



Juan Morado, Jr.  
333 West Wacker Drive, Suite 1900  
Chicago, IL 60606  
Direct Dial: 312.212.4967  
Fax: 312.757.9192  
jmorado@beneschlaw.com

September 10, 2018

**VIA FEDERAL EXPRESS**

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

Re: Change of Ownership Exemption application

To Whom it May Concern:

Enclosed please find a check in the amount of \$2,500 payable to the Illinois Department of Public Health for the Certificate of Exemption application processing fee on behalf of Vascular Access Center of Illinois.

Very truly yours,

BENESCH, FRIEDLANDER,  
COPLAN & ARONOFF LLP

A handwritten signature in black ink, appearing to read 'Juan Morado, Jr.', written in a cursive style.

Juan Morado, Jr.

JM:  
Enclosures

**RECEIVED**

SEP 11 2018

HEALTH FACILITIES &  
SERVICES REVIEW BOARD

September 11, 2018

**VIA FEDERAL EXPRESS**

Courtney Avery  
Board Administrator  
Illinois Health Facilities and  
Services Review Board  
525 West Jefferson Street, 2nd Floor  
Springfield, Illinois 62761

Re: Vascular Access Centers of Illinois - Certificate of Exemption Application

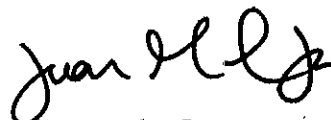
To Whom it May Concern:

Enclosed please find the COE application for a change of ownership among related parties for an Ambulatory Surgical Treatment Center. A check in the amount of \$2,500 payable to the Illinois Department of Public Health was previously sent and received by your office.

If there are any questions about this project or any issues that need to be addressed or clarified, please contact me at 312-212-4967 or at [jmorado@beneschlaw.com](mailto:jmorado@beneschlaw.com).

Very truly yours,

BENESCH, FRIEDLANDER,  
COPLAN & ARONOFF LLP



Juan Morado, Jr.

JM:  
Enclosures

E-053-18

[ ORIGINAL ]

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD  
CHANGE OF OWNERSHIP APPLICATION FOR EXEMPTION- 08/2018 EditionILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD  
APPLICATION FOR CHANGE OF OWNERSHIP EXEMPTION

RECEIVED

## SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

SEP 13 2018

This Section must be completed for all projects.

HEALTH FACILITIES &  
SERVICES REVIEW BOARD

## Facility/Project Identification

|                                                   |                        |                       |
|---------------------------------------------------|------------------------|-----------------------|
| Facility Name: Vascular Access Center of Illinois |                        |                       |
| Street Address: 1701 W. Monterey Avenue           |                        |                       |
| City and Zip Code: Chicago, IL 60643              |                        |                       |
| County: Cook                                      | Health Service Area: 6 | Health Planning Area: |

## Legislators

|                                             |
|---------------------------------------------|
| State Senator Name: Emil Jones III          |
| State Representative Name: Justin Slaughter |

## Applicant(s) [Provide for each applicant (refer to Part 1130.220)]

|                                                                                            |
|--------------------------------------------------------------------------------------------|
| Exact Legal Name: Associates in Nephrology, S.C. d/b/a Vascular Access Centers of Illinois |
| Street Address: 210 South DesPlaines Street                                                |
| City and Zip Code: Chicago, IL 60661                                                       |
| Name of Registered Agent: CT Corporation System                                            |
| Registered Agent Street Address: 208 South LaSalle Street, Suite 814                       |
| Registered Agent City and Zip Code: Chicago, IL 60604                                      |
| Name of Chief Executive Officer: Amit Mirta, M.D.                                          |
| CEO Street Address: 210 South DesPlaines Street                                            |
| CEO City and Zip Code: Chicago, IL 60661                                                   |
| CEO Telephone Number: 312-654-2720                                                         |

## Type of Ownership of Applicants

- |                                                            |                                              |                                |
|------------------------------------------------------------|----------------------------------------------|--------------------------------|
| <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 they are 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]

|                                              |
|----------------------------------------------|
| Name: P. Kevin Flynn                         |
| Title: CFO/ Vice-President Finance           |
| Company Name: Associates in Nephrology, S.C. |
| Address: 210 South DesPlaines Street         |
| Telephone Number: 312-654-2720               |
| E-mail Address: Kevin.Flynn@AINMD.com        |
| Fax Number: 866-692-4515                     |

**ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD  
APPLICATION FOR CHANGE OF OWNERSHIP EXEMPTION**

**SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION**

**This Section must be completed for all projects.**

**Facility/Project Identification**

|                                                    |                        |                       |
|----------------------------------------------------|------------------------|-----------------------|
| Facility Name: Vascular Access Centers of Illinois |                        |                       |
| Street Address: 1701 W. Monterey Avenue            |                        |                       |
| City and Zip Code: Chicago, IL 60643               |                        |                       |
| County: Cook                                       | Health Service Area: 6 | Health Planning Area: |

**Legislators**

|                                             |
|---------------------------------------------|
| State Senator Name: Emil Jones III          |
| State Representative Name: Justin Slaughter |

**Applicant(s) [Provide for each applicant (refer to Part 1130.220)]**

|                                                                          |
|--------------------------------------------------------------------------|
| Exact Legal Name: Vascular Access Center of Illinois at Morgan Park, LLC |
| Street Address: 210 South DesPlaines Street                              |
| City and Zip Code: Chicago, IL 60661                                     |
| Name of Registered Agent: CT Corporation System                          |
| Registered Agent Street Address: 208 South LaSalle Street, Suite 814     |
| Registered Agent City and Zip Code: Chicago, IL 60604                    |
| Name of Chief Executive Officer: Amit Mirta, M.D.                        |
| CEO Street Address: 210 South DesPlaines Street                          |
| CEO City and Zip Code: Chicago, IL 60661                                 |
| CEO Telephone Number: 312-654-2720                                       |

**Type of Ownership of Applicants**

- |                                                               |                                              |                                |
|---------------------------------------------------------------|----------------------------------------------|--------------------------------|
| <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 |

- Corporations and limited liability companies must provide an **Illinois certificate of good standing**.
- Partnerships must provide the name of the state in which they are organized and the name and address of each partner specifying whether each is a general or limited partner.

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**Primary Contact [Person to receive ALL correspondence or inquiries]**

|                                              |
|----------------------------------------------|
| Name: P. Kevin Flynn                         |
| Title: CFO/ Vice-President Finance           |
| Company Name: Associates in Nephrology, S.C. |
| Address: 210 South DesPlaines Street         |
| Telephone Number: 312-654-2720               |
| E-mail Address: Kevin.Flynn@AINMD.com        |
| Fax Number: 866-692-4515                     |

**Additional Contact** [Person who is also authorized to discuss the Application]

|                                                          |
|----------------------------------------------------------|
| Name: Juan Morado Jr. and Mark Silberman                 |
| Title: Legal Counsel/ CON Counsel                        |
| Company Name: Benesch, Friedlander, Coplan & Aronoff LLP |
| Address: 333 West Wacker Drive, Suite 1900               |
| Telephone Number: 312-212-4967                           |
| E-mail Address: JMorado@beneschlaw.com                   |
| Fax Number: 312-767-9192                                 |

**Post Exemption Contact**

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

|                                              |
|----------------------------------------------|
| Name: P. Kevin Flynn                         |
| Title: CFO/ Vice-President Finance           |
| Company Name: Associates in Nephrology, S.C. |
| Address: 210 South DesPlaines Street         |
| Telephone Number: 312-654-2720               |
| E-mail Address: Kevin.Flynn@AINMD.com        |
| Fax Number: 866-692-4515                     |

**Site Ownership after the Project is Complete**

[Provide this information for each applicable site]

|                                                                                                                                                                                                                                                                                                                                                              |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Exact Legal Name of Site Owner: AIN Investments, LLC                                                                                                                                                                                                                                                                                                         |
| Address of Site Owner: 210 South DesPlaines Street, Chicago, IL 60661                                                                                                                                                                                                                                                                                        |
| Street Address or Legal Description of the Site:<br>Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statements, 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. |
| <b>APPEND DOCUMENTATION AS ATTACHMENT 2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</b>                                                                                                                                                                                                                                        |

**Operating Identity/Licensee after the Project is Complete**

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

|                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|
| Exact Legal Name: Vascular Access Centers of Illinois at Morgan Park, LLC                                                                                                                                                                                                                                                                                                                                                                             |                                                                             |
| Address: 1701 West Monterey Avenue, Chicago, IL 60643                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                             |
| <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"><li>o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.</li><li>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.</li><li>o Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.</li></ul> |                                                                             |
| <b>APPEND DOCUMENTATION AS ATTACHMENT 3, IN NUMERIC SEQUENTIAL ORDER AFTER THE</b>                                                                                                                                                                                                                                                                                                                                                                    |                                                                             |

**LAST PAGE OF THE APPLICATION FORM.**

**Organizational Relationships**

Provide (for each 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.**

### **Narrative Description**

In the space below, provide a brief narrative description of the change of ownership. 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.

Associates in Nephrology S.C. d/b/a as Vascular Access Centers of Illinois ("VACI") is proposing to transfer ownership of the Ambulatory Surgical Treatment Center ("ASTC") approved by the Illinois Health Facilities and Services Board as Project # 17-047 to a related corporate entity known as Vascular Access Centers of Illinois at Morgan Park, LLC. The facility will still operate as a single specialty ASTC, where physicians will perform vascular access procedures for a patient population suffering from renal disease.

### 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: \$ N/A  
Fair Market Value: \$ FMV per lease agreement

### Project Status and Completion Schedules

**Outstanding Permits:** Does the facility have any projects for which the State Board issued a permit that is not complete? Yes ☒ No ☐. If yes, indicate the projects by project number and whether the project will be complete when the exemption that is the subject of this application is complete.

The project was approved by the Illinois Health Facilities and Services review Board as Project #17-047 and the project has been financially committed through the execution of the lease for the property where the facility is located. The lease was executed on 7/19/2017 and was attached to the original Project #17-074 application.

Anticipated exemption completion date (refer to Part 1130.570): December 1, 2018

### State Agency Submittals (Not Applicable for this project)

Are the following submittals up to date as applicable:

- ☐ Cancer Registry
- ☐ APORS
- ☐ All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
- ☐ All reports regarding outstanding permits

**Failure to be up to date with these requirements will result in the Application being deemed incomplete.**

### CERTIFICATION

The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives 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 manager 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 is filed on the behalf of Associates in Nephrology, S.C. and Vascular Access Center of Illinois at Morgan Park, 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 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 fee required for this application is sent herewith or will be paid upon request.

SIGNATURE

Amit Mitra, M.D.  
PRINTED NAME

President  
PRINTED TITLE

Notarization:

Subscribed and sworn to before me  
this \_\_\_\_ day of \_\_\_\_

Signature of Notary

Seal

SIGNATURE

P. Kevin Flynn  
PRINTED NAME

CFO/ Vice-President Finance  
PRINTED TITLE

Notarization:

Subscribed and sworn to before me  
this 11 day of September

Signature of Notary

Seal



\*Insert the EXACT legal name of the applicant

## CERTIFICATION

The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives are:

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

**This Application is filed on the behalf of Associates in Nephrology, S.C. and Vascular Access Center of Illinois at Morgan Park, 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 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 fee required for this application is sent herewith or will be paid upon request.**

\_\_\_\_\_  
SIGNATURE

Amit Mitra, M.D. \_\_\_\_\_

PRINTED NAME

\_\_\_\_\_  
\_President

PRINTED TITLE

Notarization:

Subscribed and sworn to before me

this \_\_\_\_ day of \_\_\_\_\_

\_\_\_\_\_  
SIGNATURE

P. Kevin Flynn \_\_\_\_\_

PRINTED NAME

CFO/ Vice-President Finance \_\_\_\_\_

PRINTED TITLE

Notarization:

Subscribed and sworn to before me

this \_\_\_\_ day of \_\_\_\_\_

\_\_\_\_\_  
Signature of Notary

Seal

\_\_\_\_\_  
Signature of Notary

Seal

\*Insert the EXACT legal name of the applicant

## **SECTION II. BACKGROUND.**

### **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, 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 that the information was 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 5, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 5.**

### SECTION III. CHANGE OF OWNERSHIP (CHOW)

**Transaction Type. Check the Following that Applies to the Transaction:**

- ☒ **X Purchase resulting in the issuance of a license to an entity different from current licensee.**
- ☐ Lease resulting in the issuance of a license to an entity different from current licensee.
- ☐ Stock transfer resulting in the issuance of a license to a different entity from current licensee.
- ☐ Stock transfer resulting in no change from current licensee.
- ☐ Assignment or transfer of assets resulting in the issuance of a license to an entity different from the current licensee.
- ☐ Assignment or transfer of assets not resulting in the issuance of a license to an entity different from the current licensee.
- ☐ Change in membership or sponsorship of a not-for-profit corporation that is the licensed entity.
- ☐ Change of 50% or more of the voting members of a not-for-profit corporation's board of directors that controls a health care facility's operations, license, certification or physical plant and assets.
- ☐ Change in the sponsorship or control of the person who is licensed, certified or owns the physical plant and assets of a governmental health care facility.
- ☐ Sale or transfer of the physical plant and related assets of a health care facility not resulting in a change of current licensee.
- ☐ Any other transaction that results in a person obtaining control of a health care facility's operation or physical plant and assets and explain in "Narrative Description."

### **1130.520 Requirements for Exemptions Involving the Change of Ownership of a Health Care Facility**

1. Prior to acquiring or entering into a contract to acquire an existing health care facility, a person shall submit an application for exemption to HFSRB, submit the required application-processing fee (see Section 1130.230) and receive approval from HFSRB.
2. If the transaction is not completed according to the key terms submitted in the exemption application, a new application is required.
3. READ the applicable review criteria outlined below and **submit the required documentation (key terms) for the criteria:**

| <b>APPLICABLE REVIEW CRITERIA</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>CHOW</b> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| 1130.520(b)(1)(A) - Names of the parties                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | X           |
| 1130.520(b)(1)(B) - Background of the parties, which shall include proof that the applicant is fit, willing, able, and has the qualifications, background and character to adequately provide a proper standard of health service for the community by certifying that no adverse action has been taken against the applicant by the federal government, licensing or certifying bodies, or any other agency of the State of Illinois against any health care facility owned or operated by the applicant, directly or indirectly, within three years preceding the filing of the application. | X           |
| 1130.520(b)(1)(C) - Structure of the transaction                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | X           |
| 1130.520(b)(1)(D) - Name of the person who will be licensed or certified entity after the transaction                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |             |
| 1130.520(b)(1)(E) - List of the ownership or membership interests in such licensed or certified entity both prior to and after the transaction, including a description of the applicant's organizational structure with a listing of controlling or subsidiary persons.                                                                                                                                                                                                                                                                                                                       | X           |
| 1130.520(b)(1)(F) - Fair market value of assets to be transferred.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | X           |
| 1130.520(b)(1)(G) - The purchase price or other forms of consideration to be provided for those assets. [20 ILCS 3960/8.5(a)]                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | X           |
| 1130.520(b)(2) - Affirmation that any projects for which permits have been issued have been completed or will be completed or altered in accordance with the provisions of this Section                                                                                                                                                                                                                                                                                                                                                                                                        | X           |
| 1130.520(b)(3) - If the ownership change is for a hospital, affirmation that the facility will not adopt a more restrictive charity care policy than the policy that was in effect one year prior to the transaction. The hospital must provide affirmation that the compliant charity care policy will remain in effect for a two-year period following the change of ownership transaction                                                                                                                                                                                                   | X           |
| 1130.520(b)(4) - A statement as to the anticipated benefits of the proposed changes in ownership to the community                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | X           |

**ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD**  
**CHANGE OF OWNERSHIP APPLICATION FOR EXEMPTION- 08/2018 Edition**

|                                                                                                                                                                                                                                                         |   |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|
| 1130.520(b)(5) - The anticipated or potential cost savings, if any, that will result for the community and the facility because of the change in ownership;                                                                                             | X |
| 1130.520(b)(6) - A description of the facility's quality improvement program mechanism that will be utilized to assure quality control;                                                                                                                 | X |
| 1130.520(b)(7) - A description of the selection process that the acquiring entity will use to select the facility's governing body;                                                                                                                     | X |
| 1130.520(b)(8) - A statement that the applicant has prepared a written response addressing the review criteria contained in 77 Ill. Adm. Code 1110.240 and that the response is available for public review on the premises of the health care facility | X |
| 1130.520(b)(9)- A description or summary of any proposed changes to the scope of services or levels of care currently provided at the facility that are anticipated to occur within 24 months after acquisition.                                        | X |

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

## SECTION IV.CHARITY CARE INFORMATION

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 7.

| CHARITY CARE                     |                    |                    |                    |
|----------------------------------|--------------------|--------------------|--------------------|
|                                  | 2014               | 2015               | 2016               |
| <b>Net Patient Revenue</b>       | <b>\$2,903,425</b> | <b>\$3,147,312</b> | <b>\$3,347,312</b> |
| Amount of Charity Care (charges) | \$157,771          | \$88,906           | \$48,184           |
| Cost of Charity Care             | \$157,771          | \$88,906           | \$48,184           |

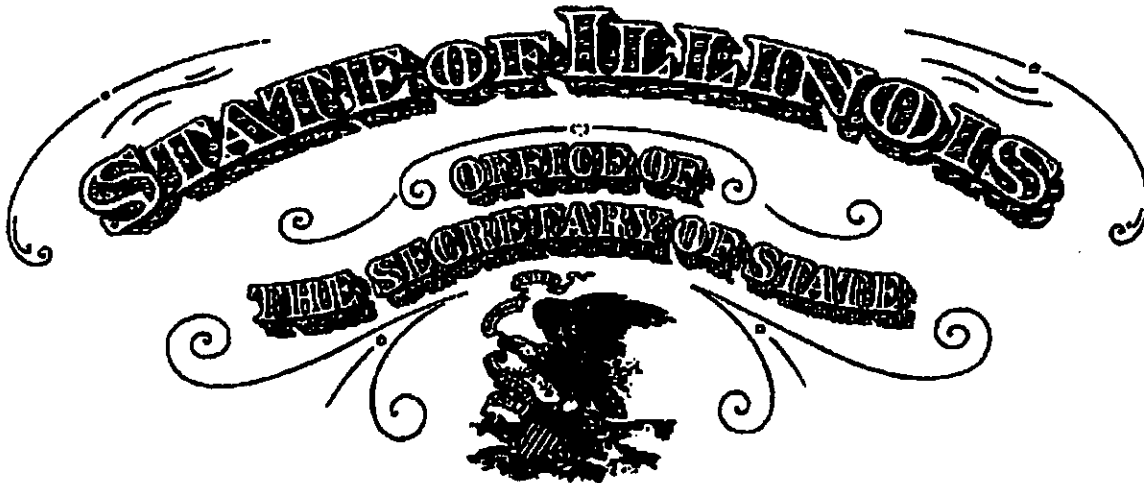
**APPEND DOCUMENTATION AS ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**

After paginating the entire completed application indicate, in the chart below, the page numbers for the included attachments:

| INDEX OF ATTACHMENTS |   |                                                                                                        |       |
|----------------------|---|--------------------------------------------------------------------------------------------------------|-------|
| ATTACHMENT<br>NO.    |   |                                                                                                        | PAGES |
|                      | 1 | Applicant Identification including Certificate of Good Standing                                        | 15-17 |
|                      | 2 | Site Ownership                                                                                         | 18-51 |
|                      | 3 | Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership. | 52-54 |
|                      | 4 | Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.                  | 55    |
|                      | 5 | Background of the Applicant                                                                            | 56-57 |
|                      | 6 | Change of Ownership                                                                                    | 58-72 |
|                      | 7 | Charity Care Information                                                                               | 73    |

File Number

4978-902-5



**To all to whom these Presents Shall Come, Greeting:**

***I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that***

**ASSOCIATES IN NEPHROLOGY, S.C., A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON FEBRUARY 22, 1971, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE RELATING TO THE PAYMENT OF FRANCHISE TAXES, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION 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 26TH day of JUNE A.D. 2017 .***

*Jesse White*

SECRETARY OF STATE

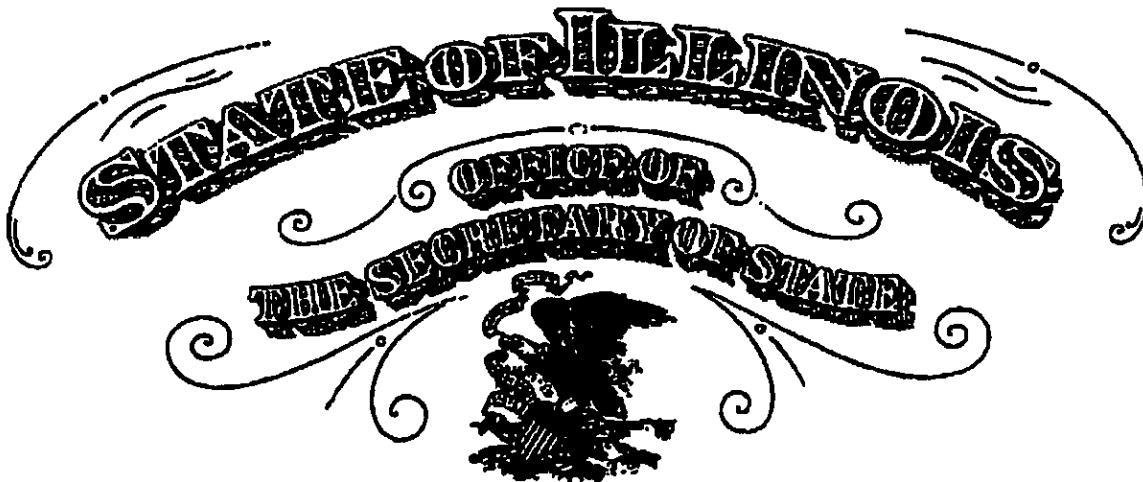
Authentication #: 1717700391 verifiable until 06/26/2018.

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

Attachment 1

File Number

4978-902-5



**To all to whom these Presents Shall Come, Greeting:**

**I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that**

ASSOCIATES IN NEPHROLOGY, S.C., A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON FEBRUARY 22, 1971, ADOPTED THE ASSUMED NAME VASCULAR ACCESS CENTER OF ILLINOIS, S.C. ON JULY 15, 2005, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE RELATING TO THE PAYMENT OF FRANCHISE TAXES, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION 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 26TH day of JUNE A.D. 2017 .**

*Jesse White*

SECRETARY OF STATE

Authentication #: 1717700399 verifiable until 06/26/2018.  
Authenticate at: <http://www.cyberdriveillinois.com>

**Illinois  
Limited Liability Company Act  
Articles of Organization**FILE # **06800726****Secretary of State Jesse White**  
Department of Business Services  
Limited Liability Division  
www.cyberdriveillinois.comFiling Fee: **\$150**  
Expedited Fee: **\$100**  
Approved By: **TLB****FILED**  
**MAR 13 2018**  
**Jesse White**  
**Secretary of State**

1. Limited Liability Company Name: VASCULAR ACCESS CENTERS OF ILLINOIS AT MORGAN  
PARK, LLC
2. Address of Principal Place of Business where records of the company will be kept:  
210 S DESPLAINES STREET  
CHICAGO, IL 60661
3. The Limited Liability Company has one or more members on the filing date.
4. Registered Agent's Name and Registered Office Address:  
  
COGENCY GLOBAL INC.  
600 S SECOND ST, STE 404  
CHICAGO, IL 62704
5. Purpose for which the Limited Liability Company is organized:  
"The transaction of any or all lawful business for which Limited Liability Companies may be organized under this Act."
6. The LLC is to have perpetual existence.
7. Name and business addresses of all the managers and any member having the authority of manager:  
  
RAO, VIJAYKUMAR M. M.D.  
210 S DESPLAINES STREET  
CHICAGO, IL 60661  
  
MITRA, AMIT M.D.  
210 S DESPLAINES STREET  
CHICAGO, IL 60661  
  
FLYNN, P. KEVIN  
210 S DESPLAINES STREET  
CHICAGO, IL 60661
8. **Name and Address of Organizer**  
I affirm, under penalties of perjury, having authority to sign hereto, that these Articles of Organization are to the best of my knowledge and belief, true, correct and complete.

Dated: MARCH 13, 2018

KERRI A. ZELENSEK  
77 WEST WACKER DR, STE 4100  
CHICAGO, IL 60601

**MONTEREY PROFESSIONAL CENTER  
AMENDED AND RESTATED OFFICE LEASE  
FOR**

**ASSOCIATES IN NEPHROLOGY, S.C.  
An Illinois Corporation,  
doing business as Vascular Access Centers of Illinois**

**1701 WEST MONTEREY AVENUE  
SUITE 7-12  
CHICAGO, IL 60643**

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#### EXHIBITS

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| Exhibit A-2 | Center Site Plan                     |
| Exhibit B   | Premises Floor Plan                  |
| Exhibit C-1 | Design Criteria for Tenant's Signage |
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| Exhibit D   | Description of Tenant's Work         |
| Exhibit E   | Description of Landlord's Work       |
| Exhibit F   | Rules and Regulations                |
| Exhibit G   | Exclusions from Operating Expenses   |

**AMENDED AND RESTATED OFFICE LEASE  
MONTEREY PROFESSIONAL CENTER**

THIS AMENDED AND RESTATED OFFICE LEASE (the "Lease") is entered into as of the \_\_\_\_ day of \_\_\_\_\_, 2017 (The "Effective Date"), by and between AIN Investments, LLC, an Illinois limited liability company ("Landlord"), and Associates In Nephrology, S.C. an Illinois corporation, doing business as Vascular Access Centers of Illinois ("Tenant"), for the term, at the rental and subject to and upon all of the terms, covenants and agreements in this Lease.

**RECITALS**

WHEREAS, Monterey Professional Center, LLC (the "Original Landlord") and Tenant entered into an Office Lease dated as of November 1, 2016 (the "Original Lease") for Suites 9-12 of the office center development known as the Monterey Professional Center located at 1701 West Monterey, Chicago, Illinois and legally described on Exhibit A-1 attached hereto (the "Center");

WHEREAS, Landlord acquired the Center from Original Landlord on December 15, 2016 and at Tenant's request Landlord negotiated a termination of the then existing Office Leases with Roseland Community Hospital for Suites 7 and 8 of the Center;

WHEREAS, Landlord and Tenant have agreed to enter into this Amended and Restated Lease to add Suites 7 and 8 to the Original Lease for Suites 9 through 12 inclusive at the Center and to amend and restate in its entirety the Original Lease as of the Effective Date of this Lease. Subject to any surviving obligations under the Original Lease, from and after the Effective Date the rights obligations of the parties shall be governed by the terms and provisions of this Lease.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which the parties hereby acknowledge, the parties agree as follows:

**ARTICLE I – PREMISES**

**Section 1.1 – Premises Defined.**

Landlord hereby leases to Tenant and Tenant hereby rents from Landlord those certain premises known as Suites 7-12, comprising approximately 7,855 square feet of rentable space (the "Premises" or "Leased Premises") situated in the City of Chicago, County of Cook, State of Illinois as shown on Exhibit B attached hereto. The Leased Premises, together with the land legally described on Exhibit A-1 attached hereto and the improvements thereon owned by Landlord, comprise the Center. The Center contains 16,255 square feet of rentable space and is depicted on the site plan set forth on Exhibit A-2 attached hereto (the "Site Plan"). Subject to Article 20, the Leased Premises are leased together with the right to use, on a non-exclusive basis and in common with other tenants of the Center, the parking and other common areas of the Center.

**Section 1.2 – Condition of Premises.**

Subject to the terms and conditions hereinafter set forth, and in consideration of the Rents (as hereinafter defined) and the terms, covenants, conditions and agreements contained herein, Landlord does hereby lease, rent, let and demise to Tenant, and Tenant does hereby take and hire from Landlord, the Leased Premises, together with all appurtenances, fixtures and other facilities used in connection with the operation or occupancy of the Leased Premises and all alterations and additions thereto and restorations and replacements thereof. The parties acknowledge that Landlord is leasing the Leased Premises to Tenant on an "AS IS-WHERE IS" basis without representation or warranty whatsoever except as specifically set forth herein.

## ARTICLE 2 – POSSESSION

### Section 2.1 – Delivery of Premises.

Tenant received possession of the Premises on December 16, 2016 (the "Possession Date").

## ARTICLE 3 – TENANT'S WORK

### Section 3.1 – Tenant's Work Defined.

The contractor selected to perform the work necessary to prepare the Premises for Tenant's Permitted Use (as defined herein) which is generally described on Exhibit D attached hereto ("Tenant's Work") shall be approved by Landlord and provide a satisfactory certificate or certificates from an insurance company evidencing workmen's compensation coverage, builders risk insurance in amounts reasonably acceptable to Landlord, and insurance coverage insuring Landlord against public liability and property damage to any person or property, on or off the Leased Premises, arising out of and during the completion of Tenant's Work.

### Section 3.2 – Tenant Permits and Licenses.

Tenant shall apply for and obtain, at Tenant's sole cost and expense, (i) all permits (collectively, the "Building Permits") required under applicable law for the performance of Tenant's Work, prior to the commencement of Tenant's Work, and (ii) all licenses and other approvals (the "Licenses," the Building Permits and the Licenses are collectively referred to herein as the "Required Permits") required under applicable law for the operation of a medical office in the Leased Premises solely for the purpose of the Permitted Use, prior to the date Tenant commences the Permitted Use in the Leased Premises. Tenant shall provide Landlord with copies of all applications and other materials filed with any governmental or private entities in connection with obtaining the Required Permits, on the date such materials are filed. Tenant shall deliver copies of the Required Permits to Landlord immediately upon its receipt of the same. Notwithstanding anything contained herein to the contrary, Tenant shall not have the right to modify the existing zoning of the Leased Premises, the Center including but not limited to, any zoning map amendments, PUDs, variances, exceptions, or special use permits, without the prior written consent of Landlord which consent may be withheld or delayed by Landlord in Landlord's sole and absolute discretion. Landlord will cooperate with Tenant's reasonable requests, if any, in the procurement of the Required Permits.

### Section 3.3 – Improvement Allowance.

Landlord shall reimburse Tenant up to Fifty Thousand Two Hundred Fifty 00/100 (\$50,250.00) Dollars plus a credit up to Twenty Thousand 00/100 (\$20,000.00) Dollars for the actual out of pocket costs for the demolition of existing interior demising walls, fixtures and equipment located in the Leased Premises necessary for Tenant to complete Tenant's Work, to be used solely, and for no other reason, as an allowance for improvements ("Improvement Allowance"), the nature and location of which are more fully described in Tenant's Work. For federal income tax purposes, Landlord and Tenant agree that Landlord is the tax owner of Tenant's improvements constructed with the Improvement Allowance. Provided Tenant is not in default hereunder, Landlord will disburse the Improvement Allowance to Tenant within thirty (30) days after the latest of:

- (i) completion of the improvements required to be made by Tenant accompanied by evidence of payment, including lien waivers therefor, and Tenant's acquisition, at its sole cost and expense, of an unconditional, permanent certificate of occupancy;
- (ii) the Term Commencement Date;
- (iii) the execution and delivery to Landlord of an estoppel certificate.

In the event the Improvement Allowance is not paid within thirty (30) days of the delivery of items (i), (ii) and (iii) above, Tenant may offset such amount against rent due under the Lease. Further, Tenant will be entitled to interest on the unpaid sums after the due date at the Lease Interest Rate until paid or credited (as hereinafter defined).

## ARTICLE 4 – LEASE TERM

### Section 4.1 – Commencement Dates.

The term of this Lease ("Lease Term") shall commence on July 1, 2017, being hereinafter referred to as the "Term Commencement Date" even though Tenant does not anticipate completion of the Tenant's Work by the Commencement Date. The obligation of Tenant to pay Minimum Rent (as defined in Article 5 of this Lease) shall commence and accrue as of and on the Term Commencement Date and Tenant's obligation to pay its Pro Rata Share (as defined in Article 8 of this Lease) of Real Estate Taxes, Insurance Payments and Common Area Charges shall commence and accrue as of the Term Commencement Date. It is further understood and agreed that, as of 12:01 a.m. on the Possession Date, and continuing throughout the Lease Term, Tenant shall comply with, and perform, on a timely basis, all of the obligations and liabilities imposed on Tenant under the terms of this Lease.

### Section 4.2 – Lease Expiration Date and Extension Option.

The term of this Lease shall end on the last day of the [fifth (5th)] consecutive Lease Year (as that term is defined below in Section 4.3 of this Lease) following the Term Commencement Date, hereinafter referred to as the "Lease Expiration Date," unless terminated sooner as provided in this Lease. Tenant shall have [three (3)] options to extend the Term each for an additional five (5) years (each, an "Extended Term") by providing written notice to Landlord no later than [one hundred eighty (180)] days prior to the expiration of the then-current Term.

### Section 4.3 – Lease Year.

The term "Lease Year," as referred to in this Lease, means a period of twelve (12) consecutive calendar months. The first Lease Year shall begin on the Term Commencement Date if the Term Commencement Date occurs on the first day of the calendar month; or, if not, then the first Lease Year shall commence on the first day of the first calendar month after the Term Commencement Date. Each succeeding Lease Year shall commence upon the anniversary of the commencement date of the first Lease Year.

## ARTICLE 5 – RENT

### Section 5.1 – Rent Defined.

For all purposes under this Lease, "Rent" shall be deemed to mean, on a collective basis, Minimum Rent and Tenant's Pro Rata Share of Real Estate Taxes, Insurance Payments and Common Area Charges, and any and all other sums or payments, of any nature whatsoever, due from Tenant to Landlord under the terms of this Lease.

### Section 5.2 – Minimum Rent.

Tenant agrees to pay to Landlord as "Minimum Rent", without notice or demand or setoff of any kind, except as otherwise expressly provided in this Lease, the monthly sum as set forth in Section 5.4 below, in advance, on or before the first day of each and every successive calendar month during the Lease Term. Rent and other charges to be paid to Landlord under this Lease for any period less than one (1) month shall be prorated on a per diem basis. All Rent and other charges due under this Lease shall be payable to Monterey Professional Center LLC, 1050 E. 95<sup>th</sup> Street, Chicago, Illinois 60619, Attention: Mr. Albert Comejo, or at such other place as Landlord may from time to time designate in writing to Tenant.

### Section 5.3 – ACH Processing.

If Tenant fails to timely pay Minimum Rent two (2) times in any twelve (12) month period during the Lease Term, then at Landlord's option, to be exercised by prior written notice to Tenant, Tenant agrees and acknowledges that the Rent shall be paid via "ACH" processing through the primary operating account of Tenant as and when such amounts are due and owing under this Lease, and Landlord and Tenant shall execute and deliver such forms and documents as may be necessary to effectuate this provision. Notwithstanding the foregoing, Landlord shall not have direct access to Tenant's accounts and such ACH transfers shall be set up by Tenant. Tenant further agrees and acknowledges that it shall maintain sufficient deposits in the designated account in order to provide for the Rent payments pursuant to this Lease, and further, that if any Rent debit is not accepted or permitted by Tenant or by the financial institution where Tenant's deposit account is located and/or the same is returned unpaid or partially paid, then such payment will be considered delinquent under the terms of this Lease.

**Section 5.4 – Minimum Rent Amounts.**

Minimum Rent shall be payable during the Lease Term as follows:

| <u>Term</u> | <u>Lease Year</u> | <u>Base Rent</u> | <u>Rent Discount</u> | <u>Effective Net Rent</u> | <u>Annual Net Rent</u> | <u>Monthly Net Rent</u> |
|-------------|-------------------|------------------|----------------------|---------------------------|------------------------|-------------------------|
| Primary     | 1                 | \$20.00          | \$2.00               | \$18.00                   | \$141,390.00           | \$11,782.50             |
|             | 2                 | \$20.40          | \$2.00               | \$18.40                   | \$144,532.00           | \$12,044.33             |
|             | 3                 | \$20.81          | \$2.00               | \$18.81                   | \$147,752.55           | \$12,312.71             |
|             | 4                 | \$21.22          | \$2.00               | \$19.22                   | \$150,973.10           | \$12,581.09             |
|             | 5                 | \$21.65          | \$2.00               | \$19.65                   | \$154,350.75           | \$12,862.56             |

Tenant shall pay for all water, gas, electric, heat, light, power, sewer charges, telephone service, medical waste removal and all other services and utilities supplied to the Leased Premises, together with any taxes thereon, each of which shall be separately metered to Tenant. Tenant shall arrange and pay for all utilities or services at the Leased Premises.

**Section 5.5 – Extended Term Minimum Rent Amounts.**

If Tenant exercises its option to renew this Lease pursuant to 4.2, Minimum Rent shall be payable during the Extended Term(s) as follows:

| <u>Term</u>   | <u>Lease Year</u> | <u>Base Rent</u> | <u>Rent Discount</u> | <u>Effective Net Rent</u> | <u>Annual Net Rent</u> | <u>Monthly Net Rent</u> |
|---------------|-------------------|------------------|----------------------|---------------------------|------------------------|-------------------------|
| Option Term 1 | 6                 | \$22.08          | \$0.00               | \$22.08                   | \$173,438.40           | \$14,453.20             |
|               | 7                 | \$22.52          | \$0.00               | \$22.52                   | \$176,849.60           | \$14,741.22             |
|               | 8                 | \$22.97          | \$0.00               | \$22.97                   | \$180,429.35           | \$15,035.78             |
|               | 9                 | \$23.43          | \$0.00               | \$23.43                   | \$184,042.65           | \$15,336.89             |
|               | 10                | \$23.90          | \$0.00               | \$23.90                   | \$187,734.50           | \$15,644.54             |
| Option Term 2 | 11                | \$24.38          | \$0.00               | \$24.38                   | \$191,504.90           | \$15,958.74             |
|               | 12                | \$24.87          | \$0.00               | \$24.87                   | \$195,353.85           | \$16,279.49             |
|               | 13                | \$25.36          | \$0.00               | \$25.36                   | \$199,202.80           | \$16,600.07             |
|               | 14                | \$25.87          | \$0.00               | \$25.87                   | \$203,208.85           | \$16,934.07             |
|               | 15                | \$26.39          | \$0.00               | \$26.39                   | \$207,293.45           | \$17,274.45             |
| Option Term 3 | 16                | \$26.92          | \$0.00               | \$26.92                   | \$211,456.60           | \$17,621.38             |
|               | 17                | \$27.46          | \$0.00               | \$27.46                   | \$215,698.30           | \$17,974.86             |
|               | 18                | \$28.00          | \$0.00               | \$28.00                   | \$219,940.00           | \$18,328.33             |
|               | 19                | \$28.56          | \$0.00               | \$28.56                   | \$224,338.80           | \$18,694.90             |
|               | 20                | \$29.14          | \$0.00               | \$29.14                   | \$228,894.70           | \$19,074.56             |

**ARTICLE 6 – SECURITY DEPOSIT**

[Upon execution of this Lease, and subject to Landlord's review and approval any provision of this Lease, including, but not limited to, the provisions relating to payment of Rent or any monetary sums due hereunder, if permitted by law, Landlord may (but will not be required to) require Tenant to increase the Security Deposit by one (1) month of total Rent due, including CAM and Real Estate Taxes, for the payment of any Rent or any such monetary sum in default or any other amount which Landlord may spend or become obligated to spend by reason of Tenant's default. Tenant's failure to do so will be a material breach of this Lease. Landlord will not be required to keep the Security Deposit separate from its general funds, and Tenant will not be entitled to interest on the Security Deposit. If Tenant is not then in default, the Security Deposit or any balance thereof will be returned to Tenant (or, at Landlord's option, to the last assignee of Tenant's interest hereunder) within thirty (30) days following the expiration of the Lease Term. If Tenant is in default under this Lease, the Security Deposit will be held until after Tenant has vacated

the Leased Premises, subject to Landlord's rights to apply or use the Security Deposit as described herein. If there is a termination of Landlord's interest in this Lease, Landlord will transfer the Security Deposit to Landlord's successor in interest, whereupon Tenant agrees that Landlord will thereupon be released from all liability for the return of such deposit or the accounting therefor provided that the successor in interest assumes Landlord's obligations under this Section.]

## **ARTICLE 7 - COMMON AREA MAINTENANCE AND TAXES**

### **Section 7.1 - Common Area and Common Area Charges Defined.**

The term "Common Area" means the entire areas designed from time to time by Landlord for common use or benefit for the occupants of the Center including, but not by way of limitation, parking lots (permanent and temporary), landscaped and vacant areas, passages for trucks and automobiles, areaways, roads, walks, roof, curbs and courts together with facilities such as drinking fountains, stairs, ramps, shelters, and loading docks, with facilities appurtenant to each, and common utility facilities, whether within or outside of the Center, but excluding any rentable office space. The term "Common Area Charges" means all costs of operation, maintenance, repair, replacement and management of the Common Area, including without limitation the following:

- (i) All insurance premiums for fire, extended coverage, public liability and any other insurance that Landlord reasonably deems necessary with regard to the Center with no deduction for depreciation; public liability insurance; worker's compensation; terrorism; property damage insurance; rent loss insurance; and any other costs incurred in the placing of said insurance;
- (ii) All reasonable costs to maintain and repair the downspouts and gutters of the buildings, the utility systems, lines, conduits and appurtenances thereto serving the buildings or other improvements, parking lots, signs, lighting, sidewalks, driveways and other areas used in common by the tenants or occupants of the Center;
- (iii) Any parking charges, utilities, surcharges, or any other costs or expenses levied, assessed or imposed by or at the direction of or resulting from statutes or regulations or judicial or administrative interpretations thereof, promulgated by any governmental authority in connection with the use or occupancy of the Leased Premises or the parking facilities serving the Leased Premises;
- (iv) All reasonable costs and expenses of operating and maintaining the common areas (hereinafter defined) of the Center, all reasonable costs to supervise, administer and maintain the parking lot, sidewalks, fences, driveways and other areas used in common by the tenants or occupants of the Center. Such cost and expense may include, but not be limited to, all sums incurred in connection with operating, repairing, lighting, cleaning, painting, removing snow, ice, debris, and surface water, sewer, striping, security, electronic intrusion and fire control devices and telephonic alert system devices, inspecting, traffic consultants and traffic regulation, directional signs, equipment depreciation, fidelity bonds for personnel, insurance against liability for defamation and claims of false arrest occurring in and about the Center, regulation of traffic, fees for permits and licenses;
- (v) Water, drainage and sewerage, wages and benefits of employees and other employee expenses and fringe benefits (including social security taxes, unemployment insurance taxes, and any other cost or expense which Landlord pays or incurs to provide benefits for employees so engaged in the operation, management, maintenance and repair of the Center), all costs and expenses of plantings and replacing flowers, shrubbery, and planters, and all costs and expenses of maintaining curbs, sidewalks, walkways, parking surfaces, landscaping, drainage, utilities, motor vehicles, machines and equipment, and lighting facilities;
- (vi) If the parking lot is replaced, only the annual amortized cost of the replacement, using a 7 year period, will be included in common area charges, and the tenant will only be charged for amortized costs falling due during the Lease Term (for the purpose of this paragraph, an overlay or restriping of the drive and parking areas shall be considered a maintenance item not subject to amortization);

(vii) The cost of maintaining and operating (including, without limitation, electrical costs) any monument sign for the Center, the cost of roof repair and maintenance, supplies, sundries, sales or use tax on supplies or sundries, telephone service, internet service cost, postage, and office supplies, waste removal service, window cleaning, janitorial service, and painting, repair, maintenance, and replacement of any monument or pylon signage;

(viii) The cost of maintaining and repairing the rooftop HVAC Systems, whether regularly scheduled or otherwise. If the HVAC System is replaced, only the annual amortized cost of the replacement, using a 5-year period, will be included in common area charges, and the tenant will only be charged for amortized costs falling due during the Lease Term. Notwithstanding the foregoing, the installation of the new rooftop HVAC Systems by Landlord as part of Landlord's Work shall not be subject to reimbursement to Landlord since it is part of Landlord's agreed upon Landlord's Work;

(ix) Other costs as Landlord may reasonably determine are required for the proper maintenance of the Common Areas and the facilities located in said Common Areas. Common Area Charges shall also include a management and/or administrative fee in an amount equal to five percent (5%) of the gross revenues from the Center in the event a third party manager is retained or three percent of the gross revenue from the Center if the manager is affiliated with Landlord; and

(x) Other costs, expenses or charges, whether or not hereinbefore mentioned, which in accordance with generally accepted accounting and management principles, would be considered as an expense of owning, managing, operating, maintaining or repairing the Common Areas. Notwithstanding, Common Area Charges shall not include those items listed in Exhibit G.

#### **Section 7.2 – Taxes Defined.**

"Real Estate Taxes" shall mean and include all real estate taxes, assessments, special taxes, special assessments, personal property taxes, special service area assessments or taxes, and other governmental impositions and charges of every kind and nature whatsoever (except income, franchise, capital stock, federal and state estate and inheritance taxes and taxes based upon receipt of rentals, unless the taxes based on receipt of rentals is a gross tax and is enacted in lieu of Real Estate Taxes), extraordinary as well as ordinary, foreseen and unforeseen, present or future, and each and every installment thereof which shall or may, during the Lease Term, become due and payable or arising in connection with, the ownership, use, occupancy, or possession of, or due or payable out of or for, the Center or any part thereof. The amount of Real Estate Taxes attributable to any calendar year of the Lease Term shall be the amount of Real Estate Taxes payable with respect to such year as opposed to those taxes which accrue or become a lien during the Term, it being the express intention of the parties that Real Estate Taxes be passed through to Tenant and there shall be no further obligation to pay Real Estate Taxes which become due and payable after the Lease Term. Real Estate Taxes for any partial year shall be prorated. Tenant's obligation for payment of Real Estate Taxes shall survive the expiration or earlier termination of the Lease Term.

#### **Section 7.3 – Tax Protests.**

Tenant agrees that Landlord may include in Real Estate Taxes all reasonable costs and expenses incurred by Landlord with respect to any efforts on the part of Landlord or Landlord's representatives to minimize, reduce, protest, negotiate, or adjust any real estate tax bill, tax assessment, or assessed valuation with regard to the Center including, without limitation, the cost of appraisals, witness fees, and attorneys' fees, not to exceed market charges for such work. Notwithstanding anything to the contrary contained in this Lease, in no event, and under no circumstances, shall Tenant have any right to contest or protest any Real Estate Taxes or other taxes levied and assessed against the Center or the Leased Premises during the Lease Term or any extension thereof.

#### **Section 7.4 – Personal Property Taxes.**

Tenant will pay before delinquency all taxes, assessments, license fees and public charges levied, assessed or imposed upon or measured by the value of its business operation or its furniture, fixtures, leasehold improvements, if any, and other property at any time situated on or installed in the Leased Premises by Tenant. If at any time during the Lease Term any of the foregoing are assessed as a part of the real property of which the Leased Premises are a part, Tenant will pay to Landlord upon demand the amount of such additional taxes as may be levied against

said real property by reason thereof as reasonably determined and apportioned by Landlord. Landlord shall provide evidence reasonably satisfactory to Tenant of its apportionment of such taxes.

## **ARTICLE 8 - ADDITIONAL RENT**

### **Section 8.1 - Estimated Payments.**

From and after the Term Commencement Date, and continuing thereafter throughout the Lease Term, Tenant shall promptly pay to Landlord, without demand and as Rent under this Lease, 48.32% ("Pro Rata Share") of Common Area Charges and Real Estate Taxes in an amount to be reasonably estimated by Landlord and to be adjusted periodically (but not more than two (2) times in any twelve (12) consecutive months during the Lease Term) based upon Landlord's actual cost and expenses. An amount equal to 1/12th of Tenant's Pro Rata Share of Landlord's estimate of the current Common Area Charges and Real Estate Taxes ("Additional Rent") shall be payable in advance from and after the Term Commencement Date and continuing thereafter throughout the Lease Term on the first day of each calendar month and a proportionate sum for partial months, if any, at the beginning and end of the Lease Term. The anticipated Additional Rent for the first Lease Year shall be Five Thousand Two Hundred Seventeen and 03/100 (\$5,217.03) Dollars per month for the period between such commencement and the following December 31st, and Tenant shall pay such Adjustments on a monthly basis concurrently with the payment of Rent. Notwithstanding anything contained herein to the contrary, annual increases in Controllable Common Area Charges shall be capped at five (5%) percent over the previous year ("Controllable CAM Cap"). "Controllable Common Area Charges" are those Common Area Charges that do not include expenses for snow and ice removal, common utilities, and insurance.

### **Section 8.2 - Reconciliation Statement.**

Tenant will continue to make monthly Additional Rent payments until notified by Landlord of a change thereof. By March 1st of each year, Landlord will give tenant a statement showing the total actual Additional Rent for the Center for the prior calendar year and Tenant's pro rata share thereof, prorated, during the first year of the Lease Term, from the Rent Commencement Date.

If the total of the Additional Rent payments which Tenant has made for the prior calendar year is less than Tenant's actual share of such Additional Rent, then Tenant will pay the difference in one lump sum within ten (10) days after receipt of such statement from Landlord and will concurrently pay the difference in monthly payments made in the then calendar year and the amount of monthly payments which are then calculated as monthly Additional Rent based on the prior years' experience. Any overpayment by Tenant will be credited towards the monthly Additional Rent next coming due or will be promptly refunded to Tenant, at Landlord's option. The actual Additional Rent for the prior year will be used for purposes of calculating the estimated monthly Additional Rent for the then current year with actual determination of such Additional Rent after each calendar year as above provided, except that in any year in which resurfacing of the parking area or driveways or roof repair is contemplated, Landlord will be permitted to include the anticipated cost of same as part of the estimated monthly Additional Rent and in any year following a year during which the Center was not assessed as fully completed for real estate tax purposes, Landlord may estimate the amount of the real estate taxes on a fully assessed basis. Though the Lease Term has expired and Tenant has vacated the Premises, when the final determination is made of Tenant's share of said Additional Rent for the year in which this Lease terminates, Tenant will immediately pay any increase due over the estimated Additional Rent previously paid and, conversely, any overpayment made will be immediately refunded by Landlord to Tenant. Failure of Landlord to submit statements as called for herein will not be deemed to be a waiver of Tenant's requirement to pay sums as herein provided.

Tenant, upon at least ten (10) days prior written notice to Landlord, shall have the right to audit all of Landlord's bills and records relating to the Common Area Charges and Real Estate Taxes, but not more than once per twelve (12) month period. If the parties are unable to resolve any dispute as to the correctness of such Landlord's Common Area Charges statement within ninety (90) days following such notice of objection, either party may refer the issues raised to an independent firm of certified public accountants selected by Tenant and reasonably acceptable to Landlord, and the decision of such accountants shall be conclusively binding upon Landlord and Tenant. The fees and expenses relating to such procedure shall be borne by Tenant, unless such audit reveals that Tenant's payments

for Common Area Charges or Real Estate Taxes exceed Tenant's actual Pro Rata Share of Common Area Charges and Real Estate Taxes by more than five percent (5%), in which case Landlord shall pay all of Tenant's out of pocket costs and expenses relating to the audit; and in no event shall Tenant's cost of audit include transportation, lodging or meal costs or be performed on a contingency basis. If the audit correctly reveals that Tenant's payments for the Common Area Charges or Taxes were excessive, Landlord shall credit such overpayment against Rent to be paid by Tenant hereunder, or, if such overpayment is discovered after the end of the Term, Landlord shall refund the excess to Tenant together with such statement.

Notwithstanding anything herein to the contrary, if Landlord fails to bill Tenant for any Common Area Charges or Real Estate Taxes within twenty-four (24) months of the date that such charges are incurred, then Tenant shall not be required to pay such Common Area Charges or Real Estate Taxes.

## ARTICLE 9 - USE

### Section 9.1 - Permitted Use

Tenant shall use the Leased Premises for only a medical office use, including nephrology services to patients suffering from hypertension, diabetes, kidney disorders and end-stage renal disease and subject to all requisite consents by governmental agencies, an ambulatory surgery center. Notwithstanding anything contained in this Lease to the contrary, Tenant shall not do or permit anything to be done in or about the Leased Premises which will: (i) increase the existing rate of, or affect, any fire or other insurance policy for the Center of which the Leased Premises are a part, or cause a cancellation of any insurance policy covering the Center, or any part thereof, or any of its contents (and Landlord represents that, to its knowledge, the Permitted Use shall not do so); (ii) obstruct or interfere with the rights of other tenants or occupants of the Center; (iii) allow the Leased Premises to be used for any unlawful purpose; (iv) cause, maintain or permit any nuisance in, on or about the Leased Premises; (v) violate, or cause Landlord to violate, a then existing or future exclusive, restricted, or prohibited use of any other tenant or the rights of any other tenant of the Center, except that Tenant may use the Leased Premises for the Permitted Use; (vi) constitute waste in or upon the Leased Premises; (vii) violate, or cause Landlord to violate, any terms or provisions of this Lease, or any regulations, statutes or ordinances, including, but not limited to, any zoning laws (and Landlord represents that, to its knowledge, the Permitted Use shall not do so). Tenant agrees that it will not use or permit its employees, agents or invitees to use the Leased Premises for any use or purpose in violation of any governmental law or authority and that Tenant will at its sole cost and expense promptly comply with all laws, statutes, ordinances and governmental rules, regulations and requirements now in force or which may hereafter be in force and with the requirements of any board of fire underwriters or other similar body now or hereafter constituted relating to the condition, use or occupancy of the Leased Premises, excluding changes not relating to the Permitted Use. Landlord agrees that during the Lease Term and during any Extended Term, Landlord shall not lease or permit any portion of the Center to be occupied by any party providing nephrology services to patients which include a vascular access center, end-stage dialysis treatment or a home dialysis treatment program.

### Section 9.2 - Landlord Warranties

Landlord shall ensure that on the Commencement Date the roof on the Premises will be free from leaks. Landlord represents and warrants to Tenant that on the Possession Date the Center and the Premises, are in compliance with all governmental or regulatory requirements that affect the Center, including zoning, parking and land use those under the Americans With Disabilities Act ("ADA"); provided, however, Tenant will be responsible for code compliance as it relates to Tenant's Work to make the Premises including ADA compliance. Landlord represents and warrants to Tenant that there are no exclusive use restrictions or prohibitions that limit or conflict with Tenant's Permitted Use. Tenant acknowledges that neither Landlord nor any agent of Landlord has made any representation or warranty with respect to the Leased Premises or the suitability of the Leased Premises or the Center for the conduct of Tenant's business, nor has Landlord agreed to undertake any modification, alteration or improvement to the Leased Premises, except as specifically provided for in this Lease. The taking of possession of the Leased Premises by Tenant will conclusively establish that the Leased Premises were at such time in satisfactory condition.

### **Section 9.3 - Prohibited Uses.**

Notwithstanding anything contained in this Lease to the contrary, it is specifically acknowledged and agreed by Tenant that the following uses by Tenant shall be prohibited in the Leased Premises:

A. Tenant may not display or sell merchandise or allow carts, portable signs, devices or any other objects to be stored or to remain outside the defined exterior walls and permanent doorways of the Leased Premises. Tenant further agrees not to install any exterior lighting, amplifiers or similar devices or use in or about the Leased Premises any advertising medium which may be heard or seen outside the Leased Premises, such as flashing lights, searchlights, loudspeakers, phonographs or radio broadcasts.

B. No merchandise, equipment or services, including, but not limited to, vending machines, promotional devices and similar items, shall be displayed, offered for sale or lease, or stored within the common areas of the Center. Notwithstanding anything contained in this Lease to the contrary, Tenant shall not serve any food or beverages outside of the Leased Premises nor shall any patio area or other outdoor seating area be created or used, without the prior written approval of Landlord, which approval may be withheld in the absolute discretion of Landlord.

C. Tenant will not do or permit anything to be done in or about the Leased Premises which will in any way unreasonably obstruct or interfere with the rights of other tenants or occupants of the building of which the Leased Premises may be a part or use or allow the Leased Premises to be used for any unlawful purpose, nor will Tenant cause or maintain any nuisance in, on or about the Leased Premises. Tenant will not commit or allow to be committed any waste in or upon the Leased Premises. Tenant will keep the Leased Premises in a clean and wholesome condition.

D. Tenant will not allow the Leased Premises to be used for a bank, ATM or loan office; family dental care; obstetrics and gynecology, gastroenterology or laboratory, except for routine laboratory services performed in a private physician's office. In addition to the foregoing, Tenant will not use the Leased Premises for any non-professional office use, including, but not limited to a retail store, day care, hair salon, spa, restaurant or entertainment venue.

### **ARTICLE 10 - UTILITIES**

Tenant shall pay for all water, gas, electric, heat, light, power, sewer charges, telephone service, medical waste removal and all other services and utilities supplied to the Leased Premises, together with any taxes thereon, each of which shall be separately metered to Tenant. Tenant shall pay all electric charges for its exterior building signs, if any (but not the Monument Sign). Tenant shall arrange and pay for all utilities or services at the Leased Premises used by it or its agents, employees or contractors. If any such utilities and/or related services are not separately metered or assessed, or are only partially separately metered or assessed, and are used in common with other tenants in the Center, Tenant will pay to Landlord a proportionate share of charges for such utilities and/or related services as determined in the sole and absolute discretion of Landlord. In addition, Tenant shall be responsible for installation of separate meters for space within the Leased Premises which is sublet by Tenant in accordance with the terms of this Lease, at Tenant's sole cost and expense. Tenant shall be responsible for contracting directly with all suppliers of utility services. In the event that any charge or fee is required by the State of Illinois or City of Chicago, or by any agency, subdivision or instrumentality thereof, or by any utility company or other entity furnishing services or utilities to the Leased Premises, as a condition precedent to furnishing or continuing to furnish utilities or services to the Leased Premises, such charge or fee shall be deemed to be a utility charge payable by Tenant. The provisions of this paragraph shall include, but shall not be limited to, any charges or fees for present or future water or sewer capacity to serve the Leased Premises, any charges for the underground installation of gas or other utilities or services, and other charges relating to the extension of or change in the facilities necessary to provide the Leased Premises with adequate utility services. The interruption or curtailment of any service caused by any event, other than Landlord's intentional misconduct, shall not constitute constructive eviction and shall not entitle Tenant to any abatement of rent or any other claim against Landlord.

## ARTICLE 11 - MAINTENANCE AND REPAIRS

### Section 11.1 - Landlord Repair Responsibility.

Landlord shall repair and maintain the exterior walls, concrete slab and footings and roof (provided that repair to the roof membrane shall be included in Common Area Charges), any other structural components of the Center and plumbing, pipes, electrical wiring and conduits serving the Common Areas (but not exclusively serving the Leased Premises). However, if the need for such maintenance and repairs is caused, in part or in whole, by the act, neglect, fault or omission of any duty by the Tenant, its agents, servants, employees or invitees, then Tenant shall pay to Landlord the actual out-of-pocket cost of such maintenance, repairs or replacements. In addition, Landlord shall be responsible for the replacement, repair and preventative maintenance of the HVAC Systems located on the roof (provided that such maintenance shall be included in Common Area Charges). The HVAC Units to be installed by Landlord shall be sufficient to maintain interior temperatures between 65 degrees and 72 degrees Fahrenheit during all weather conditions. Further, such HVAC Units shall be maintained so that such temperatures are maintained at all times during the Lease Term and any Extended Term. Landlord shall not be liable for any failure to make such repairs or to perform any maintenance or replacements unless such failure shall persist for more than thirty (30) days after written notice of the need for such repairs, maintenance or replacements is given to Landlord by Tenant, unless an emergency shall exist, in which case Landlord shall commence the repair promptly after receipt of notice from Tenant. Subject to the provisions contained in this Lease, there shall be no abatement of Rent, and no liability of Landlord by reason of any injury to, or interference with, Tenant's business arising from the making of any repairs, alterations or improvements in or to any portion of the Center or the Leased Premises or in or to fixtures, appurtenances and equipment therein. The provisions of this paragraph shall not apply in the case of damage or destruction by fire or other casualty or a taking under the power of eminent domain. Except as expressly provided in this Lease, Landlord shall not be obligated to make repairs, replacements or improvements of any kind in or to the Leased Premises, or any equipment, facilities or fixtures contained therein, which are the responsibility of Tenant.

In the event of an emergency (an event threatening life, safety or property, which requires a repair to be made within twenty four (24) hours ("Emergency Repairs"), Tenant may make reasonable and necessary Emergency Repairs on Landlord's behalf to eliminate the emergency condition, which will be reimbursed by Landlord within thirty (30) days of Tenant's submission of an invoice therefor, provided that Landlord reasonably agrees in writing to the cost, quality and nature of the Emergency Repairs made by Tenant.

### Section 11.2 - Tenant Repair Responsibility.

Tenant shall, at Tenant's sole cost and expense, keep the Leased Premises and every part thereof in good condition and repair and maintain (except as otherwise specifically provided in Section 11.1 with respect to Landlord's responsibilities) including, without limitation, the maintenance, replacement and repair of any interior walls, metal storefront, signage, floors, ceilings, plate glass, partitions, doors, doorways, locks, window casements, fixtures, glazing, plumbing, pipes, electrical wiring and conduits serving the Leased Premises, as well as all lighting and plumbing fixtures and systems, life safety systems, and all electrical and fire protection systems installed by Tenant or serving the Leased Premises and including space around ducts, pipes, vents or other parts of the HVAC Systems and plumbing systems which protrude through the roof of the Leased Premises and equipment and appurtenances thereon. Notwithstanding anything contained herein to the contrary, Tenant shall, at Tenant's sole cost and expense, (except as otherwise specifically provided in Section 11.1 with respect to Landlord's responsibilities) repair the heating, ventilating and air-conditioning systems (collectively "HVAC Systems"), provided Tenant must engage Landlord's HVAC contractor or obtain Landlord's written approval for an alternate contractor, which approval shall not be unreasonably withheld. Any damage to the Leased Premises or adjacent premises caused by Tenant's use of the Leased Premises shall be immediately repaired by Tenant, to Landlord's satisfaction, at the sole cost and expense of Tenant. If Tenant refuses or neglects to commence and to complete any or all of the repairs, replacements or maintenance required under this Lease promptly and adequately, Landlord may, after notice to Tenant, but shall not be required to, make and complete said repairs and Tenant shall pay the cost thereof, together with a ten percent (10%) administrative expense, to Landlord, upon demand, as additional rent under this Lease. Without limiting Tenant's repair responsibilities or any other obligation under this Lease, Tenant shall install and maintain hair traps, filters and other screening devices and any other devices required by applicable codes and ordinances to prevent clogging pipes or plumbing or any damage to pipes and plumbing. No representations or

warranties respecting the condition of the Leased Premises, or the Center have been made by Landlord to Tenant except as specifically set forth in this Lease. Tenant shall provide Landlord with five (5) days prior written notice of any non-structural maintenance, replacement or repair to the Leased Premises as provided above, including without limitation, the mechanical, electrical or plumbing systems and HVAC Systems, whose costs shall exceed \$5,000 ("Repair Notice") and Tenant shall not perform said work without the prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed. Notwithstanding anything contained herein to the contrary, Tenant shall not perform any structural repair, replacement or maintenance to the Center or the Leased Premises including without limitation the roof, foundation or exterior walls, without the prior written consent of Landlord which consent may be withheld or delayed in Landlord's absolute discretion. All repairs made or performed by Tenant pursuant to this Section 11.2 shall be performed in accordance with Article 12 below.

### **Section 11.3 – Condition Upon Expiration of Lease Term.**

Upon the expiration or earlier termination of this Lease, Tenant will surrender the Leased Premises broom clean, ordinary wear and tear and loss by fire or other casualty or condemnation excepted.

## **ARTICLE 12 – ALTERATIONS AND ADDITIONS**

### **Section 12.1 – Landlord Alterations and Additions.**

Landlord hereby reserves the right, at any time and from time to time, to make changes, alterations or additions to the Center, its parking lot and other Common Areas, including, but not limited to, construction of additional buildings and improvements, or to change the size, shape or dimensions of the Center. Landlord also reserves the right, from time to time, to construct other buildings, structures, kiosks or improvements, including, but not limited to temporary scaffolds and other aids to construction. Landlord shall not unreasonably obstruct or impede access to or the use of the Leased Premises or the parking area or reduce the number of parking spaces available to Tenant. If as a result of Landlord's changes, alterations or additions to the Center, the rentable square footage of the Center is permanently increased, then from and after the date of such increase, Tenant's Pro Rata Share shall be proportionately adjusted.

Prior to the Term Commencement Date, Landlord will complete "Landlord's Work" as described in Exhibit E to Tenant's reasonable satisfaction. Tenant will notify Landlord at least thirty (30) days prior to completion of Tenant's Work as described in Exhibit D and will cooperate with Landlord in the installation of the replacement rooftop HVAC units as described in Exhibit E which will occur after Tenant has completed all necessary HVAC distribution systems installation.

### **Section 12.2 – Tenant Alterations and Additions.**

Except as otherwise specifically provided in this Lease, Tenant shall not, at any time during the Lease Term, make any alterations, decorations, additions, or improvements to the Leased Premises (each, an "Alteration" and collectively, "Alterations") (1) in excess of \$5,000 for any one Alteration, (2) in excess of \$10,000 in any period of twelve (12) consecutive months during the Lease Term, or (3) which affect the structural components or electrical, plumbing or life safety systems servicing the Leased Premises, the HVAC Systems or the roof or facade of the Leased Premises, without Landlord's prior written consent, which consent to interior non-structural Alterations shall not be unreasonably withheld, but consent to exterior or structural Alterations may be withheld or delayed by Landlord, in its sole and absolute discretion unless Tenant agrees to address any reasonable concerns raised by Landlord in which case such consent shall not be unreasonably withheld. In the event that Landlord consents to the performance of any such Alterations, Landlord may impose on Tenant whatever requirements or conditions Landlord may reasonably deem appropriate in connection with the performance of such Alterations (e.g. insurance, performance bond, lien waivers, plans and specifications, use of licensed contractor, permits and licenses).

### **Section 12.3 – Prior Notice to Landlord.**

No Alterations to the Leased Premises for which Landlord's consent is required shall be commenced by Tenant until Tenant has furnished Landlord with final plans and specifications for Landlord's approval and a satisfactory certificate or certificates from an insurance company evidencing workmen's compensation coverage, builders risk insurance in amounts acceptable to Landlord, and insurance coverage protecting Landlord against public liability

and property damage to any person or property, on or off the Leased Premises, arising out of and during the making of such Alterations in accordance with Exhibit D of this Lease. Any Alterations by Tenant hereunder shall be performed in accordance with Exhibit D and (i) in a lien free, good and workmanlike manner by licensed and bonded contractors, (ii) in compliance with all applicable governmental laws, statutes, ordinances or regulations, and (iii) in a manner which does not (a) weaken or impair the value of the Center or (b) void any warranty applying to the Center.

#### **Section 12.4 – No Liens.**

Tenant shall not cause or permit any mechanic's lien to be filed against the Leased Premises or Center by reason of, or due to, or as a result of, any work, labor, services, or materials performed at, or furnished to, the Leased Premises, by, or on behalf of, the Tenant, or to anyone holding the Leased Premises through or under Tenant. If any such mechanic's lien shall at any time be filed, Tenant shall immediately cause the same to be discharged of record by payment, bond, order of a court of competent jurisdiction or otherwise; provided, however, that Tenant shall have the right to contest any and all such liens provided the Superior Mortgagee consents to such contest and evidence of security which is reasonably satisfactory to Landlord and the Superior Mortgagee, is delivered to Landlord and Tenant diligently pursues the dismissal of such lien. Tenant shall cause such lien to be dismissed within sixty (60) days from the filing date of said lien. Subject to the immediately preceding sentence, in the event that Tenant fails to cause any such lien to be discharged within sixty (60) days after being notified of the filing thereof and before judgment or sale thereunder, then, in addition to any other right or remedy of Landlord, Landlord may, but shall not be obligated to, discharge the same by paying the amount claimed to be due, or by bonding or other proceeding reasonably deemed appropriate by Landlord, and the amount so paid by Landlord, together with all costs and expenses (including, but not limited to, reasonable attorney's fees), reasonably incurred by Landlord in procuring the discharge of such lien, shall be deemed to be Additional Rent and shall immediately become due and payable by Tenant to Landlord on the first day of the next following month. If requested by Landlord, Tenant shall execute and return any undertaking or indemnity in favor of a title company required by said title company in order to issue extended title coverage (including, but not limited to, any extended coverage for possible mechanic's liens caused by Tenant) to any of Landlord's lenders or to any third party buyer of the Center and/or such buyer's lender. Landlord shall also cause the Guarantor, if any, to execute and return said indemnity and/or undertaking.

### **ARTICLE 13 – INDEMNITY AND RELEASE**

#### **Section 13.1 – Indemnity.**

Tenant shall, and does hereby, indemnify, protect, defend and hold harmless Landlord and Landlord's mortgagee and their respective members, managers, partners, shareholders, officers, agents and employees (collectively, the "Indemnified Parties") from and against any and all claims, damages, liabilities, obligations, losses, causes of action, costs and expenses (including, but not limited to, attorneys' fees and court costs) (collectively, the "Claims") suffered or incurred by any or all of the Indemnified Parties and arising from or as a result of (x) Tenant's or Tenant's officers, agents, contractors, employees, guests, or invitees use of the Leased Premises and/or Center, or from the conduct of Tenant's business, or from any activity, work, or other things done, permitted or suffered by the Tenant in or about the Leased Premises and/or Center; (y) any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease; or (z) any wrongful act or negligence of Tenant, or any officer, agent, contractor, employee, guest or invitee of Tenant. In the event any action or proceeding is brought against any or all of the Indemnified Parties by reason of (x), (y) or (z) above, then Tenant, upon notice from any Indemnified Parties, shall defend the same at Tenant's expense by counsel reasonably satisfactory to Landlord. Tenant, as a material part of the consideration to Landlord, hereby assumes all risk of damage to property or injury to persons in, upon or about the Leased Premises and/or Center from any cause other than Landlord's gross negligence or intentional misconduct, and Tenant hereby waives all claims in respect thereof against Landlord. Tenant shall give prompt notice to Landlord in case of casualty or accidents in or about the Leased Premises. The insurance that Tenant is required to carry pursuant to Article 15 of this Lease shall include coverage of the foregoing contractual indemnity.

Landlord shall, and does hereby, indemnify, protect, defend and hold harmless Tenant and Tenant's members, managers, partners, shareholders, officers, agents and employees (collectively, the "Tenant Indemnified Parties")

from and against any and all Claims suffered or incurred by any or all of the Tenant Indemnified Parties and arising from or as a result of (a) any uncured breach or default in the performance of any obligation on Landlord's part to be performed under the terms of this Lease; or (b) any wrongful act of Landlord, or any officer, agent, contractor, employee, guest or invitee of Landlord, but only to the extent attributable to such wrongful act. In the event any action or proceeding is brought against any or all of the Tenant Indemnified Parties by reason of (a) or (b) above, then Landlord, upon notice from any Tenant Indemnified Parties, shall defend the same pursuant to Landlord's insurance.

#### **Section 13.2 - Hold Harmless.**

Except for the negligence or intentional acts of Landlord, Landlord will not be liable for injury or damage which may be sustained by the person, goods, wares, merchandise or property of Tenant, its employees, invitees or customers, caused by or resulting from fire, steam, electricity, gas, water or rain, which may leak or flow from or into any part of the Leased Premises, or from the breakage, leakage, obstruction or other defects of the pipes, sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures, whether the damage or injury results from conditions arising upon the Leased Premises or upon other portions of the Center of which the Leased Premises are a part, or from any other source 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, the parties agreeing to look to insurance for coverage over said damages and losses.

### **ARTICLE 14 - ENVIRONMENTAL**

#### **Section 14.1 - Environmental Definitions.**

"Environmental Laws" shall mean and include all federal, state and local statutes, ordinances, regulations and rules in effect and as amended from time to time relating to environmental quality, health, safety, contamination and cleanup, including, without limitation, the Clean Air Act, 42 U.S.C. Section 7401 et seq.; the Clean Water Act, 33 U.S.C. Section 1251 et seq., and the Water Quality Act of 1987; the Federal Insecticide, Fungicide, and Rodenticide Act ("FIFRA"), 7 U.S.C. Section 136 et seq.; the Marine Protection, Research, and Sanctuaries Act, 33 U.S.C. Section 1401 et seq.; the National Environmental Policy Act, 42 U.S.C. Section 4321 et seq.; the Noise Control Act, 42 U.S.C. Section 4901 et seq.; the Occupational Safety and Health Act, 29 U.S.C. Section 651 et seq.; the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. Section 6901 et seq., as amended by the Hazardous and Solid Waste Amendments of 1984; the Safe Drinking Water Act, 42 U.S.C. Section 300f et seq.; the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. Section 9601 et seq., as amended by the Superfund Amendments and Reauthorization Act, the Emergency Planning and Community Right-to-Know Act, and the Radon Gas and Indoor Air Quality Research Act; the Toxic Substances Control Act ("TSCA"), 15 U.S.C. Section 2601 et seq.; the Atomic Energy Act, 42 U.S.C. Section 2011 et seq., and the Nuclear Waste Policy Act of 1982, 42 U.S.C. Section 10101 et seq.; and the Environmental Protection Act of Illinois ("IEPA"), Ill. Rev. Stat. ch. 111 1/2, para. 1001 et seq., and state and local superlien and environmental statutes and ordinances, with implementing regulations, rules and guidelines, as any of the foregoing may be amended from time to time. Environmental Laws shall also include all state, regional, county, municipal, and other local laws, regulations, and ordinances insofar as they are equivalent or similar to the applicable federal laws recited above or purport to regulate Hazardous Materials (as hereinafter defined).

As used herein, the term "Hazardous Substance" means (i) any "hazardous substance" defined in the Comprehensive Environmental Response Compensation and Liability Act, 42, U.S.C. Sec. 9601 et seq., as amended, ("CERCLA"), (ii) petroleum, petroleum products, natural gas, natural gas liquids, liquefied natural gas, or synthetic gas, or (iii) any other substance or material that is deemed to be hazardous, dangerous, toxic or a pollutant under any federal, state or local law.

#### **Section 14.2 - Environmental Compliance.**

During the Lease Term, Tenant shall comply at its sole cost and expense with all Environmental Laws in the disposal, storage, treatment, transport, handling, and management of any Hazardous Materials on the Leased Premises, or the Center. Provided, however, Tenant shall not take any action that would subject the Leased

Premises, or the Center to the permit requirements under RCRA for storage, treatment or disposal of Hazardous Materials without Landlord's prior written consent, which may be withheld in its sole discretion. Tenant shall not dispose of Hazardous Materials in dumpsters provided by Landlord for tenant use, and Tenant shall not discharge Hazardous Materials into drains or sewers located on the Leased Premises, or the Center. Further, Tenant shall not cause or allow the Release of any Hazardous Materials on, to or from the Leased Premises, or the Center, and Tenant shall arrange at its sole cost and expense for the lawful transportation and off-site disposal of "medical waste" at permitted landfills or other permitted disposal facilities in accordance with all applicable Environmental Laws. If Tenant's management of Hazardous Materials at the Leased Premises, or the Center (i) gives rise to liability or to a Claim under any Environmental Law, or any common law theory of tort or otherwise, (ii) causes a threat to, or endangers, the public health, or (iii) creates a nuisance or trespass, Tenant shall, at its sole cost and expense, promptly take all applicable action in response so as to comply with all applicable Environmental Laws and eliminate or avoid any liability claim with respect thereto. Notwithstanding any provision of this Article 14 to the contrary, Tenant shall have the right to use small quantities of Hazardous Materials for medical or cleaning purposes, provided that any such use complies with all applicable Environmental Laws.

#### **Section 14.3 – Environmental Indemnity.**

Notwithstanding anything contained in this Lease to the contrary, Tenant shall reimburse, defend, indemnify and hold Landlord, and its beneficiaries, officers, directors, shareholders, members, managers, employees, and agents, free and harmless from and against any and all Claims, response costs, losses, liabilities, damages, costs, and expenses, including, without limitation, loss of rental income, loss due to business interruption, and reasonable attorneys' fees and costs, arising out of or in any way connected with Tenant's management or release of Hazardous Materials on, to or from the Leased Premises or the Center.

Landlord, to the best of its knowledge as disclosed to Tenant in the Phase I Environmental Assessment prepared by Noble & Associates, Inc. dated October 31, 2006 and the Phase II Subsurface Investigation Report prepared by Pioneer Environmental Services, LLC dated July 10, 2015, represents and warrants to Tenant that as of the Possession Date the Leased Premises and the Center complies with all Environmental Laws. Landlord shall reimburse, defend, indemnify and hold Tenant, and its beneficiaries, officers, directors, shareholders, members, managers, employees, and agents, free and harmless from and against any and all Claims, response costs, losses, liabilities, damages, costs, and expenses, including, without limitation, loss of rental income, loss due to business interruption, and reasonable attorneys' fees and costs, arising out of or in any way connected with preexisting environmental conditions and violations of Environmental Laws at the Center unless caused by Tenant.

### **ARTICLE 15 – INSURANCE**

#### **Section 15.1 – Insurance Limits.**

Tenant will, at Tenant's expense, obtain and keep in force during the term of this Lease a policy of commercial general liability insurance insuring Tenant (and Landlord as an additional insured), against any liability for injury or death arising out of the ownership, use, occupancy or maintenance of the Leased Premises and all areas appurtenant thereto with a combined single limit of not less than \$1,000,000 for bodily injury, death or property damage and medical expenses in an amount not less than \$5,000.00 per person, per accident. Tenant may, at its option, obtain an umbrella liability policy sufficient to provide aggregate general liability insurance in an amount not less than \$3,000,000, provided that said insurance will have a landlord's protective liability endorsement attached thereto. Tenant shall also obtain Workers' Compensation Insurance in amounts required by applicable laws, statutes, regulations and ordinances and employer's liability insurance covering all persons employed in connection with any work conducted on or about the Leased Premises with limits of not less than \$100,000 each accident, \$500,000 disease policy limit, and \$100,000 disease per employee, and other insurance as required by any Employee Benefit Act or other applicable statute. In addition, Tenant shall obtain other amounts of insurance coverage and types of insurance coverage which at the time are commonly obtained in the case of property similar to the Leased Premises in the Chicago Metropolitan Area as reasonably determined by Landlord. All Tenant policies shall be written as primary policies not contributing with and not in excess of Landlord's coverage.

#### **Section 15.2 – Builder's Risk.**

Before any alterations, additions, improvements or construction are undertaken, Tenant shall carry and maintain, at its expense, and Tenant shall require any contractor performing work on the Leased Premises to carry and maintain, at no expense to Landlord, in addition to worker's compensation insurance as required by the jurisdiction in which the Center is located, All-Risk Builder's Risk Insurance in the amount of 100% of the replacement cost of the Tenant's Work including the proposed alteration. In no event will Tenant allow a contractor to perform work with less than \$500,000 of Builder's Risk Insurance.

#### **Section 15.3 – Proof of Insurance.**

Tenant will deliver to Landlord, prior to execution of this Lease, certificates evidencing the existence and amounts of such insurance with loss payable clauses reasonably satisfactory to Landlord. No policy will be cancelable or subject to reduction of coverage except upon not less than thirty (30) days' prior written notice to Landlord. All insurance shall be issued by companies licensed to do business in Illinois and rated by Best's Insurance Reports not less than A-/VIII. If Tenant fails to procure and maintain said insurance, Landlord may, after notice to Tenant, but will not be required to, procure and maintain same, but at the expense of Tenant. In such event, Tenant will reimburse Landlord for the cost of such insurance upon demand with interest at the Lease Interest Rate (defined below). Insurance required hereunder will be in companies reasonably acceptable to Landlord.

#### **Section 15.4 – Waiver of Subrogation.**

Landlord and Tenant hereby mutually waive their respective rights of recovery against each other for any loss compensated for by fire, extended coverage and other property insurance policies existing for the benefit of the respective parties. Each party will apply to its insurer to obtain said waivers and will secure any special endorsements if required by its insurer to comply with the provisions of Article 15.

### **ARTICLE 16 – DAMAGE OR DESTRUCTION**

#### **Section 16.1 – Insured Loss.**

In the event the Leased Premises are damaged by fire, or other perils covered by extended coverage insurance, to an extent which is less than fifty (50%) percent of the cost of replacement of the Leased Premises, the damage will be repaired by Landlord, at Landlord's expense, within ninety (90) days thereafter. In the event of any such damage and if (i) Landlord is not required to repair as hereinabove provided or (ii) the Leased Premises will be damaged to the extent of fifty (50%) percent or more of the cost of replacement, or (iii) the Center is damaged by more than twenty-five (25%) percent of the aggregate cost of replacement, Landlord may elect either to repair or rebuild the Leased Premises or the Center or to terminate this Lease upon giving notice of such election in writing to Tenant within sixty (60) days after the occurrence of the event causing the loss. If the Leased Premises are untenable in whole or in part as a result of a casualty, there will be an abatement of the Minimum Rent in the proportion that the untenable space bears to the total area of the Leased Premises, as reasonably calculated by Landlord, from the date of damage until the date Landlord completes its work. If the damage is due to the fault or neglect of Tenant, its agents or employees, there will be no abatement of Rent. In the event the damage referred to in (iii) above does not affect the Leased Premises, this Lease shall remain in full force and effect and Landlord shall remove the damaged portion of the Center in compliance with applicable codes.

#### **Section 16.2 – Uninsured Loss.**

In the event the Leased Premises or the Center are damaged as a result of any cause other than the perils covered by fire and extended coverage insurance or if the proceeds of insurance received by Landlord are insufficient, in Landlord's judgment, to defray the costs of repair and restoration, then Landlord will have the option to either (i) repair or restore such damage, this Lease continuing in full force and effect but the Minimum Rent and Additional Rent to be proportionately reduced as stated above in Section 16.1, or (ii) give notice to Tenant at any time within sixty (60) days after such damage, terminating this Lease as of the date of such damage. In the event of giving such notice, this Lease will expire and all interest of Tenant in the Leased Premises will terminate on the date so specified in such notice and the Minimum Rent, reduced by a proportionate reduction as above stated, will be paid to the date of such termination.

### Section 16.3 - Landlord Duty.

Notwithstanding anything to the contrary herein set forth: (a) Landlord shall have no duty to repair or to restore any portion of the alterations, additions or improvements owned or made by Tenant in the Leased Premises; (b) Landlord shall have no duty to expend for any repair or restoration in excess of insurance proceeds available for repair or restoration and paid to Landlord so long as Landlord has maintained at the time of the casualty full replacement cost coverage; (c) Landlord at all times shall be entitled to all insurance proceeds; (d) Landlord's lender or mortgagee shall be entitled to all insurance proceeds if such mortgagee or lender has the right to obtain, keep or apply such proceeds against any outstanding debt owed by Landlord to said mortgagee or lender, provided Landlord has used reasonable efforts to cause such lender to apply the insurance proceeds available for repair and restoration to the repair or restoration of the Leased Premises; or (e) Landlord shall have no duty to repair and restore hereunder if the damage from casualty occurs during the last twelve (12) months of the Lease Term.

### **ARTICLE 17 - CONDEMNATION**

If twenty-five percent (25%) or more of the Leased Premises will be taken or appropriated by any public or quasi-public authority under the power of eminent domain, either party hereto will have the right, at its option, within sixty (60) days after such taking or appropriation, to terminate this Lease upon thirty (30) days written notice to the other. If any part of the Leased Premises are so taken (and neither party elects to terminate as herein provided), the Minimum Rent and Additional Rent thereafter to be paid will be equitably reduced, as reasonably determined by Landlord and Tenant. In the event of any taking or appropriation whatsoever, Landlord shall be entitled to any and all awards, judgments or settlements which may be given and Tenant hereby assigns to Landlord all of its right, title and interest in any such award, judgment or settlement and Tenant shall have no claim against Landlord for the value of any unexpired portion of the Lease Term. Landlord solely shall have the right to prosecute claims in any condemnation proceedings. Tenant may seek an award relating to its moving expenses, and for Tenant's Work and personal property; provided, however, in no event shall Tenant be entitled to seek such awards if the granting of such award would serve to reduce or diminish Landlord's award. Tenant shall have no claim against Landlord for the value of any unexpired portion of the Lease Term. In no event shall Tenant pursue a claim for the loss of its leasehold estate.

### **ARTICLE 18 - ASSIGNMENT AND SUBLETTING**

Tenant will not assign, mortgage or otherwise encumber all or any part of Tenant's interest in this Lease or in the Leased Premises, and will not sublet all or any part of the Leased Premises, without the prior written consent of Landlord in each instance, not to be unreasonably withheld. Any attempted assignment, transfer, mortgage, encumbrance or subletting without such consent will be wholly void. No subletting or assignment, even with the consent of Landlord, will relieve Tenant of its obligations to pay Rent and to perform all of the other obligations to be performed by Tenant hereunder. The acceptance of Rent by Landlord from any other person will not be deemed to be a waiver by Landlord of any provision of this Lease or to be consent to any assignment or subletting. Consent to one assignment or subletting will not be deemed to constitute consent to any subsequent assignment or subletting. Landlord's consent to an assignment or sublease shall not be unreasonably withheld. In granting or denying any such consent, in addition to other factors, Landlord shall not be deemed to have unreasonably withheld its consent should Landlord take into consideration the following non-exhaustive list of factors: (i) the business reputation, financial condition, and credit worthiness of the proposed transferee, subtenant or assignee; (ii) any required alteration of the Leased Premises; (iii) the intended use of the Leased Premises by the proposed transferee, subtenant or assignee; and (iv) any other reasonable factors which Landlord shall deem relevant. Tenant shall provide Landlord with at least thirty (30) days prior written notice of any proposed assignment, sublease or other transfer together with financial statements for the proposed assignee or sublessee. Any assignment, subletting, use, hypothecation, mortgage, occupancy, use, transfer or encumbrance of this Lease or the Leased Premises without Landlord's prior written consent shall be of no effect and shall constitute a default hereunder. Tenant shall pay to Landlord a \$500 assignment fee plus any actual out of pocket costs (including attorney's fees) incurred by Landlord in order for Landlord to review any request for permission to assign or sublease.

Notwithstanding anything set forth herein to the contrary, so long as Tenant is not then in default under this Lease beyond any applicable notice and cure periods, Tenant shall have the right to assign this Lease or to sublet all or any portion of the Premises without Landlord's consent, (i) to any parent, subsidiary, or corporate affiliate of Tenant with so long as Tenant remains liable under the Lease; (ii) in connection with a merger or consolidation, or by any operation of law, or pursuant to the sale of all or substantially all of Tenant's assets; or (iii) to any corporation or other entity which acquires fifty percent (50%) or more of the issued and outstanding voting stock of Tenant. Each of the foregoing circumstances may be referred to herein as a "Permitted Transfer". In any of the foregoing circumstances (i) through (iii), Tenant shall give Landlord notice of such assignment or subletting fifteen (15) days prior to the effective date of such assignment or subletting and in the event of an assignment, the assignee shall assume all of Tenant's obligations under this Lease. The foregoing shall not be deemed a release of Tenant's liability with regard to any obligations that have accrued under this Lease prior to the effective date of such assignment. The foregoing shall not be deemed to permit a second such assignment without first obtaining Landlord's written consent as set forth above.

## **ARTICLE 19 - SUBORDINATION AND ATTORNMEN**

### **Section 19.1 - Subordination.**

Subject to receipt of a commercially reasonable non-disturbance agreement, this Lease will be subordinate to all ground or underlying leases which now exist or may hereafter be executed affecting the Leased Premises or the land upon which the Leased Premises are situated or both, to all declarations of covenants, easements and/or restrictions or amendments or modifications thereof copies of which have been delivered to Tenant prior to the execution of this Lease ("Restrictions"), provided that such Restrictions do not adversely affect the use or occupancy of the Leased Premises or the Center, and to the lien of any mortgages or deeds of trust in any amount or amounts whatsoever now or hereafter placed on or against the land or improvements or either thereof, of which the Leased Premises are a part, or on or against Landlord's interests or estate therein, or on or against any ground or underlying leases. Tenant agrees to execute any commercially reasonable instruments which may be requested or required to evidence such subordination provided that such further instruments provide for an obligation by the lessor or mortgagee to assume the Landlord's obligations this Lease if such mortgagee succeeds to the interest of Landlord agrees not to disturb Tenant's interest in the Leased Premises under this Lease and agrees not to make Tenant a party to any foreclosure litigation so long as Tenant is not a necessary party to such litigation. Notwithstanding, contemporaneously with the execution of this Lease, Landlord shall cause Landlord's lender to enter into a commercially reasonably subordination, non-disturbance and attornment agreement, the form of which is as approved by Landlord's lender.

If any mortgagee, trustee or ground lessor will elect to have this Lease prior to the lien of its mortgage, deed of trust or ground lease, and will give written notice thereof to Tenant, this Lease will be deemed prior to such mortgage, deed of trust or ground lease, whether this Lease is dated prior or subsequent to the date of said mortgage, deed of trust or ground lease or the date of the recording thereof.

### **Section 19.2 - Delivery of Agreement.**

Tenant shall execute, acknowledge and deliver with ten (10) business days of a request from Landlord any commercially reasonable instrument that Landlord, the lessor under any current or future ground lease, or the holder of any current or future mortgage (or their respective successors-in-interest), may request in order to evidence such subordination.

### **Section 19.3 - Attornment.**

In the event any proceedings are brought for default under any ground or underlying lease or in the event of foreclosure under any mortgage or deed of trust covering the Leased Premises, and such mortgagee becomes possessed of the Leased Premises, then, conditioned on the mortgagee's (or purchaser at the foreclosure sale) entering into a non-disturbance agreement with Tenant in commercially reasonable form, Landlord and Tenant agrees that Tenant shall be obligated to such mortgagee to pay to it the Rent and to thereafter comply with all the terms of this Lease; and if any mortgagee or purchaser at a private or public sale shall become possessed of the Leased Premises, Tenant shall, without charge, attorn to such mortgagee or purchaser as its landlord under the Lease.

**Section 19.4 - Quiet Enjoyment.**  
Upon Tenant paying the Rent reserved herein and observing and performing all of the provisions on Tenant's part to be observed and performed hereunder, Tenant will have quiet enjoyment of the Leased Premises during the entire term of this Lease.

## ARTICLE 20 - DEFAULT

### Section 20.1 - Tenant Default.

The occurrence of any of the following will constitute a default and breach of this Lease by Tenant:

- A. Any failure by Tenant to pay the rent or any other monetary sums required to be paid hereunder where such failure continues for seven (7) business days after written notice thereof by Landlord to Tenant;
- B. The abandonment of the Leased Premises by Tenant, except in the case of remodeling, holidays or due to Force Majeure, and except if Tenant delivers to Landlord prior written notice of the same and otherwise timely performs all of its obligations under this Lease;
- C. A failure by Tenant to observe or perform any other provision of this Lease to be observed or performed by Tenant, where such failure continues for thirty (30) days after written notice thereof by Landlord to Tenant, provided, however, that if the nature of the default is such that the same cannot reasonably be cured within said thirty (30) day period, Tenant will not be in default if Tenant will within such period commence such cure and thereafter diligently and continuously prosecute the same to completion;

- D. The making by Tenant of any general assignment or general arrangement for the benefit of creditors, the filing by or against Tenant of a petition to have Tenant adjudged a bankrupt or of a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Leased Premises provided possession is not restored to Tenant within sixty (60) days; or the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Leased Premises or of Tenant's interest in this Lease, where such seizure is not discharged within sixty (60) days; or
- E. If Tenant shall falsify any report or statement required to be furnished to Landlord under the terms of this Lease.

### Section 20.2 - Landlord Remedies.

In the event of any such default or breach by Tenant, Landlord may at any time thereafter, in addition to any right or remedy at law or in equity which Landlord may have by reason of such default or breach:

A. Terminate this Lease and Tenant's right of possession to the Leased Premises, and recover all damages to which Landlord is entitled under law, specifically including, without limitation, Rent for the balance of the term, less the fair rental value of the Premises for the balance of the Lease Term, all Landlord's reasonable expenses of relating (including repairs, alterations, improvements, additions, decorations, legal fees and brokerage commissions); or

B. Terminate Tenant's right of possession to the Leased Premises without terminating this Lease, in which event Landlord shall use reasonable efforts to relet the Leased Premises, or any part thereof for the account of Tenant, for such rent and term and upon such terms and conditions as are reasonably acceptable to Landlord. For purposes of such relating, Landlord is authorized to decorate, repair, alter and improve the Leased Premises to the extent reasonably necessary. If the Leased Premises are relet and a sufficient sum not be realized therefrom after payment of all Landlord's reasonable expenses of relating (including repairs, alterations, improvements, additions, decorations, legal fees and brokerage commissions) to satisfy the payment when due of rent reserved under this Lease for each monthly period, or if, after Landlord attempts to mitigate its damages, the Leased Premises have not been relet, Tenant will pay any such deficiency monthly. Landlord may file suit to recover any sums due to

Landlord hereunder amount due Landlord hereunder will not be a defense to any subsequent action brought for any amount not theretofore reduced to judgment in favor of Landlord. In the event Landlord elects, pursuant to this section, to terminate Tenant's right of possession only without terminating this Lease, Landlord may, at Landlord's option, with process of law, enter into the Leased Premises, remove Tenant's signs and other evidences of tenancy, and take and hold possession thereof; provided, such action will not terminate this Lease or release Tenant, in whole or in part, from Tenant's obligation to pay the rent reserved hereunder for the term hereof or from any other obligation of Tenant under this Lease. Any and all property which may be removed from the Leased Premises by Landlord pursuant to the authority of the Lease or of law, to which Tenant is or may be entitled, may be handled, removed or stored by Landlord at the risk, cost and expense of Tenant, and Landlord will in no event be responsible for the value, preservation or safekeeping thereof. Tenant will pay to the Landlord, upon demand, any and all reasonable expenses incurred in such removal, including reasonable storage charges against such property so long as the same will be in Landlord's possession or under Landlord's control. Landlord's rights and remedies contained under this Lease are cumulative, and Landlord may pursue any and all rights and remedies whether at the same time or otherwise.

#### **Section 20.3 - Landlord Default.**

Landlord will not be in default unless Landlord or Landlord's agent, assign or successor in interest fails to perform obligations required of Landlord within a reasonable time, but in no event later than thirty (30) days after written notice by Tenant to Landlord and to the holder of any mortgage or deed of trust covering the Leased Premises whose name and address will have theretofore been furnished to Tenant in writing, specifying wherein Landlord has failed to perform such obligations; provided that if the nature of Landlord's obligation is such that more than thirty (30) days are required for performance, then Landlord will not be in default if Landlord commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion. Upon the occurrence of an Event of Default by Landlord, Tenant shall have the right to institute an action for specific performance of the Landlord's obligations under this Lease. In addition, should Landlord fail to repair or maintain the Premises or the Center pursuant to Landlord's repair responsibility in Section 11.1 of this Lease in the timeframe set forth above and such failure materially interferes with Tenant's use of the Leased Premises (each and any such failure being herein sometimes referred to as a "Landlord Default") and if any such Landlord Default shall not be cured and shall accordingly be continuing thirty (30) days following written notice by Tenant to Landlord of such Landlord Default (unless such default is not reasonably capable of being cured within such period and Landlord is diligently prosecuting such cure to completion), then Tenant shall have the option (at Tenant's sole discretion) of (i) exercising commercially reasonable steps to repair or maintain the Premises or the Center, and any and all such sums reasonably expended by Tenant in connection therewith shall be paid by Landlord to Tenant within thirty (30) days after invoice therefor accompanied by evidence of payment, including lien waivers, and if Landlord fails to timely reimburse and pay same to Tenant, Tenant may, in addition to any other right or remedy that Tenant may have under this Lease, deduct such amount (together with interest thereon at the Interest Rate from the date of disbursement by Tenant until the date of repayment thereof by Landlord to Tenant) from subsequent installments of Rent and other charges (if any) that from time to time thereafter may become due and payable by Tenant to Landlord hereunder or (ii) terminating this Lease if such Landlord Default prevents Tenant or Tenant's agents, patients, visitors, guests, licensees, invitees access to the Premises or the Permitted Use of the Premises. Absent a Landlord Default, Tenant's sole and exclusive remedy shall be to institute an action for specific performance. This section is not intended to limit Tenant's ability to make Emergencies Repairs as set forth in Section 11.1. Further, in no event shall Landlord be liable to Tenant for punitive, exemplary or consequential damages, including, without limitation, lost profits, regardless of the nature of the breach by Landlord of its obligations under this Lease, and Tenant waives all claims for punitive, exemplary or consequential damages

### **ARTICLE 21 - PARKING AND COMMON AREA**

#### **Section 21.1 - Generally.**

Landlord will keep the parking and common areas in reasonably good condition and repair and in a neat, clean and orderly condition and will repair any damage to the facilities thereof. Tenant its agents, employees, customers, licensees and subtenants, will have the non-exclusive right in common with Landlord, and with other present and future owners and tenants and their agents, employees, customers, licensees and sub-tenants, to use up to thirty (30)

(39) parking spaces in said common and parking areas during the entire term of this Lease. Landlord shall provide eight (8) parking spaces located as close as possible to the front door of the Premises for the exclusive use of Tenant's customers at no additional charge to Tenant, and Tenant shall have the right to post signs designating such use, at its sole cost and expense, on said parking spaces. Tenant, in the use of said common and parking areas, agrees to comply with such reasonable, non-discriminatory rules and regulations as Landlord may adopt from time to time for the orderly and proper operation of said common and parking areas. Such rules may include, but will not be limited to the following: (1) Restriction of employee parking to a limited, designated area or areas; and (2) Regulation of the removal, storage and disposal of Tenant's refuse and other rubbish. See Exhibit F for current Rules and Regulations.

#### **Section 21.2 – Modifications.**

Subject to the terms and provisions of Section 12.1 above, Landlord further reserves the right to increase or reduce the common areas, to impose upon the common areas declarations of covenants, easements and restrictions or amendments or modifications thereof and to change the entrances, exits, traffic lines and the boundaries and locations of such common parking areas, provided that such modifications do not materially interfere with Tenant's use of or access to the Leased Premises.

### **ARTICLE 22 – SIGNS**

#### **Section 22.1 – Building Sign.**

Tenant may install the approved exterior signage shown on Exhibit C-2 and such other exterior signage approved by Landlord which approval shall not be unreasonably withheld, conditioned or delayed, subject to Tenant's receipt of approval from relevant governmental authorities. Tenant shall be entitled to, and is hereby granted, the exclusive use of the exterior of the building of the Leased Premises, and no other party shall be allowed to install or maintain signage in such areas.

#### **Section 22.2 – Building Sign Restrictions.**

In the event of conflict between Exhibit C-1 or Exhibit C-2 and the provisions of this paragraph, the provisions of this paragraph shall prevail. Notwithstanding the provisions of Section 22.1, Tenant may not, under any circumstances (i) place any signage on the Center roof, canopy roofs extending above the Center roof, penthouse walls above the parapet, canopy or top of the wall upon which it is mounted, (ii) place any signage at any angle to the Center building, (iii) paint any signs on the surface of the Leased Premises or any other surfaces of the Center, (iv) install any flashing, moving or audible signs, (v) install any signs employing exposed raceways, neon tubes, ballast boxes or transformers, or (vi) install any paper or cardboard signs, temporary signs, stickers or decals, whether in the windows of the interior or on the exterior of the Leased Premises. At no time may any signs or other advertising materials visible from outside of the Leased Premises occupy or obstruct more than twenty percent (20%) of the total window area of the Leased Premises provided the same are of professional quality. Tenant may not install any exterior sign that identifies leased departments and/or concessionaires operating under the Tenant's business or trade name, nor identify specific brands or products for sale or services offered within the Leased Premises, unless such identification is used as part of Tenant's trade name. Tenant shall, at its expense, maintain its signs in good condition and repair. Landlord shall have the right to remove any unauthorized signs and to charge Tenant, as Additional Rent under this Lease, for the cost of such removal.

#### **Section 22.3 – Monument Sign.**

Tenant may install Tenant's approved signage on one panel of the corner Monument Sign for the Center. Tenant shall contract with Landlord's approved sign contractor, and pay the costs of installing Tenant's approved signage.

### **ARTICLE 23 – HOLDING OVER**

If Tenant retains possession of the Leased Premises or any part thereof after termination of the term by lapse of time or otherwise, Tenant will pay Landlord as monthly rent during the period that Tenant so holds over, a "Hold Over Minimum Rent" equal to 125% of the Minimum Rent due for the month immediately preceding the termination of the Lease for the first sixty (60) days and 150% of the Minimum Rent thereafter paid by Tenant during the month

preceding the termination of the Lease for each month or part thereof that Tenant thus remains in possession. The provisions of this paragraph do not exclude the Landlord's right of re-entry or any other right hereunder.

#### ARTICLE 24 - LATE PAYMENT

If any Rent or other payments due under this Lease from Tenant are not received by Landlord within five (5) days after notice from Landlord to Tenant that such amount has not been paid, each such unpaid amount will be subject to a late payment charge equal to the greater of (i) five percent (5%) of such unpaid amount, or (ii) \$250.00. This late payment charge is intended to compensate Landlord for its additional administrative costs resulting from Tenant's delinquency, and is agreed upon by Landlord and Tenant as a reasonable estimate of the additional administrative costs which will be incurred by Landlord as a result of Tenant's delinquency, the actual cost in each instance being extremely difficult, if not impossible, to determine. This late payment charge will constitute liquidated damages and will be paid to Landlord together with each such unpaid amount. The payment of this late payment charge will not constitute a waiver by Landlord of any default by Tenant under this Lease and will be in addition to interest payable at the Lease Interest Rate on amounts not paid when due.

#### ARTICLE 25 - NOTICE

Notices and demands required or permitted to be given hereunder shall be given by personal delivery or reputable overnight courier (such as FedEx) and shall be addressed if to Tenant at 210 S. Des Plaines St., Chicago, IL 60661, Attention: P. Kevin Ryan CFO/Vice President of Finance with a copy to 77 W. Wacker Dr., Ste. 4100, Chicago, IL 60601, Attention: Scott Downing, Esq., and if to Landlord at Monterey Professional Center LLC, 1050 E. 95<sup>th</sup> Street, Chicago, Illinois 60619, Attention: Mr. Leon I. Walker, Esq., or at such other address that either party may designate by written notice to the other party. Notices and demands shall be deemed to have been given when delivered if personally delivered, one (1) business day after deposit with a reputable overnight courier for next business day delivery.

#### ARTICLE 26 - MISCELLANEOUS

##### Section 26.1 - Rules and Regulations.

Tenant will faithfully observe and comply with the rules and regulations for the Center that Landlord will from time to time promulgate and/or reasonably modify. As of the date hereof, the Rules and Regulations are attached hereto as Exhibit F and made a part hereof. Landlord will make a good faith effort to uniformly enforce the Rules and Regulations but will not be responsible to Tenant for the non-performance of any of said rules and regulations by any other tenants or occupants.

##### Section 26.2 - Stopper Certificate.

Tenant will from time to time, upon not less than ten (10) business days' prior written notice from Landlord, execute, acknowledge and deliver to Landlord a statement in writing (a) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease is so modified is in full force and effect), and the date to which the rent and other charges are paid in advance, if any, and (b) acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of Landlord hereunder, or specifying such defaults if any are claimed, and (c) stating forth the date of commencement of Rent and expiration of the Lease Term hereof. Any such statement may be relied upon by any prospective purchaser or encumbrancer, to whom it is addressed, of all or any portion of the real property of which the Leased Premises are a part.

##### Section 26.3 - Transfer of Landlord's Interest.

In the event of a sale or conveyance by Landlord of Landlord's interest in the Leased Premises or the Center, other than a transfer for security purposes only, Landlord will be relieved of all obligations and liabilities accruing thereafter on the part of Landlord, provided that any funds in the hands of Landlord at the time of transfer in which Tenant has an interest including deposits or payments in advance by Tenant of real estate taxes, common area expenses insurance and other payments, will be delivered to Landlord's successor that assumes Landlord's obligations thereafter accruing under this Lease.

**Section 26.4 – Captions; Attachments; Defined Terms.**

The captions of the paragraphs of this Lease are for convenience only and will not be deemed to be relevant in resolving any question of interpretation or construction of any section of this Lease. Exhibits and addendum attached or affixed hereto are deemed a part of this Lease and are incorporated herein by reference.

**Section 26.5 – Landlord Defined.**

The term "Landlord" will mean only the owner or owners at the time in question of the fee title or a tenant's interest in a ground lease of the Leased Premises or the Center. The obligations contained in this Lease to be performed by Landlord will be binding on Landlord's successors and assigns.

**Section 26.6 – Entire Agreement.**

This Lease constitutes the entire agreement between Landlord and Tenant relative to the Leased Premises and supersedes any prior agreements, brochures or representations, whether written or oral. This Lease may be altered, or revoked only by an instrument in writing signed by both Landlord and Tenant. This Lease will not be effective or binding on any party until fully executed by both parties hereto.

**Section 26.7 – Severability.**

If any provision of this Lease will be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Lease will not be affected thereby, and each term and provision of this Lease will be valid and enforceable to the fullest extent permitted by law.

**Section 26.8 – Costs of Suit.**

If Landlord or Tenant will bring any action for any relief against the other party, declaratory or otherwise, arising out of this Lease, including any suit by Landlord for the recovery of Rent or possession of the Leased Premises, the prevailing party in such action will be entitled to reasonable attorney's fees and costs.

**Section 26.9 – Time.**

Time is of the essence of this Lease and each and every provision hereof.

**Section 26.10 – Lease Interest Rate.**

The "Lease Interest Rate" is equal to the prime rate of interest announced from time to time by Chase Bank of New York, or its successor in interest, plus two (2%) percent, or at the maximum legal rate of interest allowed by law if such maximum legal rate is applicable and lower.

**Section 26.11 – Binding Effect; Choice of Law.**

The parties hereto agree that all the provisions hereof are to be construed as both covenants and conditions as though the words importing such covenants and conditions were used in each separate paragraph hereof, and all rights and remedies of the parties will be cumulative and non-exclusive of any other remedy at law or in equity. This Lease will be governed by the laws of the State of Illinois.

**Section 26.12 – Waiver.**

No covenant, term or condition or the breach thereof will be deemed waived, except by written consent of the party against whom the waiver is claimed, and any waiver of the breach of any covenant, term or condition will not be deemed to be a waiver of any covenant, term or condition unless otherwise expressly agreed to in writing by the party against whom the waiver is claimed.

**Section 26.13 – Surrender of Premises.**

The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, will not work a merger, and will at the option of Landlord terminate all or any existing subleases or may at the option of Landlord operate as an assignment to it of any or all such subleases.

#### **Section 26.14 – Tenant Financials.**

Landlord may request and Tenant shall be obligated to furnish to Landlord within five (5) business days, with the then current financial statements certified to be correct and prepared in accordance with generally accepted accounting principles consistently applied, in sufficient detail to allow Landlord to determine Tenant's ability to fulfill its obligations under this Lease. Such financial statements shall be held in strict confidence and shall not be disclosed to any party other than: (a) Landlord's personnel having the explicit need to know such information, for which Landlord agrees to require such personnel to similarly keep all such information confidential; or (b) any current or prospective mortgagee, upon written request from such mortgagee to Tenant, in contemplation of an actual and bona fide transaction, for which Landlord agrees to require such mortgagee to similarly keep all such information confidential and Landlord shall have such mortgagee, at the request of Tenant, execute a written confirmation of its confidential obligation hereunder to Tenant containing terms and conditions acceptable to Tenant.

#### **Section 26.15 – Entry By Landlord.**

Landlord, its agents and employees, may enter the Leased Premises during the Lease Term at all reasonable times, upon reasonable prior notice to Tenant for the purpose of exhibiting the Leased Premises to prospective purchasers or tenants, provided, however, Landlord, its agents and employees may only exhibit the Leased Premises to prospective tenants during the last six (6) months of the Lease Term unless Tenant has defaulted in its obligations under the Lease beyond any applicable cure period. Tenant also hereby permits Landlord access to the Leased Premises upon prior notice (except in emergencies, when Landlord may enter the Leased premises at any time without prior notice) as will be reasonably required for the installation or maintenance of mains, conduits, pipes or other facilities to serve the Center or any part thereof or to make such repairs or improvements to the Center as Landlord may from time to time determine to be necessary, in accordance with the other terms and provisions of this Lease. Landlord, its agents and employees, will have reasonable access to the Leased Premises upon prior notice during reasonable hours (except in emergencies, when Landlord may enter the Leased premises at any time without prior notice) for the purpose of examining the Leased Premises to ascertain if the Leased Premises are in good repair and to make repairs which Landlord may be required or permitted to make hereunder. Landlord agrees, however, that its entry and performance of work will not unreasonably interfere with Tenant's business. In non-emergency situations, Landlord will not enter restricted cabinets, rooms, or spaces containing patient medical records without the supervision of Tenant or Tenant's representative; in such instances, Landlord shall abide by the reasonable instruction provided by Tenant or Tenant's representative so as to protect patient privacy.

#### **Section 26.16 – Tenant Authority.**

In case Tenant is a corporation, Tenant (a) represents and warrants that (i) this Lease has been duly authorized, executed and delivered by and on behalf of Tenant and constitutes the valid and binding agreement of Tenant in accordance with the terms hereof, (ii) Tenant's execution hereof will not violate or conflict with any other agreement, order or decree to which Tenant is a party or otherwise bound, and (iii) Tenant is validly existing, in good standing and qualified to do business in the state in which the Leased Premises are located, and (b) if Landlord so requests, Tenant shall deliver to Landlord or its agent, concurrently with the delivery of this Lease executed by Tenant, certified resolutions of the board of directors (and shareholders, if required) authorizing Tenant's execution and delivery of this Lease and the performance of Tenant's obligations hereunder. In case Tenant is a partnership or limited liability company, Tenant (a) represents and warrants that (i) all of the persons who are general or managing partners in said partnership or authorized members or managers in said limited liability company have executed this Lease on behalf of Tenant, or that this Lease has been executed and delivered pursuant to and in conformance with a valid and effective authorization therefor by all of the general or managing partners of such partnership or authorized members or managers in said limited liability company, as the case may be, and constitutes the valid and binding agreement of the partnership or limited liability company, as the case may be, in accordance with its terms, (ii) Tenant's execution hereof will not violate or conflict with any other agreement, order or decree to which Tenant is a party or otherwise bound, and (iii) Tenant is validly existing, in good standing and qualified to do business in the state in which the Leased Premises are located, and (b) if Landlord so requests, it shall deliver to Landlord or its agent, concurrently with the delivery of this Lease executed by Tenant, a certified consent of the managers and partners (and members, if required) authorizing Tenant's execution and delivery of this Lease and the performance of Tenant's obligations hereunder. Also, it is agreed that in the case Tenant is a general partnership, each and every present and future partner in Tenant shall be and shall remain at all times jointly and severally liable hereunder and

that the death, resignation or withdrawal of any partner shall not release the liability of such partner under the terms of this Lease unless and until Landlord has consented in writing to such release.

**Section 26.17 – Recordation.**

Tenant shall not record this Lease nor any memorandum or notice thereof, without the written consent of Landlord, which consent may be withheld by Landlord in its sole and absolute discretion; however, upon the request of Landlord, the Tenant shall join in the execution of a memorandum or so-called "short form" of this Lease for the purposes of recordation. Said memorandum or short form of this Lease shall describe the parties, the Leased Premises, and the Lease Term, Tenant's right of first refusal and option to purchase and shall incorporate this Lease by reference. If a default occurs hereunder and, as a result thereof, this Lease is terminated, Landlord may execute a statement to be recorded in the appropriate land records terminating such memorandum. No such memorandum shall modify or change the Lease.

**Section 26.18 – Broker.**

Each party hereto represents and warrants to the other party that it has not engaged any broker in connection with this transaction. Each party agrees to indemnify, save harmless and defend the other party from and against any and all claims, commissions, and finders fees by reason of such party's representation and warranty not being true.

**Section 26.19 – Personal Property.**

All personal property belonging to Tenant, any occupant of the Leased Premises, or to Tenant's invitees or licensees that is in or on the Center or the Leased Premises shall be there at the risk of Tenant or other person only and Landlord shall not be liable for damage thereto or theft or misappropriation thereof.

**Section 26.20 – Waiver of Jury Trial.**

To the full extent permitted by law, Landlord and Tenant hereby waive all right to trial by jury in any claim, action, proceeding or counterclaim by either Landlord or Tenant against each other and any matter arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant, or Tenant's use and occupancy of the Leased Premises and/or any emergency or statutory remedy. Although such jury waiver is intended to be self-operative and irrevocable, Landlord and Tenant each further agree, if requested, to confirm such waivers in writing at the time of commencement of any such action, proceeding or counterclaim.

**Section 26.21 – As-Is.**

Notwithstanding anything to the contrary contained in this Lease, except as otherwise expressly provided in this Lease, no warranties or representations respecting the condition of the Leased Premises or the Center have been made by Landlord to Tenant and Landlord's delivery of possession of the Leased Premises shall be on an "AS-IS" "WHERE-IS" basis. Landlord represents that as of the Possession Date, to the best of Landlord's knowledge, the Center is in compliance with applicable zoning, parking and land use codes and regulations of the City of Chicago.

**Section 26.22 – Exculpation.**

Neither Landlord nor any of Landlord's beneficiaries, members, managers, partners or any successor in interest to Landlord (collectively, the "Beneficiaries") shall have any personal liability with respect to any provisions of this Lease. The liability of the Beneficiaries shall be limited to its interest in the Center and any judgment against Landlord shall be satisfied solely out of Landlord's interest in the Center. Tenant shall look solely to the equity of the then owner of the Center for the satisfaction of any remedies of the Tenant in the event of a breach by Landlord of any of its obligations hereunder.

**Section 26.23 – Use of Lock Box.**

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 the Landlord returns a dishonored instrument within twenty-one (21) days of

its dishonor. Return of any such sum to Tenant 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.

**Section 26.24 – Cooperation by Tenant.**  
Tenant shall cooperate with Landlord, at Tenant's cost, and provide Landlord with such documents, site plans and drawings and execute all documents as reasonably needed for the Landlord Approvals when requested by Landlord.

**Section 26.25 – Survival.**  
Any provision of this Lease which obligates Landlord or Tenant to pay an amount or perform an obligation before the commencement of the Lease Term or after the expiration of the Lease Term or earlier termination of this Lease shall be binding and enforceable notwithstanding that payment or performance is not within the Lease Term, and the same shall survive.

**Section 26.26 – No Joint Venture.**  
The relationship of the parties is that of landlord and tenant only, and nothing in this Lease shall be construed as creating a partnership, joint venture or principal-agent or any other relationship. Except as expressly otherwise provided herein, neither party shall have any right or power to create any expense or liability chargeable to the other party.

**Section 26.27 – Joint Obligation.**  
If there is more than one Tenant, the obligations hereunder imposed shall be joint and several. The word "Tenant" shall be deemed and taken to mean each and every person or party mentioned as a Tenant herein, and if there shall be more than one Tenant, any notice required or permitted by the terms of this Lease may be given by or to any one thereof, and shall have the same force and effect as if given by or to all Tenants thereof.

**Section 26.28 – Net Lease.**  
This is a net lease and the Rent shall be paid without notice, demand, setoff, counterclaim, deduction or defense and, except as otherwise expressly provided herein, without abatement or suspension. It is the intention of the parties hereto that the obligations of Tenant hereunder shall be separate and independent covenants and agreements, that the Rent shall continue to be payable in all events and that the obligations of Tenant hereunder shall continue unaffected.

**Section 26.29 – Exhibits.**  
The Exhibits attached hereto are hereby incorporated into and made part of this Lease by this reference.

**Section 26.30 – Counterparts.**  
This Lease may be executed in any number of counterparts and it shall be sufficient that the signature of each party appear on one or more such counterparts, and all counterparts shall collectively constitute a single agreement.

**Section 26.31 – Protected Health Information.**  
Landlord acknowledges and agrees that from time to time during the Lease Term on Extended Term, Landlord and/or its employees, representatives or assigns may be exposed to, or have access to, Protected Health Information ("PHI"), as defined by HIPAA, 45 CFR Parts 160 and 164. Landlord agrees that it will not use or disclose, and Landlord shall cause its employees, or assigns not to use or disclose, PHI for any purpose unless required by the requirements of HIPAA and all other applicable medical privacy Laws. Landlord further agrees that, notwithstanding the rights granted to Landlord pursuant to this Lease, except when accompanied by an authorized representative of Tenant, neither Landlord nor its employees, agents, representatives or contractors shall be permitted to enter areas of the Premises designated by Tenant as location where patient medical records are kept or stored or where such entry is prohibited by applicable state or federal health care privacy Laws.

**[SIGNATURES APPEAR ON FOLLOWING PAGE(S)]**

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease the date and year first above written.

LANDLORD:  
AIN INVESTMENTS, LLC,  
an Illinois limited liability company

TENANT:  
ASSOCIATES IN NEPHROLOGY,  
S.C. an Illinois corporation, d/b/a  
Vascular Access Centers of Illinois

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

*[Handwritten signature]*  
*[Handwritten name]*  
*[Handwritten title]*

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

*[Handwritten signature]*  
*[Handwritten name]*  
*[Handwritten title]*

## **EXHIBIT A - 1**

### **LEGAL DESCRIPTION**

#### **Legal Description of Real Property**

LOTS 1 TO 16, BOTH INCLUSIVE, IN BLOCK 67 OF WASHINGTON HEIGHTS, SITUATED IN THE SOUTH EAST 1/4 OF SECTION 18 AND THE NORTHEAST 1/4 OF SECTION 19, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ALSO THAT PART OF THE EASTERLY AND WESTERLY 16 FOOT ALLEY LYING SOUTHERLY AND ADJOINING LOTS 1 TO 5 AND PART OF LOT 6, NORTHERLY AND ADJOINING LOT 13, EASTERLY OF THE WESTERLY LINE OF SAID LOT 13 EXTENDED NORTHERLY AND LYING WESTERLY OF A LINE EXTENDED FROM THE SOUTHEASTERLY CORNER OF LOT 1 TO THE NORTHEASTERLY CORNER OF LOT 13, ALL IN BLOCK 67 IN WASHINGTON HEIGHTS, AFORESAID, IN COOK COUNTY, ILLINOIS.

PIN #25-19-211-034-0000;

COMMONLY KNOWN AS: 1701 W. MONTEREY AVE., CHICAGO, ILLINOIS.

August 1, 2018

Vascular Access Centers of Illinois at Morgan Park, LLC  
210 South DesPlaines Street  
Chicago, IL 60661

Re: Letter of Intent to Lease  
1701 West Monterey Avenue, Chicago, IL 60643

Dear Vascular Access Centers of Illinois at Morgan Park, LLC,

This letter of intent ("LOI") with an effective date of August 1, 2018 is between Associates in Nephrology S.C. d/b/a Vascular Access Centers of Illinois. and Vascular Access Centers of Illinois at Morgan Park, LLC. This LOI does not constitute a contract between the parties and is not intended to be binding on either party. Vascular Access Centers of Illinois at Morgan Park, LLC acknowledges that as a sub-leasee it is subject to all terms and conditions contained in the lease (Attachment A) between AIN Investments, LLC. and Associates in Nephrology S.C. d/b/a Vascular Access Centers of Illinois.

**Total Area Required:** 7,600 SF

**Use:** Ambulatory Surgical Treatment Center

**Sub-Lease Term:** 1st day of the Month following COE approval date.

**Lease Commencement:** 1st day of the Month following COE approval date.

**Lease Rate:** Subject to same payment terms listed in underlying lease between AIN Investments, LLC. and Associates in Nephrology S.C. d/b/a Vascular Access Centers of Illinois

**Lease Terms:** Vascular Access Centers of Illinois at Morgan Park, LLC acknowledges that as a sub-leasee it is subject to all terms and conditions contained in the lease between Subject to same payment terms listed in underlying lease between AIN Investments, LLC. and Associates in Nephrology S.C. d/b/a Vascular Access Centers of Illinois

This LOI does not constitute a contract between the parties and is not intended to be binding on either party. This LOI is intended solely as an expression of terms upon which the parties will endeavor to negotiate a formal and binding lease agreement which meets with the approval of both

approval of both parties respective counsel. In no event shall either party incur any liability whatsoever of its failure to execute a formal and binding lease agreement or for any other reason.

IN WITNESS WHEREOF, this Agreement has been executed by **Vascular Access Centers of Illinois at Morgan Park, LLC** and **Associates in Nephrology S.C. d/b/a Vascular Access Centers of Illinois** on the date first above written.

**Vascular Access Centers of Illinois at Morgan Park, LLC**

By:

Printed Name:

Title:

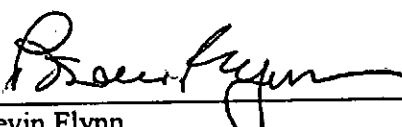
  
P. Kevin Flynn  
CFO

**Associates in Nephrology S.C. d/b/a Vascular Access Centers of Illinois**

By:

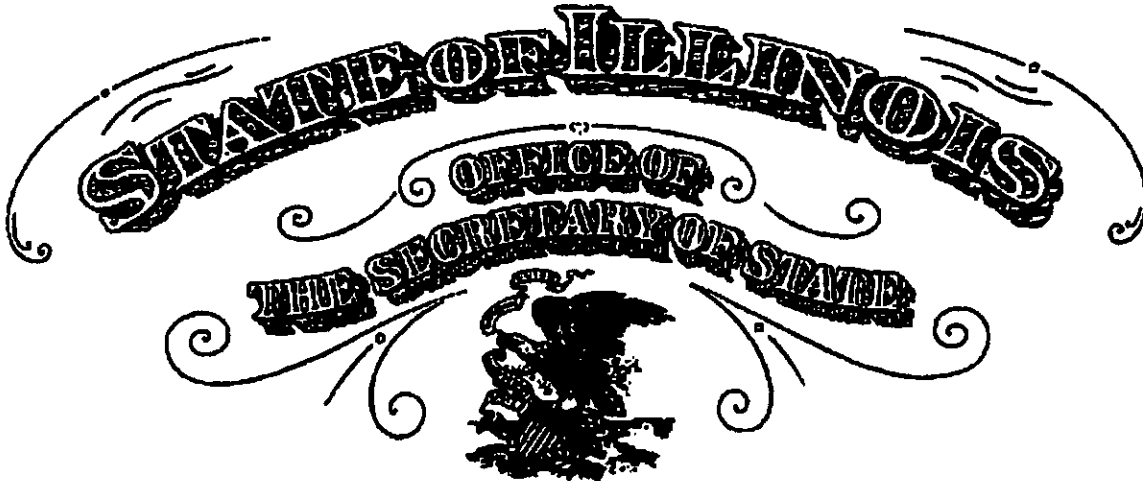
Printed Name:

Title:

  
P. Kevin Flynn  
CFO/ Vice-President of Finance

File Number

4978-902-5



**To all to whom these Presents Shall Come, Greeting:**

***I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that***

**ASSOCIATES IN NEPHROLOGY, S.C., A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON FEBRUARY 22, 1971, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE RELATING TO THE PAYMENT OF FRANCHISE TAXES, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION 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 26TH day of JUNE A.D. 2017 .***

*Jesse White*

SECRETARY OF STATE

Authentication #: 1717700391 verifiable until 06/26/2018.

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



**To all to whom these Presents Shall Come, Greeting:**

**I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that**

ASSOCIATES IN NEPHROLOGY, S.C., A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON FEBRUARY 22, 1971, ADOPTED THE ASSUMED NAME VASCULAR ACCESS CENTER OF ILLINOIS, S.C. ON JULY 15, 2005, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE RELATING TO THE PAYMENT OF FRANCHISE TAXES, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION 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 26TH  
day of JUNE A.D. 2017 .**

*Jesse White*

SECRETARY OF STATE

Authentication #: 1717700399 verifiable until 08/26/2018.  
Authenticate at: <http://www.cyberdriveillinois.com>

Form **LLC-5.5**

**Illinois  
Limited Liability Company Act  
Articles of Organization**

**FILE # 06800726**

**Secretary of State Jesse White**  
Department of Business Services  
Limited Liability Division  
www.cyberdriveillinois.com

**Filing Fee: \$150**  
**Expedited Fee: \$100**  
**Approved By: TLB**

**FILED**  
**MAR 13 2018**  
**Jesse White**  
**Secretary of State**

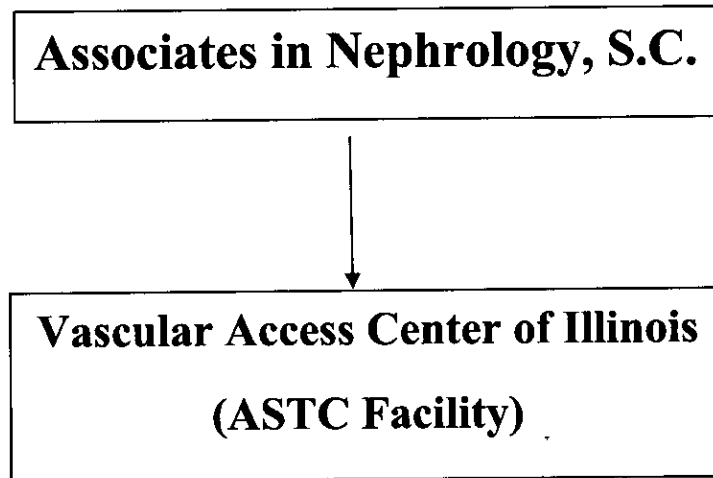
1. **Limited Liability Company Name:** VASCULAR ACCESS CENTERS OF ILLINOIS AT MORGAN  
PARK, LLC
2. **Address of Principal Place of Business where records of the company will be kept:**  
210 S DESPLAINES STREET  
CHICAGO, IL 60661
3. The Limited Liability Company has one or more members on the filing date.
4. **Registered Agent's Name and Registered Office Address:**  
  
COGENCY GLOBAL INC.  
600 S SECOND ST, STE 404  
CHICAGO, IL 62704
5. **Purpose for which the Limited Liability Company is organized:**  
"The transaction of any or all lawful business for which Limited Liability Companies may be organized under this Act."
6. The LLC is to have perpetual existence.
7. **Name and business addresses of all the managers and any member having the authority of manager:**  
  
RAO, VIJAYKUMAR M. M.D.  
210 S DESPLAINES STREET  
CHICAGO, IL 60661  
  
MITRA, AMIT M.D.  
210 S DESPLAINES STREET  
CHICAGO, IL 60661  
  
FLYNN, P. KEVIN  
210 S DESPLAINES STREET  
CHICAGO, IL 60661
8. **Name and Address of Organizer**  
I affirm, under penalties of perjury, having authority to sign hereto, that these Articles of Organization are to the best of my knowledge and belief, true, correct and complete.

**Dated:** MARCH 13, 2018

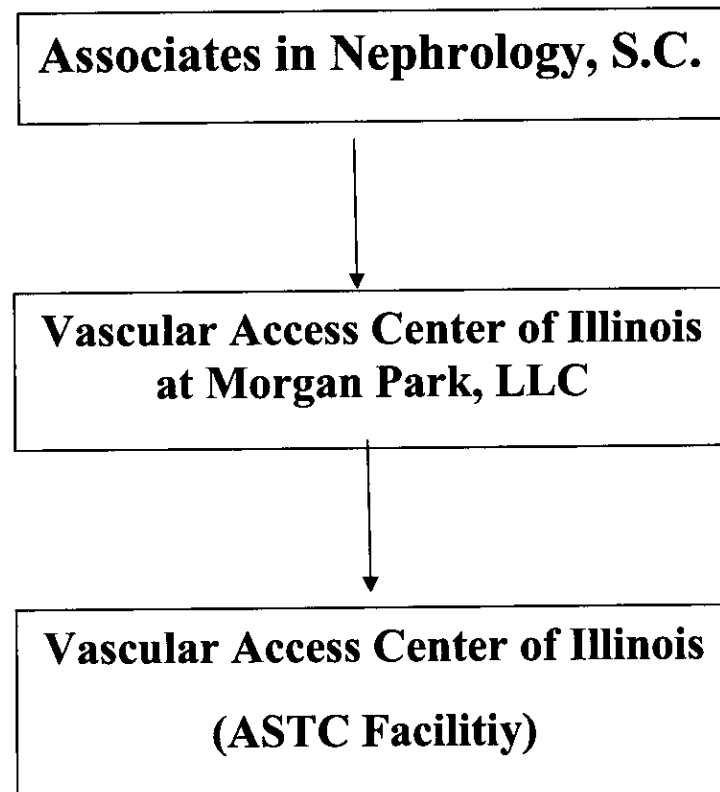
**KERRI A. ZELENSEK**  
77 WEST WACKER DR, STE 4100  
CHICAGO, IL 60601

**Attachment 4**  
**Organizational Chart**

**Prior to Transaction**



**Post Transaction**



## **Attachment 5**

### **Background of Applicant**

Associates in Nephrology, S.C. (AIN) owns Vascular Access Center of Illinois approved by this Board as Project #17-074. The project is not complete and as such has not been licensed by the Illinois Department of Public Health.

The applicant certifies that they have not had any adverse action taken against any facility owned and/or operated by the applicant during the three years prior to the filing of this application.

We authorize the HFSRB and DPH to access any documents necessary to verify the information submitted, including but not limited to: officials 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.

We attest that the information previously submitted as part of the application for Project #17-074 has not changed and remains in effect.

Vascular Access Center of Illinois at Morgan Park, LLC and AIN both possess the qualifications, background and character necessary, as well as possess the financial resources to adequately provide proper services for the community.

AIN owns one ASTC, Vascular Access Center of Illinois, recently approved by this Board as Project #17-074. We certify herein that no adverse actions have been taken against any facility owned and/or operated by either co-applicant in the three years prior to this application.

AIN. founded in 1971 has provided care to patients with kidney disease for over 40 years. Founded as a single-specialty medical practice by a group of Nephrology physicians serving patients and hospitals primarily in Chicago. This ASTC is committed to providing high quality care, to ensure access to care with a community based focus, to promote a progressive approach to healthcare, and to maintain a commitment to academic excellence.

AIN. was formed by physicians who provided teaching services at St. Joseph Hospital in Chicago, and the practice has continued its dedication to training new physicians. Members of the physician group continue to provide teaching services at many area hospitals including Advocate Illinois Masonic in Chicago, St. James Olympia Fields, Advocate Christ Hospital in Oak Lawn and Advocate Lutheran General Hospital in Park Ridge.

There are over 40 Nephrologists who provide comprehensive care to patients suffering from end-stage renal disease and AIN continues to operate as one of the largest nephrology groups in the United States. They provides medical services to patients and hospitals in Healthcare Professional Shortage Areas in the Chicago metropolitan area.

The Renal Physicians Association (RPA), a national organization of nephrology practices awarded AIN with its Practice Excellence Award in recognition of our dedication to organizational excellence. In addition our management group was separately honored with the Renal Physicians' Associations Distinguished Practice Management Award.

## **Attachment 5**

Throughout our over 40 years of services we have remained committed to this vulnerable patient population. This facility will provide service in twenty-three healthcare professional shortage areas including, but not limited to: Roseland, South Chicago, Marquette Park, South Shore, Englewood, Chatham, South Deering, and Chicago Heights.

This ASTC will allow the physicians of AIN to maintain their commitment to being at the forefront of progressive healthcare, including the movement to quality based, risk share programs. AIN is a participant in the CMS Innovation Center's risk-sharing End-Stage Renal Disease Service Care Organization (ESCO) where they have worked with other nephrology groups to save millions of dollars for the Medicare program while improving efficiencies in care and providing better outcomes for patients. Vascular Center of Illinois at Morgan Park, LLC intends to remain at the forefront of progressive patient care delivery models for all of its patients and this surgery center will be the next chapter for this great organization.

**1130.520(b)(1)(A)- Name of the Parties**

The proposed transaction calls for Associates in Nephrology S.C. d/b/a Vascular Access Center of Illinois to transfer their interest in the Ambulatory Surgical Treatment Center ("ASTC") located at 1701 West Monterey, Chicago, IL 60661 to a wholly owned subsidiary known as Vascular Access Center of Illinois at Morgan Park, LLC. All entities are parties to this change of ownership and are applicants to this Certificate of Exemption ("COE").

### **1130.520(b)(1)(B)- Background of the Parties**

Vascular Access Center of Illinois at Morgan Park, LLC and Associates in Nephrology S.C. (AIN) both possess the qualifications, background and character necessary, as well as possess the financial resources to adequately provide proper services for the community.

AIN owns one ASTC, Vascular Access Center of Illinois, recently approved by this Board as Project #17-074. We certify herein that no adverse actions have been taken against any facility owned and/or operated by either co-applicant in the three years prior to this application.

AIN, founded in 1971 has provided care to patients with kidney disease for over 40 years. Founded as a single-specialty medical practice by a group of Nephrology physicians serving patients and hospitals primarily in Chicago. This ASTC is committed to providing high quality care, to ensure access to care with a community based focus, to promote a progressive approach to healthcare, and to maintain a commitment to academic excellence.

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**1130.520(b)(1)(C)- Structure of the Transaction**

There are no project costs associated with this transaction. Under the Illinois Health Facilities Planning Act (20 ILCS/3960), the proposed transaction is a change of ownership among related persons. Vascular Access Center of Illinois at Morgan Park, LLC is a wholly owned subsidiary of Associates in Nephrology, S.C. and will assume ownership of the ASTC located at 1701 West Monterey, Chicago, IL 60661.

**1130.520(b)(1)(D)- Name of the Licensee**

Vascular Access Center of Illinois at Morgan Park, LLC will hold the license and operate the ASTC located at 1701 West Monterey, Chicago, IL 60661.

**1130.520(b)(1)(E)- List of Ownership Interest**

An organization chart can be found in Attachment 4.

**1130.520(b)(1)(F)- Fair Market Value of Assets to be Transferred**

The fair market value of the transferred assets are \$0.00.

**1130.520(b)(1)(G)- Purchase price or other forms of consideration to be provided**

Purchase Price is \$0.00.

**1130.520(b)(2)- Affirmations**

In accordance with 77 Ill. Admin. Code Section 1130.520(b)(2), the applicant affirms that any project for which permits have been issued have been completed or will be completed or altered in accordance with the provisions of this Section.

**1130.520(b)(3)- Hospital Affirmation**

Not Applicable- This change of ownership does not involve a hospital.

**1130.520(b)(4)- Anticipated benefits CHOW to community**

The purpose of this project is to ensure that residents of the community and the patient population historically served by Associates in Nephrology will continue to have access to the vascular care procedures they need. Dialysis patients can require these types of procedures frequently and they are often time sensitive. This surgery center will increase access to care for vascular access procedures which serve a vulnerable patient population.

**1130.520(b)(5)- Anticipated Costs Savings to the community**

The vast majority of end-stage renal disease patients who receive dialysis treatment qualify as Medicare beneficiaries. As a member of the innovative End-Stage renal Disease Service Care Organization (ESCO), AIN is already committed to improving outcomes for patients and reducing costs for the Medicare program. The approval of this change of ownership will allow AIN to continue on their mission and will serve the dual purpose of increasing access to care, and reducing costs to Medicare program.

**1130.520(b)(6)- Description of Facility's quality improvement program mechanism**

The ASTC's quality improvement program mechanism will remain in place and in the unlikely event that the outcomes being experienced do not meet or exceed those standards, an appropriate improvement plan will be initiated.

**1130.520(b)(7)- Facility Governing Body**

A governing board for the organization will be chosen by the managing member of Vascular Access Center of Illinois at Morgan Park, LLC.

**1130.520(b)(8)- Review Criteria in 77 Ill. Admin. Code 1110.240**

A response has been prepared addressing the review criteria in 77 Ill. Admin. Code 1110.240 and will be available for public review on the premises of the facility once the project is completed.

**1130.520(b)(9)- Summary of Proposed Changes**

The primary focus of the Vascular Access Center of Illinois will remain providing vascular access procedures for the existing patient population of Associates in Nephrology, S.C.

**Attachment 7**

**Charity Care Information**

| CHARITY CARE                        |                    |                    |                    |
|-------------------------------------|--------------------|--------------------|--------------------|
|                                     | 2014               | 2015               | 2016               |
| <b>Net Patient Revenue</b>          | <b>\$2,903,425</b> | <b>\$3,147,312</b> | <b>\$3,347,312</b> |
| Amount of Charity Care<br>(charges) | \$157,771          | \$88,906           | \$48,184           |
| Cost of Charity Care                | \$157,771          | \$88,906           | \$48,184           |

After paginating the entire completed application indicate, in the chart below, the page numbers for the included attachments:

| INDEX OF ATTACHMENTS |                                                                                                        |  |       |
|----------------------|--------------------------------------------------------------------------------------------------------|--|-------|
| ATTACHMENT<br>NO.    |                                                                                                        |  | PAGES |
| 1                    | Applicant Identification including Certificate of Good Standing                                        |  | 15-17 |
| 2                    | Site Ownership                                                                                         |  | 18-51 |
| 3                    | Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership. |  | 52-54 |
| 4                    | Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.                  |  | 55    |
| 5                    | Background of the Applicant                                                                            |  | 56-57 |
| 6                    | Change of Ownership                                                                                    |  | 58-72 |
| 7                    | Charity Care Information                                                                               |  | 73    |