



Fresenius Medical Care

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HEALTH FACILITIES &
SERVICES REVIEW BOARD

April 1, 2013

Ms. Courtney Avery
Administrator
Illinois Health Facilities & Services Review Board
525 West Jefferson, 2nd Floor
Springfield, IL 62761

Re: Annual Progress Report. Section 1130.760
Project # 11-096, Fresenius Medical Care Cicero
Permit Holder: Fresenius Medical Care Cicero, LLC and Fresenius Medical
Care Holdings, Inc.
Permit Amount: \$4,037,125

Dear Ms. Avery:

Enclosed please find the annual progress report which summarizes the current status of the above-mentioned project.

If you have any questions, please contact me at 708-498-9121.

Sincerely,

Lori Wright
Senior CON Specialist

cc: Clare Ranalli

Fresenius Medical Services ♦ North Division

One Westbrook Corporate Center, Suite 1000 Westchester, IL 60154 708-562-0371

April 1, 2013

Annual Progress Report, Section 1130.760

Project # 11-096, Fresenius Medical Care Cicero

Permit Holder: Fresenius Medical Care Cicero, LLC and Fresenius Medical Care Holdings, Inc.

Permit Amount: \$4,037,125

This report summarizes the current status of the above-mentioned project. The development is located at 3000 S. Cicero Avenue, Cicero, Illinois. There have been no changes to the scope and size of this project. The Permit amount is \$4,037,125.

Key Milestones Completed:

Date Completed

- | | |
|---|------------|
| • Preliminary Plan approved, notice sent to the Architect to proceed. | 06/20/2013 |
| • Project Obligation with Lease Execution | 08/08/2012 |
| • Construction Drawings Completed | 08/22/2012 |
| • Scope of Project sent out for bids | 08/28/2012 |
| • Construction Contract Awarded | 10/03/2012 |
| • Building permit granted | 10/23/2012 |
| • Construction Commencement | 10/24/2012 |
| • Misc. Purchase orders placed | 11/01/2013 |
| • Vendor Installs | 01/18/2013 |
| • Certificate of occupancy granted | 03/12/2013 |
| • 1 st Patient Dialyzed | 03/13/2013 |

Key Actions that need to be completed:

Target Date

- | | |
|--|------------|
| • ESRD Federal Certification Survey | 06/15/2013 |
| • Project Complete with receipt of certification letter. | 09/15/2013 |

The project is currently approximately 99% complete and is just waiting for CMS certification.

Sources and Uses of Funds

All Project financing to date has been funded from available cash and its equivalents as reported on the company's financial statements. The right to occupy the premises is being secured through a leasing arrangement. This leasing arrangement was utilized to obligate the project. None of the project costs have exceeded the approved permit amounts.

Project Costs and Sources of Funds

Line Item	Allowance/CON	Realized Costs
Preplanning Costs	N/A	N/A
Site Survey & Soil Investigation	N/A	N/A
Site Preparation	N/A	N/A
Off-site work	N/A	N/A
New Construction Contracts	N/A	N/A
Modernization	1,239,750	972,290
Contingencies	123,500	0
Architectural/Engineering	135,000	59,610
Consulting and other fees	N/A	N/A
Movable & Other Equipment	281,000	264,625
Bond Issuance Expense	N/A	N/A
Net Interest Expense during Construction	N/A	N/A
FMV of Leased Space & Equipment	2,031,417	2,031,417
Other Costs to be Capitalized	N/A	N/A
Acquisition of Building or other Property (excluding land)	N/A	N/A
Total Project Costs	3,810,667	3,327,942
Realized Total Project Costs To Date	CLINICAL	CLINICAL
Cash & Securities	1,636,750	1,154,025
Pledges	N/A	N/A
Gifts & Bequests	N/A	N/A
Bond Issues	N/A	N/A
Mortgages	N/A	N/A
Lease FMV	2,031,417	2,031,417
Gov. Approp	N/A	N/A
Grants	N/A	N/A
Other funds and Sources	142,500*	142,500*
Total funds	3,810,667	
Total Spent to Date		3,327,942

* Actual construction costs are \$1,363,250 however, the landlord is to contribute \$142,500 in tenant improvement allowances to be paid back over the term of the lease, but relates directly to the construction costs.

APPLICATION AND CERTIFICATION FOR PAYMENT

AIA DOCUMENT G702/CMa

CONSTRUCTION MANAGER-ADVISER EDITION

PAGE ONE OF 3

TO CONTRACTOR:
 DiNasso & Sons Construction Co., Inc.
 4931 W. 171st Street, Unit F
 Country Club Hills, IL 60478

PROJECT:
 Cicero Project #: 8619-1-DN-NC-BO-11
 3030 S. Cicero Avenue
 Cicero, IL 60804

APPLICATION NO: FINAL
PERIOD TO: 03/15/13
Distribution to:
 OWNER
 ARCHITECT

FROM SUBCONTRACTOR:
 DiNasso & Sons Construction Co., Inc.
 4931 W. 171st Street, Unit F
 Country Club Hills, IL 60478

OWNER:
 Fresenius Medical Care Cicero, LLC
 C/o Fresenius Medical Care NA
 2219 Hollywood Blvd., Suite 101
 Hollywood, FL 33020

PROJECT NOS: 8619-1-DN-NC-BO-11
CONTRACT DATE: September 26, 2012

CONTRACT FOR:
 General Construction

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract. Continuation Sheet, AIA Document G703, is attached.

1. ORIGINAL CONTRACT SUM	\$	950,000.00
2. Net change by Change Orders	\$	22,289.53
3. CONTRACT SUM TO DATE (Line 1 ± 2)	\$	972,289.53
4. TOTAL COMPLETED & STORED TO DATE (Column G on G703)	\$	972,289.53
5. RETAINAGE:		
a. % of Completed Work (Column D + E on G703)	\$	0.00
b. % of Stored Material (Column F on G703)	\$	0.00
Total Retainage (Lines 5a + 5b or Total in Column I of G703)	\$	0.00
6. TOTAL EARNED LESS RETAINAGE (Line 4 Less Line 5 Total)	\$	972,289.53
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate)	\$	870,622.22
8. CURRENT PAYMENT DUE (Line 6 minus Line 7)	\$	101,667.31
9. BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 less Line 6)	\$	0.00

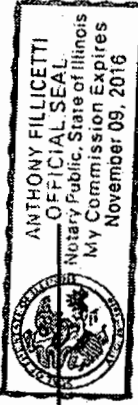
CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner	\$17,558.03	\$0.00
Total approved this Month	\$4,931.50	\$0.00
TOTALS	\$22,289.53	\$0.00
NET CHANGES by Change Order	\$22,289.53	

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

CONTRACTOR: DiNasso & Sons Construction Co., Inc.

By: Charles D. [Signature] Date: March 19, 2013

State of: Illinois County of: Cook
 Subscribed and sworn to before me this 19th day of March, 2013
 Notary Public: Anthony Fillicetti
 My Commission expires: 11-9-2014



CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.
AMOUNT CERTIFIED \$ 101,667.31
 (Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet are changed to conform with the amount certified.)

CONSTRUCTION MANAGER:

By: _____ Date: _____

ARCHITECT:

By: _____ Date: _____

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