICY/PROCEDURE: CRITERIA FOR ADMISSION TO THE DIALYSIS CLINIC

SCOPE: This policy applies to DSI Renal, Inc. clinics

PURPOSE: To define admission criteria in compliance with the Rehabilitation Act of 1973 and to delineate which patients will or will not be treated by the facility. This policy will apply to all patients equally, in accordance with The Nondiscrimination Act without regard to health status or method of payment, e.g. private pay, Medicare or Medicaid.

POLICY:

1. It is the policy of DSI Renal, Inc that certain criteria be met prior to admitting a patient to any DSI dialysis clinic.
2. It is the practice of DSI Renal, Inc to admit patients without regard to HIV status. Patients with communicable diseases will be admitted if adequate isolation facilities are available to accommodate the individual without jeopardizing the health and safety of other patients.
3. DSI is committed to a policy of equitable access to care.

PROCEDURE:

Ensure that the following are met:

1. Patient should be relatively stable on dialysis and must be willing to cooperate with those caring for them in the areas of diet, fluid restriction, medication regimen, etc.
2. All patients with a Tracheostomy must have approval from Senior Vice President prior to admission.
3. A staff Nephrologist has evaluated patient and a prescription for treatment is written. There is documentation of the following:
 - a. Primary cause of renal failure/diagnosis using ICD-9 code terminology (Uremia, ESRD or CRF alone are not acceptable).
 - b. Permanence or irreversibility of renal failure requiring a regular course of dialysis to maintain life.
 - c. Age, sex, weight and height.

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- d. Need or necessity for chronic dialysis as determined by admitting nephrologist. A completed and signed 2728 must be submitted to the Network within 45 days.
- e. A member of the medical staff (physician, NP, or PA) must assess the patient before the initiation of the patient's first dialysis treatment in the facility. This evaluation could be accomplished by review of medical records and consultation with the referring physician, and is not intended to require the medical staff member to "see" the patient in the facility prior to this first treatment.

Note: These limits should be revised when factors such as age, body size or significant extrarenal disease(s) are present.

- 4. Other uremic symptoms, when attributable to chronic renal failure, may be a reason to initiate dialysis prior to the development of the conditions in #3.
 - a. Nausea and vomiting, anorexia, weight loss.
 - b. Weakness and fatigue that interferes with activity of daily living.
 - c. Lethargy, tremor, muscle cramps.
 - d. Bleeding tendency.
 - e. Pruritus.
 - f. Clouded sensorium asterixis.
 - g. Growth and development delay.
- 5. If the degree of renal impairment existing in conjunction with other medical conditions does not satisfy criteria #3 or #4, but dialysis is necessary to maintain life, these patients qualify for admission to the clinic with Senior Vice President Approval prior to admission. A 2728 will *not* be submitted to the Network on these patients. A 2728 may be submitted once the patient meets the Medicare requirements for qualifying for ESRD (see #3 and #4). Such conditions may include:
 - a. Volume overload proven unmanageable by conservative (non-dialytic) medical therapy.
 - b. Hyperkalemia proven unmanageable by conservative (non-dialytic) medical therapy.
 - c. Uremic pericarditis
 - d. Metabolic acidosis proven unmanageable by conservative (non-dialytic) medical therapy.
 - e. Uremic neuropathy

Note: Chronic dialysis therapy is not a benign therapy substitute for other disease states such as terminal congestive heart failure.

- 6. Patient should have supplemental insurance in addition to Medicare A and B or pay the 20% not covered by Medicare for each treatment.

7. Transportation arrangements are the responsibility of the patient and must be arranged prior to starting treatments.
8. Appropriate admission paperwork is completed on the first day of admission.
9. Patient is over 18 years of age. Patients less than 18 must have approval of Senior Management and the Chief Medical Officer.
10. The HBV serological status (i.e. HBsAg, total anti-HBc, and anti-HBs) of all patients should be known before admission to the hemodialysis unit. If the results of this testing are not known at admission, Hepatitis labs will be drawn on the 1st treatment. Until Hepatitis status is known, dialyze patient in designated area for unknown status- see policies regarding infection control/Hepatitis B.
 - a. Until laboratory results are available, treat the patient as if he/she were HBs Antigen-positive, using separate equipment (machine, BP cuff, etc.) and separate personal protective equipment, without placing the patient in an isolation area with HBs Antigen-positive patients.
 - b. Buffer the unknown status patient by patients who are HBs Antibody-positive.
11. On the first day of admission, draw a Pre BUN, Post BUN, and Hgb. If the start day is on Saturday or a day unable to send labs to the contracted national lab provider, store labs in the lab refrigerator and send on the first available day not to exceed 3 days. Place patient on clinic schedule for routine lab draw.
12. A patient evaluation by a Registered Nurse must be in place prior to the initiation of the first treatment. This assessment must include at minimum:
 - a. Neurologic: level of alertness/mental status, orientation, identification of sensory deficits
 - b. Subjective Complaints
 - c. Rest and comfort: pain status
 - d. Activity: ambulation status, support needs, fall risk
 - e. Access: assessment
 - f. Respiratory: respirations description, lung sounds
 - g. Cardiovascular: heart rate and rhythm, presence and location of edema
 - h. Fluid gains, blood pressure and temperature pretreatment
 - i. Integumentary: skin color, temperature and as needed type/location of wounds

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.

DEFINITION(S):

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.

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.

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.

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 the Registration System and must be completed for all patients who have Medicare coverage when they start treatment at DaVita.

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.

Permanent patient: A patient who has selected a DaVita dialysis facility as his/her home facility.

Personal Representative: An individual who is legally appointed, designated and/or authorized pursuant to state law to: (a) make health care decisions on behalf of a patient, or (b) act on behalf of a deceased individual or a deceased individual's estate. Reference *Personal Representatives of Patients* (available on the HIPAA website on the VillageWeb).

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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."

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 issued by an Insurance Provider licensed and operating in the United States or United States Territories which has been verified, and from which an authorization for treatment has been received by DaVita as required, (b) accepts financial responsibility for care by signing the *Patient Authorization & Financial Responsibility (PAFR) Form*.
 - i. Patients who are uninsured must be authorized at the facility level with written approval by the facility's Divisional Vice President (DVP), or their designee, prior to treatment. (*Cash Payment Fee Schedule for Patients with no Insurance Coverage Policy (available on the ROPS website on the VillageWeb)*).
 - ii. 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 DVP, or their designee, prior to treatment.
 - iii. 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 DVP, or their designee, prior to treatment.
2. Patients without adequate medical insurance coverage will be responsible to pay their portion of the cost of providing treatment prior to actual treatment.
3. All visiting patients, including patients visiting a non-contracted facility, will be responsible to sign a new PAFR Form specific to the visiting facility.

4. A Purchase Order for services and treatments outside of their area is required prior to treatment for patients who have Indian Health Services coverage.
5. Any new patient who is uninsured must be approved for treatment by the facility's Operational Vice President, or their designee, prior to treatment.
6. DaVita dialysis facility will transmit the required information to the corresponding Corporate Business Office (CBO) ROPS registration teammate upon notification of a new or visiting patient.
7. ROPS registration teammate will verify all insurances and obtain authorization if needed to complete the registration process.
8. 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, Discover or MasterCard prior to treatment. Please see *Money Received at Centers Policy* and *Credit Card Process Policy* (available on the ROPS website on the VillageWeb).
9. 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, and 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 9 of this policy. Please see *Entering Patient's Name Policy* (available on the ROPS website on the VillageWeb).
10. 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.
11. 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.
12. There are three (3) mandatory data elements for any patient to be registered in Registration System. These fields must be completed accurately prior to treatment. Required Registration System fields are:
 - a. First and last name;
 - b. DOB (date of birth), and
 - c. Anticipated start date at DaVita.

13. 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:
- a. Patient's Rights;
 - b. Patient's Responsibilities;
 - c. Patient Authorization and Financial Responsibility Form (PAFR);
 - d. Patient's Standards of Conduct;
 - e. Patient Grievance Procedure;
 - f. Authorization for and Verification of Consent to Hemodialysis/Peritoneal Dialysis;
 - g. Reuse Information Consent form;
 - h. Caretaker Authorization form;
 - i. HIPAA Notice Acknowledgement form; and
 - j. 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).
14. The patient will agree to follow the *Patient's Rights and Responsibilities, Patient's Standards of Conduct and the Patient Grievance Procedure*. (Refer to *Patient's Standards of Conduct; Patient Grievance Procedure; Patient Rights and Responsibilities* available on the Clinical P&P website in Volume 1 on the VillageWeb.)
15. Guest Patients are only required to sign the *Patient's Rights and 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.
16. Listed below are the following documents that are required for hemodialysis patients and home dialysis patients prior to admission to a DaVita Dialysis facility:
- a. 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:

- i. Federal or state government issued identification such as:
 - A. Driver's license;
 - B. Voter's registration card;
 - C. Passport;
 - D. ID card;
 - E. Marriage certificate;
 - F. Social Security card; or
 - G. US military photo ID card.
- ii. Divorce decree;
- iii. Credit card;
- iv. Utility bill;
- v. Pension statements;
- vi. Bank account and other financial asset records;
- vii. Property Deed;
- viii. Mortgage;
- ix. Lease Agreement;
- x. Auto registration;
- xi. Job paystub;
- xii. Letters from Social Security Office;
- xiii. US adoption papers;
- xiv. Court order for legal name change signed by a judge or county clerk;
- xv. Library card;
- xvi. Grocery store rewards card; or

- xvii. For minors, school records such as school identification card, nursery, or daycare records
- b. All copies of patient's current insurance cards-front and back;
- c. Copy of History and Physical (within the last year – must be legible);
- d. For Hepatitis and TB testing requirements, refer to policies: *Hepatitis Surveillance, Vaccination and Infection Control Measures* and *Tuberculosis Infection Control Policy* (available on the Clinical P&P website in Volume 1 on the VillageWeb);
Note: Hepatitis C testing is recommended, but not required.
- e. 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;
- f. Monthly labs within 30 days prior to first treatment date including hematocrit, hemoglobin, URR and electrolytes;
- g. Copies of three (3) flowsheets within two (2) weeks of requested treatment(s) for patients who have previously dialyzed;
- h. Copy of current hemodialysis orders for treatment;
- i. EKG, if available, OR if patient has known heart condition;
- j. Patient demographics;
- k. 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;
- l. Current list of medications being administered to patient in-center and at home;
- m. Advance Directives, if applicable;
- n. 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;
- o. *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 may not be reimbursed for services provided to the patient;

- p. CMS 382 Form. Required only for home dialysis patients (home hemo or peritoneal);
 - q. 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;
 - r. DaVita's *Notice of Privacy Practices*. Each patient will be provided with the notice.
17. 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 *Patient Identification and Verification Policy* (available on the Clinical P&P website in Volume 3 on the VillageWeb), and any other relevant policies based on the situation at hand.
18. 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 DVP or designee.
19. A permanent DaVita patient may be treated at a DaVita facility other than his /her home facility without completing the required documentation, excluding the PAFR, when:
- a. The attending nephrologist has privileges at both the facilities in question (the patient's home facility and the anticipated visiting facility);
 - b. A visiting record is generated by the home facility at least one hour before the scheduled treatment;
 - c. The Facility Administrator (FA) at the visiting facility agrees to treat the patient; and
 - d. The visiting facility has the space and resources to treat the patient.
- c. PAFR is always required.
20. All other exceptions to this policy are subject to approval by the DVP for the region/division.

ATTACHMENTS:

Attachment A: Procedures for Accepting Patients for Treatment

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 DaVitaComplianceHotline.com) or to DaVita's Corporate Compliance Department (1-888-200-1041 x156037). DaVita has a Non-Retaliation policy and will not tolerate any form of retaliation against anyone who files a Compliance report in good faith. Reports can be made anonymously or you may request confidentiality. Questions regarding this policy should be directed to the QUESTIONline@davita.com.

**TITLE: PROCEDURES FOR ACCEPTING PATIENTS FOR
TREATMENT**

PURPOSE: To establish procedures for accepting patients for treatment in accordance with the *Accepting Patients for Treatment* policy.

DEFINITIONS:

Personal Representative: An individual who is legally appointed, designated and/or authorized pursuant to state law to: (a) make health care decisions on behalf of a patient, or (b) act on behalf of a deceased individual or a deceased individual's estate. Reference the *Personal Representatives of Patients* (available on the HIPAA website on the VillageWeb).

POLICY:

1. DaVita dialysis facility will gather all the required documents and patient information (for new patients) to properly register the patient into the Registration System and Snappy information systems.

PROCEDURE(S):

A. Patient Registration Procedures for all New or Visiting patients:

1. The facility's Social Worker (SW) or designee will interview all new patients to determine whether a patient has adequate medical insurance coverage.
2. If patient is an established DaVita patient, the patient's current Patient Financial Evaluation (PFE) will follow the patient to the DaVita facility they are visiting.
3. Prior to scheduling the patient for treatment, the following fields must be completed:
 - a. First and last name;
 - b. Date of birth; and
 - c. Anticipated start date at DaVita.
4. Insurance information is required on all patients regardless of insurance type or coverage. The insurance information must include:
 - a. Insurance Company/Companies and phone number(s) (patient may have more than one type of insurance); and
 - b. Insurance Policy ID number (for each insurance).

5. The facility will then transmit the initial key information to the appropriate CBO/Registration Teammate as soon as notified of intent to treat a patient at a DaVita dialysis facility. The transmission of the additional information listed below will help complete the registration process.
 - a. Demographics;
 - b. Address, permanent and billing;
 - c. Social Security number;
 - i. Ethnicity;
 - ii. Emergency numbers;
 - iii. Provider information;
 - iv. Credentialed nephrologist;
 - v. Clinical Information;
 - vi. First Date of Dialysis (FDOD);
 - vii. Modality type;
 - viii. Primary diagnosis for dialysis;
 - ix. Primary cause for ESRD from CMS 2728 form;
 - x. Method (home patient supplies);
 - xi. Employed Status (required on patient, spouse, guardian or child) if there is an Employer Group Health Plan (EGHP). A Registration Teammate can unlock the Insurance Change Request (ICR) so the facility may complete this information. If the insurance subscriber is someone other than the patient, Registration Teammate will require the DOB of the subscriber;
 - xii. Date(s) of previous transplant(s), if applicable; and
 - xiii. MSP Form completed online in Registration System (if patient is Medicare eligible).
6. If the patient does not have a Social Security Number (SSN); please call Palms Customer Support at DaVita Laboratories @ 1-800-944-5227 to obtain a Reflab number. The Reflab number will be used by DaVita Laboratories and populated into Registration System.

7. Prior to the start of the first dialysis treatment, the patient or the patient's Personal Representative must sign, and have witnessed by a Registered Nurse, the Authorization for and Verification of Consent to Hemodialysis Procedure Form or the Authorization for and Verification of Consent to Peritoneal Dialysis Procedure Form.
8. The *Patient Authorization & Financial Responsibility (PAFR) Form* must be signed and dated by the patient or the patient's Personal Representative annually at each DaVita facility the patient is treated, and witnessed, prior to the start of the first dialysis treatment.
9. The facility will give the patient or the patient's Personal Representative DaVita's *Notice of Privacy Practices* (available on the HIPAA website on the VillageWeb). The HIPAA Notice Acknowledgement Form must be signed by the patient or the patient's Personal Representative or by a teammate prior to the start of the first dialysis treatment.
10. The patient/Personal Representative or a DaVita teammate must sign the Notice of Acknowledgement Form attesting that the patient received DaVita's *Notice of Privacy Practices*.
11. All additional forms, specific to the patient's modality, are to be signed prior to, or within 30 days of the first treatment.
12. The following documents must be scanned into Registration System prior to or within seven (7) days of the first treatment:
 - a. An insurance card for each insurance;
 - b. Insurance letter for Authorization/Referral if the insurance carrier requires an authorization; and
 - c. 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:
 - i. Federal or state government issued identification such as:
 - A. Driver's license;
 - B. Voter's registration card;
 - C. Passport;
 - D. ID card;
 - E. Marriage certificate;

- F. Social Security card; or
- G. US military photo ID Card;
- ii. Divorce decree;
- iii. Credit card;
- iv. Utility bill;
- v. Pension statements;
- vi. Bank account and other financial asset records;
- vii. Property Deed;
- viii. Mortgage;
- ix. Lease Agreement;
- x. Auto registration;
- xi. Job paystub;
- xii. Letters from Social Security Office;
- xiii. US adoption papers;
- xiv. Court order for a legal name change signed by a judge or court clerk;
- xv. Library card;
- xvi. Grocery store rewards card; or
- xvii. For minors, school records such as school identification card, nursery or daycare records

13. 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 will follow the procedures set forth in the *Patient Identification and Verification Policy* (available on the Clinical P&P website in Volume 3 on the VillageWeb).

14. A signed CMS 2728 form must be completed, signed and scanned into Registration System within 45 days of the first treatment date. This is scanned into Registration System one (1) time only.

15. The dialysis facility will fax the following required documents to 1-888-720-4008 for electronic imaging:

- a. CMS 382 Beneficiary Selection (PD patients)-this is faxed one (1) time only or if modality changes and then is faxed in January;
- b. Patient Authorization & Financial Responsibility Form (PAFR);
- c. Authorization for and Verification of Consent to Hemodialysis Procedure Form;
- d. Authorization for and Verification of Consent to Peritoneal Dialysis Procedure Form (if applicable);
- e. Reuse Information Consent Form (if applicable);
- f. Patient's Rights;
- g. Patient's Responsibilities;
- h. Patient's Standards of Conduct;
- i. Patient Grievance Procedure;
- j. Dialysis Emergency Form/Emergency Evacuation Acknowledgement (Hemodialysis patients);
- k. Patient's Choice of Transportation; and/or
- l. Caretaker Authorization.

16. The facility will file all original documents in the patient's medical record.

B. Visiting DaVita Patient Procedures:

1. The facility will verify that the documents and patient information for existing patients are current within the Registration System.
2. PAFR must be signed specific to the clinic being visited.
3. The home facility must setup a transfer record for a returning DaVita patient. This may be entered up to 30 days in advance.
4. The facility will transmit the required information to the corresponding CBO/Registration Teammate as soon as possible upon notification of a returning visiting patient.
5. ROPS registration teammate will verify all insurances and obtain authorization if needed to complete the registration process .

C. Registration Teammate Procedures:

1. Registration teammate will complete the system driven tasks generated from Registration System for the new patient to continue the patient intake process within 48 hours of receipt of patient information.
 - a. Registration teammate will complete one Benefits Verification Form (BVF) for each insurance.
 - b. Registration teammate will obtain authorization if required by the insurance carrier. If no authorization can be obtained, the Registration teammate Representative will update Registration System Notes and notify the Facility Administrator with the information.
 - c. Contact the facility for any additional information required to register the patient into Registration System.
 - d. Registration Teammate will respond to inquiries made by the dialysis facility within a 24-hour period.

D. Exceptions to these Procedures:

1. The documentation requirement for visiting DaVita to DaVita patients may be waived by the facility administrator under specific conditions described here:
 - a. The referring physician has privileges at both the home and the visiting facility;
 - b. A transfer record has been created at least one hour before the patient arrives for treatment; and
 - c. The visiting facility has the resources and space to accept the patient for dialysis.
2. Under this exception, the visiting facility must have the patient sign:
 - a. *Patient Authorization & Financial Responsibility Form (PAFR); and*
 - b. *Authorization and Consent for Treatment (Hemodialysis / Peritoneal Dialysis)*

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 DaVitaComplianceHotline.com) or to DaVita's Corporate Compliance Department (1-888-200-1041 x156037). DaVita has a Non-Retaliation policy and will not tolerate any form of retaliation against anyone who files a Compliance report in good faith. Reports can be made anonymously or you may request confidentiality. Questions regarding this policy should be directed to the QUESTionline@davita.com.

May 18, 2011

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

Re: Admission Policies

Dear Chairman Galassie:

I hereby certify under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 that the admissions policy for DSI Schaumburg, LLC d/b/a DSI Schaumburg Renal Center will not become more restrictive as a result of the proposed merger of DaVita, Inc. and DSI Renal, Inc.

Sincerely,

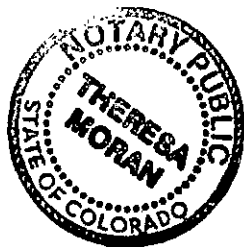


Kent J. Thiry
Chief Executive Officer
DaVita, Inc.

Subscribed and sworn to me
This 23 day of MAY, 2011



Notary Public



Section VI, Mergers, Consolidations and Acquisitions/Changes of Ownership
Criterion 1110.240(d), Health Care System

1. Impact on Other Area Providers

There will be no change in the scope of services as a result of the merger of DaVita, Inc. with DSI Renal, Inc. DaVita intends to continue to provide dialysis services to patients in the City of Chicago and surrounding areas through the existing facilities. All anticipated changes will be operational to align the DSI facilities with the operations and resources available within DaVita and which are customary for all DaVita facilities. The merger will not impact other unaffiliated area dialysis facilities as the transaction consists of a change of control of the operating entity.

2. Facilities within Applicant's Health Care System

A list of all DaVita and DSI facilities in Illinois is attached at Attachment 19-D. The list includes the name, address, number of stations, list of services, and utilization for the most recent 12 month period.

3. Present and Proposed Referral Agreements

There are no current or proposed referral agreements for the facilities involved in this transaction. Therefore, this criterion is not applicable.

4. Time and Distance for Proposed Referrals

There are no current or proposed referral agreements for the facilities involved in this transaction. Therefore, this criterion is not applicable.

5. Use of Care System Providers

The change of control of the operating entity will have no impact on area in-center hemodialysis facilities. The change of control will not restrict the use of other area health care providers and the DaVita facilities, including the integrated DSI facilities, will have open medical staffs and admit patients pursuant to a non-discriminatory admission policy.

6. Duplication of Services

The proposed transaction contemplates a change in control of the ultimate parent of the operating entity, DSI Renal, Inc. The proposed transaction will involve the transfer of 106 existing in-center hemodialysis facilities to DaVita, including 10 facilities in Illinois. Because the proposed transaction involves the transfer of existing in-center hemodialysis facilities, there will be no duplication of services.

7. Services Not Available to the Community

DaVita will continue to provide dialysis services currently provided in the DSI facilities, including in-center hemodialysis, peritoneal dialysis (CAPD and CCPD), and home hemodialysis. No new services are planned for the acquired DSI facilities; however, as new treatment options and technology evolve, DaVita will implement new treatment modalities as warranted.

DaVita, Inc. Illinois Facilities

Facility	Address	City	Services	Number of Stations 3/31/2011	Average Utilization 04/01/2010 to 03/31/2011
Stonecrest Dialysis	1302 East State Street	Rockford	In-Center Hemo, CAPD	10	58.33%
Sycamore Dialysis	2200 Gateway Drive	Sycamore	In-Center Hemo, CAPD	12	72.22%
Churchview Dialysis	5970 Churchview Drive	East Rockford	In-Center Hemo, CAPD	24	55.73%
Freeport Dialysis Unit	1028 Kunkle Avenue	Freeport	In-Center Hemo	10	92.08%
Rockford Memorial Hospital	2400 North Rockton Avenue	Rockford	In-Center Hemo	20	86.04%
Whiteside Dialysis	2600 North Locust	Sterling	In-Center Hemo	15	66.67%
Dixon Kidney Center	1131 North Galena Avenue	Dixon	In-Center Hemo	8	52.60%
Roxbury Dialysis	612 Roxbury Road	Rockford	In-Center Hemo	16	91.15%
Jacksonville Dialysis	1515 West Walnut	Jacksonville	In-Center Hemo	14	65.77%
Lincoln Dialysis	2100 West 5th Street	Lincoln	In-Center Hemo	14	21.43%
Litchfield Dialysis	915 St. Francis Way	Litchfield	In-Center Hemo	11	65.15%
Springfield Central Dialysis	932 North Rutledge Street	Springfield	In-Center Hemo, CAPD, HDD	21	76.19%
Taylorville Dialysis	901 West Spesser	Taylorville	In-Center Hemo	10	50.42%
Springfield Montvale Dialysis	2930 Montvale Drive, Suite A	Springfield	In-Center Hemo	17	76.23%
Springfield South Dialysis	2930 South 6th Street	Springfield	In-Center Hemo, CAPD, HDD	12	N/A
Rushville Dialysis	Route 67 & Route 24, RR #1	Rushville	In-Center Hemo	7	52.98%
Pittsfield Dialysis	640 West Washington Street	Pittsfield	In-Center Hemo	5	22.50%
Adams County Dialysis	1005 Broadway	Quincy	In-Center Hemo, CAPD	17	49.51%
Macon County Dialysis	1016 West McKinley Avenue	Decatur	In-Center Hemo	21	61.90%
Mattoon Dialysis	200 Richmond Avenue, East	Mattoon	In-Center Hemo	16	45.05%
Decatur East Wood Dialysis	794 East Wood Street	Decatur	In-Center Hemo, CAPD, HDD	16	62.50%
Illini Renal Dialysis	507 E. University Avenue	Champaign	In-Center Hemo, CAPD, HDD	10	58.33%
Mount Vernon Dialysis	1800 Jefferson Avenue	Mount Vernon	In-Center Hemo, CAPD, HDD	16	57.81%
Marion II	324 South 4th Street	Marion	In-Center Hemo, CAPD, HDD	13	71.47%
Effingham Dialysis	904 Medical Park Drive, Suite #1	Effingham	In-Center Hemo, CAPD, HDD	16	52.34%
Benton Dialysis	1151 West Route #14	Benton	In-Center Hemo, CAPD	13	68.27%
Centralia Dialysis	1231 State Illinois Route 161 E.	Centralia	In-Center Hemo, CAPD	12	71.53%
Olney Dialysis Center	117 North Boone	Olney	In-Center Hemo	7	48.81%
Wayne County Dialysis	303 NW 11th Street	Fairfield	In-Center Hemo, CAPD	8	45.31%
Vandalia Dialysis	301 Mattes Road	Vandalia	In-Center Hemo, CAPD	8	36.46%
Robinson Dialysis	1215 North Allen Street	Robinson	In-Center Hemo	8	21.88%
Woodlawn Dialysis	1164 East 55th Street	Chicago	In-Center Hemo, CAPD, HDD	20	112.50%
Lincoln Park Dialysis	3155-57 N. Lincoln Avenue	Chicago	In-Center Hemo	22	80.11%
Emerald Dialysis	710 W 43rd Street	Chicago	In-Center Hemo, CAPD	24	87.67%
Logan Square Dialysis	2659 North Milwaukee Ave.	Chicago	In-Center Hemo	20	91.67%

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DSI Renal Inc. Illinois Facilities					
Facility	Address	City	Services	Number of Stations 3/20/2011	Average Utilization 04/01/2010 to 03/31/2011
DSI Loop Renal Center	1101 South Canal Street	Chicago	In-Center Hemo, HHD	28	45.68%
DSI Scottsdale Renal Center	4651 West 79th Street, Suite 100	Chicago	In-Center Hemo, HHD	35	42.26%
DSI Evanston Renal Center	1715 Central Street	Evanston	In-Center Hemo	18	55.09%
DSI South Holland Renal Center	16136 South Park Avenue	South Holland	In-Center Hemo	20	92.29%
DSI Markham Renal Center	3053-3055 West 159th Street	Markham	In-Center Hemo	24	72.57%
DSI Hazel Crest Renal Center	3470 West 183rd Street	Hazel Crest	In-Center Hemo	17	87.50%
DSI Arlington Heights Renal Center	17 West Golf Road	Arlington Heights	In-Center Hemo	18	58.10%
DSI Buffalo Grove Renal Center	1291 W. Dundee Road	Buffalo Grove	In-Center Hemo	16	70.31%
DSI Schaumburg Renal Center	Town Center, NW Corner	Schaumburg	In-Center Hemo, HHD	14	86.61%
DSI Waukegan Renal Center	1616 North Grand Avenue	Waukegan	In-Center Hemo, HHD	22	75.95%

Section VIII, Financial Feasibility
Criterion 1120.120 Availability of Funds

Included as a supplement to this application is copy of DaVita's December 31, 2010 10-K Statement, which include audited financial statements, evidencing sufficient funds to finance the project.

Section IX, Financial Feasibility
Criterion 1120.130 – Financial Viability Waiver

The project will be funded with \$13,258,102 in cash. A copy of DaVita's most recent 10-K Statement, which include audited financial statements, evidencing sufficient funds to finance the project is included as a supplement to this application.

Section X, Economic Feasibility Review Criteria
Criterion 1120.140(a), Reasonableness of Financing Arrangements

Attached at Attachment 42-A is a letter from Kent J. Thiry, Chief Executive Officer of DaVita, Inc. attesting the total estimated project costs will be funded in total with cash.

May 18, 2011

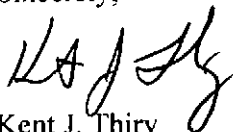
Dale Galassie
Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Reasonableness of Financing Arrangements

Dear Chairman Galassie:

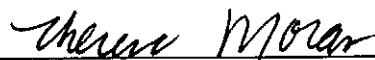
I hereby certify under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 and pursuant to 77 Ill. Admin. Code § 1120.140(a) that the total estimated project costs and related costs will be funded in total with cash and cash equivalents, including investment securities, unrestricted funds, received pledge receipts and funded depreciation.

Sincerely,

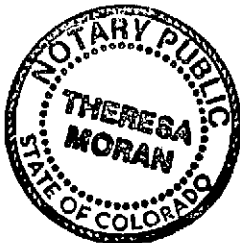


Kent J. Thiry
Chief Executive Officer
DaVita, Inc.

Subscribed and sworn to me
This 23 day of MAY, 2011



Notary Public



Section X, Economic Feasibility Review Criteria
Criterion 1120.140(b), Conditions of Debt Financing

The project will be funded entirely with cash. Accordingly, this criterion is not applicable.

Section X, Economic Feasibility Review Criteria
Criterion 1120.310(c), Reasonableness of Project and Related Costs

The Applicants propose a change of control of the operating entity, DSI Schaumburg, LLC. The proposed project involves no construction or modernization. Accordingly, this criterion is not applicable.

Section X, Economic Feasibility Review Criteria
Criterion 1120.310(d), Projected Operating Costs

Operating Expenses: \$2,334,237

Treatments: 9,984

Operating Expense per Treatment: \$233.80

Section X, Economic Feasibility Review Criteria
Criterion 1120.310(e), Total Effect of Project on Capital Costs

Capital Costs: \$159,245

Treatments: 9,984

Capital Costs per Treatment: \$15.95

Section XI, Safety Net Impact Statement

The Applicants propose a change of control of the operating entity of DSI Schaumburg Renal Center, DSI Schaumburg, LLC. A change of control constitutes a non-substantive project. Accordingly, this criterion is not applicable.

Section XII, Charity Care Information

The table below provides charity care information for all dialysis facilities located in the State of Illinois that are owned or operated by the Applicants.

CHARITY CARE			
	2008	2009	2010
Net Patient Revenue	\$157,223,604	\$166,573,387	\$174,373,288
Amount of Charity Care (charges)	\$297,508	\$575,803	\$957,867
Cost of Charity Care	\$297,508	\$575,803	\$957,867

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

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