



FRESENIUS KIDNEY CARE

Fresenius Kidney Care

3500 Lacey Road, Downers Grove, IL 60515
T 630-960-6807 F 630-960-6812
Email: lori.wright@fmc-na.com

July 7, 2016

RECEIVED

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HEALTH FACILITIES &
SERVICES REVIEW BOARD

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 #14-012 Fresenius Medical Care Gurnee
Permit Holder: Fresenius Medical Care Lake County, LLC, and Fresenius Medical
Care Holdings, Inc.

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 630-960-6807.

Sincerely,

Lori Wright
Senior CON Specialist

cc: Clare Ranalli



FRESENIUS KIDNEY CARE

July 7, 2016

Annual Progress Report, Section 1130.760

Project #14-012 Fresenius Medical Care Gurnee

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

Original Permit Amount: \$5,475,700

Alteration Permit Amount: \$5,389,736

This report summarizes the current status of the above-mentioned project located at 50 Tower Court, Suite B, Gurnee.

Status of the Project

This project is for the discontinuation of the Neomedica Gurnee 14-station ESRD facility at 101 N. Greenleaf in Gurnee and the establishment of a 16-station ESRD replacement facility at 50 Tower Court, Suite B, Gurnee to be named Fresenius Medical Care Gurnee. The project was obligated with the execution of the lease on March 19, 2015. A permit alteration was granted August 25, 2015 reducing the GSF of the leased space along with the project cost. A permit renewal request was granted December 23, 2015 with a new completion date of December 31, 2016.

The facility relocated on March 21, 2016 is now waiting for Medicare Certification.

Application and Certificate for Payment (AIA G702)

All construction costs are being incurred by the landlord and will be paid back over the term of the lease as rent therefore there is no Certificate for Payment.

Anticipated Completion Date

The project is currently approximately 99% complete and is expected to be completed prior to December 31, 2016.



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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 secured through a lease agreement. This lease arrangement is utilized to obligate the project. Project costs have not exceeded the approved permit amount.

Project Costs and Sources of Funds

Line Item	Altered Permit Costs	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	1,771,000	0
Contingencies	176,000	0
Architectural/Engineering	175,000	100,528
Consulting and other fees	N/A	N/A
Movable & Other Equipment	504,000	331,563
Bond Issuance Expense	N/A	N/A
Net Interest Expense during Construction	N/A	N/A
FMV of Leased Space & Equipment	2,577,797	4,524,797*
Other Costs to be Capitalized	N/A	N/A
Acquisition of Building or other Property (excluding land)	N/A	N/A
Total Project Costs	\$5,203,797	
Realized Total Project Costs To Date		\$4,956,888
Cash & Securities	679,000	432,091
Pledges		N/A
Gifts & Bequests		N/A
Bond Issues		N/A
Mortgages		N/A
Lease FMV	4,524,797*	4,524,797*
Gov. Approp		N/A
Grants		N/A
Other funds and Sources		N/A
Total funds	\$5,203,797	
Total Spent to Date		\$4,956,888

*Total modernization and contingency costs are incurred by the landlord and will be paid back over the term of the lease as rent.