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November 1, 2018

Via Federal Express
Via Email

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RECEIVED

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**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

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

Re: Annual Progress Report - Brighton Park Dialysis (Proj. No 16-033)

Dear Mr. Constantino:

Pursuant to Section 1130.760 of the Illinois Health Facilities and Services Review Board ("HFSRB") rules, I am writing on behalf of DaVita Inc. and Itasca Dialysis LLC (the "Permit Holders") to submit the annual progress report for Brighton Park Dialysis (Project No. 16-033). As you are aware, on October 25, 2016, HFSRB approved the Permit Holders' certificate of need application for the establishment of Brighton Park Dialysis (the "Project"). Pursuant to Section 1130.760, the Permit Holders submit the following information regarding the progress of Project Permit #16-033.

1. Status of the Project

The Project was obligated on April 6, 2017 through the execution of the construction contract for the dialysis facility. Construction is complete, and clinic is awaiting Medicare certification. Based upon recent experience, DaVita it may take up to six months for Medicare certification.

2. Costs Incurred to Date

To date, the Permit Holders have incurred \$4,576,881 in project costs.

PROJECT COSTS	Approved	Expended
New Construction Contracts	\$1,402,516	\$1,245,200
Contingencies	\$110,000	\$0

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PROJECT COSTS	Approved	Expended
A & E Fees	\$115,327	\$66,838
Consulting & Other Fees	\$55,000	\$10,452
Moveable Equipment	\$608,877	\$616,174
Fair Market Value of Leased Space & Equipment	\$2,638,217	\$2,638,217
Estimated Total Project Cost	\$4,929,937	\$4,576,881

3. Sources of Funds

The project will be financed through \$2,291,720 in cash and cash equivalents and a \$2,638,217 lease.

4. Anticipated Completion Date

The anticipated completion date for the Project is October 31, 2018.

If you need any additional information or have any questions regarding the status of the project, please feel free to contact me.

Sincerely,

A handwritten signature in cursive script that reads 'Anne M. Cooper'.

Anne M. Cooper

cc: Gaurav Bhattacharyya, DaVita
John Fitchwell, DaVita
James Burke, DaVita