

FEE: 2,203.00
\$ FEE BALANCE

19-055

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

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: Forest City Dialysis		
Street Address: 198 North Springfield Avenue		
City and Zip Code: Rockford, Illinois 61101		
County: Winnebago	Health Service Area: 1	Health Planning Area:

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

Exact Legal Name: DaVita Inc.	
Street Address: 2000 16 th Street	
City and Zip Code: Denver, CO 80202	
Name of Registered Agent: Illinois Corporation Service Company	
Registered Agent Street Address: 801 Stevenson Drive	
Registered Agent City and Zip Code: Springfield, IL 62703	
Name of Chief Executive Officer: Javier J. Rodriguez	
CEO Street Address: 2000 16 th Street	
CEO City and Zip Code: Denver, CO 80202	
CEO Telephone Number: 303-405-2100	

Type of Ownership of Applicants

- | | |
|--|---|
| ☐ Non-profit Corporation | ☐ Partnership |
| ☒ For-profit Corporation | ☐ Governmental |
| ☐ Limited Liability Company | ☐ Sole Proprietorship ☐ 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.

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: Kara Friedman
Title: Attorney
Company Name: Polsinelli PC
Address: 150 N. Riverside Plaza, Suite 3000, Chicago, IL 60606
Telephone Number: 312-873-3639
E-mail Address: kfriedman@polsinelli.com
Fax Number: 312-873-3793

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

Name: Mary J. Anderson
Title: Divisional Vice President
Company Name: DaVita, Inc.
Address: 1131 N. Galena, Dixon, IL 61021
Telephone Number: 815-284-0595 x20
E-mail Address: Mary.J.Anderson@davita.com
Fax Number: 815-715-4427

Facility/Project Identification

Facility Name: Forest City Dialysis		
Street Address: 198 North Springfield Avenue		
City and Zip Code: Rockford, Illinois 61101		
County: Winnebago	Health Service Area: 1	Health Planning Area:

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

Exact Legal Name: Machesney Bay Dialysis, LLC		
Street Address: 2000 16 th Street		
City and Zip Code: Denver, CO 80202		
Name of Registered Agent: Illinois Corporation Service Company		
Registered Agent Street Address: 801 Stevenson Drive		
Registered Agent City and Zip Code: Springfield, IL 62703		
Name of Chief Executive Officer: Javier J. Rodriguez		
CEO Street Address: 2000 16 th Street		
CEO City and Zip Code: Denver, CO 80202		
CEO Telephone Number: 303-405-2100		

Type of Ownership of Applicants

- | | | |
|---|--|--------------------------------|
| ☐ Non-profit Corporation | ☐ Partnership | |
| ☐ For-profit Corporation | ☐ Governmental | |
| ☒ Limited Liability Company | ☐ Sole Proprietorship | ☐ Other |

- Corporations and limited liability companies must provide an **Illinois certificate of good standing**.
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Telephone Number: 815-284-0595 x20		
E-mail Address: Mary.J.Anderson@davita.com		
Fax Number: 815-715-4427		

Post Permit Contact

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

Name: Kara Friedman
Title: Attorney
Company Name: Polsinelli PC
Address: 150 N. Riverside Plaza, Suite 3000, Chicago, IL 60606
Telephone Number: 312-873-3639
E-mail Address: kfriedman@polsinelli.com
Fax Number: 312-873-3793

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Dyn Commercial Holdings, LLC
Address of Site Owner: 6801 Spring Creek Road, Rockford, Illinois 61114
Street Address or Legal Description of the Site: 198 North Springfield Avenue, Rockford, Illinois 61101
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.
APPEND DOCUMENTATION AS ATTACHMENT 2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Operating Identity/Licensee

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

Exact Legal Name: Machesney Bay Dialysis, LLC	
Address: 2000 16 th Street, Denver, Colorado 80202	
☐ Non-profit Corporation	☐ Partnership
☐ For-profit Corporation	☐ Governmental
☒ Limited Liability Company	☐ Sole Proprietorship ☐ Other
- o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. - o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner. - o Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	
APPEND DOCUMENTATION AS ATTACHMENT 3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

Organizational Relationships

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

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

Flood Plain Requirements

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2006-5 pertaining to construction activities in special flood hazard areas. As part of the flood plain requirements, please provide a map of the proposed project location showing any identified floodplain areas. Floodplain maps can be printed at www.FEMA.gov or www.illinoisfloodmaps.org. **This map must be in a readable format.** In addition, please provide a statement attesting that the project complies with the requirements of Illinois Executive Order #2006-5 (<http://www.hfsrb.illinois.gov>).

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

Historic Resources Preservation Act Requirements

[Refer to application instructions.]

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

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

DESCRIPTION OF PROJECT

1. Project Classification

[Check those applicable - refer to Part 1110.20 and Part 1120.20(b)]

Part 1110 Classification:

- ☐ Substantive
- ☒ Non-substantive

2. Narrative Description

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

DaVita, Inc. and Machesney Bay Dialysis, LLC (collectively, the "Applicants" or "DaVita") seek authority from the Illinois Health Facilities and Services Review Board (the "State Board") for a 4 station expansion of its existing 12-station dialysis facility located at 198 North Springfield Avenue, Rockford, Illinois 61101.

This project has been classified as non-substantive because it does not involve the establishment of a health care facility.

Project Costs and Sources of Funds

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

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts			
Modernization Contracts	\$4,340		\$4,340
Contingencies	\$650		\$650
Architectural/Engineering Fees			
Consulting and Other Fees	\$17,000		\$17,000
Movable or Other Equipment (not in construction contracts)	\$78,365		\$78,365
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment	\$901,010		\$901,010
Other Costs To Be Capitalized			
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	\$1,001,365		\$1,001,365
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Cash and Securities	\$100,355		\$100,355
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)	\$901,010		\$901,010
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	\$1,001,365		\$1,001,365
NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT 7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

Related Project Costs

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

Land acquisition is related to project ☐ Yes ☒ No Purchase Price: \$ _____ Fair Market Value: \$ _____
The project involves the establishment of a new facility or a new category of service ☐ Yes ☒ No If yes, provide the dollar amount of all non-capitalized operating start-up costs (including operating deficits) through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100. Estimated start-up costs and operating deficit cost is \$ _____.

Project Status and Completion Schedules

For facilities in which prior permits have been issued please provide the permit numbers.
Indicate the stage of the project's architectural drawings: ☒ None or not applicable ☐ Preliminary ☐ Schematics ☐ Final Working
Anticipated project completion date (refer to Part 1130.140): <u>January 31, 2021</u>
Indicate the following with respect to project expenditures or to financial commitments (refer to Part 1130.140): ☐ Purchase orders, leases or contracts pertaining to the project have been executed. ☐ Financial commitment is contingent upon permit issuance. Provide a copy of the contingent "certification of financial commitment" document, highlighting any language related to CON Contingencies ☒ Financial Commitment will occur after permit issuance.
APPEND DOCUMENTATION AS <u>ATTACHMENT 8</u>, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

State Agency Submittals [Section 1130.620(c)]

Are the following submittals up to date as applicable: ☐ Cancer Registry NOT APPLICABLE ☐ APORS NOT APPLICABLE ☒ All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted ☒ All reports regarding outstanding permits Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.
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Cost Space Requirements

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

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

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

Facility Bed Capacity and Utilization NOT APPLICABLE

Complete the following chart, as applicable. Complete a separate chart for each facility that is a part of the project and insert the chart after this page. Provide the existing bed capacity and utilization data for the latest **Calendar Year for which data is available**. Include **observation days in the patient day totals for each bed service**. Any bed capacity discrepancy from the Inventory will result in the application being deemed **incomplete**.

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

CERTIFICATION

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

- 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 for Permit is filed on the behalf of DaVita Inc.* in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application for permit on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the permit application fee required for this application is sent herewith or will be paid upon request.



SIGNATURE

Michael D. Staffieri

PRINTED NAME

Chief Operating Officer

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 11th day of October, 2019



Signature of Notary

Seal

**KATHY CONNOR
NOTARY PUBLIC
STATE OF COLORADO**

NOTARY ID 20064018112
MY COMMISSION EXPIRES APRIL 28, 2021

*Insert EXACT legal name of the applicant

SIGNATURE

James K. Hilger

PRINTED NAME

Chief Accounting Officer

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this ____ day of _____

Signature of Notary

Seal

CERTIFICATION

The application must be signed by the authorized representative(s) of the applicant entity. The authorized representative(s) 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 for Permit is filed on the behalf of DaVita Inc.* in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application for permit on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the permit application fee required for this application is sent herewith or will be paid upon request.

SIGNATURE

Michael D. Staffieri

PRINTED NAME

Chief Operating Officer

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this ____ day of ____

Signature of Notary

Seal

SIGNATURE

James K. Hilger

PRINTED NAME

Chief Accounting Officer

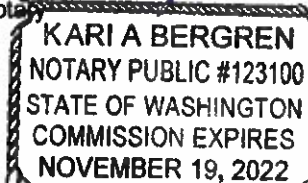
PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 3rd day of October 2019

Signature of Notary

Seal



*Insert EXACT legal name of the applicant

CERTIFICATION

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

- o in the case of a corporation, any two of its officers or members of its Board of Directors;
- o in the case of a limited liability company, any two of its managers or members (or the sole 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 for Permit is filed on the behalf of Machesney Bay Dialysis, LLC* in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this application for permit on behalf of the applicant entity. The undersigned further certifies that the data and information provided herein, and appended hereto, are complete and correct to the best of his or her knowledge and belief. The undersigned also certifies that the permit application fee required for this application is sent herewith or will be paid upon request.



SIGNATURE

Samantha A. Caldwell

PRINTED NAME

Secretary

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 27 day of December 2018



Signature of Notary

Seal

KELLI BODNAR
NOTARY PUBLIC - STATE OF COLORADO
NOTARY ID 20144024644
MY COMMISSION EXPIRES JUN 20, 2022



SIGNATURE

Michael D. Staffieri

PRINTED NAME

Chief Operating Officer

PRINTED TITLE

Notarization:

Subscribed and sworn to before me
this 27 day of December 2018



Signature of Notary

Seal

KELLI BODNAR
NOTARY PUBLIC - STATE OF COLORADO
NOTARY ID 20144024644
MY COMMISSION EXPIRES JUN 20, 2022

*Insert EXACT legal name of the applicant

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

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

1110.110(a) – Background of the Applicant

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.
2. A listing of all health care facilities currently owned and/or operated in Illinois, by any corporate officers or directors, LLC members, partners, or owners of at least 5% of the proposed health care facility.
3. For the following questions, please provide information for each applicant, including corporate officers or directors, LLC members, partners and owners of at least 5% of the proposed facility. A health care facility is considered owned or operated by every person or entity that owns, directly or indirectly, an ownership interest.
 - a. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant, directly or indirectly, during the three years prior to the filing of the application.
 - b. A certified listing of each applicant, identifying those individuals that have been cited, arrested, taken into custody, charged with, indicted, convicted or tried for, or pled guilty to the commission of any felony or misdemeanor or violation of the law, except for minor parking violations; or the subject of any juvenile delinquency or youthful offender proceeding. Unless expunged, provide details about the conviction and submit any police or court records regarding any matters disclosed.
 - c. A certified and detailed listing of each applicant or person charged with fraudulent conduct or any act involving moral turpitude.
 - d. A certified listing of each applicant with one or more unsatisfied judgements against him or her.
 - e. A certified and detailed listing of each applicant who is in default in the performance or discharge of any duty or obligation imposed by a judgment, decree, order or directive of any court or governmental agency.
4. 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.
5. If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest 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 11, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 11.

Criterion 1110.110(b) & (d)

PURPOSE OF PROJECT

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

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

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

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

ALTERNATIVES

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

Alternative options must include:

- A) Proposing a project of greater or lesser scope and cost;
- B) Pursuing a joint venture or similar arrangement with one or more providers or entities to meet all or a portion of the project's intended purposes; developing alternative settings to meet all or a portion of the project's intended purposes;
- C) Utilizing other health care resources that are available to serve all or a portion of the population proposed to be served by the project; and
- D) Provide the reasons why the chosen alternative was selected.

- 2) Documentation shall consist of a comparison of the project to alternative options. The comparison shall address issues of total costs, patient access, quality and financial benefits in both the short-term (within one to three years after project completion) and long-term. This may vary by project or situation. **FOR EVERY ALTERNATIVE IDENTIFIED, THE TOTAL PROJECT COST AND THE REASONS WHY THE ALTERNATIVE WAS REJECTED MUST BE PROVIDED.**
- 3) The applicant shall provide empirical evidence, including quantified outcome data that verifies improved quality of care, as available.

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

SECTION IV. PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE

Criterion 1110.120 - Project Scope, Utilization, and Unfinished/Shell Space

READ THE REVIEW CRITERION and provide the following information:

SIZE OF PROJECT:

1. Document that the amount of physical space proposed for the proposed project is necessary and not excessive. This must be a narrative and it shall include the basis used for determining the space and the methodology applied.
2. If the gross square footage exceeds the BGSF/DGSF standards in Appendix B, justify the discrepancy by documenting one of the following:
 - a. Additional space is needed due to the scope of services provided, justified by clinical or operational needs, as supported by published data or studies and certified by the facility's Medical Director.
 - b. The existing facility's physical configuration has constraints or impediments and requires an architectural design that delineates the constraints or impediments.
 - c. The project involves the conversion of existing space that results in excess square footage.
 - d. Additional space is mandated by governmental or certification agency requirements that were not in existence when Appendix B standards were adopted.

Provide a narrative for any discrepancies from the State Standard. A table must be provided in the following format with Attachment 14.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?

APPEND DOCUMENTATION AS **ATTACHMENT 14**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

PROJECT SERVICES UTILIZATION:

This criterion is applicable only to projects or portions of projects that involve services, functions or equipment for which HFSRB has established utilization standards or occupancy targets in 77 Ill. Adm. Code 1100.

Document that in the second year of operation, the annual utilization of the service or equipment shall meet or exceed the utilization standards specified in 1110. Appendix B. A narrative of the rationale that supports the projections must be provided.

A table must be provided in the following format with Attachment 15.

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION (PATIENT DAYS) (TREATMENTS) ETC.	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
YEAR 1					
YEAR 2					

APPEND DOCUMENTATION AS **ATTACHMENT 15**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

UNFINISHED OR SHELL SPACE:

Provide the following information:

1. Total gross square footage (GSF) of the proposed shell space.
2. The anticipated use of the shell space, specifying the proposed GSF to be allocated to each department, area or function.
3. Evidence that the shell space is being constructed due to:
 - a. Requirements of governmental or certification agencies; or
 - b. Experienced increases in the historical occupancy or utilization of those areas proposed to occupy the shell space.
4. Provide:
 - a. Historical utilization for the area for the latest five-year period for which data is available; and
 - b. Based upon the average annual percentage increase for that period, projections of future utilization of the area through the anticipated date when the shell space will be placed into operation.

APPEND DOCUMENTATION AS ATTACHMENT 16, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

ASSURANCES:

Submit the following:

1. Verification that the applicant will submit to HFSRB a CON application to develop and utilize the shell space, regardless of the capital thresholds in effect at the time or the categories of service involved.
2. The estimated date by which the subsequent CON application (to develop and utilize the subject shell space) will be submitted; and
3. The anticipated date when the shell space will be completed and placed into operation.

APPEND DOCUMENTATION AS ATTACHMENT 17, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION V. SERVICE SPECIFIC REVIEW CRITERIA

This Section is applicable to all projects proposing the establishment, expansion or modernization of categories of service that are subject to CON review, as provided in the Illinois Health Facilities Planning Act [20 ILCS 3960]. It is comprised of information requirements for each category of service, as well as charts for each service, indicating the review criteria that must be addressed for each action (establishment, expansion, and modernization). After identifying the applicable review criteria for each category of service involved, read the criteria and provide the required information APPLICABLE TO THE CRITERIA THAT MUST BE ADDRESSED:

F. Criterion 1110.230 - In-Center Hemodialysis

1. Applicants proposing to establish, expand and/or modernize the In-Center Hemodialysis category of service must submit the following information:
2. Indicate station capacity changes by Service: Indicate # of stations changed by action(s):

Category of Service	# Existing Stations	# Proposed Stations
☒ In-Center Hemodialysis	12	16

3. READ the applicable review criteria outlined below and submit the required documentation for the criteria:

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.230(b)(1) - Planning Area Need - 77 Ill. Adm. Code 1100 (formula calculation)	X		
1110.230(b)(2) - Planning Area Need - Service to Planning Area Residents	X	X	
1110.230(b)(3) - Planning Area Need - Service Demand - Establishment of Category of Service	X		
1110.230(b)(4) - Planning Area Need - Service Demand - Expansion of Existing Category of Service		X	
1110.230(b)(5) - Planning Area Need - Service Accessibility	X		
1110.230(c)(1) - Unnecessary Duplication of Services	X		
1110.230(c)(2) - Maldistribution	X		
1110.230(c)(3) - Impact of Project on Other Area Providers	X		
1110.230(d)(1), (2), and (3) - Deteriorated Facilities and Documentation			X
1110.230(e) - Staffing	X	X	
1110.230(f) - Support Services	X	X	X
1110.230(g) - Minimum Number of Stations	X		
1110.230(h) - Continuity of Care	X		
1110.230(i) - Relocation (if applicable)	X		
1110.230(j) - Assurances	X	X	

APPEND DOCUMENTATION AS ATTACHMENT 23, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

4. **Projects for relocation** of a facility from one location in a planning area to another in the same planning area must address the requirements listed in subsection (a)(1) for the "Establishment of Services or Facilities", as well as the requirements in Section 1130.525 – "Requirements for Exemptions Involving the Discontinuation of a Health Care Facility or Category of Service" and subsection 1110.230(i) - Relocation of an in-center hemodialysis facility.

- **Section 1120.120 Availability of Funds – Review Criteria**
- **Section 1120.130 Financial Viability – Review Criteria**
- **Section 1120.140 Economic Feasibility – Review Criteria, subsection (a)**

The applicant shall document that financial resources shall be available and be equal to or exceed the estimated total project cost plus any related project costs by providing evidence of sufficient financial resources from the following sources, as applicable [Indicate the dollar amount to be provided from the following sources]:

67936174.2

_____	e) Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;
_____	f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
_____	g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
\$1,001,365	TOTAL FUNDS AVAILABLE
APPEND DOCUMENTATION AS <u>ATTACHMENT 33</u>, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.	

SECTION VII. 1120.130 - FINANCIAL VIABILITY

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

Financial Viability Waiver

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

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

See Section 1120.130 Financial Waiver for information to be provided

APPEND DOCUMENTATION AS ATTACHMENT 34, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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

	Historical 3 Years			Projected
Enter Historical and/or Projected Years:				
Current Ratio				
Net Margin Percentage				
Percent Debt to Total Capitalization				
Projected Debt Service Coverage				
Days Cash on Hand				
Cushion Ratio				

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

Variance

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

APPEND DOCUMENTATION AS ATTACHMENT 35, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION VIII.1120.140 - ECONOMIC FEASIBILITY

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

A. Reasonableness of Financing Arrangements

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

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

B. Conditions of Debt Financing

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

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

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

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

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

* Include the percentage (%) of space for circulation

D. Projected Operating Costs

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

E. Total Effect of the Project on Capital Costs

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

APPEND DOCUMENTATION AS ATTACHMENT 36, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION IX. SAFETY NET IMPACT STATEMENT

SAFETY NET IMPACT STATEMENT that describes all the following must be submitted for ALL SUBSTANTIVE PROJECTS AND PROJECTS TO DISCONTINUE HEALTH CARE FACILITIES [20 ILCS 3960/5.4]:

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

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

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

A table in the following format must be provided as part of Attachment 37.

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

Total			
-------	--	--	--

APPEND DOCUMENTATION AS ATTACHMENT 37, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION X. CHARITY CARE INFORMATION

Charity Care information **MUST** be furnished for **ALL** projects [1120.20(c)].

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 39.

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

APPEND DOCUMENTATION AS **ATTACHMENT 38**, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Section I, Identification, General Information, and Certification
Applicants

Certificates of Good Standing for DaVita Inc. and Machesney Bay Dialysis, LLC (collectively, the "Applicants" or "DaVita") are attached at Attachment – 1.

Machesney Bay Dialysis, LLC is the operator of Forest City Rockford Dialysis. Forest City Rockford Dialysis is a trade name of Machesney Bay Dialysis, LLC and is not separately organized.

As the person with final control over the operator, DaVita Inc. is named as an applicant for this CON application. DaVita Inc. does not do business in the State of Illinois. A Certificate of Good Standing for DaVita Inc. from the state of its incorporation, Delaware is attached.

Delaware

The First State

Page 1

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "DAVITA INC." IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE SIXTEENTH DAY OF AUGUST, A.D. 2018.

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

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



2391269 8300

SR# 20186216280

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

A handwritten signature of Jeffrey W. Bullock in black ink, written over a horizontal line. Below the line, the text "Jeffrey W. Bullock, Secretary of State" is printed.

Jeffrey W. Bullock, Secretary of State

Authentication: 203263018

Date: 08-16-18



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

MACHESNEY BAY DIALYSIS, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON JANUARY 28, 2016, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.



In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 25TH day of OCTOBER A.D. 2019 .

Jesse White

SECRETARY OF STATE

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

The lease between Dyn Commercial Holdings, L.L.C. and Machesney Bay Dialysis, LLC for the facility located at 198 North Springfield Avenue, Rockford, Illinois 61101 is attached at Attachment – 2.

LEASE AGREEMENT
BY AND BETWEEN
DYN COMMERCIAL HOLDINGS, L.L.C.
("LANDLORD")
AND
TOTAL RENAL CARE, INC.
("TENANT")
FOR SPACE AT

4103 W. State Street, Rockford, Illinois 61101

Dated: May 27, 2016

Forest City, IL (Facility #11506)
544003.3

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EXHIBITS

EXHIBIT A- LEGAL DESCRIPTION/ BUILDING SITE PLAN

EXHIBIT B- PREMISES FLOOR PLAN

EXHIBIT C- FORM OF COMMENCEMENT DATE MEMORANDUM

EXHIBIT D- FORM OF SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

EXHIBIT E- FORM OF ESTOPPEL CERTIFICATE

EXHIBIT F- LANDLORD'S WORK

EXHIBIT G- FORM OF MEMORANDUM OF LEASE

EXHIBIT H – TITLE EXCEPTIONS

EXHIBIT I – FORM OF RELEASE OF MEMORANDUM OF LEASE

EXHIBIT J – FORM OF SECURITY AGREEMENT

DATA SHEET

Landlord: Dyn Commercial Holdings, L.L.C. an Illinois limited liability company,
Address of Landlord: c/o First Rockford Group
 6801 Spring Creek Road
 Rockford, IL 61114

Address for Payment of Rent: c/o First Rockford Group
 6801 Spring Creek Road
 Rockford, IL 61114

Tenant: Total Renal Care, Inc.
Address of Tenant: c/o DaVita Healthcare Partners, Inc.
 Attn: Real Estate Legal
 2000 16th Street
 Denver, CO 80202

Concurrently to:

relegal@davita.com
 Subject: Forest City, IL (#11506)

Premises Address: 4103 W. State Street, Rockford, IL 61101

Premises Rentable Area: approximately 6,700 rentable square feet

Building Rentable Area: approximately 6,700 rentable square feet

Base Rent After Commencement:

Initial Term	Rent/SF	Annual Base Rent	Monthly Base Rent
Months 1 -60, Inclusive, including any partial months at the beginning of the Lease Term:	\$23.95	\$160,465	\$13,372.08
Months 61-120 Inclusive:	\$26.35	\$176,545	\$14,712.08
First Renewal Term	Rent/SF	Annual Base Rent	Monthly Base Rent
Months 1 -60, Inclusive	\$28.99	\$194,233	\$16,186.08
Second Renewal Term	Rent/SF	Annual Base Rent	Monthly Base Rent
Months 1 -60, Inclusive	\$31.89	\$213,663	\$17,805.25
Third Renewal Term	Rent/SF	Annual Base Rent	Monthly Base Rent
Months 1 -60, Inclusive	\$35.08	\$235,036	\$19,586.34

Forest City, IL (Facility #11506)
 544003.3

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LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Lease"), made and entered into on May 27, 2016 (the "Effective Date"), by and between DYN COMMERCIAL HOLDINGS, L.L.C., an Illinois limited liability company ("Landlord"), and TOTAL RENAL CARE, INC., a California corporation ("Tenant").

RECITALS:

WHEREAS, Landlord has entered into a purchase agreement (the "Purchase Agreement") to acquire that certain real property located at 4103 West State Street, Rockford, IL (the "Property"), as more particularly described on Exhibit A attached hereto;

WHEREAS, subject to Landlord's acquisition of the Property (the "Acquisition"), Landlord desires to demise, lease and rent unto Tenant, and Tenant desires to rent and lease from Landlord a yet to be constructed space located at the Property, as more particularly described on Exhibit A (the "Building"), together with all improvements thereon and appurtenant rights thereto including, without limitation, parking areas, easements, declarations and rights of way; and

WHEREAS, the Building will contain approximately 6,700 rentable square feet (the "Building Rentable Area") and the leased premises (the "Premises") shall consist of approximately 6,700 rentable square feet (the "Premises Rentable Area") as more fully depicted on the floor plan attached as Exhibit B.

NOW, THEREFORE, for and in consideration of the mutual covenants, promises and agreements herein contained, Landlord does hereby demise, lease and rent unto Tenant and Tenant does hereby rent and lease from Landlord the Premises, under and pursuant to the following terms and conditions:

1. Demise: Premises. Landlord leases to Tenant, and Tenant leases from Landlord, the Premises and all easements and appurtenances related thereto, for the rents, covenants and conditions (including limitations, restrictions and reservations) hereinafter provided, together with parking for Tenant's employees, patients and invitees in the locations shown on Exhibit A and the exclusive right to use all Common Areas (as defined in Section 20.1(a)) of the Building, subject to the title exceptions identified in Exhibit H attached hereto and made a part hereof. In addition, Tenant shall have the right to construct and place a covered drop off canopy at the front entry of the Premises. No rights are conferred on Tenant to and Landlord specifically excepts and reserves to itself, all right to the land and improvements below the floor level of the Premises and Building, the rights above the Premises and Building, and improvements located on and within the Common Areas of the Building, unless otherwise expressly provided herein. Tenant recognizes and agrees that water meters, sprinkler controls, electric panels, service disconnects, and other minor building components for the Building may be located on the Premises, that the presence of the same shall not reduce the Premises Rentable Area, and Tenant hereby grants Landlord, utility company employees and any governmental entity an easement for the purpose of repairing, replacing and maintaining the same.

2. Term and Delivery of Premises.

2.1 Term. The term of this Lease shall be for one hundred twenty (120) months (the "Term") and shall commence upon the earlier of the occurrence of the following two events (the "Commencement Date"): (i) the last day of the ninth (9th) month following the Actual Delivery Date, as hereafter defined; or (ii) that date that Tenant has completed Tenant improvements in the Premises and obtains all necessary licenses and permits necessary to conduct its business in the Premises, including, without limitation, the certificate of occupancy from the applicable authority for the City of Rockford in the State of Illinois. The expiration date of the Term shall be one hundred twenty (120) months from the last day of the month in which the Commencement Date shall occur (the "Termination Date"), unless the Term is renewed in which event the Termination Date shall extend to the end of such exercised renewal period(s). Each twelve (12) month period beginning on the Commencement Date or any anniversary thereof shall

hereinafter be called a "Lease Year." Upon determination of the Actual Delivery Date and Commencement Date, Landlord shall complete, execute and forward a Commencement Date Memorandum in the form attached as Exhibit C to Tenant for Tenant's approval and execution. In the event the Actual Delivery Date does not fall on the first day of the month, Base Rent and Additional Rent (each defined below) shall be prorated for any partial month, and Tenant shall pay for such proration on the first day of the month following the Commencement Date.

2.2 Certificate of Need. Notwithstanding any other provision herein, all obligations of the parties hereto are contingent upon the following:

(a) Tenant's receipt of the Certificate of Need from the Illinois Health Facilities Department of Health (the "CON"), and neither the Term nor the accrual of any obligation to pay Base Rent, Additional Rent or other charges shall commence until Tenant has obtained a final unappealable CON. In the event that Tenant has not obtained a final unappealable CON on or before June 23, 2016, Tenant may terminate this Lease by providing Landlord with written notice and the parties hereto shall be released from all liability under this Lease.

(b) Landlord's acquisition of the Property on or before June 30, 2016.

2.3 Estimated Possession Date; Delay In Delivery. Landlord shall deliver possession of the Premises to Tenant with all the Certified Pad Work (as defined on Exhibit F) substantially completed within ninety (90) days after the date Tenant receives its CON (the "Estimated Delivery Date"), except as expressly set forth on Exhibit F and upon not less than forty five (45) days prior written notice from Landlord to Tenant. Landlord shall complete the Exterior Site Development Work (as defined on Exhibit F) within ninety (90) days of Tenant's commencement of construction of the Tenant Improvements ("Exterior Date"), except as expressly set forth in Exhibit F. If the date Landlord actually delivers the Premises with the Certified Pad Work substantially complete (the "Actual Delivery Date") is later one hundred twenty (120) days following the Effective Date, or the date that Landlord completes the Exterior Site Development Work is later than the Exterior Date, Tenant shall receive a rent credit in an amount equal to two (2) day's Base Rent and Additional Rent (both as defined below) (in an amount equal to the applicable rate for periods following any rent abatement) for each day of delay. Furthermore, in no event shall the time period used for calculating the Commencement Date begin to accrue prior to the Estimated Delivery Date. If the Actual Delivery Date has not occurred on or before that date which is one hundred twenty (120) days following the Estimated Delivery Date (the "Outside Delivery Date"), or the Exterior Site Development Work has not been completed within thirty (30) days of the Exterior Date, Tenant may elect one of the following additional rights: (i) to terminate this Lease by written notice to Landlord; or (ii) proceed to complete Landlord's Work in the event Landlord fails to substantially complete Landlord's Work within ten (10) days of Landlord's receipt of a written notice from Tenant specifying Tenant's intent to complete Landlord's Work pursuant to this Section, and receive two (2) days' of Base Rent and Additional Rent abatement (in an amount equal to the applicable rent rate for periods following any rent abatement) for each day of delay in substantial completion of Landlord's Work beyond the Estimated Delivery Date. Any expenses incurred in connection with Tenant's exercise of its self-help options under this Section 2.2(a) may be collected or offset by Tenant in the same manner as provided in Section 17.2(iii).

2.4 Executive Committee Approval. [Intentionally Omitted]

3. Rent. Beginning on the Commencement Date, Tenant shall pay as initial annual base rent ("Base Rent") the amount set forth in the Data Sheet, in advance, on the first day of each calendar month during the Term, such monthly installment and any Additional Rent or other charges to be prorated for any partial calendar month in which the Commencement Date or Termination Date occurs. As a condition to payment of Base Rent, Additional Rent, or other charges, Landlord shall provide Tenant with a completed Form W-9 Request for Taxpayer Information and Certification, a fully executed Commencement Date Memorandum, and for Additional Rent, Landlord's initial estimate of Operating

Expenses. Upon any assignment by Landlord of its rights, title and interest in and to this Lease, Landlord shall cause such successor Landlord to deliver a completed Form W-9 to Tenant.

Actual rentable square footage for the Premises will be determined by measuring to the outside of exterior walls. Tenant may elect to have the space measured prior to the Commencement Date. If the rentable square footage is found to be greater or less than the rentable square footage shown in this Lease, Base Rent, Additional Rent and other provisions of this Lease which are based on the Premises Rentable Area shall be adjusted accordingly.

Except as otherwise provided in this Lease, it is the intention of the parties that Landlord shall receive Base Rent and Additional Rent and all sums payable by Tenant under this Lease free of all taxes, expenses, charges, damages and deductions of any nature whatsoever (except as otherwise provided herein).

4. **Renewals.** Tenant shall have the right and option to renew this Lease for three (3) additional periods of five (5) years each, next immediately ensuing after the expiration of the initial Term and any subsequent renewal period by notifying Landlord in writing not less than two hundred forty (240) days before the expiration of the immediately preceding initial Term or subsequent renewal Term of Tenant's intention to exercise its option to renew; provided, however, that at Landlord's option such renewal shall not be effective if a material default of the Lease exists at the time such right to renew this Lease is exercised or at the end of the prior Term, beyond any applicable notice and cure period provided in the Lease. Notwithstanding prior delivery of such notice, the notice shall be effective, notwithstanding anything to the contrary in such notice, not earlier than two hundred forty (240) days before the expiration of the immediately preceding initial Term or subsequent renewal Term. In the event Tenant fails to provide a renewal notice during such period, such renewal right shall expire. Time is of the essence in Tenant's exercise of all renewals. If Tenant so elects to extend this Lease, then, for such extended period of the Term, all of the terms, covenants and conditions of this Lease shall continue to be, and shall be, in full force and effect during such extended period of the Term, except that Base Rent shall be paid as set forth in the Data Sheet

5. **Condition of Premises.** Landlord warrants to Tenant, for a period of one (1) year after the Commencement Date, that the existing systems and equipment constituting a part of the Premises will be in good order and condition. Tenant shall give written notice to Landlord within such one (1) year period of any existing condition with the existing systems and equipment of the Premises which Tenant reasonably determines to be defective or other than as represented by Landlord herein and the expense of which shall not be an Operating Expense, as hereafter defined. Landlord will, upon receipt of such notice from Tenant, promptly repair such defective condition, at Landlord's cost and expense. Landlord represents and warrants that the roof and roof membrane are free of leaks and in good condition as of the Actual Delivery Date.

6. **Use of Premises.** Tenant may exclusively occupy and use the Premises during the Term for purposes of the operation of an outpatient renal dialysis clinic, renal dialysis home training, aphaeresis services and similar blood separation and cell collection procedures, pharmaceutical distribution, general medical offices, clinical laboratory, including all incidental, related and necessary elements and functions of other recognized dialysis disciplines which may be necessary or desirable to render a complete program of treatment to patients of Tenant and related office and administrative uses or for any other lawful purpose(s) (the "Permitted Use"). Tenant may operate during such days and hours as Tenant may determine, without the imposition of minimum or maximum hours of operation by Landlord, and Tenant shall have exclusive use of and full-time access to the Premises, and may operate, up to twenty-four (24) hours per day, seven (7) days per week, year-round.

Landlord shall not sell, rent or permit on the land identified on Exhibit A, (the "Restricted Property") to be occupied or used by a business that derives more than ten percent of its revenues from renal dialysis, renal dialysis home training, any aphaeresis service(s) or similar blood separation or cell collection procedures, except services involving the collection of blood or blood components from volunteer donors. Landlord shall not display or permit to be displayed upon the Restricted Property any advertisement for

any such business, other than Tenant's advertisement(s) for Tenant's business(es). Landlord further covenants that it will provide notice of such restriction to any third parties with whom Landlord conducts business on the Restricted Property. In the event the restrictions set forth in this paragraph are violated and Landlord has failed to promptly commence an action or proceeding (or arbitration, if applicable) against the violating owner, tenant or occupant or at any point in such action or proceeding (or arbitration, if applicable) fails to use commercially reasonable and good faith efforts to seek and obtain a temporary restraining order, preliminary injunction, permanent injunction or other court order or judgment enjoining or stopping such violation, then, in addition to all other rights at law and in equity, Tenant may, while such violation is continuing, reduce the Base Rent to an amount equal to 50% of the Base Rent. This paragraph shall survive for two years following the termination or expiration of this Lease.

In the event at any time after the Commencement Date the use of the Premises as a dialysis facility becomes illegal or Tenant is no longer eligible to receive reimbursements from Medicare or Medicaid by reasons or acts not within Tenant's control, notwithstanding any other permitted uses, Tenant may terminate this Lease and, thereafter, neither party shall have any further obligations under this Lease after the date of termination, except those that expressly survive such termination. If Tenant terminates the Lease pursuant to the provisions of this paragraph, it shall pay a termination fee equal to one third (1/3) the amount of the Base Rent that would be payable for the remainder of the Term (not including any unexercised Renewal Terms), and the unamortized costs of Landlord's Work and unamortized brokerage commissions paid by Landlord in connection with this Lease (the "Termination Fee"). Additionally, Tenant's parent company, DaVita HealthCare Partners Inc., shall guaranty the payment of such Termination Fee by executing a separate guaranty attached to this Lease.

Landlord hereby acknowledges that in order to provide a continuum of care to Tenant's patients, Tenant may delay the effective date of Tenant's termination of this Lease under any provision of this Lease giving Tenant the right to terminate until such time as Tenant has established an alternative location for the treatment of Tenant's patients and any such delay shall not operate as a waiver of Tenant's termination rights. The foregoing provisions shall not apply to any termination of this Lease by Landlord or the natural expiration of the Term.

7. Assignment/Subletting. Except for a Permitted Transfer (as defined below), Tenant shall not assign this Lease, or sublet the Premises, or any part thereof, without Landlord's prior written consent which consent shall not be unreasonably withheld, conditioned or delayed. Any denial by Landlord of such sublease or assignment by Tenant must be predicated upon a commercially reasonable basis for such denial. Prior to any sublease or assignment, Tenant shall first notify Landlord in writing of its election to sublease all or a portion of the Premises or to assign this Lease or any interest hereunder. At any time within thirty (30) days after service of such notice, Landlord shall notify Tenant that it consents or refuses to consent to the sublease or assignment. A failure by Landlord to respond within such thirty (30) day period shall be deemed to be a consent.

Notwithstanding the foregoing, no consent of Landlord is required for Tenant to assign, sublet or otherwise transfer (by operation of law or otherwise) this Lease or any of its rights hereunder to: (i) any person, corporation, partnership or other entity which acquires all or substantially all of the business or assets of Tenant or equity in Tenant; (ii) any person, corporation, partnership or other entity which controls, is controlled by or is under common control with Tenant; (iii) any affiliate (within the meaning of such term as set forth in Rule 501 of Regulation D under the Federal Securities Act of 1933, as amended) of Tenant; or (iv) any physician, person, corporation, partnership or other entity subleasing a portion of the Premises for purposes consistent with Tenant's Permitted Use (each a "Permitted Transfer").

No assignment, sublease or other transfer, in whole or in part, of any Tenant's rights or obligations under this Lease shall release Tenant hereunder and Tenant shall remain responsible for performing Tenant's obligations hereunder should Tenant's assignee, subtenant or transferee fail to perform any such obligations, unless specifically provided otherwise by Landlord in writing.

8. Operating Expenses and Utilities.

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8.1 Tenant shall pay "Tenant's Proportionate Share" (as defined below) of all Taxes (as defined below), Common Area (as defined below) maintenance charges for the Building (the "CAM Charges") and insurance premiums actually paid to a third party insurer for the Building ("Insurance"), in advance, in equal monthly installments at the time of the payment of Base Rent. Taxes, CAM Charges and Insurance are collectively referred to as the "Operating Expenses." As used herein, all Operating Expenses shall be net of all rebates, fees and incentives that are paid by a provider or vendor to Landlord, Landlord designee and/or Landlord affiliate. The term "rebate" includes all "rebates", "probates", discounts, chargebacks, and similar price concessions and other forms of remuneration received in exchange for purchases made by any affiliate of Landlord, regardless of the use for which the purchase is made and regardless of whether any such rebate is in cash or in-kind. Tenant's payments shall be based on Landlord's annual estimate of the Operating Expenses for the applicable calendar year in question. Promptly after the actual Operating Expenses for a calendar year are determined by Landlord, but in no event later than one hundred twenty (120) days from the end of each calendar year, Landlord shall provide Tenant with a statement of such actual Operating Expenses for such calendar year (the "Annual Reconciliation Statement"). If the actual Operating Expenses for such calendar year are greater than the amount of Tenant's Proportionate Share of Operating Expenses previously paid by Tenant, Tenant, within thirty (30) days after receipt of such Annual Reconciliation Statement, shall pay to Landlord any deficiency. If such statement shows an overpayment by Tenant, then any surplus paid by Tenant shall be credited to Tenant's next monthly installments of Base Rent and Operating Expenses or, if this Lease has expired or been terminated for reasons other than Tenant's breach or default, be paid to Tenant within thirty (30) days after receipt of such Annual Reconciliation Statement. The reconciliation obligations under this Section shall survive the termination or expiration of this Lease. CAM Charges shall include, but not be limited to, any and all reasonable out of pocket costs and expenses (including employee wages and reasonable overhead and burden thereon except as prohibited by Section 8.6), paid or incurred by or on behalf of the Landlord in connection with the ownership, management, maintenance, or operation of the Building and all personal property in connection therewith, including, without limitation, the cost of security and security devices and systems, if any; snow, ice, and trash removal; cleaning and sweeping of Common Areas; exterior landscaping and replacements; paving, including repair or replacement and parking lot striping; maintenance, repair and replacement of all utility systems; electricity, water, sewer, and lighting for the Common Areas of the Building; window cleaning; painting of the Building exterior; management and/or administrative fees of Landlord or third parties as permitted under Section 8.6; scavenger services; building supplies; charges of any independent contractor who, under contract with the Landlord or its representatives, does any of the work of operating, maintaining, or repairing of the Building and the Property; which, in accordance with generally accepted accounting principles, would be considered an expense of owning, managing, operating, maintaining, or repairing the Building and the Property. Notwithstanding the foregoing, to the extent an item included in the CAM Charges is a capital item, such item shall be amortized over its useful life according to GAAP, and only the annual amortized amount shall be included.

"Taxes" shall mean real property taxes, public charges and assessments assessed or imposed during the Term upon the Building or land on which the Building is located; provided, however, that any one-time (as opposed to on-going) special assessment for public improvements having a useful economic life exceeding the remaining Term shall be prorated between Landlord and Tenant using a straight-line method, based on the proportion of that economic life falling within the remaining Term. Taxes shall not include any penalties or interest for late or partial payment nor any income, franchise, margin, inheritance, estate, transfer, excise, gift or capital gain taxes that are or may be payable by Landlord or that may be imposed against Landlord or against the rents payable hereunder. Landlord shall take advantage of any savings in Taxes that may be achieved by early payment or payment in installments. Should Landlord choose not to contest any Taxes, Tenant shall have the right to contest the Taxes in Landlord's name and with Landlord's reasonable cooperation, at no expense to Landlord. Landlord, at Tenant's sole expense, shall join in any such contestation proceedings if any Law shall so require. If the assessed value of the Building is increased at any time during the Term by more than ten percent (10%) and if such increase is due solely to the sale or transfer of ownership of the Building (as substantiated by the actual documentary records of the local tax assessor), and the Building has already sold more than once in any five (5) year period of the Term, then for purposes of determining the amount of Taxes, the assessed value of the

Building shall be deemed to have been increased by only ten percent (10%) by reason of such sale or transfer of ownership.

"Tenant's Proportionate Share" is the quotient obtained by dividing the Premises Rentable Area by the Building Rentable Area. Tenant's Proportionate Share as of the Commencement Date is estimated to be one hundred percent (100%). Tenant's Proportionate Share shall be adjusted in the event the Building Rentable Area increases or decreases at any time. Landlord represents that the Building Rentable Area has been, and will be, determined without exclusions or reference to whether such area is actually leased, leasable, occupiable or occupied.

8.2 Landlord in good faith estimates that Tenant's Proportionate Share of Operating Expenses from the Commencement Date through the end of the first full calendar year to be \$3.70 per square foot of the Premises per annum. Tenant's Proportionate Share of Operating Expenses (excluding Taxes, Insurance, snow and ice removal, and utilities for the Building) shall not thereafter increase more than five percent (5%) annually over Tenant's Proportionate Share of Operating Expenses (excluding Taxes, Insurance, snow and ice removal, and utilities for the Building) for the immediately preceding calendar year.

8.3 Tenant shall pay the net cost of all utilities and other services necessary in the operation of the Premises, including but not limited to, gas, fuel oil, electrical, telephone and other utility charges. The Premises shall be separately metered for all utilities, including gas, water and electricity.

8.4 Landlord shall make available at the Building or other designated place near the Premises, true and accurate records of items that constitute Operating Expenses, calculated in accordance with generally accepted accounting principles ("GAAP") and prudent real estate management practices, consistently applied. Such records shall be open for inspection from time to time by Tenant or its duly authorized representative for a period of two (2) years after receipt of Landlord's Annual Reconciliation Statement for such calendar year. If any audit of Landlord's submitted reports discloses an overcharge, Landlord shall promptly pay to Tenant, within thirty (30) days demand by Tenant, the amount of such overcharge, and if such audit discloses an overcharge of more than five percent (5%), Landlord shall reimburse Tenant its actual reasonable costs incurred in connection with Tenant's review or audit. In no event shall Landlord be responsible for the costs for any contingency fee audit.

8.5 Operating Expenses and other charges due from Tenant to Landlord pursuant to this Lease shall be deemed to be additional rent ("Additional Rent") and, in the event that Base Rent shall be prorated or abated pursuant to the terms of this Lease, then such Additional Rent shall be prorated or abated to the same extent and in the same manner, unless otherwise specifically provided for in this Lease.

8.6 Notwithstanding anything to the contrary contained in this Lease, Operating Expenses shall not include the following:

(a) depreciation of the Building and any equipment, fixtures, improvements and facilities used in connection therewith;

(b) payments of principal, interest, loan fees, penalties, attorney's fees or amortization relating to any debt Landlord may have incurred or will incur in the future relating to the ownership, operation and/or maintenance of the Building or land on which the Building is located;

(c) the cost of leasehold improvements, including redecorating or otherwise improving, painting, decorating or redecorating space or vacant space for other tenants of the Building, except in connection with general maintenance of the Building;

(d) cost of any "tap fees," impact fees or any sewer or water connection fees;

(e) fees and expenses (including legal and brokerage fees, advertising, marketing and promotional costs) paid by Landlord in connection with the lease of any space within the Building, including subleasing and assignments;

(f) any validated parking for any entity;

(g) all costs incurred by Landlord in connection with any negotiations or disputes and/or litigation with tenants or occupants within the Building or prospective tenants of the Building;

(h) expenses or costs incurred by Landlord relating to any violation by Landlord or any other tenant of the terms and conditions of any Law or any lease covering any portion of the Building;

(i) the cost of any work or service performed for any tenant in the Building (other than Tenant) to a materially greater extent or in a materially more favorable manner than that furnished generally to tenants (including Tenant) in the Building;

(j) the cost of any capital improvement, repair or replacement which would be required to be capitalized under generally accepted accounting principles, including without limitation the cost of renting any equipment or materials, which cost would be so capitalized if the equipment or materials were purchased, not rented;

(k) the costs and expenses of any item included in Operating Expenses to the extent that Landlord is actually reimbursed for such cost by an insurance company, a condemning authority, another tenant or any other party;

(l) payments of ground rents and related sums pursuant to a ground lease in favor of a ground landlord;

(m) wages, salaries or other compensation paid to any employees at or above the grade of building manager;

(n) Landlord's general overhead and administrative expenses which are not chargeable to Operating Expenses of the Building or the equipment, fixtures and facilities used in connection with the Building, in accordance with generally accepted accounting principles, including salaries and expenses of Landlord's executive officers;

(o) the cost of correcting defects (latent, patent or otherwise) in the construction of the Building or in the Building equipment, except that conditions (other than construction defects) resulting from ordinary wear and tear shall not be considered defects for purposes hereof;

(p) the cost of installing, operating and maintaining any specialty service (e.g., observatory, broadcasting facility, luncheon club, retail stores, newsstands or recreational club);

(q) any expenses incurred by Landlord for the use of any portions of the Building to accommodate events, including but not limited to shows, promotions, kiosks, displays, filming, photography, private events or parties, ceremonies and advertising beyond the normal expenses otherwise attributable solely to Building services, such as lighting and heating, ventilation and air conditioning ("HVAC") to such public portions of the Building in normal operations during standard Building hours of operation;

(r) any costs representing an amount paid to an entity related to Landlord which is in excess of the commercially reasonable amount which would have been paid absent such relationship;

(s) any entertainment, dining or travel expenses of Landlord for any purpose;

(t) costs related to maintaining Landlord's existence, either as a corporation, partnership or other entity;

(u) any expenses for repairs or maintenance to the extent covered by warranties or service contracts;

(v) any type of utility service which is separately metered to or separately charged or paid by Tenant or any other tenant or occupant in the Building;

(w) the cost of any environmental remediation for which Landlord is responsible under Section 12;

(x) all ad valorem taxes paid or payable by Tenant or other tenants in the Building (i) for personal property and (ii) on the value of the leasehold improvements in the Premises or the Building (in this connection it is agreed that Tenant shall be responsible for the payment of ad valorem taxes on Tenant's own leasehold improvements);

(y) all items and services for which Tenant pays third parties;

(z) the cost of any item which is an expense or cost to Landlord in connection with Landlord's Work or any other work by Landlord to prepare the Premises for occupancy by Tenant including any allowances or credits granted to Tenant in lieu of a payment by Landlord;

(aa) the cost of repairing or restoring any portion of the Building damaged by a hazard or taken in condemnation (provided that the amount of a commercially reasonable deductible paid by Landlord shall be included in Operating Expenses);

(bb) any costs or expense which is expressly stated in this Lease to be at Landlord's cost and expense; and

(cc) any item which is included in the Operating Expenses which, but for this provision, would be included twice.

9. Landlord's Work. Landlord shall complete all of Landlord's Work, as described in Exhibit F which shall be comprised of the Certified Pad Work and the Exterior Site Development Work (collectively "Landlord's Work"). All Landlord's Work shall be done in a good and workmanlike manner and in compliance with all applicable Laws (as defined in Section 12), ordinances, building and safety codes, regulations and orders of the federal, state, county or other governmental authorities having jurisdiction thereof. Without in any way limiting any obligation of Landlord under this Lease, Landlord shall indemnify, defend and hold harmless Tenant from and against claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from performance of Landlord's Work, which indemnity shall survive termination or expiration of this Lease.

If Landlord encounters delays in the completion of Landlord's Work under this Lease because of any act or omission of any nature by Tenant or its agents or contractors, including any: (1) delays attributable to changes in or additions to Landlord's Work requested by Tenant, provided that such change is not requested due to Landlord's failure to follow the requirements of Landlord's Work as set forth in Exhibit F; (2) delays by Tenant beyond any applicable time periods in the submission of information or the giving of approvals required under this Lease; and (3) delays attributable to Tenant for interfering with Landlord's Work, provided that Landlord provided Tenant with prior notice of such interference and such interference did not cease after Landlord's notice, Landlord may elect to deliver the Premises with Landlord's Work substantially complete subject to finishing the item(s) rendered incomplete as a result of Tenant's Delay. In such event, Landlord shall finally complete the missing items as "punch-list" work within ten (10) days of such delivery of the Premises.

During the course of construction, the parties recognize that minor deviations from Landlord's Work by
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Landlord's contractor may occur and it is agreed that such minor deviations which do not impair the floor plans or Tenant's utilization of the Premises shall not constitute a breach of the terms of this Lease. All labor and materials provided in any improvements or substitutions therefore shall be of like quality and value.

10. Tenant Improvements/Signage. Tenant shall construct its tenant improvements to the Premises and may construct and place a covered drop off canopy at the front entry door of the Premises (the "Tenant Improvements").

Landlord shall provide Tenant with a Tenant Improvement allowance in the amount of Nine Hundred Thirty One Thousand, Three Hundred Dollars and no/100 (\$931,300.00) based upon a \$139 per rentable square foot amount of the Premises (the "Tenant Allowance"). The Tenant Allowance shall be payable in monthly draws on the first day of each month during the performance of Tenant's Improvements. With each draw request, Tenant shall include sworn statements and lien waivers from each contractor and subcontractor for which payments are being made. No later than ten (10) days following the Effective Date, Landlord and Tenant will enter into an escrow agreement or tri-party agreement providing for the payment of the Tenant Allowance in the form attached hereto as Exhibit J (the "Security Agreement"). If Landlord does not fund the escrow or fails to make any payment of the Tenant Allowance on a timely basis, Tenant will have the right to terminate the Lease, stop construction Tenant's Improvements and/or offset any unpaid amounts against Rent. The Security Agreement will authorize payment of damages or any applicable portion of Tenant's costs for the Tenant Improvements from an account established for the Tenant Allowance.

Tenant's plans will be subject to Landlord's approval, which shall not be unreasonably withheld, conditioned or denied. Tenant shall contract for the installation of Tenant Improvements with a contractor of Tenant's choice. Landlord and Tenant shall mutually approve the plans and specifications of Tenant Improvements prior to the commencement of such work. Landlord shall not charge Tenant any fee or other charges for the supervision and/or overhead associated with the construction of Tenant Improvements. Notwithstanding the foregoing, Tenant Improvements shall not include the work involved with bringing electrical and water utilities to a point in the Premises designated by Tenant and for the separate metering for said utilities (the "Utility Work"). The cost and expense of the Utility Work will be Landlord's sole obligation and will not be deducted from or offset against the Tenant Allowance amount.

Tenant shall have the right to place a generator and biomedical waste container outside of and in close proximity to the Premises. In the event the generator is located within the Premises, in a location of tenant's choosing, subject to Landlord's approval, which approval shall not be unreasonably withheld. Tenant, at Tenant's cost and expense, shall have the right to install exhaust venting for such generator from the interior of the Premises to the outside of the Building and a transfer switch to service the generator.

To the maximum extent permitted by applicable Laws, Landlord hereby waives any rights which Landlord may have, as to any of Tenant's furniture, fixtures, equipment, personal property, tenant improvements and alterations, in the nature of a landlord's lien, security interest or otherwise and further waives the right to enforce any such lien or security interest.

Tenant shall have the right to erect, affix and display such signage as Tenant may consider necessary or desirable on the exterior and interior walls, doors and windows of the Premises (including directional and designated parking signage in parking areas) and a sign on the exterior of the Building and a monument sign at locations on the Building and/or related property as shall be agreed to by Landlord or at such locations as other tenants have signs located, in accordance with the rules and regulations of the Building. All such signs shall comply with all applicable zoning Laws. Tenant shall obtain Landlord's prior approval for signs on the exterior of the Building and each monument sign, which approval shall not be unreasonably withheld, conditioned or delayed, for the location and design of such signs. Landlord, at Landlord's cost and expense, shall timely provide space for Tenant's designated name(s) on any directory boards located in the Building or complex.

11. **Alterations.** Tenant shall have the right to make such interior non-structural alterations, additions and improvements to the Premises that it shall deem desirable for the operation of its business (collectively, "Alterations"), without Landlord's consent, provided that any such Alterations shall not diminish the value of the Premises nor impair the structural integrity of the Premises or the Building. Such Alterations shall be in conformance to applicable governmental codes. All other Alterations shall require Landlord's prior written consent, such consent not to be unreasonably withheld, conditioned or delayed. If Tenant adds or removes walls or partitions or if plans are required by the applicable governmental agency for the completion of such Alterations, Tenant shall provide Landlord with as-built drawings of the changes immediately following their completion. All construction work performed at Tenant's request in the Premises shall be done by contractors and subcontractors who have worker's compensation and employer's liability insurance meeting the following requirements: (1) in statutory amounts; (2) with reputable companies licensed to do business in the State of Illinois; and (3) with regard to general contractors only, showing Landlord and Landlord's lender or lenders as additional insureds. In addition, all such contractors and subcontractors shall have general public liability insurance coverage consistent with the Tenant's requirements in this Lease, provided that only general contractors shall be required to list Landlord and Landlord's lender as additional insureds on such policies. Evidence of the insurance required herein shall be provided Landlord before any construction commences.

12. **Environmental.** Tenant shall not cause or permit any hazardous or toxic substances, materials or waste, including, without limitation, medical waste and asbestos ("Hazardous Substances") to be used, generated, stored or disposed of in, on or under, or transported to or from, the Premises in violation of any applicable local, state, and federal laws, ordinances, statutes, rules, regulations, executive order, judgment, decree, case law, and/or other determination of an arbitrator or a court or other governmental authority, in each case applicable to or binding upon such person or any of its property or to which such person or any of its property is subject (the "Laws"), whether now in existence or hereafter adopted, relating to Hazardous Substances or otherwise pertaining to the environment (the "Environmental Laws"). Tenant shall periodically cause to be removed from the Premises such Hazardous Substances placed thereon by Tenant or Tenant's agents, servants, employees, guests, invitees or independent contractors in accordance with good business practices, such removal to be performed by persons or entities duly qualified to handle and dispose of Hazardous Substances. Without limiting the generality of the foregoing, Landlord acknowledges that the following Hazardous Substances, among others, are required for Tenant's business operations: bleach, cidex, hibiclens, metricide, hydrogen peroxide and formaldehyde. Upon the expiration or earlier termination of this Lease, Tenant shall cause all Hazardous Substances placed on the Premises by Tenant to be removed from the Premises, at Tenant's cost and expense and disposed of in strict accordance with Environmental Laws.

Tenant shall indemnify, defend (by counsel reasonably acceptable to Landlord) and hold Landlord harmless, from and against any and all claims, liabilities, penalties, fines, judgment, forfeitures, losses, costs (including clean-up costs) or expenses (including reasonable attorney's fees, consultant's fees and expert's fees) for the death of or injury to any person or damage to any property whatsoever, arising from or caused in whole or in part, directly or indirectly, by (a) the presence after the Commencement Date in, on, under or about the Premises of any Hazardous Substances caused by Tenant or its agents, servants, employees, guests, invitees or independent contractors; (b) any discharge or release by Tenant or its agents, servants, employees, guests, invitees or independent contractors after the Commencement Date in or from the Premises of any Hazardous Substances; (c) Tenant's use, storage, transportation, generation, disposal, release or discharge after the Commencement Date of Hazardous Substances to, in, on, under, about or from the Premises; or (d) Tenant's failure after the Commencement Date to comply with any Environmental Law.

Landlord shall indemnify, defend (by counsel reasonably acceptable to Tenant) and hold Tenant harmless, from and against any and all claims, liabilities, penalties, fines, judgment, forfeitures, losses, costs (including clean-up costs) or expenses (including reasonable attorney's fees, consultant's fees and expert's fees) for the death of or injury to any person or damage to any property whatsoever, arising from or caused in whole or in part, directly or indirectly, by (i) the presence on or prior to the Commencement Date in, on, under or about the Premises, Building or the land on which the Building is located of any Hazardous Substances; (ii) any discharge or release on or prior to the Commencement Date in or from

the Premises or Building of any noxious or Hazardous Substances; (iii) the use, storage, transportation, generation, disposal, release or discharge of Hazardous Substances by Landlord or its agents, servants, employees, guests, invitees, or independent contractors to, in, on, under, about or from the Premises, Building or the land on which the Building is located; (iv) Landlord's failure to comply with any Environmental Law; or (v) any Hazardous Substances to the extent not due to any act or omission of Tenant or its agents, servants, employees, guests, invitees or independent contractors. Landlord agrees to remediate, at Landlord's cost and expense, immediately upon receipt of notice from Tenant any condition described in (i) through (v) of the previous sentence. The indemnities set forth in this Section 12 shall survive termination or expiration of this Lease.

Landlord represents and warrants to Tenant that (A) to the best of Landlord's knowledge, there are no Hazardous Substances in, on, under or about the Premises or Building or the land on which the Building is located, including without limitation asbestos or mold, and (B) Landlord has received no notice from any governmental or private entity relating to Hazardous Substances in, on, under or about the Premises, Building or the land on which the Building is located.

Landlord hereby covenants and agrees that if Tenant discovers mold at the Premises, Building or the land on which the Building is located attributable to the period on or prior to the Actual Delivery Date, or which has been caused by the acts or omissions of Landlord or Landlord's agents, servants, employees, guests, invitees or independent contractors, Landlord shall, upon written notice from Tenant, promptly remediate the mold. If Landlord shall not commence such remediation within five (5) days following written notice from Tenant, and Tenant determines, in Tenant's sole discretion, that such remediation is necessary for the safety of Tenant's patients and employees, Tenant may, at its option, cause such remediation work to be performed, at Landlord's cost and expense. Upon the completion of the remediation work, Tenant shall furnish Landlord with a written statement of the cost of the remediation work, and Landlord shall reimburse Tenant for such cost of such remediation work within ten (10) days of Landlord's receipt of Tenant's statement. Should Landlord fail to reimburse Tenant within the ten (10) day period, then Tenant may, at its option, offset such amount against Base Rent and Additional Rent. Notwithstanding the foregoing, in the event that the remediation work cannot be substantially completed or is not completed within sixty (60) days of Tenant's written notice of the mold to Landlord and Tenant, in Tenant's reasonable discretion, is unable to utilize the Premises, Tenant may elect, at its sole discretion to (1) terminate this Lease upon thirty (30) days written notice to Landlord or (2) receive two (2) days of Base Rent and Additional Rent abatement for each day from the date Landlord received the mold notice until the date of substantial completion of the mold remediation.

Tenant shall promptly deliver to Landlord copies of all notices made by Tenant to, or received by Tenant from, any state, county, municipal or other agency having authority to enforce any Environmental Law ("Enforcement Agency") or from the United States Occupational Safety and Health Administration concerning environmental matters or Hazardous Substances at the Premises, Building or the land on which the Building is located. Landlord shall promptly deliver to Tenant copies of all notices received by Landlord from any Enforcement Agency or from the United States Occupational Safety and Health Administration concerning environmental matters or Hazardous Substances at the Premises, Building or the land on which the Building is located.

13. Damage to Premises by Fire or Casualty. In the event the Premises shall be damaged by fire or other casualty during the Term, whereby the same shall be rendered untenantable, then:

13.1 If the damage to the Premises is so substantial that either (i) the repair, restoration or rehabilitation of such damage cannot reasonably be expected to be substantially completed within one hundred eighty (180) days from the date of such damage, or (ii) so much of the Premises is destroyed or rendered untenantable by such fire or other casualty as to make use of any portion the Premises as a dialysis facility impracticable, then Tenant may elect to terminate this Lease by giving written notice to Landlord within thirty (30) days of the date of such fire or casualty; or

13.2 If (i) the damage to the Premises is so substantial that the estimated repair costs exceed One Hundred Thousand and 00/100 Dollars (\$100,000.00) and such damage has occurred within the final one hundred eighty (180) days of the then current Term and Tenant has not exercised its next available renewal option, if any or (ii) the Building is damaged to the extent of fifty percent (50%) or more of the monetary value thereof and Landlord elects not to rebuild the Building, then Landlord may elect to terminate this Lease by giving written notice to Tenant within thirty (30) days of the date of such fire or casualty.

If not so terminated, Landlord shall proceed with all due diligence to repair, restore or rehabilitate the Premises to substantially its former condition immediately prior to such damage or destruction, at Landlord's cost and expense. Notwithstanding the foregoing, in the event regulatory changes occurring on or after the date of the Lease (the "Effective Date") applicable to Tenant's business, require changes to the Premises or the Building in order for Tenant to continue operating its business, then Landlord shall incorporate such changes into the repair and restoration of the Premises. Any increased costs associated with changes to the repair or restoration due to regulatory changes applicable to Tenant's business, shall be paid by Landlord out of available insurance proceeds. Tenant shall be responsible for such increased costs due to repairs or restorations due to regulatory changes to the extent that insurance proceeds are not available.

If the Premises are rendered untenable by fire or other casualty, there shall be an abatement of Base Rent and Additional Rent due Landlord by Tenant for the period of time during which the Premises are untenable. If the restoration is not substantially completed within two hundred ten (210) days of such damage, Tenant shall have the option to terminate this Lease by written notice to Landlord. In the event of any termination of this Lease, Base Rent and Additional Rent shall be paid only to the date of such fire or casualty.

In the event that the Premises are partially but not substantially damaged by fire or other casualty, then Landlord shall immediately proceed with all due diligence to repair and restore the Premises to substantially its former condition immediately prior to such damage, at Landlord's cost and expense (excluding restoration of any Tenant Improvements or Alterations which are the responsibility of Tenant hereunder), and Base Rent and Additional Rent shall abate in proportion to that portion of the Premises that is untenable during the period of restoration. Notwithstanding the foregoing, in the event regulatory changes occurring on or after the Effective Date, applicable to Tenant's business, require changes to the Premises or the Building in order for Tenant to continue operating its business, then Landlord shall incorporate such changes into the repair and restoration of the Premises. Any increased costs associated with changes to the repair or restoration due to regulatory changes applicable to Tenant's business, shall be paid by Landlord out of available insurance proceeds. Tenant shall be responsible for such increased costs due to repairs or restorations due to regulatory changes to the extent that insurance proceeds are not available.

Notwithstanding the foregoing provisions of this Section 13, in the event that insurance proceeds applicable to Alterations or tenant improvements constructed by Tenant at its expense are made available to Tenant, Tenant shall be responsible for restoring such Alterations or tenant improvements; provided, however, that Base Rent and Additional Rent abatement shall continue during such period of restoration so long as Tenant is diligently pursuing the completion of such restoration. In the event that Landlord does not restore the Premises, Tenant shall retain all insurance proceeds applicable to Alterations and tenant improvements constructed by Tenant at its expense.

14. Eminent Domain.

14.1 Taking. If by any lawful authority through condemnation or under the power of eminent domain: (i) the whole of the Premises shall be permanently taken; (ii) less than the entire Premises shall be permanently taken, but the remainder of the Premises are not, in Tenant's reasonable business judgment, fit for Tenant to carry on the normal operation of Tenant's business therein; (iii) Tenant determines, in its reasonable business judgment, that after such taking adequate parking space will not be

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available near the Premises; (iv) there is any substantial impairment of ingress or egress from or to or visibility of the Premises; (v) all or any portion of the Common Areas shall be taken resulting in a material interference with the operations of or access to Tenant's business; or (vi) a temporary taking of all or a material portion of the Premises continues for a period of one (1) year, then in any such event, Tenant may terminate this Lease by written notice, effective as of the date of such taking, and Base Rent and Additional Rent shall be prorated as of the date of such termination.

14.2 Rent Adjustment. Unless this Lease is terminated as provided in Section 14.1, commencing on the date possession is acquired by a condemning authority, Base Rent and Additional Rent shall be reduced by the then applicable per rentable square foot Base Rent and Additional Rent multiplied by the number of rentable square feet taken, and Landlord shall promptly restore the Premises, Common Areas, and/or replace parking and access to the Premises, at Landlord's cost and expense, to a complete architectural unit (provided, however, in the event regulatory changes occurring on or after the Effective Date, applicable to Tenant's business, require changes to the Premises or the Building in order for Tenant to continue operating its business, then Landlord shall incorporate such changes into the repair and restoration of the Premises), in substantially the same condition that the same were in prior to such taking. During such restoration Base Rent and Additional Rent shall be abated to the extent the Premises are rendered not useable for the Permitted Use.

14.3 Awards. All compensation awarded or paid in any such eminent domain proceeding shall belong to and be the property of Landlord without any participation by Tenant, except that nothing contained herein shall preclude Tenant from prosecuting any claim directly against the condemning authority in such eminent domain proceeding for its relocation costs, its unamortized leasehold improvements and trade fixtures, loss of business and other damages recoverable under applicable Laws.

15. Right of Entry by Landlord. Subject to Landlord's obligations under Section 35, Landlord, or any of its agents, shall have the right to enter the Premises during all reasonable hours and upon at least twenty-four (24) hours prior notice (except in cases of emergency) to perform its obligations under this Lease, examine the Premises or, in the six (6) month period immediately preceding the Expiration Date, to exhibit the Premises to potential tenants. Landlord and Tenant shall work together to agree upon a mutually agreeable time for Landlord to make all such repairs, alterations, improvements, or additions in and about the Premises or Building. If such work is agreed to be done outside of normal business hours, and the same can be practicably done at any other time, Tenant shall then pay all overtime and additional expenses resulting therefrom. Any restoration work or alteration work at the Premises which is necessitated by or results from Landlord's entry, including, without limitation, any work necessary to conceal any element whose presence is permitted hereunder, shall be performed by Landlord at its expense or, at Tenant's election, by Tenant on Landlord's behalf and at Landlord's cost and expense. Landlord shall be liable for all loss, damage or injury to persons or property and shall indemnify and hold Tenant harmless from all claims, losses, costs, expenses and liability, including reasonable attorney's fees resulting from Landlord's entry except to the extent caused by the negligent or intentional act of Tenant or its agents, servants, employees, guests, invitees or independent contractors. In the exercise of Landlord's rights pursuant to this Section, Landlord shall make all reasonable efforts to minimize interference with Tenant's operations. If Landlord's entry into the Premises interferes with the conduct by Tenant of its business to such an extent that Tenant, in the exercise of its reasonable business judgment, must close the Premises for two (2) or more business days, then Base Rent and Additional Rent shall totally abate for each day or portion thereof that such interference continues.

Tenant is subject to the provisions of the Health Insurance Portability and Accountability Act of 1996 and related regulations ("HIPAA") and in order for Tenant to comply with HIPAA, Tenant must restrict access to the portions of the Premises where patient medical records are kept or stored. Landlord hereby agrees that, notwithstanding the rights granted to Landlord pursuant to this Lease including this Section 15, except when accompanied by an authorized representative of Tenant, neither Landlord nor its employees, agents, representatives or contractors shall be permitted to enter those areas of the Premises designated by Tenant as locations where patient medical records are kept and/or stored or where such entry is prohibited by applicable state or federal health care privacy Laws. Landlord further agrees to comply with the provisions of HIPAA and all applicable medical privacy Laws in connection with Landlord's entry into

the premises.

16. Indemnity. Tenant agrees to indemnify Landlord and save Landlord harmless from any and all liability, claims and loss for personal injury or property damage, or both, sustained or claimed to have been sustained by any person or persons, or property in, upon or about the Premises or Building caused or brought about by the act or neglect of Tenant or its agents, servants or employees. Landlord agrees to indemnify Tenant and save Tenant harmless from any and all liability, claims and loss for personal injury or property damage, or both, sustained or claimed to have been sustained by any person or persons, or property in, upon or about the Premises, Common Areas, Building or the land on which the Building is located caused or brought about by the act or neglect of Landlord or its agents, servants or employees. The indemnities set forth in this Section 16 shall survive termination or expiration of this Lease.

17. Default and Remedies.

17.1 Tenant Default and Landlord Remedies. In the event that (i) Tenant defaults in the payment of Base Rent or Additional Rent hereunder and such Base Rent or Additional Rent remains due and unpaid for five (5) days following written notice of such default from Landlord to Tenant; (ii) Tenant defaults in the performance of any other provisions of this Lease and such default is not cured within thirty (30) days following written notice from Landlord specifying such default (unless such default is not reasonably capable of being cured within such thirty (30) day period and Tenant is diligently prosecuting such cure to completion); (iii) a petition in bankruptcy is filed by or against Tenant (provided Tenant shall have ninety (90) calendar days to stay any involuntary proceeding); or (iv) Tenant makes an assignment for the benefit of its creditors, or a receiver is appointed for Tenant and such receiver is not dismissed within sixty (60) days of its appointment, then, in such event, Landlord, at its option, may (1) terminate this Lease by giving to Tenant written Notice of the Landlord's election to do so, in which event the Term of this Lease shall expire, and all right, title, and interest of Tenant shall expire on the date stated in such notice, (2) terminate the right of Tenant to possession of the Premises without terminating this Lease by giving Notice to Tenant that Tenant's right of possession shall expire on the date stated in such notice, whereupon the right of Tenant to possession of the Premises or any part thereof shall cease on the date stated in such notice, or (3) enforce the provisions of this Lease and may enforce and protect the rights of Landlord hereunder by a suit or suits in equity or at law for the specific performance of any covenant or agreement contained herein, or for the enforcement of any other appropriate legal or equitable remedy, including, without limitation, injunctive relief and the recovery of all moneys due under any of the provisions of this Lease. Notwithstanding the remedy Landlord may seek, the foregoing cure periods shall be applicable. Notwithstanding anything to the contrary contained herein, Landlord agrees that it shall have no right to accelerate (i.e. declare the same immediately due and payable) any Base Rent or Additional Rent which would have become due in the future; provided however, that upon termination of this Lease by Landlord, Tenant shall pay Landlord for all the then unamortized out of pocket costs of leasing commissions.

Landlord shall make commercially reasonable efforts to mitigate any damages Landlord incurs as a result of Tenant's breach of this Lease. Landlord shall not be required to offer the Premises for lease in preference to other space available from it or its affiliates. In any case, Landlord may make reasonable repairs, alterations, and additions to the Premises and redecorate the same to the extent deemed by Landlord necessary or desirable and in connection therewith, change the locks of the Premises, and Tenant shall upon demand pay the cost thereof together with all Landlord's reasonable expenses of reletting. Landlord may collect the rents from any such reletting and apply the same first to the payment of the reasonable expenses of reentry, redecoration, repair, and alterations and the expenses of reletting attributable to the balance of the then current Term and second to the payment of Rent herein provided to be paid by Tenant, and any excess or residue shall operate only as an offsetting credit to future Rent payable hereunder, but the use of such off setting credit to reduce the amount of Rent due Landlord, if any, shall not be deemed to give Tenant any right, title, or interest in or to such excess or residue and any such excess or residue shall belong to Landlord solely; provided, that in no event shall Tenant be entitled to a credit on its indebtedness to Landlord in excess of the aggregate sum which the credit to Tenant is being determined had no Default occurred. No such reentry or repossession, repairs, alterations, and

additions, or reletting shall be construed as an eviction or ouster of Tenant or as an election on Landlord's part to terminate this Lease, unless a written notice of such intention is given to Tenant, or shall operate to release Tenant, in whole or in part, from any of Tenant's obligations hereunder, and Landlord may, at any time and from time to time, sue and recover judgment for any deficiencies remaining after the application from time to time of the proceeds of any such reletting. Whether or not this Lease is terminated by Landlord or by any provision of Law, Tenant has no obligation to pay any Base Rent or Additional Rent until the date it would otherwise have become due in the absence of any event of default.

17.2 Landlord Default and Tenant Remedies. Subject to the terms and provisions below, and in addition to any other remedy expressly available to Tenant pursuant to this Lease or at law or in equity, should Landlord fail to perform any term or covenant under this Lease or any other existing agreement between Landlord and Tenant, its parent company, subsidiaries or affiliates (each and any such failure, a "Landlord Default") and if any such Landlord Default is not cured and continues for thirty (30) days (unless a shorter notice and cure period is expressly provided herein, in which case such shorter period shall govern) following written notice by Tenant to Landlord of such Landlord Default (unless such default is not reasonably capable of being cured within such expressed period and Landlord is diligently prosecuting such cure to completion), then Tenant shall have the option, (at Tenant's sole discretion), of (i) terminating this Lease, (ii) abating or withholding one half (1/2) of the Base Rent and/or Additional Rent, or (iii) remedying such Landlord Default and, in connection therewith, incurring expenses for the account of Landlord, and any and all such sums expended or obligations incurred by Tenant in connection therewith shall be paid by Landlord to Tenant upon demand, and if Landlord fails to immediately 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 maximum rate permitted by applicable Law from the date of any such expenditure by Tenant until the date of repayment thereof by Landlord to Tenant) from subsequent installments of Base Rent and Additional Rent that from time to time become due and payable by Tenant to Landlord hereunder up to one half (1/2) of the Base Rent and Additional Rent then due. Notwithstanding the foregoing, if Tenant elects to terminate this Lease, Tenant shall first give Landlord an additional thirty (30) days' notice of its intent to terminate and opportunity to cure the Landlord Default. If Landlord cures within such time, or if more than thirty (30) days are reasonably necessary to cure, then if Landlord commences efforts to cure and diligently prosecutes such to completion, the termination shall not be effective. In all events Tenant shall have the right to remedy any Landlord Default without prior notice in the event of an emergency (so long as Tenant gives notice within a reasonable period of time thereafter) and invoice Landlord and abate Base Rent and Additional Rent in the manner set forth in the preceding sentences of this Section 17.2.

If Landlord is or becomes a Referral Source (as defined in Section 24 below) and if this Lease is terminated for any reason before the first anniversary of the Commencement Date, then Landlord and Tenant shall not enter into any similar agreement with each other for the Premises, the term of which commences on or before the first (1st) anniversary of the Commencement Date.

18. Insurance.

18.1 Landlord's Insurance. During the Term, Landlord shall procure and maintain in full force and effect with respect to the Building, Common Areas and the land on which the Building is located (i) a policy or policies of property insurance for full replacement value; and (ii) a policy of commercial liability insurance in a minimum amount of One Million and 00/100 Dollars (\$1,000,000.00) per claim and Three Million and 00/100 Dollars (\$3,000,000.00) in the aggregate for both bodily injury and property damage insuring Landlord's activities with respect to the Premises and the Building for loss, damage or liability for personal injury or death of any person or loss or damage to property occurring in, upon or about the Premises or the Building.

18.2 Tenant's Insurance. Tenant shall obtain and keep in force with respect to the Premises and Tenant's use thereof commercial general liability insurance in a minimum amount of One Million and 00/100 Dollars (\$1,000,000.00) per claim and Three Million and 00/100 Dollars (\$3,000,000.00) in the aggregate for both bodily injury and property damage. In no event shall Tenant's insurance provide coverage or indemnity to Landlord for any claim, loss, suit, action or other legal proceeding in which

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Landlord or its agents, servants, employees, guests, invitees, or independent contractors bear responsibility. Rather, it is the intent of this Section to provide general liability coverage to Landlord when it is made a party to a claim, loss, suit, action or other legal proceeding for which it bears no responsibility. In the event that both Landlord and Tenant bear responsibility for the claim, loss, suit, action or other legal proceeding, then each party will look to its own insurance for coverage. Tenant may carry any insurance required by this Lease under a blanket policy or under a policy containing a self-insured retention, so long as Tenant's parent company maintains a minimum net worth of not less than Fifty Million Dollars (\$50,000,000.00).

18.3 Certification of Insurance. Tenant shall provide a certificate evidencing any required policy upon Landlord's request. The insurance required to be provided by Tenant under this Article shall be effective as of the date Tenant takes possession. The parties shall provide each other evidence of the insurance policy or policies required by this Article 18 within five (5) business days of the other party's request therefor, and at least ten (10) days prior to the expiration thereafter of any such policy.

19. Subrogation. Each of the parties hereto hereby releases the other and the other's partners, agents and employees, to the extent of each party's property insurance coverage, from any and all liability for any loss or damage which may be inflicted upon the property of such party even if such loss or damage shall be brought about by the fault or negligence of the other party or its partners, agents or employees; provided, however, that this release shall be effective only with respect to loss or damage occurring during such time as the appropriate policy of insurance shall contain a clause to the effect that this release shall not effect said policy or the right of the insured to recover thereunder. If any policy does not permit such a waiver, and if the party to benefit therefrom requests that such a waiver be obtained, the other party agrees to obtain an endorsement to its insurance policies permitting such waiver of subrogation if it is commercially available and if such policies do not provide therefor. If an additional premium is charged for such waiver, the party benefiting therefrom, if it desires to have the waiver, agrees to pay to the other the amount of such additional premium promptly upon being billed therefor.

20. Repairs and Maintenance.

20.1 Landlord's Maintenance Responsibilities.

(a) Landlord shall timely clean, maintain, repair, light, operate and insure those portions of the Building, including improvements, space, equipment and special services, which are provided for use in common by Landlord, Tenant and any other tenants of the Building, whether or not those areas are in, on or service the Building, and without regard to whether they are open to the general public, Tenant's employees, patients, customers and other invitees, or contain facilities or equipment used or usable in the operation of the Building, for which access is restricted to Landlord's personnel. Such areas shall include, without limitation, common restrooms, lobbies, corridors, plazas, aisles, and utility closets located in the Building, all parking areas, access roads, driveways, entrances and exits, retaining walls, exterior facilities, landscaped areas, roads and pathways, common utility lines, storm water system, accommodation areas such as sidewalks, grass plots, ornamental planting, direction signs, and the like (collectively, the "Common Areas"). Maintenance services shall include snow and ice removal and repair of the parking lot, and providing security as necessary. Landlord shall maintain insurance for the Common Areas pursuant to the requirements set forth in Section 18.1. Landlord shall maintain and keep the Building and Common Areas in good condition and repair and such costs shall be considered CAM Charges in accordance with Section 8, unless such repairs are excluded from the definition of Operating Expenses in Section 8.

(b) Landlord shall, at its sole cost and expense (not to be considered CAM Charges in accordance with Section 8), maintain and keep in good order and repair and promptly make any necessary replacements to the roof, roof membrane, roof covering, concrete slab, footings, foundation, structural components, exterior walls, parking areas, sidewalks, driveways, loading areas, exterior doors and windows, flooring (except for floor covering), utility lines not exclusively serving the Premises, sprinkler, plumbing, HVAC and electrical systems of the Building. Notwithstanding the provisions of

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Section 17.2, if Landlord shall not commence such repairs or make necessary replacements within 15 days following written notice from Tenant that such repairs or replacements are necessary, or within five days following written notice from Tenant of roof leaks or other water damage or leaks, then Tenant may, at its option, cause such Landlord's repairs or replacements to be made and shall furnish Landlord with a statement of the cost of such repairs or replacements upon substantial completion thereof. Landlord shall reimburse Tenant for the cost of such repairs or replacements plus a service charge to cover Tenant's expenses in an amount equal to 10% of the cost of such repairs or replacements within ten days of the date of the statement from Tenant setting forth the amount due; provided, however, should Landlord fail to reimburse Tenant within the ten day period, then Tenant may, at its option, offset such amount against subsequent Base Rent and Additional Rent due under this Lease. Notwithstanding the foregoing, Tenant shall assign to Landlord all warranties obtained in connection with Tenant's construction of the shell and roof of the Building. If during the first ten years of the Term, a latent defect in the structure or roof of the Building is discovered and such defect is not covered under a warranty assigned to Landlord, Tenant shall be responsible for the repair of such defect provided that Landlord has notified Tenant of such defect prior to the expiration of the tenth Lease Year.

20.2 Tenant's Maintenance Responsibilities. Tenant's Maintenance Responsibilities. Except for Landlord's obligations set forth above and except for any damage caused by the acts of negligence by Landlord or its agents, servants, employees, guests, invitees or independent contractors within the Premises, Tenant shall keep the interior, non-structural portions of the Premises, all HVAC systems installed by Tenant, and the non-structural elements of all doors and entrances of the Premises in good order and condition, excepting ordinary wear and tear, fire, acts of God, acts of Landlord, and/or other casualty or the elements.

21. Brokers. Landlord and Tenant each represent to the other that it has had no dealings with any real estate broker or agent in connection with the negotiation of this Lease, except for DTZ Americas, Inc., representing Tenant (the "Tenant's Broker"). Landlord shall pay Tenant's Broker a brokerage commission pursuant to a separate agreement. In the event Landlord does not timely pay Tenant's Broker such brokerage commission, Tenant may offset the amount of such brokerage commission against Base Rent and Additional Rent due Landlord.

22. Emergency. If Landlord is unable or unwilling to take action which it is obligated to take hereunder where an emergency has occurred with respect to the Premises, then Tenant may take such action as is reasonably necessary to protect the Premises and persons or property in the Premises and Landlord shall, within fifteen (15) days after written notice thereof from Tenant reimburse Tenant for its reasonable out-of-pocket expenses incurred in curing such emergency; provided, however, should Landlord fail to reimburse Tenant within the fifteen (15) day period, then Tenant may, at its option, offset such amount against one half (1/2) of the Base Rent and Additional Rent due under this Lease.

23. Title and Parking. Landlord hereby represents to Tenant that Landlord is the owner in fee simple of the Premises, including the Building and all improvements thereon and has the right and authority to enter into this Lease. Landlord hereby represents to Tenant that no covenants, restrictions, liens or other encumbrances affecting the real property upon which the Building is constructed interfere with or adversely affect Tenant's Permitted Use of the Premises. Landlord further represents that Landlord and those signatories executing this Lease on behalf of Landlord have full power and authority to execute this Lease.

Landlord shall not make any material modifications to the Building or Premises (including, without limitation, the parking areas, driveways and walks) without Tenant's prior written consent, such consent not to be unreasonably withheld, conditioned or delayed. Tenant shall be entitled to the use of the parking area in accordance with a parking ratio of not less than four (4) spaces per one thousand (1,000) square feet of the Premises or such greater amount as may be required by local code (including 2 handicapped parking spaces) in close proximity to the Premises for Tenant's exclusive use.

24. Compliance with Laws. Both parties shall comply with all applicable Laws throughout the Term. Landlord represents and warrants to Tenant that as of the Commencement Date the portion of the

property constructed by Landlord are in compliance with all Laws, including, without limitation, applicable zoning Laws and with all applicable instruments affecting title to the Premises. Landlord further represents that it has received no notices or communications from any public authority having jurisdiction alleging violation of any Laws relating to the Premises, the Building, or the Common Areas and has received no notices alleging violation of any title instrument. Without limiting the generality of the foregoing, Landlord represents that the portions of the Common Areas constructed by the Landlord will comply with all applicable Laws relating to handicapped accessibility, including, without limitation, the Americans with Disabilities Act (ADA) of 1990, 42 U.S.C. §§12101 et seq. (1990).

If at any time or from time to time any Alterations, including, without limitation, structural Alterations, are required in order for the Premises or Building to comply with any generally applicable Laws from time to time applicable to the Premises, Landlord shall promptly make such Alterations at its sole cost and expense. Notwithstanding the foregoing, Landlord shall have no obligation to make any Alterations to the Premises or Building to comply with any generally applicable Laws if such Laws were in place at the time of construction and the area requiring modification was constructed by Tenant and was not in compliance at the time it was constructed. If at any time or from time to time any Alterations, including, without limitation, structural Alterations, are required in order for the Premises to comply with any Laws specifically applicable to the Premises due to Tenant's use and not due to any act by Landlord or another tenant, Tenant shall promptly make such Alterations, at its sole cost and expense.

25. Right of First Option on Adjacent Premises. Intentionally omitted.

26. Tenant to Subordinate. Tenant shall, upon request of the holder of a mortgage or deed of trust in the nature of a mortgage on the Premises ("Mortgagee") subordinate any interest which it has by virtue of this Lease, and any extensions and renewals thereof to any mortgages or deeds of trust placed upon the Premises by Landlord, if and only if such Mortgagee shall execute, deliver and record in the appropriate registry of deeds a recognition and non-disturbance agreement in form and content substantially similar to Exhibit D. Landlord shall, at or prior to the Commencement Date, secure from Landlord's present Mortgagee a non-disturbance agreement and Landlord shall secure from any future Mortgagee or lienholder of Landlord a non-disturbance agreement in a form substantially similar to Exhibit D or in a form otherwise reasonably acceptable to Tenant. If Landlord shall not obtain such non-disturbance agreement, then this Lease shall not be subordinate to any such future lien, mortgage, or refinancing.

27. Quiet Enjoyment. Tenant shall, upon payment of the Base Rent and Additional Rent, quietly have and enjoy the Premises during the Term. Landlord agrees that Tenant shall have continuous, peaceful, uninterrupted and exclusive possession and quiet enjoyment of the Premises during the Term.

28. Memorandum of Lease. Concurrent with execution of this Lease, Landlord and Tenant will execute a recordable form of a memorandum or notice of this Lease in the form attached as Exhibit G. Tenant shall be responsible for the cost of recording the same. Upon Landlord's written request, Tenant shall execute and deliver to Landlord a Release of Memorandum of Lease ("Release"), in recordable form substantially similar to the form attached as Exhibit I, releasing such Memorandum of Lease, which Release shall be held in escrow by Landlord and not recorded until expiration or termination of this Lease. Landlord shall be responsible for the cost of recording the Release.

29. Notices. All notices, demands and requests which may be or are required to be given by either party to the other shall be in writing and shall be either (i) sent by registered or certified mail, return receipt requested, postage prepaid or (ii) delivered, by hand, or (iii) sent by overnight courier such as Federal Express. All notices to Landlord should be addressed to Landlord at C/O First Rockford Group, Inc., 8801 Spring Creek Road, Rockford, IL 61114; Telephone: (815-229-3000); Email: gencounsel@firstrockford.com or at such other place as Landlord may from time to time designate in written notice to Tenant. All notices to Tenant shall be addressed to Tenant c/o DeVita Healthcare Partners, Inc., Attention: Real Estate Legal, 2000 16th Street, Denver, CO 80202, Telephone: (303) 876-2800, with copy to: relegal@davita.com. Subject: [Forest City, IL # 11508, Rockford, IL], or to any such other place as Tenant may from time to time designate in written notice to Landlord. In addition, all correspondence to Tenant related to Taxes, Insurance, Base Rent or Additional Rent shall be sent to

P.O. Box 1476, Tacoma, WA 98401-1476; Attention: Rent Department, with copy to RentDepartment@davita.com. Notwithstanding anything contained in this Lease to the contrary, any written notice by either Landlord or Tenant to the other party may be transmitted by facsimile or electronic transmission, and that the facsimile or electronic copies of such party's signature shall have the same effect as if it were an original signature, provided that the party providing such notice obtains a confirmation page or delivery confirmation email and further provided that within three (3) business days after the facsimile or electronic transmission of any such notice, Landlord or Tenant shall execute and deliver to the other party an original copy of the notice via one of the methods provided in this Section.

30. **Estoppel Certificate.** Each of Landlord and Tenant agrees at any time and from time to time upon not less than fifteen (15) business days' prior written request by the other to execute, acknowledge and deliver to the other an estoppel certificate in the form attached as Exhibit E certifying that (i) this Lease is unmodified and in full force and effect (or if there have been modifications that the same is in full force and effect as modified and stating the modifications), (ii) the dates to which Base Rent and other charges have been paid in advance, if any, and (iii) all of the defaults of Landlord or Tenant hereunder, if any, (and if there are no defaults a statement to that effect), it being intended that any such estoppel certificate delivered pursuant to this Section 30 may be relied upon by any prospective purchaser of the Premises or any mortgagee or assignee of any mortgage upon the fee or leasehold of the Premises or by any prospective assignee of this Lease or subtenant of the whole or any portion of the Premises and/or by other party interested in the Premises or any part thereof.

31. **Landlord's Sale of the Building.** Upon Landlord's transfer of interest in the Building and the Premises (the "Sale"), Landlord shall be released from all liability to Tenant and Tenant's successors and assigns arising from this Lease because of any act, occurrence or omission of Landlord occurring after such Sale, and Tenant shall look solely to Landlord's successor in connection with the same; provided, however, that Landlord shall not be released from liability to Tenant and Tenant's successors and assigns from its obligations under this Lease because of any act, occurrence or omission of Landlord occurring prior to such Sale or for any offsets due Tenant under this Lease in the event the successor in interest is a mortgagee which has not assumed liability for offsets, unless such liability is expressly assumed by Landlord's successor-in-interest in the Building and Premises. Within thirty (30) days following the effective date of a Sale, Landlord shall notify Tenant whether Landlord's successor-in-interest and assignee to this Lease would or would not be a Referral Source as described in Section 33 below.

32. **Tenant's Satellite and Cable Rights.** Tenant shall have the right to place a satellite dish on the roof and run appropriate electrical cabling from the Premises to such satellite dish and/or install cable service to the Premises at no additional fee. Landlord shall reasonably cooperate with Tenant's satellite or cable provider to ensure there is no delay in acquiring such services. Landlord shall use commercially reasonable efforts to ensure that any subsequent rooftop user does not impair Tenant's data transmission and reception and shall cooperate with Tenant in eliminating any interference caused by any other party using the roof. Tenant shall also have the right to run appropriate electrical cabling from the Premises to connect its electrical generator and associated transfer switch.

33. **Regulatory Compliance.** Landlord represents and warrants to Tenant that Landlord is not a "referring physician" or a "referral source" as to Tenant for services paid for by Medicare or a state health care program, as the terms are defined under any federal or state health care anti-referral or anti-kickback, regulation, interpretation or opinion ("Referral Source"). Landlord covenants, during the Term, it will not knowingly (i) take any action that would cause it to become a Referral Source as to Tenant, or (ii) sell, exchange or transfer the Premises to any individual or entity who is a Referral Source as to Tenant without complying with all other provisions of this Lease.

In the event Landlord, or Landlord's successors or assigns, become a Referral Source as described in this Section 33 above, the following portion of Section 33 shall apply but shall have no effect until such time:

33.1 Compliance. Landlord and Tenant agree that it is not the purpose of this Lease to exert any influence over the reason or judgment of any party with respect to the referral of patients or other business between Landlord and Tenant, but that it is the parties' expectation that any referrals which may be made between the parties shall be and are based solely upon the medical judgment and discretion of the patient's physician. The parties further agree and acknowledge that (a) Base Rent is (i) set forth in advance; (ii) consistent with fair market value in an arms-length transaction; (iii) does not take into account the volume or value of any referrals or other business generated between the parties; and (iv) would be reasonable even if no referrals were made between the parties, and (b) Tenant's Proportionate Share does not exceed Tenant's pro-rata share for expenses and the Premises Rentable Area does not exceed the reasonable square footage needed for the legitimate business plans of Tenant.

Each party represents and warrants that: (i) it is not currently excluded from participation in any federal health care program, as defined under 42 U.S.C. Section 1320a-7b; (ii) it is not currently excluded, debarred, suspended, or otherwise ineligible to participate in Federal procurement and non-procurement programs; or (iii) it has not been convicted of a criminal offense that falls within the scope of 42 U.S.C. Section 1320a-7(a), but has not yet been excluded, debarred, suspended or otherwise declared ineligible (each, an "Exclusion"), and agrees to notify the other party within two (2) business days of learning of any such Exclusion or any basis therefore. In the event of learning of such Exclusion, either party shall have the right to immediately terminate this Lease without further liability. Landlord agrees that Tenant may screen Landlord against applicable Exclusive databases on an annual basis. Tenant shall have the right to terminate the Lease if a change in applicable health care laws or reimbursement systems affects the legality of the Lease. Landlord shall notify Tenant of, and cooperate with, any request from a duly authorized government representative (e.g., Secretary of HHS, Comptroller General) for access to books, documents and/or records related to the Lease, and to indemnify Tenant from any liability arising out of the party's refusal to grant such access.

The parties enter into this Lease with the intent of conducting their relationship in full compliance with applicable federal, state and local laws, including, without limitation, the Anti-Kickback Statute and agree and certify that neither party shall violate the Anti-Kickback Statute in performing under this Lease. Notwithstanding any unanticipated effect of any provisions of this Lease, neither party will intentionally conduct itself under the terms of this Lease in a manner that would violate any such law. Landlord agrees not to request an advisory opinion related to the legality of the Lease without the concurrence and approval of Tenant.

In the event Landlord is a Covered Person (as defined below), Landlord shall also be subject to the following provisions. Landlord shall participate in all compliance training (including on-line general compliance training on an annual basis) that Tenant provides to the Landlord and shall complete all such training within the time frames required by Tenant. Further, Landlord shall comply with policies and procedures designed to ensure compliance with relevant Federal health care program requirements applicable to Tenant, and compliance programs applicable to Tenant, including its Code of Conduct. Landlord agrees that if it is notified by Tenant that it is a Covered Person, Landlord shall certify in writing or electronic form that Landlord read, understood and shall abide by the Code of Conduct and will return such certification to Tenant within 30 days after being notified. Landlord shall report immediately to Tenant any suspected or known violations of Tenant's policies and procedures or of any violation of applicable federal healthcare program laws and regulations. Tenant shall provide to Landlord a copy of the applicable Code of Conduct and relevant policies and procedures designed to ensure compliance with relevant Federal health care program requirements.

A "Covered Person" shall be defined as: (i) any individual or entity who provides patient care items or services or who perform billing or coding functions on behalf of DaVita Dialysis, or (ii) any DaVita Dialysis domestic dialysis joint venture partner or medical director for any domestic DaVita Dialysis clinic.

34. Cooperation with Tenant's Cost Reporting Responsibilities. Landlord's full cooperation with applicable authorities in connection with cost reporting is essential for Tenant's continued operation of its business. Therefore, Landlord agrees to provide to Tenant, within thirty (30) days of Tenant's request,

any and all information that is reasonably necessary at no cost to Landlord for Tenant to fulfill its cost reporting requirements to such applicable authorities.

35. Protected Health Information.

35.1 Landlord acknowledges and agrees that from time to time during the 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 a court of competent jurisdiction or by any governmental authority in accordance with the requirements of HIPAA and all other applicable medical privacy Laws.

35.2 Landlord shall preserve, and cause any of its employees and representatives to preserve, any "Confidential Information" of or pertaining to Tenant and shall not, without first obtaining Tenant's prior written consent, disclose to any person or organization, or use for its own benefit, any Confidential Information of or pertaining to Tenant during and after the Term, unless such Confidential Information is required to be disclosed by a court of competent jurisdiction or by any governmental authority. As used herein, the term "Confidential Information" shall mean any business, financial, personal or technical information relating to the business or other activities of Tenant that Landlord obtains in connection with the Lease.

36. Consent. Unless otherwise expressly stated herein, whenever one party's consent is required under this Lease, such consent shall not be unreasonably withheld, conditioned or delayed, and such party's reasonable satisfaction shall be sufficient for any matters under this Lease.

37. Surrender of Premises. At the expiration of the Term, whether by expiration of time or otherwise, Tenant shall surrender the Premises to Landlord in broom clean condition free of debris and rubbish, excepting damage caused by reasonable wear and tear, fire, acts of God, Landlord, condemnation, and/or other casualty or the elements. All Alterations shall be the property of Tenant and Tenant shall be entitled to remove from the Premises during the Term all Tenant Improvements and any and all furniture, removable trade fixtures, equipment and personal property ("Fixtures") installed or located on or in the Premises provided that Tenant repair any and all damage caused by the removal of the foregoing. Any Tenant Improvement or Fixtures which Tenant does not elect to remove at or prior to the expiration of the Term shall be surrendered with the Premises at the termination of this Lease.

Notwithstanding the foregoing, in no event shall Tenant remove fixtures or similar "vanilla shell" items such as light fixtures, HVAC equipment, or other fixtures and equipment permanently affixed to the Premises, without Landlord's prior written consent. In the alternative, at the expiration or earlier termination of the Lease, Landlord may, at Landlord's sole option, require Tenant to remove certain of Tenant's furniture, fixtures, equipment, and personal property, Tenant Improvements or Alterations within a reasonable time following receipt of written notice from Landlord. Any items which Tenant does not elect to remove at or prior to the expiration of the Term shall be deemed abandoned and Landlord may cause such property to be removed from the Premises and disposed of, but the reasonable cost of any such removal shall be borne by Tenant. The provisions of this paragraph shall survive the expiration or termination of this Lease.

38. Holding Over. In the event Tenant remains in possession of the Premises after the expiration of the Term, or any extensions hereof without the written consent of Landlord, Tenant shall be obligated to pay Base Rent at one fifteen percent (115%) of the then current rate (including all adjustments) for the first ninety (90) days of such hold over and one hundred twenty-five percent (125%) of the rate at the time of expiration or termination thereafter, in addition to all other sums then payable hereunder prorated on a daily basis for each day that Landlord is kept out of possession of the Premises. Such holding over shall not be deemed to create a new tenancy of any term whatever and Landlord shall retain all rights against Tenant as exist under this Lease or at law or equity. Notwithstanding the foregoing, in the event that

applicable Law, including without limitation applicable health care Law, limits the period of any such holdover, both parties shall comply with such applicable Law.

39. Binding Effect. All covenants, agreements, stipulations, provisions, conditions and obligations set forth herein shall extend to, bind and inure to the benefit of, as the case may require, the successors and assigns of Landlord and Tenant respectively, as fully as if any such successor or assign was referenced to wherever reference to Landlord or Tenant, as the case may be, occurs in this Lease.

40. Severability. Severability. If any term, covenant or condition of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant or condition of this Lease shall be valid and be enforced to the fullest extent permitted by Law.

41. Applicable Law. The Laws of the State where the Premises are located shall govern the validity, performance and enforcement of this Lease, without regard to such State's conflict-of-law principles.

42. Relationship of the Parties. Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto, it being understood and agreed that neither the method of computation of Base Rent nor any other provision contained herein, nor any acts of the parties hereto, shall be deemed to create any relationship between the parties hereto other than the relationship of Landlord and Tenant.

43. Covenant Against Liens. Nothing contained in this Lease shall authorize Tenant to do any act which shall in any way encumber Landlord's title to the Building, or Premises, nor in any way subject Landlord's title to any claims by way of lien or encumbrance whether claimed by operation of law or by virtue of any expressed or implied contract of Tenant, and any claim to a lien upon the Building or Premises arising from any act or omission of Tenant shall attach only against Tenant's interest and shall in all respects be subordinate to Landlord's title to the Building or Premises. If Tenant has not removed any such lien or encumbrance, or furnished Landlord with proof of reasonably sufficient bond therefore, within thirty (30) days after written notice to Tenant by Landlord (or such shorter period as indicated by Landlord if during the pendency of a sale or refinancing), Landlord may pay the amount without being responsible for making any investigation as to the validity thereof, and the amount so paid shall be due and payable as Additional Rent.

44. Consents and Waivers. No consent or waiver, by either party expressed or implied, to or of any breach of any covenant, condition, or duty of the other party shall be construed as a consent or waiver to or of any other breach of the same or any other covenant, condition, or duty. The subsequent acceptance by Landlord of any Base Rent due, Additional Rent or any other monetary obligation of Tenant under this Lease shall not be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease. No term, covenant, or condition of this Lease shall be deemed waived by either party unless such waiver is executed by the party in writing.

45. Remedies Cumulative. No remedy herein or otherwise conferred upon or reserved to either party shall be considered to exclude or suspend any other remedy, but the same shall be cumulative and shall be in addition to every other remedy given hereunder, or now or hereafter existing at law or in equity or by statute, and every power and remedy given by this Lease may be exercised at any time and from time to time and so often as occasion may arise or as may be deemed expedient.

46. Context. All terms used in this Lease, regardless of the number or gender in which they are used shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine, or neuter as the context or sense of this Lease or any Article, Section or clause herein may require, as if such terms has been fully and properly written in such number or gender.

47. **Force Majeure.** Whenever a day is appointed herein on which, or a period of time is appointed within which, either party hereto is required to do or complete any act, matter or thing, except for the payment of money, the time for the doing or completion thereof shall be extended by a period of time equal to the number of days on or during which such party is prevented from, or is interfered with, the doing or completion of such act, matter or thing because of strikes, lock-outs, embargoes, unavailability of labor or materials, wars, insurrections, rebellions, civil disorder, declaration of national emergencies, acts of God or other causes beyond such party's reasonable control.

48. **Accord and Satisfaction.** No payment by Tenant or receipt by Landlord of a lesser amount than any installment or payment of Rent, Additional Rent, or other sum due other than account of the amount due, and no endorsement or statement on any check or any letter accompanying any check or payment of Rent, Additional Rent, shall be deemed an accord and satisfaction, and Landlord may accept such check payment without prejudice to Landlord's right to recover the balance of such installment or payment of Rent, Additional Rent or other sum and pursue any other remedies available to Landlord. No receipt of money by Landlord from Tenant after the termination of this Lease or Tenant's right of possession of the Premises shall reinstate, continue or extend the Term.

49. **Attorney's Fees.** In the event either party hereto fails to comply with any of the terms of this Lease to be complied with on its part or if Tenant holds over its tenancy in violation of this Lease, and the other party commences legal proceedings to enforce the terms of this Lease, the prevailing party in such proceedings shall receive from the other, and such non prevailing party agrees to pay to the prevailing party, the prevailing party's reasonable attorney fees and reasonable costs incurred in connection with such enforcement action or proceedings. In addition, Tenant shall pay all of Landlord's costs, charges and expenses incurred by Landlord for negotiations on transactions with respect to reletting the Premises which are attributable to the balance of the then current Term which Tenant causes Landlord as a result of Tenant's breach of this Lease and without Landlord's fault.

50. **Authorship.** This Lease has been the subject of extensive negotiations between the parties and the interpretation hereof shall not be based upon any presumption that either party has been the drafter hereof.

51. **Headings.** Landlord and Tenant mutually agree that the headings and captions contained in this Lease are inserted for convenience of reference only, and are not to be deemed part of or to be used in construing this Lease.

52. **Complete Agreement.** Any stipulations, representations, promises or agreements, oral or written, made prior to or contemporaneously with this agreement shall have no legal or equitable consequences and the only agreement made and binding upon the parties with respect to the leasing of the Premises is contained herein, and it is the complete and total integration of the intent and understanding of Landlord and Tenant with respect to the leasing of the Premises. No amendment or modification of this Lease shall be valid or binding unless reduced to writing and executed by the parties hereto in the same manner as the execution of this Lease.

53. **Counterparts.** This Lease may be executed in any number of counterparts via facsimile or electronic transmission or otherwise, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

54. **Incorporation of Exhibits.** This Lease is subject to the provisions of the attached Exhibits A-J inclusive, which exhibits are hereby made a part of this Lease.

55. **Waiver of Damages and Limitation of Recourse.** Notwithstanding any provision in this Lease to the contrary, neither party to this Lease shall be liable to the other for any consequential, incidental or punitive damages (including without limitation, any claims for lost profits and/or lost business opportunity). Notwithstanding any provision in this Lease to the contrary, any liability of Landlord under this Lease shall be limited solely to its interest in the Premises (including rents derived therefrom), and in no event shall any personal liability be asserted against Landlord, Landlord's officers, directors,

shareholders, members, employees, or agents, in connection with this Lease nor shall any recourse be had to any other property or assets of Landlord, Landlord's officers, directors, shareholders, members, employees, or agents.

IN TESTIMONY WHEREOF, Landlord and Tenant have caused this Lease to be executed as a sealed instrument, effective as of the day and year first above written.

LANDLORD:

DYN COMMERCIAL HOLDINGS, L.L.C.,
an Illinois limited liability company

DocuSigned by:
Sunil Puri
8D6B75EE5AA2401
By: _____
Name: SUNIL PURI
Title: Manager
Date: May 27, 2016

TENANT:

TOTAL RENAL CARE, INC.,
a California corporation

DocuSigned by:
Mary Anderson
7537D5F6381243B
By: _____
Name: Mary Anderson
Title: Division Vice President
Date: May 27, 2016

**DAVITA HEALTHCARE PARTNERS INC., JOINS
HEREIN FOR THE SOLE AND LIMITED
PURPOSE OF EVIDENCING ITS AGREEMENT
TO FULFILL ITS OBLIGATION TO GUARANTY
THE PAYMENT OF THE TERMINATION FEE
DEFINED UNDER SECTION 6 OF THE LEASE
AGREEMENT.**

DAVITA HEALTHCARE PARTNERS INC.

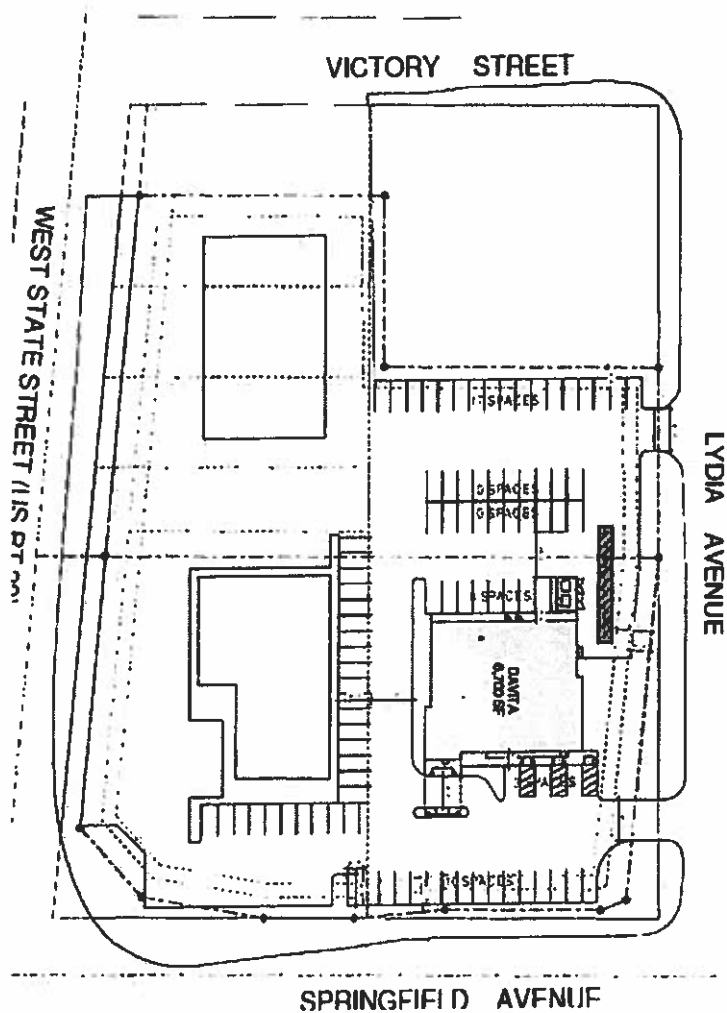
DocuSigned by:
Chitra Goswami
9CFBBAAB033E4B4
By: _____
Name: Chitra Goswami
Title: Vice President, Finance

**FOR TENANT'S INTERNAL USE
APPROVAL AS TO FORM ONLY:**

DocuSigned by:
Mike Geiger
2A4C065AEACD471
By: _____
Name: Mike Geiger
Title: Assistant General Counsel

EXHIBIT A

LEGAL DESCRIPTION/BUILDING SITE PLAN

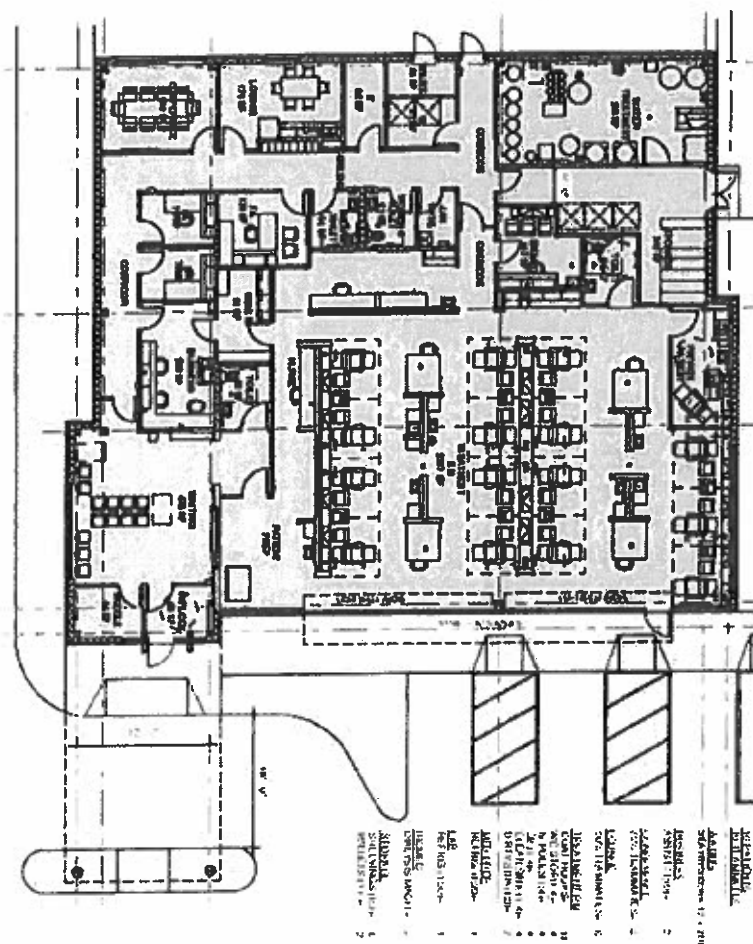


Legal Description

BEG NE COR LT 103 LINCOLN PARK 2ND SUB SE 208.92 FT S 327.8 FT TO N LN W STATE ST WLY 156.78 FT TH N 327.8 FT TO POB (EXC PT TO COUNTY BY 0102325) PT NW 1/4 SEC 20-44-1 ALSO LINCOLN PARK 2ND SUB LTS 95 THRU 98 & LTS 102 & 103 ALSO VAC ALLEY LYG BTWN LTS 97-98-102 & 103 & S 1/2 VAC ALLEY LYG N & ADJ LTS 95 & 96

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EXHIBIT B
PREMISES FLOOR PLAN



PRELIMINARY 03/2015
 11506 11506
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 11506 11506
 11506 11506

Forest City, IL (Facility #11506)
 544003.3

EXHIBIT C

FORM OF COMMENCEMENT DATE MEMORANDUM

With respect to that certain lease ("Lease") dated _____, between _____ ("Landlord") and _____ ("Tenant"), whereby Landlord leased to Tenant and Tenant leased from Landlord space located at _____ (the "Premises"). Tenant and Landlord hereby acknowledge as follows:

- (1) Landlord delivered possession of the Premises to Tenant on _____ (the "Possession Date").
- (2) The Term of the Lease commenced on _____ (the "Commencement Date").
- (3) The Expiration Date of the Lease is _____.
- (4) It is agreed that the first Lease Year shall end on _____ and that each subsequent Lease Year shall end on _____.
- (5) Tenant shall commence payment of Base Rent and Additional Rent on _____.
- (6) The Premises contain _____ rentable square feet of space.
- (7) The last dates upon which the respective renewal options may be exercised are _____, _____, and _____.

All capitalized terms herein, not otherwise defined herein, and shall have the meaning assigned in the Lease.

IN WITNESS WHEREOF, this Commencement Date Memorandum is executed the date(s) set forth below.

LANDLORD:

TENANT:

By: _____

Name: _____

Title: _____

Date: _____

By: _____

Name: _____

Title: _____

Date: _____

Forest City, IL (Facility #11506)
544003.3

**FOR TENANT'S INTERNAL USE
APPROVAL AS TO FORM ONLY:**

By: _____
Name: _____
Title: _____

Forest City, IL (Facility #11506)
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EXHIBIT D

**FORM OF SUBORDINATION, NON-DISTURBANCE
AND ATTORNMENT AGREEMENT**

THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT (this "Agreement") is entered into as of _____, 20__ (the "Effective Date"), between _____ (the "Mortgagee"), and _____ (the "Tenant").

WHEREAS, by Lease dated _____, 20__ (hereinafter called the "Lease"), _____ (hereinafter called "Landlord") has leased to Tenant and Tenant has rented from Landlord the approximately _____ rentable square feet of leased premises ("Tenant's Premises") located within the _____ as more fully described in Exhibit A attached hereto and incorporated by reference (such real property, including all buildings, improvements, structures and fixtures located thereon, "Landlord's Premises").

WHEREAS, Mortgagee has made a loan to Landlord in the original principal amount of \$ _____ (the "Loan"); and

WHEREAS, To secure the Loan, Landlord has encumbered Landlord's Premises by entering into that certain [Mortgage and Security Agreement] dated _____, in favor of Mortgagee (as amended, increased, renewed, extended, spread, consolidated, severed, restated or otherwise changed from time to time, the "Mortgage") recorded on _____, under Clerk's File No. _____, in the Official Public Records of Real Property of the County of _____, State of _____.

WHEREAS, Tenant desires that Mortgagee recognize Tenant's rights under the Lease in the event of foreclosure of Mortgagee's lien, and Tenant is willing to agree to attorn to the purchaser at such foreclosure if Mortgagee will recognize Tenant's right of possession under the Lease.

NOW, THEREFORE, for and in consideration of their respective covenants herein made and the receipt of other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties agree as follows:

1. Definitions.

The following terms shall have the following meanings for purposes of this Agreement.

1.1 Foreclosure Event. A "Foreclosure Event" means: (a) foreclosure under the Mortgage; (b) any other exercise by Mortgagee of rights and remedies (whether under the Mortgage or under applicable Law, including bankruptcy Law) as holder of the Loan and/or the Mortgage, as a result of which Successor Landlord becomes owner of Landlord's Premises; or (c) delivery by Landlord to Mortgagee (or its designee or nominee) of a deed or other conveyance of Landlord's interest in Landlord's Premises in lieu of any of the foregoing.

1.2 Former Landlord. A "Former Landlord" means Landlord and any other party that was a landlord under the Lease at any time before the occurrence of any attornment under this Agreement.

1.3 Offset Right. An "Offset Right" means any right or alleged right of Tenant to any offset, defense (other than one arising from actual payment and performance, which payment and performance would bind a Successor Landlord pursuant to this Agreement), claim, counterclaim, reduction, deduction or abatement against Tenant's payment of Rent or performance of Tenant's other obligations under the Lease, arising (whether under the Lease or other applicable law) from Landlord's breach or default under the Lease.

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1.4. *Rent.* The "*Rent*" means any fixed rent, base rent or additional rent under the Lease.

1.5 *Successor Landlord.* A "*Successor Landlord*" means any party that becomes owner of Landlord's Premises as the result of a Foreclosure Event.

1.6 *Termination Right.* A "*Termination Right*" means any right of Tenant to cancel or terminate the Lease or to claim a partial or total eviction arising (whether under the Lease or under applicable law) from Landlord's breach or default under the Lease.

2. **Subordination.**

The Lease shall be, and shall at all times remain, subject and subordinate to the lien of the Mortgage, and all advances made under the Mortgage.

3. **Non-disturbance, Recognition and Attornment.**

3.1 *No Exercise of Mortgage Remedies Against Tenant.* So long as the Lease has not been terminated on account of Tenant's default (an "Event of Default"), Mortgagee shall not name or join Tenant as a defendant in any exercise of Mortgagee's rights and remedies arising upon a default under the Mortgage unless applicable law requires Tenant to be made a party thereto as a condition to proceeding against Landlord or prosecuting such rights and remedies. In the latter case, Mortgagee may join Tenant as a defendant in such action only for such purpose and not to terminate the Lease or otherwise adversely affect Tenant's rights under the Lease or this Agreement in such action. If Mortgagee joins Tenant in such action, Landlord, by executing the Consent hereinafter set forth, agrees to indemnify, defend and hold Tenant harmless from and against any loss, cost or expense incurred or suffered by Tenant, including without limitation, legal fees, in being a party to or arising from such action, which indemnity shall survive termination or expiration of this Agreement.

3.2 *Non-disturbance and Attornment.* If the Lease has not been terminated on account of an Event of Default by Tenant, then, when Successor Landlord takes title to Landlord's Premises: (a) Successor Landlord shall not terminate or disturb Tenant's possession or quiet enjoyment of Tenant's Premises under the Lease, except in accordance with the terms of the Lease and this Agreement; (b) Successor Landlord shall be bound to Tenant under all the terms and conditions of the Lease (except as provided in this Agreement); (c) Tenant shall recognize and attorn to Successor Landlord as Tenant's direct landlord under the Lease as affected by this Agreement; and (d) the Lease shall continue in full force and effect as a direct lease, in accordance with its terms (except as provided in this Agreement), between Successor Landlord and Tenant.

3.3 *Further Documentation.* The provisions of Section 3 shall be effective and self-operative without any need for Successor Landlord or Tenant to execute any further documents. Tenant and Successor Landlord shall, however, confirm the provisions of Section 3 in writing upon request by either of them.

3.4 *Consent to Lease.* Mortgagee hereby consents to the Lease and all of the terms and conditions thereof.

4. **Protection of Successor Landlord.**

Notwithstanding anything to the contrary in the Lease or the Mortgage, Successor Landlord shall not be liable for or bound by any of the following matters:

4.1 *Claims Against Former Landlord.* Any Offset Right that Tenant may have against any Former Landlord relating to any event or occurrence before the date of attornment, including any claim for damages of any kind whatsoever as the result of any breach by Former Landlord that occurred before the date of attornment unless and to the extent that Mortgagee was furnished notice and opportunity to cure

the same. (The foregoing shall not limit Tenant's right to exercise against Successor Landlord any Offset Right otherwise available to Tenant because of events occurring after the date of attornment, if any).

4.2 **Prepayments.** Any payment of Rent that Tenant may have made to Former Landlord more than thirty (30) days before the date such Rent was first due and payable under the Lease with respect to any period after the date of attornment other than, and only to the extent that, the Lease expressly required such a prepayment.

4.3 **Payment; Security Deposit.** Any obligation: (a) to pay Tenant any sum(s) that any Former Landlord owed to Tenant or (b) with respect to any security deposited with Former Landlord, unless such security was actually delivered to Mortgagee.

4.4 **Lease.** Tenant hereby covenants and agrees that, so long as the Mortgage remains in force and effect:

- (a) **No Modification, Termination or Cancellation.** Tenant shall not consent to any material modification, termination or cancellation of the Lease without Mortgagee's prior written consent, which consent shall not be unreasonably withheld and shall be deemed given if Mortgagee fails to respond in writing within 15 days following receipt of written notice.
- (b) **Notice of Default.** Tenant shall notify Mortgagee in writing concurrently with any notice given to Landlord of any breach of or default by Landlord under the Lease. Tenant agrees that Mortgagee shall have the right (but not the obligation) to cure any breach or default specified in such notice within the time period set forth in the Lease for Landlord's performance.
- (c) **Assignment of Rents.** Upon receipt by Tenant of written notice from Mortgagee that Mortgagee has elected to terminate the license granted to Landlord to collect rents, as provided in the Mortgage, and directing Tenant to make payment thereof to Mortgagee, Tenant shall not be required to determine whether Landlord is in default under any obligations to Mortgagee before complying with such direction and shall not be liable to Landlord for failure to pay Landlord any sums that are paid instead to Mortgagee.

5. **Miscellaneous.**

5.1 **Notices.** All notices or other communications required or permitted under this Agreement shall be in writing and given by certified mail (return receipt requested) or by nationally recognized overnight courier service that regularly maintains records of items delivered. Notices shall be effective the next business day after being sent by overnight courier service, and three (3) business days after being sent by certified mail (return receipt requested). Unless and until notice of a change of address is given under this Agreement, notices or other communications shall be given to Mortgagee and Tenant, respectively, at the following address:

Mortgagee:

Attn: _____

Landlord:

Attn: _____

Tenant:

Attention: Real Estate Legal

Forest City, IL (Facility #11506)
544003.3

2000 16th Street
Denver, CO 80202

With a copy to: relegal@davita.com
Subject: [Clinic #, City, State]

5.2 Successors and Assigns. This Agreement shall bind and benefit the parties their successors and assigns, any Successor Landlord, and its successors and assigns.

5.3 Entire Agreement. This Agreement constitutes the entire agreement between Mortgagee and Tenant regarding the subordination of the Lease to the Mortgage and the rights and obligations of Tenant and Mortgagee as to the subject matter of this Agreement.

5.4 Interaction with Lease and with Mortgage. If this Agreement conflicts with the Lease, then this Agreement shall govern as between the parties to this Agreement and any Successor Landlord, including upon any attornment pursuant to this Agreement. This Agreement supersedes, and constitutes full compliance with, any provisions in the Lease that provide for subordination of the Lease to, or for delivery of non-disturbance agreements by the holder of the Mortgage. Mortgagee confirms that Mortgagee has consented to Landlord's entering into the Lease.

5.5 Interpretation; Governing Law. The interpretation, validity and enforcement of this Agreement shall be governed by and construed under the internal laws of the State where the Premises is located, including its principles of conflict of laws.

5.6 Amendments. This Agreement may be amended, discharged or terminated, or any of its provisions waived, only by a written instrument executed by all parties to this Agreement.

5.7 Execution. This Agreement may be executed electronically and in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

5.8 Representations. Each party represents that it has full authority to enter into this Agreement and that those signatories executing this Agreement on its behalf have full power and authority to executed this Agreement. Mortgagee agrees to keep a copy of this Agreement in its permanent mortgage records with respect to the Loan. This Agreement shall be null and void unless Tenant receives a fully executed original counterpart hereof on or before the sixtieth (60th) day following the date of Tenant's execution.

5.9 Recordation. Upon full execution, this Agreement may be recorded in the real property records of the county in which the Premises is located by either party hereto, provided that the recording party delivers to the other party a copy of the recorded document. The recording party shall be responsible for the costs of recording this Agreement.

[Signature page follows.]

Forest City, IL (Facility #11506)
544003.3

TENANT:

a _____

By: _____

Name: _____

Title: _____

Date: _____

STATE OF COLORADO)
) SS
COUNTY OF DENVER)

I, _____, a Notary Public in and for the County and State aforesaid, do hereby certify that _____ the _____, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me in person and acknowledged that he/she signed, sealed and delivered the said instrument as his/her own free and voluntary act and as the free and voluntary act of said limited liability company, for the uses and purposes therein set forth.

Given under my hand and notarial seal this _____ day of _____, 20__.

Notary Public

My Commission Expires: _____

LANDLORD'S CONSENT

Landlord consents and agrees to the foregoing Agreement (including without limitation, the provisions of Section 3.1 & 4.4), which was entered into at Landlord's request. The foregoing Agreement shall not alter, waive or diminish any of Landlord's obligations under the Mortgage or the Lease. The above Agreement discharges any obligations of Mortgagee under the Mortgage and related loan documents to enter into a non-disturbance agreement with Tenant and the obligations of Tenant to enter into a subordination agreement with Mortgagee.

LANDLORD:

By: _____

Name: _____

Title: _____

Date: _____

STATE OF _____)
COUNTY OF _____) SS

I, _____, a Notary Public in and for the County and State aforesaid, do hereby certify that _____ the _____ of _____, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me in person and acknowledged that he/she signed, sealed and delivered the said instrument as his/her own free and voluntary act and as the free and voluntary act of said limited liability company, for the uses and purposes therein set forth.

Given under my hand and notarial seal this _____ day of _____, 20__.

Notary Public

My Commission Expires: _____

Exhibit A to
Subordination, Attornment and Non-Disturbance Agreement
Landlord's Premises

Forest City, IL (Facility #11506)
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EXHIBIT E

FORM OF ESTOPPEL CERTIFICATE

THIS ESTOPPEL CERTIFICATE is made as of the ____ day of ____, 200__ by ____ in connection with that certain Lease Agreement dated ____ by and between ____, as Tenant and ____, as Landlord (the "Lease") for the premises located at ____ (the "Premises").

[Landlord/Tenant] hereby certifies to the best of [Landlord's/Tenant's] knowledge to ____ as follows:

1. The Lease consists of the following documents: [list documents]. There are no other oral or written agreements or understandings between Landlord and Tenant relating to the Premises.
2. To [Landlord's/Tenant's] knowledge and belief, the information set forth below is true and correct as of the date hereof:
 - (a) Approximate square footage of the Premises: ____ rentable square feet
 - (b) Monthly installment of Rent as of the date hereof: \$ ____
 - (c) Commencement Date: ____
 - (d) Termination date: ____
 - (e) Security deposit: ____
 - (f) Prepaid rent in the amount of: ____
 - (g) Renewal Options: ____
3. Tenant has accepted possession of the Premises and is in occupancy thereof under the Lease. As of the date hereof, the Lease is in full force and effect.
4. To the best of Tenant's/Landlord's actual knowledge and belief, without inquiry or investigation, there exists no default, no facts or circumstances exist that, with the passage of time or giving of notice, will or could constitute a default, event of default, or breach on the part of either Tenant or Landlord except ____.
5. No rent has been or will be paid more than 30 days in advance.
6. All legal notices to Tenant shall be sent to:

Tenant:

c/o DaVita HealthCare Partners, Inc.
Attention: Real Estate Legal
2000 16th Street
Denver, CO 80202

With a copy to:

relegal@davita.com
Subject: [Clinic #, City, State]

[Signature page follows.]

IN WITNESS WHEREOF, [Tenant/Landlord] has executed this Estoppel Certificate as of the date first above written.

[TENANT/LANDLORD]:

a _____

By: _____
Name: _____
Title: _____

Forest City, IL (Facility #11506)
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Attachment - 2

EXHIBIT F

LANDLORD'S WORK

Certified Pad Work:

1. **Compaction.** The soils where the Building is to be located shall be compacted to 95% Standard Proctor at the time measured and certified by Landlord or its contractor.
- 1.
2. **Zoning.** Any Special Use Permit required for the operation of the Premises for the Permitted Use.
3. **Utilities.** All utilities to be provided within five (5) feet of the building foundation. Landlord shall be responsible for all tap/connection and impact fees for all utilities. All utilities to be coordinated with Tenant's Architect.
4. **Plumbing.** Landlord shall stub the dedicated water line within five feet of the building foundation. Building sanitary drain size will be determined by Tenant's mechanical engineer based on total combined drainage fixture units (DFU's) for the entire building, but not less than 4 inch diameter. The drain shall be stubbed into the building per location coordinated by Tenant at an elevation no higher than 4 feet below finished floor elevation, to a maximum of 10 feet below finished floor elevation and within five feet from the building.
5. **Electrical.** Landlord shall extend the primary to the transformer location selected by the utility. Tenant shall be responsible for the secondary to the Building.
6. **Gas.** Landlord shall provide natural gas service, at a minimum will be rated to have 6' water column pressure and supply 800,000 BTU's. Natural gas pipeline shall be stubbed to within five feet of the building foundation.
7. **Telephone.** Landlord shall provide a single 2" PVC underground conduit entrance into Tenant's utility room to serve as chase way for new telephone service. Entrance conduit locations shall be coordinated with Tenant.
8. **Cable TV.** Landlord shall provide a single 2" PVC underground conduit entrance into Tenant's utility room to serve as a chase way for new cable television service. Entrance conduit location shall be coordinate with Tenant. Tenant shall have the right to place a satellite dish on the roof and run appropriate electrical cabling from the Premises to such satellite dish and/or install cable service to the Premises at no additional fee. Landlord shall reasonably cooperate and grant right of access with Tenant's satellite or cable provider to ensure there is no delay in acquiring such services.
9. **Tenant's Building Permit.** Landlord shall complete any other work or requirements necessary for Tenant to obtain a permit for the construction of the Building shell and Tenant improvements from the Village of Machesney Park, Illinois or any other applicable authority from which Tenant must receive a permit for its work.

Notwithstanding anything to the contrary contained hereinabove, Tenant acknowledges that Landlord may not be able to complete the stub for the sanitary sewer service as part of the Certified Pad Work and that such work may be completed within thirty (30) days of the Actual Delivery Date of the Certified Pad.

Exterior Site Development Work:

1. **Handicap Accessibility.** Full compliance with ADA and all local jurisdictions' handicap requirements. Landlord shall comply with all ADA regulations affecting the entrance to the Premises, including but not limited to, concrete curb cuts, ramps and walk approaches to/from

Forest City, IL (Facility #11506)
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the parking lot, parking lot striping for four (4) dedicated handicap stalls for a unit up to 20 station clinic and six (6) handicapped stalls for units over 20 stations, handicap stalls inclusive of pavement markings and stall signs with current local provisions for handicap parking stalls, delivery areas and walkways.

Finish floor elevation is to be determined per Tenant's architectural plan in conjunction with Tenant's civil engineering and grading plans. If required, Landlord to construct concrete ramp of minimum 5' width, provide safety rails if needed, provide gradual transitions from overhead canopy and parking lot grade to finish floor elevation. Concrete surfaces to be troweled for slip resistant finish condition accord to accessible standards.

2. Site Development Scope of Requirements:

Landlord to provide Tenant with a site boundary and topographic ALTA survey, civil engineering and grading plans prepared by a registered professional engineer. Civil engineering plan is to include necessary details to comply with municipal standards. Plans will be submitted to Tenant's Architect for coordination purposes. Site development is to include the following:

- Utility extensions, service entrance locations, inspection manholes.
- Parking lot design, stall sizes per municipal standard in conformance to zoning requirement;
- Site grading with storm water management control measures (detention/retention/restrictions);
- Refuse enclosure location & construction details for trash and recycling;
- Handicap stall location to be as close to front entrance as possible;
- Side walk placement for patron access, delivery via service entrance;
- Concrete curbing for greenbelt management;
- Site lighting;
- Conduits for Tenant's signage;
- Site and parking to accommodate tractor trailer 8 wheel truck delivery access to service entrance;
- Ramps and curb depressions;
- Landscaping shrub and turf as required per municipality;
- Irrigation system if Landlord so desires and will be designed by landscape architect and approved by planning department;
- Construction details, specifications/standards of installation and legends;
- Final grade will be sloped away from Building.

3. **Refuse Enclosure.** Landlord to provide a minimum 6" thick reinforced concrete pad approximate 100 to 150 SF based on Tenant's requirements and an 8' x 12' apron way to accommodate dumpster and vehicle weight. Enclosure to be provided as required by local codes.
4. **Generator.** Landlord to allow a generator to be installed onsite if required by code or Tenant chooses to provide one.
5. **Site Lighting.** Landlord to provide adequate lighting per code and to illuminate all parking, pathways, and building access points readied for connection into Tenant's power panel. Location of pole fixtures per Landlord's civil plan to maximize illumination coverage across site. Parking lot lighting to include a timer (to be programmed to Tenant's hours of operation) or a photocell. Parking lot lighting shall be connected to and powered by Landlord house panel, if multi-tenant building) and equipped with a code compliant 90 minute battery back up at all access points.
6. **Parking Lot.** Landlord shall provide adequate amount of handicap and standard parking stalls in accordance with dialysis use and overall building uses. Stalls to receive striping, lot to receive traffic directional arrows and concrete parking bumpers. Bumpers to be firmly spike anchored in place onto the asphalt per stall alignment.

Asphalt wearing and binder course to meet geographical location design requirements for parking area and for truck delivery driveway.

Asphalt to be graded gradual to meet handicap and civil site slope standards, graded into and out of new patient drop off canopy and provide positive drainage to in place storm catch basins leaving surface free of standing water, birth baths or ice build ups potential.

Notwithstanding anything to the contrary contained herein, in order to avoid damage to the the asphalt in the parking field during Tenant's construction of the Building, Landlord shall not commence the top course paving of the parking lot, including striping of the parking field ("Top Course Work") by the Exterior Date. The Top Course Work shall be completed within thirty (30) days of Tenant's commencement of Tenant's interior Improvement Work, provided that Tenant will provide Landlord with not less than thirty (30) days notice of its commencement of its interior Improvement Work. Notwithstanding the foregoing, if Landlord has not then received notice from Tenant regarding the commencement of the Tenant's interior Improvement Work, Landlord may commence the Top Course Work on October 15.

7. **Site Signage.** Landlord to allow for an illuminated site and/or façade mounted signs. Power and a receptacle to be installed for Tenant's pylon/monument sign.

EXHIBIT G

FORM MEMORANDUM OF LEASE

Prepared by and Return to:

Parcel ID: _____

MEMORANDUM OF LEASE

This Memorandum of Lease (this "Memorandum") is made and entered into this ____ day of _____, 20__, by and between _____ a _____ ("Landlord") and _____ a _____ ("Tenant"). Tenant and Landlord agree to and acknowledge the following matters:

1. Landlord and Tenant entered into that certain _____ Lease Agreement dated as of _____, 20__ (the "Lease"), wherein Landlord has leased to Tenant, and Tenant has leased from Landlord, subject to the terms, covenants and conditions contained therein, space consisting of approximately _____ rentable square feet (the "Premises"), located at _____ in _____, as legally described on Exhibit A, attached and incorporated herein by reference (the "Property").

2. The term of the Lease is for an initial period of _____ [weeks/months/years] commencing upon the earlier of the Possession Date or the Commencement Date, as defined in the Lease, (the "Lease Term"), subject to a right to extend and renew the Lease for _____ successive additional periods of _____ [weeks/months/years] each.

3. Pursuant to the Lease, Tenant has [the/an] [right of first option to lease adjacent premises located on the Property] [option to purchase the Property].

4. The Lease contains certain restrictions on Landlord's ability to sell, rent or permit any property owned, leased or controlled by Landlord or any affiliate of Landlord to a business that provides renal dialysis, renal dialysis home training, any aphaeresis service(s) or similar blood separation or cell collection procedures within a _____ mile radius of the Property.

5. The address of Landlord is _____.

6. The address of Tenant is _____.

7. The purpose of this Memorandum is to give record notice to all persons that Tenant has a leasehold interest in the Premises with related use exclusivity rights, [and right of first refusal/options rights] pursuant to the Lease, in addition to other rights and obligations created therein, all of which are confirmed.

8. Any capitalized terms utilized herein that are not otherwise defined shall be deemed to have the same meaning as set forth in the Lease.

9. In the event of a conflict between the terms of the Lease and the terms of this Memorandum, the terms of the Lease shall control.

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10. This Memorandum may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum as of the day and year first above written.

LANDLORD

TENANT

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

STATE OF _____)
COUNTY OF _____) ss.

The foregoing instrument was acknowledged before me this _____ day of _____, 20__ by _____, the _____ of _____, a _____ on behalf of the _____.

My commission expires: _____

Notary Public

STATE OF _____)
COUNTY OF _____) ss.

The foregoing instrument was acknowledged before me this _____ day of _____, 20__ by _____, the _____ of _____, a _____ on behalf of the _____.

My commission expires: _____

Notary Public

EXHIBIT A TO MEMORANDUM OF LEASE

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Attachment - 2

EXHIBIT H

TITLE EXCEPTIONS

To be provided by Landlord, subject to Tenant's review and reasonable approval.

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EXHIBIT I

FORM OF RELEASE OF MEMORANDUM OF LEASE

[TO BE CONFORMED TO COUNTY RECORDING REQUIREMENTS]

Prepared by and Return to:

Parcel ID: _____

RELEASE OF MEMORANDUM OF LEASE

This Release of Memorandum of Lease (this "Release") is made and entered into this ____ day of _____, 20__, by and between _____, a _____ ("Landlord") and _____, a _____ ("Tenant"). Tenant and Landlord agree to and acknowledge the following matters:

1. Landlord and Tenant entered into that certain _____ Lease Agreement dated as of _____, 20__ (the "Lease"), wherein Landlord has leased to Tenant, and Tenant has leased from Landlord, subject to the terms, covenants and conditions contained therein, space consisting of approximately _____ rentable square feet (the "Premises"), located at _____ in _____, as legally described on Exhibit A, attached and incorporated herein by reference (the "Property").

2. In connection with the Lease, Landlord and Tenant executed and caused to be recorded that certain Memorandum of Lease dated _____, 20__ and recorded on _____, 20__ at Book _____, Page _____ of the real property records of the Clerk and Recorder of _____ County in the State of _____ (the "Memorandum").

3. As the Lease has expired or terminated, Landlord and Tenant hereby terminate and release the Memorandum, which shall upon recordation of this Release be rendered null, void and of no further effect.

4. This Release may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

[Signature pages follow]

Forest City, IL (Facility #11506)
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Attachment - 2

IN WITNESS WHEREOF, the parties hereto have executed this Release as of the day and year first above written.

LANDLORD:

[LANDLORD ENTITY],

a _____

By: _____

Name: _____

Title: _____

Date: _____

STATE OF _____)
) SS

COUNTY OF _____)

I, _____, a Notary Public in and for the County and State aforesaid, do hereby certify that _____ the _____ of _____, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me in person and acknowledged that he/she signed, sealed and delivered the said instrument as his/her own free and voluntary act and as the free and voluntary act of said _____, for the uses and purposes therein set forth.

Given under my hand and notarial seal this _____ day of _____, 20__.

Notary Public

My Commission Expires: _____

TENANT:

[DAVITA ENTITY],

a _____

By: _____

Name: _____

Title: _____

Date: _____

STATE OF _____)
) SS
COUNTY OF _____)

I, _____, a Notary Public in and for the County and State aforesaid, do hereby
certify that _____ the _____ of
_____, who is personally known to me to be the same person whose
name is subscribed to the foregoing instrument, appeared before me in person and acknowledged that he/she
signed, sealed and delivered the said instrument as his/her own free and voluntary act and as the free and
voluntary act of said _____, for the uses and purposes therein set forth.

Given under my hand and notarial seal this _____ day of _____, 20____.

Notary Public

My Commission Expires: _____

EXHIBIT A
TO
RELEASE OF MEMORANDUM OF LEASE

Forest City, IL (Facility #11506)
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EXHIBIT J

FORM OF SECURITY AGREEMENT

**TI FUNDS AGREEMENT
AND ESCROW INSTRUCTIONS**

THIS TI FUNDS AGREEMENT AND ESCROW INSTRUCTIONS (this "Agreement") shall be effective as of the date of the last execution hereof ("Effective Date") and is entered into by DYN COMMERCIAL HOLDINGS, L.L.C., an Illinois limited liability company ("Landlord"), and TOTAL RENAL CARE, INC., a California corporation ("Tenant").

WITNESSETH

WHEREAS, Landlord and Tenant entered into that certain Lease Agreement dated _____, 2016 (the "Lease") with regard to that certain premises located at 4103 W. State Street, Rockford, Illinois as depicted on Exhibit A of the Lease ("Premises"); and

WHEREAS, pursuant to the Lease, Tenant has agreed to construct the shell of the Building in which the Premises are to be located (the "Shell Construction") and Landlord has agreed to reimburse Tenant the cost of such work on the terms and conditions set forth herein; and

WHEREAS, capitalized terms not otherwise defined herein have the same meanings as are set forth in the Lease.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the benefits to each party resulting herefrom and for other valuable consideration, the receipt and sufficiency of which are irrevocably and unconditionally hereby acknowledged, the parties hereto, intending to be fully legally bound, agree as follows:

1. **TI Funds**. Notwithstanding anything in Section 10 of the Lease to the contrary, the TI Funds shall equal \$931,300 which shall be held in escrow as provided below.
2. **Funding of Escrow**. In connection with the execution hereof, Landlord shall deposit the TI Funds (the "Escrow Funds") with Title Underwriters Agency, ("Escrow Agent") at its office at 1235 N. Mulford Road, Rockford, IL 81107, 815-989-1865 Attention: Jody Mineart, Commercial Closing Coordinator.
3. **Escrow Account**. The Escrow Funds shall be maintained by Escrow Agent in an interest bearing escrow account with a federally insured financial institution (the "Escrow Account"). The Escrow Agent shall hold, invest, administer and disburse the Escrow Funds in accordance with the terms of this Agreement. All accrued interest shall be disbursed to Landlord upon expiration or termination of this Agreement.
4. **Purpose**. This Agreement is entered into for the purpose of depositing into escrow by Landlord the TI Funds. The TI Funds are intended to be used to reimburse the costs of the Shell Construction build out of the Expansion Space located at 4103 W. State Street, Rockford, IL 81101.

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5. **Disbursement Requirements.** In connection with this Agreement, Landlord, Tenant and Escrow Agent shall enter into an escrow trust and disbursing agreement ("Title Company Agreement") at the request of the Escrow Agent, provided the same is consistent with the Agreement and subject to reasonable approval of Landlord and Tenant.
6. **Disbursement of Escrow.** Escrow Agent shall disburse the TI Funds as follows:
 - a. The TI Funds shall be payable in monthly draws on the first day of each month during the performance of the Shell Construction. With each draw request, Tenant shall include sworn statements and lien waivers from each contractor for which payments are being made. Escrow Agent shall disburse to Tenant, from, and only to the extent of, the Escrow Funds, the amount set forth in such draw request, provided all applicable requirements have been met.
 - b. Whenever the Escrow Funds have been fully disbursed by Escrow Agent, this Agreement shall terminate.
7. **General Provisions Relating to Escrow Agent's Rights and Duties:** In addition to the specific terms set forth above, the following general provisions shall apply:
 - a. The Escrow Agent shall be liable as a depositor and disbursing agent only and shall not be liable for any acts or omissions done by it in good faith in accordance with this Agreement.
 - b. Except as set forth in Section 5 and 6 above, the Escrow Agent shall be required to act with respect to the Escrow Funds only upon the written consent of all parties to this Agreement.
 - c. In the event of the failure of the parties to provide written consent to the distribution of the Escrow Funds whenever such consent is required by this Agreement, Escrow Agent may hold the Escrow Funds in its possession until a mutual agreement has been reached between all of the parties to the Agreement or until distribution is legally authorized and ordered by final judgment of a court of competent jurisdiction.
8. **Entire Agreement.** This Agreement and the Lease contain all of the terms agreed upon by the parties with respect to the Escrow Funds.
9. **Successors and Assigns.** This Agreement and all actions taken hereunder in accordance with its terms shall be binding upon and inure to the benefit of Landlord and Tenant and their respective personal representatives, heirs, successors and assigns.
10. **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the state of Illinois.
11. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall constitute an original document, and all of which, together, shall constitute one and the same document. This Agreement may be delivered electronically, and this Agreement may be

executed by facsimile, telecopier or other electronic signatures, which shall be deemed to be valid and as effective as original signature.

[Signature page to follow]

Forest City, IL (Facility #11506)
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Attachment - 2

IN WITNESS WHEREOF, Landlord and Tenant have executed this Agreement as of the dates set forth below.

LANDLORD:

DYN COMMERCIAL HOLDINGS, L.L.C.,
an Illinois limited liability company

By: _____
Name: _____
Title: _____

Date: _____

TENANT:

TOTAL RENAL CARE, INC.,
a California corporation

By: _____
Name: _____
Title: _____

Date: _____

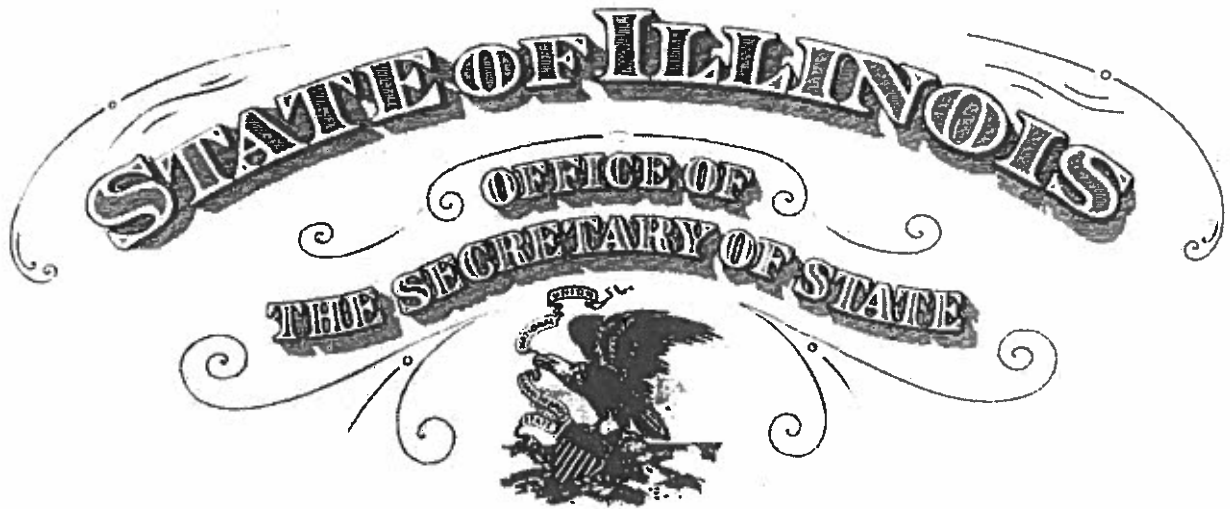
Forest City, IL (Facility #11506)
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Section I, Identification, General Information, and Certification
Operating Entity/Licensee

The Illinois Certificate of Good Standing for Machesney Bay Dialysis, LLC is attached at Attachment – 3.

File Number

0553207-8



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

MACHESNEY BAY DIALYSIS, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON JANUARY 28, 2016, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.



Authentication #: 1929802992 verifiable until 10/25/2020
Authenticate at: <http://www.cyberdriveillinois.com>

***In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 25TH
day of OCTOBER A.D. 2019 .***

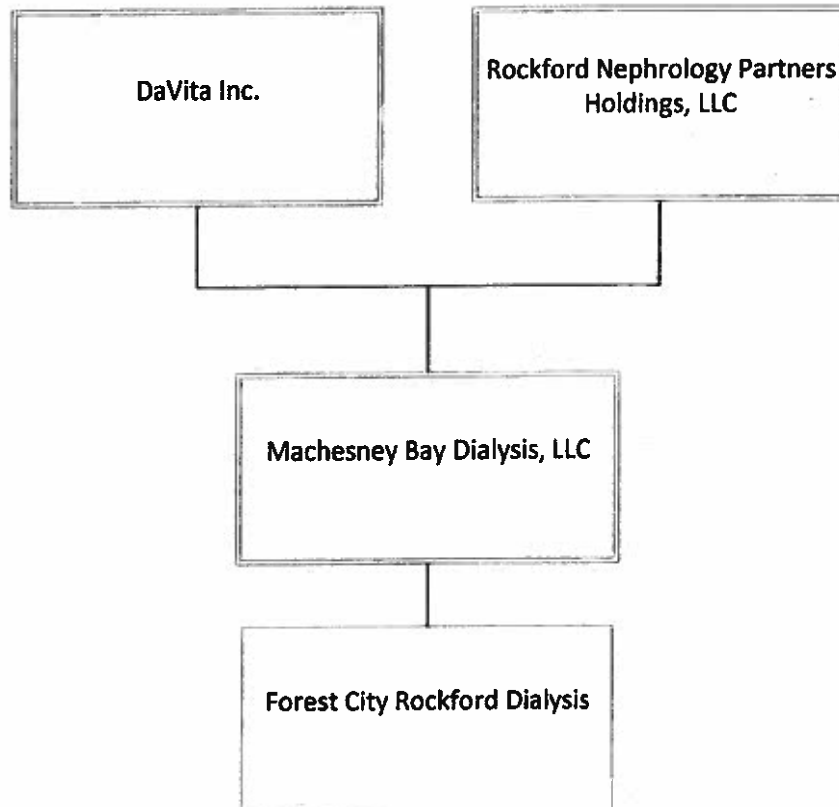
Jesse White

SECRETARY OF STATE

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

The organizational chart for DaVita Inc., Machesney Bay, LLC, and Forest City Rockford Dialysis is attached at Attachment – 4.

**Forest City Rockford Dialysis
Organizational Chart**



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

The proposed expansion of Forest City does not involve construction or major modernization of the clinic. Accordingly, this criterion is not applicable.

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

The proposed expansion of Forest City does not involve demolition, construction of new buildings or major modernization of the existing clinic. Accordingly, this criterion is not applicable.

Section I, Identification, General Information, and Certification
Project Costs and Sources of Funds

[illegible]

Section I, Identification, General Information, and Certification
Project Status and Completion Schedules

The Applicants anticipate project completion within 12 months of project approval.

Section I, Identification, General Information, and Certification
Current Projects

DaVita Current Projects			
Project Number	Name	Project Type	Completion Date
17-014	Rutgers Park Dialysis	Establishment	09/30/2020
17-016	Salt Creek Dialysis	Establishment	12/31/2019
17-029	Melrose Village Dialysis	Establishment	07/31/2020
17-049	Northgrove Dialysis	Establishment	07/31/2020
17-062	Auburn Park Dialysis	Establishment	02/29/2020
17-063	Hickory Creek Dialysis	Establishment	11/30/2019
17-066	North Dunes Dialysis	Establishment	07/31/2020
17-068	Oak Meadows Dialysis	Establishment	04/30/2020
18-001	Garfield Kidney Center	Relocation	06/30/2020
18-017	Marshall Square Dialysis	Establishment	07/31/2020
18-037	Cicero Dialysis	Establishment	01/31/2021
18-048	Sauganash Dialysis	Establishment	04/30/2021

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

Cost Space Table							
Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
CLINICAL							
ESRD	\$1,001,365	6,700				6,700	
Total Clinical	\$1,001,365	6,700				6,700	
NON REVIEWABLE							
NON-CLINICAL							
Total Non-Reviewable							
TOTAL	\$1,001,365	6,700				6,700	

Section III, Project Purpose, Background and Alternatives – Information Requirements
Criterion 1110.110(a) Project Purpose, Background and Alternatives

The Applicants are fit, willing and able, and have the qualifications, background and character to adequately provide a proper standard of health care services for the community. This project is for a 4 station expansion of Forest City Dialysis, a 12 station dialysis clinic located at 198 North Springfield Avenue, Rockford, Illinois 61101.

DaVita Inc. is a leading provider of dialysis services in the United States and is committed to innovation, improving clinical outcomes, compassionate care, education and empowering patients, and community outreach. A copy of DaVita's 2018 Community Care report details DaVita's commitment to quality, patient centric focus and community outreach and was previously included in its Midway Dialysis CON application (Proj. No.19-027). Some key initiatives of DaVita which are covered in that report are also outlined below.

Kidney Disease Statistics

30 million or 15% of U.S. adults are estimated to have CKD.¹ Current data reveals troubling trends, which help explain the growing need for dialysis services:

- Between 2001-2004 and 2013-2016, the overall prevalence estimate for CKD rose from 14.2 to 14.8 percent.²
- Many studies now show that diabetes, hypertension, cardiovascular disease, higher body mass index, and advancing age are associated with the increasing prevalence of CKD.³
- Nearly seven times the number of new patients began treatment for ESRD in 2016 (124,675) versus 1980 (17,903).⁴
- Nearly thirteen times more patients are now being treated for ESRD than in 1980 (726,331 versus 56,435).⁵
- Increasing prevalence in the diagnosis of diabetes and hypertension, the two major causes of CKD; 45% of new ESRD cases have a primary diagnosis of diabetes; 28% have a primary diagnosis of hypertension.⁶
- Lack of access to nephrology care for patients with CKD prior to reaching end stage kidney disease which requires renal replacement therapy continues to be a public health concern. Timely CKD care is imperative for patient morbidity and mortality. Beginning in 2005, CMS began to collect CKD data on patients beginning dialysis. Based on that data, it appears that little

¹ Centers for Disease Control & Prevention, National Center for Chronic Disease Prevention and Health Promotion, National Chronic Kidney Disease Fact Sheet, 2017 (2017) *available at* https://www.cdc.gov/diabetes/pubs/pdf/kidney_factsheet.pdf (last visited Feb. 14, 2019).

² US Renal Data System, USRDS 2018 Annual Data Report: Epidemiology of Kidney Disease in the United States, National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases, Bethesda, MD, 9 (2018).

³ *Id.* at 10.

⁴ *Id.* at 296.

⁵ *Id.* at 309.

⁶ *Id.* at 317.

progress has been made to improve access to pre-ESRD kidney care. For example, in 2016, 20.8% of newly diagnosed ESRD patients had not been treated by a nephrologist prior to beginning dialysis therapy. And among these patients who had not previously been followed by a nephrologist, 80% of those on hemodialysis began therapy with a catheter rather than a fistula. Comparatively, only 36% of those patients who had received a year or more of nephrology care prior to reaching ESRD initiated dialysis with a catheter instead of a fistula.⁷

DaVita's Quality Initiatives and Recognition

Quality Initiatives

DaVita has undertaken many initiatives to improve the lives of patients suffering from chronic kidney disease ("CKD") and ESRD. With the ongoing shift from volume to value in healthcare, providers—more than ever—are focusing their attention on generating optimal clinical outcomes in order to enhance patient quality of life. The extensive tools and initiatives that were built into the DaVita Patient-Focused Quality Pyramid help affiliated physicians succeed in this important undertaking. The pyramid serves as a framework for nephrologists to address the complex factors that impact patients, such as mortality, hospitalizations and the patient experience. Complex programs serve as an important tier in the DaVita Patient-Focused Quality Pyramid. They include:

- Clinical initiatives such as preventing missed treatments and managing vascular access, fluid, infection, medications and diabetes.
- Pneumococcal pneumonia and influenza initiatives: Increase pneumonia and influenza vaccination rates.
- Catheter removal: Help patients transition from central venous catheters (CVCs) to arteriovenous (AV) fistulas to reduce risk of hospitalization from infections and blood clots.
- Dialysis transition management: Support patients through any transition of care to improve outcomes and reduce mortality.

DaVita's patient centered quality programs also include the Kidney Smart, IMPACT, CathAway, and transplant assistance programs. These programs and others are described below.

- To improve access to kidney care services, DaVita and Northwell Health in New York have joint ventured to serve thousands of patients in Queens and Long Island with integrated kidney care. The joint venture will provide kidney care services in a multi-phased approach, including:
 - Physician education and support
 - Chronic kidney disease education
 - Network of outpatient centers
 - Hospital services
 - Vascular access
 - Integrated care
 - Clinical research
 - Transplant services

The joint venture will encourage patients to better utilize in-home treatment options.

- DaVita's Kidney Smart program helps to improve intervention and education for pre-ESRD patients. Adverse outcomes of CKD can often be prevented or delayed through early detection

⁷ Id. at 322.

and treatment. Several studies have shown that early detection, intervention and care of CKD may improve patient outcomes and reduce ESRD as follows:

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

A care plan for patients with CKD includes strategies to slow the loss of kidney function, manage comorbidities, and prevent or treat cardiovascular disease and other complications of CKD, as well as ease the transition to kidney replacement therapy. Through the Kidney Smart program, DaVita offers educational services to CKD patients that can help patients reduce, delay, and prevent adverse outcomes of untreated CKD. DaVita's Kidney Smart program encourages CKD patients to take control of their health and make informed decisions about their dialysis care. DaVita patients who have attended a Kidney Smart class have had 30 percent fewer hospitalizations and 38 percent fewer missed treatments in their first 90 days on dialysis and are six times more likely to start dialysis on a home modality.

- On April 23, 2019, DaVita launched its DaVita Health Tour, which visited 18 communities to provide free health screenings and kidney education. The mobile health clinic included:
 - Diabetes screenings, including a finger-stick glucose test;
 - Biometrics, including blood pressure, height/weight/waist measurement and Body Mass Index (BMI) testing; and
 - Personal and confidential patient results.

Access to free diabetes and blood pressure testing is critical to help identify individuals who may have or be at risk for developing CKD since diabetes and high blood pressure are two of the primary causes. CKD is often symptomless in its early stages, so this testing is essential to diagnose the disease early, when it may be possible to slow the progression of disease or stop it altogether.

- DaVita's IMPACT program seeks to reduce patient mortality rates during the first 90-days of dialysis through patient intake, education and management, and reporting. Through IMPACT, DaVita's physician partners and clinical team have had proven positive results in addressing the critical issues of the incident dialysis patient. The program has helped improve DaVita's overall gross mortality rate, which has fallen 28% in the last 13 years.
- DaVita's CathAway program seeks to reduce the number of patients with central venous catheters ("CVC"). Instead patients receive arteriovenous fistula ("AV fistula") placement. AV fistulas have superior patency, lower complication rates, improved adequacy, lower cost to the healthcare system, and decreased risk of patient mortality compared to CVCs. In July 2003, the Centers for Medicare and Medicaid Services, the End Stage Renal Disease Networks and key providers jointly recommended adoption of a National Vascular Access Improvement Initiative ("NVAII") to increase the appropriate use of AV fistulas for hemodialysis. The CathAway program is designed to comply with NVAII through patient education outlining the benefits for AV fistula placement and support through vessel mapping, fistula surgery and maturation, first cannulation and catheter removal.
- For more than a decade, DaVita has been investing and growing its integrated kidney care capabilities. Through Patient Pathways, DaVita partners with hospitals to provide faster, more

accurate ESRD patient placement to reduce the length of hospital inpatient stays and readmissions. Importantly, Patient Pathways is not an intake program. An unbiased onsite liaison, specializing in ESRD patient care, meets with both newly diagnosed and existing ESRD patients to assess their current ESRD care and provides information about insurance, treatment modalities, outpatient care, financial obligations before discharge, and grants available to ESRD patients. Patients choose a provider/center that best meets their needs for insurance, preferred nephrologists, transportation, modality and treatment schedule.

DaVita currently partners with over 250 hospitals nationwide through Patient Pathways. Patient Pathways has demonstrated benefits to hospitals, patients, physicians and dialysis centers. Since its creation in 2007, Patient Pathways has impacted over 130,000 patients. The Patient Pathways program reduced overall readmission rates by 18 percent, reduced average patient stay by a half-day, and reduced acute dialysis treatments per patient by 11 percent. Moreover, patients are better educated and arrive at the dialysis clinic more prepared and less stressed. They have a better understanding of their insurance coverage and are more engaged and satisfied with their choice of dialysis clinic. As a result, patients have higher attendance rates, are more compliant with their dialysis care, and have fewer avoidable readmissions.

- Home Dialysis

- DaVita is the national leader in home dialysis. It has many initiatives to promote the home modalities and its teammates work hard to support its patients to elect home dialysis, citing its flexibility and convenience, the ability to maintain employment, and its excellent outcomes.

- DaVita consistently invests in technology to support patients at home.

- Home Dialysis Connect is a program to support home patients which includes:

- Home Remote Monitoring, using Bluetooth technology to transmit patient vitals to help clinicians get ahead of destabilizing events.
- A telehealth platform, allows DaVita to conduct online appointments with its patients in the comfort and convenience of their own home.
- DaVita's mobile app supports video visits, customized education, reminders, secure texting and image sharing, allowing consistent and immediate communications with its patients' care teams.
- DaVita uses predictive analytics to help avoid costly hospitalizations and allow patients to stay on home dialysis longer.
- DaVita recently implemented a training model for nurses to become comprehensive health managers for patients with typical co-morbid conditions like diabetes, cardiovascular disease and hypertension, improving our patients' chances of continuing dialysis at home.

- DaVita's innovations in supporting home patients shift more care to the home setting. Just over the last year, DaVita's home program grew at four times the rate of its outpatient program.

- On January 17, 2019, DaVita announced the successful implementation of CKD EHR by Epic. The CKD electronic health record (EHR) system was created alongside Epic, the most widely used and comprehensive health records system, to help improve patient care by transforming the physician information technology (IT) experience. The system was designed to enable better care coordination and increase practice efficiency. The system leverages Epic's interoperability network, Care Everywhere, to share clinical information across health care providers, regardless of which EHR systems other providers use. CKD EHR by Epic also delivers nephrology-specific functionality to support population health management, including a risk stratification model,

workflow tools to help manage the progression of CKD and reporting capabilities to identify gaps of care.

- Since 1996, Village Health has innovated to become the country's largest renal National Committee for Quality Assurance accredited disease management program. VillageHealth's Integrated Care Management ("ICM") services partners with patients, providers and care team members to focus on the root causes of unnecessary hospitalizations such as unplanned dialysis starts, infection, fluid overload and medication management.

VillageHealth ICM services for payers and ACOs provide CKD and ESRD population health management delivered by a team of dedicated and highly skilled nurses who support patients both in the field and on the phone. Nurses use VillageHealth's industry-leading renal decision support and risk stratification software to manage a patient's coordinated needs. Improved clinical outcomes and reduced hospital readmission rates have contributed to improved quality of life for patients. As of 2014, VillageHealth ICM has delivered up to a 25 percent reduction in non-dialysis medical costs for ESRD patients, a 15 percent lower year-one mortality rate over a three-year period, and 48 percent fewer hospital readmissions compared to the Medicare benchmark. Applied to DaVita's managed ESRD population, this represents an annual savings of more than \$30 million.

- **Transplant Education**

- On April 24, 2019, DaVita introduced its multi-media kidney transplant education resource, Transplant Smart. Transplant Smart is a comprehensive education and support program that includes:
 - Motivating peer-to-peer videos intended to help patients learn from others who were once in their position. Topics include everything from "Why transplant?" to "How to find a living donor."
 - Compelling animated videos created to inform patients and their loved ones about what to expect during each key step of the transplant process to help reduce their anxiety and increase their confidence.
 - An illustrated handbook designed to educate DaVita patients about transplant and help them stay organized during their transplant journey.
 - Enhanced guidance and support from a social worker throughout the journey.
 - DaVita expanded its emphasis on transplant education within its Kidney Smart[®] program, a no-cost chronic kidney disease education resource that is open to the community. Kidney Smart, which has educated more than 165,000 participants since 2012, now offers pre-emptive transplant education and will also offer post-class text messages with additional transplant education later this year.
 - On June 6, 2018, DaVita and the University of Chicago Medicine announced the successful implementation of the Transplant Waitlist Support Program. The program's purpose is to help waitlisted patients remain transplant ready by deploying a technology-enabled solution to proactively and electronically exchange patient information between DaVita and the transplant center. Outdated information can cause a patient to be passed over when a transplant opportunity arises.
- **Dialysis Quality Indicators.** In an effort to better serve all kidney patients, DaVita believes in requiring all providers measure outcomes in the same way and report them in a timely and accurate basis or be subject to penalty. There are four key measures that are the most common indicators of quality care for dialysis providers: dialysis adequacy, fistula use rate, nutrition and bone and mineral metabolism. Adherence to these standard measures has been directly linked to 15-20% fewer hospitalizations. On each of these measures, DaVita has demonstrated

superior clinical outcomes, which directly translated into 7% reduction in hospitalizations among DaVita patients.

- **Pharmaceutical Compliance.** DaVita Rx, the first and largest licensed, full-service U.S. renal pharmacy, focuses on the unique needs of dialysis patients. Since 2005, DaVita Rx has helped improve outcomes by delivering medications to dialysis centers or to patients' homes, making it easier for patients to keep up with their drug regimens. DaVita Rx patients have medication adherence rates greater than 80%, almost double that of patients who fill their prescriptions elsewhere, and are correlated with 40% fewer hospitalizations.
- While the number of patients diagnosed with ESRD increases by 5% each year, mortality rates for ESRD have been declining in the United States over the last two decades, particularly when the changing demographic characteristics are taken into account. ESRD patients have lived well on dialysis for 5-10 years and as long as 20-30 years. Importantly, along with improvements in care of ESRD, hospitalization of ESRD patients is also declining.

Awards and Recognition

- **Five Star Quality Ratings.** DaVita led the industry for the fourth year by meeting or exceeding Medicare standards in the Centers for Medicare and Medicaid Services ("CMS") Five-Star Quality Rating System ("Five Star"). DaVita had more three, four and five star clinics than it has ever had in the history of the program.
- **Quality Incentive Program.** DaVita ranked first in outcomes for the fourth straight year in the CMS end stage renal disease ("ESRD") Quality Incentive Program. The ESRD QIP reduces payments to dialysis clinics that do not meet or exceed CMS-endorsed performance standards. DaVita outperformed the other ESRD providers in the industry combined with only 11 percent of clinics receiving adjustments versus 23 percent for the rest of the industry.
- **Coordination of Care.** On September 5, 2018, America's Physician Groups (APG), formerly CAPG, the leading association in the country representing physician organizations practicing capitated, coordinated care, awarded two of DaVita's medical groups - HealthCare Partners in California and The Everett Clinic in Washington - its Standards of Excellence™ Elite Awards. The CAPG's Standards of Excellence™ survey is the industry standard for assessing the delivery of accountable and value based care. Elite awards are achieved by excelling in six domains including Care Management Practices, Information Technology, Accountability and Transparency, Patient-Centered Care, Group Support of Advanced Primary Care and Administrative and Financial Capability.
- **Joint Commission Accreditation.** In October 2018, DaVita Hospital Services, the first inpatient kidney care service to receive Ambulatory Health Care Accreditation from the Joint Commission, received its second reaccreditation. Joint Commission accreditation and certification is recognized nationwide as a symbol of quality that reflects an organization's commitment to meeting certain performance standards. Accreditation allows DaVita to monitor and evaluate the safety of kidney care and apheresis therapies against ambulatory industry standards. The accreditation allows for increased focus on enhancing the quality and safety of patient care; improved clinical outcomes and performance metrics, risk management and survey preparedness. Having set standards in place can further allow DaVita to measure performance and become better aligned with its hospital partners.
- **Military Friendly Employer Recognition.** DaVita has been repeatedly recognized for its commitment to its employees, particularly its more than 1,700 teammates who are reservists, members of the National Guard, military veterans, and military spouses. On July 16, 2018, the Disabled American Veterans recognized DaVita as the 2018 Outstanding Large Employer of the Year. Since 2010, DaVita has hired over 3,000 veteran teammates, offering transitional support

for teammates with a military background. Veteran teammates vary from patient care technicians to the organization's current chief development officer. DaVita has long been committed to honoring retired and active-duty service members and works to help them feel welcome in the community and to transition from life in the military to life as teammates at DaVita.

- **Workplace Awards.** In April 2018, DaVita was certified by WorldBlu as a "Freedom-Centered Workplace." For the eleventh consecutive year, DaVita appeared on WorldBlu's list, formerly known as "most democratic" workplaces. WorldBlu surveys organizations' teammates to determine the level of democracy practiced. For the sixth consecutive year, DaVita was recognized as a Top Workplace by The Denver Post. In 2018, DaVita was recognized among *Training* magazine's Top 125 for its whole-person learning approach to training and development programs for the fourteenth year in a row. DaVita received a Gold LearningElite award from Chief Learning Officer Magazine, which recognized DaVita's exemplary learning and development programs. DaVita has been among the LearningElite for the past six years, and this was its first Gold level recognition. DaVita was one of more than 100 companies from ten industry sectors to join the inaugural 2018 Bloomberg Gender-Equality Index for creating a majority diverse Board of Directors. The index measures gender equality across internal company statistics, employee policies, external community support and engagement and gender-conscious product offerings. Finally, DaVita has been recognized as one of Fortune® Magazine's Most Admired Companies of 2019 – for the twelfth consecutive year and thirteenth year overall.

Service to the Community

- DaVita consistently raises awareness of community needs and makes cash contributions to organizations aimed at improving access to kidney care. DaVita provides significant funding to kidney disease awareness organizations such as the Kidney TRUST, the National Kidney Foundation, the American Kidney Fund, and several other organizations. DaVita Way of Giving program donated \$2.1 million in 2018 to locally based charities across the United States. Its own employees, or members of the "DaVita Village," assist in these initiatives. In 2018, 571 riders participated in Tour DaVita, DaVita's annual charity bike ride, which raised \$1.1 million to support Bridge of Life. Bridge of Life serves thousands of men, women and children around the world through kidney care, primary care, education and prevention and medically supported camps for kids.
- DaVita is committed to sustainability and reducing its carbon footprint. It is the only kidney care company recognized by the Environmental Protection Agency for its sustainability initiatives. In 2010, DaVita opened the first LEED-certified dialysis center in the U.S. Newsweek Green Rankings recognized DaVita as a 2017 Top Green Company in the United States, and it has appeared on the list every year since the inception of the program in 2009. In 2018, DaVita was recognized for the second time by the Dow Jones Sustainability Index (DJSI) as one of only seven U.S. based companies in the Health Care Providers and Services category on this year's DJSI World Index. Since 2013, DaVita has saved 645 million gallons of water through optimization projects. Through toner and cell phone recycling programs, more than \$126,000 has been donated to Bridge of Life. In 2015, Village Green, DaVita's corporate sustainability program, launched a formal electronic waste program and recycled more than 558,000 pounds of e-waste since the program's inception. DaVita recently contracted with Longroad Energy on two virtual power purchase agreements facilitating the development of clean energy projects in Texas. DaVita's share of these projects, a wind farm and solar farm, will generate as much renewable energy as the amount of electricity used by DaVita's North American operations.

In 2018, the U.S. Department of Energy ("DOE") recognized DaVita in its Advanced Rooftop Unit ("RTU") Campaign and awarded DaVita the Communities Award in the Excellence in Corporate Social Responsibility category. DaVita was honored for its leadership in installing more energy efficient RTUs (heating and cooling units) in commercial buildings. DaVita was recognized for the

highest number of automated fault detection and diagnostic ("AFDD") installations on RTUs, having installed 4,889 AFDD systems. DaVita was recognized by the Communitas Awards in Communities Award in the Excellence in Corporate Social Responsibility for its sustainability efforts, which include, saving 643 million gallons of water since 2013 through conservation efforts at dialysis centers; diverting 354,610 pounds of electronic waste from landfills since 2016; and donating more than 34,000 meals to local shelters since 2016 through food waste recovery efforts.

- DaVita does not limit its community engagement to the U.S. alone. Since its inception in 2006, Bridge of Life, the primary program of DaVita Village Trust, an independent 501(c)(3) nonprofit organization, completed a total of 179 international medical missions in 30 countries and 310 domestic screenings. More than 1,300 DaVita volunteers supported these missions, impacting more than 118,000 men, women and children. In 2017, Bridge of Life established a Community Health Worker Program where they trained 13 individuals in Haiti and Nicaragua, allowing Bridge of Life to refer patients to local medical staff with their in-country partners and to ensure those patients receive continued follow-up care. It also developed an electronic medical record (EMR) system, allowing Bridge of Life to go paperless and to enter and maintain patient data more quickly and efficiently. In 2018, Bridge of Life partnered with the Syrian American Medical Society ("SAMS") to screen Syrian refugees in Irbid, Jordan for hypertension, diabetes and kidney disease and to provide health education. In 2019, Bridge of Life partnered with Global Livingston Institute to provide free health services, ongoing prevention education and recommended treatment plans to 3,000 Ugandans. Volunteer teammates from DaVita implemented a newly designed protocol for screening a younger population that focuses on behavioral health change of high-risk habits such as tobacco and alcohol use, physical inactivity and diet. Volunteers screened adults in nearby communities for chronic kidney disease and its root causes such as hypertension and diabetes. The professionals from Bridge of Life use real-time, lab quality testing to identify individuals who have signs of chronic illnesses and offer health education to encourage patients to take a proactive role in their own health. They help ensure that high-risk patients receive the necessary care long-term by working with local clinics and hospitals to establish a referral process.

Other Section 1110.230(a) Requirements

Neither the Centers for Medicare and Medicaid Services nor the Illinois Department of Public Health ("IDPH") has taken any adverse action involving civil monetary penalties or restriction or termination of participation in the Medicare or Medicaid programs against any of the applicants, or against any Illinois health care clinics owned or operated by the Applicants, directly or indirectly, within three years preceding the filing of this application.

A list of health care clinics owned or operated by the Applicants in Illinois is attached at Attachment – 11A. Dialysis clinics are currently not subject to State Licensure in Illinois.

Certification that no adverse action has been taken against either of the Applicants or against any health care clinics owned or operated by the Applicants in Illinois within three years preceding the filing of this application is attached at Attachment – 11B.

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

DaVita Inc.							
Illinois Facilities							
Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number
Adams County Dialysis	436 N 10TH ST		QUINCY	ADAMS	IL	62301-4152	14-2711
Alton Dialysis	3511 COLLEGE AVE		ALTON	MADISON	IL	62002-5009	14-2619
Arlington Heights Renal Center	17 WEST GOLF ROAD		ARLINGTON HEIGHTS	COOK	IL	60005-3905	14-2628
Auburn Park Dialysis	7939 SOUTH WESTERN AVENUE		CHICAGO	COOK	IL	60620	
Barrington Creek	28160 W. NORTHWEST HIGHWAY		LAKE BARRINGTON	LAKE	IL	60010	14-2736
Belvidere Dialysis	1755 BELOIT ROAD		BELVIDERE	BOONE	IL	61008	14-2795
Benton Dialysis	1151 ROUTE 14 W		BENTON	FRANKLIN	IL	62812-1500	14-2608
Beverly Dialysis	8109 SOUTH WESTERN AVE		CHICAGO	COOK	IL	60620-5939	14-2638
Big Oaks Dialysis	5623 W TOUHY AVE		NILES	COOK	IL	60714-4019	14-2712
Brickyard Dialysis	2640 NORTH NARRAGANSETT		CHICAGO	COOK	IL	60639	
Brighton Park Dialysis	4729 SOUTH CALIFORNIA AVE		CHICAGO	COOK	IL	60632	
Buffalo Grove Renal Center	1291 W. DUNDEE ROAD		BUFFALO GROVE	COOK	IL	60089-4009	14-2650
Calumet City Dialysis	1200 SIBLEY BOULEVARD		CALUMET CITY	COOK	IL	60409	14-2817
Carpentersville Dialysis	2203 RANDALL ROAD		CARPENTERSVILLE	KANE	IL	60110-3355	14-2598
Cicero Dialysis	6001 Ogden Avenue		Cicero	Cook	IL	60804	
Centralia Dialysis	1231 STATE ROUTE 161		CENTRALIA	MARION	IL	62801-6739	14-2609
Chicago Heights Dialysis	177 W JOE ORR RD	STE B	CHICAGO HEIGHTS	COOK	IL	60411-1733	14-2635
Chicago Ridge Dialysis	10511 SOUTH HARLEM AVE		WORTH	COOK	IL	60482	14-2793
Churchview Dialysis	5970 CHURCHVIEW DR		ROCKFORD	WINNEBAGO	IL	61107-2574	14-2640
Cobblestone Dialysis	934 CENTER ST	STE A	ELGIN	KANE	IL	60120-2125	14-2715
Collinsville Dialysis	101 LANTER COURT	BLDG 2	COLLINSVILLE	MADISON	IL	62234	
Country Hills Dialysis	4215 W 167TH ST		COUNTRY CLUB HILLS	COOK	IL	60478-2017	14-2575
Crystal Springs Dialysis	720 COG CIRCLE		CRYSTAL LAKE	MCHENRY	IL	60014-7301	14-2716
Decatur East Wood Dialysis	794 E WOOD ST		DECATUR	MACON	IL	62523-1155	14-2599
Dixon Kidney Center	1131 N GALENA AVE		DIXON	LEE	IL	61021-1015	14-2651
Driftwood Dialysis	1808 SOUTH WEST AVE		FREEDPORT	STEPHENSON	IL	61032-6712	14-2747
Edgemont Dialysis	8 VIEUX CARRE DRIVE		EAST ST. LOUIS	ST. CLAIR	IL	62203	
Edwardsville Dialysis	235 S BUCHANAN ST		EDWARDSVILLE	MADISON	IL	62025-2108	14-2701
Effingham Dialysis	904 MEDICAL PARK DR	STE 1	EFFINGHAM	EFFINGHAM	IL	62401-2193	14-2580

DaVita Inc.							
Illinois Facilities							
Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number
Emerald Dialysis	710 W 43RD ST		CHICAGO	COOK	IL	60609-3435	14-2529
Evanston Renal Center	1715 CENTRAL STREET		EVANSTON	COOK	IL	60201-1507	14-2511
Ford City Dialysis	8159 S CICERO AVENUE		CHICAGO	COOK	IL	60652	
Forest City Rockford	4103 W STATE ST		ROCKFORD	WINNEBAGO	IL	61101	
Glenview Dialysis	2601 Compass Road	Suite 145	Glenview	COOK	IL	60026	
Grand Crossing Dialysis	7319 S COTTAGE GROVE AVENUE		CHICAGO	COOK	IL	60619-1909	14-2728
Freeport Dialysis	1028 S KUNKLE BLVD		FREEPORT	STEPHENSON	IL	61032-6914	14-2642
Foxpoint Dialysis	1300 SCHAEFER ROAD		GRANITE CITY	MADISON	IL	62040	
Garfield Kidney Center	3250 WEST FRANKLIN BLVD		CHICAGO	COOK	IL	60624-1509	14-2777
Geneva Crossing Dialysis	540 South Schmale Road		Carol Stream	DuPage	IL	60188	
Granite City Dialysis Center	9 AMERICAN VLG		GRANITE CITY	MADISON	IL	62040-3706	14-2537
Harvey Dialysis	16641 S HALSTED ST		HARVEY	COOK	IL	60426-6174	14-2698
Hazel Crest Renal Center	3470 WEST 183rd STREET		HAZEL CREST	COOK	IL	60429-2428	14-2622
Hickory Creek Dialysis	214 COLLINS STREET		JOLIET	WILL	IL	60432	
Huntley Dialysis	10350 HALIGUS ROAD		HUNTLEY	MCHENRY	IL	60142	
Illini Renal Dialysis	507 E UNIVERSITY AVE		CHAMPAIGN	CHAMPAIGN	IL	61820-3828	14-2633
Irving Park Dialysis	4323 N PULASKI RD		CHICAGO	COOK	IL	60641	
Jacksonville Dialysis	1515 W WALNUT ST		JACKSONVILLE	MORGAN	IL	62650-1150	14-2581
Jerseyville Dialysis	917 S STATE ST		JERSEYVILLE	JERSEY	IL	62052-2344	14-2636
Kankakee County Dialysis	581 WILLIAM R LATHAM SR DR	STE 104	BOURBONNAIS	KANKAKEE	IL	60914-2439	14-2685
Kenwood Dialysis	4259 S COTTAGE GROVE AVENUE		CHICAGO	COOK	IL	60653	14-2717
Lake County Dialysis Services	565 LAKEVIEW PARKWAY	STE 176	VERNON HILLS	LAKE	IL	60061	14-2552
Lake Villa Dialysis	37809 N IL ROUTE 59		LAKE VILLA	LAKE	IL	60046-7332	14-2666
Lawndale Dialysis	3934 WEST 24TH ST		CHICAGO	COOK	IL	60623	14-2768
Lincoln Dialysis	2100 WEST FIFTH		LINCOLN	LOGAN	IL	62656-9115	14-2582
Lincoln Park Dialysis	2484 N ELSTON AVE		CHICAGO	COOK	IL	60647	14-2528
Litchfield Dialysis	915 ST FRANCES WAY		LITCHFIELD	MONTGOMERY	IL	62056-1775	14-2583
Little Village Dialysis	2335 W CERMAK RD		CHICAGO	COOK	IL	60608-3811	14-2668
Logan Square Dialysis	2838 NORTH KIMBALL AVE		CHICAGO	COOK	IL	60618	14-2534
Loop Renal Center	1101 SOUTH CANAL STREET		CHICAGO	COOK	IL	60607-4901	14-2505
Machesney Park Dialysis	7170 NORTH PERRYVILLE ROAD		MACHESNEY PARK	WINNEBAGO	IL	61115	14-2806

DaVita Inc.								
Illinois Facilities								
Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number	
Macon County Dialysis	1090 W MCKINLEY AVE		DECATUR	MACON	IL	62526-3208	14-2584	
Marengo City Dialysis	910 GREENLEE STREET	STE B	MARENGO	MCHENRY	IL	60152-8200	14-2643	
Marion Dialysis	324 S 4TH ST		MARION	WILLIAMSON	IL	62959-1241	14-2570	
Marshall Square Dialysis	2950-3010 West 26th Street		Chicago	COOK	IL	60623		
Maryville Dialysis	2130 VADALABENE DR		MARYVILLE	MADISON	IL	62062-5632	14-2634	
Mattoon Dialysis	6051 DEVELOPMENT DRIVE		CHARLESTON	COLES	IL	61938-4652	14-2585	
Melrose Village	1985 North Mannheim Road		Melrose Park	Cook	IL	60160		
Metro East Dialysis	5105 W MAIN ST		BELLEVILLE	SAINT CLAIR	IL	62226-4728	14-2527	
Montclare Dialysis Center	7009 W BELMONT AVE		CHICAGO	COOK	IL	60634-4533	14-2649	
Montgomery County Dialysis	1822 SENATOR MILLER DRIVE		HILLSBORO	MONTGOMERY	IL	62049	14-2813	
Mount Vernon Dialysis	1800 JEFFERSON AVE		MOUNT VERNON	JEFFERSON	IL	62864-4300	14-2541	
Mt. Greenwood Dialysis	3401 W 111TH ST		CHICAGO	COOK	IL	60655-3329	14-2660	
North Dunes Dialysis	3113 North Lewis Avenue		Waukegan	Lake	IL	60087		
Northgrove Dialysis	2491 INDUSTRIAL DRIVE		HIGHLAND	MADISON	IL	62249		
O'Fallon Dialysis	1941 FRANK SCOTT PKWY E	STE B	O'FALLON	ST. CLAIR	IL	62269	14-2818	
Oak Meadows Dialysis	5020 West 95th Street		OAK LAWN	Cook	IL	60453		
Olney Dialysis Center	117 N BOONE ST		OLNEY	RICHLAND	IL	62450-2109	14-2674	
Olympia Fields Dialysis Center	4557B LINCOLN HWY	STE B	MATTESON	COOK	IL	60443-2318	14-2548	
Palos Park Dialysis	13155 S LaGRANGE ROAD		ORLAND PARK	COOK	IL	60462-1162	14-2732	
Park Manor Dialysis	95TH STREET & COLFAX AVENUE		CHICAGO	COOK	IL	60617		
Pittsfield Dialysis	640 W WASHINGTON ST		PITTSFIELD	PIKE	IL	62363-1350	14-2708	
Red Bud Dialysis	LOT 4 IN 1ST ADDITION OF EAST INDUSTRIAL PARK		RED BUD	RANDOLPH	IL	62278	14-2772	
Robinson Dialysis	1215 N ALLEN ST	STE B	ROBINSON	CRAWFORD	IL	62454-1100	14-2714	
Rockford Dialysis	3339 N ROCKTON AVE		ROCKFORD	WINNEBAGO	IL	61103-2839	14-2647	
Roxbury Dialysis Center	622 ROXBURY RD		ROCKFORD	WINNEBAGO	IL	61107-5089	14-2665	
Rushville Dialysis	112 SULLIVAN DRIVE		RUSHVILLE	SCHUYLER	IL	62681-1293	14-2620	
Rutgers Park Dialysis	8455 WOODWARD AVENUE		WOODRIDGE	DUPAGE	IL	60517		

DaVita Inc.									
Illinois Facilities									
Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number		
Salt Creek Dialysis	196 WEST NORTH AVENUE		VILLA PARK	DUPAGE	IL	60181			
Sauganash Dialysis	4054 WEST PETERSON AVENUE		CHICAGO	COOK	IL	60646			
Sauget Dialysis	2061 GOOSE LAKE RD		SAUGET	SAINT CLAIR	IL	62206-2822	14-2561		
Schaumburg Renal Center	1156 S ROSELLE ROAD		SCHAUMBURG	COOK	IL	60193-4072	14-2654		
Shiloh Dialysis	1095 NORTH GREEN MOUNT RD		SHILOH	ST CLAIR	IL	62269	14-2753		
Silver Cross Renal Center - Morris	1551 CREEK DRIVE		MORRIS	GRUNDY	IL	60450	14-2740		
Silver Cross Renal Center - New Lenox	1890 SILVER CROSS BOULEVARD		NEW LENOX	WILL	IL	60451	14-2741		
Silver Cross Renal Center - West	1051 ESSINGTON ROAD		JOLIET	WILL	IL	60435	14-2742		
South Holland Renal Center	16136 SOUTH PARK AVENUE		SOUTH HOLLAND	COOK	IL	60473-1511	14-2544		
Springfield Central Dialysis	932 N RUTLEDGE ST		SPRINGFIELD	SANGAMON	IL	62702-3721	14-2586		
Springfield Montvale Dialysis	2930 MONTVALE DR	STE A	SPRINGFIELD	SANGAMON	IL	62704-5376	14-2590		
Springfield South	2930 SOUTH 6th STREET		SPRINGFIELD	SANGAMON	IL	62703	14-2733		
Stoncrest Dialysis	1302 E STATE ST		ROCKFORD	WINNEBAGO	IL	61104-2228	14-2615		
Stony Creek Dialysis	9115 S CICERO AVE		OAK LAWN	COOK	IL	60453-1895	14-2661		
Stony Island Dialysis	8725 S STONY ISLAND AVE		CHICAGO	COOK	IL	60617-2709	14-2718		
Sycamore Dialysis	2200 GATEWAY DR		SYCAMORE	DEKALB	IL	60178-3113	14-2639		
Taylorville Dialysis	901 W SPRESSER ST		TAYLORVILLE	CHRISTIAN	IL	62568-1831	14-2587		
Tazewell County Dialysis	1021 COURT STREET		PEKIN	TAZEWELL	IL	61554	14-2767		
Timber Creek Dialysis	1001 S. ANNIE GLIDDEN ROAD		DEKALB	DEKALB	IL	60115	14-2763		
Tinley Park Dialysis	16767 SOUTH 80TH AVENUE		TINLEY PARK	COOK	IL	60477	14-2810		
TRC Children's Dialysis Center	2611 N HALSTED ST		CHICAGO	COOK	IL	60614-2301	14-2604		
Vandalia Dialysis	301 MATTES AVE		VANDALIA	FAYETTE	IL	62471-2061	14-2693		
Vermilion County Dialysis	22 WEST NEWELL ROAD		DANVILLE	VERMILION	IL	61834	14-2812		
Washington Heights Dialysis	10620 SOUTH HALSTED STREET		CHICAGO	COOK	IL	60628			
Waukegan Renal Center	1616 NORTH GRAND AVENUE	STE C	Waukegan	COOK	IL	60085-3676	14-2577		
Wayne County Dialysis	303 NW 11TH ST	STE 1	FAIRFIELD	WAYNE	IL	62837-1203	14-2688		
West Lawn Dialysis	7000 S PULASKI RD		CHICAGO	COOK	IL	60629-5842	14-2719		
West Side Dialysis	1600 W 13TH STREET		CHICAGO	COOK	IL	60608	14-2783		

DaVita Inc.							
Illinois Facilities							
Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number
Whiteside Dialysis	2600 N LOCUST	STE D	STERLING	WHITESIDE	IL	61081-4602	14-2648
Woodlawn Dialysis	5060 S STATE ST		CHICAGO	COOK	IL	60609	14-2310



Richard H. Sewell
Vice Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Dear Vice Chair Sewell:

I hereby certify under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 that no adverse action as defined in 77 IAC 1130.140 has been taken against any in-center dialysis facility owned or operated by DaVita Inc. or Machesney Bay Dialysis, LLC in the State of Illinois during the three year period prior to filing this application.

Additionally, pursuant to 77 Ill. Admin. Code § 1110.110(a)(2)(J) I hereby authorize the Health Facilities and Services Review Board ("HFSRB") and the Illinois Department of Public Health ("IDPH") access to any documents necessary to verify information submitted as part of this application for permit. I further authorize HFSRB and IDPH to obtain any additional information or documents from other government agencies which HFSRB or IDPH deem pertinent to process this application for permit.

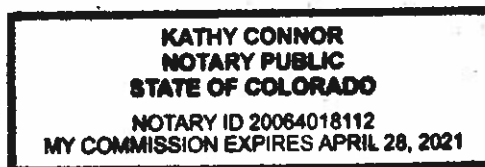
Sincerely,

A handwritten signature in black ink, appearing to read "Michael D. Staffieri".

Print Name: Michael D. Staffieri
Its: Chief Operating Officer, DaVita Inc.
President, Total Renal Care, Inc., Managing Member
of Machesney Bay Dialysis, LLC

Subscribed and sworn to me
This 4th day of October, 2019

A handwritten signature in blue ink, appearing to read "Kathy Connor".

Notary Public

2000 16th Street, Denver, CO 80202 | P (800) 244-0680 | F (310) 536-2675 | DaVita.com

**Section III, Background, Purpose of the Project, and Alternatives – Information Requirements
Criterion 1110.110(b) – Background, Purpose of the Project, and Alternatives**

Purpose of the Project

1. The purpose of this project is to address the need for 6 dialysis stations in HSA 1, and more specifically on the west side of Rockford where Forest City Dialysis is located. In particular, the Forest City in-center hemodialysis clinic complements the large home dialysis training and support program that DaVita operates in the Rockford area. Currently, there are about 120 patients enrolled in the Rockford area home dialysis program which operates out of three different area locations, and DaVita is significantly invested in supporting all patients who opt for the home modalities to be successful with this method. With regard to these additional stations, DaVita has launched a transitional care unit program which provides for certain clinics to have a small unit dedicated to patients who have opted for the home hemodialysis modality or are considering this modality. The transitional care program is intended to reduce hospitalizations during the first 90 days of treatment and to enhance modality education to promote home hemodialysis. This program will also support patients who commence dialysis with little pre-dialysis education due to being "crashers" and will also support patients with severe uremic symptoms who could benefit from more intensive initial treatment support.

Importantly, the Health Services & Resources Administration ("HRSA") designated the west side of Rockford as a low income primary care health professional shortage area ("HPSA"). See Attachment – 12A. HPSAs are geographic areas, population groups, or health care facilities that have been designated by HRSA as having a shortage of health professionals. A low income HPSA is an area where there is a shortage of providers to serve the low income population, i.e., individuals living below 200% of the Federal Poverty Level ("FPL"). According to data from the U.S. Census Bureau an estimated 42 percent of the population residing within 15 miles of Forest City Dialysis live at or below 200% FPL, compared to 30% Statewide. Poverty is a key driver of health status and negatively affects health outcomes. The higher the income level, the greater the resources available to support health and well-being, and the more likely an individual will be able to timely and consistently receive screening and preventative physician services. Poverty is associated with the inability to obtain health insurance and lack of insurance is a primary barrier to health care access, including regular primary care, specialty care, and other health services. In recent years, the state agency responsible for determining Medicaid eligibility (Illinois Department of Healthcare and Family Services) has created barriers to inhibit Medicaid eligible individuals from enrolling in the Medicaid program and also consistently disenrolls individuals it claims did not properly verify ongoing eligibility for services. Importantly, kidney disease and its associated co-morbidities, diabetes and hypertension, are often undetectable by the patient until these diseases late stages when it is often too late to stop or slow the disease progression. As a result, many low-income patients who lack health insurance do not have access to nephrologist care until they are diagnosed and in the later stages of chronic kidney disease ("CKD") when kidney failure is imminent and irreversible. Accordingly, the dialysis use rates among lower income populations are higher than more affluent populations.⁸

Further, advancing age is associated with increasing prevalence of CKD and end stage renal disease ("ESRD"). Thus, the dialysis patient population tends to be a senior population.⁹ While

⁸ Loyola University Health System, *Time Trends in the Association of ESRD Incidence with the Areal-Level Poverty in the US Population*, ScienceDaily, 15 June 2015 available at <https://www.sciencedaily.com/releases/2015/06/150615162902.htm> (last visited Oct. 28, 2019).

⁹ United States Renal Data System, 2018 USRDS annual data report: Epidemiology of kidney disease in the United States, 312-313. National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases, Bethesda, MD, 2018 available at https://www.usrds.org/2018/download/2018_Volume_2_ESRD_in_the_US.pdf (last visited Oct. 28, 2019).

the growth in the incidence and prevalence of ESRD in other populations has remained stable for years, increases in new ESRD cases is present in the 65+ age cohort, which reflects the emergence of the post-World War II baby boomers into the retirement age. The population of the Forest City geographic service area is an aging community. **The zip code data for the 15 mile geographic service area shows population over 65 grew by nearly 30% from 2010 to 2017.** With an aging population combined with high poverty rates, it is imperative dialysis services are available to serve the current and future need for Rockford residents.

Finally, Dr. Charlene Murdakes of Rockford Nephrology Associates is currently treating 118 stage 4 and 5 pre-ESRD patients who reside within 5 miles of Forest City Dialysis. See Appendix - 1. Based upon a selection of some patients for the home modality, attrition due to patient death, transplant, or sustained maintenance of kidney function, it is projected that at least 73 of these patients will require dialysis within 12 to 24 months of project completion. Assuming State Board approval of the additional stations, utilization of the Forest City clinic will exceed the State's 80% standard by the second year after these stations are added. It is important to note that those patients who do not receive nephrology care but rather "crash" into dialysis presenting in a hospital emergency department with acute kidney failure are additional patients who cannot be identified due to lack of these patients receipt of primary care services and referrals to nephrologists.

It is essential the Applicants obtain approval to expand Forest City Dialysis to maintain access to dialysis patients living on the west side of Rockford.

2. A map of the market area for Forest City Rockford Dialysis is attached at Attachment – 12B. The market area encompasses a 15 mile radius around Forest City Rockford Dialysis. The boundaries of the market area are as follows:
 - North 15 miles to Wisconsin state line.
 - Northeast 15 miles to Caledonia, IL.
 - East 15 miles to Belvidere, IL.
 - Southeast 19 miles to Flora, IL.
 - South 15 miles to Holcomb, IL.
 - Southwest 15 miles to Leaf River, IL.
 - West 15 miles to Ridott, IL.
 - Northwest 15 miles to Davis, IL.
3. This project will address the need for stations in HSA 1, and more specifically on the west side of Rockford, which is an HRSA designated low-income HPSA. Poverty is a key driver of health status and negatively affects health outcomes. The higher the income level, the greater the resources available to support health and well-being, and the more likely an individual will be able to timely and consistently receive screening and preventative physician services. Poverty is associated with the inability to obtain health insurance and lack of insurance is a primary barrier to health care access, including regular primary care, specialty care, and other health services. In recent years, the state agency responsible for determining Medicaid eligibility (Illinois Department of Healthcare and Family Services) has created barriers to inhibit Medicaid eligible individuals from enrolling in the Medicaid program and also consistently disenrolls individuals it claims did not properly verify ongoing eligibility for services. Importantly, kidney disease and its associated co-morbidities, diabetes and hypertension, are often undetectable by the patient until these diseases late stages when it is often too late to stop or slow the disease progression. As a result, many low-income patients who lack health insurance do not have access to nephrologist care until they are diagnosed and in the later stages of CKD when kidney failure is imminent and

irreversible. Accordingly, the dialysis use rates among lower income populations are higher than more affluent populations.¹⁰

Further, advancing age is associated with increasing prevalence of CKD and ESRD. Thus, the dialysis patient population tends to be a senior population.¹¹ While the growth in the incidence and prevalence of ESRD in other populations has remained stable for years, increases in new ESRD cases is present in the 65+ age cohort, which reflects the emergence of the post-World War II baby boomers into the retirement age. The population of the Forest City geographic service area is an aging community. **The zip code data for the 15 mile geographic service area shows population over 65 grew by nearly 30% from 2010 to 2017.** With an aging population combined with high poverty rates, it is imperative dialysis services are available to serve the current and future need for Rockford residents.

4. Source Information

Department of Health & Human Services Health Resources & Services Administration, Shortage Areas by Address *available at* <https://data.hrsa.gov/tools/shortage-area/by-address> (last visited Oct. 25, 2019).

U.S. Census Bureau, American Fact Finder *available at* <https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml> (last visited Oct. 25, 2019)

Loyola University Health System, *Time Trends in the Association of ESRD Incidence with the Areal-Level Poverty in the US Population*, ScienceDaily, 15 June 2015 *available at* <https://www.sciencedaily.com/releases/2015/06/150615162902.htm> (last visited Oct. 28, 2019).

United States Renal Data System, 2018 USRDS annual data report: Epidemiology of kidney disease in the United States, 312-313. National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases, Bethesda, MD, 2018 *available at* https://www.usrds.org/2018/download/2018_Volume_2_ESRD_in_the_US.pdf (last visited Oct. 28, 2019)

5. The addition of four dialysis stations at Forest City Dialysis will address the need for stations in HSA 1, and more specifically the need for dialysis services on the west side of Rockford, which is an HRSA designated low income HPSA. Poverty is a key driver of health status and negatively affects health outcomes. The higher the income level, the greater the resources available to support health and well-being, and the more likely an individual will be able to timely and consistently receive screening and preventative physician services. Poverty is associated with the inability to obtain health insurance and lack of insurance is a primary barrier to health care access, including regular primary care, specialty care, and other health services. In recent years, the state agency responsible for determining Medicaid eligibility (Illinois Department of Healthcare and Family Services) has created barriers to inhibit Medicaid eligible individuals from enrolling in the Medicaid program and also consistently disenrolls individuals it claims did not properly verify ongoing eligibility for services. Importantly, kidney disease and its associated co-morbidities, diabetes and hypertension, are often undetectable by the patient until these diseases late stages when it is often too late to stop or slow the disease progression. As a result, many low-income

¹⁰ Loyola University Health System, *Time Trends in the Association of ESRD Incidence with the Areal-Level Poverty in the US Population*, ScienceDaily, 15 June 2015 *available at* <https://www.sciencedaily.com/releases/2015/06/150615162902.htm> (last visited Oct. 28, 2019).

¹¹ United States Renal Data System, 2018 USRDS annual data report: Epidemiology of kidney disease in the United States, 312-313. National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases, Bethesda, MD, 2018 *available at* https://www.usrds.org/2018/download/2018_Volume_2_ESRD_in_the_US.pdf (last visited Oct. 28, 2019).

patients who lack health insurance do not have access to nephrologist care until they are diagnosed and in the later stages of CKD when kidney failure is imminent and irreversible. Accordingly, the dialysis use rates among lower income populations are higher than more affluent populations.¹²

Further, advancing age is associated with increasing prevalence of CKD and ESRD. Thus, the dialysis patient population tends to be a senior population.¹³ While the growth in the incidence and prevalence of ESRD in other populations has remained stable for years, increases in new ESRD cases is present in the 65+ age cohort, which reflects the emergence of the post-World War II baby boomers into the retirement age. The population of the Forest City geographic service area is an aging community. **The zip code data for the 15 mile geographic service area shows population over 65 grew by nearly 30% from 2010 to 2017.** With an aging population combined with high poverty rates, it is imperative dialysis services are available to serve the current and future need for Rockford residents.

6. The Applicants anticipate the expanded Forest City Dialysis will have quality outcomes comparable to other DaVita facilities. Additionally, in an effort to better serve all kidney patients, DaVita believes in requiring all providers measure outcomes in the same way and report them in a timely and accurate basis or be subject to penalty. There are four key measures that are the most common indicators of quality care for dialysis providers: dialysis adequacy, fistula use rate, nutrition and bone and mineral metabolism. Adherence to these standard measures has been directly linked to 15-20% fewer hospitalizations. On each of these measures, DaVita has demonstrated superior clinical outcomes, which directly translated into a 7% reduction in hospitalizations among DaVita patients.

¹² Loyola University Health System, *Time Trends in the Association of ESRD Incidence with the Areal-Level Poverty in the US Population*, ScienceDaily, 15 June 2015 available at <https://www.sciencedaily.com/releases/2015/06/150615162902.htm> (last visited Oct. 28, 2019).

¹³ United States Renal Data System, 2018 USRDS annual data report: Epidemiology of kidney disease in the United States, 312-313. National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases, Bethesda, MD, 2018 available at https://www.usrds.org/2018/download/2018_Volume_2_ESRD_in_the_US.pdf (last visited Oct. 28, 2019).

**Scheduled Maintenance:**

data.HRSA.gov will be intermittently unavailable from 7 p.m. ET on Thursday Oct. 24, 2019, through 2 a.m. ET on Friday Oct. 25, 2019. We apologize for any inconvenience.



Health Resources & Services Administration (<https://www.hrsa.gov>)

[Home \(/\)](#) › [Tools](#) › [Find Shortage Areas \(/tools/shortage-area\)](#) › **Find Shortage Areas by Address**



Find Shortage Areas by Address

Enter an address to determine whether it is located in a shortage area: HPSA Geographic, HPSA Geographic High Needs, or Population Group HPSA or an MUA/P.

Note: This search will not identify facility HPSAs. To find these HPSAs, use the [HPSA Find \(/tools/shortage-area/hpsa-find\)](/tools/shortage-area/hpsa-find) tool.

Start Over

HPSA Data as of 10/24/2019

MUA Data as of 10/24/2019

Address

198 north springfield avenue, rockford, IL

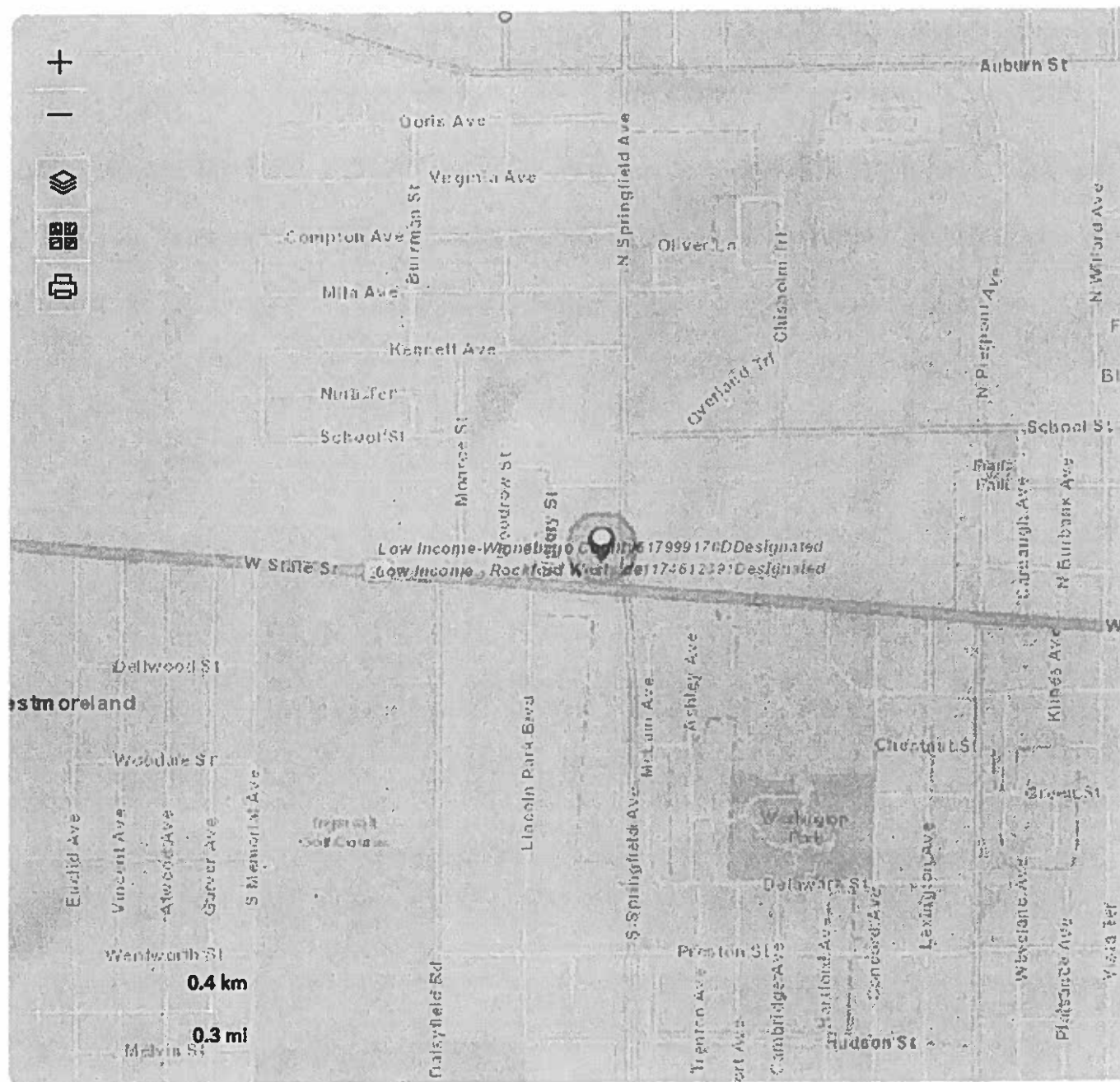
Standardized address

198 N Springfield Ave, Rockford, Illinois, 61101

-118-



Attachment – 12A



Note: The address you entered is geocoded and then compared against the HPSA and MUA/P data in data.HRSA.gov. Due to geoprocessing limitations, the designation cannot be guaranteed to be 100% accurate and does not constitute an official determination.

[+] More about this address

In a Dental Health HPSA: ✓ Yes

HPSA Name: Low Income-Winnebag County

ID: 617999170D

Designation Type: HPSA Population

Status: Designated

-119-

Attachment – 12A

Score:16**Designation Date:**12/29/2017**Last Update Date:**12/29/2017**In a Mental Health HPSA:** ✕ No**In a Primary Care HPSA:** ✓ Yes**HPSA Name:**Low Income - Rockford Westside**ID:**1174612391**Designation Type:**HPSA Population**Status:**Designated**Score:**11**Designation Date:**03/30/2007**Last Update Date:**10/28/2017**In a MUA/P:** ✕ No

About HRSA

HRSA programs provide health care to people who are geographically isolated, economically or medically vulnerable. This includes people living with HIV/AIDS, pregnant women, mothers and their families, and those otherwise unable to access high quality health care. HRSA also supports access to health care in rural areas, the training of health professionals, the distribution of providers to areas where they are needed most, and improvements in health care delivery. Learn more about HRSA »
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Section III, Background, Purpose of the Project, and Alternatives
Criterion 1110.110(d) – Background, Purpose of the Project, and Alternatives

Alternatives

The Applicants considered two options prior to determining to expand Forest City Dialysis by four stations. The options considered are as follows:

1. Do Nothing/Maintain Status Quo
2. Expand Forest City Dialysis

After exploring these options, which are discussed in more detail below, the Applicants decided to expand Forest City Dialysis. A review of each of the options considered and the reasons they were rejected follows.

Do Nothing/Maintain the Status Quo

The Applicants considered the option not to do anything. This would not address the need for 6 stations in HSA 1, and more specifically the west side of Rockford, which is an HRSA designated low income HPSA.

According to data from the U.S. Census Bureau an estimated 42 percent of the population residing within 15 miles of Forest City Dialysis live at or below 200% FPL, compared to 30% Statewide. Poverty is a key driver of health status and negatively affects health outcomes. The higher the income level, the greater the resources available to support health and well-being, and the more likely an individual will be able to timely and consistently receive screening and preventative physician services. Poverty is associated with the inability to obtain health insurance and lack of insurance is a primary barrier to health care access, including regular primary care, specialty care, and other health services. In recent years, the state agency responsible for determining Medicaid eligibility (Illinois Department of Healthcare and Family Services) has created barriers to inhibit Medicaid eligible individuals from enrolling in the Medicaid program and also consistently disenrolls individuals it claims did not properly verify ongoing eligibility for services. Importantly, kidney disease and its associated co-morbidities, diabetes and hypertension, are often undetectable by the patient until these diseases late stages when it is often too late to stop or slow the disease progression. As a result, many low-income patients who lack health insurance do not have access to nephrologist care until they are diagnosed and in the later stages of chronic kidney disease ("CKD") when kidney failure is imminent and irreversible. Accordingly, the dialysis use rates among lower income populations are higher than more affluent populations.¹⁴

Further, advancing age is associated with increasing prevalence of CKD and ESRD. Thus, the dialysis patient population tends to be a senior population.¹⁵ While the growth in the incidence and prevalence of ESRD in other populations has remained stable for years, increases in new ESRD cases is present in the 65+ age cohort, which reflects the emergence of the post-World War II baby boomers into the retirement age. The population of the Forest City geographic service area is an aging community. **The zip code data for the 15 mile geographic service area shows population**

¹⁴ Loyola University Health System, *Time Trends in the Association of ESRD Incidence with the Areal-Level Poverty in the US Population*, ScienceDaily, 15 June 2015 available at <https://www.sciencedaily.com/releases/2015/06/150615162902.htm> (last visited Oct. 28, 2019).

¹⁵ United States Renal Data System, 2018 USRDS annual data report: Epidemiology of kidney disease in the United States, 312-313. National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases, Bethesda, MD, 2018 available at https://www.usrds.org/2018/download/2018_Volume_2_ESRD_in_the_US.pdf (last visited Oct. 28, 2019).

over 65 grew by nearly 30% from 2010 to 2017. With an aging population combined with high poverty rates, it is imperative dialysis services are available to serve the current and future need for Rockford residents.

Finally, Dr. Murdakes is currently treating 118 stage 4 and 5 pre-ESRD patients who reside within 5 miles of Forest City Dialysis. See Appendix - 1. Based upon a selection of some patients for the home modality, attrition due to patient death, transplant, or sustained maintenance of kidney function, it is projected that at least 73 of these patients will require dialysis within 12 to 24 months of project completion. Assuming State Board approval of the additional stations, utilization of the Forest City clinic will exceed the State's 80% standard by the second year after these stations are added. It is important to note that those patients who do not receive nephrology care but rather "crash" into dialysis presenting in a hospital emergency department with acute kidney failure are additional patients who cannot be identified due to lack of these patients receipt of primary care services and referrals to nephrologists.

Given these factors, the DaVita rejected this option.

There is no capital cost with this alternative.

Expand Forest City Dialysis

This project will address the need for stations in HSA 1, and more specifically the need for dialysis services on the west side of Rockford, which is an HRSA designated low income HPSA. Poverty is a key driver of health status and negatively affects health outcomes. The higher the income level, the greater the resources available to support health and well-being, and the more likely an individual will be able to timely and consistently receive screening and preventative physician services. Poverty is associated with the inability to obtain health insurance and lack of insurance is a primary barrier to health care access, including regular primary care, specialty care, and other health services. In recent years, the state agency responsible for determining Medicaid eligibility (Illinois Department of Healthcare and Family Services) has created barriers to inhibit Medicaid eligible individuals from enrolling in the Medicaid program and also consistently disenrolls individuals it claims did not properly verify ongoing eligibility for services. Importantly, kidney disease and its associated co-morbidities, diabetes and hypertension, are often undetectable by the patient until these diseases late stages when it is often too late to stop or slow the disease progression. As a result, many low-income patients who lack health insurance do not have access to nephrologist care until they are diagnosed and in the later stages of CKD when kidney failure is imminent and irreversible. Accordingly, the dialysis use rates among lower income populations are higher than more affluent populations.¹⁶

Further, advancing age is associated with increasing prevalence of CKD and ESRD. Thus, the dialysis patient population tends to be a senior population.¹⁷ While the growth in the incidence and prevalence of ESRD in other populations has remained stable for years, increases in new ESRD cases is present in the 65+ age cohort, which reflects the emergence of the post-World War II baby boomers into the retirement age. The population of the Forest City geographic service area is an aging community. **The zip code data for the 15 mile geographic service area shows population over 65 grew by nearly 30% from 2010 to 2017.** With an aging population combined with high

¹⁶ Loyola University Health System, *Time Trends in the Association of ESRD Incidence with the Areal-Level Poverty in the US Population*, ScienceDaily, 15 June 2015 available at <https://www.sciencedaily.com/releases/2015/06/150615162902.htm> (last visited Oct. 28, 2019).

¹⁷ United States Renal Data System, 2018 USRDS annual data report: Epidemiology of kidney disease in the United States, 312-313. National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases, Bethesda, MD, 2018 available at https://www.usrds.org/2018/download/2018_Volume_2_ESRD_in_the_US.pdf (last visited Oct. 28, 2019).

poverty rates, it is imperative dialysis services are available to serve the current and future need for Rockford residents.

Finally, Dr. Murdakes is currently treating 118 stage 4 and 5 pre-ESRD patients who reside within 5 miles of Forest City Dialysis. See Appendix - 1. Based upon a selection of some patients for the home modality, attrition due to patient death, transplant, or sustained maintenance of kidney function, it is projected that at least 73 of these patients will require dialysis within 12 to 24 months of project completion. Assuming State Board approval of the additional stations, utilization of the Forest City clinic will exceed the State's 80% standard by the second year after these stations are added. It is important to note that those patients who do not receive nephrology care but rather "crash" into dialysis presenting in a hospital emergency department with acute kidney failure are additional patients who cannot be identified due to lack of these patients receipt of primary care services and referrals to nephrologists.

Given the low income and aging population on the west side of Rockford coupled with Dr. Murdakes' large patient base, DaVita decided to add 4 stations to Forest City Dialysis.

The cost associated with this option is **\$1,001,365**.

Section IV, Project Scope, Utilization, and Unfinished/Shell Space
Criterion 1110.234(a), Size of the Project

The Applicants propose to add 4 stations to its existing dialysis clinic for a total of 16 stations. Pursuant to Section 1110, Appendix B of the State Board's rules, the State standard is 360-520 gross square feet per dialysis station for a total of 5,760 – 8,320 gross square feet for 16 dialysis stations. The total gross square footage of the clinical space of Forest City Dialysis is 6,700 gross square feet (or 418.75 GSF per station). Accordingly, the proposed expansion is below State standard per station.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
ESRD	6,700	5,760 – 8,320	N/A	Meets State Standard

Section IV, Project Scope, Utilization, and Unfinished/Shell Space
Criterion 1110.234(b), Project Services Utilization

By the second year of operation, annual utilization at the expanded Forest City Dialysis clinic shall exceed State Board's utilization standard of 80%. Pursuant to Section 1100.630(c) of the State Board's rules, facilities providing in-center hemodialysis should operate their dialysis stations at or above an annual utilization rate of 80%, assuming three patient shifts per day per dialysis station, operating six days per week. Dr. Murdakes is currently treating 118 stage 4 and 5 pre-ESRD patients who reside within 5 miles of Forest City Dialysis. See Appendix - 1. Based upon a selection of some patients for the home modality, attrition due to patient death, transplant, or sustained maintenance of kidney function, it is projected that at least 73 of these patients will require dialysis within 12 to 24 months of project completion. Assuming State Board approval of the additional stations, utilization of the Forest City clinic will exceed the State's 80% standard by the second year after these stations are added. It is important to note that those patients who do not receive nephrology care but rather "crash" into dialysis presenting in a hospital emergency department with acute kidney failure are additional patients who cannot be identified due to lack of these patients receipt of primary care services and referrals to nephrologists.

Table 1110.234(b)					
Utilization					
	Dept./ Service	Historical Utilization (Treatments)	Projected Utilization	State Standard	Met Standard?
2017 ¹⁸	ESRD	N/A	N/A	8,986	N/A
2018	ESRD	2,638	N/A	8,986	No
Year 2	ESRD	N/A	16,068	11,981	Yes

¹⁸ Forest City become Medicare certified on December 19, 2017

Section IV, Project Scope, Utilization, and Unfinished/Shell Space
Criterion 1110.234(c), Unfinished or Shell Space

This project will not include unfinished space designed to meet an anticipated future demand for services.
Accordingly, this criterion is not applicable.

Section IV, Project Scope, Utilization, and Unfinished/Shell Space
Criterion 1110.234(d), Assurances

This project will not include unfinished space designed to meet an anticipated future demand for services. Accordingly, this criterion is not applicable.

Section VII, Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.230(b)(2), Planning Area Need

1. Service to Planning Area Residents

Forest City Dialysis is located within a low income primary care health professional service area as designated by HRSA. The purpose of the project is to ensure the ESRD patient population on the west side of Rockford has access to life sustaining dialysis. As shown in Table 110.230(c)(2) below, Rockford Nephrology Associates referred 38 patients to Forest City Dialysis. All 38 patients reside within the Forest City Dialysis geographic service area. Accordingly this project will serve the residents of the GSA.

Table 110.230(b)(2)		
New Patients by Zip Code to Forest City Dialysis		
Zip Code	City	Patients
61010	Byron	2
61088	Winnebago	1
61101	Rockford	9
61102	Rockford	14
61103	Rockford	4
61104	Rockford	3
61108	Rockford	2
61109	Rockford	2
61114	Rockford	1
Total		38

Section VII, Service Specific Review Criteria**In-Center Hemodialysis****Criterion 1110.230(b)(4), Expansion of In-Center Hemodialysis**

There is currently a need for 6 stations in HSA 1, and the need is particularly acute on the west side of Rockford, which HRSA designated as a low income HPSA. Further, the population on the west side of Rockford is aging. Data for the U.S. Census Bureau shows the over 65 population in the Forest City GSA grew by nearly 30% from 2010 to 2017. The Applicants propose to expand the Forest City Dialysis clinic by four stations for a total of sixteen stations to address the need for dialysis on the west side of Rockford. Dr. Murdakes is currently treating 118 stage 4 and 5 pre-ESRD patients who reside within 5 miles of Forest City Dialysis. See Appendix - 1. Based upon a selection of some patients for the home modality, attrition due to patient death, transplant, or sustained maintenance of kidney function, it is projected that at least 73 of these patients will require dialysis within 12 to 24 months of project completion. Assuming State Board approval of the additional stations, utilization of the Forest City clinic will exceed the State's 80% standard by the second year after these stations are added. It is important to note that those patients who do not receive nephrology care but rather "crash" into dialysis presenting in a hospital emergency department with acute kidney failure are additional patients who cannot be identified due to lack of these patients receipt of primary care services and referrals to nephrologists.

A summary of pre-ESRD patients projected to be referred to the proposed dialysis facility within the first two years after project completion is provided in Table 1110.230(b)(4) below.

Table 1110.230(b)(4) Projected Pre-ESRD Patient Referrals by Zip Code	
Zip Code	Total Patients
61101	26
61102	18
61103	21
61107	33
61111	20
Total	118

Section VII, Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.230(e), Staffing

1. Forest City Dialysis is staffed in accordance with all State and Medicare staffing requirements.
 - a. Medical Director: Charlene Murdakes, M.D. serves as the Medical Director for Forest City Dialysis. A copy of Dr. Murdakes' curriculum vitae is attached at Attachment – 23A.
 - b. As discussed throughout this application, the Applicants seek authority to expand their existing dialysis clinic by 4 stations, resulting in a 16-station dialysis facility. Forest City Dialysis is Medicare certified and fully staffed with a medical director, administrator, registered nurses, patient care technicians, social worker, and registered dietitian.
2. All staff training is under the direction of Forest City Dialysis' Governing Body, utilizing DaVita's comprehensive training program. DaVita's training program meets all State and Medicare requirements. The training program includes introduction to the dialysis machine, components of the hemodialysis system, infection control, anticoagulation, patient assessment/data collection, vascular access, kidney failure, documentation, complications of dialysis, laboratory draws, and miscellaneous testing devices used. In addition, it includes in-depth theory on the structure and function of the kidneys; including, homeostasis, renal failure, ARF/CRF, uremia, osteodystrophy and anemia, principles of dialysis; components of hemodialysis system; water treatment; dialyzer reprocessing; hemodialysis treatment; fluid management; nutrition; laboratory; adequacy; pharmacology; patient education, and service excellence. A summary of the training program is attached at Attachment – 23B.
3. As set forth in the letter from Michael D. Staffieri, Chief Operating Officer of DaVita Inc., attached at Attachment – 23C, Forest City Dialysis will maintain an open medical staff.

Charlene Murdakes, MD
Curriculum Vitae

Biographical Information:

Office Address: RNA of Rockford, LLC
612 Roxbury Road
Rockford, IL. 61107

Date of Birth: August 5, 1976

Employment:

09/13 – Present	RNA of Rockford, LLC Rockford, IL.	M.D.
03/15 – Present	University of Illinois College of Medicine Rockford, IL.	Clinical Instructor

Leadership:

10/16 – Present	Medical Director, Davita Whiteside Dialysis
01/18 - Present	Medical Director, Davita Forest City Dialysis

Education:

08/04-06/08	Rush College of Medicine Chicago, IL.	M.D.
1999-2001	Northern Illinois University DeKalb, IL.	Teacher Certification In Biology
1994-1999	University of Illinois Urbana-Champaign, IL.	Bachelor of Science In Biology

Charlene D. Murdakes, MD

Curriculum Vitae

Page 2

Post Graduate Training:

07/11-06/13	Rush University Medical Center Chicago, IL.	Nephrology Fellowship
07/08-06/11	Rush University Medical Center Chicago, IL.	Internal Medicine Residency

Certification & Licensure:

Illinois License #036.127989

Board Certified by American Board of Internal Medicine, 2011

Board Certified by the American Board of Internal Medicine, Subspecialty Nephrology, 2013

Professional Organization Memberships:

American Society of Nephrology

National Kidney Foundation

American College of Physicians

American Medical Association

**TITLE: BASIC TRAINING IN-CENTER HEMODIALYSIS PROGRAM
OVERVIEW**

Mission

DaVita's Basic Training Program for In-center Hemodialysis provides the instructional preparation and the tools to enable teammates to deliver quality patient care. Our core values of *service excellence, integrity, team, continuous improvement, accountability, fulfillment and fun* provide the framework for the Program. Compliance with State and Federal Regulations and the inclusion of DaVita's Policies and Procedures (P&P) were instrumental in the development of the program.

Explanation of Content

Two education programs for the new nurse or patient care technician (PCT) are detailed in this section. These include the training of new DaVita teammates **without** previous dialysis experience and the training of the new teammates **with** previous dialysis experience. A program description including specific objectives and content requirements is included.

This section is designed to provide a *quick reference* to program content and to provide access to key documents and forms.

The **Table of Contents** is as follows:

- I. Program Overview (TR1-01-01)
- II. Program Description (TR1-01-02)
 - Basic Training Class ICHD Outline (TR1-01-02A)
 - Basic Training Nursing Fundamentals ICHD Class Outline (TR1-01-02B)
 - DVU2069 Enrollment Request (TR1-01-02C)
- III. Education Enrollment Information (TR1-01-03)
- IV. Education Standards (TR1-01-04)
- V. Verification of Competency
 - New teammate without prior experience (TR1-01-05)
 - New teammate with prior experience (TR1-01-06)
 - Medical Director Approval Form (TR1-01-07)
- VI. Evaluation of Education Program
 - Basic Training Classroom Evaluation (Online)
 - Basic Training Nursing Fundamentals ICHD Classroom Evaluation (Online)
- VII. Additional Educational Forms
 - New Teammate Weekly Progress Report for the PCT (TR1-01-09)
 - New Teammate Weekly Progress Report for Nurses (TR1-01-10)
 - Training hours tracking form (TR1-01-11)
- VIII. Initial and Annual Training Requirements for Water and Dialysate Concentrate (TR1-01-12)

**TITLE: BASIC TRAINING FOR IN-CENTER HEMODIALYSIS
PROGRAM DESCRIPTION**

Introduction to Program

The Basic Training Program for In-center Hemodialysis is grounded in DaVita's Core Values. These core values include a commitment to providing *service excellence*, promoting *integrity*, practicing a *team* approach, systematically striving for *continuous improvement*, practicing *accountability*, and experiencing *fulfillment* and *fun*.

The Basic Training Program for In-center Hemodialysis is designed to provide the new teammate with the theoretical background and clinical skills necessary to function as a competent hemodialysis patient care provider.

DaVita hires both non-experienced and experienced teammates. Newly hired teammates must meet all applicable State requirements for education, training, credentialing, competency, standards of practice, certification, and licensure in the State in which he or she is employed. For individuals with experience in the armed forces of the United States, or in the national guard or in a reserve component, DaVita will review the individual's military education and skills training, determine whether any of the military education or skills training is substantially equivalent to the Basic Training curriculum and award credit to the individual for any substantially equivalent military education or skills training.

A non-experienced teammate is defined as:

- A newly hired patient care teammate without prior in-center hemodialysis experience.
- A rehired patient care teammate who left prior to completing the initial training.
- A newly hired or rehired patient care teammate with previous incenter hemodialysis experience who has not provided at least 3 months of hands on dialysis care to patients within the past 12 months.
- A DaVita patient care teammate with experience in a different treatment modality who transfers to in-center hemodialysis. Examples of different treatment modalities include acute dialysis, home hemodialysis, peritoneal dialysis, and pediatric dialysis.

An experienced teammate is defined as:

- A newly hired or rehired teammate who is either certified in hemodialysis under a State certification program or a national commercially available certification program, or can show proof of completing an in-center hemodialysis training program,
- And has provided at least 3 months of hands on in-center hemodialysis care to patients within the past 12 months.

Note:

Experienced teammates who are rehired outside of a 90 day window must complete the required training as outlined in this policy.

Training Program Manual
Basic Training for In-center Hemodialysis
DaVita, Inc.

TR1-01-02

The curriculum of the Basic Training Program for In-center Hemodialysis is modeled after Federal Law and State Boards of Nursing requirements, the American Nephrology Nurses Association Core Curriculum for Nephrology Nursing, and the Board of Nephrology Examiners Nursing and Technology guidelines. The program also incorporates the policies, procedures, and guidelines of DaVita HealthCare Partners Inc.

“Day in the Life” is DaVita’s learning portal with videos for RNs, LPN/LVNs and patient care technicians. The portal shows common tasks that are done throughout the workday and provides links to policies and procedures and other educational materials associated with these tasks thus increasing teammates’ knowledge of all aspects of dialysis. It is designed to be used in conjunction with the “Basic Training Workbook.”

Program Description

The education program for the newly hired patient care provider teammate **without prior dialysis experience** is composed of at least (1) 120 hours didactic instruction and a minimum of (2) 240 hours clinical practicum, unless otherwise specified by individual state regulations.

The **didactic phase** consists of instruction including but not limited to lectures, readings, self-study materials, on-line learning activities, specifically designed in-center hemodialysis workbooks for the teammate, demonstrations, and observations. This education may be coordinated by the Clinical Services Specialist (CSS), a nurse educator, the administrator, or the preceptor.

Within the clinic setting this training includes

- Principles of dialysis
- Water treatment and dialysate preparation
- Introduction to the dialysis delivery system and its components
- Care of patients with kidney failure, including assessment, data collection and interpersonal skills
- Dialysis procedures and documentation, including initiation, monitoring, and termination of dialysis
- Vascular access care including proper cannulation techniques
- Medication preparation and administration
- Laboratory specimen collection and processing
- Possible complications of dialysis
- Infection control and safety
- Dialyzer reprocessing, if applicable

The program also introduces the new teammate to DaVita Policies and Procedures (P&P), and the Core Curriculum for Dialysis Technicians.

**Training Program Manual
Basic Training for In-center Hemodialysis
DaVita, Inc.**

TR1-01-02

The **didactic phase** also includes classroom training with the CSS or nurse educator. Class builds upon the theory learned in the Workbooks and introduces the students to more advanced topics. These include:

- Acute Kidney Injury vs. Chronic Renal Failure
- Adequacy of Hemodialysis
- Complications of Hemodialysis
- Conflict Resolution
- Data Collection and Assessment
- Documentation & Flow Sheet Review
- Fluid Management
- Importance of P&P
- Infection Control
- Laboratory
- Manifestations of Chronic Renal Failure
- Motivational Interviewing
- Normal Kidney Function vs. Hemodialysis
- Patient Self-management
- Pharmacology
- Renal Nutrition
- Role of the Renal Social Worker
- Survey Savvy for Teammates
- The DaVita Quality Index
- The Hemodialysis Delivery System
- Vascular Access
- Water Treatment

Also included are workshops, role play, and instructional videos. Additional topics are included as per specific state regulations.

Theory class concludes with the *DaVita Basic Training Final Exam*. A comprehensive examination score of 80% (unless state requires a higher score) must be obtained to successfully complete this portion of the didactic phase.

The *DaVita Basic Training Final Exam* can be administered as a paper-based exam by the instructor in a classroom setting, or be completed online (DVU2069-EXAM) either in the classroom or in the facility. If the exam is completed in the facility, the new teammate's preceptor will proctor the online exam.

If a score of less than 80% is attained, the teammate will receive additional appropriate remediation and a second exam will be given. The second exam may be administered by the instructor in the classroom setting, or be completed online.

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Basic Training for In-center Hemodialysis
DaVita, Inc.

TR1-01-02

Only the new teammate's manager will be able to enroll the new teammate in the online exam. The CSS or RN Trainer responsible for teaching Basic Training Class will communicate to the teammate's FA to enroll the teammate in DVU2069-EXAM. To protect the integrity of the online exam, the FA must enroll the teammate the same day he/she sits for the test and the exam must be proctored

Note:

- FA teammate enrollment in DVU2069-EXAM is limited to one time.

If the new teammate receives a score of less than 80% on the second attempt, this teammate will be evaluated by the administrator, preceptor, and educator to determine if completion of formal training is appropriate. If it is decided that the teammate should be allowed a third attempt to pass the exam, the teammate should receive appropriate remediation prior to enrollment in the online exam. The enrollment will be done by the Clinical Education and Training Team after submission of the completed form TR1-01-02C DVU2069-EXAM Enrollment Request. Enrollment will be communicated to the FA and the teammate should sit for the exam on the same day he/she is enrolled. The facility preceptor must proctor the exam.

Also included in the **didactic phase** is additional classroom training covering Health and Safety Training, systems/applications training, One For All orientation training, Compliance training, Diversity training, mandatory water classes, emergency procedures specific to facility, location of disaster supplies, and orientation to the facility.

The **clinical practicum phase** consists of supervised clinical instruction provided by the facility preceptor, and/or a registered nurse. During this phase the teammate will demonstrate a progression of skills required to perform the in-center hemodialysis procedures in a safe and effective manner. A *Procedural Skills Verification Checklist* will be completed to the satisfaction of the preceptor, and a registered nurse overseeing the training. The Basic Training Workbook for In-center Hemodialysis will also be utilized for this training and must be completed to the satisfaction of the preceptor and the registered nurse.

Those teammates who will be responsible for the Water Treatment System within the facility are required to complete the Mandatory Educational Water courses and the corresponding skills checklists.

Both the didactic phase and/or the clinical practicum phase will be successfully completed, along with completed and signed skills checklists, prior to the new teammate receiving an independent assignment. The new teammate is expected to attend all training sessions and complete all assignments and workbooks.

The education program for the newly hired patient care provider teammate **with previous dialysis experience** is individually tailored based on the identified learning needs. The initial orientation to the *Health Prevention and Safety Training* will be successfully completed prior to the new teammate working/receiving training in the clinical area. The new teammate will utilize the Basic

TR1-01-02

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Training Workbook for In-center Hemodialysis and progress at his/her own pace under the guidance of the facility's preceptor. This workbook should be completed within a timely manner as to also demonstrate acceptable skill-level.

As with new teammates without previous experience, the **clinical practicum phase** consists of supervised clinical instruction provided by the facility preceptor, and/or a registered nurse. During this phase the teammate will demonstrate the skills required to perform the in-center hemodialysis procedures in a safe and effective manner and a *Procedural Skills Verification Checklist* will be completed to the satisfaction of the preceptor, and a registered nurse overseeing the training.

Ideally teammates with previous experience will also attend Basic Training Class, however, they may opt-out of class by successfully passing the *DaVita Basic Training Final Exam* with a score of 80% or higher. The new experienced teammate should complete all segments of the workbook including the recommended resources reading assignments to prepare for taking the *DaVita Basic Training Final Exam* as questions not only assess common knowledge related to the in-center hemodialysis treatment but also knowledge related to specific DaVita P&P, treatment outcome goals based on clinical initiatives and patient involvement in their care.

After the new teammate with experience has sufficiently prepared for the *DaVita Basic Training Final Exam*, the teammate's manager will enroll him/her in the online exam. To protect the integrity of the exam, the FA must enroll the teammate the same day he/she sits for the test and the exam must be proctored by the preceptor.

If the new teammate with experience receives a score of less than 80% on the *DaVita Basic Training Final Exam*, this teammate will be required to attend Basic Training Class. After conclusion of class, the teammate will then receive a second attempt to pass the Final Exam either as a paper-based exam or online as chosen by the Basic Training instructor and outlined in the section for inexperienced teammates of this policy.

If the new teammate receives a score of less than 80% on the second attempt, this teammate will be evaluated by the administrator, preceptor, and educator to determine if completion of formal training is appropriate. If it is decided that the teammate should be allowed a third attempt to pass the exam, the teammate should receive appropriate remediation prior to enrollment in the online exam. This enrollment will be done by the Clinical Education and Training Team after submission of the completed form TR1-01-02C DVU2069-EXAM Enrollment Request. Enrollment will be communicated to the FA and the teammate should sit for the exam on the same day he/she is enrolled. The facility preceptor must proctor the exam.

The **didactic phase** for nurses regardless of previous experience includes three days of additional classroom training and covers the following topics:

- Nephrology Nursing, Scope of Practice, Delegation and Supervision, Practicing according to P&P

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Orig. 1995

Review Feb 2017

Revision Aug 2014, Oct 2014, Jul 2015, Sep 2015, Oct 2015, Jan 2016, May 2016, Jan 2017

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- Nephrology Nurse Leadership
- Impact – Role of the Nurse
- Care Planning including developing a POC exercise
- Achieving Adequacy with focus on assessment, intervention, available tools
- Interpreting laboratory Values and the role of the nurse
- Hepatitis B – surveillance, lab interpretation, follow up, vaccination schedules
- TB Infection Control for Nurses
- Anemia Management – ESA Hyporesponse: a StarLearning Course
- Survey Readiness
- CKD-MBD – Relationship with the Renal Dietitian
- Pharmacology for Nurses – video
- Workshop
 - Culture of Safety, Conducting a Homeroom Meeting
 - Nurse Responsibilities, Time Management
 - Communication – Meetings, SBAR (Situation, Background, Assessment, Recommendation)
 - Surfing the VillageWeb – Important sites and departments, finding information

Independent Care Assignments

Prior to the new teammate receiving an independent patient-care assignment, the Procedural Skills Verification Checklist must be completed and signed and a passing score of the DaVita Basic Training Final Exam must be achieved.

Note:

Completion of the skills checklist is indicated by the new teammate in the LMS (RN: SKLINV1000, PCT: SKLINV2000) and then verified by the FA.

Following completion of the training, a *Verification of Competency* form will be completed (see forms TR1-01-05, TR1-01-06). In addition to the above, further training and/or certification will be incorporated as applicable by state law.

The goal of the program is for the trainee to successfully meet all training requirements. Failure to meet this goal is cause for dismissal from the training program and subsequent termination by the facility.

Process of Program Evaluation

The In-center Hemodialysis Education Program utilizes various evaluation tools to verify program effectiveness and completeness. Key evaluation tools include the DaVita Basic Training Class Evaluation (TR1-01-08A) and Basic Training Nursing Fundamentals Evaluation (TR1-0108B), the New Teammate Satisfaction Survey and random surveys of facility administrators to determine satisfaction of the training program. To assure continuous improvement within the education program, evaluation data is reviewed for trends, and program content is enhanced when applicable to meet specific needs.

Section VII, Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.230(f), Support Services

Attached at Attachment – 23C is a letter from Michael D. Staffieri, Chief Operating Officer of DaVita Inc. and Machesney Bay Dialysis, LLC, attesting that Forest City Dialysis participates in a dialysis data system, will make support services available to patients, and will provide training for self-care dialysis, self-care instruction, home and home-assisted dialysis, and home training.



Richard H. Sewell
Vice Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Certification of Support Services

Dear Vice Chair Sewell:

I hereby certify under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 and pursuant to 77 Ill. Admin. Code § 1110.230(e) that Forest City Dialysis will maintain an open medical staff.

I also certify the following with regard to needed support services:

- DaVita utilizes an electronic dialysis data system;
- Forest City Dialysis will have available all needed support services required by the Centers for Medicare and Medicaid Services, which may consist of clinical laboratory services, blood bank, nutrition, rehabilitation, psychiatric services, and social services; and
- Patients, either directly or through other area DaVita facilities, will have access to training for self-care dialysis, self-care instruction, and home hemodialysis and peritoneal dialysis.

Sincerely,

Print Name: Michael D. Staffieri
Its: Chief Operating Officer, DaVita Inc.
President, Total Renal Care, Inc., Managing Member
of Machesney Bay Dialysis, LLC

Subscribed and sworn to me
This 4th day of October, 2019

Kathy Connor
Notary Public

KATHY CONNOR
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20064018112
MY COMMISSION EXPIRES APRIL 28, 2021

2000 16th Street, Denver, CO 80202 | P (800) 244-0680 | F (310) 536-2675 | DaVita.com

Section VII, Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.1230(i), Assurances

Attached at Attachment – 23D is a letter from Michael D. Staffieri, Chief Operating Officer of DaVita Inc. and Machesney Bay Dialysis, LLC, certifying that Forest City Dialysis will achieve target utilization by the second year after project completion.



Richard H. Sewell
Vice Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: In-Center Hemodialysis Assurances

Dear Vice Chair Sewell:

Pursuant to 77 Ill. Admin. Code § 1110.230(j), I hereby certify the following:

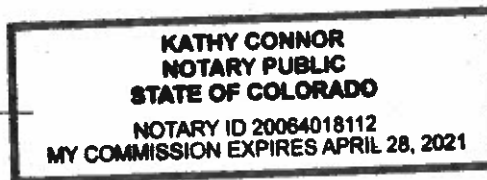
- By the second year after project completion, Forest City Dialysis expects to achieve and maintain 80% target utilization; and
- Forest City Dialysis also expects hemodialysis outcome measures will be achieved and maintained at the following minimums:
 - $\geq 85\%$ of hemodialysis patient population achieves urea reduction ratio (URR) $\geq 65\%$ and
 - $\geq 85\%$ of hemodialysis patient population achieves Kt/V Daugirdas II .1.2

Sincerely,

Print Name: Michael D. Staffieri
Its: Chief Operating Officer, DaVita Inc.
President, Total Renal Care, Inc., Managing Member
of Machesney Bay Dialysis, LLC

Subscribed and sworn to me
This 24th day of October, 2019

Notary Public



Section VIII, Financial Feasibility
Criterion 1120.120 Availability of Funds

The project will be funded entirely with cash and cash equivalents. A copy of DaVita's 2018 10-K Statement evidencing sufficient internal resources to fund the project was previously submitted on March 1, 2019. A copy of the lease for Forest City Dialysis is attached at Attachment – 33.

LEASE AGREEMENT

BY AND BETWEEN

DYN COMMERCIAL HOLDINGS, L.L.C.

("LANDLORD")

AND

TOTAL RENAL CARE, INC.

("TENANT")

FOR SPACE AT

4103 W. State Street, Rockford, Illinois 61101

Dated: May 27, 2016

Forest City, IL (Facility #11506)
544003.3

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EXHIBITS

EXHIBIT A- LEGAL DESCRIPTION/ BUILDING SITE PLAN

EXHIBIT B- PREMISES FLOOR PLAN

EXHIBIT C- FORM OF COMMENCEMENT DATE MEMORANDUM

EXHIBIT D- FORM OF SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

EXHIBIT E- FORM OF ESTOPPEL CERTIFICATE

EXHIBIT F- LANDLORD'S WORK

EXHIBIT G- FORM OF MEMORANDUM OF LEASE

EXHIBIT H – TITLE EXCEPTIONS

EXHIBIT I – FORM OF RELEASE OF MEMORANDUM OF LEASE

EXHIBIT J – FORM OF SECURITY AGREEMENT

DATA SHEET

Landlord: Dyn Commercial Holdings, L.L.C. an Illinois limited liability company,
Address of Landlord: c/o First Rockford Group
 6801 Spring Creek Road
 Rockford, IL 81114

Address for Payment of Rent: c/o First Rockford Group
 6801 Spring Creek Road
 Rockford, IL 81114

Tenant: Total Renal Care, Inc.
Address of Tenant: c/o DaVita Healthcare Partners, Inc.
 Attn: Real Estate Legal
 2000 16th Street
 Denver, CO 80202

Concurrently to:

relegal@davita.com
 Subject: Forest City, IL (#11506)

Premises Address: 4103 W. State Street, Rockford, IL 81101
Premises Rentable Area: approximately 6,700 rentable square feet
Building Rentable Area: approximately 6,700 rentable square feet

Base Rent After Commencement:

Initial Term	Rent/SF	Annual Base Rent	Monthly Base Rent
Months 1 -60, inclusive, including any partial months at the beginning of the Lease Term:	\$23.95	\$160,465	\$13,372.08
Months 61-120 inclusive:	\$26.35	\$176,545	\$14,712.08
First Renewal Term	Rent/SF	Annual Base Rent	Monthly Base Rent
Months 1 -60, inclusive	\$28.99	\$194,233	\$16,186.08
Second Renewal Term	Rent/SF	Annual Base Rent	Monthly Base Rent
Months 1 -60, inclusive	\$31.89	\$213,663	\$17,805.25
Third Renewal Term	Rent/SF	Annual Base Rent	Monthly Base Rent
Months 1 -60, inclusive	\$35.08	\$235,036	\$19,586.34

LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Lease"), made and entered into on May 27, 2016 (the "Effective Date"), by and between DYN COMMERCIAL HOLDINGS, L.L.C., an Illinois limited liability company ("Landlord"), and TOTAL RENAL CARE, INC., a California corporation ("Tenant").

RECITALS:

WHEREAS, Landlord has entered into a purchase agreement (the "Purchase Agreement") to acquire that certain real property located at 4103 West State Street, Rockford, IL (the "Property"), as more particularly described on Exhibit A attached hereto;

WHEREAS, subject to Landlord's acquisition of the Property (the "Acquisition"), Landlord desires to demise, lease and rent unto Tenant, and Tenant desires to rent and lease from Landlord a yet to be constructed space located at the Property, as more particularly described on Exhibit A (the "Building"), together with all improvements thereon and appurtenant rights thereto including, without limitation, parking areas, easements, declarations and rights of way; and

WHEREAS, the Building will contain approximately 6,700 rentable square feet (the "Building Rentable Area") and the leased premises (the "Premises") shall consist of approximately 6,700 rentable square feet (the "Premises Rentable Area") as more fully depicted on the floor plan attached as Exhibit B.

NOW, THEREFORE, for and in consideration of the mutual covenants, promises and agreements herein contained, Landlord does hereby demise, lease and rent unto Tenant and Tenant does hereby rent and lease from Landlord the Premises, under and pursuant to the following terms and conditions:

1. Demise; Premises. Landlord leases to Tenant, and Tenant leases from Landlord, the Premises and all easements and appurtenances related thereto, for the rents, covenants and conditions (including limitations, restrictions and reservations) hereinafter provided, together with parking for Tenant's employees, patients and invitees in the locations shown on Exhibit A and the exclusive right to use all Common Areas (as defined in Section 20.1(a)) of the Building, subject to the title exceptions identified in Exhibit H attached hereto and made a part hereof. In addition, Tenant shall have the right to construct and place a covered drop off canopy at the front entry of the Premises. No rights are conferred on Tenant to and Landlord specifically excepts and reserves to itself, all right to the land and improvements below the floor level of the Premises and Building, the rights above the Premises and Building, and improvements located on and within the Common Areas of the Building, unless otherwise expressly provided herein. Tenant recognizes and agrees that water meters, sprinkler controls, electric panels, service disconnects, and other minor building components for the Building may be located on the Premises, that the presence of the same shall not reduce the Premises Rentable Area, and Tenant hereby grants Landlord, utility company employees and any governmental entity an easement for the purpose of repairing, replacing and maintaining the same.

2. Term and Delivery of Premises.

2.1 Term. The term of this Lease shall be for one hundred twenty (120) months (the "Term") and shall commence upon the earlier of the occurrence of the following two events (the "Commencement Date"): (i) the last day of the ninth (9th) month following the Actual Delivery Date, as hereafter defined; or (ii) that date that Tenant has completed Tenant improvements in the Premises and obtains all necessary licenses and permits necessary to conduct its business in the Premises, including, without limitation, the certificate of occupancy from the applicable authority for the City of Rockford in the State of Illinois. The expiration date of the Term shall be one hundred twenty (120) months from the last day of the month in which the Commencement Date shall occur (the "Termination Date"), unless the Term is renewed in which event the Termination Date shall extend to the end of such exercised renewal period(s). Each twelve (12) month period beginning on the Commencement Date or any anniversary thereof shall

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hereinafter be called a "Lease Year." Upon determination of the Actual Delivery Date and Commencement Date, Landlord shall complete, execute and forward a Commencement Date Memorandum in the form attached as Exhibit C to Tenant for Tenant's approval and execution. In the event the Actual Delivery Date does not fall on the first day of the month, Base Rent and Additional Rent (each defined below) shall be prorated for any partial month, and Tenant shall pay for such proration on the first day of the month following the Commencement Date.

2.2 Certificate of Need. Notwithstanding any other provision herein, all obligations of the parties hereto are contingent upon the following:

(a) Tenant's receipt of the Certificate of Need from the Illinois Health Facilities Department of Health (the "CON"), and neither the Term nor the accrual of any obligation to pay Base Rent, Additional Rent or other charges shall commence until Tenant has obtained a final unappealable CON. In the event that Tenant has not obtained a final unappealable CON on or before June 23, 2016, Tenant may terminate this Lease by providing Landlord with written notice and the parties hereto shall be released from all liability under this Lease.

(b) Landlord's acquisition of the Property on or before June 30, 2016.

2.3 Estimated Possession Date; Delay in Delivery. Landlord shall deliver possession of the Premises to Tenant with all the Certified Pad Work (as defined on Exhibit F) substantially completed within ninety (90) days after the date Tenant receives its CON (the "Estimated Delivery Date"), except as expressly set forth on Exhibit F and upon not less than forty five (45) days prior written notice from Landlord to Tenant. Landlord shall complete the Exterior Site Development Work (as defined on Exhibit F) within ninety (90) days of Tenant's commencement of construction of the Tenant Improvements ("Exterior Date"), except as expressly set forth in Exhibit F. If the date Landlord actually delivers the Premises with the Certified Pad Work substantially complete (the "Actual Delivery Date") is later one hundred twenty (120) days following the Effective Date, or the date that Landlord completes the Exterior Site Development Work is later than the Exterior Date, Tenant shall receive a rent credit in an amount equal to two (2) days' Base Rent and Additional Rent (both as defined below) (in an amount equal to the applicable rate for periods following any rent abatement) for each day of delay. Furthermore, in no event shall the time period used for calculating the Commencement Date begin to accrue prior to the Estimated Delivery Date. If the Actual Delivery Date has not occurred on or before that date which is one hundred twenty (120) days following the Estimated Delivery Date (the "Outside Delivery Date"), or the Exterior Site Development Work has not been completed within thirty (30) days of the Exterior Date, Tenant may elect one of the following additional rights: (i) to terminate this Lease by written notice to Landlord; or (ii) proceed to complete Landlord's Work in the event Landlord fails to substantially complete Landlord's Work within ten (10) days of Landlord's receipt of a written notice from Tenant specifying Tenant's intent to complete Landlord's Work pursuant to this Section, and receive two (2) days' of Base Rent and Additional Rent abatement (in an amount equal to the applicable rent rate for periods following any rent abatement) for each day of delay in substantial completion of Landlord's Work beyond the Estimated Delivery Date. Any expenses incurred in connection with Tenant's exercise of its self-help options under this Section 2.2(a) may be collected or offset by Tenant in the same manner as provided in Section 17.2(ii).

2.4 Executive Committee Approval. [Intentionally Omitted]

3. Rent. Beginning on the Commencement Date, Tenant shall pay as initial annual base rent ("Base Rent") the amount set forth in the Data Sheet, in advance, on the first day of each calendar month during the Term, such monthly installment and any Additional Rent or other charges to be prorated for any partial calendar month in which the Commencement Date or Termination Date occurs. As a condition to payment of Base Rent, Additional Rent, or other charges, Landlord shall provide Tenant with a completed Form W-9 Request for Taxpayer Information and Certification, a fully executed Commencement Date Memorandum, and for Additional Rent, Landlord's initial estimate of Operating

Expenses. Upon any assignment by Landlord of its rights, title and interest in and to this Lease, Landlord shall cause such successor Landlord to deliver a completed Form W-9 to Tenant.

Actual rentable square footage for the Premises will be determined by measuring to the outside of exterior walls. Tenant may elect to have the space measured prior to the Commencement Date. If the rentable square footage is found to be greater or less than the rentable square footage shown in this Lease, Base Rent, Additional Rent and other provisions of this Lease which are based on the Premises Rentable Area shall be adjusted accordingly.

Except as otherwise provided in this Lease, it is the intention of the parties that Landlord shall receive Base Rent and Additional Rent and all sums payable by Tenant under this Lease free of all taxes, expenses, charges, damages and deductions of any nature whatsoever (except as otherwise provided herein).

4. Renewals. Tenant shall have the right and option to renew this Lease for three (3) additional periods of five (5) years each, next immediately ensuing after the expiration of the initial Term and any subsequent renewal period by notifying Landlord in writing not less than two hundred forty (240) days before the expiration of the immediately preceding initial Term or subsequent renewal Term of Tenant's intention to exercise its option to renew; provided, however, that at Landlord's option such renewal shall not be effective if a material default of the Lease exists at the time such right to renew this Lease is exercised or at the end of the prior Term, beyond any applicable notice and cure period provided in the Lease. Notwithstanding prior delivery of such notice, the notice shall be effective, notwithstanding anything to the contrary in such notice, not earlier than two hundred forty (240) days before the expiration of the immediately preceding initial Term or subsequent renewal Term. In the event Tenant fails to provide a renewal notice during such period, such renewal right shall expire. Time is of the essence in Tenant's exercise of all renewals. If Tenant so elects to extend this Lease, then, for such extended period of the Term, all of the terms, covenants and conditions of this Lease shall continue to be, and shall be, in full force and effect during such extended period of the Term, except that Base Rent shall be paid as set forth in the Data Sheet

5. Condition of Premises. Landlord warrants to Tenant, for a period of one (1) year after the Commencement Date, that the existing systems and equipment constituting a part of the Premises will be in good order and condition. Tenant shall give written notice to Landlord within such one (1) year period of any existing condition with the existing systems and equipment of the Premises which Tenant reasonably determines to be defective or other than as represented by Landlord herein and the expense of which shall not be an Operating Expense, as hereafter defined. Landlord will, upon receipt of such notice from Tenant, promptly repair such defective condition, at Landlord's cost and expense. Landlord represents and warrants that the roof and roof membrane are free of leaks and in good condition as of the Actual Delivery Date.

6. Use of Premises. Tenant may exclusively occupy and use the Premises during the Term for purposes of the operation of an outpatient renal dialysis clinic, renal dialysis home training, aphaeresis services and similar blood separation and cell collection procedures, pharmaceutical distribution, general medical offices, clinical laboratory, including all incidental, related and necessary elements and functions of other recognized dialysis disciplines which may be necessary or desirable to render a complete program of treatment to patients of Tenant and related office and administrative uses or for any other lawful purpose(s) (the "Permitted Use"). Tenant may operate during such days and hours as Tenant may determine, without the imposition of minimum or maximum hours of operation by Landlord, and Tenant shall have exclusive use of and full-time access to the Premises, and may operate, up to twenty-four (24) hours per day, seven (7) days per week, year-round.

Landlord shall not sell, rent or permit on the land identified on Exhibit A, (the "Restricted Property") to be occupied or used by a business that derives more than ten percent of its revenues from renal dialysis, renal dialysis home training, any aphaeresis service(s) or similar blood separation or cell collection procedures, except services involving the collection of blood or blood components from volunteer donors. Landlord shall not display or permit to be displayed upon the Restricted Property any advertisement for

any such business, other than Tenant's advertisement(s) for Tenant's business(es). Landlord further covenants that it will provide notice of such restriction to any third parties with whom Landlord conducts business on the Restricted Property. In the event the restrictions set forth in this paragraph are violated and Landlord has failed to promptly commence an action or proceeding (or arbitration, if applicable) against the violating owner, tenant or occupant or at any point in such action or proceeding (or arbitration, if applicable) fails to use commercially reasonable and good faith efforts to seek and obtain a temporary restraining order, preliminary injunction, permanent injunction or other court order or judgment enjoining or stopping such violation, then, in addition to all other rights at law and in equity, Tenant may, while such violation is continuing, reduce the Base Rent to an amount equal to 50% of the Base Rent. This paragraph shall survive for two years following the termination or expiration of this Lease.

In the event at any time after the Commencement Date the use of the Premises as a dialysis facility becomes illegal or Tenant is no longer eligible to receive reimbursements from Medicare or Medicaid by reasons or acts not within Tenant's control, notwithstanding any other permitted uses, Tenant may terminate this Lease and, thereafter, neither party shall have any further obligations under this Lease after the date of termination, except those that expressly survive such termination. If Tenant terminates the Lease pursuant to the provisions of this paragraph, it shall pay a termination fee equal to one third (1/3) the amount of the Base Rent that would be payable for the remainder of the Term (not including any unexercised Renewal Terms), and the unamortized costs of Landlord's Work and unamortized brokerage commissions paid by Landlord in connection with this Lease (the "Termination Fee"). Additionally, Tenant's parent company, DaVita HealthCare Partners Inc., shall guaranty the payment of such Termination Fee by executing a separate guaranty attached to this Lease.

Landlord hereby acknowledges that in order to provide a continuum of care to Tenant's patients, Tenant may delay the effective date of Tenant's termination of this Lease under any provision of this Lease giving Tenant the right to terminate until such time as Tenant has established an alternative location for the treatment of Tenant's patients and any such delay shall not operate as a waiver of Tenant's termination rights. The foregoing provisions shall not apply to any termination of this Lease by Landlord or the natural expiration of the Term.

7. Assignment/Subletting. Except for a Permitted Transfer (as defined below), Tenant shall not assign this Lease, or sublet the Premises, or any part thereof, without Landlord's prior written consent which consent shall not be unreasonably withheld, conditioned or delayed. Any denial by Landlord of such sublease or assignment by Tenant must be predicated upon a commercially reasonable basis for such denial. Prior to any sublease or assignment, Tenant shall first notify Landlord in writing of its election to sublease all or a portion of the Premises or to assign this Lease or any interest hereunder. At any time within thirty (30) days after service of such notice, Landlord shall notify Tenant that it consents or refuses to consent to the sublease or assignment. A failure by Landlord to respond within such thirty (30) day period shall be deemed to be a consent.

Notwithstanding the foregoing, no consent of Landlord is required for Tenant to assign, sublet or otherwise transfer (by operation of law or otherwise) this Lease or any of its rights hereunder to: (i) any person, corporation, partnership or other entity which acquires all or substantially all of the business or assets of Tenant or equity in Tenant; (ii) any person, corporation, partnership or other entity which controls, is controlled by or is under common control with Tenant; (iii) any affiliate (within the meaning of such term as set forth in Rule 501 of Regulation D under the Federal Securities Act of 1933, as amended) of Tenant; or (iv) any physician, person, corporation, partnership or other entity subleasing a portion of the Premises for purposes consistent with Tenant's Permitted Use (each a "Permitted Transfer").

No assignment, sublease or other transfer, in whole or in part, of any Tenant's rights or obligations under this Lease shall release Tenant hereunder and Tenant shall remain responsible for performing Tenant's obligations hereunder should Tenant's assignee, subtenant or transferee fail to perform any such obligations, unless specifically provided otherwise by Landlord in writing.

8. Operating Expenses and Utilities.

8.1 Tenant shall pay "Tenant's Proportionate Share" (as defined below) of all Taxes (as defined below), Common Area (as defined below) maintenance charges for the Building (the "CAM Charges") and insurance premiums actually paid to a third party insurer for the Building ("Insurance"), in advance, in equal monthly installments at the time of the payment of Base Rent. Taxes, CAM Charges and Insurance are collectively referred to as the "Operating Expenses." As used herein, all Operating Expenses shall be net of all rebates, fees and incentives that are paid by a provider or vendor to Landlord, Landlord designee and/or Landlord affiliate. The term "rebate" includes all "rebates", "probates", discounts, chargebacks, and similar price concessions and other forms of remuneration received in exchange for purchases made by any affiliate of Landlord, regardless of the use for which the purchase is made and regardless of whether any such rebate is in cash or in-kind. Tenant's payments shall be based on Landlord's annual estimate of the Operating Expenses for the applicable calendar year in question. Promptly after the actual Operating Expenses for a calendar year are determined by Landlord, but in no event later than one hundred twenty (120) days from the end of each calendar year, Landlord shall provide Tenant with a statement of such actual Operating Expenses for such calendar year (the "Annual Reconciliation Statement"). If the actual Operating Expenses for such calendar year are greater than the amount of Tenant's Proportionate Share of Operating Expenses previously paid by Tenant, Tenant, within thirty (30) days after receipt of such Annual Reconciliation Statement, shall pay to Landlord any deficiency. If such statement shows an overpayment by Tenant, then any surplus paid by Tenant shall be credited to Tenant's next monthly installments of Base Rent and Operating Expenses or, if this Lease has expired or been terminated for reasons other than Tenant's breach or default, be paid to Tenant within thirty (30) days after receipt of such Annual Reconciliation Statement. The reconciliation obligations under this Section shall survive the termination or expiration of this Lease. CAM Charges shall include, but not be limited to, any and all reasonable out of pocket costs and expenses (including employee wages and reasonable overhead and burden thereon except as prohibited by Section 8.6), paid or incurred by or on behalf of the Landlord in connection with the ownership, management, maintenance, or operation of the Building and all personal property in connection therewith, including, without limitation, the cost of security and security devices and systems, if any; snow, ice, and trash removal; cleaning and sweeping of Common Areas; exterior landscaping and replacements; paving, including repair or replacement and parking lot striping; maintenance, repair and replacement of all utility systems; electricity, water, sewer, and lighting for the Common Areas of the Building; window cleaning; painting of the Building exterior; management and/or administrative fees of Landlord or third parties as permitted under Section 8.6; scavenger services; building supplies; charges of any independent contractor who, under contract with the Landlord or its representatives, does any of the work of operating, maintaining, or repairing of the Building and the Property; which, in accordance with generally accepted accounting principles, would be considered an expense of owning, managing, operating, maintaining, or repairing the Building and the Property. Notwithstanding the foregoing, to the extent an item included in the CAM Charges is a capital item, such item shall be amortized over its useful life according to GAAP, and only the annual amortized amount shall be included.

"Taxes" shall mean real property taxes, public charges and assessments assessed or imposed during the Term upon the Building or land on which the Building is located; provided, however, that any one-time (as opposed to on-going) special assessment for public improvements having a useful economic life exceeding the remaining Term shall be prorated between Landlord and Tenant using a straight-line method, based on the proportion of that economic life falling within the remaining Term. Taxes shall not include any penalties or interest for late or partial payment nor any income, franchise, margin, inheritance, estate, transfer, excise, gift or capital gain taxes that are or may be payable by Landlord or that may be imposed against Landlord or against the rents payable hereunder. Landlord shall take advantage of any savings in Taxes that may be achieved by early payment or payment in installments. Should Landlord choose not to contest any Taxes, Tenant shall have the right to contest the Taxes in Landlord's name and with Landlord's reasonable cooperation, at no expense to Landlord. Landlord, at Tenant's sole expense, shall join in any such contestation proceedings if any Law shall so require. If the assessed value of the Building is increased at any time during the Term by more than ten percent (10%) and if such increase is due solely to the sale or transfer of ownership of the Building (as substantiated by the actual documentary records of the local tax assessor), and the Building has already sold more than once in any five (5) year period of the Term, then for purposes of determining the amount of Taxes, the assessed value of the

Building shall be deemed to have been increased by only ten percent (10%) by reason of such sale or transfer of ownership.

"Tenant's Proportionate Share" is the quotient obtained by dividing the Premises Rentable Area by the Building Rentable Area. Tenant's Proportionate Share as of the Commencement Date is estimated to be one hundred percent (100%). Tenant's Proportionate Share shall be adjusted in the event the Building Rentable Area increases or decreases at any time. Landlord represents that the Building Rentable Area has been, and will be, determined without exclusions or reference to whether such area is actually leased, leasable, occupiable or occupied.

8.2 Landlord in good faith estimates that Tenant's Proportionate Share of Operating Expenses from the Commencement Date through the end of the first full calendar year to be \$3.70 per square foot of the Premises per annum. Tenant's Proportionate Share of Operating Expenses (excluding Taxes, Insurance, snow and ice removal, and utilities for the Building) shall not thereafter increase more than five percent (5%) annually over Tenant's Proportionate Share of Operating Expenses (excluding Taxes, Insurance, snow and ice removal, and utilities for the Building) for the immediately preceding calendar year.

8.3 Tenant shall pay the net cost of all utilities and other services necessary in the operation of the Premises, including but not limited to, gas, fuel oil, electrical, telephone and other utility charges. The Premises shall be separately metered for all utilities, including gas, water and electricity.

8.4 Landlord shall make available at the Building or other designated place near the Premises, true and accurate records of items that constitute Operating Expenses, calculated in accordance with generally accepted accounting principles ("GAAP") and prudent real estate management practices, consistently applied. Such records shall be open for inspection from time to time by Tenant or its duly authorized representative for a period of two (2) years after receipt of Landlord's Annual Reconciliation Statement for such calendar year. If any audit of Landlord's submitted reports discloses an overcharge, Landlord shall promptly pay to Tenant, within thirty (30) days demand by Tenant, the amount of such overcharge, and if such audit discloses an overcharge of more than five percent (5%), Landlord shall reimburse Tenant its actual reasonable costs incurred in connection with Tenant's review or audit. In no event shall Landlord be responsible for the costs for any contingency fee audit.

8.5 Operating Expenses and other charges due from Tenant to Landlord pursuant to this Lease shall be deemed to be additional rent ("Additional Rent") and, in the event that Base Rent shall be prorated or abated pursuant to the terms of this Lease, then such Additional Rent shall be prorated or abated to the same extent and in the same manner, unless otherwise specifically provided for in this Lease.

8.6 Notwithstanding anything to the contrary contained in this Lease, Operating Expenses shall not include the following:

(a) depreciation of the Building and any equipment, fixtures, improvements and facilities used in connection therewith;

(b) payments of principal, interest, loan fees, penalties, attorney's fees or amortization relating to any debt Landlord may have incurred or will incur in the future relating to the ownership, operation and/or maintenance of the Building or land on which the Building is located;

(c) the cost of leasehold improvements, including redecorating or otherwise improving, painting, decorating or redecorating space or vacant space for other tenants of the Building, except in connection with general maintenance of the Building;

(d) cost of any "tap fees," impact fees or any sewer or water connection fees;

(e) fees and expenses (including legal and brokerage fees, advertising, marketing and promotional costs) paid by Landlord in connection with the lease of any space within the Building, including subleasing and assignments;

(f) any validated parking for any entity;

(g) all costs incurred by Landlord in connection with any negotiations or disputes and/or litigation with tenants or occupants within the Building or prospective tenants of the Building;

(h) expenses or costs incurred by Landlord relating to any violation by Landlord or any other tenant of the terms and conditions of any Law or any lease covering any portion of the Building;

(i) the cost of any work or service performed for any tenant in the Building (other than Tenant) to a materially greater extent or in a materially more favorable manner than that furnished generally to tenants (including Tenant) in the Building;

(j) the cost of any capital improvement, repair or replacement which would be required to be capitalized under generally accepted accounting principles, including without limitation the cost of renting any equipment or materials, which cost would be so capitalized if the equipment or materials were purchased, not rented;

(k) the costs and expenses of any item included in Operating Expenses to the extent that Landlord is actually reimbursed for such cost by an insurance company, a condemning authority, another tenant or any other party;

(l) payments of ground rents and related sums pursuant to a ground lease in favor of a ground landlord;

(m) wages, salaries or other compensation paid to any employees at or above the grade of building manager;

(n) Landlord's general overhead and administrative expenses which are not chargeable to Operating Expenses of the Building or the equipment, fixtures and facilities used in connection with the Building, in accordance with generally accepted accounting principles, including salaries and expenses of Landlord's executive officers;

(o) the cost of correcting defects (latent, patent or otherwise) in the construction of the Building or in the Building equipment, except that conditions (other than construction defects) resulting from ordinary wear and tear shall not be considered defects for purposes hereof;

(p) the cost of installing, operating and maintaining any specialty service (e.g., observatory, broadcasting facility, luncheon club, retail stores, newsstands or recreational club);

(q) any expenses incurred by Landlord for the use of any portions of the Building to accommodate events, including but not limited to shows, promotions, kiosks, displays, filming, photography, private events or parties, ceremonies and advertising beyond the normal expenses otherwise attributable solely to Building services, such as lighting and heating, ventilation and air conditioning ("HVAC") to such public portions of the Building in normal operations during standard Building hours of operation;

(r) any costs representing an amount paid to an entity related to Landlord which is in excess of the commercially reasonable amount which would have been paid absent such relationship;

(s) any entertainment, dining or travel expenses of Landlord for any purpose;

(t) costs related to maintaining Landlord's existence, either as a corporation, partnership or other entity;

(u) any expenses for repairs or maintenance to the extent covered by warranties or service contracts;

(v) any type of utility service which is separately metered to or separately charged or paid by Tenant or any other tenant or occupant in the Building;

(w) the cost of any environmental remediation for which Landlord is responsible under Section 12;

(x) all ad valorem taxes paid or payable by Tenant or other tenants in the Building (i) for personal property and (ii) on the value of the leasehold improvements in the Premises or the Building (in this connection it is agreed that Tenant shall be responsible for the payment of ad valorem taxes on Tenant's own leasehold improvements);

(y) all items and services for which Tenant pays third parties;

(z) the cost of any item which is an expense or cost to Landlord in connection with Landlord's Work or any other work by Landlord to prepare the Premises for occupancy by Tenant including any allowances or credits granted to Tenant in lieu of a payment by Landlord;

(aa) the cost of repairing or restoring any portion of the Building damaged by a hazard or taken in condemnation (provided that the amount of a commercially reasonable deductible paid by Landlord shall be included in Operating Expenses);

(bb) any costs or expense which is expressly stated in this Lease to be at Landlord's cost and expense; and

(cc) any item which is included in the Operating Expenses which, but for this provision, would be included twice.

9. **Landlord's Work.** Landlord shall complete all of Landlord's Work, as described in Exhibit F which shall be comprised of the Certified Pad Work and the Exterior Site Development Work (collectively "Landlord's Work"). All Landlord's Work shall be done in a good and workmanlike manner and in compliance with all applicable Laws (as defined in Section 12), ordinances, building and safety codes, regulations and orders of the federal, state, county or other governmental authorities having jurisdiction thereof. Without in any way limiting any obligation of Landlord under this Lease, Landlord shall indemnify, defend and hold harmless Tenant from and against claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from performance of Landlord's Work, which indemnity shall survive termination or expiration of this Lease.

If Landlord encounters delays in the completion of Landlord's Work under this Lease because of any act or omission of any nature by Tenant or its agents or contractors, including any: (1) delays attributable to changes in or additions to Landlord's Work requested by Tenant, provided that such change is not requested due to Landlord's failure to follow the requirements of Landlord's Work as set forth in Exhibit F; (2) delays by Tenant beyond any applicable time periods in the submission of information or the giving of approvals required under this Lease; and (3) delays attributable to Tenant for interfering with Landlord's Work, provided that Landlord provided Tenant with prior notice of such interference and such interference did not cease after Landlord's notice, Landlord may elect to deliver the Premises with Landlord's Work substantially complete subject to finishing the item(s) rendered incomplete as a result of Tenant's Delay. In such event, Landlord shall finally complete the missing items as "punch-list" work within ten (10) days of such delivery of the Premises.

During the course of construction, the parties recognize that minor deviations from Landlord's Work by
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Landlord's contractor may occur and it is agreed that such minor deviations which do not impair the floor plans or Tenant's utilization of the Premises shall not constitute a breach of the terms of this Lease. All labor and materials provided in any improvements or substitutions therefore shall be of like quality and value.

10. Tenant Improvements/Signage. Tenant shall construct its tenant improvements to the Premises and may construct and place a covered drop off canopy at the front entry door of the Premises (the "Tenant Improvements").

Landlord shall provide Tenant with a Tenant Improvement allowance in the amount of Nine Hundred Thirty One Thousand, Three Hundred Dollars and no/100 (\$931,300.00) based upon a \$139 per rentable square foot amount of the Premises (the "Tenant Allowance"). The Tenant Allowance shall be payable in monthly draws on the first day of each month during the performance of Tenant's Improvements. With each draw request, Tenant shall include sworn statements and lien waivers from each contractor and subcontractor for which payments are being made. No later than ten (10) days following the Effective Date, Landlord and Tenant will enter into an escrow agreement or tri-party agreement providing for the payment of the Tenant Allowance in the form attached hereto as Exhibit J (the "Security Agreement"). If Landlord does not fund the escrow or fails to make any payment of the Tenant Allowance on a timely basis, Tenant will have the right to terminate the Lease, stop construction Tenant's Improvements and/or offset any unpaid amounts against Rent. The Security Agreement will authorize payment of damages or any applicable portion of Tenant's costs for the Tenant Improvements from an account established for the Tenant Allowance.

Tenant's plans will be subject to Landlord's approval, which shall not be unreasonably withheld, conditioned or denied. Tenant shall contract for the installation of Tenant Improvements with a contractor of Tenant's choice. Landlord and Tenant shall mutually approve the plans and specifications of Tenant Improvements prior to the commencement of such work. Landlord shall not charge Tenant any fee or other charges for the supervision and/or overhead associated with the construction of Tenant Improvements. Notwithstanding the foregoing, Tenant Improvements shall not include the work involved with bringing electrical and water utilities to a point in the Premises designated by Tenant and for the separate metering for said utilities (the "Utility Work"). The cost and expense of the Utility Work will be Landlord's sole obligation and will not be deducted from or offset against the Tenant Allowance amount.

Tenant shall have the right to place a generator and biomedical waste container outside of and in close proximity to the Premises. In the event the generator is located within the Premises, in a location of tenant's choosing, subject to Landlord's approval, which approval shall not be unreasonably withheld. Tenant, at Tenant's cost and expense, shall have the right to install exhaust venting for such generator from the interior of the Premises to the outside of the Building and a transfer switch to service the generator.

To the maximum extent permitted by applicable Laws, Landlord hereby waives any rights which Landlord may have, as to any of Tenant's furniture, fixtures, equipment, personal property, tenant improvements and alterations, in the nature of a landlord's lien, security interest or otherwise and further waives the right to enforce any such lien or security interest.

Tenant shall have the right to erect, affix and display such signage as Tenant may consider necessary or desirable on the exterior and interior walls, doors and windows of the Premises (including directional and designated parking signage in parking areas) and a sign on the exterior of the Building and a monument sign at locations on the Building and/or related property as shall be agreed to by Landlord or at such locations as other tenants have signs located, in accordance with the rules and regulations of the Building. All such signs shall comply with all applicable zoning Laws. Tenant shall obtain Landlord's prior approval for signs on the exterior of the Building and each monument sign, which approval shall not be unreasonably withheld, conditioned or delayed, for the location and design of such signs. Landlord, at Landlord's cost and expense, shall timely provide space for Tenant's designated name(s) on any directory boards located in the Building or complex.

11. **Alterations.** Tenant shall have the right to make such interior non-structural alterations, additions and improvements to the Premises that it shall deem desirable for the operation of its business (collectively, "Alterations"), without Landlord's consent, provided that any such Alterations shall not diminish the value of the Premises nor impair the structural integrity of the Premises or the Building. Such Alterations shall be in conformance to applicable governmental codes. All other Alterations shall require Landlord's prior written consent, such consent not to be unreasonably withheld, conditioned or delayed. If Tenant adds or removes walls or partitions or if plans are required by the applicable governmental agency for the completion of such Alterations, Tenant shall provide Landlord with as-built drawings of the changes immediately following their completion. All construction work performed at Tenant's request in the Premises shall be done by contractors and subcontractors who have worker's compensation and employer's liability insurance meeting the following requirements: (1) in statutory amounts; (2) with reputable companies licensed to do business in the State of Illinois; and (3) with regard to general contractors only, showing Landlord and Landlord's lender or lenders as additional insureds. In addition, all such contractors and subcontractors shall have general public liability insurance coverage consistent with the Tenant's requirements in this Lease, provided that only general contractors shall be required to list Landlord and Landlord's lender as additional insureds on such policies. Evidence of the insurance required herein shall be provided Landlord before any construction commences.

12. **Environmental.** Tenant shall not cause or permit any hazardous or toxic substances, materials or waste, including, without limitation, medical waste and asbestos ("Hazardous Substances") to be used, generated, stored or disposed of in, on or under, or transported to or from, the Premises in violation of any applicable local, state, and federal laws, ordinances, statutes, rules, regulations, executive order, judgment, decree, case law, and/or other determination of an arbitrator or a court or other governmental authority, in each case applicable to or binding upon such person or any of its property or to which such person or any of its property is subject (the "Laws"), whether now in existence or hereafter adopted, relating to Hazardous Substances or otherwise pertaining to the environment (the "Environmental Laws"). Tenant shall periodically cause to be removed from the Premises such Hazardous Substances placed thereon by Tenant or Tenant's agents, servants, employees, guests, invitees or independent contractors in accordance with good business practices, such removal to be performed by persons or entities duly qualified to handle and dispose of Hazardous Substances. Without limiting the generality of the foregoing, Landlord acknowledges that the following Hazardous Substances, among others, are required for Tenant's business operations: bleach, cidex, hibiclens, metricide, hydrogen peroxide and formaldehyde. Upon the expiration or earlier termination of this Lease, Tenant shall cause all Hazardous Substances placed on the Premises by Tenant to be removed from the Premises, at Tenant's cost and expense and disposed of in strict accordance with Environmental Laws.

Tenant shall indemnify, defend (by counsel reasonably acceptable to Landlord) and hold Landlord harmless, from and against any and all claims, liabilities, penalties, fines, judgment, forfeitures, losses, costs (including clean-up costs) or expenses (including reasonable attorney's fees, consultant's fees and expert's fees) for the death of or injury to any person or damage to any property whatsoever, arising from or caused in whole or in part, directly or indirectly, by (a) the presence after the Commencement Date in, on, under or about the Premises of any Hazardous Substances caused by Tenant or its agents, servants, employees, guests, invitees or independent contractors; (b) any discharge or release by Tenant or its agents, servants, employees, guests, invitees or independent contractors after the Commencement Date in or from the Premises of any Hazardous Substances; (c) Tenant's use, storage, transportation, generation, disposal, release or discharge after the Commencement Date of Hazardous Substances to, in, on, under, about or from the Premises; or (d) Tenant's failure after the Commencement Date to comply with any Environmental Law.

Landlord shall indemnify, defend (by counsel reasonably acceptable to Tenant) and hold Tenant harmless, from and against any and all claims, liabilities, penalties, fines, judgment, forfeitures, losses, costs (including clean-up costs) or expenses (including reasonable attorney's fees, consultant's fees and expert's fees) for the death of or injury to any person or damage to any property whatsoever, arising from or caused in whole or in part, directly or indirectly, by (i) the presence on or prior to the Commencement Date in, on, under or about the Premises, Building or the land on which the Building is located of any Hazardous Substances; (ii) any discharge or release on or prior to the Commencement Date in or from

the Premises or Building of any noxious or Hazardous Substances; (iii) the use, storage, transportation, generation, disposal, release or discharge of Hazardous Substances by Landlord or its agents, servants, employees, guests, invitees, or independent contractors to, in, on, under, about or from the Premises, Building or the land on which the Building is located; (iv) Landlord's failure to comply with any Environmental Law; or (v) any Hazardous Substances to the extent not due to any act or omission of Tenant or its agents, servants, employees, guests, invitees or independent contractors. Landlord agrees to remediate, at Landlord's cost and expense, immediately upon receipt of notice from Tenant any condition described in (i) through (v) of the previous sentence. The indemnities set forth in this Section 12 shall survive termination or expiration of this Lease.

Landlord represents and warrants to Tenant that (A) to the best of Landlord's knowledge, there are no Hazardous Substances in, on, under or about the Premises or Building or the land on which the Building is located, including without limitation asbestos or mold, and (B) Landlord has received no notice from any governmental or private entity relating to Hazardous Substances in, on, under or about the Premises, Building or the land on which the Building is located.

Landlord hereby covenants and agrees that if Tenant discovers mold at the Premises, Building or the land on which the Building is located attributable to the period on or prior to the Actual Delivery Date, or which has been caused by the acts or omissions of Landlord or Landlord's agents, servants, employees, guests, invitees or independent contractors, Landlord shall, upon written notice from Tenant, promptly remediate the mold. If Landlord shall not commence such remediation within five (5) days following written notice from Tenant, and Tenant determines, in Tenant's sole discretion, that such remediation is necessary for the safety of Tenant's patients and employees, Tenant may, at its option, cause such remediation work to be performed, at Landlord's cost and expense. Upon the completion of the remediation work, Tenant shall furnish Landlord with a written statement of the cost of the remediation work, and Landlord shall reimburse Tenant for such cost of such remediation work within ten (10) days of Landlord's receipt of Tenant's statement. Should Landlord fail to reimburse Tenant within the ten (10) day period, then Tenant may, at its option, offset such amount against Base Rent and Additional Rent. Notwithstanding the foregoing, in the event that the remediation work cannot be substantially completed or is not completed within sixty (60) days of Tenant's written notice of the mold to Landlord and Tenant, in Tenant's reasonable discretion, is unable to utilize the Premises, Tenant may elect, at its sole discretion to (1) terminate this Lease upon thirty (30) days written notice to Landlord or (2) receive two (2) days of Base Rent and Additional Rent abatement for each day from the date Landlord received the mold notice until the date of substantial completion of the mold remediation.

Tenant shall promptly deliver to Landlord copies of all notices made by Tenant to, or received by Tenant from, any state, county, municipal or other agency having authority to enforce any Environmental Law ("Enforcement Agency") or from the United States Occupational Safety and Health Administration concerning environmental matters or Hazardous Substances at the Premises, Building or the land on which the Building is located. Landlord shall promptly deliver to Tenant copies of all notices received by Landlord from any Enforcement Agency or from the United States Occupational Safety and Health Administration concerning environmental matters or Hazardous Substances at the Premises, Building or the land on which the Building is located.

13. Damage to Premises by Fire or Casualty. In the event the Premises shall be damaged by fire or other casualty during the Term, whereby the same shall be rendered untenantable, then:

13.1 If the damage to the Premises is so substantial that either (i) the repair, restoration or rehabilitation of such damage cannot reasonably be expected to be substantially completed within one hundred eighty (180) days from the date of such damage, or (ii) so much of the Premises is destroyed or rendered untenantable by such fire or other casualty as to make use of any portion the Premises as a dialysis facility impracticable, then Tenant may elect to terminate this Lease by giving written notice to Landlord within thirty (30) days of the date of such fire or casualty; or

13.2 If (i) the damage to the Premises is so substantial that the estimated repair costs exceed One Hundred Thousand and 00/100 Dollars (\$100,000.00) and such damage has occurred within the final one hundred eighty (180) days of the then current Term and Tenant has not exercised its next available renewal option, if any or (ii) the Building is damaged to the extent of fifty percent (50%) or more of the monetary value thereof and Landlord elects not to rebuild the Building, then Landlord may elect to terminate this Lease by giving written notice to Tenant within thirty (30) days of the date of such fire or casualty.

If not so terminated, Landlord shall proceed with all due diligence to repair, restore or rehabilitate the Premises to substantially its former condition immediately prior to such damage or destruction, at Landlord's cost and expense. Notwithstanding the foregoing, in the event regulatory changes occurring on or after the date of the Lease (the "Effective Date") applicable to Tenant's business, require changes to the Premises or the Building in order for Tenant to continue operating its business, then Landlord shall incorporate such changes into the repair and restoration of the Premises. Any increased costs associated with changes to the repair or restoration due to regulatory changes applicable to Tenant's business, shall be paid by Landlord out of available insurance proceeds. Tenant shall be responsible for such increased costs due to repairs or restorations due to regulatory changes to the extent that insurance proceeds are not available.

If the Premises are rendered untenable by fire or other casualty, there shall be an abatement of Base Rent and Additional Rent due Landlord by Tenant for the period of time during which the Premises are untenable. If the restoration is not substantially completed within two hundred ten (210) days of such damage, Tenant shall have the option to terminate this Lease by written notice to Landlord. In the event of any termination of this Lease, Base Rent and Additional Rent shall be paid only to the date of such fire or casualty.

In the event that the Premises are partially but not substantially damaged by fire or other casualty, then Landlord shall immediately proceed with all due diligence to repair and restore the Premises to substantially its former condition immediately prior to such damage, at Landlord's cost and expense (excluding restoration of any Tenant Improvements or Alterations which are the responsibility of Tenant hereunder), and Base Rent and Additional Rent shall abate in proportion to that portion of the Premises that is untenable during the period of restoration. Notwithstanding the foregoing, in the event regulatory changes occurring on or after the Effective Date, applicable to Tenant's business, require changes to the Premises or the Building in order for Tenant to continue operating its business, then Landlord shall incorporate such changes into the repair and restoration of the Premises. Any increased costs associated with changes to the repair or restoration due to regulatory changes applicable to Tenant's business, shall be paid by Landlord out of available insurance proceeds. Tenant shall be responsible for such increased costs due to repairs or restorations due to regulatory changes to the extent that insurance proceeds are not available.

Notwithstanding the foregoing provisions of this Section 13, in the event that insurance proceeds applicable to Alterations or tenant improvements constructed by Tenant at its expense are made available to Tenant, Tenant shall be responsible for restoring such Alterations or tenant improvements; provided, however, that Base Rent and Additional Rent abatement shall continue during such period of restoration so long as Tenant is diligently pursuing the completion of such restoration. In the event that Landlord does not restore the Premises, Tenant shall retain all Insurance proceeds applicable to Alterations and tenant improvements constructed by Tenant at its expense.

14. Eminent Domain.

14.1 **Taking.** If by any lawful authority through condemnation or under the power of eminent domain: (i) the whole of the Premises shall be permanently taken; (ii) less than the entire Premises shall be permanently taken, but the remainder of the Premises are not, in Tenant's reasonable business judgment, fit for Tenant to carry on the normal operation of Tenant's business therein; (iii) Tenant determines, in its reasonable business judgment, that after such taking adequate parking space will not be

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available near the Premises; (iv) there is any substantial impairment of ingress or egress from or to or visibility of the Premises; (v) all or any portion of the Common Areas shall be taken resulting in a material interference with the operations of or access to Tenant's business; or (vi) a temporary taking of all or a material portion of the Premises continues for a period of one (1) year, then in any such event, Tenant may terminate this Lease by written notice, effective as of the date of such taking, and Base Rent and Additional Rent shall be prorated as of the date of such termination.

14.2 Rent Adjustment. Unless this Lease is terminated as provided in Section 14.1, commencing on the date possession is acquired by a condemning authority, Base Rent and Additional Rent shall be reduced by the then applicable per rentable square foot Base Rent and Additional Rent multiplied by the number of rentable square feet taken, and Landlord shall promptly restore the Premises, Common Areas, and/or replace parking and access to the Premises, at Landlord's cost and expense, to a complete architectural unit (provided, however, in the event regulatory changes occurring on or after the Effective Date, applicable to Tenant's business, require changes to the Premises or the Building in order for Tenant to continue operating its business, then Landlord shall incorporate such changes into the repair and restoration of the Premises), in substantially the same condition that the same were in prior to such taking. During such restoration Base Rent and Additional Rent shall be abated to the extent the Premises are rendered not useable for the Permitted Use.

14.3 Awards. All compensation awarded or paid in any such eminent domain proceeding shall belong to and be the property of Landlord without any participation by Tenant, except that nothing contained herein shall preclude Tenant from prosecuting any claim directly against the condemning authority in such eminent domain proceeding for its relocation costs, its unamortized leasehold improvements and trade fixtures, loss of business and other damages recoverable under applicable Laws.

15. Right of Entry by Landlord. Subject to Landlord's obligations under Section 35, Landlord, or any of its agents, shall have the right to enter the Premises during all reasonable hours and upon at least twenty-four (24) hours prior notice (except in cases of emergency) to perform its obligations under this Lease, examine the Premises or, in the six (6) month period immediately preceding the Expiration Date, to exhibit the Premises to potential tenants. Landlord and Tenant shall work together to agree upon a mutually agreeable time for Landlord to make all such repairs, alterations, improvements, or additions in and about the Premises or Building. If such work is agreed to be done outside of normal business hours, and the same can be practicably done at any other time, Tenant shall then pay all overtime and additional expenses resulting therefrom. Any restoration work or alteration work at the Premises which is necessitated by or results from Landlord's entry, including, without limitation, any work necessary to conceal any element whose presence is permitted hereunder, shall be performed by Landlord at its expense or, at Tenant's election, by Tenant on Landlord's behalf and at Landlord's cost and expense. Landlord shall be liable for all loss, damage or injury to persons or property and shall indemnify and hold Tenant harmless from all claims, losses, costs, expenses and liability, including reasonable attorney's fees resulting from Landlord's entry except to the extent caused by the negligent or intentional act of Tenant or its agents, servants, employees, guests, invitees or independent contractors. In the exercise of Landlord's rights pursuant to this Section, Landlord shall make all reasonable efforts to minimize interference with Tenant's operations. If Landlord's entry into the Premises interferes with the conduct by Tenant of its business to such an extent that Tenant, in the exercise of its reasonable business judgment, must close the Premises for two (2) or more business days, then Base Rent and Additional Rent shall totally abate for each day or portion thereof that such interference continues.

Tenant is subject to the provisions of the Health Insurance Portability and Accountability Act of 1996 and related regulations ("HIPAA") and in order for Tenant to comply with HIPAA, Tenant must restrict access to the portions of the Premises where patient medical records are kept or stored. Landlord hereby agrees that, notwithstanding the rights granted to Landlord pursuant to this Lease including this Section 15, except when accompanied by an authorized representative of Tenant, neither Landlord nor its employees, agents, representatives or contractors shall be permitted to enter those areas of the Premises designated by Tenant as locations where patient medical records are kept and/or stored or where such entry is prohibited by applicable state or federal health care privacy Laws. Landlord further agrees to comply with the provisions of HIPAA and all applicable medical privacy Laws in connection with Landlord's entry into

the premises.

16. Indemnity. Tenant agrees to indemnify Landlord and save Landlord harmless from any and all liability, claims and loss for personal injury or property damage, or both, sustained or claimed to have been sustained by any person or persons, or property in, upon or about the Premises or Building caused or brought about by the act or neglect of Tenant or its agents, servants or employees. Landlord agrees to indemnify Tenant and save Tenant harmless from any and all liability, claims and loss for personal injury or property damage, or both, sustained or claimed to have been sustained by any person or persons, or property in, upon or about the Premises, Common Areas, Building or the land on which the Building is located caused or brought about by the act or neglect of Landlord or its agents, servants or employees. The indemnities set forth in this Section 16 shall survive termination or expiration of this Lease.

17. Default and Remedies.

17.1 Tenant Default and Landlord Remedies. In the event that (i) Tenant defaults in the payment of Base Rent or Additional Rent hereunder and such Base Rent or Additional Rent remains due and unpaid for five (5) days following written notice of such default from Landlord to Tenant; (ii) Tenant defaults in the performance of any other provisions of this Lease and such default is not cured within thirty (30) days following written notice from Landlord specifying such default (unless such default is not reasonably capable of being cured within such thirty (30) day period and Tenant is diligently prosecuting such cure to completion); (iii) a petition in bankruptcy is filed by or against Tenant (provided Tenant shall have ninety (90) calendar days to stay any involuntary proceeding); or (iv) Tenant makes an assignment for the benefit of its creditors, or a receiver is appointed for Tenant and such receiver is not dismissed within sixty (60) days of its appointment, then, in such event, Landlord, at its option, may (1) terminate this Lease by giving to Tenant written Notice of the Landlord's election to do so, in which event the Term of this Lease shall expire, and all right, title, and interest of Tenant shall expire on the date stated in such notice, (2) terminate the right of Tenant to possession of the Premises without terminating this Lease by giving Notice to Tenant that Tenant's right of possession shall expire on the date stated in such notice, whereupon the right of Tenant to possession of the Premises or any part thereof shall cease on the date stated in such notice, or (3) enforce the provisions of this Lease and may enforce and protect the rights of Landlord hereunder by a suit or suits in equity or at law for the specific performance of any covenant or agreement contained herein, or for the enforcement of any other appropriate legal or equitable remedy, including, without limitation, injunctive relief and the recovery of all moneys due under any of the provisions of this Lease. Notwithstanding the remedy Landlord may seek, the foregoing cure periods shall be applicable. Notwithstanding anything to the contrary contained herein, Landlord agrees that it shall have no right to accelerate (i.e. declare the same immediately due and payable) any Base Rent or Additional Rent which would have become due in the future; provided however, that upon termination of this Lease by Landlord, Tenant shall pay Landlord for all the then unamortized out of pocket costs of leasing commissions.

Landlord shall make commercially reasonable efforts to mitigate any damages Landlord incurs as a result of Tenant's breach of this Lease. Landlord shall not be required to offer the Premises for lease in preference to other space available from it or its affiliates. In any case, Landlord may make reasonable repairs, alterations, and additions to the Premises and redecorate the same to the extent deemed by Landlord necessary or desirable and in connection therewith, change the locks of the Premises, and Tenant shall upon demand pay the cost thereof together with all Landlord's reasonable expenses of reletting. Landlord may collect the rents from any such reletting and apply the same first to the payment of the reasonable expenses of reentry, redecoration, repair, and alterations and the expenses of reletting attributable to the balance of the then current Term and second to the payment of Rent herein provided to be paid by Tenant, and any excess or residue shall operate only as an offsetting credit to future Rent payable hereunder, but the use of such offsetting credit to reduce the amount of Rent due Landlord, if any, shall not be deemed to give Tenant any right, title, or interest in or to such excess or residue and any such excess or residue shall belong to Landlord solely; provided, that in no event shall Tenant be entitled to a credit on its indebtedness to Landlord in excess of the aggregate sum which the credit to Tenant is being determined had no Default occurred. No such reentry or repossession, repairs, alterations, and

additions, or reletting shall be construed as an eviction or ouster of Tenant or as an election on Landlord's part to terminate this Lease, unless a written notice of such intention is given to Tenant, or shall operate to release Tenant, in whole or in part, from any of Tenant's obligations hereunder, and Landlord may, at any time and from time to time, sue and recover judgment for any deficiencies remaining after the application from time to time of the proceeds of any such reletting. Whether or not this Lease is terminated by Landlord or by any provision of Law, Tenant has no obligation to pay any Base Rent or Additional Rent until the date it would otherwise have become due in the absence of any event of default.

17.2 Landlord Default and Tenant Remedies. Subject to the terms and provisions below, and in addition to any other remedy expressly available to Tenant pursuant to this Lease or at law or in equity, should Landlord fail to perform any term or covenant under this Lease or any other existing agreement between Landlord and Tenant, its parent company, subsidiaries or affiliates (each and any such failure, a "Landlord Default") and if any such Landlord Default is not cured and continues for thirty (30) days (unless a shorter notice and cure period is expressly provided herein, in which case such shorter period shall govern) following written notice by Tenant to Landlord of such Landlord Default (unless such default is not reasonably capable of being cured within such expressed period and Landlord is diligently prosecuting such cure to completion), then Tenant shall have the option, (at Tenant's sole discretion), of (i) terminating this Lease, (ii) abating or withholding one half (½) of the Base Rent and/or Additional Rent, or (iii) remedying such Landlord Default and, in connection therewith, incurring expenses for the account of Landlord, and any and all such sums expended or obligations incurred by Tenant in connection therewith shall be paid by Landlord to Tenant upon demand, and if Landlord fails to immediately 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 maximum rate permitted by applicable Law from the date of any such expenditure by Tenant until the date of repayment thereof by Landlord to Tenant) from subsequent installments of Base Rent and Additional Rent that from time to time become due and payable by Tenant to Landlord hereunder up to one half (½) of the Base Rent and Additional Rent then due. Notwithstanding the foregoing, if Tenant elects to terminate this Lease, Tenant shall first give Landlord an additional thirty (30) days' notice of its intent to terminate and opportunity to cure the Landlord Default. If Landlord cures within such time, or if more than thirty (30) days are reasonably necessary to cure, then if Landlord commences efforts to cure and diligently prosecutes such to completion, the termination shall not be effective. In all events Tenant shall have the right to remedy any Landlord Default without prior notice in the event of an emergency (so long as Tenant gives notice within a reasonable period of time thereafter) and invoice Landlord and abate Base Rent and Additional Rent in the manner set forth in the preceding sentences of this Section 17.2.

If Landlord is or becomes a Referral Source (as defined in Section 24 below) and if this Lease is terminated for any reason before the first anniversary of the Commencement Date, then Landlord and Tenant shall not enter into any similar agreement with each other for the Premises, the term of which commences on or before the first (1st) anniversary of the Commencement Date.

18. Insurance.

18.1 Landlord's Insurance. During the Term, Landlord shall procure and maintain in full force and effect with respect to the Building, Common Areas and the land on which the Building is located (i) a policy or policies of property insurance for full replacement value; and (ii) a policy of commercial liability insurance in a minimum amount of One Million and 00/100 Dollars (\$1,000,000.00) per claim and Three Million and 00/100 Dollars (\$3,000,000.00) in the aggregate for both bodily injury and property damage insuring Landlord's activities with respect to the Premises and the Building for loss, damage or liability for personal injury or death of any person or loss or damage to property occurring in, upon or about the Premises or the Building.

18.2 Tenant's Insurance. Tenant shall obtain and keep in force with respect to the Premises and Tenant's use thereof commercial general liability insurance in a minimum amount of One Million and 00/100 Dollars (\$1,000,000.00) per claim and Three Million and 00/100 Dollars (\$3,000,000.00) in the aggregate for both bodily injury and property damage. In no event shall Tenant's insurance provide coverage or indemnity to Landlord for any claim, loss, suit, action or other legal proceeding in which

Landlord or its agents, servants, employees, guests, invitees, or independent contractors bear responsibility. Rather, it is the intent of this Section to provide general liability coverage to Landlord when it is made a party to a claim, loss, suit, action or other legal proceeding for which it bears no responsibility. In the event that both Landlord and Tenant bear responsibility for the claim, loss, suit, action or other legal proceeding, then each party will look to its own insurance for coverage. Tenant may carry any insurance required by this Lease under a blanket policy or under a policy containing a self-insured retention, so long as Tenant's parent company maintains a minimum net worth of not less than Fifty Million Dollars (\$50,000,000.00).

18.3 Certification of Insurance. Tenant shall provide a certificate evidencing any required policy upon Landlord's request. The insurance required to be provided by Tenant under this Article shall be effective as of the date Tenant takes possession. The parties shall provide each other evidence of the insurance policy or policies required by this Article 18 within five (5) business days of the other party's request therefor, and at least ten (10) days prior to the expiration thereafter of any such policy.

19. Subrogation. Each of the parties hereto hereby releases the other and the other's partners, agents and employees, to the extent of each party's property insurance coverage, from any and all liability for any loss or damage which may be inflicted upon the property of such party even if such loss or damage shall be brought about by the fault or negligence of the other party or its partners, agents or employees; provided, however, that this release shall be effective only with respect to loss or damage occurring during such time as the appropriate policy of insurance shall contain a clause to the effect that this release shall not affect said policy or the right of the insured to recover thereunder. If any policy does not permit such a waiver, and if the party to benefit therefrom requests that such a waiver be obtained, the other party agrees to obtain an endorsement to its insurance policies permitting such waiver of subrogation if it is commercially available and if such policies do not provide therefor. If an additional premium is charged for such waiver, the party benefiting therefrom, if it desires to have the waiver, agrees to pay to the other the amount of such additional premium promptly upon being billed therefor.

20. Repairs and Maintenance.

20.1 Landlord's Maintenance Responsibilities.

(a) Landlord shall timely clean, maintain, repair, light, operate and insure those portions of the Building, including improvements, space, equipment and special services, which are provided for use in common by Landlord, Tenant and any other tenants of the Building, whether or not those areas are in, on or service the Building, and without regard to whether they are open to the general public, Tenant's employees, patients, customers and other invitees, or contain facilities or equipment used or usable in the operation of the Building, for which access is restricted to Landlord's personnel. Such areas shall include, without limitation, common restrooms, lobbies, corridors, plazas, aisles, and utility closets located in the Building, all parking areas, access roads, driveways, entrances and exits, retaining walls, exterior facilities, landscaped areas, roads and pathways, common utility lines, storm water system, accommodation areas such as sidewalks, grass plots, ornamental planting, direction signs, and the like (collectively, the "Common Areas"). Maintenance services shall include snow and ice removal and repair of the parking lot, and providing security as necessary. Landlord shall maintain insurance for the Common Areas pursuant to the requirements set forth in Section 18.1. Landlord shall maintain and keep the Building and Common Areas in good condition and repair and such costs shall be considered CAM Charges in accordance with Section 8, unless such repairs are excluded from the definition of Operating Expenses in Section 8.

(b) Landlord shall, at its sole cost and expense (not to be considered CAM Charges in accordance with Section 8), maintain and keep in good order and repair and promptly make any necessary replacements to the roof, roof membrane, roof covering, concrete slab, footings, foundation, structural components, exterior walls, parking areas, sidewalks, driveways, loading areas, exterior doors and windows, flooring (except for floor covering), utility lines not exclusively serving the Premises, sprinkler, plumbing, HVAC and electrical systems of the Building. Notwithstanding the provisions of

Section 17.2, If Landlord shall not commence such repairs or make necessary replacements within 15 days following written notice from Tenant that such repairs or replacements are necessary, or within five days following written notice from Tenant of roof leaks or other water damage or leaks, then Tenant may, at its option, cause such Landlord's repairs or replacements to be made and shall furnish Landlord with a statement of the cost of such repairs or replacements upon substantial completion thereof. Landlord shall reimburse Tenant for the cost of such repairs or replacements plus a service charge to cover Tenant's expenses in an amount equal to 10% of the cost of such repairs or replacements within ten days of the date of the statement from Tenant setting forth the amount due; provided, however, should Landlord fail to reimburse Tenant within the ten day period, then Tenant may, at its option, offset such amount against subsequent Base Rent and Additional Rent due under this Lease. Notwithstanding the foregoing, Tenant shall assign to Landlord all warranties obtained in connection with Tenant's construction of the shell and roof of the Building. If during the first ten years of the Term, a latent defect in the structure or roof of the Building is discovered and such defect is not covered under a warranty assigned to Landlord, Tenant shall be responsible for the repair of such defect provided that Landlord has notified Tenant of such defect prior to the expiration of the tenth Lease Year.

20.2 Tenant's Maintenance Responsibilities. Tenant's Maintenance Responsibilities. Except for Landlord's obligations set forth above and except for any damage caused by the acts of negligence by Landlord or its agents, servants, employees, guests, invitees or independent contractors within the Premises, Tenant shall keep the interior, non-structural portions of the Premises, all HVAC systems installed by Tenant, and the non-structural elements of all doors and entrances of the Premises in good order and condition, excepting ordinary wear and tear, fire, acts of God, acts of Landlord, and/or other casualty or the elements.

21. **Brokers.** Landlord and Tenant each represent to the other that it has had no dealings with any real estate broker or agent in connection with the negotiation of this Lease, except for DTZ Americas, Inc., representing Tenant (the "Tenant's Broker"). Landlord shall pay Tenant's Broker a brokerage commission pursuant to a separate agreement. In the event Landlord does not timely pay Tenant's Broker such brokerage commission, Tenant may offset the amount of such brokerage commission against Base Rent and Additional Rent due Landlord.

22. **Emergency.** If Landlord is unable or unwilling to take action which it is obligated to take hereunder where an emergency has occurred with respect to the Premises, then Tenant may take such action as is reasonably necessary to protect the Premises and persons or property in the Premises and Landlord shall, within fifteen (15) days after written notice thereof from Tenant reimburse Tenant for its reasonable out-of-pocket expenses incurred in curing such emergency; provided, however, should Landlord fail to reimburse Tenant within the fifteen (15) day period, then Tenant may, at its option, offset such amount against one half (½) of the Base Rent and Additional Rent due under this Lease.

23. **Title and Parking.** Landlord hereby represents to Tenant that Landlord is the owner in fee simple of the Premises, including the Building and all improvements thereon and has the right and authority to enter into this Lease. Landlord hereby represents to Tenant that no covenants, restrictions, liens or other encumbrances affecting the real property upon which the Building is constructed interfere with or adversely affect Tenant's Permitted Use of the Premises. Landlord further represents that Landlord and those signatories executing this Lease on behalf of Landlord have full power and authority to execute this Lease.

Landlord shall not make any material modifications to the Building or Premises (including, without limitation, the parking areas, driveways and walks) without Tenant's prior written consent, such consent not to be unreasonably withheld, conditioned or delayed. Tenant shall be entitled to the use of the parking area in accordance with a parking ratio of not less than four (4) spaces per one thousand (1,000) square feet of the Premises or such greater amount as may be required by local code (including 2 handicapped parking spaces) in close proximity to the Premises for Tenant's exclusive use.

24. **Compliance with Laws.** Both parties shall comply with all applicable Laws throughout the Term. Landlord represents and warrants to Tenant that as of the Commencement Date the portion of the

property constructed by Landlord are in compliance with all Laws, including, without limitation, applicable zoning Laws and with all applicable instruments affecting title to the Premises. Landlord further represents that it has received no notices or communications from any public authority having jurisdiction alleging violation of any Laws relating to the Premises, the Building, or the Common Areas and has received no notices alleging violation of any title instrument. Without limiting the generality of the foregoing, Landlord represents that the portions of the Common Areas constructed by the Landlord will comply with all applicable Laws relating to handicapped accessibility, including, without limitation, the Americans with Disabilities Act (ADA) of 1990, 42 U.S.C. §§12101 *et seq.* (1990).

If at any time or from time to time any Alterations, including, without limitation, structural Alterations, are required in order for the Premises or Building to comply with any generally applicable Laws from time to time applicable to the Premises, Landlord shall promptly make such Alterations at its sole cost and expense. Notwithstanding the foregoing, Landlord shall have no obligation to make any Alterations to the Premises or Building to comply with any generally applicable Laws if such Laws were in place at the time of construction and the area requiring modification was constructed by Tenant and was not in compliance at the time it was constructed. If at any time or from time to time any Alterations, including, without limitation, structural Alterations, are required in order for the Premises to comply with any Laws specifically applicable to the Premises due to Tenant's use and not due to any act by Landlord or another tenant, Tenant shall promptly make such Alterations, at its sole cost and expense.

25. Right of First Option on Adjacent Premises. Intentionally omitted.

26. Tenant to Subordinate. Tenant shall, upon request of the holder of a mortgage or deed of trust in the nature of a mortgage on the Premises ("Mortgagee") subordinate any interest which it has by virtue of this Lease, and any extensions and renewals thereof to any mortgages or deeds of trust placed upon the Premises by Landlord, if and only if such Mortgagee shall execute, deliver and record in the appropriate registry of deeds a recognition and non-disturbance agreement in form and content substantially similar to Exhibit D. Landlord shall, at or prior to the Commencement Date, secure from Landlord's present Mortgagee a non-disturbance agreement and Landlord shall secure from any future Mortgagee or lienholder of Landlord a non-disturbance agreement in a form substantially similar to Exhibit D or in a form otherwise reasonably acceptable to Tenant. If Landlord shall not obtain such non-disturbance agreement, then this Lease shall not be subordinate to any such future lien, mortgage, or refinancing.

27. Quiet Enjoyment. Tenant shall, upon payment of the Base Rent and Additional Rent, quietly have and enjoy the Premises during the Term. Landlord agrees that Tenant shall have continuous, peaceful, uninterrupted and exclusive possession and quiet enjoyment of the Premises during the Term.

28. Memorandum of Lease. Concurrent with execution of this Lease, Landlord and Tenant will execute a recordable form of a memorandum or notice of this Lease in the form attached as Exhibit G. Tenant shall be responsible for the cost of recording the same. Upon Landlord's written request, Tenant shall execute and deliver to Landlord a Release of Memorandum of Lease ("Release"), in recordable form substantially similar to the form attached as Exhibit I, releasing such Memorandum of Lease, which Release shall be held in escrow by Landlord and not recorded until expiration or termination of this Lease. Landlord shall be responsible for the cost of recording the Release.

29. Notices. All notices, demands and requests which may be or are required to be given by either party to the other shall be in writing and shall be either (i) sent by registered or certified mail, return receipt requested, postage prepaid or (ii) delivered, by hand, or (iii) sent by overnight courier such as Federal Express. All notices to Landlord should be addressed to Landlord at C/O First Rockford Group, Inc., 8801 Spring Creek Road, Rockford, IL 61114; Telephone: (815-229-3000); Email: gencounsel@firstrockford.com or at such other place as Landlord may from time to time designate in written notice to Tenant. All notices to Tenant shall be addressed to Tenant c/o DeVita Healthcare Partners, Inc., Attention: Real Estate Legal, 2000 16th Street, Denver, CO 80202, Telephone: (303) 876-2800, with copy to: relegal@davita.com, Subject: [Forest City, IL # 11506, Rockford, IL], or to any such other place as Tenant may from time to time designate in written notice to Landlord. In addition, all correspondence to Tenant related to Taxes, Insurance, Base Rent or Additional Rent shall be sent to

P.O. Box 1476, Tacoma, WA 98401-1476; Attention: Rent Department, with copy to RentDepartment@davita.com. Notwithstanding anything contained in this Lease to the contrary, any written notice by either Landlord or Tenant to the other party may be transmitted by facsimile or electronic transmission, and that the facsimile or electronic copies of such party's signature shall have the same effect as if it were an original signature, provided that the party providing such notice obtains a confirmation page or delivery confirmation email and further provided that within three (3) business days after the facsimile or electronic transmission of any such notice, Landlord or Tenant shall execute and deliver to the other party an original copy of the notice via one of the methods provided in this Section.

30. **Estoppel Certificate.** Each of Landlord and Tenant agrees at any time and from time to time upon not less than fifteen (15) business days' prior written request by the other to execute, acknowledge and deliver to the other an estoppel certificate in the form attached as Exhibit E certifying that (i) this Lease is unmodified and in full force and effect (or if there have been modifications that the same is in full force and effect as modified and stating the modifications), (ii) the dates to which Base Rent and other charges have been paid in advance, if any, and (iii) all of the defaults of Landlord or Tenant hereunder, if any, (and if there are no defaults a statement to that effect), it being intended that any such estoppel certificate delivered pursuant to this Section 30 may be relied upon by any prospective purchaser of the Premises or any mortgagee or assignee of any mortgage upon the fee or leasehold of the Premises or by any prospective assignee of this Lease or subtenant of the whole or any portion of the Premises and/or by other party interested in the Premises or any part thereof.

31. **Landlord's Sale of the Building.** Upon Landlord's transfer of interest in the Building and the Premises (the "Sale"), Landlord shall be released from all liability to Tenant and Tenant's successors and assigns arising from this Lease because of any act, occurrence or omission of Landlord occurring after such Sale, and Tenant shall look solely to Landlord's successor in connection with the same; provided, however, that Landlord shall not be released from liability to Tenant and Tenant's successors and assigns from its obligations under this Lease because of any act, occurrence or omission of Landlord occurring prior to such Sale or for any offsets due Tenant under this Lease in the event the successor in interest is a mortgagee which has not assumed liability for offsets, unless such liability is expressly assumed by Landlord's successor-in-interest in the Building and Premises. Within thirty (30) days following the effective date of a Sale, Landlord shall notify Tenant whether Landlord's successor-in-interest and assignee to this Lease would or would not be a Referral Source as described in Section 33 below.

32. **Tenant's Satellite and Cable Rights.** Tenant shall have the right to place a satellite dish on the roof and run appropriate electrical cabling from the Premises to such satellite dish and/or install cable service to the Premises at no additional fee. Landlord shall reasonably cooperate with Tenant's satellite or cable provider to ensure there is no delay in acquiring such services. Landlord shall use commercially reasonable efforts to ensure that any subsequent rooftop user does not impair Tenant's data transmission and reception and shall cooperate with Tenant in eliminating any interference caused by any other party using the roof. Tenant shall also have the right to run appropriate electrical cabling from the Premises to connect its electrical generator and associated transfer switch.

33. **Regulatory Compliance.** Landlord represents and warrants to Tenant that Landlord is not a "referring physician" or a "referral source" as to Tenant for services paid for by Medicare or a state health care program, as the terms are defined under any federal or state health care anti-referral or anti-kickback, regulation, interpretation or opinion ("Referral Source"). Landlord covenants, during the Term, it will not knowingly (i) take any action that would cause it to become a Referral Source as to Tenant, or (ii) sell, exchange or transfer the Premises to any individual or entity who is a Referral Source as to Tenant without complying with all other provisions of this Lease.

In the event Landlord, or Landlord's successors or assigns, become a Referral Source as described in this Section 33 above, the following portion of Section 33 shall apply but shall have no effect until such time:

33.1 Compliance. Landlord and Tenant agree that it is not the purpose of this Lease to exert any influence over the reason or judgment of any party with respect to the referral of patients or other business between Landlord and Tenant, but that it is the parties' expectation that any referrals which may be made between the parties shall be and are based solely upon the medical judgment and discretion of the patient's physician. The parties further agree and acknowledge that (a) Base Rent is (i) set forth in advance; (ii) consistent with fair market value in an arms-length transaction; (iii) does not take into account the volume or value of any referrals or other business generated between the parties; and (iv) would be reasonable even if no referrals were made between the parties, and (b) Tenant's Proportionate Share does not exceed Tenant's pro-rata share for expenses and the Premises Rentable Area does not exceed the reasonable square footage needed for the legitimate business plans of Tenant.

Each party represents and warrants that: (i) it is not currently excluded from participation in any federal health care program, as defined under 42 U.S.C. Section 1320a-7b; (ii) it is not currently excluded, debarred, suspended, or otherwise ineligible to participate in Federal procurement and non-procurement programs; or (iii) it has not been convicted of a criminal offense that falls within the scope of 42 U.S.C. Section 1320a-7(a), but has not yet been excluded, debarred, suspended or otherwise declared ineligible (each, an "Exclusion"), and agrees to notify the other party within two (2) business days of learning of any such Exclusion or any basis therefore. In the event of learning of such Exclusion, either party shall have the right to immediately terminate this Lease without further liability. Landlord agrees that Tenant may screen Landlord against applicable Exclusive databases on an annual basis. Tenant shall have the right to terminate the Lease if a change in applicable health care laws or reimbursement systems affects the legality of the Lease. Landlord shall notify Tenant of, and cooperate with, any request from a duly authorized government representative (e.g., Secretary of HHS, Comptroller General) for access to books, documents and/or records related to the Lease, and to indemnify Tenant from any liability arising out of the party's refusal to grant such access.

The parties enter into this Lease with the intent of conducting their relationship in full compliance with applicable federal, state and local laws, including, without limitation, the Anti-Kickback Statute and agree and certify that neither party shall violate the Anti-Kickback Statute in performing under this Lease. Notwithstanding any unanticipated effect of any provisions of this Lease, neither party will intentionally conduct itself under the terms of this Lease in a manner that would violate any such law. Landlord agrees not to request an advisory opinion related to the legality of the Lease without the concurrence and approval of Tenant.

In the event Landlord is a Covered Person (as defined below), Landlord shall also be subject to the following provisions. Landlord shall participate in all compliance training (including on-line general compliance training on an annual basis) that Tenant provides to the Landlord and shall complete all such training within the time frames required by Tenant. Further, Landlord shall comply with policies and procedures designed to ensure compliance with relevant Federal health care program requirements applicable to Tenant, and compliance programs applicable to Tenant, including its Code of Conduct. Landlord agrees that if it is notified by Tenant that it is a Covered Person, Landlord shall certify in writing or electronic form that Landlord read, understood and shall abide by the Code of Conduct and will return such certification to Tenant within 30 days after being notified. Landlord shall report immediately to Tenant any suspected or known violations of Tenant's policies and procedures or of any violation of applicable federal healthcare program laws and regulations. Tenant shall provide to Landlord a copy of the applicable Code of Conduct and relevant policies and procedures designed to ensure compliance with relevant Federal health care program requirements.

A "Covered Person" shall be defined as: (i) any individual or entity who provides patient care items or services or who perform billing or coding functions on behalf of DaVita Dialysis, or (ii) any DaVita Dialysis domestic dialysis joint venture partner or medical director for any domestic DaVita Dialysis clinic.

34. Cooperation with Tenant's Cost Reporting Responsibilities Landlord's full cooperation with applicable authorities in connection with cost reporting is essential for Tenant's continued operation of its business. Therefore, Landlord agrees to provide to Tenant, within thirty (30) days of Tenant's request,

any and all information that is reasonably necessary at no cost to Landlord for Tenant to fulfill its cost reporting requirements to such applicable authorities.

35. Protected Health Information.

35.1 Landlord acknowledges and agrees that from time to time during the 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 a court of competent jurisdiction or by any governmental authority in accordance with the requirements of HIPAA and all other applicable medical privacy Laws.

35.2 Landlord shall preserve, and cause any of its employees and representatives to preserve, any "Confidential Information" of or pertaining to Tenant and shall not, without first obtaining Tenant's prior written consent, disclose to any person or organization, or use for its own benefit, any Confidential Information of or pertaining to Tenant during and after the Term, unless such Confidential Information is required to be disclosed by a court of competent jurisdiction or by any governmental authority. As used herein, the term "Confidential Information" shall mean any business, financial, personal or technical information relating to the business or other activities of Tenant that Landlord obtains in connection with the Lease.

36. Consent. Unless otherwise expressly stated herein, whenever one party's consent is required under this Lease, such consent shall not be unreasonably withheld, conditioned or delayed, and such party's reasonable satisfaction shall be sufficient for any matters under this Lease.

37. Surrender of Premises. At the expiration of the Term, whether by expiration of time or otherwise, Tenant shall surrender the Premises to Landlord in broom clean condition free of debris and rubbish, excepting damage caused by reasonable wear and tear, fire, acts of God, Landlord, condemnation, and/or other casualty or the elements. All Alterations shall be the property of Tenant and Tenant shall be entitled to remove from the Premises during the Term all Tenant Improvements and any and all furniture, removable trade fixtures, equipment and personal property ("Fixtures") installed or located on or in the Premises provided that Tenant repair any and all damage caused by the removal of the foregoing. Any Tenant Improvement or Fixtures which Tenant does not elect to remove at or prior to the expiration of the Term shall be surrendered with the Premises at the termination of this Lease.

Notwithstanding the foregoing, in no event shall Tenant remove fixtures or similar "vanilla shell" items such as light fixtures, HVAC equipment, or other fixtures and equipment permanently affixed to the Premises, without Landlord's prior written consent. In the alternative, at the expiration or earlier termination of the Lease, Landlord may, at Landlord's sole option, require Tenant to remove certain of Tenant's furniture, fixtures, equipment, and personal property, Tenant Improvements or Alterations within a reasonable time following receipt of written notice from Landlord. Any items which Tenant does not elect to remove at or prior to the expiration of the Term shall be deemed abandoned and Landlord may cause such property to be removed from the Premises and disposed of, but the reasonable cost of any such removal shall be borne by Tenant. The provisions of this paragraph shall survive the expiration or termination of this Lease.

38. Holding Over. In the event Tenant remains in possession of the Premises after the expiration of the Term, or any extensions hereof without the written consent of Landlord, Tenant shall be obligated to pay Base Rent at one fifteen percent (115%) of the then current rate (including all adjustments) for the first ninety (90) days of such hold over and one hundred twenty-five percent (125%) of the rate at the time of expiration or termination thereafter, in addition to all other sums then payable hereunder prorated on a daily basis for each day that Landlord is kept out of possession of the Premises. Such holding over shall not be deemed to create a new tenancy of any term whatever and Landlord shall retain all rights against Tenant as exist under this Lease or at law or equity. Notwithstanding the foregoing, in the event that

applicable Law, including without limitation applicable health care Law, limits the period of any such holdover, both parties shall comply with such applicable Law.

39. **Binding Effect.** All covenants, agreements, stipulations, provisions, conditions and obligations set forth herein shall extend to, bind and inure to the benefit of, as the case may require, the successors and assigns of Landlord and Tenant respectively, as fully as if any such successor or assign was referenced to wherever reference to Landlord or Tenant, as the case may be, occurs in this Lease.

40. **Severability.** Severability. If any term, covenant or condition of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant or condition of this Lease shall be valid and be enforced to the fullest extent permitted by Law.

41. **Applicable Law.** The Laws of the State where the Premises are located shall govern the validity, performance and enforcement of this Lease, without regard to such State's conflict-of-law principles.

42. **Relationship of the Parties.** Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto, it being understood and agreed that neither the method of computation of Base Rent nor any other provision contained herein, nor any acts of the parties hereto, shall be deemed to create any relationship between the parties hereto other than the relationship of Landlord and Tenant.

43. **Covenant Against Liens.** Nothing contained in this Lease shall authorize Tenant to do any act which shall in any way encumber Landlord's title to the Building, or Premises, nor in any way subject Landlord's title to any claims by way of lien or encumbrance whether claimed by operation of law or by virtue of any expressed or implied contract of Tenant, and any claim to a lien upon the Building or Premises arising from any act or omission of Tenant shall attach only against Tenant's interest and shall in all respects be subordinate to Landlord's title to the Building or Premises. If Tenant has not removed any such lien or encumbrance, or furnished Landlord with proof of reasonably sufficient bond therefore, within thirty (30) days after written notice to Tenant by Landlord (or such shorter period as indicated by Landlord if during the pendency of a sale or refinance), Landlord may pay the amount without being responsible for making any investigation as to the validity thereof, and the amount so paid shall be due and payable as Additional Rent.

44. **Consents and Waivers.** No consent or waiver, by either party expressed or implied, to or of any breach of any covenant, condition, or duty of the other party shall be construed as a consent or waiver to or of any other breach of the same or any other covenant, condition, or duty. The subsequent acceptance by Landlord of any Base Rent due, Additional Rent or any other monetary obligation of Tenant under this Lease shall not be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease. No term, covenant, or condition of this Lease shall be deemed waived by either party unless such waiver is executed by the party in writing.

45. **Remedies Cumulative.** No remedy herein or otherwise conferred upon or reserved to either party shall be considered to exclude or suspend any other remedy, but the same shall be cumulative and shall be in addition to every other remedy given hereunder, or now or hereafter existing at law or in equity or by statute, and every power and remedy given by this Lease may be exercised at any time and from time to time and so often as occasion may arise or as may be deemed expedient.

46. **Context.** All terms used in this Lease, regardless of the number or gender in which they are used shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine, or neuter as the context or sense of this Lease or any Article, Section or clause herein may require, as if such terms has been fully and properly written in such number or gender.

47. Force Majeure. Whenever a day is appointed herein on which, or a period of time is appointed within which, either party hereto is required to do or complete any act, matter or thing, except for the payment of money, the time for the doing or completion thereof shall be extended by a period of time equal to the number of days on or during which such party is prevented from, or is interfered with, the doing or completion of such act, matter or thing because of strikes, lock-outs, embargoes, unavailability of labor or materials, wars, insurrections, rebellions, civil disorder, declaration of national emergencies, acts of God or other causes beyond such party's reasonable control.

48. Accord and Satisfaction. No payment by Tenant or receipt by Landlord of a lesser amount than any installment or payment of Rent, Additional Rent, or other sum due other than account of the amount due, and no endorsement or statement on any check or any letter accompanying any check or payment of Rent, Additional Rent, shall be deemed an accord and satisfaction, and Landlord may accept such check payment without prejudice to Landlord's right to recover the balance of such installment or payment of Rent, Additional Rent or other sum and pursue any other remedies available to Landlord. No receipt of money by Landlord from Tenant after the termination of this Lease or Tenant's right of possession of the Premises shall reinstate, continue or extend the Term.

49. Attorney's Fees. In the event either party hereto fails to comply with any of the terms of this Lease to be complied with on its part or if Tenant holds over its tenancy in violation of this Lease, and the other party commences legal proceedings to enforce the terms of this Lease, the prevailing party in such proceedings shall receive from the other, and such non prevailing party agrees to pay to the prevailing party, the prevailing party's reasonable attorney fees and reasonable costs incurred in connection with such enforcement action or proceedings. In addition, Tenant shall pay all of Landlord's costs, charges and expenses incurred by Landlord for negotiations on transactions with respect to reletting the Premises which are attributable to the balance of the then current Term which Tenant causes Landlord as a result of Tenant's breach of this Lease and without Landlord's fault.

50. Authorship. This Lease has been the subject of extensive negotiations between the parties and the interpretation hereof shall not be based upon any presumption that either party has been the drafter hereof.

51. Headings. Landlord and Tenant mutually agree that the headings and captions contained in this Lease are inserted for convenience of reference only, and are not to be deemed part of or to be used in construing this Lease.

52. Complete Agreement. Any stipulations, representations, promises or agreements, oral or written, made prior to or contemporaneously with this agreement shall have no legal or equitable consequences and the only agreement made and binding upon the parties with respect to the leasing of the Premises is contained herein, and it is the complete and total integration of the intent and understanding of Landlord and Tenant with respect to the leasing of the Premises. No amendment or modification of this Lease shall be valid or binding unless reduced to writing and executed by the parties hereto in the same manner as the execution of this Lease.

53. Counterparts. This Lease may be executed in any number of counterparts via facsimile or electronic transmission or otherwise, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

54. Incorporation of Exhibits. This Lease is subject to the provisions of the attached Exhibits A-J inclusive, which exhibits are hereby made a part of this Lease.

55. Waiver of Damages and Limitation of Recourse. Notwithstanding any provision in this Lease to the contrary, neither party to this Lease shall be liable to the other for any consequential, incidental or punitive damages (including without limitation, any claims for lost profits and/or lost business opportunity). Notwithstanding any provision in this Lease to the contrary, any liability of Landlord under this Lease shall be limited solely to its interest in the Premises (including rents derived therefrom), and in no event shall any personal liability be asserted against Landlord, Landlord's officers, directors,

shareholders, members, employees, or agents, in connection with this Lease nor shall any recourse be had to any other property or assets of Landlord, Landlord's officers, directors, shareholders, members, employees, or agents.

IN TESTIMONY WHEREOF, Landlord and Tenant have caused this Lease to be executed as a sealed instrument, effective as of the day and year first above written.

LANDLORD:

DYN COMMERCIAL HOLDINGS, L.L.C.,
an Illinois limited liability company

DocuSigned by:
Sunil Puri
6D6B75EESA2481
By: Sunil Puri
Name: Sunil Puri
Title: Manager
Date: May 27, 2016

TENANT:

TOTAL RENAL CARE, INC.,
a California corporation

DocuSigned by:
Mary Anderson
7537D5F08A1243B
By: Mary Anderson
Name: Mary Anderson
Title: Division Vice President
Date: May 27, 2016

**DAVITA HEALTHCARE PARTNERS INC., JOINS
HEREIN FOR THE SOLE AND LIMITED
PURPOSE OF EVIDENCING ITS AGREEMENT
TO FULFILL ITS OBLIGATION TO GUARANTY
THE PAYMENT OF THE TERMINATION FEE
DEFINED UNDER SECTION 6 OF THE LEASE
AGREEMENT.**

DAVITA HEALTHCARE PARTNERS INC.

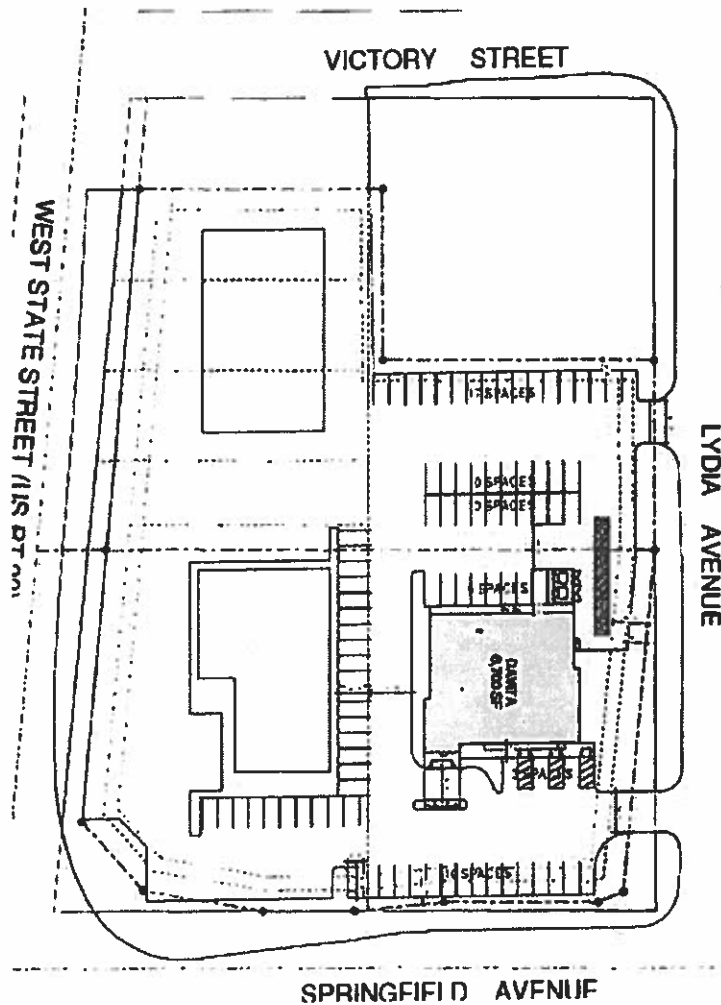
DocuSigned by:
Chitra Goswami
9CF8BAAB033E4B4
By: Chitra Goswami
Name: Chitra Goswami
Title: Vice President, Finance

**FOR TENANT'S INTERNAL USE
APPROVAL AS TO FORM ONLY:**

DocuSigned by:
Mike Geiger
2A4C065AEACD471
By: Mike Geiger
Name: Mike Geiger
Title: Assistant General Counsel

EXHIBIT A

LEGAL DESCRIPTION/BUILDING SITE PLAN

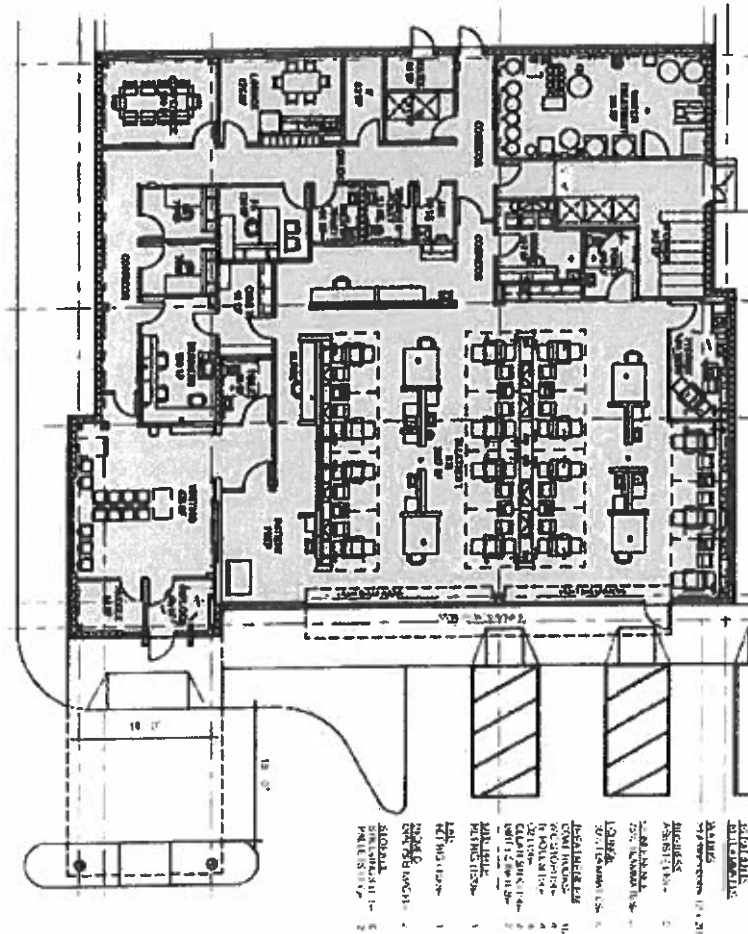


Legal Description

BEG NE COR LT 103 LINCOLN PARK 2ND SUB SE 208.92 FT S 327.8 FT TO N LN W STATE ST WLY 156.78 FT TH N 327.8 FT TO POB (EXC PT TO COUNTY BY 0102325) PT NW 1/4 SEC 20-44-1 ALSO LINCOLN PARK 2ND SUB LTS 95 THRU 98 & LTS 102 & 103 ALSO VAC ALLEY LYG BTWN LTS 97-98-102 & 103 & S 1/4 VAC ALLEY LYG N & ADJ LOTS 95 & 96

Forest City, IL (Facility #11506)
544003.3

EXHIBIT B
PREMISES FLOOR PLAN



PRELIMINARY ONLY
DATE: 11/21/12
DRAWN BY: J. L. L. L. L.
PLOT AREA: 10' x 10' x 10' x 10'

Forest City, IL (Facility #11506)
544003.3

EXHIBIT C

FORM OF COMMENCEMENT DATE MEMORANDUM

With respect to that certain lease ("Lease") dated _____, between _____ ("Landlord") and _____ ("Tenant"), whereby Landlord leased to Tenant and Tenant leased from Landlord space located at _____ (the "Premises"). Tenant and Landlord hereby acknowledge as follows:

- (1) Landlord delivered possession of the Premises to Tenant on _____ (the "Possession Date").
- (2) The Term of the Lease commenced on _____ (the "Commencement Date").
- (3) The Expiration Date of the Lease is _____.
- (4) It is agreed that the first Lease Year shall end on _____ and that each subsequent Lease Year shall end on _____.
- (5) Tenant shall commence payment of Base Rent and Additional Rent on _____.
- (6) The Premises contain _____ rentable square feet of space.
- (7) The last dates upon which the respective renewal options may be exercised are _____, _____, _____, and _____.

All capitalized terms herein, not otherwise defined herein, and shall have the meaning assigned in the Lease.

IN WITNESS WHEREOF, this Commencement Date Memorandum is executed the date(s) set forth below.

LANDLORD:

By: _____

Name: _____

Title: _____

Date: _____

TENANT:

By: _____

Name: _____

Title: _____

Date: _____

Forest City, IL (Facility #11506)
544003.3

**FOR TENANT'S INTERNAL USE
APPROVAL AS TO FORM ONLY:**

By: _____
Name: _____
Title: _____

Forest City, IL (Facility #11506)
544003.3

EXHIBIT D

**FORM OF SUBORDINATION, NON-DISTURBANCE
AND ATTORNMENMENT AGREEMENT**

THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENMENT AGREEMENT (this "Agreement") is entered into as of _____, 20__ (the "Effective Date"), between _____ (the "Mortgagee"), and _____ (the "Tenant").

WHEREAS, by Lease dated _____, 20__ (hereinafter called the "Lease"), _____ (hereinafter called "Landlord") has leased to Tenant and Tenant has rented from Landlord the approximately _____ rentable square feet of leased premises ("Tenant's Premises") located within the _____ as more fully described in Exhibit A attached hereto and incorporated by reference (such real property, including all buildings, improvements, structures and fixtures located thereon, "Landlord's Premises").

WHEREAS, Mortgagee has made a loan to Landlord in the original principal amount of \$_____ (the "Loan"); and

WHEREAS, To secure the Loan, Landlord has encumbered Landlord's Premises by entering into that certain [Mortgage and Security Agreement] dated _____, in favor of Mortgagee (as amended, increased, renewed, extended, spread, consolidated, severed, restated or otherwise changed from time to time, the "Mortgage") recorded on _____, under Clerk's File No. _____, in the Official Public Records of Real Property of the County of _____, State of _____.

WHEREAS, Tenant desires that Mortgagee recognize Tenant's rights under the Lease in the event of foreclosure of Mortgagee's lien, and Tenant is willing to agree to attorn to the purchaser at such foreclosure if Mortgagee will recognize Tenant's right of possession under the Lease.

NOW, THEREFORE, for and in consideration of their respective covenants herein made and the receipt of other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties agree as follows:

1. Definitions.

The following terms shall have the following meanings for purposes of this Agreement.

1.1 Foreclosure Event. A "Foreclosure Event" means: (a) foreclosure under the Mortgage; (b) any other exercise by Mortgagee of rights and remedies (whether under the Mortgage or under applicable Law, including bankruptcy Law) as holder of the Loan and/or the Mortgage, as a result of which Successor Landlord becomes owner of Landlord's Premises; or (c) delivery by Landlord to Mortgagee (or its designee or nominee) of a deed or other conveyance of Landlord's interest in Landlord's Premises in lieu of any of the foregoing.

1.2 Former Landlord. A "Former Landlord" means Landlord and any other party that was a landlord under the Lease at any time before the occurrence of any attornment under this Agreement.

1.3 Offset Right. An "Offset Right" means any right or alleged right of Tenant to any offset, defense (other than one arising from actual payment and performance, which payment and performance would bind a Successor Landlord pursuant to this Agreement), claim, counterclaim, reduction, deduction or abatement against Tenant's payment of Rent or performance of Tenant's other obligations under the Lease, arising (whether under the Lease or other applicable law) from Landlord's breach or default under the Lease.

1.4. *Rent.* The "Rent" means any fixed rent, base rent or additional rent under the Lease.

1.5 *Successor Landlord.* A "Successor Landlord" means any party that becomes owner of Landlord's Premises as the result of a Foreclosure Event.

1.6 *Termination Right.* A "Termination Right" means any right of Tenant to cancel or terminate the Lease or to claim a partial or total eviction arising (whether under the Lease or under applicable law) from Landlord's breach or default under the Lease.

2. **Subordination.**

The Lease shall be, and shall at all times remain, subject and subordinate to the lien of the Mortgage, and all advances made under the Mortgage.

3. **Non-disturbance, Recognition and Attornment.**

3.1 *No Exercise of Mortgage Remedies Against Tenant.* So long as the Lease has not been terminated on account of Tenant's default (an "Event of Default"), Mortgagee shall not name or join Tenant as a defendant in any exercise of Mortgagee's rights and remedies arising upon a default under the Mortgage unless applicable law requires Tenant to be made a party thereto as a condition to proceeding against Landlord or prosecuting such rights and remedies. In the latter case, Mortgagee may join Tenant as a defendant in such action only for such purpose and not to terminate the Lease or otherwise adversely affect Tenant's rights under the Lease or this Agreement in such action. If Mortgagee joins Tenant in such action, Landlord, by executing the Consent hereinafter set forth, agrees to indemnify, defend and hold Tenant harmless from and against any loss, cost or expense incurred or suffered by Tenant, including without limitation, legal fees, in being a party to or arising from such action, which indemnity shall survive termination or expiration of this Agreement.

3.2 *Non-disturbance and Attornment.* If the Lease has not been terminated on account of an Event of Default by Tenant, then, when Successor Landlord takes title to Landlord's Premises: (a) Successor Landlord shall not terminate or disturb Tenant's possession or quiet enjoyment of Tenant's Premises under the Lease, except in accordance with the terms of the Lease and this Agreement; (b) Successor Landlord shall be bound to Tenant under all the terms and conditions of the Lease (except as provided in this Agreement); (c) Tenant shall recognize and attorn to Successor Landlord as Tenant's direct landlord under the Lease as affected by this Agreement; and (d) the Lease shall continue in full force and effect as a direct lease, in accordance with its terms (except as provided in this Agreement), between Successor Landlord and Tenant.

3.3 *Further Documentation.* The provisions of Section 3 shall be effective and self-operative without any need for Successor Landlord or Tenant to execute any further documents. Tenant and Successor Landlord shall, however, confirm the provisions of Section 3 in writing upon request by either of them.

3.4 *Consent to Lease.* Mortgagee hereby consents to the Lease and all of the terms and conditions thereof.

4. **Protection of Successor Landlord.**

Notwithstanding anything to the contrary in the Lease or the Mortgage, Successor Landlord shall not be liable for or bound by any of the following matters:

4.1 *Claims Against Former Landlord.* Any Offset Right that Tenant may have against any Former Landlord relating to any event or occurrence before the date of attornment, including any claim for damages of any kind whatsoever as the result of any breach by Former Landlord that occurred before the date of attornment unless and to the extent that Mortgagee was furnished notice and opportunity to cure

the same. (The foregoing shall not limit Tenant's right to exercise against Successor Landlord any Offset Right otherwise available to Tenant because of events occurring after the date of attornment, if any).

4.2 **Prepayments.** Any payment of Rent that Tenant may have made to Former Landlord more than thirty (30) days before the date such Rent was first due and payable under the Lease with respect to any period after the date of attornment other than, and only to the extent that, the Lease expressly required such a prepayment.

4.3 **Payment; Security Deposit.** Any obligation: (a) to pay Tenant any sum(s) that any Former Landlord owed to Tenant or (b) with respect to any security deposited with Former Landlord, unless such security was actually delivered to Mortgagee.

4.4 **Lease.** Tenant hereby covenants and agrees that, so long as the Mortgage remains in force and effect:

- (a) **No Modification, Termination or Cancellation.** Tenant shall not consent to any material modification, termination or cancellation of the Lease without Mortgagee's prior written consent, which consent shall not be unreasonably withheld and shall be deemed given if Mortgagee fails to respond in writing within 15 days following receipt of written notice.
- (b) **Notice of Default.** Tenant shall notify Mortgagee in writing concurrently with any notice given to Landlord of any breach of or default by Landlord under the Lease. Tenant agrees that Mortgagee shall have the right (but not the obligation) to cure any breach or default specified in such notice within the time period set forth in the Lease for Landlord's performance.
- (c) **Assignment of Rents.** Upon receipt by Tenant of written notice from Mortgagee that Mortgagee has elected to terminate the license granted to Landlord to collect rents, as provided in the Mortgage, and directing Tenant to make payment thereof to Mortgagee, Tenant shall not be required to determine whether Landlord is in default under any obligations to Mortgagee before complying with such direction and shall not be liable to Landlord for failure to pay Landlord any sums that are paid instead to Mortgagee.

5. **Miscellaneous.**

5.1 **Notices.** All notices or other communications required or permitted under this Agreement shall be in writing and given by certified mail (return receipt requested) or by nationally recognized overnight courier service that regularly maintains records of items delivered. Notices shall be effective the next business day after being sent by overnight courier service, and three (3) business days after being sent by certified mail (return receipt requested). Unless and until notice of a change of address is given under this Agreement, notices or other communications shall be given to Mortgagee and Tenant, respectively, at the following address:

Mortgagee:

Attn: _____

Landlord:

Attn: _____

Tenant:

Attention: Real Estate Legal

Forest City, IL (Facility #11506)
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2000 16th Street
Denver, CO 80202

With a copy to: relegal@davita.com
Subject: [Clinic #, City, State]

5.2 Successors and Assigns. This Agreement shall bind and benefit the parties their successors and assigns, any Successor Landlord, and its successors and assigns.

5.3 Entire Agreement. This Agreement constitutes the entire agreement between Mortgagee and Tenant regarding the subordination of the Lease to the Mortgage and the rights and obligations of Tenant and Mortgagee as to the subject matter of this Agreement.

5.4 Interaction with Lease and with Mortgage. If this Agreement conflicts with the Lease, then this Agreement shall govern as between the parties to this Agreement and any Successor Landlord, including upon any attornment pursuant to this Agreement. This Agreement supersedes, and constitutes full compliance with, any provisions in the Lease that provide for subordination of the Lease to, or for delivery of non-disturbance agreements by the holder of the Mortgage. Mortgagee confirms that Mortgagee has consented to Landlord's entering into the Lease.

5.5 Interpretation; Governing Law. The interpretation, validity and enforcement of this Agreement shall be governed by and construed under the internal laws of the State where the Premises is located, including its principles of conflict of laws.

5.6 Amendments. This Agreement may be amended, discharged or terminated, or any of its provisions waived, only by a written instrument executed by all parties to this Agreement.

5.7 Execution. This Agreement may be executed electronically and in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

5.8 Representations. Each party represents that it has full authority to enter into this Agreement and that those signatories executing this Agreement on its behalf have full power and authority to executed this Agreement. Mortgagee agrees to keep a copy of this Agreement in its permanent mortgage records with respect to the Loan. This Agreement shall be null and void unless Tenant receives a fully executed original counterpart hereof on or before the sixtieth (60th) day following the date of Tenant's execution.

5.9 Recordation. Upon full execution, this Agreement may be recorded in the real property records of the county in which the Premises is located by either party hereto, provided that the recording party delivers to the other party a copy of the recorded document. The recording party shall be responsible for the costs of recording this Agreement.

[Signature page follows.]

IN WITNESS WHEREOF, this Agreement has been duly executed by Mortgagee and Tenant as of the date(s) set forth below.

MORTGAGEE:

2

By: _____

Name: _____

Title: _____

Date: _____

STATE OF _____)
COUNTY OF _____) SS

I, _____, a Notary Public in and for the County and State aforesaid, do hereby certify that _____ the _____ of _____, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me in person and acknowledged that he/she signed, sealed and delivered the said instrument as his/her own free and voluntary act and as the free and voluntary act of said limited liability company, for the uses and purposes therein set forth.

Given under my hand and notarial seal this _____ day of _____, 20__.

Notary Public

My Commission Expires: _____

TENANT:

a _____

By: _____
Name: _____
Title: _____
Date: _____

STATE OF COLORADO)
) SS
COUNTY OF DENVER)

I, _____, a Notary Public in and for the County and State aforesaid, do hereby certify that _____ the _____, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me in person and acknowledged that he/she signed, sealed and delivered the said instrument as his/her own free and voluntary act and as the free and voluntary act of said limited liability company, for the uses and purposes therein set forth.

Given under my hand and notarial seal this _____ day of _____, 20__.

Notary Public

My Commission Expires: _____

LANDLORD'S CONSENT

Landlord consents and agrees to the foregoing Agreement (including without limitation, the provisions of Section 3.1 & 4.4), which was entered into at Landlord's request. The foregoing Agreement shall not alter, waive or diminish any of Landlord's obligations under the Mortgage or the Lease. The above Agreement discharges any obligations of Mortgagee under the Mortgage and related loan documents to enter into a non-disturbance agreement with Tenant and the obligations of Tenant to enter into a subordination agreement with Mortgagee.

LANDLORD:

a _____

By: _____

Name: _____

Title: _____

Date: _____

STATE OF _____)
COUNTY OF _____) SS

I, _____, a Notary Public in and for the County and State aforesaid, do hereby certify that _____ the _____ of _____, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me in person and acknowledged that he/she signed, sealed and delivered the said instrument as his/her own free and voluntary act and as the free and voluntary act of said limited liability company, for the uses and purposes therein set forth.

Given under my hand and notarial seal this _____ day of _____, 20__.

Notary Public

My Commission Expires: _____

Exhibit A to
Subordination, Attornment and Non-Disturbance Agreement
Landlord's Premises

Forest City, IL (Facility #11506)
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EXHIBIT E

FORM OF ESTOPPEL CERTIFICATE

THIS ESTOPPEL CERTIFICATE is made as of the ____ day of ____, 200__ by ____ in connection with that certain Lease Agreement dated ____ by and between ____, as Tenant and ____, as Landlord (the "Lease") for the premises located at ____ (the "Premises").

____ [Landlord/Tenant] hereby certifies to the best of [Landlord's/Tenant's] knowledge to as follows:

1. The Lease consists of the following documents: [list documents]. There are no other oral or written agreements or understandings between Landlord and Tenant relating to the Premises.
2. To [Landlord's/Tenant's] knowledge and belief, the information set forth below is true and correct as of the date hereof:
 - (a) Approximate square footage of the Premises: ____ rentable square feet
 - (b) Monthly installment of Rent as of the date hereof: \$ ____
 - (c) Commencement Date: ____
 - (d) Termination date: ____
 - (e) Security deposit: ____
 - (f) Prepaid rent in the amount of: ____
 - (g) Renewal Options: ____
3. Tenant has accepted possession of the Premises and is in occupancy thereof under the Lease. As of the date hereof, the Lease is in full force and effect.
4. To the best of Tenant's/Landlord's actual knowledge and belief, without inquiry or investigation, there exists no default, no facts or circumstances exist that, with the passage of time or giving of notice, will or could constitute a default, event of default, or breach on the part of either Tenant or Landlord except ____.
5. No rent has been or will be paid more than 30 days in advance.
6. All legal notices to Tenant shall be sent to:

Tenant:

c/o DaVita HealthCare Partners, Inc.
Attention: Real Estate Legal
2000 18th Street
Denver, CO 80202

With a copy to:

relegal@davita.com
Subject: [Clinic #, City, State]

[Signature page follows.]

IN WITNESS WHEREOF, [Tenant/Landlord] has executed this Estoppel Certificate as of the date first above written.

[TENANT/LANDLORD]:

a _____

By: _____
Name: _____
Title: _____

EXHIBIT F

LANDLORD'S WORK

Certified Pad Work:

1. **Compaction.** The soils where the Building is to be located shall be compacted to 95% Standard Proctor at the time measured and certified by Landlord or its contractor.
- 1.
2. **Zoning.** Any Special Use Permit required for the operation of the Premises for the Permitted Use.
3. **Utilities.** All utilities to be provided within five (5) feet of the building foundation. Landlord shall be responsible for all tap/connection and impact fees for all utilities. All utilities to be coordinated with Tenant's Architect.
4. **Plumbing.** Landlord shall stub the dedicated water line within five feet of the building foundation. Building sanitary drain size will be determined by Tenant's mechanical engineer based on total combined drainage fixture units (DFU's) for the entire building, but not less than 4 inch diameter. The drain shall be stubbed into the building per location coordinated by Tenant at an elevation no higher than 4 feet below finished floor elevation, to a maximum of 10 feet below finished floor elevation and within five feet from the building.
5. **Electrical.** Landlord shall extend the primary to the transformer location selected by the utility. Tenant shall be responsible for the secondary to the Building.
6. **Gas.** Landlord shall provide natural gas service, at a minimum will be rated to have 6' water column pressure and supply 800,000 BTU's. Natural gas pipeline shall be stubbed to within five feet of the building foundation.
7. **Telephone.** Landlord shall provide a single 2" PVC underground conduit entrance into Tenant's utility room to serve as chase way for new telephone service. Entrance conduit locations shall be coordinated with Tenant.
8. **Cable TV.** Landlord shall provide a single 2" PVC underground conduit entrance into Tenant's utility room to serve as a chase way for new cable television service. Entrance conduit location shall be coordinate with Tenant. Tenant shall have the right to place a satellite dish on the roof and run appropriate electrical cabling from the Premises to such satellite dish and/or install cable service to the Premises at no additional fee. Landlord shall reasonably cooperate and grant right of access with Tenant's satellite or cable provider to ensure there is no delay in acquiring such services.
9. **Tenant's Building Permit.** Landlord shall complete any other work or requirements necessary for Tenant to obtain a permit for the construction of the Building shell and Tenant improvements from the Village of Machesney Park, Illinois or any other applicable authority from which Tenant must receive a permit for its work.

Notwithstanding anything to the contrary contained hereinabove, Tenant acknowledges that Landlord may not be able to complete the stub for the sanitary sewer service as part of the Certified Pad Work and that such work may be completed within thirty (30) days of the Actual Delivery Date of the Certified Pad.

Exterior Site Development Work:

1. **Handicap Accessibility.** Full compliance with ADA and all local jurisdictions' handicap requirements. Landlord shall comply with all ADA regulations affecting the entrance to the Premises, including but not limited to, concrete curb cuts, ramps and walk approaches to/from

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the parking lot, parking lot striping for four (4) dedicated handicap stalls for a unit up to 20 station clinic and six (6) handicapped stalls for units over 20 stations, handicap stalls inclusive of pavement markings and stall signs with current local provisions for handicap parking stalls, delivery areas and walkways.

Finish floor elevation is to be determined per Tenant's architectural plan in conjunction with Tenant's civil engineering and grading plans. If required, Landlord to construct concrete ramp of minimum 5' width, provide safety rails if needed, provide gradual transitions from overhead canopy and parking lot grade to finish floor elevation. Concrete surfaces to be troweled for slip resistant finish condition accord to accessible standards.

2. Site Development Scope of Requirements:

Landlord to provide Tenant with a site boundary and topographic ALTA survey, civil engineering and grading plans prepared by a registered professional engineer. Civil engineering plan is to include necessary details to comply with municipal standards. Plans will be submitted to Tenant's Architect for coordination purposes. Site development is to include the following:

- Utility extensions, service entrance locations, inspection manholes.
- Parking lot design, stall sizes per municipal standard in conformance to zoning requirement;
- Site grading with storm water management control measures (detention/retention/restrictions);
- Refuse enclosure location & construction details for trash and recycling;
- Handicap stall location to be as close to front entrance as possible;
- Side walk placement for patron access, delivery via service entrance;
- Concrete curbing for greenbelt management;
- Site lighting;
- Conduits for Tenant's signage;
- Site and parking to accommodate tractor trailer & wheel truck delivery access to service entrance;
- Ramps and curb depressions;
- Landscaping shrub and turf as required per municipality;
- Irrigation system if Landlord so desires and will be designed by landscape architect and approved by planning department;
- Construction details, specifications/standards of installation and legends;
- Final grade will be sloped away from Building.

3. **Refuse Enclosure.** Landlord to provide a minimum 6" thick reinforced concrete pad approximate 100 to 150 SF based on Tenant's requirements and an 8' x 12' apron way to accommodate dumpster and vehicle weight. Enclosure to be provided as required by local codes.
4. **Generator.** Landlord to allow a generator to be installed onsite if required by code or Tenant chooses to provide one.
5. **Site Lighting.** Landlord to provide adequate lighting per code and to illuminate all parking, pathways, and building access points readied for connection into Tenant's power panel. Location of pole fixtures per Landlord's civil plan to maximize illumination coverage across site. Parking lot lighting to include a timer (to be programmed to Tenant's hours of operation) or a photocell. Parking lot lighting shall be connected to and powered by Landlord house panel, if multi-tenant building) and equipped with a code compliant 90 minute battery back up at all access points.
6. **Parking Lot.** Landlord shall provide adequate amount of handicap and standard parking stalls in accordance with dialysis use and overall building uses. Stalls to receive striping, lot to receive traffic directional arrows and concrete parking bumpers. Bumpers to be firmly spike anchored in place onto the asphalt per stall alignment.

Asphalt wearing and binder course to meet geographical location design requirements for parking area and for truck delivery driveway.

Asphalt to be graded gradual to meet handicap and civil site slope standards, graded into and out of new patient drop off canopy and provide positive drainage to in place storm catch basins leaving surface free of standing water, birth baths or ice build ups potential.

Notwithstanding anything to the contrary contained herein, in order to avoid damage to the the asphalt in the parking field during Tenant's construction of the Building, Landlord shall not commence the top course paving of the parking lot, including striping of the parking field ("Top Course Work") by the Exterior Date. The Top Course Work shall be completed within thirty (30) days of Tenant's commencement of Tenant's interior Improvement Work, provided that Tenant will provide Landlord with not less than thirty (30) days notice of its commencement of its interior Improvement Work. Notwithstanding the foregoing, if Landlord has not then received notice from Tenant regarding the commencement of the Tenant's interior Improvement Work, Landlord may commence the Top Course Work on October 15.

7. **Site Signage.** Landlord to allow for an illuminated site and/or façade mounted signs. Power and a receptacle to be installed for Tenant's pylon/monument sign.

EXHIBIT G

FORM MEMORANDUM OF LEASE

Prepared by and Return to:

Parcel ID: _____

MEMORANDUM OF LEASE

This Memorandum of Lease (this "Memorandum") is made and entered into this ____ day of _____, 20__, by and between _____, a
_____, ("Landlord") and _____, a
_____, ("Tenant"). Tenant and Landlord agree to and acknowledge the following matters:

1. Landlord and Tenant entered into that certain _____ Lease Agreement dated as of _____, 20__ (the "Lease"), wherein Landlord has leased to Tenant, and Tenant has leased from Landlord, subject to the terms, covenants and conditions contained therein, space consisting of approximately _____ rentable square feet (the "Premises"), located at _____ in _____, as legally described on Exhibit A, attached and incorporated herein by reference (the "Property").

2. The term of the Lease is for an initial period of _____ [weeks/months/years] commencing upon the earlier of the Possession Date or the Commencement Date, as defined in the Lease, (the "Lease Term"), subject to a right to extend and renew the Lease for _____ successive additional periods of _____ [weeks/months/years] each.

3. Pursuant to the Lease, Tenant has [the/an] [right of first option to lease adjacent premises located on the Property] [option to purchase the Property].

4. The Lease contains certain restrictions on Landlord's ability to sell, rent or permit any property owned, leased or controlled by Landlord or any affiliate of Landlord to a business that provides renal dialysis, renal dialysis home training, any aphaeresis service(s) or similar blood separation or cell collection procedures within a _____ mile radius of the Property.

5. The address of Landlord is _____.

6. The address of Tenant is _____.

7. The purpose of this Memorandum is to give record notice to all persons that Tenant has a leasehold interest in the Premises with related use exclusivity rights, [and right of first refusal/options rights] pursuant to the Lease, in addition to other rights and obligations created therein, all of which are confirmed.

8. Any capitalized terms utilized herein that are not otherwise defined shall be deemed to have the same meaning as set forth in the Lease.

9. In the event of a conflict between the terms of the Lease and the terms of this Memorandum, the terms of the Lease shall control.

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10. This Memorandum may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum as of the day and year first above written.

LANDLORD**TENANT**

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20__ by _____, the _____ of _____, a _____ on behalf of the _____

My commission expires: _____

Notary Public

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20__ by _____, the _____ of _____, a _____ on behalf of the _____.

My commission expires: _____

Notary Public

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EXHIBIT A TO MEMORANDUM OF LEASE

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EXHIBIT H

TITLE EXCEPTIONS

To be provided by Landlord, subject to Tenant's review and reasonable approval.

EXHIBIT I

FORM OF RELEASE OF MEMORANDUM OF LEASE

[TO BE CONFORMED TO COUNTY RECORDING REQUIREMENTS]

Prepared by and Return to:

Parcel ID: _____

RELEASE OF MEMORANDUM OF LEASE

This Release of Memorandum of Lease (this "Release") is made and entered into this ____ day of _____, 20__ by _____ and _____ between _____ a ("Landlord") and _____ a ("Tenant"). Tenant and Landlord agree to and acknowledge the following matters:

1. Landlord and Tenant entered into that certain _____ Lease Agreement dated as of _____, 20__ (the "Lease"), wherein Landlord has leased to Tenant, and Tenant has leased from Landlord, subject to the terms, covenants and conditions contained therein, space consisting of approximately _____ rentable square feet (the "Premises"), located at _____ in _____, as legally described on Exhibit A, attached and incorporated herein by reference (the "Property").

2. In connection with the Lease, Landlord and Tenant executed and caused to be recorded that certain Memorandum of Lease dated _____, 20__ and recorded on _____, 20__ at Book _____, Page _____ of the real property records of the Clerk and Recorder of _____ County in the State of _____ (the "Memorandum").

3. As the Lease has expired or terminated, Landlord and Tenant hereby terminate and release the Memorandum, which shall upon recordation of this Release be rendered null, void and of no further effect.

4. This Release may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have executed this Release as of the day and year first above written.

LANDLORD:

[LANDLORD ENTITY],

a _____

By: _____

Name: _____

Title: _____

Date: _____

STATE OF _____)

) SS

COUNTY OF _____)

I, _____, a Notary Public in and for the County and State aforesaid, do hereby certify that _____ the _____ of _____, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me in person and acknowledged that he/she signed, sealed and delivered the said instrument as his/her own free and voluntary act and as the free and voluntary act of said _____, for the uses and purposes therein set forth.

Given under my hand and notarial seal this _____ day of _____, 20____.

Notary Public

My Commission Expires: _____

TENANT:

[DAVITA ENTITY],

a _____

By: _____

Name: _____

Title: _____

Date: _____

STATE OF _____)
) SS

COUNTY OF _____)

I, _____, a Notary Public in and for the County and State aforesaid, do hereby
certify that _____ the _____ of
_____, who is personally known to me to be the same person whose
name is subscribed to the foregoing instrument, appeared before me in person and acknowledged that he/she
signed, sealed and delivered the said instrument as his/her own free and voluntary act and as the free and
voluntary act of said _____, for the uses and purposes therein set forth.

Given under my hand and notarial seal this _____ day of _____, 20__.

Notary Public

My Commission Expires: _____

EXHIBIT A
TO
RELEASE OF MEMORANDUM OF LEASE

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EXHIBIT J

FORM OF SECURITY AGREEMENT

**TI FUNDS AGREEMENT
AND ESCROW INSTRUCTIONS**

THIS TI FUNDS AGREEMENT AND ESCROW INSTRUCTIONS (this "Agreement") shall be effective as of the date of the last execution hereof ("Effective Date") and is entered into by DYN COMMERCIAL HOLDINGS, L.L.C., an Illinois limited liability company ("Landlord"), and TOTAL RENAL CARE, INC., a California corporation ("Tenant").

WITNESSETH

WHEREAS, Landlord and Tenant entered into that certain Lease Agreement dated _____, 2016 (the "Lease") with regard to that certain premises located at 4103 W. State Street, Rockford, Illinois as depicted on Exhibit A of the Lease ("Premises"); and

WHEREAS, pursuant to the Lease, Tenant has agreed to construct the shell of the Building in which the Premises are to be located (the "Shell Construction") and Landlord has agreed to reimburse Tenant the cost of such work on the terms and conditions set forth herein; and

WHEREAS, capitalized terms not otherwise defined herein have the same meanings as are set forth in the Lease.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the benefits to each party resulting herefrom and for other valuable consideration, the receipt and sufficiency of which are irrevocably and unconditionally hereby acknowledged, the parties hereto, intending to be fully legally bound, agree as follows:

1. **TI Funds**. Notwithstanding anything in Section 10 of the Lease to the contrary, the TI Funds shall equal \$931,300 which shall be held in escrow as provided below.
2. **Funding of Escrow**. In connection with the execution hereof, Landlord shall deposit the TI Funds (the "Escrow Funds") with Title Underwriters Agency, ("Escrow Agent") at its office at 1235 N. Mulford Road, Rockford, IL 61107, 815-969-1865 Attention: Jody Mineart, Commercial Closing Coordinator.
3. **Escrow Account**. The Escrow Funds shall be maintained by Escrow Agent in an interest bearing escrow account with a federally insured financial institution (the "Escrow Account"). The Escrow Agent shall hold, invest, administer and disburse the Escrow Funds in accordance with the terms of this Agreement. All accrued interest shall be disbursed to Landlord upon expiration or termination of this Agreement.
4. **Purpose**. This Agreement is entered into for the purpose of depositing into escrow by Landlord the TI Funds. The TI Funds are intended to be used to reimburse the costs of the Shell Construction build out of the Expansion Space located at 4103 W. State Street, Rockford, IL 61101.

5. **Disbursement Requirements.** In connection with this Agreement, Landlord, Tenant and Escrow Agent shall enter into an escrow trust and disbursing agreement ("Title Company Agreement") at the request of the Escrow Agent, provided the same is consistent with the Agreement and subject to reasonable approval of Landlord and Tenant.
6. **Disbursement of Escrow.** Escrow Agent shall disburse the TI Funds as follows:
 - a. The TI Funds shall be payable in monthly draws on the first day of each month during the performance of the Shell Construction. With each draw request, Tenant shall include sworn statements and lien waivers from each contractor for which payments are being made. Escrow Agent shall disburse to Tenant, from, and only to the extent of, the Escrow Funds, the amount set forth in such draw request, provided all applicable requirements have been met.
 - b. Whenever the Escrow Funds have been fully disbursed by Escrow Agent, this Agreement shall terminate.
7. **General Provisions Relating to Escrow Agent's Rights and Duties:** In addition to the specific terms set forth above, the following general provisions shall apply:
 - a. The Escrow Agent shall be liable as a depositor and disbursing agent only and shall not be liable for any acts or omissions done by it in good faith in accordance with this Agreement.
 - b. Except as set forth in Section 5 and 6 above, the Escrow Agent shall be required to act with respect to the Escrow Funds only upon the written consent of all parties to this Agreement.
 - c. In the event of the failure of the parties to provide written consent to the distribution of the Escrow Funds whenever such consent is required by this Agreement, Escrow Agent may hold the Escrow Funds in its possession until a mutual agreement has been reached between all of the parties to the Agreement or until distribution is legally authorized and ordered by final judgment of a court of competent jurisdiction.
8. **Entire Agreement.** This Agreement and the Lease contain all of the terms agreed upon by the parties with respect to the Escrow Funds.
9. **Successors and Assigns.** This Agreement and all actions taken hereunder in accordance with its terms shall be binding upon and inure to the benefit of Landlord and Tenant and their respective personal representatives, heirs, successors and assigns.
10. **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the state of Illinois.
11. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall constitute an original document, and all of which, together, shall constitute one and the same document. This Agreement may be delivered electronically, and this Agreement may be

executed by facsimile, telecopier or other electronic signatures, which shall be deemed to be valid and as effective as original signature.

[Signature page to follow]

Forest City, IL (Facility #11506)
544003.3

IN WITNESS WHEREOF, Landlord and Tenant have executed this Agreement as of the
dates set forth below.

LANDLORD:

DYN COMMERCIAL HOLDINGS, L.L.C.,
an Illinois limited liability company

By: _____
Name: _____
Title: _____

Date: _____

TENANT:

TOTAL RENAL CARE, INC.,
a California corporation

By: _____
Name: _____
Title: _____

Date: _____

Section IX, Financial Feasibility
Criterion 1120.130 – Financial Viability Waiver

The project will be funded entirely with cash. A copy of DaVita's 2018 10-K Statement evidencing sufficient internal resources to fund the project was previously submitted on March 1, 2019.

Section X, Economic Feasibility Review Criteria

Criterion 1120.140(a), Reasonableness of Financing Arrangements

Attached at Attachment – 36A is a letter from Michael D. Staffieri, Chief Operating Officer of DaVita Inc. and Machesney Bay Dialysis, LLC, attesting that the total estimated project costs will be funded entirely with cash.



Richard H. Sewell
Vice Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Reasonableness of Financing Arrangements

Dear Vice Chair Sewell:

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

Further, the project involves the leasing of a facility. The expenses incurred with leasing the facility are less costly than constructing a new facility.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael D. Staffieri", with a stylized flourish at the end.

Print Name: Michael D. Staffieri
Its: Chief Operating Officer, DaVita Inc.
President, Total Renal Care, Inc., Managing Member
of Machesney Bay Dialysis, LLC

Subscribed and sworn to me
This 4th day of October, 2019

A handwritten signature in black ink, appearing to read "Kathy Connor", written over a horizontal line.
Notary Public

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

Attached at Attachment – 36A is a letter from Michael D. Staffieri, Chief Operating Officer of DaVita Inc. and Machesney Bay Dialysis, LLC attesting that the project involves the leasing of facilities and that the expenses incurred with leasing a facility is less costly than constructing a new facility.

Section X, Economic Feasibility Review Criteria
Criterion 1120.140(c), Reasonableness of Project and Related Costs

1. The Cost and Gross Square Feet by Department is provided in the table below.

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (list below) CLINICAL	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Mod.	Gross Sq. Ft. New Circ.*		Gross Sq. Ft. Mod. Circ.*		Const. \$ (A x C)	Mod. \$ (B x E)	
CLINICAL									
ESRD		\$0.65			6,700			\$4,340	\$4,340
Contingency		\$0.09			6,700			\$650	\$650
TOTAL CLINICAL		\$0.74			6,700			\$4,990	\$4,990
NON- CLINICAL									
Admin									
Contingency									
TOTAL NON- CLINICAL									
TOTAL		\$0.74			6,700			\$4,990	\$4,990

* Include the percentage (%) of space for circulation

2. As shown in Table 1120.140(c) below, the project costs are below the State Standard.

Table 1120.140(c)			
	Proposed Project	State Standard	Above/Below State Standard
Modernization Contacts and Contingencies	\$4,990	$\$206.74 \times 6,700 \text{ GSF} =$ $\$1,385,126.70$	Below State Standard
Contingencies	\$650	10% - 15% of Modernization Construction Contracts $10\% - 15\% \times \$4,340 =$ $\$434 - \651	Below State Standard
Consulting and Other Fees	\$17,000	No State Standard	No State Standard
Moveable Equipment	\$78,365	$\$56,952.02 \text{ per station} =$ $4 \text{ stations} \times \$56,952.02 =$ $\$227,808.07$	Below State Standard

Table 1120.140(c)			
	Proposed Project	State Standard	Above/Below State Standard
Fair Market Value of Leased Space or Equipment	\$901,010	No State Standard	No State Standard

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

Operating Expenses	
Salaries	\$251,012
Benefits	\$119,654
Supplies	\$169,009
Total Operating Expenses	\$539,675
 Treatments	 16,068
 Capital Costs per Treatment	 \$33.59

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

Capital Costs	
Depreciation	\$11,836
Amortization	\$36
Total Capital Costs	\$11,872
Treatments	16,068
Capital Costs per Treatment	\$0.74

Section XI, Safety Net Impact Statement

The Applicants propose a 4 station expansion of Forest City Dialysis. An expansion of an existing facility constitutes a non-substantive project. Accordingly, this criterion is not applicable.

Section XII, Charity Care Information

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

CHARITY CARE			
	2016	2017	2018
Net Patient Revenue	\$353,226,322	\$357,821,315	\$394,665,458
Amount of Charity Care (charges)	\$2,400,299	\$2,818,603	\$2,711,788
Cost of Charity Care	\$2,400,299	\$2,818,603	\$2,711,788

Appendix I – Physician Referral Letter

Attached as Appendix 1 is the physician referral letter from Dr. Murdakes of Rockford Nephrology Associates projecting 73 pre-ESRD patients will initiate dialysis within 12 to 24 months of project completion.



Kathi Capriola, APN/CNS
Yvonne Schonnover, ANP-BC
Stephanie Cille, APN

Julie Ling, RN, CNN
Mary Jo Johnson, RN, CNN, Office Manager

John C. Maynard, MD
Charles J. Sweeney, MD
Krishna Sankaran, MD
James A. Stlm, MD
Michael Robertson, MD
Mashood Ahmad, MD
Joanna Niemiec, MD
Bindu Pavithran, MD
Charlene Murdakes, MD
Syed Ahmed, MD

Richard H. Sewell
Interim Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Dear Chair Sewell:

I am a nephrologist with the Rockford Nephrology Associates ("RNA"). I am writing in support of the expansion of Forest City Rockford Dialysis located at 198 North Springfield Avenue, Rockford, Illinois 61101, for which I am the medical director. The proposed 4-station expansion will directly benefit our patients.

I have identified 118 patients from my practice who are suffering from stage 4 and stage 5 chronic kidney disease ("CKD") and reside within 5 miles of Forest City Rockford Dialysis. Conservatively, I predict at least 73 of these CKD patients will progress to dialysis within 12 to 24 months of the additional stations becoming operational.

A list of patients who have received care at existing clinics in the area over the past 3 years is provided at Attachment - 1. A list of new patients we have referred for in-center hemodialysis in the past year is provided at Attachment - 2. The zip codes for the 118 CKD patients previously referenced is provided at Attachment - 3.

These patient referrals have not been used to support another pending or approved certificate of need application. The information in this letter is true and correct to the best of my knowledge.

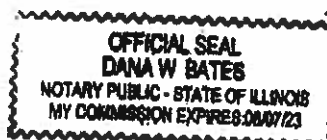
I respectfully request the Illinois Health Facilities and Services Review Board approve addition of stations at Forest City Rockford, so the clinic may provide in-center hemodialysis services for the end-stage renal disease population in Rockford.

Sincerely, *Charlene D. Murdakes MD*

Charlene D. Murdakes, M.D.
Nephrologist
RNA of Rockford, LLC
612 Roxbury Road
Rockford, Illinois 61107

Subscribed and sworn to me

This 4th day of October, 2019



Dana W. Bates

Notary Public

Attachment 1
Historical Patient Utilization

Rockford Dialysis							
2016		2017		2018		Q2 2019	
Initials	Zip Code	Initials	Zip Code	Initials	Zip Code	Initials	Zip Code
EA	53511	BA	61107	AA	61103	JA	61107
BA	61107	CA	61104	SA	61101	SA	61101
CA	61103	CA	61103	AA	61101	KA	53511
EA	61101	EA	61101	JB	61103	RA	61072
AA	61073	RA	61072	JB	61101	KA	53511
JA	61024	RA	61072	CB	61101	JB	61102
RA	61072	JA	61102	AB	61101	JC	61101
JA	61102	RA	61103	EB	61103	BD	61103
RA	61101	LA	53704	JB	61102	TD	61101
LA	53704	EB	61101	RB	61101	WD	61101
EB	61101	JB	61101	RB	61107	PD	60426
JB	61101	RB	61102	DC	61108	VD	61103
RB	61102	HB	61103	HC	61101	BE	61101
HB	61103	SB	61101	JC	61101	JF	61101
SB	61101	RB	61104	JC	61102	FG	61103
DB	30161	BB	61103	FC	61102	BH	61103
CB	61103	CB	61102	BD	61102	WH	61103
BB	61103	EB	61111	CE	61108	BH	61103
CB	61102	LB	61103	RF	61101	CJ	61103
EB	61111	LB	61102	JF	61101	MJ	61102
CB	61102	TB	61101	PF	61107	SJ	61101
RB	61101	RR	61101	TF	61104	MM	61107
MB	61104	MB	61104	LF	61111	JM	61104
WB	61104	WB	61104	JG	61103	AM	64801
RB	61101	NB	61111	BH	61103	RO	61104
EB	61101	JC	61088	NH	61101	RR	61046
NB	61111	JC	61115	RH	61104	KR	61103
IC	61101	RC	61115	BH	61103	BS	61104
KC	61088	JC	61102	JH	61103	LS	48021
JC	61115	RC	61114	CJ	61103	JS	61101
JC	61115	YC	61101	RJ	61103	DS	61075
KC	61103	ED	61102	JJ	61111	MV	61103
AC	61102	DD	60651	PJ	61101	LV	61103
JC	61103	DD	61020	DL	61108	CW	61078
RC	61108	AE	61104	AM	61101	DW	61088
RC	61114	LE	61102	RN	61109		
TD	61080	PE	61103	RO	61104		
TD	61108	PE	61111	DP	61103		
YD	61101	CE	61101	MP	61103		
ED	61102	PF	61102	MP	61101		

Attachment 1
Historical Patient Utilization

Rockford Dialysis							
2016		2017		2018		Q2 2019	
Initials	Zip Code	Initials	Zip Code	Initials	Zip Code	Initials	Zip Code
TE	61088	NF	61102	JP	61103		
LH	61107	RF	61108	RR	61101		
DH	61102	FG	61103	MR	61103		
HH	61101	DG	61108	TS	61101		
WH	61115	SG	61103	DS	61104		
KH	61102	SG	61103	RS	61103		
MH	61104	JH	61103	ES	61101		
JH	61103	JH	61103	JT	61111		
CH	61104	DH	61101	AV	61102		
BH	61073	HH	61101	JV	61109		
KH	61101	MH	61103	WW	61101		
BH	61101	OH	61103	FW	61102		
DH	61101	BH	61107	KW	61104		
SH	61109	DH	61101	AZ	61103		
TH	61101	WH	61104				
JH	61114						
RH	78415						
FH	61101						
EJ	61103						
SI	61102						
SI	61107						
SI	61102						
DJ	61103						
RJ	61103						
CJ	61103						
DJ	61107						
SJ	61109						
YJ	61101						
CK	61103						
LK	61111						
BK	61101						
RK	61101						
SK	61108						
DL	61101						
SL	61101						
KL	61114						
SL	61109						
DL	61102						
JM	61102						
HM	61104						
RM	61102						

Attachment 1
Historical Patient Utilization

Rockford Dialysis							
2016		2017		2018		Q2 2019	
Initials	Zip Code	Initials	Zip Code	Initials	Zip Code	Initials	Zip Code
HM	61103						

Attachment 1
Historical Patient Utilization

Stonecrest Dialysis							
2016		2017		2018		Q2 2019	
AAI	61108	AAI	61108	BA	61107	BA	61107
IAr	61102	IAr	61102	AA	61108	AA	61108
JB	61102	JB	61102	DA	61108	DA	61108
RBo	61115	RBo	61115	JA	61102	PA	61104
RBu	61104	RBu	61104	JB	61103	JA	61102
AB	61104	AB	61104	JB	61102	JB	61103
DBu	61102	DBu	61102	AB	61107	EB	61108
DC	61104	DC	61104	AB	61107	JB	61102
BC	61108	BC	61126	RB	61101	AB	61107
MC	61109	MC	61109	AB	61104	RB	61101
Rcov	61101	Rcov	61101	AB	61102	AB	61104
DC	61103	DD	61104	DB	61102	AB	61102
JC	61108	Lfa	61101	DC	61104	DB	61102
IC	61114	JF	61102	BC	61109	DC	61104
JF	61102	LFr	61102	RC	61104	BC	61109
RF	61104	MG	61102	JF	61102	JC	61109
LFr	61102	OG	61102	LF	61102	RC	61104
MG	61102	BH	61101	OG	61102	SE	61102
OG	61102	MH	61102	HG	61109	JF	61102
JG	61104	LH	61102	JG	61107	LF	61102
BH	61101	WH	61103	MH	61102	OG	61102
LH	61102	Dha	61101	WH	61111	HG	61109
WH	61103	RH	61101	DH	61101	JG	61107
DH	61102	BH	61109	RH	61104	MH	61102
RH	61104	CH	61104	CH	61104	WH	61111
DHER	61102	LI	61102	JL	61102	DH	61101
BH	61109	BJ	61104	BJ	61104	RH	61104
CH	61104	RJa	61104	RJ	61104	CH	61104
SH	61104	SI	61102	SJ	61102	JL	61102
JH	61102	EJ	61103	DL	61109	SI	61107
111	61104	MaJ	61101	DL	61104	BJ	61104
RJ	61104	RJ	61103	ALE	61107	RJ	61104
EJ	61103	GJ	61102	AM	61104	SJ	61102
MAJ	61101	PL	61104	JM	61104	RJ	61103
MOJ	61104	DL	61104	LM	61108	DL	61109
RJ	61103	AL	61107	RM	61104	JLJ	61104
PL	61104	JM	61102	JO	61102	DL	61104
DL	61104	GM	61102	MP	61101	ALE	61107
SL	61104	Jmon	61101	PP	61104	NM	90301
RL	61114	ArM	61104	RP	61109	AM	64801
CM	61101	Jmos	61104	JR	61102	AM	61104
JM	61102	LM	61108	AR	61101	JM	61104

Attachment 1
Historical Patient Utilization

Stonecrest Dialysis							
2016		2017		2018		Q2 2019	
SM	61109	RM	61104	MR	61084	LM	61108
GM	61102	FN	61102	DS	61104	RM	61104
JMO	61101	JO	61102	BS	61104	RN	61109
JM	61104	KO	61109	MS	61102	JO	61102
LM	61108	MP	61101	ES	61101	MP	61101
RM	61104	PP	61104	AS	61102	PP	61104
JO	61102	RP	61109	DT	61114	RP	61109
KO	61109	JR	61102	CT	61104	RR	61109
MP	61101	Jri	61101	VT	61108	KR	61108
PP	61104	AR	61101	AV	61102	JR	61102
AP	61103	LR	61103	ED	61101	AR	61101
RP	61109	MR	61084	JV	61108	LR	61103
JR	61102	ES	61102	EW	61108	MR	61084
AR	61101	DS	61104	GW	61104	DS	61104
LR	61103	BS	61104	RB	61104	BS	61104
AR	61104	TS	61101	JC	61102	MS	61102
ES	61102	AS	61102	GC	61104	DS	61104
DS	61104	DT	61114	DO	61104	ES	61101
TS	61101	CT	61101	LF	61101	AS	61102
JS	61103	AV	61104	TF	61104	DT	61114
AS	61102	EV	61101	LH	61102	CT	61104
RS	61114	RW	61102	GJ	61102	VT	61108
DT	61114	TW	61109	JM	61114	DV	61102
CT	61104			FN	61102	AV	61102
CV	61104			RR	61101	ED	61101
AV	61104			TS	61101	JV	61108
TW	61109			JT	61084	EW	61108
MW	61104			RW	61102	GW	61104
				JW	61104	MB	61104
				BA	61101	BD	61102
				JA	61115	BH	61108
				VB	61109	EJ	61103
				SB	61101	MJ	61101
				RB	61107	MJ	61104
				MB	61109	PL	61104
				MB	61104	SM	61107
				LC	61084	JM	61102
				GC	61104	KO	61109
				BD	61102	ES	61102
				TE	61104	TW	61109
				JE	61020		
				TE	61114		

Attachment 1
Historical Patient Utilization

Stonecrest Dialysis							
2016		2017		2018		Q2 2019	
				PF	61107		
				RF	61102		
				DH	61103		
				BH	61103		
				JH	61107		
				RH	61104		
				MJ	61115		
				SG	61104		
				TP	61104		
				AP	61068		
				MR	61109		
				JT	61101		

Attachment 1
Historical Patient Utilization

Roxbury Dialysis

2016		2017		2018	
Initials	Zip Code	Initials	Zip Code	Initials	Zip Code
SA	61107	SA	61107	LA	61021
MB	61108	NA	61104	AA	61101
RB	61107	LB	61109	NA	61104
RB	61109	RB	61107	GA	61107
LB	61104	RB	61109	AB	61108
JC	61107	LB	61104	LB	61109
KC	61115	RC	61108	JB	61016
WC	61103	JC	61107	LB	61104
AC	61111	KC	61115	AB	61107
MC	61107	WC	61103	PB	61103
CC	61102	AC	61111	RB	61103
RC	61114	MC	61107	RB	61107
DD	61111	CC	61102	CB	61108
ED	61008	RC	61114	RB	61109
TE	61114	DD	61111	JC	61107
ME	61107	ED	61008	WC	61103
ME	61101	DD	61132	RC	61114
RF	61052	AE	61107	CC	61102
LF	61114	TE	61114	BC	61107
PF	61102	ME	61107	JC	61103
JG	61101	ME	61101	KC	61107
LG	61103	RF	61052	MC	61103
CG	61107	IF	61114	DC	61108
RG	61102	PF	61102	JC	61088
DG	61104	JG	61101	SC	60150
EG	61102	LG	61103	KC	61115
PH	61111	CG	61107	JC	61102
RH	61101	RG	61102	AC	61111
WH	61107	DG	61104	AD	61062
DH	61107	TG	61109	DD	61111
PH	61126	EG	61102	ME	61101
CJ	61102	PH	61111	RE	61115
MJ	61103	OH	61107	AE	61107
JJ	61108	RH	61101	TE	61114
RK	61107	WH	61107	RF	61052
TK	61103	DH	61107	JF	61101
LK	61107	PH	61126	ME	61107
BK	61108	CJ	61102	LF	61114
TL	61107	MJ	61103	MF	46241
RL	61109	JJ	61108	PF	61107
KL	61107	RK	61107	JG	61101

Attachment 1
Historical Patient Utilization

Roxbury Dialysis

2016		2017		2018	
Initials	Zip Code	Initials	Zip Code	Initials	Zip Code
TL	61101	TK	61103	LG	61103
RL	61107	LK	61107	CG	61107
JL	61111	BK	61108	DG	61104
AM	61008	TL	61107	TG	61109
AM	61109	RL	61109	EG	61102
JM	61108	KL	61107	HG	61107
DM	61109	TL	61101	DG	61108
JM	61104	RL	61107	JG	61008
BM	61107	RL	61108	RG	61102
RM	61107	AM	61008	WH	61011
RM	61108	JM	61108	SH	61111
AN	61104	DM	61109	SH	61021
JN	61108	JM	61104	PH	61111
KN	61111	RM	61107	PH	61126
LN	61114	RM	61108	SH	61021
CP	61115	AN	61104	BH	61107
LP	61111	JN	61108	JH	61109
MP	61080	KN	61111	MJ	61103
JP	61103	LN	61114	MJ	61103
BP	61107	CP	61115	JJ	61101
MP	61107	LP	61111	CJ	61102
SR	61108	MP	61080	PK	61109
BR	61111	JP	61103	AK	61084
LR	61107	BP	61107	RK	61008
JR	61114	SR	61108	KK	61107
DR	61109	WR	61109	RK	61107
DR	61109	LR	61107	TK	61108
AR	61114	JR	61114	KK	61104
RR	61108	DR	61109	RL	61108
JS	61114	DR	61109	JL	61107
TSG	61101	RR	61108	DL	61108
NS	61108	JS	61114	RL	61107
JS	61111	TSG	61101	CL	61111
ES	61108	NS	61108	RL	61109
DS	61107	JS	61111	SL	61108
AS	61101	ES	61108	TL	61108
DS	61108	DS	61107	KL	61107
MT	61102	DS	61107	RL	61108
ST	61016	ST	61016	CM	61101
CT	61108	CT	61108	RM	61108
AV	61108	AV	61108	AM	61061

Attachment 1
Historical Patient Utilization

Roxbury Dialysis

2016		2017		2018	
Initials	Zip Code	Initials	Zip Code	Initials	Zip Code
FV	61114	FV	61114	JM	61104
DW	61109	DW	61104	BM	61109
VW	61109	VW	61109	AN	61104
CW	61101	CW	61101	JN	61108
JW	61115	JW	61115	LN	61114
SW	61108	TX	61109	KN	61114
JW	61115	CZ	61109	CP	61111
TX	61109			BP	61107
CZ	61109			MP	61107
				KP	61109
				SP	60901
				MP	61080
				JP	61103
				SR	61108
				LR	61108
				GR	61107
				DR	61109
				AR	61109
				JR	61103
				PS	61104
				NS	61108
				JS	61111
				ES	61108
				LS	61108
				GS	61107
				TS	61103
				TS	61101
				PS	61108
				JS	61114
				DS	61107
				MS	60419
				ST	61016
				JT	61104
				AV	61108
				WV	61114
				FV	61114
				DW	61109
				TW	61115
				CW	61101
				HW	61108
				MW	61111

Attachment 1
Historical Patient Utilization

Roxbury Dialysis

2016		2017		2018	
Initials	Zip Code	Initials	Zip Code	Initials	Zip Code
				TX	61109
				JY	60629
				CZ	61114
				CZ	61008

Attachment 1
Historical Patient Utilization

Freeport Dialysis			
2018		Q2 2019	
Initials	Zip Code	Initials	Zip Code
AE	53511	RC	61032
BC	61032	JC	61032
JC	61032	MG	61032
JC	61032	LH	61032
RB	52404	CI	61032
CG	61032	SI	61032
LF	61032	GJ	61032
MG	61032	PL	61032
JH	61032	RP	61032
GJ	61088	DR	61050
SK	61046	MS	61047
DK	61046	ET	61032
NL	61032	MW	61032
DR	61050	JW	61032
AS	61032	RC	61032
HC	61032	AG	61062
RC	61032	FG	61085
TC	61032	MG	61032
DE	61032	DG	61032
MG	61032	EH	61285
DG	61032	GJ	61088
RH	61032	DK	61047
LH	61032	NL	61032
EH	61032	KM	61032
CH	61032	MR	61032
CI	61032	DS	61047
SI	61032	MV	61032
GJ	61032	BW	61078
SK	61032	RB	61032
DK	61032	PL	61032
LL	61032	RP	61032
JR	61060	RR	61032
MR	61032	DS	61032
DS	61032	RT	61088
MS	61047	MV	61032
AL	61032	MW	61032
ET	61032		
MV	61032		
BW	61078		
AG	61062		
FD	61085		

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Historical Patient Utilization

Driftwood Dialysis			
2018		Q2 2019	
Initials	Zip Code	Initials	Zip Code
db	61032	ad	61048
gc	61046	re	61048
cd	61032	mg	61032
wg	61046	wh	61032
ch	61032	rh	61032
cj	61032	km	61032
yj	61032	gn	61085
jl	61046	mr	61085
fm	61032	ms	61070
sn	61032	ds	61047
bo	61032	bw	61078
hr	61062		
lr	61032		
js	61032		
rt	61032		
gw	61010		
jb	61032		
cg	61032		
lg	61032		
rj	61032		
rl	61048		
do	61085		
ds	61032		
rt	61032		
gb	61032		
lb	61032		
cb	61032		
pl	61032		
kb	61032		
tb	61032		
mb	61032		
bc	61032		
rc	61032		
ge	61085		
cf	61032		
rg	61032		
lj	61032		
ak	61032		
rn	61032		
kn	61032		
cp	61032		

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Historical Patient Utilization

Driftwood Dialysis			
2018		Q2 2019	
Initials	Zip Code	Initials	Zip Code
wp	61032		
rr	61032		
kr	61088		
rs	61030		
sw	61085		

Attachment 1
Historical Patient Utilization

Forest City Dialysis					
2017		2018		Q2 2019	
Initials	Zip Code	Initials	Zip Code	Initials	Zip Code
AG	61102	DH	61102	JB	61101
DH	61102	JM	61101	AM	61101
AM	61101	FM	61010	JS	61104
FM	61010	MP	61101	DT	61102
ST	61101	PT	61010	EU	61102
SA	61103	YB	61102	WW	61102
CA	61104	RB	61109	NC	61102
AA	61101	FC	61102		
EA	61101	CD	61088		
CB	61102	JF	61101		
JC	61088	DH	61102		
LE	61102				
PF	61102				
NF	61102				
DH	61114				
BH	61103				
TL	61108				
HM	61102				
MM	61109				
RO	61104				
LT	61103				
DV	61102				
WV	61103				
FW	61101				

Attachment 1
Historical Patient Utilization

Machesney Park Dialysis							
2016		2017		2018		2019 Q2	
Initials	Zip Code	Initials	Zip Code	Initials	Zip Code	Initials	Zip Code
RP	61108	JS	61103	EA	53511	EA	61115
JS	61103	LT	61103	AA	61073	MP	61111
LT	61103	WG	61111	SC	61111	CM	61115
WG	61111	JG	61111	RE	61115	WH	61073
JG	61111	DS	61111	WG	61073	MM	61115
DS	61111	MT	61111	DG	61111	BH	61111
MT	61111	BW	61111	MH	53511	JS	61073
BW	61111	JW	61111	LM	61073	BL	61080
JW	61111	CW	61111	BM	61115	DD	61115
CW	61111	PB	61115	LM	61115	SL	61072
PB	61115	CD	61115	MM	61115	CT	61115
CD	61115	BE	61115	CM	61115	PA	61080
BE	61115	LG	61115	CP	61111		
LG	61115	MG	61115	DS	61111		
MG	61115	HH	61115	JS	61080		
HH	61115	MH	61115	LT	61103		
MH	61115	TL	61115	TT	61111		
TL	61115	RM	61115	LW	61111		
RM	61115	LM	61115	JW	61115		
LM	61115	CM	61115	EB	53585		
CM	61115	JH	61011	EB	61073		
JH	61011	BH	61073	MJ	61115		
BH	61073	AA	61073	KM	61073		
AA	61073	LE	61072	TP	61073		
LE	61072	DH	61065	RC	61115		
DH	61065	TD	61080	JC	61115		
TD	61080	JM	61080	TD	61080		
JM	61080	LM	61115	CD	61115		
DA	61072	JW	61111	JG	61080		
		MH	53511	JG	61111		
		AF	61073	LG	61115		
		PK	61073	MG	61115		
		CT	61114	HH	61115		
		RA	61072	JH	61011		
		DO	61073	BH	61073		
		GM	61080	SJ	61108		
		RC	61115	SL	61072		
		ER	61101	TL	61115		
		DA	61115	RM	61115		
		RE	61115	JM	61080		
				DO	61073		

Attachment 1
Historical Patient Utilization

Machesney Park Dialysis							
2016		2017		2018		2019 Q2	
Initials	Zip Code	Initials	Zip Code	Initials	Zip Code	Initials	Zip Code
				CP	61111		
				MT	61111		
				CT	61114		
				CW	61111		
				RD	61073		
				RS	61111		
				KT	61008		
				TA	61115		
				AC	61111		
				LL	61111		
				KS	61111		
				BS	61073		
				JJ	61115		
				JM	61072		
				RS	61072		
				AM	61115		
				DR	61115		
				KA	61111		
				TP	61080		
				MH	61115		

Attachment 1
Historical Patient Utilization

Belvidere Dialysis							
2016		2017		2018		Q2 2019	
Initials	Zip Code	Initials	Zip Code	Initials	Zip Code	Initials	Zip Code
K.B	61008	D.A.	61008	DA	61008	LA	61008
E.F.	61008	K.A.	61008	RA	61008	FAP	61008
J.W.	61008	D.A.	61008	LB	61008	LC	61008
D.A.	61008	M.B.	61065	JC	61008	JD	61008
D.A.	61008	K.B	61008	LC	61008	RK	61008
M.B.	61065	K.B	61008	AC	61008	RK	61038
K.B	61008	j.B	61008	PG	61008	JK	61012
J.C.	61008	J.C.	61008	LG	61008	MN	61008
A.C.	61008	A.C.	61008	JG	61008	IT	61008
L.G.	61008	E.F.	61008	FH	61008	KT	61008
J.G.	61008	L.G.	61008	GH	61008		
B.H.	61008	F.H.	61008	ALM	61008		
F.H.	61008	C.J.	61108	MM	61008		
A.L.	61065	A.L.	61065	AM	61008		
L.L.	61008	L.L.	61012	MM	61008		
M.M	61008	L.L.	61008	NM	61008		
A.M.	61008	M.M	61008	RM	61008		
R.M.	61008	M.M.	61008	AP	61065		
G.P.	61108	R.M.	61008	RS	61008		
F.P.	61008	G.P.	61108	DS	61008		
T.R.	61008	F.P.	61008	AS	61008		
T.S.	61008	T.R.	61008	CT	61008		
D.S.	61065	R.S.	61065	CT	61008		
D.S.	61008	T.S.	61008	CV	61008		
A.S.	61008	D.S.	61065	JY	61108		
D.T.	61008	D.T.	61008	CZA	61008		
C.T.	61008	S.T.	60051	MZ	61008		
C.T.	61008	C.T.	61008	KA	61111		
E.W.	61008	E.W.	61008	DA	61103		
K.Z.	61008	J.W.	61008	AB	61008		
S.T.	60051	J.Y.	61108	JF	61065		
M.M.	61008	S.A	61103	EG	61008		
R.S.	61065	R.B.	61008	RG	61008		
A.B.	61008	S.R.	61008	CH	61065		
C.J.	61108	E.D.	61111	BH	61103		
S.A	61103	A.S	61008	MM	61111		
j.B	61008	C.T.	61008	GN	34601		
B.M.	61008	G.H.	61008	FP	61008		
J.Y.	61108	R.A.	61008	BR	61008		
B.D.	61104	A.B.	61008	DR	61008		
J.K.	61008	R.G.	61008	TS	61008		

Attachment 1
Historical Patient Utilization

Belvidere Dialysis							
2016		2017		2018		Q2 2019	
Initials	Zip Code	Initials	Zip Code	Initials	Zip Code	Initials	Zip Code
L.L.	61012	K.R.	61109	KV	48004		
		M. J	90250	EW	61008		
		N.M.	61008	KW	61008		
		A.P.	61065	RS	61065		
		T.K.	29680	DS	61008		
		B.K.	32163	BT	61065		
		R.S.	61008	PV	61008		

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Historical Patient Utilization

Churchview Dialysis					
2016		2017		2018	
DA	61108	PA	61108	MA	61108
DA	61072	AA	61101	JA	61109
AA	61101	BA	61107	DA	61109
CA	61107	JA	61114	RB	61108
JA	61114	KA	61108	TB	61107
MA	61108	MA	61008	MB	61111
MA	61108	DA	61109	MC	61108
PA	61111	PA	61111	BC	61109
KA	61108	TB	60119	MC	61107
DA	61108	RB	61108	JC	61103
MB	61065	TB	61107	WC	61109
PB	61115	RB	61108	FM	61107
TB	61109	MB	61080	LE	61114
RB	61111	MB	61111	CF	61103
RB	61108	SC	61111	LF	61114
LB	61104	IC	61101	CG	61111
TB	61107	DC	61108	TG	61114
MB	61080	MC	61108	BH	61103
MB	61111	BC	61109	JV	61108
MC	61108	RC	60140	EH	61108
SC	61115	DC	61103	BH	61101
SC	61111	WC	61109	RH	61108
JC	61101	RC	61109	SH	61104
RC	61108	FC	61107	AI	61108
DC	61104	DD	61020	TJ	61114
DC	61108	ID	61115	DJ	61115
BC	61109	CD	61107	EJ	61107
DC	61109	NE	61104	DJ	61107
WC	61108	CF	61103	MJ	61104
AC	61109	CF	61109	BJ	61111
RC	61107	TF	61101	YJ	61109
FC	61109	JF	61008	IJ	60033
SD	61073	CG	61111	AK	61104
MD	61115	AG	61102	RK	61008
MD,	61106	HG	61102	ML	61103
CD	61102	TG	61115	TL	61108
TD	61115	DH	61114	DL	61114
ID	61107	GH	61114	ML	61108
CD	61065	EH	61111	DL	61114
RD	61115	LH	61108	JM	61107
BD	61072	HH	61101	WM	61125

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Historical Patient Utilization

Churchview Dialysis					
2016		2017		2018	
LE	61108	BH	61109	DM	61111
RE	61104	CH	61101	DN	61104
NE	61103	SH	61102	EN	61114
CF	61109	DH	61065	LO	61108
CF	61109	AI	61108	JO	61108
SF	61012	MJ	34480	KO	61104
EF	61108	TJ	61114	AP	61114
TF	61101	DJ	61115	JP	61104
JF	61108	RJ	61103	JR	61065
LF	61102	131	61111	LR	61016
TF	61016	DJ	61107	KR	61109
CF	61111	EJ	61107	NR	61008
AF	61102	YJ	61109	FS	61104
WF	61073	AK	61104	LSD	61104
LG	61008	PK	61103	PS	61108
EG	61111	AK	61020	RS	61101
TG	61114	SL	21229	KS	61109
EG	61102	DL	61114	CS	61109
LG	61115	ML	61108	LT	61114
DH	61115	DL	61114	ET	61103
FH	61115	FC	61108	JV	61109
KH	61008	JM	61109	SV	61111
GH	61101	AM	61109	DW	61108
JH	61111	GM	61062	EW	61109
LH	61109	CM	61102	DW	61016
HH	61101	WM	61125	TW	61116
BH	61102	SM	61102	MW	61104
CH	61104	HM	61102	RZ	61109
SH	61107	RM	61073	AA	61101
DH	61065	MM	61115	PA	61111
DH	61108	DM	61111	DA	61103
AI	61114	RM	61114	EB	61108
TJ	61115	JM	61107	NE	61104
DJ	61107	GM	61047	CF	61109
DJ	61107	RN	61073	JG	61080
EJ	61108	DN	61104	AG	61114
CJ	61109	EN	61114	DG	61008
YJ	61073	JO	61108	VH	61008
PK	61104	KO	61104	BH	61101
AK	61103	DP	61114	DH	61103
PK	61114	AP	61065	CK	61109
BK	61020	EP	61102	JK	61107

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Historical Patient Utilization

Churchview Dialysis					
2016		2017		2018	
JK	61065	JP	61111	SK	61107
FL	61115	JP	61111	AM	61115
DL	60178	AP	61114	LP	61107
DL	61111	EP	61065	MP	61107
SL	61065	JP	61104	MP	61108
AL	61115	CP	61111	DS	61011
DL	61115	AP	61107	RS	61008
LL	61108	DR	61115	CT	61104
ML	61108	AR	61109	BT	61114
DL	61114	MR	61107	WW	61101
FM	61108	MR	61109	CW	61008
JM	61109	CR	61107		
AM	61109	JR	61065		
GM	61062	KR	61109		
MM	61008	AS	61103		
CM	61102	FS	61104		
WM	61125	JS	61073		
HM	61102	LS	61104		
SM	61108	MS	61108		
LM	61115	KS	61073		
JM	61080	DS	61109		
SM	61008	RS	61101		
BM	61108	PS	61114		
JM	61107	CS	61109		
GM	61047	DS	61107		
AN	61111	AS	61008		
RN	61073	RT	61009		
DN	61104	ET	61103		
JO	61114	MT	61008		
EO	61101	CT	61108		
WO	61108	JT	61111		
RO	61111	SV	61103		
DP	61107	WV	61108		
AP	61114	DW	61111		
EP	61065	JW	61109		
JP	61102	RW	61016		
JP	61111	DW	61116		
AP	61111	TW	61108		
MP	61114	AW	60192		
RP	61008	BY	61109		
EP	61008	RZ	61108		
JP	61065				

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Historical Patient Utilization

Churchview Dialysis					
2016		2017		2018	
CP	61104				
AP	61111				
RP	61107				
FP	61107				
AR	61107				
MR	61108				
CR	61109				
JR	61109				
KR	61107				
AS	61065				
FS	61088				
JS	61103				
LS	61104				
MS	61073				
DS	61104				
KS	61108				
MS	61111				
DS	61073				
KS	61107				
PS	61109				
DS	61109				
JS	61114				
DS	60175				
CS	61107				
JS	61065				
LS	61109				
AS	61080				
RS	61103				
DT	61008				
MT	61111				
RT	61071				
MT	61111				
ET	61109				
DT	61111				
MT	61103				
CT	61115				
RT	61103				
JV	61108				
MV	61109				
SV	61111				
DW	61108				

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Historical Patient Utilization

Churchview Dialysis					
2016		2017		2018	
MW	61108				
JW	61111				
RW	61109				
DW	61107				
TW	61016				
MW	61116				
AW	61104				
BY	61108				
JY	60192				
KZ	61108				

Attachment 1
Historical Patient Utilization

Dixon Kidney Center					
2016		2018		Q2 2019	
Initials	Zip Code	Initials	Zip Code	Initials	Zip Code
RA	61021	RA	61021	RA	61021
DB	61021	KB	61021	KB	61021
JB	61021	MB	61021	MB	61021
SB	61310	MB	61068	MB	61068
KB	61021	JC	61021	JC	61021
KC	61021	JC	61061	JC	61061
LC	61064	FD	61378	FD	61378
JF	61021	JF	61021	JF	61021
RF	61021	WF	61310	WF	61310
LJ	61021	HG	61021	HG	61021
SJ	61021	SH	61021	SH	61021
JK	61068	KH	61021	KH	61021
DM	61021	DH	61031	DH	61031
RM	61021	WL	61021	WL	61021
FM	61021	LO	61021	LO	61021
GO	61021	LA	61021	MB	61021
JP	61021	HB	61068	HB	61068
GP	61054	CD	61342	JB	61021
KP	61021	CD	61021	CD	61021
RR	61021	AD	61021	CM	61061
RS	61061	WF	61021	JU	61318
LT	61064	SF	61021	SF	61021
SV	61021	DF	61021	DF	61021
BW	61021	SK	61021	JK	61068
NY	61021	PK	61021	WL	61021
RC	61021	GK	61061	LO	61021
DS	61367	YK	61061	RM	61021
LA	61021	JK	61068	TM	61021
JC	61006	WL	61021	VM	61071
CD	61021	LO	61021	MM	61068
EP	61021	BM	61021	JP	61064
JW	61061	GM	61071	AS	61310
		RM	61021	DS	61021
		TM	61021	MS	61021
		VM	61071	DS	61021
		CM	61081	DS	61054
		MM	61068	SV	61021
		NN	61021	JW	61061
		JP	61021		
		KP	61021		
		JP	61064		

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Historical Patient Utilization

Dixon Kidney Center					
2016		2018		Q2 2019	
Initials	Zip Code	Initials	Zip Code	Initials	Zip Code
		RS	61061		
		AS	61310		
		DS	61021		
		MS	61021		
		DS	61021		
		DS	61054		
		SV	61021		
		JW	61061		

Attachment 1
Historical Patient Utilization

Timbercreek Dialysis							
2016		2017		2018		Q2 2019	
Initials	Zip Code	Initials	Zip Code	Initials	Zip Code	Initials	Zip Code
JB	81088	FA	60115	AF	60115	BC	60115
RM	81088	EA	60115	BZ	60115	DK	60520
FA	60115	CB	60113	BJ	60115	ED	60115
EA	60115	JB	61068	BJ	61068	MA	60115
HB	60620	HB	60620	BT	60115	MR	60530
JB	60115	JB	60115	BJ	60115	ML	61068
LC	60115	LC	60115	BC	60115	NW	61068
KD	60520	KD	60520	BC	60115	PA	60115
RE	60115	JL	60115	BB	60115	RJ	61068
JG	60115	MM	60550	CO	60115	RC	60113
JL	60115	RM	61068	CS	60174		
EL	60115	CM	60115	GM	60115		
CM	60115	RM	60115	LS	61068		
RM	60115	GR	60115	MR	61068		
GR	60115	KS	60115	MW	61068		
MM	60550	AT	60115	MR	60115		
KS	60115	KT	60115	NI	60115		
AT	60115	GW	60115	NG	60115		
KT	60115	MW	60115	RJ	60150		
GW	60115	CW	60115	RR	60178		
MW	60116	MW	60115	SK	60115		
CW	60115	EW	60115	TA	60115		
MW	60115	JW	60115	UJ	61318		
EW	60115	DW	60115	WG	60115		
JW	60115	KW	60115	WC	60115		
DW	60115	JB	60115	WM	60115		
KW	60115	WM	61068	WE	60115		
		IM	61068	WJ	60115		
		IN	60115	WA	60620		
		GN	60115	ZB	60115		
		CT	61068				
		JU	61318				
		HB	61068				
		SL	61068				
		NR	60115				

Attachment 1
Historical Patient Utilization

Sycamore Dialysis							
2016		2017		2018		2019 Q2	
Initials	Zip Code	Initials	Zip Code	Initials	Zip Code	Initials	Zip Code
PA	60115	AC	60135	SA	61068-971	MM	60112-411
TB	60115	PA	60115	CA	60135	DM	60109
TB	60119	TB	60119	DA	60140-062	SM	60146-884
JB	60178	LC	61068	LA	60115-105	LM	60178-131
DB	61270	RC	60115	FB	60115-829	JO	60178-894
LC	61068	RC	60115	GB	60115	PP	60115
RC	60115	DE	55426	LB	60178	CP	60112-410
PD	60115	JF	60115	TB	60115-392	CP	60135-133
DE	55426	JG	60115	JB	60178-204	DP	60135-118
PF	60178	JK	61068	BB	60115-340	DR	61068-173
BG	60102	PL	60178	PB	60135-124	JR	60145
LJ	60178	CL	60115	JB	60178-953	SC	60178
RK	60178	DM	33596	KB	60115-580	PS	60556-034
JK	61068	BM	76020	BB	60178-161	WS	60145-826
JM	78059	MM	61068	EC	60115	DS	60178-212
BM	60112	GN	60115	LC	61068	RT	60115
MM	61068	PR	52761	TC	60135-104	VT	60178-301
MP	60140	MR	94015	RC	60115-190	RT	60115-234
PR	52761	DR	61068	SC	60150-034	JV	60178-222
DR	61068	GS	60115	RC	60178-886	AV	60115-190
PS	61068	TS	60115	ED	60115-134	RV	60112-412
DS	60178	RS	6095	RF	61052	OW	60115
GS	60115	RT	60115	JF	60150-953	CW	60178-327
DS	60178	JT	54812	SF	60150-953	WW	60178-191
RT	60115	SZ	60178	LF	60135-144	DB	60115-265
VT	60178	LA	60178	RG	60135-792	SF	60115-189
SZ	60178	LB	60178	JG	60115-533	SK	60135-108
LA	60178	BB	60115	AH	60115-111	JL	60178-224
LB	60178	PB	60135	AH	60538-770	RR	60112-419
BB	60115	KB	60115	JJ	60115-582	MR	61068-934
PB	60135	BB	60178	SJ	60178-291	LS	60115-233
KB	60115	JF	60150	BK	60178-274	NS	60178-325
BB	60178	SF	60150	LK	60115-246	DT	60135-111
JF	60150	AH	60115	DK	60115-192	JT	60178-900
SF	60150	HH	60115	JK	61068-214	SW	61068-924
AH	60115	U	60178	RL	60178		
HH	60115	SJ	60178	CL	60115-212		
U	60178	DK	60115	EM	60115		
SJ	60178	RL	60178	JM	60115		
DK	60115	GM	60178	AM	60115-265		
RL	60178	MM	60178	MM	60178-271		

Attachment 1
Historical Patient Utilization

Sycamore Dialysis							
2016		2017		2018		2019 Q2	
Initials	Zip Code	Initials	Zip Code	Initials	Zip Code	Initials	Zip Code
GM	60178	JM	60178	JM	60178-280		
JM	60178	TM	60178	TM	60178-275		
TM	60178	SM	60146	MM	61068-204		
SM	60146	JO	60178	MM	60112-411		
JO	60178	PP	60178	DM	60109		
PP	60178	DS	60178	SM	60146-884		
DS	60178	RT	60115	LM	60178-131		
RT	60115	RT	60115	JO	60178-894		
RT	60115			PP	60115		
				CP	60112-410		
				CP	60135-133		
				DP	60135-118		
				DR	61068-173		
				JR	60145		
				SC	60178		
				PS	60556-034		
				WS	60145-826		
				DS	60178-212		
				RT	60115		
				VT	60178-301		
				RT	60115-234		
				JV	60178-222		
				AV	60115-190		
				RV	60112-412		
				OW	60115		
				CW	60178-327		
				WW	60178-191		

Attachment 1
Historical Patient Utilization

Whiteside Dialysis			
2018		2019 Q2	
Initials	Zip Code	Initials	Zip Code
LB	61071	RA	61071
WB	61277	BA	61081
RB	61081	DB	61081
LB	60134	LB	61071
KB	61071	VB	61071
DB	61014	LB	61277
FC	61081	SB	61071
LC	61081	OB	61081
DC	61061	DB	61081
DH	61081	TB	61071
PH	61071	DB	61014
RH	61081	JB	61071
SH	61081	SC	61081
TJ	61081	SC	61081
PK	61081	JC	61261
BL	61071	FC	61081
RL	61081	DC	61081
GM	61071	DF	61071
VM	61071	SG	61081
AR	61081	DH	61081
FR	61081	JT	61071
RS	61081	MH	61071
RS	61081	PH	61071
DS	61081	RH	61081
RS	61081	KH	61071
DS	61376	TJ	61081
WT	61081	YK	61081
DU	61270	BK	61081
RV	61081	SL	61081
SH	61081	DL	61071
BL	61071	HM	61252
DS	61081	GM	61071
DS	61081	SM	61285
JB	61081	JM	61081
LC	61081	VM	61081
RF	61081	DN	61081
BF	61081	HN	61270
DF	61071	CN	61071
BL	61071	CP	61270
KM	61081	BP	61081
KP	61081	AR	61081

Attachment 1
Historical Patient Utilization

Whiteside Dialysis			
2018		2019 Q2	
Initials	Zip Code	Initials	Zip Code
RR	61074	SR	61071
FR	61081	RS	61081
WT	61071	RS	61081
SW	61081	GS	61071
		JS	61081
		BS	61081
		BS	61081
		FS	61081
		RS	61081
		JS	61081
		TT	61071
		GT	61081
		DU	61270
		RV	61081
		EV	61081
		CW	61071
		RZ	61081
		OB	61081
		TB	61071
		JB	61071
		DF	61071
		GM	61071
		JM	61081
		AR	61081
		BS	61081
		GT	61081
		SW	61081

Rockford

Attachment 2
New Patients

ICHD Facility #1			
New since 8-17			
Initials	Zip Code	Initials	Zip Code
GA	61072	MP	61103
LA	53704	CP	61101
JA		JP	61103
CB	61024	RR	61101
CB	61101	PR	61108
EB	61103	KR	60124
JB	61102	DS	60175
LB	61102	LV	61103
RB	61101	DV	61102
MB	61104	AV	61104
RB	61101	WW	61101
JC	61115	FW	61102
JC	61102	FW	61101
TF	61103	KW	61104
KG	53563		
NH	61101		
BH	61101		
CJ	61103		
TJ	61101		
RJ	61103		
PJ	61101		
PL	61103		
AL	61102		
RL	61102		
DL	61109		
TM	61101		
RM	61107		
DM	61111		
AM	61101		
RN	61109		
RO	61104		

Attachment 2

New Patients

RS
N
N
N
N
N
N

Attachment 2
New Patients

Roxbury Dialysis	
2019 Q2	
Initials	Zip Code
AA	61108
JA	61107
VB	61109
RB	61107
MB	61104
DC	61108
DE	61104
JE	61109
EG	61008
JG	61108
DH	60004
SH	61021
JK	61107
KK	61104
QL	61101
MM	61108
MM	61103
JP	61114
CR	61107
CS	61111
CS	61107
GS	61107
BT	61114
CS	61108
AT	61108
LU	61104
LV	61103
HW	61111
MW	61107

Driftwood

Attachment 2

New Patients

[illegible]

Forest City

[illegible]

Machesney Park

Attachment 2 New Patients

ICHD Facility #1			
Since 8/2017			
Initials	Zip Code		
DA	61115		
RE	61115		
SC	61111		
JC	61115		
DH	61065		
MM	61115		
CP	61111		
TT	61111		
DG	61111		
JW	61115		
ES	61115		
LW	61111		
LM	61103		
EB	53585		
KM	61073		
TP	61073		
MJ	61115		
EB	61073		
RS	61111		
RD	61073		
RC	61115		
KT	61115		
TA	61115		
AC	61111		
LL	61111		
BS	61073		
KS	61111		
JJ	61115		

Attachment 2
New Patients

visitor
visitor
visitor

visitor
visitor

[illegible]

Church view

Attachment 2
New Patients

[illegible]

Attachment 2
New Patients

DIXON KIDNEY CENTER			
2018		2019 Q2	
Initials	Zip Code	Initials	Zip Code
MB	61021	MB	61021
MB	61068	JB	61021
JC	61061	CM	61061
FD	61378	JU	61021
WF	61021		
WF	61310		
HG	61021		
SH	61021		
KH	61021		
DH	61031		
GK	61310		
WL	61021		
LO	61021		
NN	61021		
JP	61064		
RS	61061		
AS	61310		
DS	61021		
MS	61021		

Sycamore

Attachment 2
New Patients

ICHD Facility #1			
8/2017 YTD			
Initials	Zip Code		
SA	61068		
CA	60135		
DA	60112		
JB	60178		
JB	60115		
SC	60150		
RC	60115		
RF	61114		
JF	60115		
HG	60115		
AH	60538		
JJ	60115		
JK	61068		
PL	60178		
CL	60115		
MM	61068		
TB	60115		
MR	94015		
DR	61068		
TS	60115		
RS	6095		
VT	60115		
AV	60115		
KW	60115		

Whiteside

Attachment 2
New Patients

[illegible]

Attachment - 3

Zip Code	Patients
61101	26
61102	18
61103	21
61107	39
61111	20
Total	118

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

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150 N. Riverside Plaza, Suite 3000, Chicago, IL 60606-1599 • 312.819.1900

COPY

October 28, 2019

Anne M. Cooper
(312) 873-3606
(312) 819-1910 fax
acooper@polsinelli.com

FEDERAL EXPRESS

Michael Constantino
Supervisor, Project Review Section
Illinois Department of Public Health
Health Facilities and Services Review Board
525 West Jefferson Street, Second Floor
Springfield, Illinois 62761

RECEIVED

OCT 30 2019

HEALTH FACILITIES &
SERVICES REVIEW BOARD

Re: Application for Permit – Forest City Dialysis

Dear Mr. Constantino:

I am writing on behalf of DaVita Inc, and Machesney Bay Dialysis, LLC (collectively, “DaVita”) to submit the attached Application for Permit for a four-station expansion of its existing 12-station dialysis facility in Rockford, Illinois. For your review, I have attached an original and one copy of the following documents:

1. Check for \$2,500 for the application processing fee;
2. Completed Application for Permit;
3. Copies of Certificate of Good Standing for the Applicants;
4. Authorization to Access Information; and
5. Physician Referral Letter.

Thank you for your time and consideration of DaVita’s application for permit. If you have any questions or need any additional information to complete your review of the DaVita’s application for permit, please feel free to contact me.

Sincerely,

Anne M. Cooper

Attachments

Davita. DATE: 04-Apr-19

VENDOR NAME: ILLINOIS DEPARTMENT OF

NO. 9004919

INVOICE NUMBER	INVOICE DATE	DESCRIPTION	FACILITY	DISCOUNT AMOUNT	NET AMOUNT
01562-2500.00	03/25/2019	DAVITA 1562	01562	\$0.00	\$2,500.00
PLEASE DETACH AND RETAIN THIS STATEMENT AS YOUR RECORD OF PAYMENT				\$0.00	\$2,500.00

▼ DETACH CHECK ALONG PERFORATION ▼

▼ DETACH CHECK ALONG PERFORATION ▼

Davita.

P.O. Box 2037
Tacoma, WA 98401-2037

WELLS FARGO BANK NA

56-382
412

9004919

CHECK DATE	CHECK NUMBER	PAY THIS AMOUNT
04-Apr-19	9004919	\$2,500.00

PAY Two Thousand Five Hundred Dollars And Zero Cents*****

TO THE ORDER OF ILLINOIS DEPARTMENT OF PUBLIC HEALTH
525 W JEFFERSON STREET
SPRINGFIELD, IL 62761

K. J. Hy

DOCUMENT CONTAINS MULTI-COLORED PANTOGRAPH & MICROPRINTING. BACK HAS THERMOCHROMIC INK & A WATERMARK. HOLD AT AN ANGLE TO VIEW. VOID IF NOT PRESENT. 

⑈0009004919⑈ ⑆041203824⑆ ⑈9643482160⑈

Davita

PO Box 2037
Tacoma, WA 98401-2037

OVERNIGHT

ILLINOIS DEPARTMENT OF PUBLIC HEALTH
525 W JEFFERSON STREET
SPRINGFIELD, IL 62761