ORIGINAL

RECEIVED

MAY 1 4 2013

HEALTH FACILITIES & SERVICES REVIEW BOARD

13-025

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: The University of Chicago Medical Center		
Street Address: 5841 South Maryland Avenue		
City and Zip Code: Chicago 60637-1470		
County: Cook	Health Service Area HSA 6	Health Planning Area: A-3

Applicant /Co-Applicant Identification
[Provide for each co-applicant [refer to Part 1130.220].

Exact Legal Name: The University of Chicago Medical Center	
Address:	5841 South Maryland Avenue
Name of Registered Agent:	John Satalic
Name of Chief Executive Officer:	Sharon O'Keefe
CEO Address:	5841 South Maryland Avenue
Telephone Number:	(773) 702-6240

Type of Ownership of Applicant/Co-Applicant

☒	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 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 during the review period]

Name: John R. Beberman
Title: Director, Capital Budget and Control
Company Name: The University of Chicago Medical Center
Address: 14216 South Meadowview Court, Orland Park, IL 60462-2350
Telephone Number: 773-702-1246
E-mail Address: john.beberman@uchospitals.edu
Fax Number: 773-702-8148

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

Name:	Joe Ourth
Title:	Attorney
Company Name:	Arnstein & Lehr LLP
Address:	120 S. Riverside Plaza, Suite 1200, Chicago, IL 60606
Telephone Number:	(312) 876-7100
E-mail Address:	jourth@arnstein.com
Fax Number:	(312) 876-0288

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: John R. Beberman
Title: Director, Capital Budget and Control
Company Name: The University of Chicago Medical Center
Address: 5841 South Maryland Avenue, Chicago 60637
Telephone Number: 773-702-1246
E-mail Address: john.bederman@uchospitals.edu
Fax Number: 773-702-8148

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: The University of Chicago Medical Center
Address of Site Owner: 5841 South Maryland Avenue, Chicago 60637
Street Address or Legal Description of Site: **Proof of ownership or control of the site is to be provided as Attachment 2. Examples of proof of ownership are property tax statement, 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: The University of Chicago Medical Center
Address: 5841 South Maryland Avenue, Chicago 60637

[X]	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 organized and the name and address of each partner specifying whether each is a general or limited partner.
- **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 co-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 #2005-5 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 #2005-5 **(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 1110.40 and Part 1120.20(b)]

Part 1110 Classification:	Part 1120 Applicability or Classification: [Check one only.]
☒ Substantive	☐ Part 1120 Not Applicable
☐ Non-substantive	☒ Category A Project
	☐ Category B Project
	☐ DHS or DVA Project

THE UNIVERSITY OF
CHICAGO
MEDICINE

Sharon O'Keefe
President

MC 1000 S-115
5841 South Maryland Avenue
Chicago, Illinois 60637-1470
phone (773) 702-8908
fax (773) 702-1897
sharon.okeefe@uchospitals.edu

May 13, 2013

Mr. Dale Galassie, Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson, 2nd Floor
Springfield, Illinois 62761

Re: University of Chicago Medical Center ("UCMC", the "Medical Center")
Medical Surgical Bed Recommissioning Project (the "Project")
Application for Permit

Dear Chairman Galassie:

We are pleased to submit our application to the Review Board to reactivate 38 existing medical surgical beds in our Bernard Mitchell facility. These beds were taken out of commission in February 2013 as part of our recently completed new hospital pavilion project, and we are asking that they be recommissioned to address our hospital capacity constraints.

Completion of Project for Hospital Pavilion

On May 20, 2008, the Review Board granted us a permit for project #07-153 to construct a new hospital pavilion – our Center for Care and Discovery ("CCD"). The CCD now houses 180 of our 300 medical-surgical beds, 60 ICU beds and other clinical and support services. A primary purpose of that modernization/replacement project was to achieve single-patient occupancy for all of our patient rooms. We are pleased to report that the CCD pavilion opened February 23rd of this year. We are in the process of closing out that project in compliance with our permit.

Actual Utilization Growth is Far Exceeding Projections

When we filed our CCD permit application in 2007, we forecast a utilization growth rate of 1.2% annually. Instead, our actual utilization has grown by an average of 4.3% over the last four years. Within four days of opening on February 23, the medical/surgical beds in the Center for Care & Discovery, along with the remainder of medical/surgical beds in Mitchell, were essentially full. On one of every three days, we have operated in excess of 90% licensed capacity, a utilization level that exceeds optimal clinical efficiency and that is often functionally untenable. Similarly, our adult Emergency Department remains one of the busiest in Chicago, with almost 50,000 visits per year. Almost 50% of the patients that present to our ED either have Medicaid or are uninsured and many others are medically indigent. Unfortunately, our ED is now on

diversion (by-pass) approximately 20% of the time, far more than any other hospital in the state. Our need to go on diversion is almost wholly attributable to our bed capacity constraints, which also increase the length-of-stay for admitted patients in our ED and affect the number of patients that choose to leave the ED without being seen.

At the time we submitted our application for the new hospital pavilion in 2007, we had recently embarked on significant efforts to link patients to primary care within the community and to work with the community hospitals in our primary service area to transfer patients to the right settings for medical care. Despite some success in these efforts, we better understand that UCMC's medical/surgical beds are often not fungible with those at nearby hospitals: the majority of patients coming to UCMC, either as transfers to an inpatient unit from neighboring community hospitals or as admissions through the emergency department, are more acutely ill than patients occupying medical/surgical beds elsewhere in the planning area. Our case mix index data shows that our complexity of care index of 1.89 is 69% higher than the average case mix of 1.12 for the other hospitals in our planning area. Although the demand for such complex medical/surgical care within our community is strong, with 36% of all transfer requests originating from hospitals within our planning area, UCMC is currently unable to accommodate 20% of these requests because of capacity constraints.

Our capacity constraints come at a fragile time in health care delivery in Chicago's South Side. In the last twenty-six years, 7 of 16 hospitals in our planning area have closed, with the South Side losing 60% of its overall licensed bed capacity, and this fragility has only been compounded in recent years. Although UCMC's medical/surgical beds account for only 20% of the inventory in our planning area, we already provide 28% of the patient days in our region. UCMC's intent to reactivate existing medical/surgical capacity is a demonstration of our enduring commitment to our neighbors, as individuals and as nearby community hospitals, and to anchor the South Side communities that we all call home. We further believe that our capacity constraints, combined with the community's need for more complex care is a reason this planning area experiences one of the highest outmigration rates in the state.

Description of Bed Reactivation Project

For UCMC to maintain its exceptional standards of patient care and to uphold its ongoing commitment to the community there is an immediate need to expand our medical/surgical beds. As part of our CCD project we decommissioned a number of existing beds in Mitchell Hospital. This Project would reactivate 38 of these beds. Reactivating these beds provides a low-cost means to quickly alleviate our capacity constraints while developing a longer term solution.

As an academic medical center, UCMC consistently reviews not just the scientific data that emanates from its research and teaching missions but also its own utilization data from its patient care mission in order to calibrate its size and scope to best meet the needs of it community. The request for an increased number of medical/surgical beds is a direct response to existing demand within the community and is supported by our utilization trends.

We are pleased to submit our application for expansion to the Review Board and look forward to working with you to fulfill our mission.

Very truly yours,

Sharon O'Keefe

10912690.4

2. Narrative Description

Provide in the space below, 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.

This project seeks to reactivate 38 existing med/surg beds in the University of Chicago Medical Center ("UCMC") Bernard Mitchell facility.

By a permit issued by the Review Board on May 20, 2008, UCMC began construction of a new hospital pavilion, its Center for Care and Discovery ("CCD"). The CCD now houses 180 of UCMC's 300 med/surg beds, 60 ICU beds, general surgical rooms and other clinical and support services. At the time the CCD opened, several functions in the existing campus buildings were relocated there, including many existing med/surg beds.

This project would increase med/surg beds by reactivating beds decommissioned as part of the CCD project. Within four days of opening, the CCD was at full occupancy along with the remainder of the med/surg beds in Mitchell, and the Medical Center has continued to experience an acute shortage of med/surg beds. Because these patient rooms were operational as recently as February of 2013, these beds can be put into service at minimal cost. More importantly, they can be put into service quickly to allow UCMC to meet an immediate need for these beds while planning for a longer-term solution to its capacity constraints.

The total project cost is expected to be $3,426,996 and will be funded with cash on hand.

Although the total project costs do not exceed the HFSRB threshold, the project is classified as substantive because it increases the number of licensed beds by more than 20 beds.

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 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	$708,400		708,400
Contingencies	70,840		70,840
Architectural/Engineering Fees			
Consulting and Other Fees	50,000		50,000
Movable or Other Equipment (not in construction contracts)	2,463,756		2,463,756
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment			
Other Costs To Be Capitalized	134,000		134,000
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	$3,426,996		$3,426,996
SOURCE OF FUNDS	**CLINICAL**	**NONCLINICAL**	**TOTAL**
Cash and Securities	$3,426,996		$3,426,996
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	$3,426,996		$3,426,996

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

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): 9/30/14

Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140):

☐ Purchase orders, leases or contracts pertaining to the project have been executed.
☐ Project obligation is contingent upon permit issuance. Provide a copy of the contingent "certification of obligation" document, highlighting any language related to CON Contingencies
☒ Project obligation will occur after permit issuance.

APPEND DOCUMENTATION AS ATTACHMENT-8, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

State Agency Submittals

Are the following submittals up to date as applicable:

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

Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

Cost Space Requirements

Provide in the following format, the department/area **DGSF** or the building/area **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.**

		Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
Dept. / Area	**Cost**	**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

Complete the following chart, as applicable. Complete a separate chart for each facility that is a part of the project and insert following this page. Provide the existing bed capacity and utilization data for the latest **Calendar Year for which the data are 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: The University of Chicago Medical Center		**CITY:** Chicago			
REPORTING PERIOD DATES:		**From:** January 1, 2012		**to:** December 31, 2012	
Category of Service	**Authorized Beds**	**Admissions**	**Patient Days**	**Bed Changes**	**Proposed Beds**
Medical/Surgical	300	15,400	85,611	38	338
Obstetrics	46	1,907	6,153	0	46
Pediatrics	61	3,235	14,351	0	61
Adults & Peds Intensive Care (Adults Only)	114 (85)	4,061 (3,023)	26,584 (20,327)	0	114
Comprehensive Physical Rehabilitation					
Acute/Chronic Mental Illness					
Neonatal Intensive Care	47	701	13,956	0	47
General Long Term Care					
Specialized Long Term Care					
Long Term Acute Care					
Other ((identify)					
TOTALS:	568	25,304	146,655	38	606

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 manger 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 The University of Chicago Medical Center * **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	SIGNATURE
Sharon O'Keefe	James M. Watson
PRINTED NAME	PRINTED NAME
President	Chief Financial Officer
PRINTED TITLE	PRINTED TITLE
Notarization: Subscribed and sworn to before me this 13th day of May, 2013	Notarization: Subscribed and sworn to before me this 13th day of May, 2013
Signature of Notary	Signature of Notary
Seal "OFFICIAL SEAL" CASSANDRA COLE NOTARY PUBLIC, STATE OF ILLINOIS MY COMMISSION EXPIRES 8/3/2013	Seal "OFFICIAL SEAL" CASSANDRA COLE NOTARY PUBLIC, STATE OF ILLINOIS MY COMMISSION EXPIRES 8/3/2013

*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.

Criterion 1110.230 – Background, Purpose of the Project, and Alternatives

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 certified listing of any adverse action taken against any facility owned and/or operated by the applicant during the three years prior to the filing of the application.
3. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**
4. If, during a given calendar year, an applicant submits more than one application 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 the information has been 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.

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, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed, as applicable and appropriate for the project. [See 1110.230(b) for examples of documentation.]
4. Cite the sources of the information provided as 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 age and condition and 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 Agency 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 1110.234 - 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.**

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;

   b. The existing facility's physical configuration has constraints or impediments and requires an architectural design that results in a size exceeding the standards of Appendix B;

   c. The project involves the conversion of existing space that results in excess square footage.

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.

SECTION VII - SERVICE SPECIFIC REVIEW CRITERIA

This Section is applicable to all projects proposing 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, AS APPLICABLE TO THE CRITERIA THAT MUST BE ADDRESSED:

A. Criterion 1110.530 - Medical/Surgical, Obstetric, Pediatric and Intensive Care

1. Applicants proposing to establish, expand and/or modernize Medical/Surgical, Obstetric, Pediatric and/or Intensive Care categories of service must submit the following information:

2. Indicate bed capacity changes by Service: Indicate # of beds changed by action(s):

Category of Service	# Existing Beds	# Proposed Beds
☒ **Medical/Surgical**	300	338
☐ **Obstetric**		
☐ **Pediatric**		
☐ **Intensive Care**		

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

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.530(b)(1) - Planning Area Need - 77 Ill. Adm. Code 1100 (formula calculation)	X		
1110.530(b)(2) - Planning Area Need - Service to Planning Area Residents	X	X	
1110.530(b)(3) - Planning Area Need - Service Demand - Establishment of Category of Service	X		
1110.530(b)(4) - Planning Area Need - Service Demand - Expansion of Existing Category of Service		X	
1110.530(b)(5) - Planning Area Need - Service Accessibility	X		
1110.530(c)(1) - Unnecessary Duplication of Services	X		
1110.530(c)(2) - Maldistribution	X	X	
1110.530(c)(3) - Impact of Project on Other Area Providers	X		
1110.530(d)(1) - Deteriorated Facilities			X

APPLICABLE REVIEW CRITERIA		Establish	Expand	Modernize
1110.530(d)(2) -	Documentation			X
1110.530(d)(3) -	Documentation Related to Cited Problems			X
1110.530(d)(4) -	Occupancy			X
110.530(e) -	Staffing Availability	X	X	
1110.530(f) -	Performance Requirements	X	X	X
1110.530(g) -	Assurances	X	X	X

APPEND DOCUMENTATION AS ATTACHMENT-20, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

The following Sections DO NOT need to be addressed by the applicants or co-applicants responsible for funding or guaranteeing the funding of the project if the applicant has a bond rating of A- or better from Fitch's or Standard and Poor's rating agencies, or A3 or better from Moody's (the rating shall be affirmed within the latest 18 month period prior to the submittal of the application):

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

VIII. - 1120.120 - Availability of Funds Not required - AA- Bond rating

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:**

$3,426,996	a)	Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to: 1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and 2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;
_____	b)	Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.
_____	c)	Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;
_____	d)	Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including: 1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated; 2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate; 3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.; 4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment; 5) For any option to lease, a copy of the option, including all terms and conditions.
_____	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.
$3,426,996	**TOTAL FUNDS AVAILABLE**	

APPEND DOCUMENTATION AS ATTACHMENT-39, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

IX. 1120.130 - Financial Viability Not required - AA- Bond rating

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. **All of the projects capital expenditures are completely funded through internal sources**
2. **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**
3. **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 40, 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.

Provide Data for Projects Classified as:	Category A or Category B (last three years)			Category B (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.

2. 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 41, IN NUMERICAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

X. 1120.140 - Economic Feasibility

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

A. Reasonableness of Financing Arrangements Not required - AA- Bond rating

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 - Not Applicable

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	Cost/Square Foot Mod.	Gross Sq. Ft. New	Gross Sq. Ft. Circ.*	Gross Sq. Ft. Mod.	Gross Sq. Ft. 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 42, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

XI. Safety Net Impact Statement

SAFETY NET IMPACT STATEMENT that describes all of the following must be submitted for ALL SUBSTANTIVE AND DISCONTINUATION PROJECTS:

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 Medicaidpatients. 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 43.

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 43, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

XII. Charity Care Information

Charity Care information MUST be furnished for ALL projects.

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 44.

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

APPEND DOCUMENTATION AS ATTACHMENT 44, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

After paginating the entire, completed application, indicate in the chart below, the page numbers for the attachments included as part of the project's application for permit:

INDEX OF ATTACHMENTS

ATTACHMENT NO.		PAGES
1	Applicant/Coapplicant Identification including Certificate of Good Standing	24
2	Site Ownership	25
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	191
5	Flood Plain Requirements	193
6	Historic Preservation Act Requirements	196
7	Project and Sources of Funds Itemization	197
8	Obligation Document if required	
9	Cost Space Requirements	199
10	Discontinuation	
11	Background of the Applicant	200
12	Purpose of the Project	205
13	Alternatives to the Project	211
14	Size of the Project	218
15	Project Service Utilization	223
16	Unfinished or Shell Space	
17	Assurances for Unfinished/Shell Space	
18	Master Design Project	
19	Mergers, Consolidations and Acquisitions	
	Service Specific:	
20	Medical Surgical Pediatrics, Obstetrics, ICU	231
21	Comprehensive Physical Rehabilitation	
22	Acute Mental Illness	
23	Neonatal Intensive Care	
24	Open Heart Surgery	
25	Cardiac Catheterization	
26	In-Center Hemodialysis	
27	Non-Hospital Based Ambulatory Surgery	
28	General Long Term Care	
29	Specialized Long Term Care	
30	Selected Organ Transplantation	
31	Kidney Transplantation	
32	Subacute Care Hospital Model	
33	Post Surgical Recovery Care Center	
34	Children's Community-Based Health Care Center	
35	Community-Based Residential Rehabilitation Center	
36	Long Term Acute Care Hospital	
37	Clinical Service Areas Other than Categories of Service	
38	Freestanding Emergency Center Medical Services	
	Financial and Economic Feasibility:	
39	Availability of Funds	275
40	Financial Waiver	
41	Financial Viability	
42	Economic Feasibility	323
43	Safety Net Impact Statement	326
44	Charity Care Information	363

File Number 5439-757-7

STATE OF ILLINOIS

OFFICE OF THE SECRETARY OF STATE

To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that

THE UNIVERSITY OF CHICAGO MEDICAL CENTER, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON OCTOBER 01, 1986, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 3RD *day of* MAY *A.D.* 2013 .

Jesse White

SECRETARY OF STATE

Authentication #: 1312301598

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

ATTACHMENT 1

87482015

LEASE AGREEMENT

Dated as of June 30, 1987

BETWEEN

THE UNIVERSITY OF CHICAGO
as Lessor

and

THE UNIVERSITY OF CHICAGO HOSPITALS
as Lessee

87482015

ATTACHMENT 2

TABLE OF CONTENTS

ARTICLE I DEFINITIONS....1

1.1 Abandoned Premises....1
1.2 Affiliation Agreement....1
1.3 Alterations....1
1.4 Ambulatory Clinics....1
1.5 Award....1
1.6 Bankruptcy Code....1
1.7 Credit and Assumption Agreement....1
1.8 Default Interest Rate....1
1.9 Depository....2
1.10 Event of Default....2
1.11 Imposition....2
1.12 Improvements....2
1.13 Leased Premises....2
1.14 Lease Term....2
1.15 Loan Agreement....2
1.16 Master Indenture....2
1.17 Master Trustee....2
1.18 Operating Agreement....2
1.19 Permitted Debt....2
1.20 Phase I Premises....2
1.21 Phase II Premises....2
1.22 Phase III Premises....2
1.23 Phase I Term....3
1.24 Phase II Term....3
1.25 Phase III Term....3
1.26 Premises....3
1.27 Rent....3
1.28 Shared Building Premises....3
1.29 Space Committee....3
1.30 Title Report....3
1.31 Unmatured Event of Default....3
1.32 Whole Building Premises....3

ARTICLE II DEMISE....4

2.1 Lease of Property....4

ARTICLE III TITLE, CONDITION AND USE OF LEASED PREMISES....4

3.1 Title and Condition....4
3.2 Use of Leased Premises....5
3.3 Certain Uses Prohibited....5
3.4 Prohibition of Use....6
3.5 Requirement of Continued Use....6

ATTACHMENT 2

3.6 Reasonable Access; Operating Agreement.....6
3.7 Agreements Affecting the Leased Premises...6
3.8 Lessor's Right to Terminate Lessee's Occupancy upon Abandonment.....7
3.9 Ambulatory Clinics.....7

ARTICLE IV TERM.....8

4.1 Lease Term.....8
4.2 Possession.....8

ARTICLE V RENT.....8

5.1 Basic Rent.....8
5.2 Additional Rent.....9
5.3 Net Lease.....10
5.4 Lessee's Obligations Unconditional.....10

ARTICLE VI ADJUSTMENT OF PHASE III PREMISES.....11

6.1 Adjustment by Agreement of the Parties....11
6.2 Adjustment by the Space Committee.....11
6.3 Adjustment by Arbitration.....12

ARTICLE VII IMPOSITIONS AND OTHER LIENS.....13

7.1 Payment by Lessee.....13
7.2 Alternative Taxes.....14
7.3 Evidence of Payment.....15
7.4 Lessor's Right to Pay Impositions on Behalf of Lessee.....15
7.5 Encumbering Title.....15
7.6 Liens.....16
7.7 Permitted Contests.....16

ARTICLE VIII INSURANCE.....17

8.1 Maintenance of Insurance.....17
8.2 Mutual Waiver of Subrogation Rights.....17

ARTICLE IX DAMAGE OR DESTRUCTION.....18

9.1 Lessee's Obligation to Rebuild.....18
9.2 Preconditions to Rebuilding.....19
9.3 Payment for Rebuilding.....19
9.4 Disbursement of Funds by Depository.....20
9.5 Failure to Rebuild and Default.....21
9.6 No Termination.....22
9.7 Damage or Destruction to Shared Building Premises.....22

ATTACHMENT 2

ARTICLE X CONDEMNATION.....22

10.1 Taking of Whole.....22
10.2 Partial Taking.....23

ARTICLE XI MAINTENANCE AND ALTERATIONS.....24

11.1 Maintenance.....24
11.2 Alterations.....24
11.3 Title to Alterations.....26
11.4 Signs.....26

ARTICLE XII ASSIGNMENT AND SUBLETTING.....26

12.1 Consent Required.....26

ARTICLE XIII UTILITIES.....27

13.1 Utilities.....27

ARTICLE XIV INDEMNITY AND WAIVER.....28

14.1 Indemnity.....28
14.2 Waiver of Certain Claims.....28
14.3 Lessor's Indemnity.....29

ARTICLE XV INSPECTION.....29

15.1 Inspection.....29

ARTICLE XVI LESSEE'S COVENANTS.....29

16.1 Covenants.....29

ARTICLE XVII SURRENDER.....30

17.1 Surrender.....30
17.2 Removal of Lessee's Property.....31
17.3 Holding Over.....31

ARTICLE XVIII DEFAULTS AND REMEDIES.....31

18.1 Defaults.....31
18.2 Remedies.....33
18.3 Lessee's Waiver of Statutory Rights.....34
18.4 Lessor's Lien.....34
18.5 Remedies Cumulative.....34
18.6 No Waiver.....35

ATTACHMENT 2

ARTICLE XIX MISCELLANEOUS.....35

19.1 Lessee's Estoppel Certificate.....35
19.2 Lessor's Right to Cure.....35
19.3 Amendments Must Be In Writing.....36
19.4 Notices.....36
19.5 Relationship of Parties.....37
19.6 Attorneys' Fees.....37
19.7 No Brokers.....38
19.8 Entire Agreement.....38
19.9 No Waiver.....38
19.10 Captions.....38
19.11 Applicable Law.....38
19.12 Covenants Binding on Successors; No Third Party Beneficiaries.....38
19.13 Lender's Requirements.....39
19.14 Resolution of Disputes.....39

List of Exhibits

Exhibit A Descriptions for the Leased Premises
Exhibit A-1 Description for the Phase I Premises
Exhibit A-2 Description for the Phase II Premises
Exhibit A-3 Description for the Phase III Premises

Exhibit B Description of the Land owned by Lessor

Exhibit C Drawings depicting Leased Premises

Exhibit D Basic Rent Calculation

ATTACHMENT 2

LEASE AGREEMENT

THIS LEASE AGREEMENT dated as of June 30, 1987 (herein, together with all supplements and amendments hereto made or entered into at any time hereafter, referred to as this "Lease") is made by and between THE UNIVERSITY OF CHICAGO (the "Lessor"), an Illinois not-for-profit corporation, and THE UNIVERSITY OF CHICAGO HOSPITALS (the "Lessee"), an Illinois not-for-profit corporation, who hereby mutually covenant and agree as follows:

ARTICLE I

DEFINITIONS

1.1 "Abandoned Premises". Abandoned Premises shall have the meaning set forth in Section 3.8 hereof.

1.2 "Affiliation Agreement". Affiliation Agreement shall mean the Affiliation Agreement heretofore entered into between Lessor and Lessee, as the same may be amended, modified or supplemented from time to time.

1.3 "Alterations". Alterations shall have the meaning set forth in Section 11.2(a) hereof.

1.4 "Ambulatory Clinics". Ambulatory Clinics shall mean that area identified as such on the drawings which are attached hereto as Exhibit C.

1.5 "Award". Award shall have the meaning set forth in Section 10.1 hereof.

1.6 "Bankruptcy Code". Bankruptcy Code shall have the meaning set forth in Section 12.1(a) hereof.

1.7 "Credit and Assumption Agreement". Credit and Assumption Agreement shall mean the Credit and Assumption Agreement heretofore entered into between Lessor and Lessee, as the same may be amended, modified or supplemented from time to time.

1.8 "Default Interest Rate". Default Interest Rate shall, each day, be the rate per annum that is equal to the sum of 2% per annum plus the per annum rate set forth in The Wall Street Journal (or, if such rate is not available in The Wall Street Journal, then in another similar source) for the previous business day for United States Treasury Bills with a 90-day maturity, such rate to change automatically and simultaneously with the publishing of a new rate for such U.S. Treasury Bills.

ATTACHMENT 2

1.9 "Depository". Depository shall have the meaning set forth in Section 9.3 hereof.

1.10 "Event of Default". Event of Default shall have the meaning set forth in Section 18.1 hereof.

1.11 "Imposition". Imposition shall have the meaning set forth in Section 5.2(a) hereof.

1.12 "Improvements". Improvements shall mean, at any time, all buildings and any other improvements comprising, or located on, whatever is then the Leased Premises.

1.13 "Leased Premises". Leased Premises shall mean on June 30, 1987 the Phase I Premises; from July 1, 1987 through June 30, 1988 the Phase I and II Premises; and thereafter the Phase I, II and III Premises; subject, however, to the provisions of Section 2.1 hereof.

1.14 "Lease Term". Lease Term shall have that meaning set forth in Section 4.1.

1.15 "Loan Agreement". Loan Agreement means the Loan Agreement dated as of July 1, 1987, by and between Lessee and Illinois Health Facilities Authority.

1.16 "Master Indenture". Master Indenture means the Master Trust Indenture between Lessee and Continental Illinois National Bank and Trust Company of Chicago as Master Trustee, dated as of July 1, 1987.

1.17 "Master Trustee". Master Trustee shall have the meaning set forth in the Master Indenture.

1.18 "Operating Agreement". Operating Agreement shall have the meaning set forth in Section 3.6 hereof.

1.19 "Permitted Debt". Permitted debt shall mean the debt incurred by Lessee under the Loan Agreement and any Permitted Additional Indebtedness as that term is defined in the Master Indenture, as both documents may be amended from time to time.

1.20 "Phase I Premises" means the premises described on Exhibit A-1 attached hereto.

1.21 "Phase II Premises" means the premises described on Exhibit A-2 attached hereto.

1.22 "Phase III Premises" means the premises described on Exhibit A-3 attached hereto as the same may be modified from time to time pursuant to the provisions of Article VI.

ATTACHMENT 2

1.23 "Phase I Term". Phase I Term shall mean the period beginning June 30, 1987 and ending June 30, 2027.

1.24 "Phase II Term". Phase II Term shall mean the period beginning July 1, 1987 and ending June 30, 2027.

1.25 "Phase III Term". Phase III Term shall mean the period beginning July 1, 1988 and ending June 30, 2027.

1.26 "Premises". Premises shall have the same meaning as the term Leased Premises.

1.27 "Rent". Rent shall mean and include Basic Rent and Additional Rent, both of which terms shall have the respective meanings set forth in Article V hereof.

1.28 "Shared Building Premises". Shared Building Premises shall mean, at any time, the portions (if any) of the Leased Premises which are located within a single building in which both Lessor and Lessee are then entitled hereunder to occupy some space. For purposes of illustration only, as of the date of this Lease it was anticipated that Shared Building Premises would consist of the portions of the Leased Premises located within the Surgery/Brain Pavilion, the Goldblatt MRIF Building, the Materials Management Parking Garage Addition Building and the buildings in which the Phase III Premises are located.

1.29 "Space Committee". Space Committee shall mean the committee to be hereafter jointly established in writing by Lessor and Lessee to administer the provisions set forth in Article VI hereof, which committee shall at all times have eight members, of whom six (consisting at any time of the person who is then the President of the Lessee or the President's designee and two additional persons designated by the President, and the person who is then the Dean of the Lessor's Division of Biological Sciences or the Dean's designee and two additional persons designated by the Dean) shall be voting members and of whom two (consisting at any time of the persons who then are the Lessor's Provost and the Lessor's Vice President for Business and Finance) shall be non-voting members.

1.30 "Title Report". Title Report shall have the meaning set forth in Section 3.1 hereof.

1.31 "Unmatured Event of Default". An Unmatured Event of Default shall mean any event which, with the passage of time or giving of notice or both, may (if not cured) become an Event of Default.

1.32 "Whole Building Premises". Whole Building Premises shall mean, at any time, the portions (if any) of the Leased Premises

ATTACHMENT 2

which are located within a single building all of which Lessee is then entitled to occupy hereunder. For purposes of illustration only, as of the date of this Lease it was anticipated that Whole Building Premises would consist of the Mitchell/Rubloff Building and the Goldblatt Pavilion.

ARTICLE II

DEMISE

2.1 Lease of Property. Upon the terms and conditions hereinafter set forth (including without limitation, the provisions of Article VI hereof with respect to the Phase III Premises) and in consideration of the payment of the rent hereinafter set forth and in consideration of the strict and timely performance by Lessee of each and every one of the covenants and agreements hereinafter contained to be kept and performed by Lessee, the performance of each and every one of which is declared to be an integral part of the consideration to be furnished by Lessee, Lessor does hereby lease, let and demise unto Lessee, and Lessee does hereby lease of and from Lessor: (a) the Phase I Premises for and during the Phase I Term; (b) the Phase II Premises for and during the Phase II Term; and (c) the Phase III Premises for and during the Phase III Term, all at the Rent and upon all of the other terms, conditions and provisions of this Lease; provided, however, that if, at or before the beginning of either the Phase II or Phase III Term, the bond trustee for any outstanding tax exempt bonds issued prior to the date hereof for the benefit of the Lessor shall have notified the Lessor of the existence of an event of default under any related bond documents, and of such trustee's determination that it is in the best interests of the holders of the bonds represented by such trustee that the premises as to which the Lease Term has not yet commenced should not be demised hereunder, then the same shall not be demised unless and until such trustee shall withdraw such notification. Upon receipt of any such notice, the Lessor shall notify the Lessee of the contents thereof.

ARTICLE III

TITLE, CONDITION AND USE OF LEASED PREMISES

3.1 Title and Condition.

(a) Except for the express warranty set out in Section 3.1(b), each portion and component of the Leased Premises is demised and let in its condition as in effect at the commencement of the lease term relating thereto, "as is", and without any representation or warranty by Lessor of any kind as to any matter

ATTACHMENT 2

whatsoever express or implied (including, without limitation, the physical condition thereof).

(b) Lessor represents and warrants that, as of the date of this Lease, Lessor is the fee owner of the land described on Exhibit B attached hereto and holds title to such land and Improvements as, and subject to the qualifications and exceptions, shown on the Commitment for Title Insurance dated May 22, 1987 (the "Title Report") prepared by Chicago Title Insurance Company, a copy of which has been furnished to Lessee, as it may be subsequently revised with the agreement of the parties.

(c) LESSEE REPRESENTS AND ACKNOWLEDGES THAT IT HAS HAD THE USE, POSSESSION AND CONTROL OF THE LEASED PREMISES DURING THE PERIOD IMMEDIATELY PRECEDING THE LEASE TERM AND THAT IT IS FULLY FAMILIAR WITH THE CONDITION THEREOF TO ITS SATISFACTION. LESSOR HAS NOT MADE AN INSPECTION OF THE LEASED PREMISES OR OF ANY PROPERTY, FIXTURE, EQUIPMENT OR OTHER ITEM CONSTITUTING A PORTION THEREOF, AND LESSOR MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED OR OTHERWISE, WITH RESPECT TO THE SAME OR THE LOCATION, USE, DESCRIPTION, DESIGN, MERCHANTABILITY, FITNESS FOR USE FOR ANY PARTICULAR PURPOSE, CONDITION OR DURABILITY THEREOF, OR AS TO THE QUALITY OF THE MATERIAL OR WORKMANSHIP THEREIN, OR OTHERWISE. THE LEASED PREMISES ARE BEING LEASED "AS IS". ALL SUCH REPRESENTATIONS ARE EXPRESSLY AND IRREVOCABLY DISCLAIMED, WAIVED AND RELEASED BY LESSEE. THE PROVISIONS OF THIS SECTION 3.1 ARE INTENDED TO BE A COMPLETE EXCLUSION AND NEGATION OF ANY AND ALL WARRANTIES (EXCEPT ONLY THE EXPRESS WARRANTY CONTAINED IN SECTION 3.1(b)) BY LESSOR, EXPRESS OR IMPLIED, WITH RESPECT TO THE LEASED PREMISES AND ALL PROPERTY, FIXTURES, EQUIPMENT AND OTHER ITEMS CONSTITUTING A PORTION THEREOF, WHETHER ARISING PURSUANT TO THE COMMON LAW OR THE UNIFORM COMMERCIAL CODE OR ANY OTHER LAW NOW OR HEREAFTER IN EFFECT OR OTHERWISE.

3.2 Use of Leased Premises. The Leased Premises, and every part thereof, shall be used and occupied only for the purpose of operating a not-for-profit health care facility which is supportive of the Lessor's academic and research mission and will provide superior patient care.

3.3 Certain Uses Prohibited. Lessee shall not use or occupy the Leased Premises, or any part thereof, or permit the Leased Premises, or any part thereof, to be used or occupied: contrary to any statute, law, rule, order, ordinance, requirement, regulation, covenant, condition or restriction of record applicable thereto; or in any manner which would violate any certificate of occupancy affecting the same, or which would cause major damage to the Improvements. Lessee shall not use or occupy the Leased Premises for any unlawful purpose, or in any manner which would cause, maintain or permit any nuisance or anything

ATTACHMENT 2

against public policy in or about the Leased Premises or any part thereof. Except as necessary for Lessee to conduct its ordinary business as contemplated under this Lease, Lessee will not keep or use on the Leased Premises or any part thereof any inflammable or explosive liquids or materials. Lessee will not commit or suffer to be committed any waste in, upon or about the Leased Premises, or any part thereof.

3.4 Prohibition of Use. If the use or occupancy of the Leased Premises, or any part thereof, should at any time during the term of this Lease be prohibited by law or ordinance or other governmental regulation, or prevented by injunction, this Lease shall not be thereby terminated, nor shall Lessee be entitled by reason thereof to surrender the Leased Premises or to any abatement or reduction in Rent, nor shall the respective obligations of the parties hereto be otherwise affected.

3.5 Requirement of Continued Use. Lessee shall continuously during all of the Lease Term conduct and carry on the uses permitted by Section 3.2 hereof in the Leased Premises in a first class, high quality, reputable manner. The provisions of this Section 3.5 obligating the Lessee to occupy and use the Leased Premises at all times shall not apply when Lessee is prevented from doing so by strikes, lockouts or other causes and acts of God beyond the reasonable control of Lessee.

3.6 Reasonable Access; Operating Agreement. It is recognized that (i) Lessor and Lessee will be occupying and using facilities in close proximity to each other and that one may occupy and use facilities located within a building or a portion of a building under the possession and control of the other, and (ii) from time to time Lessor may need to use parts of the Leased Premises and Lessee may need to use some facilities owned by Lessor which are in the immediate vicinity of the Leased Premises and are not subject to this Lease. To accommodate those needs, each of Lessor and Lessee agrees to provide to the other party reasonable access to such other party's facilities through entrances, corridors and elevators located within the facilities under its possession and control. In addition, Lessor and Lessee have executed a certain Operating Agreement (which, as it may from time to time be amended, modified, supplemented or restated, is referred to herein as the "Operating Agreement"). Each of the Lessor and Lessee hereby covenants that it will comply with, and perform its obligations under the Operating Agreement.

3.7 Agreements Affecting the Leased Premises. Lessee shall keep, observe, perform and comply with all covenants, conditions and restrictions in the Loan Agreement, the Master Indenture, and any endowments or instruments of gift or bequest which affect the Leased Premises and shall maintain all memorials, plaques, names and other designations contained in the Leased Premises to the

extent Lessor was required by legal or moral obligation to do so prior to this Lease.

3.8 Lessor's Right to Terminate Lessee's Occupancy upon Abandonment. If Lessee should, for any reason other than a major renovation of the Leased Premises or other than any of the reasons set out in the last sentence of Section 3.5, at any time cease to occupy or use for the uses permitted by Section 3.2 hereof for any period exceeding 90 consecutive days (or for any 90 days within any 120-day period) all or substantially all of any building which comprises part of the Whole Building Premises, or any other substantially contiguous part or parts of the Leased Premises comprising in the aggregate more than 50,000 square feet in floor area, then Lessor has the right (but no obligation), upon written notice to Lessee, to terminate this Lease with respect to such abandoned premises (the "Abandoned Premises"), and by such notice to Lessee, such Abandoned Premises shall automatically cease to be a part of the Leased Premises and shall permanently revert to the Lessor, and thereafter, Lessee shall have no rights or obligations with respect the Abandoned Premises; provided, however, that until receipt of Lessor's notice pursuant to this Section 3.8, Lessee shall have full liability for Rent and all obligations under this lease with respect to the Abandoned Premises.

3.9 Ambulatory Clinics. Notwithstanding anything to the contrary contained herein, if Lessee intends to eliminate any Ambulatory Clinic or convert any space presently used for an Ambulatory Clinic to non-clinic use, Lessee shall first give Lessor 90 days' prior written notice of the intention to do so, and Lessor shall, within 60 days from the receipt of such notice or from the time Lessor learns that Lessee has altered such use without giving such notice, notify Lessee in writing that all such space theretofore used for such Ambulatory Clinic or Clinics (as the case may be) shall, upon the receipt of Lessor's notice, automatically cease to be a part of the Leased Premises and shall permanently revert to the Lessor, and thereafter, Lessee shall have no rights or obligations with respect to such space; provided that until receipt of Lessor's notice pursuant to this Section 3.9, Lessee shall have full liability for Rent and all obligations under this Lease with respect to such space. It is understood that an exchange of locations among clinics within the Leased Premises shall not be considered the elimination of a clinic or the conversion of clinic space to non-clinic use under this Section.

ARTICLE IV

TERM

4.1 Lease Term. The term of this Lease (the "Lease Term") shall commence on June 30, 1987 as to the Phase I Premises, on July 1, 1987 as to the Phase II Premises, and on July 1, 1988 as to the Phase III Premises; subject, however, to the provisions of Section 2.1 hereof. The Lease Term shall end on June 30, 2027, unless sooner terminated in accordance with its terms. The term of this Lease shall end if the Affiliation Agreement is terminated.

4.2 Possession. At any time during the Lease Term, Lessee shall have the right (subject to the terms and conditions of this Lease) to enter upon, occupy, possess and peaceably and quietly have, hold and enjoy the Leased Premises, provided that Lessor shall retain the right to enter upon the Shared Building Premises at any times, and to enter upon the Whole Building Premises at any reasonable times, in order to make inspections or to exercise any other rights of Lessor hereunder. Lessor further reserves the right from time to time, without unreasonable interference with Lessee's use, to install, remove or relocate any utility service in any part of the Leased Premises to locations which will not materially interfere with Lessee's use of the Leased Premises, to relocate any pipes, ducts, conduits, wires and appurtenant meters and equipment included in the Leased Premises, to make alterations or additions to and to build additional stories on any structures comprising the Leased Premises and to construct new facilities adjoining any such structures, and to make changes or alterations therein or enlargements thereof. Lessor shall give prior written notice to Lessee of any such action which will have a substantial effect on Lessee's activities and attempt to minimize any interference therewith. If Lessee suffers substantial economic losses or cost increases as a result of Lessor's work performed pursuant to the preceding sentence, Lessee may present a claim for fair compensation therefor, accompanied by detailed documentation establishing the amount and reasonableness thereof, and the parties will attempt in good faith to negotiate a reasonable adjustment thereof. However, the preceding sentence shall not apply when Lessor's activities were necessitated by requirements of any government authority, or by insurance or safety considerations.

ARTICLE V

RENT

5.1 Basic Rent. Lessee covenants to pay Lessor rent ("Basic Rent") for the Leased Premises for the entire Lease Term in the amount determined according to Exhibit D attached hereto, which

ATTACHMENT 2

will be paid in full in advance on the first to occur of December 31, 1987 and the date on which Lessee first receives, or has the right to direct, the net proceeds of the financing being made pursuant to the Loan Agreement. If the full amount of the Basic Rent is not paid on or before December 31, 1987, this Lease shall be and become null and void ab initio.

5.2 Additional Rent.

(a) Lessee covenants to pay and discharge when the same shall become due or payable, as additional rent hereunder, all of the following (collectively, "Impositions"): each and every cost, tax, assessment and other expense of every kind and nature whatsoever (whether ordinary or extraordinary, foreseen or unforeseen), whether levied, imposed or assessed on or with respect to the Leased Premises or any part thereof, or for the payment of which Lessor or Lessee is, shall be, or shall or may become, liable pursuant to any provision of this Lease or by reason of any rights or interest of Lessor or Lessee in, to or under this Lease, or any portion thereof, or by reason of or in any manner connected with or arising out of or relating to the Leased Premises or any portion thereof, or the operation, maintenance, insurance, alteration, repair, rebuilding, possession, use or occupancy of the Leased Premises or any portion thereof, or by reason of or in any manner connected with or relating to this Lease, or for the privilege of leasing (as lessor or as lessee) the Leased Premises, or for any other reason whether similar or dissimilar to the foregoing, foreseen or unforeseen, and all other amounts, liabilities and obligations which Lessee agrees to pay or discharge pursuant to this Lease, together with every fine, penalty, interest and cost which may be added for nonpayment or late payment thereof; provided, however, that to the extent any Impositions or other expenses referred to in this Section 5.2 apply in part to premises owned by Lessor which are not part of the Leased Premises, the Lessee shall only pay its allocable share of such Impositions based upon Lessor's reasonable allocation thereof acceptable to Lessee, but if the parties cannot agree, the amount allocated to Lessee shall be based on Lessee's proportionate share of the square footage of the premises covered by the Imposition; and provided further, that nothing herein shall require Lessee to pay any franchise, transfer, Federal net income, Federal profits, single business or other taxes of Lessor determined on the basis of Lessor's income or revenue, unless such tax is in lieu of or a substitute for any other tax or assessment upon or with respect to the Leased Premises, which if such other tax or assessment were in effect, would be payable by Lessee hereunder.

(b) Lessee covenants to pay, as additional rent hereunder, all amounts, charges or costs required to be paid by Lessee under

ATTACHMENT 2

this Lease, all in accordance with the provisions of this Lease. All such additional rent, together with all Impositions, are sometimes referred to collectively herein as "Additional Rent"; and all Additional Rent and Basic Rent are sometimes referred to collectively herein as "Rent".

(c) In the event of any failure by Lessee timely and fully to pay any Rent when due or to discharge any of the foregoing, Lessor shall have all rights, powers and remedies provided herein, by law, or otherwise, and in addition thereto the right (but without any obligation) to pay and perform any and all of Lessee's obligations and covenants under this Lease and to receive on demand from Lessee repayment thereof with interest at the Default Interest Rate as provided hereinafter.

(d) Lessee will also pay on demand to Lessor, as Additional Rent, interest at the rate equal to the Default Interest Rate on all past-due amounts of Rent from the due date therefor until paid in full.

(e) Lessee will pay all Additional Rent to Lessor or to such other person or persons as Lessor may direct from time to time. Except as may be expressly provided otherwise in this Lease, all Additional Rent will be payable on demand.

(f) All Additional Rent shall be and continue to be payable by Lessee in all events and regardless of any breach by Lessor of any of its obligations under this Lease, and without any right of credit or offset, the obligations and covenants of Lessee under this Lease being separate and independent from Lessor's obligations and covenants hereunder and continuing unaffected until the requirement to pay or perform the same shall have been terminated pursuant to the terms of this Lease.

5.3 Net Lease. This is intended to be a completely "net" lease to Lessor, and the Rent (including, without limitation, Basic Rent and Additional Rent) and all other sums payable hereunder by Lessee shall be paid without demand, and without set-off, counterclaim, abatement, suspension, credit, deduction, deferment, defense, diminution or reduction of any kind or for any reason.

5.4 Lessee's Obligations Unconditional. The obligations of Lessee under this Lease shall be absolute and unconditional, and regardless of Lessor's actions or the condition of the Leased Premises or otherwise, so long as this Lease is in effect. Lessee shall not be entitled to any abatement or reduction of Rent (including, without limitation, Basic Rent and Additional Rent) or any other amounts payable hereunder, nor shall the obligations of Lessee under this Lease be affected, modified or

ATTACHMENT 2

impaired for any reason whatsoever. Lessee will remain obligated under this Lease in accordance with its terms and will not take any action to terminate, rescind or avoid this Lease, notwithstanding (a) the bankruptcy, insolvency, reorganization, composition, readjustment, liquidation, dissolution or winding-up of, or other bankruptcy, insolvency, reorganization, composition, proceeding affecting, Lessor or any assignee of Lessor, or (b) any action with respect to this Lease which may be taken by any trustee, receiver or liquidator (or similar official) in any such proceeding.

ARTICLE VI

ADJUSTMENT OF PHASE III PREMISES

6.1 Adjustment by Agreement of the Parties. Either party to this Lease may, upon thirty days prior written notice to the other party (but not more frequently than once in any consecutive 60 days), request an adjustment of the boundaries and description of the Phase III Premises as it exists at the time of any such request. Within ten days after the receipt of such notice, the parties shall commence good faith negotiations for the purpose of trying to agree upon a fair and mutually satisfactory adjustment of the boundaries and description of the Phase III Premises. If the parties agree upon an adjustment, the parties shall, within ten days thereafter, amend this Lease to reflect the revision. If the parties fail to reach an agreement within twenty days after the commencement of negotiations, then at the request of either party the issue shall be submitted to the Space Committee in accordance with Section 6.2 below.

6.2 Adjustment by the Space Committee. Either party (or both parties) desiring to do so may submit to the Space Committee as soon as practicable a written proposal for adjustment of the boundaries of the Phase III Premises. The Space Committee shall promptly consider any such proposals it receives, and, in its discretion, may either (i) approve it or either of them, (ii) issue its own compromise proposal which it considers reasonable and fair to both parties, or (iii) make no adjustment in the boundaries of the Phase III Premises. The Space Committee shall notify both parties, in writing, of its decision or its failure to reach a decision. In reaching its decision, the Space Committee shall consider the following factors:

(a) the needs of the Lessee to generate sufficient revenue to meet its financial obligations and to operate a premier hospital and medical center capable of providing, on the highest levels, service to patients, and clinical and laboratory instruction to the Lessor's students;

ATTACHMENT 2

(b) the needs of the Lessor to have a premier hospital to conduct research and provide the highest quality of education to its undergraduate, graduate and post-graduate students in medicine and the health sciences;

(c) the desirability of promoting the economical and efficient use of the Phase III Premises;

(d) the desirability of concentrating and making more contiguous the areas occupied respectively by Lessor and Lessee, where doing so will make it possible for each party to carry out its respective purposes and functions more effectively.

Any decision of the Space Committee under this Section 6.2 shall be submitted in writing to, and be final and binding on, the parties and such written notice shall include a revised Exhibit A-3 which shall reflect the decision reached by the Space Committee and which shall automatically amend this Lease. If the Space Committee does not reach an agreement within thirty days of a request for action by either party, it shall be deemed to have determined that no adjustment shall be made in the boundaries of the Phase III Premises.

6.3 Adjustment by Arbitration. At any time within 60 days before the fifth anniversary of the date of this Lease or any subsequent fifth anniversary thereof, either party may, by written notice to the other, request arbitration of (i) a decision of the Space Committee which such party considers unsatisfactory, or (ii) any proposal submitted to the Space Committee under Section 6.2 as to which the Space Committee failed to reach agreement. The matter shall then be resolved by arbitration in the City of Chicago in accordance with the rules of the American Arbitration Association or its successor, by three arbitrators, one of whom shall be appointed by the Lessor, one by the Lessee, and the third by the other two arbitrators. If the first two arbitrators cannot agree on the appointment of a third arbitrator, or if either party fails to appoint an arbitrator, then such arbitrator shall be appointed by the Chief Judge of the United States Court of Appeals for the Seventh Circuit. As soon as practical after the three arbitrators have been selected, they shall conduct and complete the arbitration proceeding and notify both parties, in writing, of their decision. In reaching a decision, the arbitrators shall consider the factors in Section 6.2 above; provided, however, that in no event shall the arbitrators' decision cause the total floor area of the Phase III Premises to increase or decrease by more than five percent (5%) from the total floor area of the Phase III Premises as it existed at the time of such request for arbitration or, together with any prior arbitration decision

ATTACHMENT 2

under this Section, to be greater or less by more than twenty percent (20%) of the total floor area comprising the Phase III Premises as described in Exhibit A-3 as attached to this Lease at the time this Lease is initially executed. Any decision of the arbitrators under this Section 6.3 shall be submitted in writing to, and be final and binding upon, the parties, and such written notice shall include a revised Exhibit A-3 which shall reflect the decision reached by the arbitrators and which shall automatically amend this Lease. The costs of the arbitration shall be borne equally by the parties (but each party will bear its own costs of preparation and presentation to the arbitrators).

ARTICLE VII

IMPOSITIONS AND OTHER LIENS

7.1 Payment by Lessee.

(a) Lessee shall cooperate with Lessor in filing or causing to be filed any documentation required to retain the Leased Premises' status as exempt from real estate taxes and shall pay prior to delinquency, as additional rent for the Leased Premises, its share (based on a reasonable allocation thereof determined by Lessor and acceptable to Lessee as between the Leased Premises and any other property on which such taxes or impositions were levied, assessed or charged, but if the parties cannot agree, the amount allocated to Lessee shall be based on Lessee's proportionate share of the square footage of the premises covered by such taxes or Impositions) of any and all taxes and assessments (general and special), and water rates and other Impositions (ordinary and extraordinary), of every kind and nature whatsoever, which are levied, assessed, charged or imposed upon or with respect to the Leased Premises, or any part thereof, or which become payable during the Lease Term, or any ad valorem taxes assessed thereon or on or in connection with any personal property used in connection therewith which Lessor shall be required to pay, becoming due and payable during or with respect to the term of this Lease.

(b) Lessee shall also be responsible for and shall pay prior to delinquency any and all taxes, whether or not customary or now within the contemplation of the parties hereto and regardless of whether imposed upon Lessor or Lessee: (i) levied against, upon, measured by or reasonably attributable to any and all equipment, furniture, fixtures and other personal property located in or upon the Leased Premises and not principally used by Lessor or any leasehold improvements made in or to the Leased Premises by or for Lessee, regardless of whether levied upon, measured by or reasonably attributable to cost or value of any of the foregoing;

ATTACHMENT 2

(ii) upon or with respect to the possession, leasing, operation, management, maintenance, alteration, repair, use or occupancy by Lessee of the Leased Premises or any portion thereof; or (iii) upon this transaction or any document to which Lessee is a party creating or transferring any interest or an estate in the Leased Premises. If, at any time during the term, any of the foregoing taxes are included with any tax bills to Lessor or upon or relating to the Leased Premises, then Lessee, immediately upon demand by Lessor, shall reimburse Lessor for any and all such taxes and such tax or assessment shall for purposes of this Lease be deemed to be taxes or assessments under this Section 7.1 payable by Lessee; provided, however, that if such taxes are included in a bill which also covers property owned by Lessor or property other than the Leased Premises or property other than that within or upon the Leased Premises, Lessee shall pay its share of such tax or assessment based on a reasonable allocation proposed by Lessor and acceptable to Lessee, but if the parties cannot agree, the amount allocated to Lessee shall be based on Lessee's proportionate share of the square footage of the premises covered by such tax or assessment, provided further, that if the activity of one of the parties alone has resulted in the imposition of the tax or assessment, then that party shall pay the full cost of such tax or assessment.

(c) If under applicable law any Imposition may at the option of the taxpayer be paid in installments, Lessee may exercise such option, as long as Lessee pays all finance charges, installment payment fees or charges, and similar amounts.

(d) There shall be excluded from Impositions all Federal or state income taxes, Federal or state excess profit taxes, franchise, capital stock and Federal or state estate or inheritance taxes imposed upon Lessor, except insofar as the same may be included within the definition of Additional Rent under Section 5.2.

7.2 Alternative Taxes.

(a) If at any time during the term of this Lease the method of taxation prevailing at the commencement of the Lease Term hereof shall be altered so that any new tax, assessment, levy, imposition or charge, or any part thereof, shall be measured or be based in whole or in part upon the Lease or Leased Premises, or the Rent, or other income therefrom and shall be imposed upon the Lessor, then all such taxes, assessments, levies, impositions or charges, or the part thereof reasonably allocated by Lessor to this Lease or the Leased Premises, to the extent that they are so measured or based, shall be deemed to be included within the term Impositions for the purposes hereof, to the extent that such Impositions would be payable if the Leased Premises were the only property of Lessor subject to such Impositions, and Lessee shall

pay and discharge the same as herein provided in respect of the payment of Impositions.

(b) Without limiting the generality of the preceding Section 7.2(a), if at any time during the Lease Term a tax, excise, assessment or imposition on rents or income or the privilege of leasing (as lessor or as lessee) real or personal property or other tax however described (a "Rent Tax") is levied or assessed by the United States of America, the State of Illinois, the County of Cook, the City of Chicago, or any other governmental unit or taxing authority, on account of the rents payable or receivable hereunder or the interest of Lessor under this Lease or the privilege of leasing (as lessor or as lessee) real or personal property or otherwise, then Lessee covenants to reimburse Lessor on account thereof for the full amount thereof reasonably allocated by Lessor to this Lease or the Leased Premises.

7.3 Evidence of Payment. Lessee shall deliver to Lessor duplicate receipts or photocopies thereof received by Lessee showing the payments of all Impositions and other taxes payable by Lessee hereunder, within thirty days after the earlier to occur of the payment or due date thereof.

7.4 Lessor's Right to Pay Impositions on Behalf of Lessee. In the event Lessee shall refuse, neglect or fail for any reason whatsoever to make any of the payments required by this Article VII before the same become past due, then Lessor may, at its option, pay the same. The amount or amounts of money so paid, including reasonable attorneys' fees and expenses which are reasonably incurred because of, or in connection with, such payments, together with interest on all of such amounts from the respective dates of payment at the Default Interest Rate, shall be deemed Additional Rent hereunder and shall be paid by Lessee to Lessor upon the demand of Lessor. The election of Lessor to make such payments shall not waive the default thus committed by Lessee.

7.5 Encumbering Title. Lessee shall not do or suffer to be done any act or omission which shall in any way encumber (or result in the encumbrance of) the title of Lessor in and to the Leased Premises, nor shall the interest or estate of Lessor in the Leased Premises be in any way subject to any mortgage, claim by way of lien or encumbrance, whether by operation of law or by virtue of any express or implied contract by or of Lessee. Lessee's execution of this Lease and occupation of the Leased Premises and execution of the Loan Agreement and Master Indenture shall not be deemed an unpermitted encumbrance of Lessor's title for purposes of this Section. Lessor agrees that it shall not do or suffer to be done any act or omission which shall in any way

ATTACHMENT 2

encumber (or result in the encumbrance of) Lessee's or Lessor's interest or estate in the Leased Premises.

7.6 Liens. Lessee shall not permit the Leased Premises to become subject to any mechanics', laborers', materialmen's or similar lien on account of labor, service or material furnished to, or claimed to have been furnished to, or for the benefit of Lessee or the Leased Premises, except if payment for such labor, service or material is not yet due under the contract in question.

7.7 Permitted Contests. Lessee shall not be required to pay any Imposition, or to remove any lien, charge or encumbrance required to be removed under Sections 7.5 and 7.6 hereof, or to comply with any law, ordinance, rule, order, decree, decision, regulation or requirement referred to in Section 3.3 hereof, so long as Lessee shall, in good faith and at its sole cost and expense, be actively contesting the amount or validity thereof, in an appropriate manner and by appropriate legal proceedings which shall operate during the pendency thereof to prevent: (a) the collection of or other realization upon the tax, assessment, levy, fee, rent, charge, lien or encumbrance so contested; (b) the sale, forfeiture, or loss of the Leased Premises or any part thereof or any estate or interest therein, or any Additional Rent, or any penalty, or any other sum payable under this Lease to satisfy the same or to pay any damages caused thereby; (c) any interference with the use or occupancy of the Leased Premises or any part thereof; and (d) any interference with the payment of any Additional Rent, or any portion thereof, or any other sum payable under this Lease; provided, that no such contest shall subject Lessor to the risk of any loss or liability. Each such contest shall be promptly and diligently prosecuted to final conclusion (subject to the right of Lessee, with the written concurrence of Lessor, to settle any such contest), and in any event Lessee will indemnify, defend and save Lessor harmless from and against any and all losses, judgments, decrees, liabilities, claims and costs (including, without limitation, attorneys' fees and expenses in connection therewith) which may relate to or result from any such contest and will, promptly after the final determination of such contest or settlement thereof, pay and discharge all amounts which shall be levied, assessed, imposed or determined to be payable therein, together with all penalties, fines, interest, costs and expenses thereon or incurred in connection therewith. Lessee shall give Lessor prompt written notice of any such contest.

ARTICLE VIII

INSURANCE

8.1 Maintenance of Insurance. The parties shall procure, and maintain in effect at all times, insurance policies or self-insurance covering the Leased Premises, and the operations conducted thereon, against casualties, contingencies and risks (including but not limited to public liability and employee dishonesty) in amounts not less than customary in the case of corporations engaged in the same or similar activities and similarly situated and adequate to protect the Leased Premises and operations.

Any insurance procured and maintained pursuant to this Article VIII may be obtained jointly by Lessor and Lessee or separately by either party as dictated by the needs of the parties, market availability, cost considerations, and other agreements between the parties. To the extent insurance is obtained jointly or by Lessor, Lessor shall allocate, on an equitable basis consistent with past practice or acceptable to Lessee, the cost of such policies or self-insurance as between Lessor and Lessee, and Lessee shall pay to Lessor, as Additional Rent, the portion of the cost of such policies or self-insurance so allocated to Lessee by Lessor. To the extent Lessee procures and maintains insurance policies covering the Leased Premises, the entire cost and expense of such policies shall be paid by Lessee and considered to be Additional Rent.

All policies of insurance carried pursuant to this Section shall be maintained in such form and with such companies as shall be approved by Lessor. For those policies procured and maintained by Lessee individually, Lessee agrees to deliver to and keep deposited with Lessor all such policies and renewals thereof, with premiums prepaid, and with loss payable clauses satisfactory to Lessor, and non-cancellation clauses providing for not less than 30 days' written notice to Lessor attached thereto. For those policies procured and maintained by Lessor individually, Lessor agrees to furnish certificates or other documents reasonably required to show such insurance to Lessee or to other interested parties as requested by Lessee.

8.2 Mutual Waiver of Subrogation Rights. Whenever (a) any loss, cost, damage or expense resulting from fire, explosion or any other casualty or occurrence is incurred by either of the parties to this Lease in connection with the Leased Premises, and (b) such party is then covered in whole or in part by insurance with respect to such loss, cost, damage or expense, then the party so insured (or hereby required so to insure) hereby releases the other party from any liability it may have on

ATTACHMENT 2

account of such loss, cost, damage or expense to the extent of any amount recovered by reason of such insurance (or which could have been recovered had such insurance been carried as so required) and waives any right of subrogation which might otherwise exist in or accrue to any person on account thereof, provided that such release of liability and waiver of the right of subrogation shall not be operative in any case where the effect thereof is to invalidate such insurance coverage or increase the costs thereof (provided that in the case of increased cost the other party shall have the right, within thirty days following written notice, to pay such increased cost, thereupon keeping such release and waiver in full force and effect).

ARTICLE IX

DAMAGE OR DESTRUCTION

9.1 Lessee's Obligation to Rebuild. In the event of damage to, or destruction of, any Improvements on the Leased Premises, or of any fixtures or equipment therein, by fire or other casualty, Lessee shall promptly, at its expense, repair, restore or rebuild (or, in the case of fixtures or equipment, replace) the same to the condition existing prior to the happening of such fire or other casualty; provided however, that if the damage or destruction is so material and substantial that the premises, in the reasonable opinion of a licensed architect named by Lessor and acceptable to Lessee, cannot be restored at a cost commensurate with available insurance proceeds to a condition comparable to that existing prior to the damage or destruction, Lessor shall have the right to terminate this Lease with respect to such premises, effective on the date of such damage or destruction, by giving written notice thereof to Lessee within sixty days after the event causing the damage or destruction, and to receive and retain all insurance proceeds unless the proceeds are required to be deposited with the Master Trustee in accordance with the terms of the Master Indenture. Notwithstanding the foregoing, if Lessee is required, under the terms of the Master Indenture, to rebuild or restore, Lessor shall consent to such rebuilding or restoration. Rent shall not be reduced or abated during the period of such repair, restoration or rebuilding even if the Improvements are not tenantable. In all circumstances and events, any and all repair, restoration or rebuilding shall be done in compliance with the terms and conditions of this Article IX and pursuant to plans, drawings and specifications approved by Lessor in its sole discretion, and Lessor shall have the right (subject to Section 410 of the Master Indenture) to impose any and all conditions on the conduct of the work and the procedures for payment therefor

ATTACHMENT 2

as Lessor may reasonably determine are necessary or desirable to protect its title and interests.

9.2 Preconditions to Rebuilding. Before Lessee commences any such repairing, restoration or rebuilding involving an estimated cost of more than $50,000.00, plans and specifications therefor, prepared by a licensed architect satisfactory to Lessor, shall have been approved by Lessor, and Lessee shall have furnished to Lessor all of the following: (a) an estimate of the cost of the proposed work, certified to by said architect; (b) satisfactory evidence of sufficient contractor's comprehensive general liability insurance covering Lessor, builder's risk insurance, worker's compensation insurance, and all other insurance Lessor considers appropriate; (c) a performance and payment bond satisfactory in form and substance to Lessor; and (d) such other security as Lessor may reasonably require to insure payment for the completion of all work free and clear of liens.

9.3 Payment for Rebuilding. If by reason of any damage or destruction described in Section 9.1 hereof any amounts are paid under any insurance policy described in Article VIII hereof, such amounts shall, except as set forth in Section 9.5 hereof, be paid as follows:

(i) If the aggregate insurance proceeds received by reason of any single instance of damage or destruction shall be $50,000.00 or less, such insurance proceeds shall be paid over to Lessee, and Lessee shall hold the same as a trust fund to be used for the payment of the entire cost of restoring, repairing or rebuilding the damaged or destroyed Improvements; provided, however, that if there shall remain any balance of money after the damaged or destroyed Improvements shall have been completed, restored or replaced, then Lessee shall receive that percentage of such balance of the proceeds determined by dividing the number of whole years remaining in the Lease Term by 40, and the Lessor shall receive the rest of the balance of proceeds; provided further, however, that if any Event of Default shall exist hereunder at the time such proceeds are so to be paid over to Lessee, such proceeds shall be paid over to Lessor and not to Lessee;

(ii) If the aggregate insurance proceeds received by reason of any single instance of damage or destruction shall be more than $50,000.00 and are not deposited with the Master Trustee pursuant to Section 410 of the Master Indenture, such proceeds shall be deposited in a joint bank account of Lessor and Lessee with withdrawals only by joint signatures of the parties, or the parties shall establish an escrow account for such purpose, either of which is referred

ATTACHMENT 2

to herein as "the Depository." If the insurers have denied liability as to the insureds, Lessee shall deposit the full cost of the work with the Depository. All proceeds so deposited shall be held and disposed of as hereinafter provided in Section 9.4; and

(iii) If the aggregate insurance proceeds received by reason of any single instance of damage or destruction are deposited with the Master Trustee pursuant to Section 410 of the Master Indenture, all proceeds so paid over to the Master Trustee shall be held and disposed of as provided in said Section 410; provided, however, that in no event shall Lessee elect to use such proceeds other than to replace, repair or reconstruct the Improvements, and provided further, that nothing contained herein or in said Section 410 shall relieve Lessee of its obligation to comply with the provisions of Section 9.2 of this Lease.

9.4 Disbursement of Funds from Depository. Upon receipt by both parties or the escrow agent, as the case may be, of:

(i) A certificate of Lessee dated not more than thirty days prior to the date of such receipt (A) requesting the payment of a specified amount of monies, (B) describing in reasonable detail the work and materials applied to the restoration or replacement of the damaged or destroyed improvement since the date of the last certificate of Lessee, (C) stating that such specified amount does not exceed the cost of such work and materials, and (D) stating that such work and materials have not previously been made the basis of any request for or any withdrawal of money; and

(ii) A certificate of the licensed architect who prepared such plans and specifications stating (A) that the work and materials described in the accompanying certificate of Lessee were satisfactorily performed and furnished and were necessary, appropriate or desirable to the restoration or replacement of the damaged or destroyed Improvements, in accordance with the plans and specifications therefor which had been approved by Lessor and in accordance with all applicable laws, (B) that the amount specified in such certificate of Lessee is not in excess of the cost of such work and materials, and (C) the additional amount, if any, required to complete the restoration or replacement of the damaged or destroyed Improvements; and

(iii) Evidence reasonably satisfactory to the Lessor establishing that the work and materials described in said certificate had been fully paid for and that the Leased Premises are not and will not be subject to any lien or

ATTACHMENT 2

claim for lien by virtue thereof, together with evidence satisfactory to the Lessor that no mechanics, materialmen or others have any rights to a lien for services, labor or material in place on the Leased Premises as of the date of such certificate of Lessee (the Leased Premises shall not be considered subject to any such lien which a title insurance company, pursuant to documentation satisfactory in form and substance to Lessor, guarantees over);

the parties shall cause to be paid to Lessee the amount of such monies specified in such certificate of Lessee; provided, however, that the balance of monies the Depository continues thereafter to hold shall not be reduced below the amount specified in such certificate of such architect as the amount required to complete the restoration or replacement of the damaged or destroyed Improvements. Each such payment shall be received and held by Lessee in trust and shall be used solely by Lessee for the payment of the cost of the work and materials described in the certificate of Lessee or, if such cost or any part thereof has theretofore been paid by Lessee out of its own funds, then for the reimbursement to Lessee of any such cost or part thereof so paid by it. If there shall remain on deposit with the Depository any balance of monies after the damaged or destroyed Improvements shall have been completed, restored or replaced, as evidenced by a certificate of such architect delivered to the Depository, then Lessee shall receive that percentage of the balance of the proceeds determined by dividing the number of whole years remaining in the Lease Term by 40, and the Lessor shall receive the rest of the balance of the proceeds.

9.5 Failure to Rebuild and Default. Proceeds to be deposited with the Depository or paid to Lessee shall be paid to Lessor for Lessor's own account (and not subject to any restrictions) if an Event of Default or Unmatured Event of Default shall exist hereunder at the time such proceeds are to be paid to the Depository or Lessee, as the case may be. If Lessee shall not prosecute the repair and restoration of the Improvements with such dispatch as may be necessary to complete the same within a reasonable period after said damage or destruction occurs, or if any other Event of Default or Unmatured Event of Default shall exist hereunder, then, in addition to whatever other remedies Lessor may have under this Lease, at law or in equity (including, without limitation, the right to a mandatory injunction to compel performance), the money received by and then remaining in the hands of the Depository (or Lessor, as the case may be) shall be paid to and retained by Lessor as security for the continued performance and observance by Lessee of Lessee's covenants and agreements hereunder, or Lessor may (in Lessor's discretion) terminate this Lease and then be paid and retain the amount so

ATTACHMENT 2

held as liquidated damages resulting from the failure on the part of Lessee to comply with the provisions of this Lease.

9.6 No Termination. No destruction of or damage to the Improvements, or any part thereof, by fire or other casualty whatsoever, whether such damage or destruction be partial or total or otherwise, shall, except as may otherwise be expressly set forth herein, entitle or permit Lessee to surrender or terminate this Lease or to have any rebate or refund of any part of the Basic Rent paid hereunder, or shall relieve Lessee from its liability to pay in full all Rent (including, without limitation, Additional Rent), sums and charges payable by Lessee hereunder or from any of its other obligations under this Lease, and Lessee hereby waives any rights now or hereafter conferred upon it by statute or otherwise to surrender this Lease or quit or surrender the Leased Premises or any part thereof, or to receive, on account of any such destruction or damage, any suspension, diminution, credit, refund, abatement, or reduction of Rent (including without limitation, Additional Rent) or any other sums or charges payable by Lessee hereunder.

9.7 Damage or Destruction to Shared Building Premises. In the event of damage or destruction to Shared Building Premises, the parties shall cooperate in repairing, restoring and rebuilding such Shared Building Premises, applying insurance proceeds thereto, and contributing excess amounts needed therefor ratably based upon the ratio of the damaged or destroyed space that is Leased Premises to that which is owned by Lessor but not Leased Premises.

ARTICLE X

CONDEMNATION

10.1 Taking of Whole. If the whole of the Leased Premises shall be taken or condemned for a public or quasi-public use or purpose by a competent authority, or if such a material and substantial portion of the Leased Premises shall be so taken that as a result thereof the balance cannot be used for the same purpose and with substantially the same utility to Lessee as immediately prior to such taking and Lessee notifies Lessor in writing not later than 15 days after delivery of possession to the condemning authority that Lessee elects to terminate this Lease by reason thereof, or if the taking is material and substantial and Lessor notifies Lessee in writing not later than 15 days after delivery of possession to the condemning authority that Lessor elects to terminate this Lease by reason thereof, then in any such events the Lease Term shall terminate effective as of the time immediately before delivery of possession to the condemning authority, and any award, compensation or damages

(hereinafter sometimes called the "Award") shall (unless any such Award must be deposited with the Master Trustee pursuant to Section 411 of the Master Indenture, in which case the portion of the Award so required to be deposited with the Master Trustee will be deposited with it to be held subject to the provisions of the Master Indenture) be divided equitably between the parties, with Lessor receiving such portion as represents the value of the fee and its reversionary interest in the Leased Premises and Lessee receiving such portion as represents its leasehold interest therein. Lessee shall continue to be obligated to pay all Additional Rent and other sums and charges payable by Lessee hereunder for and with respect to the time until the expected date of the termination of this Lease.

10.2 Partial Taking. If only a part of the Leased Premises shall be so taken or condemned and the Lease is not terminated pursuant to Section 10.1 hereof, Lessee, at its sole cost and expense, shall repair and restore the Leased Premises and all Improvements thereon. There shall be no abatement or reduction in any rental because of such taking or condemnation. Lessee shall promptly and diligently proceed to make a complete architectural unit of the remainder of the Improvements, complying with all of the procedures set forth in Article IX hereof. For such purpose, and provided Lessee is not then in default hereunder, the amount of the Award relating to the Improvements shall be deposited with either the Depository (as defined in Section 9.3 hereof) or the Master Trustee, which shall disburse the Award to apply to the payment of the cost of said repairing or restoration in accordance with the procedures set forth in Section 9.3 or in the Master Indenture. If Lessee does not make a complete architectural unit of the remainder of the Improvements within a reasonable period after such taking or condemnation, not to exceed 180 days, then, in addition to whatever other remedies Lessor may have under this Lease, at law or in equity, any money received by and remaining in the custody of the Depository shall, at Lessor's election, be paid to and retained by Lessor as liquidated damages resulting from failure of Lessee to comply with the provisions of this Section. Any portion of the Award as may not have to be expended for such repairing or restoration shall be divided equitably between the parties in the same manner as set forth in Section 10.1 for a taking of the whole. In no event shall Lessor be responsible for contributing to the cost of such restoration any amount in excess of the Award received by Lessor. In the event of partial taking of Shared Building Premises, the parties shall cooperate in the repair and restoration of the Shared Building Premises, applying the amount of the Award to such purpose, and contributing excess amounts needed therefor ratably based upon the ratio of that part of the Shared Building Premises taken that is Leased Premises to that which is owned by Lessor but not Leased Premises.

ATTACHMENT 2

ARTICLE XI

MAINTENANCE AND ALTERATIONS

11.1 Maintenance. Lessee shall, at its sole cost and expense, at all times keep and maintain the entire Leased Premises (specifically including, without limitation, for each building, the exterior, the interior, the heating, ventilating and air conditioning equipment and system, the building systems, the structure and the roof) in good condition and repair, and in a safe, secure, clean and sanitary condition and in full compliance with all building, fire, health and other applicable laws, codes, ordinances, rules and regulations and conforming to all requirements of any governmental authority having jurisdiction over the Leased Premises (but the provisions of this sentence shall not be construed as requiring Lessee to provide the Required Services or the Additional Services [as these terms are defined in the Operating Agreement] which the Lessor is providing with respect to the Leased Premises pursuant to the provisions of the Operating Agreement). As used herein, each and every obligation of Lessee to keep, maintain and repair shall include, without limitation, all ordinary and extraordinary structural and nonstructural repairs and replacements. Notwithstanding the foregoing, if unanticipated major structural repairs are required within the last five years of the lease term, the parties will attempt to negotiate a reasonable sharing of the cost of such repairs. All repairs, replacements and restoration to any exterior portion of any building, or to any structural portion of any building, shall be done in a manner that has been approved in writing, in advance, by Lessor. If Lessee does not promptly make such repairs and replacements, Lessor may, but need not, make such repairs and replacements and the amount paid by Lessor for such repairs and replacements shall be deemed Additional Rent reserved under this Lease due and payable upon demand, with interest from the date of demand at the Default Interest Rate. Lessor may (but shall not be required to) enter the Leased Premises at all reasonable times to make such repairs or alterations as Lessor shall reasonably deem necessary or appropriate for the preservation of the Leased Premises. In the case of repairs, replacements and restorations that affect both the Leased Premises and premises owned by Lessor outside of the Leased Premises, the parties shall coordinate such actions and share the costs equitably.

11.2 Alterations.

(a) Lessee shall not, without 30 days' prior written notice to Lessor, demolish, remove, modify or alter all or any part of any of the Improvements (including, without limitation, the exterior facade of any of the Improvements), or make, build, erect or

ATTACHMENT 2

construct any addition to any of the Improvements, or make, build, erect or construct any improvement of any kind on or within any part of the Leased Premises (all the foregoing are referred to collectively herein as "Alterations"). Lessee shall not take any action referred to in the previous sentence without first (i) reviewing the plans for any alterations estimated to cost in excess of $50,000.00 with Lessor's Office of Physical Planning and Construction (or successor office) and receiving concurrence that the plans conform to reasonably, established architectural criteria for Lessor's campus, (ii) obtaining Lessor's written approval to any alterations that would have a substantial effect on Lessor's activities in the Leased Premises or other premises owned by Lessor. If Lessor suffers substantial losses or cost increases as a result of Lessee's work performed pursuant to this Section 11.2(a), Lessor may present a claim for fair compensation therefor, accompanied by detailed documentation establishing the amount and reasonableness thereof, and the parties will attempt to negotiate a reasonable adjustment therefor. However, the preceding sentence shall not apply when Lessee's activities were necessitated by requirements of government authority, or insurance, or safety considerations.

(b) Lessee shall, subject to the right to contest as set forth in Section 7.7 hereof, at Lessee's expense, make such repairs and Alterations (if any) on the Leased Premises as are expressly required by any governmental authority or which may be made necessary by the act or neglect of Lessee, its employees, agents or contractors, or any persons, firm or corporation, claiming by, through or under Lessee; provided, however, that to the fullest extent permitted by applicable law or governmental order, all such work shall be done pursuant to the notice, review and approval provisions set forth in Section 11.2(a). In the case of repairs and alterations so required that affect both the Leased Premises and premises owned by Lessor outside of the Leased Premises, the parties shall coordinate such actions and share the costs equitably.

(c) Any Alterations, repairs and replacements performed or made by Lessee shall be performed or made in a good, workmanlike manner with good quality, new materials, in accordance with all applicable laws and ordinances, and lien-free.

(d) Upon completion of any such work by or on behalf of Lessee, Lessee shall provide Lessor with such documents as Lessor may reasonably require (including, without limitation, a certificate of occupancy [if such certificates are then issued by the appropriate governmental agency or agencies with respect to projects or work of the type so performed by or on behalf of Lessee], an architect's certificate of completion, and sworn contractors' and subcontractors' statements and supporting final

lien waivers) evidencing completion of the work in compliance with applicable laws (and, if relevant, with plans and specifications approved by Lessor) and payment in full for such work, and "as built" working drawings.

11.3 Title to Alterations. All improvements and Alterations installed pursuant to this Lease shall be deemed part of the Leased Premises and the property of Lessor (subject only to Lessee's rights hereunder during the Lease Term); provided, however, that upon expiration of this Lease, Lessee may remove from the Leased Premises, in accordance with the provisions of Section 17.2 hereof, any trade fixtures and personal property which are owned by Lessee.

11.4 Signs. The parties shall agree upon the detailed plans and specifications for any exterior signs on or about the Leased Premises.

ARTICLE XII

ASSIGNMENT AND SUBLETTING

12.1 Consent Required.

(a) Lessee shall not, without Lessor's prior written consent (which Lessor may withhold in Lessor's sole discretion): (i) assign, sell, transfer, convey, pledge, encumber or mortgage this Lease or any interest herein or hereunder; (ii) allow or permit to occur or exist any assignment, sale, transfer, conveyance, pledge, encumbrance or mortgage of, or lien upon or security interest in, this Lease or any part of Lessee's interest herein or hereunder, whether by operation of law or otherwise; (iii) sublet, or cause or permit to occur or exist any subletting of, the Leased Premises or any part thereof; or (iv) permit the use or occupancy of the Leased Premises or any part thereof by anyone other than Lessee, provided however, that unless inconsistent with the Master Indenture, if this Lease is assigned to any person or entity pursuant to the provisions of the United States Bankruptcy Code, 11 U.S.C. § 101 et seq. (the "Bankruptcy Code"), any and all monies and other consideration of any kind whatsoever payable or otherwise to be delivered in connection with such assignment shall be paid or delivered to Lessor, shall be and remain the exclusive property of Lessor and shall not constitute property of Lessee or of the estate of Lessee within the meaning of the Bankruptcy Code. Any and all monies or other consideration constituting Lessor's property under the preceding sentence not paid or delivered to Lessor shall be received and held in trust for the benefit of Lessor and shall be promptly paid to or turned over to Lessor. Lessee's execution and delivery of the Loan Agreement and the Master

ATTACHMENT 2

Indenture shall not be deemed to violate the provisions of clauses (i) or (ii) of this Section 12.1(a). It is understood that, by sublease or other agreement between the parties, Lessee will make available for occupancy by Lessor certain portions of the Leased Premises for specified periods of time under arrangements for payment of maintenance costs and other services furnished by Lessee to Lessor.

(b) No assignment or subletting, whether or not permitted hereunder, shall relieve Lessee of any of Lessee's obligations, covenants, or agreements hereunder (including, without limitation, the obligation personally to pay all Additional Rent), and Lessee shall continue to be liable as a principal and not as a guarantor or surety, to the same extent as though no assignment or subletting had been made. Any person or entity to whom this Lease is assigned or to whom a sublease is made pursuant to the provisions of the United States Bankruptcy Code shall be deemed without further act or deed to have personally assumed, and agreed personally to be liable for, all of the obligations of the Lessee arising under this Lease on and after the date of such assignment or sublease. Any such assignee or sublessee shall, upon demand, execute and deliver to Lessor an instrument expressly confirming such assumption.

ARTICLE XIII

UTILITIES

13.1 Utilities. The cost of all utility services to the Leased Premises, including but not limited to gas, water, sewer, electricity and telephone, shall be paid or reimbursed by Lessee; provided, however, that Lessor shall provide (and Lessee agrees to accept and pay for), steam heat and telecommunications and paging services to Lessee in accordance with and on the terms and conditions set out in a separate agreement between Lessor and Lessee. Whenever and wherever reasonably requested by Lessor, Lessee shall, at its expense, install and maintain separate meters for utilities servicing the Improvements. Where utilities are not separately metered, and any utility bill relates to both the Leased Premises and to space which is not part of the Leased Premises, Lessee shall pay its share of such utilities based upon the share thereof reasonably allocated to Lessee by Lessor and acceptable to Lessee, but if the parties cannot agree, the amount allocated to Lessee shall be based on Lessee's proportionate share of the premises served by such utilities; provided, however, to the extent (if any) the Operating Agreement provides for the amount or manner of payment by Lessee for or with respect to any utility services, those provisions shall govern and control over any inconsistent provisions in this Section 13.1.

ATTACHMENT 2

ARTICLE XIV

INDEMNITY AND WAIVER

14.1 Indemnity. Lessee will protect, indemnify and save harmless Lessor and Lessor's agents from and against all liabilities, obligations, claims, damages, penalties, causes of action, judgments, costs and expenses (including without limitation, attorneys' fees and expenses) imposed upon or incurred by or asserted against Lessor by reason of: (a) any failure on the part of Lessee to perform or comply with any of the terms or provisions of this Lease to be performed by Lessee; or (b) performance of any labor or services or the furnishing of any materials or other property at the request of and on behalf of Lessee or any other person (except only Lessor) in respect of the Leased Premises or any part thereof. In case any action, suit or proceeding is brought against Lessor or Lessor's trustees, officers, agents, or employees by reason of any such occurrence, Lessee will, at Lessor's election and Lessee's expense, resist and defend such action, suit or proceeding, or cause the same to be resisted and defended, and Lessor shall also have the right to defend and resist the same by its own attorneys. Lessee will not settle or compromise any such matter without Lessor's written consent. Upon demand, Lessee shall reimburse Lessor for any cost incurred as a result of or in connection with any such action, suit or proceeding.

14.2 Waiver of Certain Claims. Lessee waives all claims it may have against Lessor and Lessor's trustees, officers, agents, or employees for damage or injury to person or property sustained by Lessee or any persons claiming through Lessee or by any occupant, patient, visitor, invitee or licensee of Lessee or the Leased Premises, or any part thereof, or by any other person, occurring at, upon, within or about, or resulting from the condition of, any part of the Leased Premises or resulting directly or indirectly from any act or omission of Lessee to the fullest extent permitted by law; provided, however, that nothing contained herein shall relieve Lessor from liability for its own negligence or willful misconduct. The foregoing waiver shall include, without limitation, damage or injury caused by water, snow, frost, steam, excessive heat or cold, sewage, gas, odors or noise, or caused by bursting or leaking of pipes or plumbing fixtures or unsafe conditions, and shall apply equally whether any such damage or injury results from the act or omission of Lessee or of any other person and whether such damage be caused by or result from any thing or circumstance whether of a like nature or of a wholly different nature. All personal property belonging to Lessee or any other person other than Lessor that is in or on any part of the Leased Premises shall be there at the risk of Lessee or of such other person only, and Lessor shall not

ATTACHMENT 2

be liable for any damage thereto or for the theft or misappropriation thereof.

14.3 Lessor's Indemnity. Lessor will protect, indemnify and save harmless Lessee's agents from and against all liabilities, obligations, claims, damages, penalties, causes of action, judgments, costs and expenses (including without limitation, attorneys' fees and expenses) imposed upon or incurred by or asserted against Lessee by reason of any failure on the part of Lessor to perform or comply with any of the terms or provisions of this Lease to be performed by Lessor. In case any action, suit or proceeding is brought against Lessee or Lessee's trustees, officers, agents, or employees by reason of any such occurrence, Lessor will, at Lessee's election and Lessor's expense, resist and defend such action, suit or proceeding, or cause the same to be resisted and defended, and Lessee shall also have the right to defend and resist the same by its own attorneys. Lessor will not settle or compromise any such matter without Lessee's written consent. Upon demand, Lessor shall reimburse Lessee for any cost incurred as a result of or in connection with any such action, suit or proceeding.

ARTICLE XV

INSPECTION

15.1 Inspection. Lessor and Lessor's agents may enter the Leased Premises at any time for the purpose of inspecting the same, or of making repairs which Lessee has neglected, refused or failed for any reason to make in accordance with the covenants and agreements of this Lease, and also for the purpose of showing the Leased Premises to persons interested in the programs and activities carried on thereat; provided, however, that except in the case of emergency or if necessary to correct any unsafe or unsound condition, any entry by Lessor pursuant to this Section 15.1 shall not unreasonably interfere with Lessee's use of the Leased Premises.

ARTICLE XVI

LESSEE'S COVENANTS

16.1 Covenants. Lessee hereby covenants and agrees that:

(a) Lessee shall: maintain complete and accurate books and records; permit access by the Lessor to, and allow the Lessor to copy and make extracts from, the books and records of the Lessee at any time; and permit the Lessor to inspect the properties and operations of the Lessee at any time.

ATTACHMENT 2

(b) Lessee shall not sell, transfer, assign, hypothecate, mortgage, encumber or dispose of all or any part of its interest in or under this Lease, or create or permit to exist any mortgage, pledge, lien, encumbrance or security interest of any kind whatsoever upon or with respect to the title to the Leased Premises except for any liens being contested in good faith pursuant to Section 7.7 hereof.

(c) Lessee shall not be a party to any merger or consolidation unless Lessee is the surviving corporation without change to its corporate bylaws, or sell, transfer, convey or lease all or any substantial part of or interest in its assets, or dissolve or terminate its existence or commence to wind up its business or affairs, or cease doing business on a scale and scope substantially similar to or greater than the scale and scope of the Lessee's business as at the close of business on June 30, 1987.

(d) Lessee shall not enter into any agreement containing any provision which would be violated or breached by the performance of any of its obligations hereunder or under any instrument or document delivered or to be delivered by it hereunder or in connection herewith, nor shall Lessee enter into any agreement if doing so, or if performance thereunder, would violate or breach any of its obligations under or any of the provisions of this Lease or any document or instrument delivered or to be delivered by it hereunder or in connection herewith.

(e) Lessee shall perform all of its obligations and undertakings under all of, and Lessee shall not commit any breach or default under any of, the Credit and Assumption Agreement, the Affiliation Agreement, the Operating Agreement, the Loan Agreement, and the Master Indenture.

ARTICLE XVII

SURRENDER

17.1 Surrender. Upon the termination of this Lease, whether by forfeiture, default, lapse of time or otherwise, or upon the termination of Lessee's right to possession of the Leased Premises, Lessee will at once surrender and deliver up the Leased Premises to Lessor in good condition and repair, reasonable wear and tear excepted; conditions existing because of Lessee's failure to perform maintenance, repairs or replacements as required herein shall not be deemed reasonable wear and tear. Lessee shall deliver to Lessor keys to all doors on the Leased Premises. All hardware, fixtures (other than trade fixtures), and improvements, whether temporary or permanent, in or upon the Leased Premises, whether placed there by Lessor or Lessee, shall become Lessor's property and shall remain upon the Leased

ATTACHMENT 2

Premises upon any termination of this Lease, without compensation, allowance or credit to Lessee; provided, however, that if Lessor requests in writing, at least ten days before the effective date of such termination of this Lease, that any of such items placed there by Lessee following commencement of this Lease be removed, Lessee shall remove them at its expense. Any of said hardware, fixtures (other than trade fixtures), and other improvements installed by Lessee which Lessor so requests be removed which Lessee does not remove at the termination of this Lease, may be removed by Lessor and delivered to any other place of business of Lessee or any warehouse, and Lessee shall pay the reasonable cost of such removal, delivery and warehousing to Lessor on demand, with interest from the tenth day after the demand until paid in full at the Default Interest Rate.

17.2 Removal of Lessee's Property. Upon the termination of this Lease, if Lessee is not in default hereunder Lessee may remove Lessee's trade fixtures, personal property and equipment; provided, however, that Lessee shall repair any injury or damage to the Leased Premises which may result from such removal. Any of Lessee's furniture, machinery, trade fixtures and other items of personal property which Lessee fails to remove from the Leased Premises by the end of the Lease Term may, at Lessor's option, be removed by Lessor and delivered to any other place of business of Lessee or any warehouse, and Lessee shall pay the reasonable cost of such removal (including the repair of any injury or damage to the Leased Premises resulting from such removal), delivery and warehousing to Lessor on demand, with interest from the tenth day after demand until paid in full at the Default Interest Rate, or Lessor may treat such property as having been conveyed to Lessor with the Lease as a Bill of Sale, without further payment or credit by Lessor to Lessee.

17.3 Holding Over. Any holding over of the Leased Premises by Lessee after the expiration of this Lease shall operate and be construed to be a tenancy from month to month only. During any such extended term of this Lease, all of the provisions hereof (including, without limitation, those obligating Lessee to pay all Additional Rent) shall govern and apply, except that Lessee shall pay Base Rent to Lessor for such period at the rate of $150,000.00 per month. Nothing contained in this Section 17.3 shall be construed to give Lessee the right to hold over after the expiration of this Lease, and Lessor may exercise any and all remedies at law or in equity to recover possession of the Leased Premises.

ARTICLE XVIII

DEFAULTS AND REMEDIES

18.1 Defaults. Lessee agrees that the occurrence of any one or more of the following events shall constitute an Event of Default

ATTACHMENT 2

for all purposes of this Lease:

(i) Lessee fails to pay, within 15 days after written notice to Lessee that the same is due and payable, any amount of Rent (including, without limitation, Additional Rent) due hereunder;

(ii) Lessee fails to pay, within 15 days after written notice to Lessee that the same is due and payable, any other amount or charge required to be paid by Lessee hereunder;

(iii) Lessee fails in any material respect to keep, observe or perform any of the other covenants or agreements herein contained to be kept, observed and performed by Lessee, and Lessee fails to completely and fully cure such default within 30 days after notice thereof in writing to Lessee; provided, however, that if such matter cannot be cured within 30 days but can be cured within 90 days, then no Event of Default shall be deemed with respect thereto so long as cure is commenced immediately and Lessee diligently proceeds to complete cure within a reasonable period of time, which time period shall in no event extend beyond 90 days after notice of such default; and provided further, that no cure period whatsoever shall apply with respect to a hazardous or emergency condition;

(iv) Lessee shall become insolvent or shall admit in writing its inability to pay its debts, or shall make a general assignment for the benefit of creditors;

(v) Lessee shall file, institute or commence any case, proceeding or other action seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, or seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its property;

(vi) Lessee shall take any corporate or other action to authorize any of the actions set forth above in either of the preceding paragraphs (iv) or (v);

(vii) Any case, proceeding or other action against the Lessee or any of its property shall be filed, instituted or commenced seeking to have an order for relief entered against it as debtor, or seeking reorganization, arrangement, adjustment, liquidation,

ATTACHMENT 2

dissolution or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, or seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its property, and such case, proceeding or other action results in the entry of an order for relief against it which is not fully stayed within 30 days after the entry thereof or remains undismissed for a period of 60 days;

(viii) All or any part of the interest or estate of Lessee under this Lease is levied upon under execution or is attached under process of law;

(ix) There is an event of default on the part of Lessee under any one or more of the Master Indenture, the Loan Agreement, the Operating Agreement, the Credit and Assumption Agreement, or the Affiliation Agreement.

18.2 Remedies. Upon the occurrence of any one or more Events of Default, Lessor may, in its discretion, pursue any and all rights and remedies specified in this Lease or available at law or in equity (including, without limitation, an action for damages and for injunctive relief) and may also, in Lessor's discretion, terminate this Lease. Upon termination of this Lease, Lessee shall surrender possession, vacate the Leased Premises immediately and deliver possession thereof to Lessor, and hereby grants to Lessor the full and free right, without demand or notice of any kind to Lessee, to enter into and upon the Leased Premises in such event with or without process of law and to repossess the Leased Premises as the Lessor's former estate and to expel or remove the Lessee and any others who may be occupying or may be within the Leased Premises without being deemed in any manner guilty of trespass, eviction, or forcible entry or detainer, without incurring any liability for any damage resulting therefrom and without relinquishing the Lessor's rights to rent or any other right given to the Lessor hereunder or by operation of law. Upon termination of this Lease, Lessor shall be entitled to recover as damages all Rent (including, without limitation, Additional Rent) and other sums due and payable by Lessee on the date of termination or for or with respect to the period ending on the effective date of such termination, plus interest at the Default Interest Rate, plus the cost of performing any other covenants or obligations Lessee should have performed on or before the effective date of such termination. Lessor may relet all or any part of the Leased Premises for such rent and upon such terms as shall be satisfactory to Lessor (including the right to relet the Leased Premises as a part of a

ATTACHMENT 2

larger area and the right to change the character or use made of the Leased Premises), and none of the rents or other amounts received by Lessor as a result of any such reletting shall reduce, or be a credit or offset against, the damages and other amounts required to be paid by Lessee to Lessor hereunder with respect to such termination or otherwise. Notwithstanding anything else contained in this Lease, the Lessor or the Lessee shall not be entitled to terminate this Lease for any reason unless prior to or concurrently with such termination the Lessor shall have assumed and agreed to perform the obligations of the Lessee under the Loan Agreement in the manner and to the extent provided in the Loan Agreement.

18.3 Lessee's Waiver of Statutory Rights. In the event of any termination of the term of this Lease or any repossession of the Leased Premises pursuant to this Article XVIII, Lessee, to the fullest extent permitted by law, waives (a) any notice of re-entry, (b) any right of redemption, re-entry or repossession, and (c) the benefits of any laws now or hereafter in force exempting property from liability for rent or for debt.

18.4 Lessor's Lien. Lessee grants to Lessor a lien and security interest paramount to all others in every right and interest of Lessee in and to this Lease, the Leased Premises and all fixtures, equipment, furniture, furnishings and other personal property located now or at any time hereafter in the Leased Premises. Such lien and security interest is granted for the purpose of better securing the payment of all Rent, charges and other sums herein covenanted to be paid by Lessee and for the purpose of securing the performance of all of Lessee's obligations under this Lease. Such lien shall be in addition to all rights of Lessor given under the statutes or other laws of the State of Illinois which are now or may hereafter be in effect. This Lease shall constitute a security agreement and a financing statement under the Uniform Commercial Code of the State of Illinois with respect to the aforementioned property and interests. Lessee agrees to execute and deliver to Lessor, at any time and from time to time, such financing statements, continuation statements, and other documents that Lessor may request in order to perfect and maintain the lien and security interest hereby created and the priority thereof.

18.5 Remedies Cumulative. No right or remedy herein or otherwise conferred upon or reserved to Lessor shall be considered to exclude or suspend any other remedy, but rather, all rights and remedies of the Lessor provided for herein or at law or in equity 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 such power, right and remedy may be exercised from time to time, together or

ATTACHMENT 2

successively, and so often as occasion may arise or as may be deemed expedient by Lessor.

18.6 No Waiver. No delay or omission of Lessor to exercise any right, remedy or power shall impair any such right, remedy or power or be construed to be a waiver thereof or of any default or any acquiescence therein. No waiver of any breach of any of the covenants of this Lease shall be construed, taken or held to be a waiver of any other breach or waiver, acquiescence in or consent to any further or succeeding breach of the same covenant. The acceptance by Lessor of any payment of Rent or other charges hereunder after the termination by Lessor of this Lease shall not, in the absence of an express agreement in writing to the contrary by Lessor, be deemed to restore this Lease or Lessee's right to possession hereunder, but rather shall be construed only as a payment on account, and not in satisfaction, of damages due from Lessee to Lessor.

ARTICLE XIX

MISCELLANEOUS

19.1 Lessee's Estoppel Certificate. Lessee shall, at any time and from time to time upon not less than 10 days' prior written request from Lessor, execute, acknowledge and deliver to Lessor or Lessor's designee, in form reasonably satisfactory to Lessor and any lender or prospective lender or creditor of Lessor, a written statement certifying that Lessee has accepted the Leased Premises, that 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), that the Lessor is not in default hereunder (or if the Lessor is in default hereunder specifying the nature of such default), the date to which Rent and other charges hereunder have been paid, or such other accurate certification as may reasonably be requested by Lessor or Lessor's creditor or mortgagee. Lessor further agrees to state in such certificate that it will give to any mortgagee or other similar creditor of Lessor, concurrently with its giving any such notice to Lessor, a copy of any and all notices it gives to Lessor hereunder and a reasonable opportunity to cure any default by Lessor hereunder. It is intended that any such statement delivered pursuant to this Section may be relied upon by any prospective purchaser of the Leased Premises, any mortgagee or other creditor of Lessor, and their respective successors and assigns.

19.2 Lessor's Right to Cure. Lessor may, but shall not be obligated to, cure any default by Lessee or failure of Lessee to perform any of its obligations hereunder, specifically

ATTACHMENT 2

including, but not by way of limitation, Lessee's failure to pay Impositions, obtain or maintain appropriate insurance, make repairs or satisfy lien claims; and whenever Lessor so elects, all costs and expenses paid by Lessor in curing such default or failure, including (without limitation) reasonable attorneys' fees and interest at the Default Interest Rate from the date expended by Lessor until Lessor is repaid in full, shall be so much additional rent due on demand.

19.3 Amendments Must Be In Writing. This Lease may not be altered, amended, modified, changed, supplemented or abandoned, nor may any obligation, right or remedy hereunder be waived or released, except by and to the extent expressly provided in a written instrument duly signed and delivered by the party against whom the same is sought to be enforced; and no act or acts, omission or omissions, series of acts or omissions, or waiver, acquiescence or forgiveness, by Lessor as to any default in or failure of performance, either in whole or in part, by Lessee of any of the covenants, terms or conditions of this Lease shall be deemed or construed to be a waiver by Lessor of the right at all times thereafter to insist upon the prompt, full and complete performance by Lessee of each and every one of the covenants, provisions, obligations, terms and conditions hereof thereafter to be performed in the same manner and to the same extent as the same are herein covenanted to be performed by Lessee. This Lease may not be amended without the prior written consent of Bond Investors Guaranty Insurance Company, or its successors (the "Bond Insurer"), if such amendment would have the effect of (i) materially increasing the monetary obligations of the Lessee hereunder, (ii) materially increasing or decreasing the size or scope of the Leased Premises (except as modified from time to time pursuant to the provisions of Article VI as in effect on the date of original execution and delivery hereof), (iii) changing in any particular any reference to, or requirement or obligation hereunder relating to, the Master Indenture or the Loan Agreement, (iv) decreasing the Lease Term, or (v) limiting or modifying in any respect not originally set forth herein the Lessee's rights of continued use and occupancy of the Leased Premises. Lessor and Lessee shall provide the Bond Insurer with written notice of any proposed amendments requiring such consent, and any such proposed amendment not objected to in writing within thirty (30) days after such notice shall be deemed to have been approved, provided that the notice to the Bond Insurer shall state that such proposed amendment shall be deemed to be approved if not objected to in writing within thirty days after such notice.

19.4 Notices. All notices to or demands upon Lessor or Lessee desired or required to be given under this Lease shall

be in writing, and shall be deemed to have been duly and sufficiently given on the first to occur of (i) actual delivery, (ii) the next business day following mailing by U.S. Express Mail or any other overnight delivery service, or (iii) the second business day after a copy thereof has been mailed by United States certified mail in an envelope properly stamped and addressed as follows:

If to Lessor:
The President
The University of Chicago
5801 South Ellis Avenue
Chicago, Illinois 60637

with a copy to:
The General Counsel
The University of Chicago
5801 South Ellis Avenue
Chicago, Illinois 60637

If to Lessee:
The President
The University of Chicago Hospitals
5841 South Maryland Avenue
Chicago, Illinois 60637

with a copy to:
General Counsel
The University of Chicago Hospitals
5841 South Maryland Avenue
Chicago, Illinois 60637

or at such address in the City of Chicago as either party may designate, in a notice duly given to the other party, as its address for the receipt of notices hereunder. A copy of each such notice shall be provided to the Bond Insurer at such address as it may from time to time provide.

19.5 Relationship of Parties. Nothing contained herein shall be deemed or construed by the parties hereto or by any other person as creating the relationship of principal and agent, or of partnership or joint venture, or any other relationship other than that of landlord and tenant, by the parties hereto, it being understood and agreed that neither this Lease nor any act of the parties hereto shall be deemed to create any relationship other than the relationship of landlord and tenant.

19.6 Attorneys' Fees. In the event that either party retains an attorney to enforce this Lease or any term, covenant or condition hereunder or to collect any Rent or any other amount due or payable under this Lease or to recover possession of the Leased Premises, or files any action or proceeding under or

ATTACHMENT 2

relating to this Lease, the non-prevailing party shall pay the prevailing party's reasonable attorneys' fees and court costs incurred in connection therewith.

19.7 No Brokers. Lessor and Lessee each represents and warrants to the other that it has dealt with no broker in connection with this transaction. Each party hereto agrees to indemnify and hold the other harmless from and against any and all damage, liability, loss, expense and claims arising from the incorrectness of its warranty set forth in the preceding sentence.

19.8 Entire Agreement. This Lease (including the Exhibits hereto, which are made a part hereof), together with the Operating Agreement, the Affiliation Agreement, the Credit and Assumption Agreement, the agreement concerning the provision of steam described in Section 13.1 hereof, and any other agreement specifically identified or described in this Lease or in the other agreements referred to in this Section 19.8, contains all of the understandings and agreements between the parties hereto with respect to the Leased Premises and the subject matter hereof.

19.9 No Waiver. No delay on the part of Lessor in the exercise of any right or remedy shall operate as a waiver thereof, and no single or partial exercise by Lessor of any right or remedy shall preclude other or further exercise thereof or the exercise of any other right or remedy.

19.10 Captions. The captions of this Lease are for convenience of reference only and are not to be considered part of this Lease and shall not be used in any way in construing, interpreting or applying this Lease or the provisions hereof.

19.11 Applicable Law. This Lease shall be governed by, and construed and enforced in accordance with, the laws of the State of Illinois.

19.12 Covenants Binding on Successors; No Third Party Beneficiaries. All of the covenants, agreements, conditions and undertakings contained in this Lease shall extend and inure to the benefit of, and be binding upon, the parties hereto and their respective successors and assigns, and wherever in this Lease reference is made to either of the parties hereto it shall be held to include and apply (wherever applicable) to the successors and assigns of such party; provided, however, that this sentence shall not be construed as restricting or limiting in any way the provisions of Article XII hereof, which shall govern and control over any inconsistent provisions of this Section 19.12. No person, firm, corporation, entity, or governmental authority other than the parties hereto and their respective successors and assigns and, to the extent set forth in Section 19.3 herein, the

Bond Insurer shall have or may enforce any right, benefit, claim or privilege under or as a result of this Lease or any covenant, agreement, condition or undertaking in this Lease contained, it being the express intention of the parties that there not be any third party beneficiaries of this Lease or any provision hereof.

19.13 Lender's Requirements. If any existing or proposed mortgagee or other creditor or lender of Lessor should require, as a condition precedent to the execution or delivery of any loan document or the disbursal of any money under or with respect to any loan or the forebearance from terminating or accelerating any loan or exercising any remedy with respect thereto, that this Lease be amended or supplemented in any manner, Lessor shall give written notice thereof to Lessee, which notice shall be accompanied by a Lease Supplement Agreement embodying such amendments and supplements. Lessee shall, within 20 days after the effective date of Lessor's notice, either consent to such amendments and supplements (which consent shall not be unreasonably withheld) and execute the tendered Lease Supplement Agreement, or deliver to Lessor a written statement of its reason or reasons for refusing to so consent and execute. Failure of Lessee to respond within said 20-day period shall constitute an Event of Default by Lessee under this Lease without further notice.

19.14 Resolution of Disputes. Subject to the provisions of Article VI (which shall control over any inconsistent provision of this Section 19.14), any controversy, claim or dispute arising out of or relating to this Lease or any alleged breach hereof or default hereunder which the parties cannot resolve to their mutual satisfaction shall be settled by arbitration in the City of Chicago in accordance with the laws of the State of Illinois by three arbitrators, one of whom shall be appointed by Lessor, one by Lessee and the third by the other two arbitrators. If the first two arbitrators cannot agree on the appointment of a third arbitrator, or if either party fails to appoint an arbitrator, then such arbitrator shall be appointed by the Chief Judge of the United States Court of Appeals for the Seventh Circuit. The arbitration shall be conducted in accordance with the rules of the American Arbitration Association or its successor. The arbitrators shall set out their decision and/or award in a written decision which they shall deliver to the parties. Judgment upon the decision and/or award rendered by the arbitrators may be entered in any court having jurisdiction thereof. Interest (at a fair and reasonable rate or rates determined by the arbitrators), and the costs and expenses of the arbitration (including fees and expenses of counsel), shall be borne as the arbitrators consider just under the circumstances, as directed in the award. The arbitrators are hereby directed to, and they shall, decide any such controversy, claim or dispute in the same manner, on the same basis, and according to the same

substantive rules and considerations (but not necessarily in accordance with the same procedural rules) as would apply and be determinative if the matter were being decided by a court of general jurisdiction sitting in Cook County, Illinois, applying the laws of the State of Illinois.

IN WITNESS WHEREOF, Lessor and Lessee have executed and delivered this Lease as of the day and year first above written, pursuant to proper authority duly granted.

Lessor:

THE UNIVERSITY OF CHICAGO, an Illinois corporation

Attest:

F. Gregory Campbell
Secretary

By Hanna H. Gray
Its President

Lessee:

THE UNIVERSITY OF CHICAGO HOSPITALS, an Illinois corporation

Attest:

Secretary

By
Its President

ATTACHMENT 2

EXHIBIT A-1

PHASE I PREMISES

- Sub-basement, first and second floors of Bernard Mitchell Hospital

- First and second floors of Arthur Rubloff Intensive Care Tower

- Goldblatt Pavilion

ATTACHMENT 2

EXHIBIT A-2

PHASE II PREMISES

- Remaining floors of Bernard Mitchell Hospital

- Remaining floors of Arthur Rubloff Intensive Care Tower

- Fourth floor of the Surgery-Brain Research Pavilion and those portions of the third floor shown on Exhibit C

- Third floor of the Goldblatt Magnetic Resonance Imaging Facility

- Materials Management Parking Garage Addition Building as shown on Exhibit C

ATTACHMENT 2

EXHIBIT A-3

PHASE III PREMISES

A committee comprised of six representatives, three appointed by the Lessor and three by the Lessee, shall be formed to recommend the description of the Phase III Premises and shall submit its recommendation to the Presidents of the Lessor and Lessee by July 9, 1987. Such premises shall include the Ambulatory Clinics, Hospital Laboratories, other Hospital Ancillary Services, In-Patient Facilities, Hospital Administrative and Service Areas, and such other areas as the committee agrees upon in the University of Chicago Medical Center. The parties shall promptly after the date for receipt of the recommendation attach a description of the Phase III Premises to the Lease.

ATTACHMENT 2

EXHIBIT B

LEGAL DESCRIPTION

(1) ALL OF "GOLDBLATT PAVILION" FOR A TERM OF YEARS BEGINNING JUNE 30, 1987, AND ENDING JUNE 30, 2027;

(2) THE SUB-BASEMENT, FIRST AND SECOND FLOORS OF "BERNARD MITCHELL HOSPITAL" AND THE FIRST AND SECOND FLOORS OF "ARTHUR RUBLOFF INTENSIVE CARE TOWER" FOR A TERM OF YEARS BEGINNING JUNE 30, 1987, AND ENDING JUNE 30, 2027; AND THE REMAINING FLOORS OF BOTH OF SAID BUILDINGS FOR A TERM OF YEARS BEGINNING JULY 1, 1987, AND ENDING JUNE 30, 2027;

(3) THE THIRD FLOOR OF "GOLDBLATT MAGNETIC RESONANCE IMAGING FACILITY" FOR A TERM OF YEARS BEGINNING JULY 1, 1987, AND ENDING JUNE 30, 2027;

(4) THE FOURTH FLOOR OF THE "SURGERY - BRAIN RESEARCH PAVILION," AND THOSE PORTIONS OF THE THIRD FLOOR OF SAID BUILDING SHOWN ON EXHIBIT "C" ATTACHED TO SAID LEASE, FOR A TERM OF YEARS BEGINNING JULY 1, 1987, AND ENDING JUNE 30, 2027; AND

(5) THE BASEMENT AND FIRST TIER OF THE "MATERIALS MANAGEMENT FACILITY," AS SHOWN ON EXHIBIT "C" ATTACHED TO SAID LEASE, FOR A TERM OF YEARS BEGINNING JULY 1, 1987, AND ENDING JUNE 30, 2027;

WHICH BUILDINGS ARE LOCATED ON THE FOLLOWING DESCRIBED LAND:

PARCEL 1 (WITHIN WHICH THE BUILDINGS KNOWN AS "GOLDBLATT PAVILION," "BERNARD MITCHELL HOSPITAL," " GOLDBLATT MAGNETIC RESONANCE IMAGING FACILITY" AND "SURGERY - BRAIN RESEARCH PAVILION" ARE LOCATED):

THOSE PARTS OF BLOCKS 14, 15 AND 16 IN MASON AND MCKICHAN'S SUBDIVISION OF THE WEST HALF OF THE NORTH WEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH THE VACATED STREETS AND ALLEYS LYING WITHIN AND ADJOINING SAID BLOCKS, SAID PARTS (ENCOMPASSING CERTAIN BUILDINGS LYING WITHIN THE BOUNDARIES OF SAID BLOCKS, VACATED STREETS AND ALLEYS) BEING DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH IS 10.11 FEET WEST AND 7.20 FEET NORTH OF THE EAST AND SOUTH LINES, RESPECTIVELY, OF BLOCK 16 AFORESAID, WHICH POINT IS AT THE SOUTH EAST CORNER OF A SIX-STORY AND BASEMENT STONE BUILDING, AND RUNNING THENCE ALONG LINES ENCOMPASSING THE AFOREMENTIONED BUILDINGS THE FOLLOWING COURSES AND DISTANCES:

ATTACHMENT 2

WEST 11.10 FEET; SOUTH 4.45 FEET; WEST 19.80 FEET; NORTH 4.45 FEET; WEST 11.10 FEET; NORTH 2.34 FEET; WEST 49.02 FEET; SOUTH 4.37 FEET; WEST 19.50 FEET; NORTH 4.37 FEET; WEST 49.02 FEET; SOUTH 2.34 FEET; WEST 44.99 FEET TO THE SOUTH WEST CORNER OF A 3-STORY STONE BUILDING, AT A POINT WHICH IS 7.24 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 16; THENCE NORTH 2.34 FEET; WEST 0.67 OF A FOOT; NORTH 108.50 FEET; WEST 15.00 FEET; SOUTH 1.87 FEET; WEST 6.33 FEET; NORTH 1.87 FEET; WEST 48.62 FEET; SOUTH 8.20 FEET; EAST 11.40 FEET; SOUTH 20.60 FEET; WEST 45.60 FEET; NORTH 20.60 FEET; EAST 11.40 FEET; NORTH 8.20 FEET; WEST 45.62 FEET; SOUTH 1.87 FEET; WEST 6.33 FEET; NORTH 1.87 FEET; WEST 15.00 FEET; SOUTH 32.60 FEET; EAST 8.80 FEET; NORTH 1.47 FEET; EAST 4.75 FEET; SOUTH 2.38 FEET; EAST 5.88 FEET; SOUTH 19.18 FEET; WEST 5.28 FEET; SOUTH 2.38 FEET; WEST 4.75 FEET; NORTH 1.47 FEET; WEST 8.80 FEET; SOUTH 55.20 FEET; WEST 0.67 OF A FOOT; SOUTH 2.34 FEET TO THE SOUTH EAST CORNER OF A 3-STORY STONE BUILDING AT A POINT WHICH IS 7.27 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 15; THENCE WEST 45.00 FEET; NORTH 2.34 FEET; WEST 48.48 FEET; SOUTH 7.00 FEET; WEST 18.56 FEET; NORTH 7.00 FEET; WEST 46.48 FEET; SOUTH 2.34 FEET; WEST 42.00 FEET TO THE SOUTH WEST CORNER OF A 5-STORY STONE BUILDING AT A POINT WHICH IS 7.32 FEET NORTH OF SAID SOUTH LINE OF BLOCK 15; THENCE NORTH 18.32 FEET; WEST 0.67 OF A FOOT; NORTH 84.35 FEET; WEST 9.06 FEET; SOUTH 9.24 FEET; WEST 30.47 FEET; SOUTH 7.75 FEET; WEST 16.20 FEET; NORTH 7.75 FEET; WEST 30.50 FEET; NORTH 14.34 FEET; WEST 9.28 FEET; SOUTH 63.64 FEET; EAST 5.76 FEET; SOUTH 12.70 FEET; WEST 5.76 FEET; SOUTH 20.29 FEET; EAST 3.00 FEET; SOUTH 3.00 FEET; WEST 7.79 FEET; SOUTH 4.50 FEET TO THE SOUTH EAST CORNER OF A 3-STORY STONE BUILDING, AT A POINT WHICH IS 10.20 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 14; THENCE WEST 27.19 FEET; NORTH 2.00 FEET; WEST 70.51 FEET; SOUTH 3.70 FEET; WEST 4.74 FEET; SOUTH 2.00 FEET; WEST 13.52 FEET; NORTH 2.00 FEET; WEST 44.95 FEET; SOUTH 2.70 FEET; WEST 20.75 FEET TO A POINT WHICH IS 5.24 FEET NORTH AND 0.81 OF A FOOT EAST OF THE SOUTH AND WEST LINES OF BLOCK 14 AFORESAID; THENCE NORTH 26.86 FEET; EAST 9.00 FEET; NORTH 28.96 FEET; WEST 4.62 FEET; NORTH 6.02 FEET; EAST 3.01 FEET; NORTH 67.70 FEET; WEST 3.50 FEET; NORTH 15.50 FEET; WEST 5.64 FEET; NORTH 16.50 FEET; EAST 5.64 FEET; NORTH 15.50 FEET; EAST 3.50 FEET; NORTH 70.70 FEET; WEST 3.00 FEET; NORTH 6.00 FEET; EAST 3.00 FEET; NORTH 35.28 FEET; WEST 1.47 FEET; NORTH 3.00 FEET; EAST 9.39 FEET; NORTH 13.07 FEET; NORTHWARDLY 13.20 FEET; WESTWARDLY 18.41 FEET; NORTH 44.20 FEET TO A POINT WHICH IS 3.41 FEET WEST OF THE WEST LINE OF BLOCK 14; THENCE EASTWARDLY 18.41 FEET; THENCE NORTHWARDLY 15.80 FEET; THENCE EAST 214.90 FEET; SOUTHWARDLY 15.82 FEET; EAST 18.45 FEET; SOUTH 22.96 FEET; EAST 23.94 FEET; NORTH 58.60 FEET; WEST 105.04 FEET; NORTHWESTWARDLY 28.34 FEET; NORTH 15.00 FEET; WEST 150.08 FEET TO THE SOUTH WEST CORNER OF A 6-STORY STONE BUILDING AT A POINT WHICH IS 0.74 OF A FOOT WEST OF THE WEST LINE OF BLOCK 14; THENCE NORTH 34.09 FEET; WEST 20.42 FEET; NORTH 24.92 FEET; WEST 4.72 FEET; NORTH 40.02 FEET; EAST 4.72 FEET; NORTH

ATTACHMENT 2

24.92 FEET; EAST 20.42 FEET; NORTH 34.11 FEET TO A POINT ON THE SOUTH LINE OF E. 58TH STREET, 0.47 OF A FOOT WEST OF THE NW CORNER OF SAID BLOCK 14; THENCE EAST ALONG SAID SOUTH LINE OF E. 58TH STREET, A DISTANCE OF 353.94 FEET; THENCE SOUTH 247.60 FEET; EAST 100.42 FEET; NORTH 16.98 FEET; EAST 46.65 FEET; NORTH 4.00 FEET; EAST 45.48 FEET; SOUTH 4.00 FEET; EAST 16.66 FEET; NORTH 5.20 FEET; EAST 36.61 FEET; NORTH 32.57 FEET; WEST 23.00 FEET; NORTH 52.00 FEET; EAST 23.00 FEET; NORTH 24.00 FEET; EAST 54.00 FEET; SOUTH 24.00 FEET; EAST 25.00 FEET; SOUTH 52.00 FEET; WEST 25.00 FEET; SOUTH 32.56 FEET; EAST 43.95 FEET; NORTH 170.03 FEET; EAST 26.05 FEET; SOUTHEASTWARDLY 6.52 FEET; EAST 25.84 FEET; NORTHEASTWARDLY 6.52 FEET; EAST 6.37 FEET; NORTH 35.76 FEET; EAST 12.73 FEET; NORTH 3.51 FEET; WEST 2.19 FEET; NORTH 8.76 FEET TO A POINT AT THE NORTHWEST CORNER OF A 6-STORY STONE BUILDING, WHICH IS 7.31 FEET SOUTH OF THE NORTH LINE OF SAID BLOCK 16; THENCE EAST 45.64 FEET TO A POINT AT THE NORTH EAST CORNER OF SAID BUILDING, 7.36 FEET SOUTH OF THE NORTH LINE OF SAID BLOCK 16; THENCE SOUTH 8.76 FEET; WEST 2.19 FEET; SOUTH 3.51 FEET; EAST 25.38 FEET; SOUTH 173.05 FEET; WEST 85.20 FEET; SOUTH 34.04 FEET; EAST 1.92 FEET; SOUTH 2. 60 FEET; EAST 8.00 FEET; NORTH 4.75 FEET; EAST 94.00 FEET; SOUTH 5.46 FEET; EAST 59.55 FEET TO A POINT AT THE NORTH EAST CORNER OF A 7-STORY STONE BUILDING, WHICH IS 5.00 FEET WEST OF THE EAST LINE OF SDBLOCK 16; THENCE SOUTH 46.00 FEET; WEST 3.50 FEET; SOUTH 157.45 FEET; EAST 3.50 FEET; SOUTH 11.50 FEET; EAST 3.65 FEET; SOUTH 22.00 FEET; WEST 3.65 FEET; SOUTH 11.50 FEET; WEST 5.07 FEET; SOUTH 9.75 FEET; EAST 0.67 OF A FOOT; SOUTH 84.36 FEET; WEST 0.67 OF A FOOT; AND SOUTH 18.17 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 2 (BEING THE PERIMETER OF THE BUILDING KNOWN AS "MATERIALS MANAGEMENT FACILITY"):

THAT PART OF BLOCK 13 IN MCKICHAN'S SUBDIVISION OF THE WEST 1/2 OF THE NORTH WEST 1/4 OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH THE VACATED ALLEY LYING WITHIN SAID BLOCK, SAID PART (ENCOMPASSING A CERTAIN STRUCTURE LYING WITHIN THE BOUNDARIES OF SAID BLOCK AND VACATED ALLEY) BEING DESCRIBED AS FOLLOWS:
BEGINNING AT A POINT WHICH IS 9.00 FEET NORTH AND 7.79 FEET EAST OF THE SOUTH AND WEST LINES, RESPECTIVELY, OF SAID BLOCK 13, AND RUNNING THENCE NORTH, A DISTANCE OF 243.44 FEET TO A POINT WHICH IS 7.82 FEET EAST OF SAID WEST LINE OF BLOCK 13; THENCE ALONG LINES WHICH ARE PERPENDICULAR TO OR PARALLEL WITH THE DESCRIBED LINE, RESPECTIVELY, THE FOLLOWING COURSES AND DISTANCES: EAST 224.30 FEET; SOUTH 221.85 FEET; EAST 0.38 OF A FOOT; SOUTH 21.59 FEET TO A POINT WHICH IS 9.51 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 13, AND THENCE WEST 224.68 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 3 (BEING THE PERIMETER OF THE "TUNNEL AND BASEMENT"):

A PART OF BLOCKS 13 AND 14, TOGETHER WITH THE VACATED STREET LYING BETWEEN AND ADJOINING SAID BLOCKS IN MASON AND McKICHANS SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID PART (ENCOMPASSING A TUNNEL AND CERTAIN BASEMENT AREAS ADJOINING SAID TUNNEL), BEING DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH IS 110.26 FEET NORTH AND 8.00 FEET EAST OF THE SOUTH AND WEST LINES, RESPECTIVELY, OF SAID BLOCK 14, AND RUNNING

THENCE WEST ALONG A LINE WHICH IS PERPENDICULAR TO SAID WEST LINE OF BLOCK 14 A DISTANCE OF 29.29 FEET;

THENCE NORTHWESTWARDLY ALONG A LINE, WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH A PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 32.97 FEET, TO A POINT WHICH IS 21.40 FEET EAST OF THE EAST LINE OF SAID BLOCK 13;

THENCE NORTH ALONG A LINE WHICH IS PARALLEL WITH SAID EAST LINE OF BLOCK 13, A DISTANCE OF 93.02 FEET;

THENCE NORTHWESTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 15.30 FEET;

THENCE WEST ALONG A LINE WHICH IS PERPENDICULAR TO SAID EAST LINE OF BLOCK 13, A DISTANCE OF 31.71 FEET, TO A POINT WHICH IS 21.13 FEET WEST AND 237.24 FEET NORTH OF THE EAST AND SOUTH LINES, RESPECTIVELY, OF SAID BLOCK 13;

THENCE NORTH ALONG A LINE WHICH IS PARALLEL WITH SAID EAST LINE OF BLOCK 13, A DISTANCE OF 14.00 FEET;

THENCE EAST ALONG A LINE WHICH IS PERPENDICULAR TO SAID EAST LINE OF BLOCK 13, A DISTANCE OF 31.53 FEET;

THENCE NORTHEASTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 15.56 FEET, TO A POINT WHICH IS 21.40 FEET EAST OF THE EAST LINE OF SAID BLOCK 13;

THENCE NORTH ALONG A LINE WHICH IS PARALLEL WITH SAID EAST LINE OF BLOCK 13, A DISTANCE OF 139.57 FEET;

THENCE EAST ALONG A LINE PERPENDICULAR TO LAST DESCRIBED COURSE, A DISTANCE OF 0.35 OF A FOOT;

ATTACHMENT 2

THENCE NORTH ALONG A LINE WHICH IS PERPENDICULAR TO THE EASTWARD EXTENSION OF THE NORTH LINE OF SAID BLOCK 13 (SAID EASTWARD EXTENSION BEING ALSO THE SOUTH LINE OF E. 58TH STREET), A DISTANCE OF 13.97 FEET;

THENCE EAST ALONG A LINE PERPENDICULAR TO LAST DESCRIBED COURSE, A DISTANCE OF 0.38 OF A FOOT;

THENCE NORTH ALONG A LINE WHICH IS PERPENDICULAR TO SAID SOUTH LINE OF E. 58TH STREET, A DISTANCE OF 181.72 FEET TO A POINT ON SAID SOUTH LINE OF E. 58TH STREET;

THENCE EAST ALONG SAID SOUTH LINE OF E. 58TH STREET, A DISTANCE OF 43.11 FEET TO A POINT WHICH IS 0.47 OF A FOOT WEST OF THE NORTHWEST CORNER OF SAID BLOCK 14;

THENCE ALONG LINES WHICH ARE PERPENDICULAR TO OR PARALLEL WITH SAID SOUTH LINE OF E. 58TH STREET, RESPECTIVELY, THE FOLLOWING COURSES AND DISTANCES:

SOUTH 34.11 FEET;
WEST 20.42 FEET;
SOUTH 24.92 FEET;
WEST 4.72 FEET;
SOUTH 40.02 FEET;
EAST 4.72 FEET;
SOUTH 24.92 FEET;
EAST 20.42 FEET;
SOUTH 34.09 FEET TO A POINT WHICH IS 0.74 OF A FOOT WEST OF SAID WEST LINE OF BLOCK 14;

THENCE EAST 150.07 FEET;

SOUTH 15.00 FEET;

THENCE SOUTHEASTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 30.20 FEET, TO AN INTERSECTION WITH A LINE WHICH IS 194.42 FEET SOUTH OF AND PARALLEL WITH SAID SOUTH LINE OF E. 58TH STREET;

THENCE WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 190.92 FEET;

THENCE SOUTHWESTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 15.42 FEET, TO A POINT WHICH IS 35.40 FEET EAST OF THE AFORESAID EAST LINE OF BLOCK 13;

ATTACHMENT 2

THENCE SOUTH ALONG A LINE WHICH IS PARALLEL WITH SAID EAST LINE OF BLOCK 13, A DISTANCE OF 252.40 FEET;

THENCE SOUTHEASTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 14.30 FEET;

THENCE EAST ALONG A LINE WHICH IS PERPENDICULAR TO SAID WEST LINE OF BLOCK 14, A DISTANCE OF 28.48 FEET TO A POINT WHICH IS 8.00 FEET EAST OF SAID WEST LINE OF BLOCK 14 AND

THENCE SOUTH A DISTANCE OF 19.00 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

CONTAINING 17,432 SQUARE FEET OF LAND MORE OR LESS.

PROPERTY ADDRESS:

5841 SOUTH MARYLAND AVENUE, CHICAGO, ILLINOIS

PROPERTY INDEX NUMBERS:

20-14-118-002-0000
20-14-118-006-0000
20-14-118-007-0000
20-14-119-008-0000
20-14-119-009-0000

R-182015

ATTACHMENT 2

ATTACHMENT 2

ATTACHMENT 2

ATTACHMENT 2

ATTACHMENT 2

ATTACHMENT 2

ATTACHMENT 2

ATTACHMENT 2

ATTACHMENT 2

ATTACHMENT 2

EXHIBIT D

BASIC RENT CALCULATION

The Basic Rent provided for in Section 5.1 shall be an amount determined as follows:

1. 73.9144% of the amount required to defease all outstanding Series 1975 Bonds (defined hereinafter), net of the amounts available from the existing Series 1975 Debt Service Reserve Fund established under the Trust Indenture for the Series 1975 Bonds.

PLUS: 2. The amount required to defease all outstanding Series 1983-A Bonds (defined hereinafter) and 79.4286% of the remaining 1983-B Bonds (defined hereinafter) (based on pro rata amounts of each maturity rounded to the closest $5,000.00), net of amounts available from the hospital portion of the existing Series 1983 Debt Service Reserve Fund established under the Trust Indenture for the Series 1983-A Bonds, as Supplemented.

PLUS: 3. $12,238,650.00

As used herein:

- Series 1975 Bonds means the Illinois Educational Facilities Authority Revenue Bonds, The University of Chicago, Series A-Surgery Brain Research Institute Building, issued under Trust Indenture dated as of January 1, 1975, with Northern Trust Company as Trustee;

- Series 1983-A Bonds means the $30,000,000 Illinois Educational Facilities Authority Series 1983-A Revenue Bonds, The University of Chicago, issued under Trust Indenture dated as of April 15, 1983, with American National Bank and Trust Company as Trustee;

- Series 1983-B Bonds means the $35,000,000 Illinois Educational Facilities Authority Series 1983-B Bonds, The University of Chicago, issued under Trust Indenture dated as of April 15, 1983, as supplemented by a First Supplemental Trust Indenture dated as of October 1, 1983, with American National Bank and Trust Company as Trustee.

ATTACHMENT 2

Amendment
to
Lease Agreement
between
The University of Chicago
and
The University of Chicago Hospitals

This amendment to the Lease Agreement dated as of June 30, 1987 between The University of Chicago and The University of Chicago Hospitals (the "Lease") is entered into as of July 24, 1987.

1. The following sentence shall be added to the end of Section 18.2:

   The ending of the Lease Term because of the termination of the Affiliation Agreement under Section 4.1 of the Lease shall constitute a termination of this Lease for purposes of the previous sentence.

2. The following Section 19.15 shall be added following Section 19.14 of the Lease:

   19.15 Exception to Phase III Premises. If, at the commencement of the Phase III Term, the Lessor does not have the right to possess and use the inpatient areas comprising the second and third floors of Wyler Children's Hospital as further described in Exhibit A-3 (the "Phase III-A Premises") because of an agreement dated March 1, 1975, as amended August 31, 1978 and October 15, 1979, between Lessor and the Home for Destitute Crippled Children (which agreement as amended superseded an agreement between the same parties dated August 22, 1960), the Phase III Term shall not begin with respect to the Phase III-A Premises until such time as the Lessor acquires the right to possess and use such premises. At such time as the Phase III-A Premises are added to the Phase III Premises, those premises shall be treated under this Lease as though they were included in the Phase III Premises at the time the Lease was initially executed.

3. The last two lines of Exhibit A-2 shall be replaced with the following:

   Materials Management Facility comprising the basement and first floor of the parking garage addition building as shown on Exhibit C.

4. Exhibit C to the Lease shall be replaced with the Exhibit C attached hereto which consists of 11 pages, comprising 1 floor plan for each of the 9 floors of the Medical Center in which the Leased Premises are located, 1 plan for the basement, and 1 plan for the first floor of the Materials Management Facility. The Phase I and Phase II Premises are shown in pink shading on Exhibit C. The Phase III and Phase III-A Premises are shown in the blue shading on Exhibit C.

5. The Description of the Phase III Premises required by Exhibit A-3 to the Lease is attached hereto appended to which as Schedule I is the legal description of the land on which the Phase I, II and III Premises are located.

ATTACHMENT 2

IN WITNESS WHEREOF, Lessor and Lessee have executed and delivered this Lease Amendment as of the day and year first above written pursuant to proper authority duly granted.

Lessor:
THE UNIVERSITY OF CHICAGO

Attest:
Samuel D. Golden
Asst. Secretary

By: Hanna H. Gray
Its: PRESIDENT

Lessee:
THE UNIVERSITY OF CHICAGO HOSPITALS

Attest:
Secretary

By: Ralph W. Muller
Its: President

ATTACHMENT 2

DESCRIPTION OF PHASE III PREMISES

Following are the buildings and portions thereof referred to in the description of areas included in Phase III Premises:

Gilman Smith Hospital ("Gilman Smith")
Bobs Roberts Hospital ("Bobs Roberts")
Billings Hospital ("Billings")
"M" Corridor - West wing of Billings
"P" Corridor - North wing of Billings
"S" Corridor - East wing of Billings
"A" Corridor - South wing of Billings
Nathan Goldblatt Memorial Hospital ("Goldblatt Hospital")
Mothers Aid Research Pavilion ("MARP")
Wyler Children's Hospital ("Wyler")
Chicago Lying-In Hospital ("CLI")
Hick-McElwee Hospital ("Hicks-McElwee")
Armour Clinical Research Building ("Armour")
Goldblatt Magnetic Resonance Imaging Facility ("MRI")
Franklin McLean Memorial Research Institute ("FMI")
Surgery Brain Research Pavilion ("SBRI")
Clarissa Peck Pavilion ("Peck")
Bernard Mitchell Hospital ("Mitchell")

Phase III Premises:

The Phase III and Phase III-A Premises are shown in the floor plan attached hereto as Exhibit C by the blue shading. The Phase III areas are further described as follows:

SUB-BASEMENT LEVEL

The entire sub-basement level of Gilman Smith with the exception of the northeast corner rooms (WS-11 and WS-13) and the unshaded area directly west of WS-11.

The southern half of the sub-basement space in the FMI and Armour buildings.

The tunnel connecting the sub-basement of Mitchell to the Materials Management Facility.

LEVEL B

The west wing of CLI from north building line where it joins with Wyler to the southern end of the building, including Room L-33 at west end of building's east/west corridor. At the east end of CLI, Rooms L-48, L-48A, L-50, L-51, L-53 and Dora De Lee Hall adjoining the southeast corner of Wyler.

Rooms R-16, R-18 and R-25 at the southern end of MARP.

The entire basement level of Wyler.

The entire basement level of Gilman Smith.

ATTACHMENT 2

The entire basement level of Bobs Roberts.

The entire basement level of Billings with the exception of the block of rooms bounded by M-23, M-27, M-29, and M-31, those rooms on the south side of the P-corridor eastward from P-117 to the building line; rooms S-27 and S-29 on the west side of the S-corridor and those rooms extending northward from S-20 on the east side of the S-corridor to the intersection with the P-corridor and the rooms extending southward from S-7 and S-8 to the building line adjoining Hicks-McElwee at the southeast corner of Billings.

The tunnel connecting the basement of CLI to the Materials Management Facility.

LEVEL 1

The entire first floor of Wyler.

The entire first floor of CLI.

The entire first floor of MARP

The entire first floor of Gilman Smith.

The entire first floor of Bobs Roberts.

In Billings, those M-corridor rooms from M-140 on the west side of the corridor south to the building line, and from M-119 on the east side of the corridor south to the building line; all of the rooms on the A-corridor with the exception of Room A-111 on the north side of the corridor; S-117 adjoining the eastern end of the A-corridor; P-119 in the P-corridor; and Rooms 182 and 183 in the southeast corner of the interior courtyard.

LEVEL 2

The entire second floor of Gilman Smith.

The entire second floor of Bobs Roberts.

In Billings, all rooms on the M-corridor with the exception of those lying west of the corridor to the north of Room M-237 in the northwest corner of Billings; all rooms on the south side of the P-corridor, all of the rooms on the A-corridor and all rooms on the S-corridor except those lying north of Rooms S-233 and S-248.

LEVEL 3

The entire third floor of Gilman Smith.

A group of rooms on the S-corridor in the northeast corner of Billings extending from the building line adjoining SBRI south to Rooms S-341 and S-356.

ATTACHMENT 2

LEVEL 4

The entire fourth floor of CLI.

The entire fourth floor of Gilman Smith with the exception of those rooms to the east of W-409 and W-408.

The entire fourth floor of Bobs Roberts.

In Billings, those rooms on the M-corridor lying north of M-412 and M-413 and extending north to the building line adjoining Peck and west to the building line adjoining Rubloff, all of the rooms on the P-corridor and all of the rooms on the S-corridor extending from the building line adjoining the SBRI south to Room S-408.

LEVEL 5

The entire fifth floor of CLI.

In Wyler, the rooms in the west wing extending north from the building line with CLI through Rooms C-550 and C-551.

The entire fifth floor of Gilman Smith Hospital.

All of the rooms on the M-corridor of Billings with the exception of those lying west of M-561A and M-559.

LEVEL 6

The entire sixth floor of CLI.

In Billings, a series of rooms in the northeast corner of Billings extending from the building line adjoining SBRI to a set of unnumbered rooms lying one-third of the way down the S-corridor; a series of rooms extending south of a line two-thirds of the way down the S-corridor to the corridor's end point; and space in the A-corridor east of Rooms A-612 and A-615 and extending to the intersection of the A and S-corridors.

Room J-601and J-601A in SBRI.

Those rooms in Goldblatt Hospital extending from the building line adjoining Billings eastward to and including Rooms G-606 and G-609.

ATTACHMENT 2

The Phase III-A premises are further described as follows:

LEVEL 2

The second floor of Wyler, except those rooms in the east wing lying south of Rooms C-296 and C-202 extending south to the building line adjoining MARP.

LEVEL 3

The third floor of Wyler, except those rooms in the east wing lying south of Rooms C-396 and C-302 extending to the building line.

ATTACHMENT 2

SCHEDULE I

PARCEL 1 (WITHIN WHICH THE BUILDINGS KNOWN AS "GOLDBLATT PAVILION," "BERNARD MITCHELL HOSPITAL," " GOLDBLATT MAGNETIC RESONANCE IMAGING FACILITY" AND "SURGERY - BRAIN RESEARCH PAVILION" ARE LOCATED):

THOSE PARTS OF BLOCKS 14, 15 AND 16 IN MASON AND MCKICHAN'S SUBDIVISION OF THE WEST HALF OF THE NORTH WEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH THE VACATED STREETS AND ALLEYS LYING WITHIN AND ADJOINING SAID BLOCKS, SAID PARTS (ENCOMPASSING CERTAIN BUILDINGS LYING WITHIN THE BOUNDARIES OF SAID BLOCKS, VACATED STREETS AND ALLEYS) BEING DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH IS 10.11 FEET WEST AND 7.20 FEET NORTH OF THE EAST AND SOUTH LINES, RESPECTIVELY, OF BLOCK 16 AFORESAID, WHICH POINT IS AT THE SOUTH EAST CORNER OF A SIX-STORY AND BASEMENT STONE BUILDING, AND RUNNING THENCE ALONG LINES ENCOMPASSING THE AFOREMENTIONED BUILDINGS THE FOLLOWING COURSES AND DISTANCES:

WEST 11.10 FEET; SOUTH 4.45 FEET; WEST 19.90 FEET; NORTH 4.45 FEET; WEST 11.10 FEET; NORTH 2.34 FEET; WEST 49.02 FEET; SOUTH 4.37 FEET; WEST 19.50 FEET; NORTH 4.37 FEET; WEST 48.02 FEET; SOUTH 2.34 FEET; WEST 44.99 FEET TO THE SOUTH WEST CORNER OF A 3-STORY STONE BUILDING, AT A POINT WHICH IS 7.24 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 16; THENCE NORTH 2.34 FEET; WEST 0.67 OF A FOOT; NORTH 108.50 FEET; WEST 15.00 FEET; SOUTH 1.67 FEET; WEST 6.33 FEET; NORTH 1.67 FEET; WEST 48.62 FEET; SOUTH 8.20 FEET; EAST 11.40 FEET; SOUTH 20.60 FEET; WEST 45.60 FEET; NORTH 20.60 FEET; EAST 11.40 FEET; NORTH 6.20 FEET; WEST 45.62 FEET; SOUTH 1.67 FEET; WEST 6.33 FEET; NORTH 1.67 FEET; WEST 15.00 FEET; SOUTH 32.60 FEET; EAST 8.80 FEET; NORTH 1.47 FEET; EAST 4.75 FEET; SOUTH 2.38 FEET; EAST 5.88 FEET; SOUTH 19.18 FEET; WEST 5.88 FEET; SOUTH 2.38 FEET; WEST 4.75 FEET; NORTH 1.47 FEET; WEST 8.80 FEET; SOUTH 55.20 FEET; WEST 0.67 OF A FOOT; SOUTH 2.34 FEET TO THE SOUTH EAST CORNER OF A 3-STORY STONE BUILDING AT A POINT WHICH IS 7.27 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 15; THENCE WEST 45.00 FEET; NORTH 2.34 FEET; WEST 48.48 FEET; SOUTH 7.00 FEET; WEST 15.56 FEET; NORTH 7.00 FEET; WEST 46.48 FEET; SOUTH 2.34 FEET; WEST 42.00 FEET TO THE SOUTH WEST CORNER OF A 5-STORY STONE BUILDING AT A POINT WHICH IS 7.32 FEET NORTH OF SAID SOUTH LINE OF BLOCK 15; THENCE NORTH 18.32 FEET; WEST 0.67 OF A FOOT; NORTH 84.35 FEET; WEST 9.06 FEET; SOUTH 9.24 FEET; WEST 30.47 FEET; SOUTH 7.75 FEET; WEST 16.20 FEET; NORTH 7.75 FEET; WEST 30.50 FEET; NORTH 14.34 FEET; WEST 9.23 FEET; SOUTH 63.64 FEET; EAST 5.74 FEET; SOUTH 12.70 FEET; WEST 5.76 FEET; SOUTH 20.20 FEET; EAST 3.00 FEET; SOUTH 3.00 FEET; WEST 7.79 FEET; SOUTH 4.50 FEET TO THE SOUTH EAST CORNER OF A 3-STORY STONE BUILDING, AT A POINT WHICH IS 10.20 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 14; THENCE WEST 87.19 FEET; NORTH 2.00 FEET; WEST 70.51 FEET; SOUTH 3.70 FEET; WEST 4.74 FEET; SOUTH 2.00 FEET; WEST 13.52 FEET; NORTH 2.00 FEET; WEST 44.95 FEET; SOUTH 2.70 FEET; WEST 20.75 FEET TO A POINT WHICH IS 5.24 FEET NORTH AND 0.21 OF A FOOT EAST OF THE SOUTH AND WEST LINES OF BLOCK 14 AFORESAID; THENCE NORTH 26.36 FEET; EAST 9.00 FEET; NORTH 23.96 FEET; WEST 4.62 FEET; NORTH 6.02 FEET; EAST 3.01 FEET; NORTH 67.70 FEET; WEST 3.50 FEET; NORTH 15.50 FEET; WEST 5.64 FEET; NORTH 16.50 FEET; EAST 5.64 FEET; NORTH 15.50 FEET; EAST 3.50 FEET; NORTH 70.70 FEET; WEST 3.00 FEET; NORTH 6.00 FEET; EAST 3.00 FEET; NORTH 35.28 FEET; WEST 1.47 FEET; NORTH 3.00 FEET; EAST 9.39 FEET; NORTH 13.07 FEET; NORTHWARDLY 13.20 FEET; WESTWARDLY 18.41 FEET; NORTH 44.20 FEET TO A POINT WHICH IS 3.41 FEET WEST OF THE WEST LINE OF BLOCK 14; THENCE EASTWARDLY 18.41 FEET; THENCE NORTHWARDLY 15.90 FEET; THENCE EAST 214.90 FEET; SOUTHWARDLY 15.82 FEET; EAST 18.45 FEET; SOUTH 22.96 FEET; EAST 23.94

ATTACHMENT 2

FEET; NORTH 58.60 FEET; WEST 105.04 FEET; NORTHWESTWARDLY 28.34 FEET; NORTH 15.00 FEET; WEST 150.09 FEET TO THE SOUTH WEST CORNER OF A 6-STORY STONE BUILDING AT A POINT WHICH IS 0.74 OF A FOOT WEST OF THE WEST LINE OF BLOCK 14; THENCE NORTH 34.09 FEET; WEST 20.42 FEET; NORTH 24.92 FEET; WEST 4.72 FEET; NORTH 40.02 FEET; EAST 4.72 FEET; NORTH 24.92 FEET; EAST 20.42 FEET; NORTH 34.11 FEET TO A POINT ON THE SOUTH LINE OF E. 58TH STREET, 0.47 OF A FOOT WEST OF THE NW CORNER OF SAID BLOCK 14; THENCE EAST ALONG SAID SOUTH LINE OF E. 58TH STREET, A DISTANCE OF 353.04 FEET; THENCE SOUTH 247.60 FEET; EAST 100.42 FEET; NORTH 15.98 FEET; EAST 48.65 FEET; NORTH 4.00 FEET; EAST 45.48 FEET; SOUTH 4.00 FEET; EAST 16.66 FEET; NORTH 5.20 FEET; EAST 36.61 FEET; NORTH 32.57 FEET; WEST 23.00 FEET; NORTH 52.00 FEET; EAST 23.00 FEET; NORTH 24.00 FEET; EAST 54.00 FEET; SOUTH 24.00 FEET; EAST 25.00 FEET; SOUTH 52.00 FEET; WEST 25.00 FEET; SOUTH 32.56 FEET; EAST 43.95 FEET; NORTH 170.03 FEET; EAST 26.05 FEET; SOUTHEASTWARDLY 6.52 FEET; EAST 25.64 FEET; NORTHEASTWARDLY 6.52 FEET; EAST 6.87 FEET; NORTH 35.76 FEET; EAST 12.73 FEET; NORTH 3.51 FEET; WEST 2.19 FEET; NORTH 8.76 FEET TO A POINT AT THE NORTHWEST CORNER OF A 6-STORY STONE BUILDING, WHICH IS 7.31 FEET SOUTH OF THE NORTH LINE OF SAID BLOCK 16; THENCE EAST 45.64 FEET TO A POINT AT THE NORTH EAST CORNER OF SAID BUILDING, 7.36 FEET SOUTH OF THE NORTH LINE OF SAID BLOCK 16; THENCE SOUTH 8.76 FEET; WEST 2.19 FEET; SOUTH 3.51 FEET; EAST 25.38 FEET; SOUTH 173.05 FEET; WEST 85.20 FEET; SOUTH 34.04 FEET; EAST 1.92 FEET; SOUTH 2.60 FEET; EAST 6.00 FEET; NORTH 4.75 FEET; EAST 94.00 FEET; SOUTH 5.46 FEET; EAST 59.65 FEET TO A POINT AT THE NORTH EAST CORNER OF A 7-STORY STONE BUILDING, WHICH IS 5.00 FEET WEST OF THE EAST LINE OF SOBLOCK 16; THENCE SOUTH 46.00 FEET; WEST 3.50 FEET; SOUTH 157.45 FEET; EAST 3.50 FEET; SOUTH 11.50 FEET; EAST 3.69 FEET; SOUTH 22.00 FEET; WEST 3.69 FEET; SOUTH 11.50 FEET; WEST 5.07 FEET; SOUTH 9.75 FEET; EAST 0.67 OF A FOOT; SOUTH 84.36 FEET; WEST 0.67 OF A FOOT; AND SOUTH 18.17 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 2 (BEING THE PERIMETER OF THE BUILDING KNOWN AS "MATERIALS MANAGEMENT FACILITY"):

THAT PART OF BLOCK 13 IN MORICHAN'S SUBDIVISION OF THE WEST 1/2 OF THE NORTH WEST 1/4 OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH THE VACATED ALLEY LYING WITHIN SAID BLOCK, SAID PART (ENCOMPASSING A CERTAIN STRUCTURE LYING WITHIN THE BOUNDARIES OF SAID BLOCK AND VACATED ALLEY) BEING DESCRIBED AS FOLLOWS:
BEGINNING AT A POINT WHICH IS 9.00 FEET NORTH AND 7.79 FEET EAST OF THE SOUTH AND WEST LINES, RESPECTIVELY, OF SAID BLOCK 13, AND RUNNING THENCE NORTH, A DISTANCE OF 243.44 FEET TO A POINT WHICH IS 7.92 FEET EAST OF SAID WEST LINE OF BLOCK 13; THENCE ALONG LINES WHICH ARE PERPENDICULAR TO OR PARALLEL WITH THE DESCRIBED LINE, RESPECTIVELY, THE FOLLOWING COURSES AND DISTANCES: EAST 224.30 FEET; SOUTH 221.85 FEET; EAST 0.38 OF A FOOT; SOUTH 21.59 FEET TO A POINT WHICH IS 9.51 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 13, AND THENCE WEST 224.68 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

ATTACHMENT 2

PARCEL 3 (BEING THE PERIMETER OF THE "TUNNEL AND BASEMENT"):

A PART OF BLOCKS 13 AND 14, TOGETHER WITH THE VACATED STREET LYING BETWEEN AND ADJOINING SAID BLOCKS IN MASON AND McKICHANS SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID PART (ENCOMPASSING A TUNNEL AND CERTAIN EASEMENT AREAS ADJOINING SAID TUNNEL), BEING DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH IS 110.26 FEET NORTH AND 8.00 FEET EAST OF THE SOUTH AND WEST LINES, RESPECTIVELY, OF SAID BLOCK 14, AND RUNNING

THENCE WEST ALONG A LINE WHICH IS PERPENDICULAR TO SAID WEST LINE OF BLOCK 14 A DISTANCE OF 29.29 FEET;

THENCE NORTHWESTWARDLY ALONG A LINE, WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH A PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 32.97 FEET, TO A POINT WHICH IS 21.40 FEET EAST OF THE EAST LINE OF SAID BLOCK 13;

THENCE NORTH ALONG A LINE WHICH IS PARALLEL WITH SAID EAST LINE OF BLOCK 13, A DISTANCE OF 93.02 FEET;

THENCE NORTHWESTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 15.30 FEET;

THENCE WEST ALONG A LINE WHICH IS PERPENDICULAR TO SAID EAST LINE OF BLOCK 13, A DISTANCE OF 31.71 FEET, TO A POINT WHICH IS 21.13 FEET WEST AND 237.24 FEET NORTH OF THE EAST AND SOUTH LINES, RESPECTIVELY, OF SAID BLOCK 13;

THENCE NORTH ALONG A LINE WHICH IS PARALLEL WITH SAID EAST LINE OF BLOCK 13, A DISTANCE OF 14.00 FEET;

THENCE EAST ALONG A LINE WHICH IS PERPENDICULAR TO SAID EAST LINE OF BLOCK 13, A DISTANCE OF 31.53 FEET;

THENCE NORTHEASTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 15.56 FEET, TO A POINT WHICH IS 21.40 FEET EAST OF THE EAST LINE OF SAID BLOCK 13;

THENCE NORTH ALONG A LINE WHICH IS PARALLEL WITH SAID EAST LINE OF BLOCK 13, A DISTANCE OF 139.57 FEET;

THENCE EAST ALONG A LINE PERPENDICULAR TO LAST DESCRIBED COURSE, A DISTANCE OF 0.35 OF A FOOT;

ATTACHMENT 2

THENCE NORTH ALONG A LINE WHICH IS PERPENDICULAR TO THE EASTWARD EXTENSION OF THE NORTH LINE OF SAID BLOCK 13 (SAID EASTWARD EXTENSION BEING ALSO THE SOUTH LINE OF E. 58TH STREET), A DISTANCE OF 13.97 FEET;

THENCE EAST ALONG A LINE PERPENDICULAR TO LAST DESCRIBED COURSE, A DISTANCE OF 0.38 OF A FOOT;

THENCE NORTH ALONG A LINE WHICH IS PERPENDICULAR TO SAID SOUTH LINE OF E. 58TH STREET, A DISTANCE OF 181.72 FEET TO A POINT ON SAID SOUTH LINE OF E. 58TH STREET;

THENCE EAST ALONG SAID SOUTH LINE OF E. 58TH STREET, A DISTANCE OF 43.11 FEET TO A POINT WHICH IS 0.47 OF A FOOT WEST OF THE NORTHWEST CORNER OF SAID BLOCK 14;

THENCE ALONG LINES WHICH ARE PERPENDICULAR TO OR PARALLEL WITH SAID SOUTH LINE OF E. 58TH STREET, RESPECTIVELY, THE FOLLOWING COURSES AND DISTANCES:

SOUTH 34.11 FEET;
WEST 20.42 FEET;
SOUTH 24.92 FEET;
WEST 4.72 FEET;
SOUTH 40.02 FEET;
EAST 4.72 FEET;
SOUTH 24.92 FEET;
EAST 20.42 FEET;
SOUTH 34.09 FEET TO A POINT WHICH IS 0.74 OF A FOOT WEST OF SAID WEST LINE OF BLOCK 14;

THENCE EAST 150.07 FEET;

SOUTH 15.00 FEET;

THENCE SOUTHEASTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 30.20 FEET, TO AN INTERSECTION WITH A LINE WHICH IS 194.42 FEET SOUTH OF AND PARALLEL WITH SAID SOUTH LINE OF E. 58TH STREET;

THENCE WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 190.92 FEET;

THENCE SOUTHWESTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 15.42 FEET, TO A POINT WHICH IS 35.40 FEET EAST OF THE AFORESAID EAST LINE OF BLOCK 13;

ATTACHMENT 2

THENCE SOUTH ALONG A LINE WHICH IS PARALLEL WITH SAID EAST LINE OF BLOCK 13, A DISTANCE OF 252.40 FEET;

THENCE SOUTHEASTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 14.30 FEET;

THENCE EAST ALONG A LINE WHICH IS PERPENDICULAR TO SAID WEST LINE OF BLOCK 14, A DISTANCE OF 28.48 FEET TO A POINT WHICH IS 8.00 FEET EAST OF SAID WEST LINE OF BLOCK 14 AND

THENCE SOUTH A DISTANCE OF 19.00 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

CONTAINING 17,432 SQUARE FEET OF LAND MORE OR LESS.

PROPERTY ADDRESS:

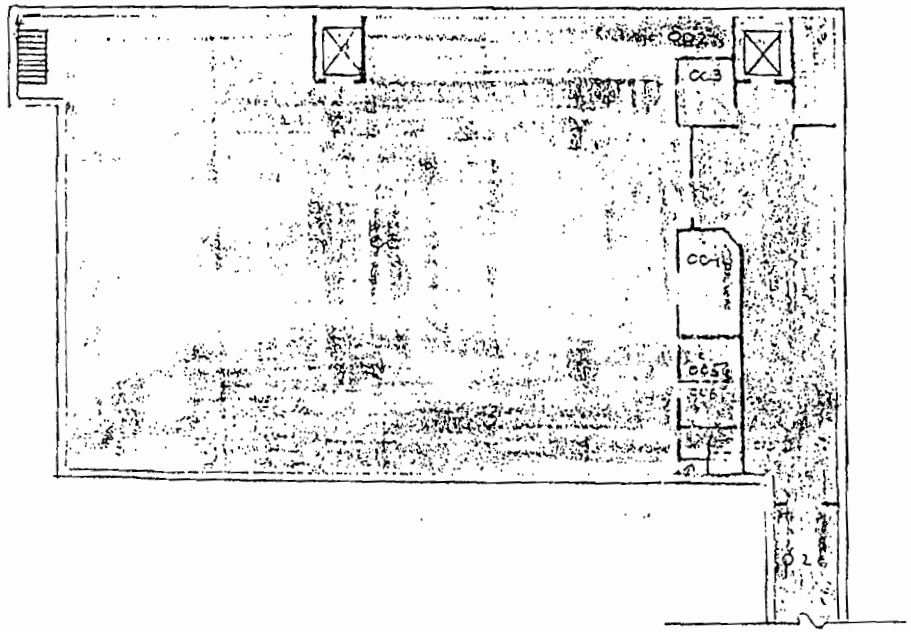
5841 SOUTH MARYLAND AVENUE, CHICAGO, ILLINOIS

PROPERTY INDEX NUMBERS:

20-14-118-002-0000
20-14-118-006-0000
20-14-118-007-0000
20-14-119-008-0000
20-14-119-009-0000

EXHIBIT C

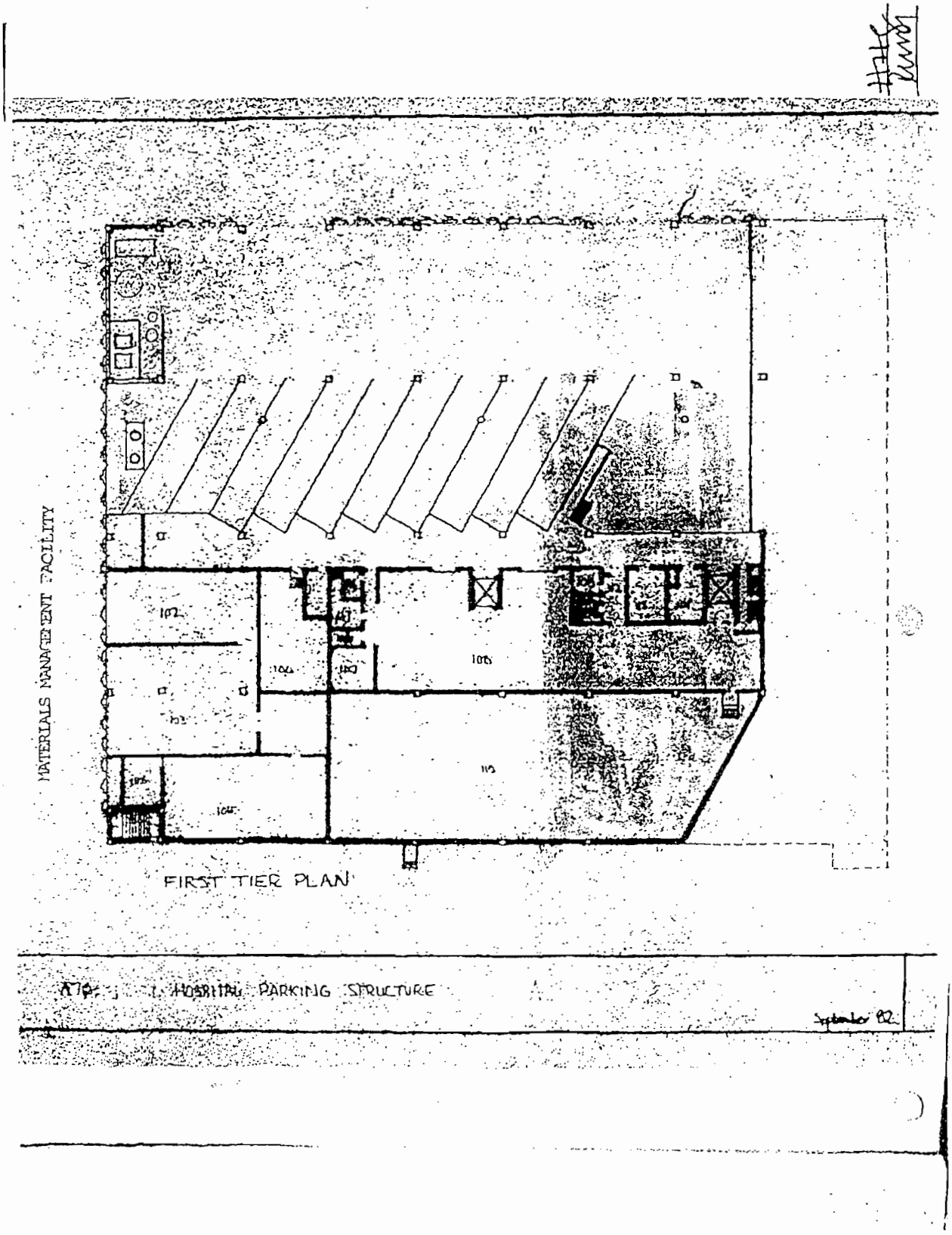
MATERIALS MANAGEMENT FACILITY



BASEMENT

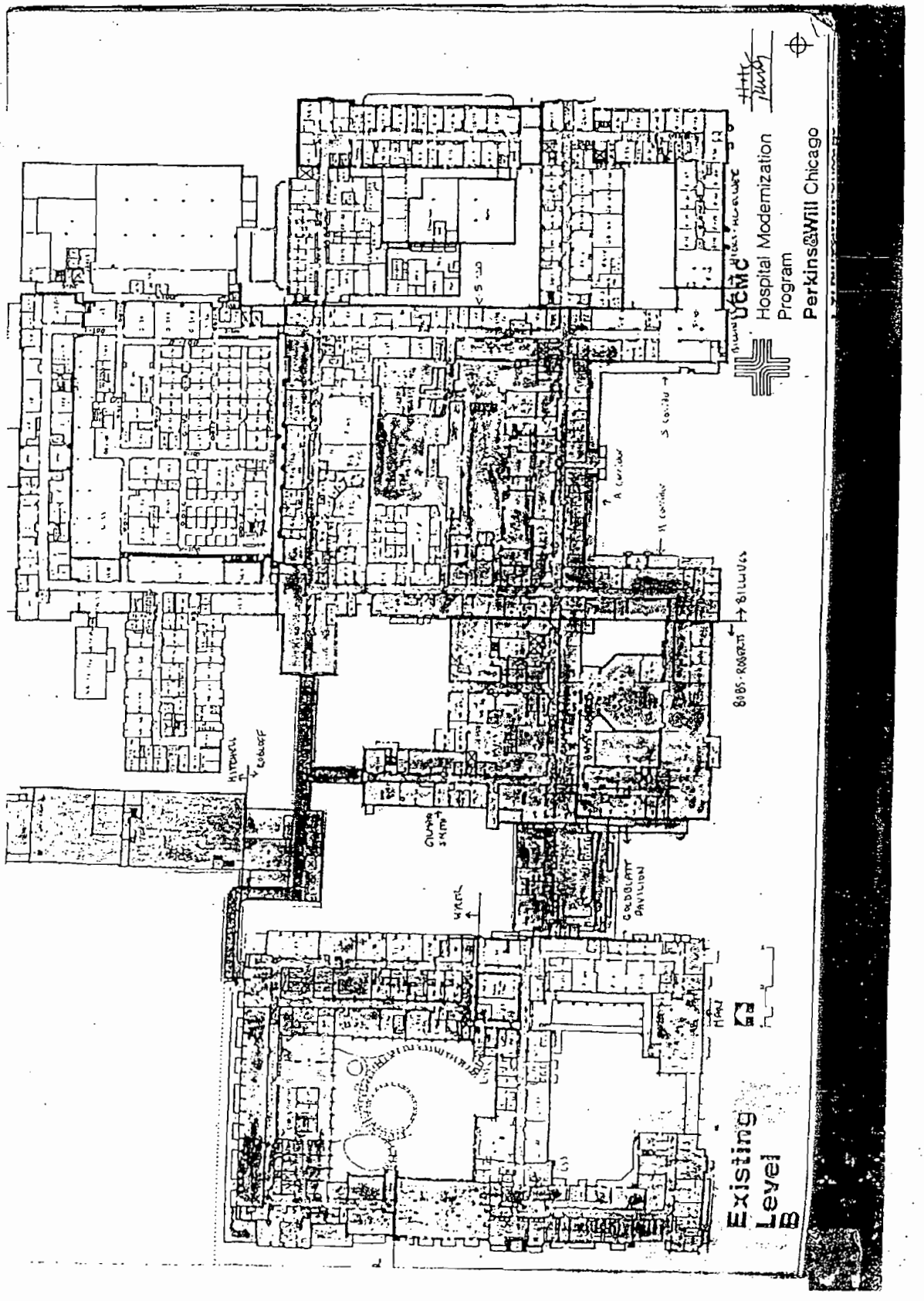
000100

ATTACHMENT 2



ATTACHMENT 2

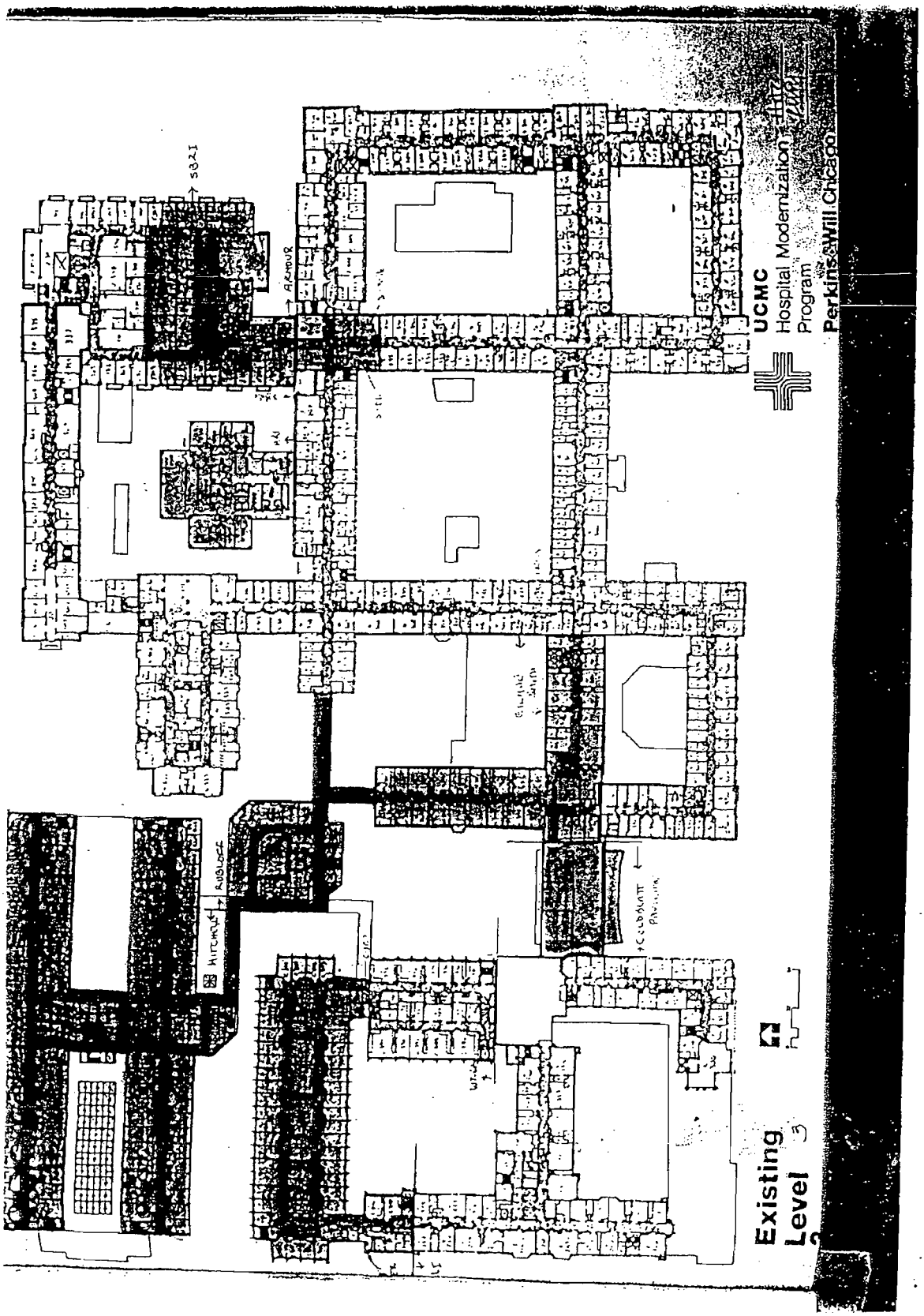
ATTACHMENT 2



ATTACHMENT 2

ATTACHMENT 2

ATTACHMENT 2



ATTACHMENT 2

ATTACHMENT 2

ATTACHMENT 2

ATTACHMENT 2

ATTACHMENT 2

89107251

Second Amendment
to
Lease Agreement
between
The University of Chicago
and
The University of Chicago Hospitals

72-00-104 D4

This Second Amendment to the Lease Agreement dated as of June 30, 1987, and recorded as document 87472005, between The University of Chicago ("Lessor"), and The University of Chicago Hospitals (the "Lessee") as amended as of July 24, 1987 (the "Lease") is entered into as of April 12, 1989.

$18.00

Under the Lease as amended, Lessor leased to Lessee the Phase I, II and III Premises as described therein, located on the land described in Schedule I attached hereto.

The parties recognize that it is necessary to amend the Lease in order to enable Lessee to borrow funds from the Illinois Health Facilities Authority (which will obtain such funds through a bond issue) in order to pay or reimburse Lessee for certain capital expenditures. The parties therefore agree as follows:

1. Section 1.15 of the Lease is amended in its entirety to read as follows:

89107251

This instrument was prepared by
Samuel A. Golden
5801 S. Ellis Avenue
Chicago, Illinois 60637

A-15

ATTACHMENT 2

1.15 "Loan Agreement". Loan Agreement means both the Loan Agreement dated as of July 1, 1987 between Lessee and Illinois Health Facilities Authority and the Loan Agreement dated as of April 1, 1989 between Lessee and Illinois Health Facilities Authority, as such Loan Agreements may from time to time be amended in accordance with the terms thereof.

2. All other provisions of the Lease remain in full force and effect.

IN WITNESS WHEREOF, Lessor and Lessee have executed and delivered this Second Amendment to Lease Agreement as of the day and year set forth above pursuant to proper authority duly granted.

Lessor:

THE UNIVERSITY OF CHICAGO

By: _____

Its: Vice President for Business and Finance

ATTEST:

_____
Assistant Secretary to
the Board of Trustees

Lessee:

THE UNIVERSITY OF CHICAGO HOSPITALS

By: _____

Its: President

ATTEST:

_____
Secretary

89167251

89167251

000112

ATTACHMENT 2

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Rhonda Yvonne Armstrong, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Alexander E. Sharp and Samuel D. Golden, personally known to me to be the same persons whose names are, respectively, Vice President and Assistant Secretary of THE UNIVERSITY OF CHICAGO, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 12th day of April, 1989.

(SEAL) "OFFICIAL SEAL" Rhonda Yvonne Armstrong Notary Public, State of Illinois My Commission Expires 7/12/90

Rhonda Yvonne Armstrong
Notary Public in and for
Cook County, Illinois

My Commission

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Mary Lou Trepac, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Ralph W. Muller and David A. Rakov, personally known to me to be the same persons whose names are, respectively, as President and Secretary of THE UNIVERSITY OF CHICAGO HOSPITALS, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 12th day of April, 1989.

(SEAL) "OFFICIAL SEAL" MARY LOU TREPAC Notary Public, State of Illinois My Commission Expires 2/23/91

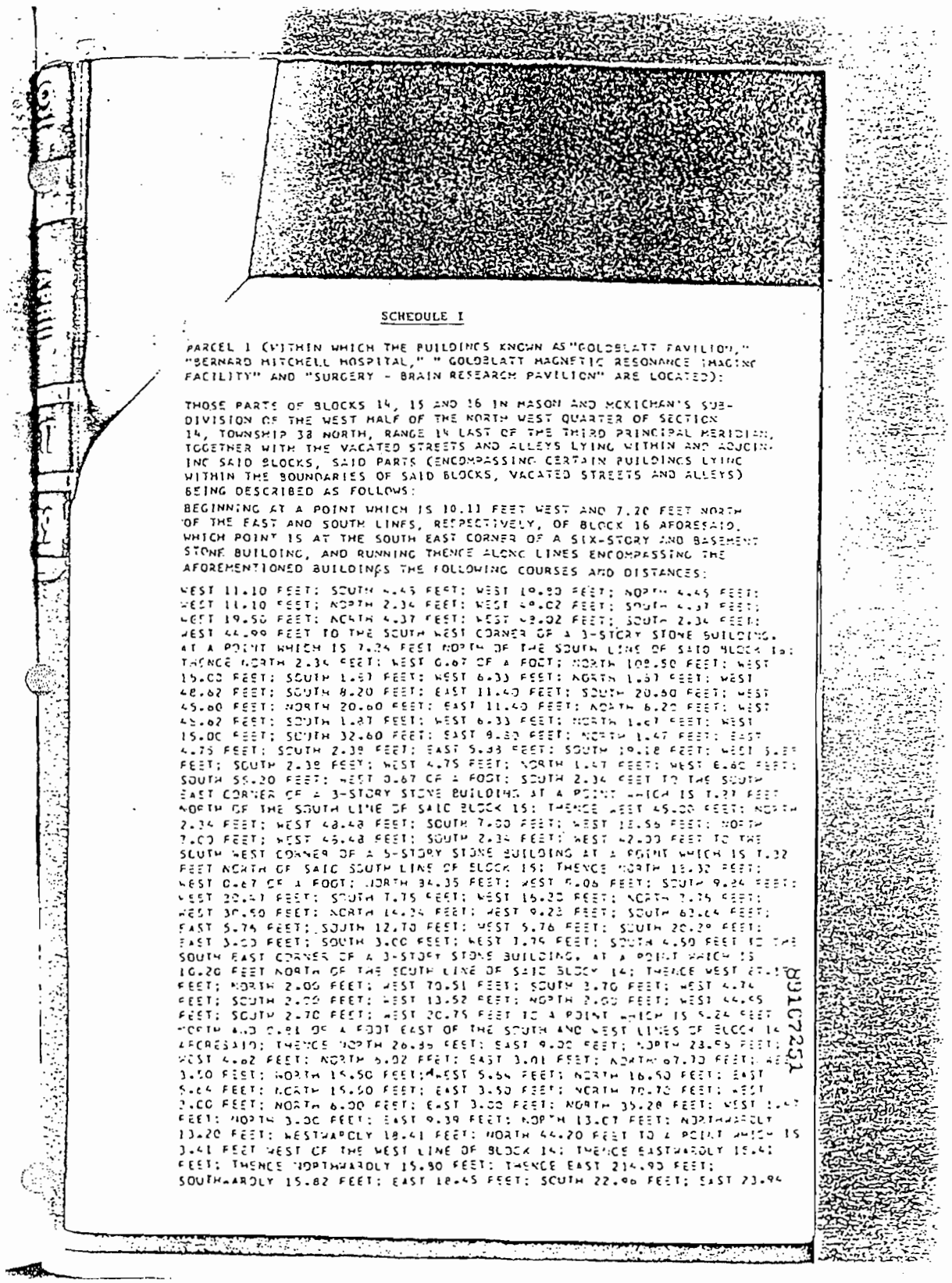
Notary Public in and for
Cook County, Illinois

My Commission Expires: 2/23/91

89157251

-3-

ATTACHMENT 2



SCHEDULE I

PARCEL 1 (WITHIN WHICH THE BUILDINGS KNOWN AS "GOLDBLATT PAVILION," "BERNARD MITCHELL HOSPITAL," " GOLDBLATT MAGNETIC RESONANCE IMAGING FACILITY" AND "SURGERY - BRAIN RESEARCH PAVILION" ARE LOCATED):

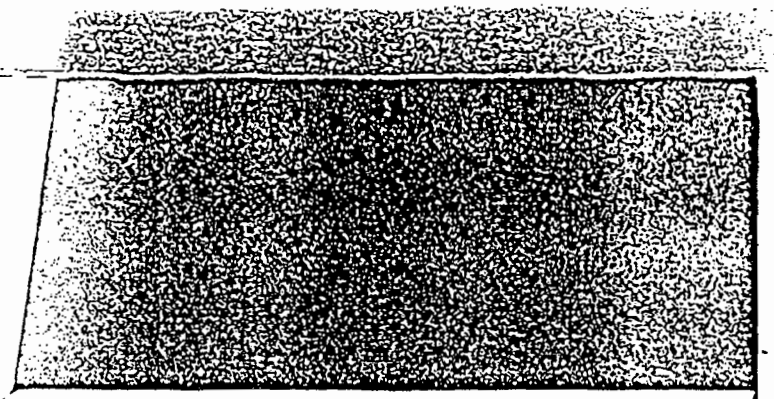
THOSE PARTS OF BLOCKS 14, 15 AND 16 IN MASON AND MCKICHAN'S SUBDIVISION OF THE WEST HALF OF THE NORTH WEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH THE VACATED STREETS AND ALLEYS LYING WITHIN AND ADJOINING SAID BLOCKS, SAID PARTS (ENCOMPASSING CERTAIN BUILDINGS LYING WITHIN THE BOUNDARIES OF SAID BLOCKS, VACATED STREETS AND ALLEYS) BEING DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH IS 10.11 FEET WEST AND 7.20 FEET NORTH OF THE EAST AND SOUTH LINES, RESPECTIVELY, OF BLOCK 16 AFORESAID, WHICH POINT IS AT THE SOUTH EAST CORNER OF A SIX-STORY AND BASEMENT STONE BUILDING, AND RUNNING THENCE ALONG LINES ENCOMPASSING THE AFOREMENTIONED BUILDINGS THE FOLLOWING COURSES AND DISTANCES:

WEST 11.10 FEET; SOUTH 4.45 FEET; WEST 19.80 FEET; NORTH 4.45 FEET; WEST 11.10 FEET; NORTH 2.34 FEET; WEST 48.62 FEET; SOUTH 4.37 FEET; WEST 19.50 FEET; NORTH 4.37 FEET; WEST 48.02 FEET; SOUTH 2.34 FEET; WEST 44.99 FEET TO THE SOUTH WEST CORNER OF A 3-STORY STONE BUILDING, AT A POINT WHICH IS 7.34 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 16; THENCE NORTH 2.34 FEET; WEST 0.67 OF A FOOT; NORTH 108.50 FEET; WEST 15.00 FEET; SOUTH 1.67 FEET; WEST 6.33 FEET; NORTH 1.67 FEET; WEST 48.62 FEET; SOUTH 8.20 FEET; EAST 11.40 FEET; SOUTH 20.60 FEET; WEST 45.60 FEET; NORTH 20.60 FEET; EAST 11.40 FEET; NORTH 8.20 FEET; WEST 48.62 FEET; SOUTH 1.67 FEET; WEST 6.33 FEET; NORTH 1.67 FEET; WEST 15.00 FEET; SOUTH 32.60 FEET; EAST 9.80 FEET; NORTH 1.47 FEET; EAST 4.75 FEET; SOUTH 2.39 FEET; EAST 5.98 FEET; SOUTH 19.18 FEET; WEST 5.85 FEET; SOUTH 2.39 FEET; WEST 4.75 FEET; NORTH 1.47 FEET; WEST 6.60 FEET; SOUTH 56.20 FEET; WEST 0.67 OF A FOOT; SOUTH 2.34 FEET TO THE SOUTH EAST CORNER OF A 3-STORY STONE BUILDING AT A POINT WHICH IS 7.32 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 15; THENCE WEST 45.00 FEET; NORTH 2.34 FEET; WEST 48.48 FEET; SOUTH 7.00 FEET; WEST 18.56 FEET; NORTH 7.00 FEET; WEST 45.48 FEET; SOUTH 2.34 FEET; WEST 42.00 FEET TO THE SOUTH WEST CORNER OF A 5-STORY STONE BUILDING AT A POINT WHICH IS 7.32 FEET NORTH OF SAID SOUTH LINE OF BLOCK 15; THENCE NORTH 15.32 FEET; WEST 0.67 OF A FOOT; NORTH 34.35 FEET; WEST 6.06 FEET; SOUTH 9.24 FEET; WEST 22.47 FEET; SOUTH 7.75 FEET; WEST 15.20 FEET; NORTH 7.75 FEET; WEST 30.50 FEET; NORTH 14.24 FEET; WEST 9.23 FEET; SOUTH 62.64 FEET; EAST 5.76 FEET; SOUTH 12.70 FEET; WEST 5.76 FEET; SOUTH 20.20 FEET; EAST 3.00 FEET; SOUTH 3.00 FEET; WEST 3.75 FEET; SOUTH 4.50 FEET TO THE SOUTH EAST CORNER OF A 3-STORY STONE BUILDING, AT A POINT WHICH IS 10.20 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 14; THENCE WEST 87.1 FEET; NORTH 2.06 FEET; WEST 70.51 FEET; SOUTH 3.70 FEET; WEST 4.74 FEET; SOUTH 2.09 FEET; WEST 13.52 FEET; NORTH 2.60 FEET; WEST 44.55 FEET; SOUTH 2.70 FEET; WEST 20.75 FEET TO A POINT WHICH IS 5.24 FEET NORTH AND 0.81 OF A FOOT EAST OF THE SOUTH AND WEST LINES OF BLOCK 14 AFORESAID; THENCE NORTH 26.96 FEET; EAST 9.00 FEET; NORTH 28.56 FEET; WEST 4.02 FEET; NORTH 5.02 FEET; EAST 3.01 FEET; NORTH 67.70 FEET; WEST 3.50 FEET; NORTH 14.50 FEET; WEST 5.64 FEET; NORTH 16.50 FEET; EAST 5.64 FEET; NORTH 15.60 FEET; EAST 3.50 FEET; NORTH 70.70 FEET; WEST 3.00 FEET; NORTH 6.00 FEET; EAST 3.00 FEET; NORTH 35.20 FEET; WEST 1.42 FEET; NORTH 3.00 FEET; EAST 9.39 FEET; NORTH 13.07 FEET; NORTHWARDLY 13.20 FEET; WESTWARDLY 18.41 FEET; NORTH 44.20 FEET TO A POINT WHICH IS 3.41 FEET WEST OF THE WEST LINE OF BLOCK 14; THENCE EASTWARDLY 15.41 FEET; THENCE NORTHWARDLY 15.90 FEET; THENCE EAST 214.90 FEET; SOUTHWARDLY 15.82 FEET; EAST 18.45 FEET; SOUTH 22.90 FEET; EAST 23.94

89107251

ATTACHMENT 2



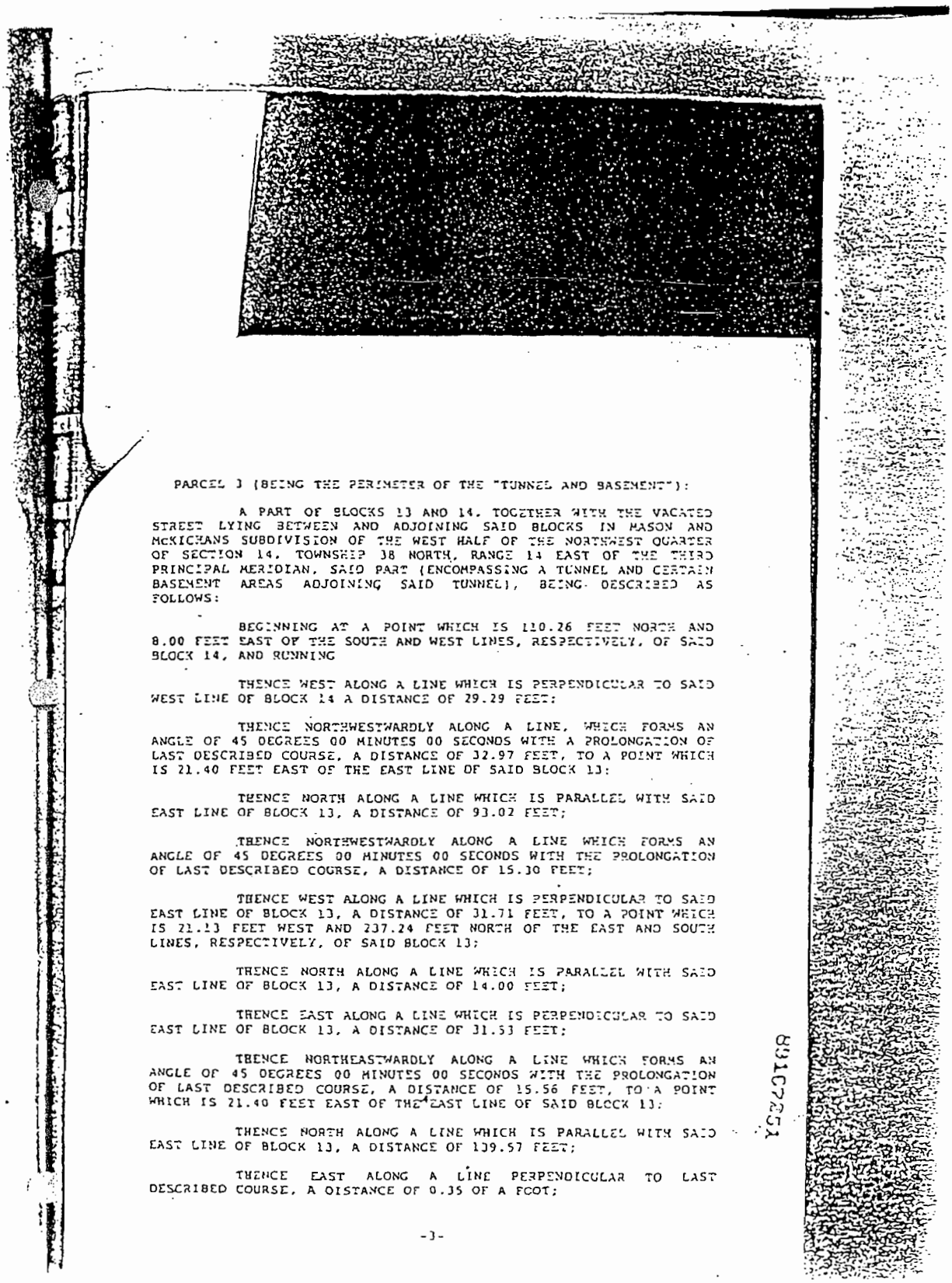
FEET; NORTH 58.00 FEET; WEST 105.04 FEET; NORTHWEST-ARDLY 28.34 FEET; NORTH 15.00 FEET; WEST 150.39 FEET TO THE SOUTH WEST CORNER OF A 6-STORY STONE BUILDING AT A POINT WHICH IS 0.74 OF A FOOT WEST OF THE WEST LINE OF BLOCK 14; THENCE NORTH 34.09 FEET; WEST 20.42 FEET; NORTH 24.92 FEET; WEST 4.72 FEET; NORTH 40.02 FEET; EAST 4.72 FEET; NORTH 24.92 FEET; EAST 20.42 FEET; NORTH 34.11 FEET TO A POINT ON THE SOUTH LINE OF E. 54TH STREET, 0.47 OF A FOOT WEST OF THE N CORNER OF SAID BLOCK 14; THENCE EAST ALONG SAID SOUTH LINE OF E. 54TH STREET, A DISTANCE OF 353.74 FEET; THENCE SOUTH 247.60 FEET; EAST 102.42 FEET; NORTH 16.98 FEET; EAST 46.85 FEET; NORTH 4.00 FEET; EAST 45.48 FEET; SOUTH 4.00 FEET; EAST 16.66 FEET; NORTH 5.20 FEET; EAST 36.61 FEET; NORTH 32.57 FEET; WEST 23.00 FEET; NORTH 52.00 FEET; EAST 23.00 FEET; NORTH 24.00 FEET; EAST 54.30 FEET; SOUTH 24.00 FEET; EAST 25.00 FEET; SOUTH 52.00 FEET; WEST 25.00 FEET; SOUTH 32.56 FEET; EAST 43.75 FEET; NORTH 170.03 FEET; EAST 26.05 FEET; SOUTHEASTWARDLY 6.52 FEET; EAST 25.84 FEET; NORTHEAST-ARDLY 6.52 FEET; EAST 6.47 FEET; NORTH 35.76 FEET; EAST 12.73 FEET; NORTH 3.51 FEET; WEST 2.19 FEET; NORTH 8.76 FEET TO A POINT AT THE NORTHWEST CORNER OF A 6-STORY STONE BUILDING, WHICH IS 7.31 FEET SOUTH OF THE NORTH LINE OF SAID BLOCK 16; THENCE EAST 45.64 FEET TO A POINT AT THE NORTH EAST CORNER OF SAID BUILDING, 7.36 FEET SOUTH OF THE NORTH LINE OF SAID BLOCK 16; THENCE SOUTH 8.76 FEET; WEST 2.19 FEET; SOUTH 3.51 FEET; EAST 29.38 FEET; SOUTH 173.05 FEET; WEST 95.20 FEET; SOUTH 34.04 FEET; EAST 1.92 FEET; SOUTH 2.60 FEET; EAST 6.00 FEET; NORTH 4.75 FEET; EAST 94.00 FEET; SOUTH 5.46 FEET; EAST 59.55 FEET TO A POINT AT THE NORTH EAST CORNER OF A 7-STORY STONE BUILDING, WHICH IS 5.00 FEET WEST OF THE EAST LINE OF SUBLOCK 16; THENCE SOUTH 46.00 FEET; WEST 3.50 FEET; SOUTH 157.45 FEET; EAST 3.50 FEET; SOUTH 11.50 FEET; EAST 3.50 FEET; SOUTH 22.00 FEET; WEST 3.50 FEET; SOUTH 11.50 FEET; WEST 5.00 FEET; SOUTH 0.75 FEET; EAST 0.67 OF A FOOT; SOUTH 84.36 FEET; WEST 0.67 OF A FOOT; AND SOUTH 18.17 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 2 (BEING THE PERIMETER OF THE BUILDING KNOWN AS "WASTE MANAGEMENT FACILITY"):

THAT PART OF BLOCK 13 IN MCKICHAN'S SUBDIVISION OF THE WEST 1/2 OF THE NORTH WEST 1/4 OF SECTION 14, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH THE VACATED ALLEY LYING WITHIN SAID BLOCK, SAID PART (EXCOMPASSING A CERTAIN STRUCTURE LYING WITHIN THE BOUNDARIES OF SAID BLOCK AND VACATED ALLEY) BEING DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH IS 9.00 FEET NORTH AND 7.79 FEET EAST OF THE SOUTH AND WEST LINES, RESPECTIVELY, OF SAID BLOCK 13, AND RUNNING THENCE NORTH, A DISTANCE OF 243.44 FEET TO A POINT WHICH IS 7.22 FEET EAST OF SAID WEST LINE OF BLOCK 13; THENCE ALONG LINES WHICH ARE PERPENDICULAR TO OR PARALLEL WITH THE DESCRIBED LINE, RESPECTIVELY, THE FOLLOWING COURSES AND DISTANCES: EAST 224.30 FEET; SOUTH 221.65 FEET; EAST 0.38 OF A FOOT; SOUTH 21.59 FEET TO A POINT WHICH IS 9.51 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 13, AND THENCE WEST 224.68 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

ATTACHMENT 2



PARCEL 3 (BEING THE PERIMETER OF THE "TUNNEL AND BASEMENT"):

A PART OF BLOCKS 13 AND 14, TOGETHER WITH THE VACATED STREET LYING BETWEEN AND ADJOINING SAID BLOCKS IN MASON AND McKICHANS SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID PART (ENCOMPASSING A TUNNEL AND CERTAIN BASEMENT AREAS ADJOINING SAID TUNNEL), BEING DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH IS 110.26 FEET NORTH AND 8.00 FEET EAST OF THE SOUTH AND WEST LINES, RESPECTIVELY, OF SAID BLOCK 14, AND RUNNING

THENCE WEST ALONG A LINE WHICH IS PERPENDICULAR TO SAID WEST LINE OF BLOCK 14 A DISTANCE OF 29.29 FEET;

THENCE NORTHWESTWARDLY ALONG A LINE, WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH A PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 32.97 FEET, TO A POINT WHICH IS 21.40 FEET EAST OF THE EAST LINE OF SAID BLOCK 13;

THENCE NORTH ALONG A LINE WHICH IS PARALLEL WITH SAID EAST LINE OF BLOCK 13, A DISTANCE OF 93.02 FEET;

THENCE NORTHWESTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 15.30 FEET;

THENCE WEST ALONG A LINE WHICH IS PERPENDICULAR TO SAID EAST LINE OF BLOCK 13, A DISTANCE OF 31.71 FEET, TO A POINT WHICH IS 21.13 FEET WEST AND 237.24 FEET NORTH OF THE EAST AND SOUTH LINES, RESPECTIVELY, OF SAID BLOCK 13;

THENCE NORTH ALONG A LINE WHICH IS PARALLEL WITH SAID EAST LINE OF BLOCK 13, A DISTANCE OF 14.00 FEET;

THENCE EAST ALONG A LINE WHICH IS PERPENDICULAR TO SAID EAST LINE OF BLOCK 13, A DISTANCE OF 31.53 FEET;

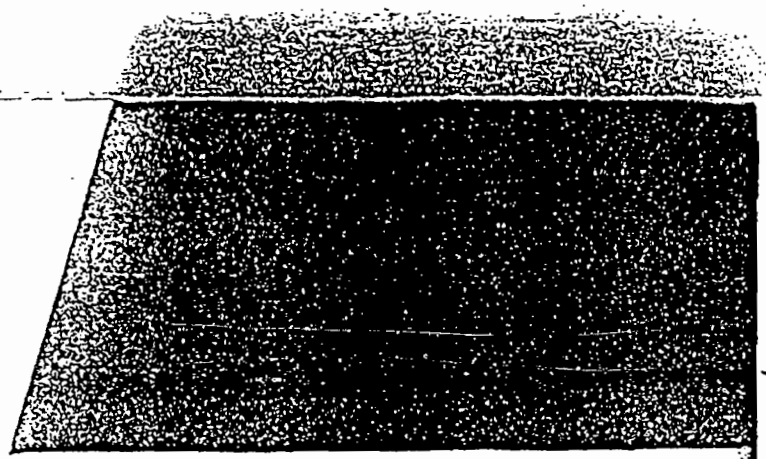
THENCE NORTHEASTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 15.56 FEET, TO A POINT WHICH IS 21.40 FEET EAST OF THE EAST LINE OF SAID BLOCK 13;

THENCE NORTH ALONG A LINE WHICH IS PARALLEL WITH SAID EAST LINE OF BLOCK 13, A DISTANCE OF 139.57 FEET;

THENCE EAST ALONG A LINE PERPENDICULAR TO LAST DESCRIBED COURSE, A DISTANCE OF 0.35 OF A FOOT;

89107251

ATTACHMENT 2



THENCE NORTH ALONG A LINE WHICH IS PERPENDICULAR TO THE EASTWARD EXTENSION OF THE NORTH LINE OF SAID BLOCK 13 (SAID EASTWARD EXTENSION BEING ALSO THE SOUTH LINE OF E. 58TH STREET), A DISTANCE OF 13.97 FEET;

THENCE EAST ALONG A LINE PERPENDICULAR TO LAST DESCRIBED COURSE, A DISTANCE OF 0.38 OF A FOOT;

THENCE NORTH ALONG A LINE WHICH IS PERPENDICULAR TO SAID SOUTH LINE OF E. 58TH STREET, A DISTANCE OF 181.72 FEET TO A POINT ON SAID SOUTH LINE OF E. 58TH STREET;

THENCE EAST ALONG SAID SOUTH LINE OF E. 58TH STREET, A DISTANCE OF 43.11 FEET TO A POINT WHICH IS 0.47 OF A FOOT WEST OF THE NORTHWEST CORNER OF SAID BLOCK 14;

THENCE ALONG LINES WHICH ARE PERPENDICULAR TO OR PARALLEL WITH SAID SOUTH LINE OF E. 58TH STREET, RESPECTIVELY, THE FOLLOWING COURSES AND DISTANCES:

SOUTH 34.11 FEET;
WEST 20.42 FEET;
SOUTH 24.92 FEET;
WEST 4.72 FEET;
SOUTH 40.02 FEET;
EAST 4.72 FEET;
SOUTH 24.92 FEET;
EAST 20.42 FEET;
SOUTH 34.09 FEET TO A POINT WHICH IS 0.74 OF A FOOT WEST OF SAID WEST LINE OF BLOCK 14;

THENCE EAST 150.07 FEET;

SOUTH 15.00 FEET;

THENCE SOUTHEASTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 30.20 FEET, TO AN INTERSECTION WITH A LINE WHICH IS 194.42 FEET SOUTH OF AND PARALLEL WITH SAID SOUTH LINE OF E. 58TH STREET;

THENCE WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 190.92 FEET;

THENCE SOUTHWESTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 15.42 FEET, TO A POINT WHICH IS 35.40 FEET EAST OF THE AFORESAID EAST LINE OF BLOCK 13;

89107251

ATTACHMENT 2

THENCE SOUTH ALONG A LINE WHICH IS PARALLEL WITH SAID EAST LINE OF BLOCK 13, A DISTANCE OF 252.40 FEET;

THENCE SOUTHEASTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 14.30 FEET;

THENCE EAST ALONG A LINE WHICH IS PERPENDICULAR TO SAID WEST LINE OF BLOCK 14, A DISTANCE OF 28.48 FEET TO A POINT WHICH IS 8.00 FEET EAST OF SAID WEST LINE OF BLOCK 14 AND

THENCE SOUTH A DISTANCE OF 19.00 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

CONTAINING 17,432 SQUARE FEET OF LAND MORE OR LESS.

PROPERTY ADDRESS:

5841 SOUTH MARYLAND AVENUE, CHICAGO, ILLINOIS

PROPERTY INDEX NUMBERS:

20-14-118-001-0000
20-14-118-002-0000
20-14-118-006-0000
20-14-118-007-0000
20-14-119-008-0000
20-14-119-009-0000
20-14-117-001-0000

89167251

Mail To:
The University of Chicago Hospitals
Office of Medical Legal Affairs
5841 South Maryland Avenue
Room S114 Box 277
Chicago, Illinois 60637

Attention: Beth G. Harris

Box 333

ATTACHMENT 2

Second Amendment
to
Lease Agreement
between
The University of Chicago
and
The University of Chicago Hospitals

This amendment to the Lease Agreement dated as of June 30, 1987 between The University of Chicago and The University of Chicago Hospitals as amended by Amendment dated as of July 24, 1987 (the "Lease") is entered into as of September 29, 1992.

The parties agree, pursuant to Section 6.1 of the Lease, to adjust the Phase III premises to remove from the Lease the following portions of Level 6 of the Medical Center:

1. The remainder of Goldblatt Hospital, comprising the area in the G corridor extending westward from Rooms G-606 and G-609 to the intersection of the S corridor.

2. In Billings Hospital, the series of rooms extending south of a line two-thirds of the way down the S corridor to the south line of the intersection of the S corridor and the A corridor.

3. In Billings Hospital, the remainder of the A corridor extending eastward from Rooms A-612 and A-615 to the intersection of the S and A corridors.

The area to be removed from the Lease as described above is shown in blue shading on Exhibit 1 attached hereto.

In all other respects, the Lease shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, Lessor and Lessee have executed and delivered this Lease Amendment as of the day and year first above written pursuant to proper authority duly granted.

Lessor:
THE UNIVERSITY OF CHICAGO

Attest:
Asst. Secretary of The Board of Trustees

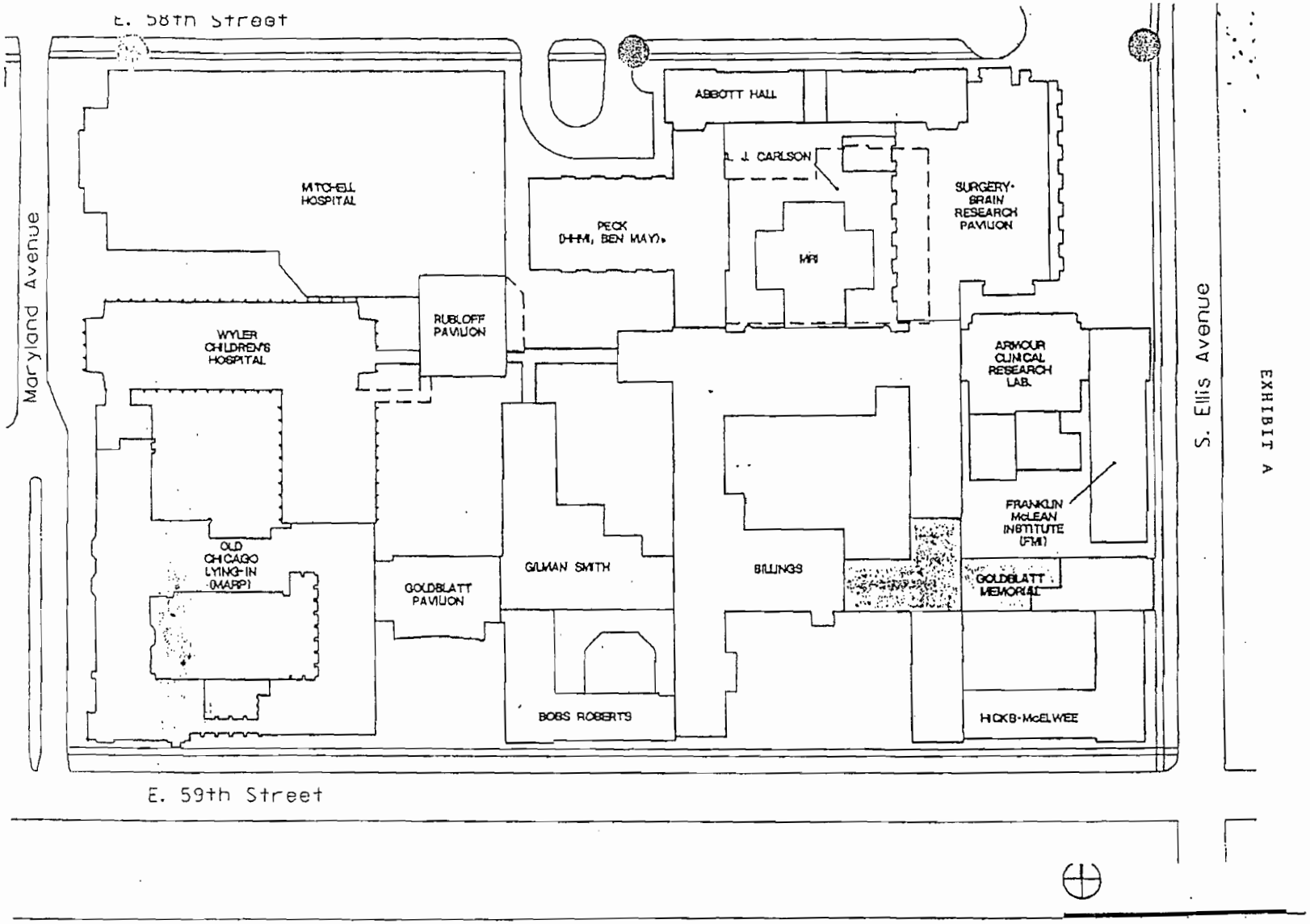
By: [signature]
Its: Vice President for Business & Finance

Lessee:
THE UNIVERSITY OF CHICAGO HOSPITALS

Attest:
Secretary

By: [signature]
Its: President

ATTACHMENT 2



Medical Center Buildings

Associated Architects
HLM+TK&A
Hansen Lind Meyer
Chicago Illinois

EXHIBIT A

000120

ATTACHMENT 2

FOURTH AMENDMENT
to
LEASE AGREEMENT
between
THE UNIVERSITY OF CHICAGO
and
THE UNIVERSITY OF CHICAGO HOSPITALS

This Fourth Amendment to the Lease Agreement dated as of June 30, 1987, recorded as document 87482005, between The University of Chicago ("Lessor") and The University of Chicago Hospitals ("Lessee") as amended as of July 24, 1987 by the First Amendment, as of April 12, 1989 by the Second Amendment, recorded as document 89167251, as of September 29, 1992 by the Third Amendment (incorrectly denominated the Second Amendment), shall become effective on the date of issuance of the Illinois Health Facilities Authority Revenue Refunding Bonds, Series 1993 (The University of Chicago Hospitals Project). The original Lease as amended is referred to herein as the "Lease."

The parties recognize that it is necessary to amend the Lease in order to enable Lessee to refinance certain of its existing borrowings from the Illinois Health Facilities Authority. The parties therefore agree as follows:

1. Section 1.15 of the Lease is amended in its entirety to read as follows:

   1.15 "Loan Agreement". Loan Agreement means both the Loan Agreement dated as of April 1, 1989 between Lessee and Illinois Health Facilities Authority and the Loan Agreement dated as of March 1, 1993 between Lessee and Illinois Health Facilities Authority, as such Loan Agreements may from time to time be amended in accordance with the terms thereof.

2. Section 19.3 of the Lease is amended to substitute Municipal Bond Investors Assurance Corporation for Bond Investors Guaranty Insurance Company as the Bond Insurer as that term is used in the Lease.

3. Section 19.3 of the Lease is further amended to add at the end of such Section the following:

   Notwithstanding the foregoing, all rights of the Bond Insurer under this Lease shall terminate at such time as its municipal bond insurance policy insuring the payment of principal of and interest on the Illinois Health Facilities Authority Revenue Refunding Bonds, Series 1993 (The University of Chicago Hospitals Project) is no longer in effect and any amounts due to the Bond Insurer shall have been paid in full.

This document was prepared by
Beth A. Harris
5841 S. Maryland Avenue
Chicago, Illinois 60637

ATTACHMENT 2

4. All other provisions of the Lease remain in full force and effect.

IN WITNESS WHEREOF, Lessor and Lessee have executed and delivered this Fourth Amendment to Lease Agreement on May 12, 1993 pursuant to proper authority duly granted.

Lessor:

THE UNIVERSITY OF CHICAGO

ATTEST:

Assistant Secretary of the Board of Trustees

By:
Its: Vice President for Business + Finance

Lessee:

THE UNIVERSITY OF CHICAGO HOSPITALS

ATTEST:

By:
Its: President

ATTACHMENT 2

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Katherine Placash, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Alexander E. Sharp and Samuel D. Golden, personally known to me to be the same persons whose names are, respectively, Vice President for Business and Finance and Assistant Secretary of THE UNIVERSITY OF CHICAGO, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 12th day of May, 1993.

(SEAL)

OFFICIAL SEAL
KATHERINE PLACASH
Notary Public, State of Illinois
My Commission Expires 1/3/94

Notary Public in and for Cook County, Illinois

My Commission Expires:
1/3/94

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Joyce A. Libert, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Ralph W. Muller and Hannah H. Holland, personally known to me to be the same persons whose names are, respectively, President and Secretary of THE UNIVERSITY OF CHICAGO HOSPITALS, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 12TH day of MAY, 1993.

(SEAL)

" OFFICIAL SEAL "
JOYCE A. LIBERT
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 5/17/93

Joyce A. Libert
Notary Public in and for Cook County, Illinois

My Commission Expires:
5/17/93

ATTACHMENT 2

LEGAL DESCRIPTION

(1) ALL OF "GOLDBLATT PAVILION" FOR A TERM OF YEARS BEGINNING JUNE 30, 1987, AND ENDING JUNE 30, 2027;

(2) THE SUB-BASEMENT, FIRST AND SECOND FLOORS OF "BERNARD MITCHELL HOSPITAL" AND THE FIRST AND SECOND FLOORS OF "ARTHUR RUBLOFF INTENSIVE CARE TOWER" FOR A TERM OF YEARS BEGINNING JUNE 30, 1987, AND ENDING JUNE 30, 2027; AND THE REMAINING FLOORS OF BOTH OF SAID BUILDINGS FOR A TERM OF YEARS BEGINNING JULY 1, 1987, AND ENDING JUNE 30, 2027;

(3) THE THIRD FLOOR OF "GOLDBLATT MAGNETIC RESONANCE IMAGING FACILITY" FOR A TERM OF YEARS BEGINNING JULY 1, 1987, AND ENDING JUNE 30, 2027;

(4) THE FOURTH FLOOR OF THE "SURGERY - BRAIN RESEARCH PAVILION," AND THOSE PORTIONS OF THE THIRD FLOOR OF SAID BUILDING SHOWN ON EXHIBIT "C" ATTACHED TO SAID LEASE, FOR A TERM OF YEARS BEGINNING JULY 1, 1987, AND ENDING JUNE 30, 2027; AND

(5) THE BASEMENT AND FIRST TIER OF THE "MATERIALS MANAGEMENT FACILITY," AS SHOWN ON EXHIBIT "C" ATTACHED TO SAID LEASE, FOR A TERM OF YEARS BEGINNING JULY 1, 1987, AND ENDING JUNE 30, 2027;

WHICH BUILDINGS ARE LOCATED ON THE FOLLOWING DESCRIBED LAND:

PARCEL 1 (WITHIN WHICH THE BUILDINGS KNOWN AS "GOLDBLATT PAVILION," "BERNARD MITCHELL HOSPITAL," " GOLDBLATT MAGNETIC RESONANCE IMAGING FACILITY" AND "SURGERY - BRAIN RESEARCH PAVILION" ARE LOCATED):

THOSE PARTS OF BLOCKS 14, 15 AND 16 IN MASON AND MCKICHAN'S SUBDIVISION OF THE WEST HALF OF THE NORTH WEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH THE VACATED STREETS AND ALLEYS LYING WITHIN AND ADJOINING SAID BLOCKS, SAID PARTS (ENCOMPASSING CERTAIN BUILDINGS LYING WITHIN THE BOUNDARIES OF SAID BLOCKS, VACATED STREETS AND ALLEYS) BEING DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH IS 10.11 FEET WEST AND 7.20 FEET NORTH OF THE EAST AND SOUTH LINES, RESPECTIVELY, OF BLOCK 16 AFORESAID, WHICH POINT IS AT THE SOUTH EAST CORNER OF A SIX-STORY AND BASEMENT STONE BUILDING, AND RUNNING THENCE ALONG LINES ENCOMPASSING THE AFOREMENTIONED BUILDINGS THE FOLLOWING COURSES AND DISTANCES:

ATTACHMENT 2

WEST 11.10 FEET; SOUTH 4.45 FEET; WEST 19.80 FEET; NORTH 4.45 FEET; WEST 11.10 FEET; NORTH 2.34 FEET; WEST 48.02 FEET; SOUTH 4.37 FEET; WEST 19.50 FEET; NORTH 4.37 FEET; WEST 48.02 FEET; SOUTH 2.34 FEET; WEST 44.99 FEET TO THE SOUTH WEST CORNER OF A 3-STORY STONE BUILDING, AT A POINT WHICH IS 7.24 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 16; THENCE NORTH 2.34 FEET; WEST 0.67 OF A FOOT; NORTH 108.50 FEET; WEST 15.00 FEET; SOUTH 1.67 FEET; WEST 6.33 FEET; NORTH 1.67 FEET; WEST 48.62 FEET; SOUTH 8.20 FEET; EAST 11.40 FEET; SOUTH 20.60 FEET; WEST 45.60 FEET; NORTH 20.60 FEET; EAST 11.40 FEET; NORTH 8.20 FEET; WEST 48.62 FEET; SOUTH 1.67 FEET; WEST 6.33 FEET; NORTH 1.67 FEET; WEST 15.00 FEET; SOUTH 32.60 FEET; EAST 8.80 FEET; NORTH 1.47 FEET; EAST 4.75 FEET; SOUTH 2.38 FEET; EAST 5.88 FEET; SOUTH 19.18 FEET; WEST 5.88 FEET; SOUTH 2.38 FEET; WEST 4.75 FEET; NORTH 1.47 FEET; WEST 8.80 FEET; SOUTH 55.20 FEET; WEST 0.67 OF A FOOT; SOUTH 2.34 FEET TO THE SOUTH EAST CORNER OF A 3-STORY STONE BUILDING AT A POINT WHICH IS 7.27 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 15; THENCE WEST 45.00 FEET; NORTH 2.34 FEET; WEST 48.48 FEET; SOUTH 7.00 FEET; WEST 18.56 FEET; NORTH 7.00 FEET; WEST 46.48 FEET; SOUTH 2.34 FEET; WEST 42.00 FEET TO THE SOUTH WEST CORNER OF A 5-STORY STONE BUILDING AT A POINT WHICH IS 7.32 FEET NORTH OF SAID SOUTH LINE OF BLOCK 15; THENCE NORTH 18.32 FEET; WEST 0.67 OF A FOOT; NORTH 84.35 FEET; WEST 6.06 FEET; SOUTH 9.24 FEET; WEST 30.47 FEET; SOUTH 7.75 FEET; WEST 16.20 FEET; NORTH 7.75 FEET; WEST 30.50 FEET; NORTH 14.34 FEET; WEST 9.23 FEET; SOUTH 63.64 FEET; EAST 5.76 FEET; SOUTH 12.70 FEET; WEST 5.76 FEET; SOUTH 20.29 FEET; EAST 3.00 FEET; SOUTH 3.00 FEET; WEST 7.79 FEET; SOUTH 4.50 FEET TO THE SOUTH EAST CORNER OF A 3-STORY STONE BUILDING, AT A POINT WHICH IS 10.20 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 14; THENCE WEST 27.19 FEET; NORTH 2.00 FEET; WEST 70.51 FEET; SOUTH 3.70 FEET; WEST 4.74 FEET; SOUTH 2.00 FEET; WEST 13.52 FEET; NORTH 2.00 FEET; WEST 44.95 FEET; SOUTH 2.70 FEET; WEST 20.75 FEET TO A POINT WHICH IS 5.24 FEET NORTH AND 0.81 OF A FOOT EAST OF THE SOUTH AND WEST LINES OF BLOCK 14 AFORESAID; THENCE NORTH 26.86 FEET; EAST 9.00 FEET; NORTH 28.96 FEET; WEST 4.62 FEET; NORTH 6.02 FEET; EAST 3.01 FEET; NORTH 67.70 FEET; WEST 3.50 FEET; NORTH 15.50 FEET; WEST 5.64 FEET; NORTH 16.50 FEET; EAST 5.64 FEET; NORTH 15.50 FEET; EAST 3.50 FEET; NORTH 70.70 FEET; WEST 3.00 FEET; NORTH 6.00 FEET; EAST 3.00 FEET; NORTH 35.28 FEET; WEST 1.47 FEET; NORTH 3.00 FEET; EAST 9.39 FEET; NORTH 13.07 FEET; NORTHWARDLY 13.20 FEET; WESTWARDLY 18.41 FEET; NORTH 44.20 FEET TO A POINT WHICH IS 3.41 FEET WEST OF THE WEST LINE OF BLOCK 14; THENCE EASTWARDLY 18.41 FEET; THENCE NORTHWARDLY 15.80 FEET; THENCE EAST 214.90 FEET; SOUTHWARDLY 15.82 FEET; EAST 18.45 FEET; SOUTH 22.96 FEET; EAST 23.94 FEET; NORTH 58.60 FEET; WEST 105.04 FEET; NORTHWESTWARDLY 28.34 FEET; NORTH 15.00 FEET; WEST 150.08 FEET TO THE SOUTH WEST CORNER OF A 6-STORY STONE BUILDING AT A POINT WHICH IS 0.74 OF A FOOT WEST OF THE WEST LINE OF BLOCK 14; THENCE NORTH 34.09 FEET; WEST 20.42 FEET; NORTH 24.92 FEET; WEST 4.72 FEET; NORTH 40.02 FEET; EAST 4.72 FEET; NORTH

ATTACHMENT 2

24.92 FEET; EAST 20.42 FEET; NORTH 34.11 FEET TO A POINT ON THE SOUTH LINE OF E. 58TH STREET, 0.47 OF A FOOT WEST OF THE NW CORNER OF SAID BLOCK 14; THENCE EAST ALONG SAID SOUTH LINE OF E. 58TH STREET, A DISTANCE OF 353.24 FEET; THENCE SOUTH 247.60 FEET; EAST 100.42 FEET; NORTH 16.98 FEET; EAST 48.65 FEET; NORTH 4.00 FEET; EAST 45.48 FEET; SOUTH 4.00 FEET; EAST 16.66 FEET; NORTH 5.20 FEET; EAST 36.61 FEET; NORTH 32.57 FEET; WEST 23.00 FEET; NORTH 52.00 FEET; EAST 23.00 FEET; NORTH 24.00 FEET; EAST 54.00 FEET; SOUTH 24.00 FEET; EAST 25.00 FEET; SOUTH 52.00 FEET; WEST 25.00 FEET; SOUTH 32.56 FEET; EAST 43.95 FEET; NORTH 179.03 FEET; EAST 26.05 FEET; SOUTHEASTWARDLY 6.52 FEET; EAST 25.84 FEET; NORTHEASTWARDLY 6.52 FEET; EAST 6.37 FEET; NORTH 35.76 FEET; EAST 12.73 FEET; NORTH 3.51 FEET; WEST 2.19 FEET; NORTH 8.76 FEET TO A POINT AT THE NORTHWEST CORNER OF A 6-STORY STONE BUILDING, WHICH IS 7.31 FEET SOUTH OF THE NORTH LINE OF SAID BLOCK 16; THENCE EAST 45.64 FEET TO A POINT AT THE NORTH EAST CORNER OF SAID BUILDING, 7.36 FEET SOUTH OF THE NORTH LINE OF SAID BLOCK 16; THENCE SOUTH 8.76 FEET; WEST 2.19 FEET; SOUTH 3.51 FEET; EAST 25.38 FEET; SOUTH 173.05 FEET; WEST 86.20 FEET; SOUTH 34.04 FEET; EAST 1.92 FEET; SOUTH 2. 60 FEET; EAST 6.00 FEET; NORTH 4.75 FEET; EAST 94.00 FEET; SOUTH 5.46 FEET; EAS 59.55 FEET TO A POINT AT THE NORTH EAST CORNER OF A 7-STORY STONE BUILDING, WHICH IS 5.00 FEET WEST OF THE EAST LINE OF SOBLOCK 16; THENCE SOUTH 46.00 FEET; WEST 3.50 FEET; SOUTH 157.45 FEET; EAST 3.50 FEET; SOUTH 11.50 FEET; EAST 3.65 FEET; SOUTH 22.00 FEET; WEST 3.65 FEET; SOUTH 11.50 FEET; WEST 5.07 FEET; SOUTH 9.75 FEET; EAST 0.67 OF FOOT; SOUTH 84.36 FEET; WEST 0.67 OF A FOOT; AND SOUTH 18.17 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 2 (BEING THE PERIMETER OF THE BUILDING KNOWN AS "MATERIALS MANAGEMENT FACILITY"):

THAT PART OF BLOCK 13 IN MCKICHAN'S SUBDIVISION OF THE WEST 1/2 OF TH NORTH WEST 1/4 OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH THE VACATED ALLEY LYING WITHI SAID BLOCK, SAID PART (ENCOMPASSING A CERTAIN STRUCTURE LYING WITHIN THE BOUNDARIES OF SAID BLOCK AND VACATED ALLEY) BEING DESCRIBED AS FOLLOWS:
BEGINNING AT A POINT WHICH IS 9.00 FEET NORTH AND 7.79 FEET EAST OF T SOUTH AND WEST LINES, RESPECTIVELY, OF SAID BLOCK 13, AND RUNNING THENCE NORTH, A DISTANCE OF 243.44 FEET TO A POINT WHICH IS 7.92 FEET EAST OF SAID WEST LINE OF BLOCK 13; THENCE ALONG LINES WHICH ARE PERPENDICULAR TO OR PARALLEL WITH THE DESCRIBED LINE, RESPECTIVELY, T FOLLOWING COURSES AND DISTANCES: EAST 224.30 FEET; SOUTH 221.85 FEET EAST 0.38 OF A FOOT; SOUTH 21.59 FEET TO A POINT WHICH IS 9.51 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 13, AND THENCE WEST 224.68 FEE TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

ATTACHMENT 2

PARCEL 3 (BEING THE PERIMETER OF THE "TUNNEL AND BASEMENT"):

A PART OF BLOCKS 13 AND 14, TOGETHER WITH THE VACATED STREET LYING BETWEEN AND ADJOINING SAID BLOCKS IN MASON AND McKICHANS SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID PART (ENCOMPASSING A TUNNEL AND CERTAIN BASEMENT AREAS ADJOINING SAID TUNNEL), BEING DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH IS 110.26 FEET NORTH AND 3.00 FEET EAST OF THE SOUTH AND WEST LINES, RESPECTIVELY, OF SAID BLOCK 14, AND RUNNING

THENCE WEST ALONG A LINE WHICH IS PERPENDICULAR TO SAID WEST LINE OF BLOCK 14 A DISTANCE OF 29.29 FEET;

THENCE NORTHWESTWARDLY ALONG A LINE, WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH A PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 32.97 FEET, TO A POINT WHICH IS 21.40 FEET EAST OF THE EAST LINE OF SAID BLOCK 13;

THENCE NORTH ALONG A LINE WHICH IS PARALLEL WITH SAID EAST LINE OF BLOCK 13, A DISTANCE OF 93.02 FEET;

THENCE NORTHWESTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 15.30 FEET;

THENCE WEST ALONG A LINE WHICH IS PERPENDICULAR TO SAID EAST LINE OF BLOCK 13, A DISTANCE OF 31.71 FEET, TO A POINT WHICH IS 21.13 FEET WEST AND 237.24 FEET NORTH OF THE EAST AND SOUTH LINES, RESPECTIVELY, OF SAID BLOCK 13;

THENCE NORTH ALONG A LINE WHICH IS PARALLEL WITH SAID EAST LINE OF BLOCK 13, A DISTANCE OF 14.00 FEET;

THENCE EAST ALONG A LINE WHICH IS PERPENDICULAR TO SAID EAST LINE OF BLOCK 13, A DISTANCE OF 31.53 FEET;

THENCE NORTHEASTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 15.56 FEET, TO A POINT WHICH IS 21.40 FEET EAST OF THE EAST LINE OF SAID BLOCK 13;

THENCE NORTH ALONG A LINE WHICH IS PARALLEL WITH SAID EAST LINE OF BLOCK 13, A DISTANCE OF 139.57 FEET;

THENCE EAST ALONG A LINE PERPENDICULAR TO LAST DESCRIBED COURSE, A DISTANCE OF 0.35 OF A FOOT;

ATTACHMENT 2

THENCE NORTH ALONG A LINE WHICH IS PERPENDICULAR TO THE EASTWARD EXTENSION OF THE NORTH LINE OF SAID BLOCK 13 (SAID EASTWARD EXTENSION BEING ALSO THE SOUTH LINE OF E. 58TH STREET), A DISTANCE OF 13.97 FEET;

THENCE EAST ALONG A LINE PERPENDICULAR TO LAST DESCRIBED COURSE, A DISTANCE OF 0.38 OF A FOOT;

THENCE NORTH ALONG A LINE WHICH IS PERPENDICULAR TO SAID SOUTH LINE OF E. 58TH STREET, A DISTANCE OF 181.72 FEET TO A POINT ON SAID SOUTH LINE OF E. 58TH STREET;

THENCE EAST ALONG SAID SOUTH LINE OF E. 58TH STREET, A DISTANCE OF 43.11 FEET TO A POINT WHICH IS 0.47 OF A FOOT WEST OF THE NORTHWEST CORNER OF SAID BLOCK 14;

THENCE ALONG LINES WHICH ARE PERPENDICULAR TO OR PARALLEL WITH SAID SOUTH LINE OF E. 58TH STREET, RESPECTIVELY, THE FOLLOWING COURSES AND DISTANCES:

SOUTH 34.11 FEET;
WEST 20.42 FEET;
SOUTH 24.92 FEET;
WEST 4.72 FEET;
SOUTH 40.02 FEET;
EAST 4.72 FEET;
SOUTH 24.92 FEET;
EAST 20.42 FEET;
SOUTH 34.09 FEET TO A POINT WHICH IS 0.74 OF A FOOT WEST OF SAID WEST LINE OF BLOCK 14;

THENCE EAST 150.07 FEET;

SOUTH 15.00 FEET;

THENCE SOUTHEASTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 30.20 FEET, TO AN INTERSECTION WITH A LINE WHICH IS 194.42 FEET SOUTH OF AND PARALLEL WITH SAID SOUTH LINE OF E. 58TH STREET;

THENCE WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 190.92 FEET;

THENCE SOUTHWESTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 15.42 FEET, TO A POINT WHICH IS 35.40 FEET EAST OF THE AFORESAID EAST LINE OF BLOCK 13;

ATTACHMENT 2

THENCE SOUTH ALONG A LINE WHICH IS PARALLEL WITH SAID EAST LINE OF BLOCK 13, A DISTANCE OF 252.40 FEET;

THENCE SOUTHEASTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 14.30 FEET;

THENCE EAST ALONG A LINE WHICH IS PERPENDICULAR TO SAID WEST LINE OF BLOCK 14, A DISTANCE OF 28.48 FEET TO A POINT WHICH IS 8.00 FEET EAST OF SAID WEST LINE OF BLOCK 14 AND

THENCE SOUTH A DISTANCE OF 19.00 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

CONTAINING 17,432 SQUARE FEET OF LAND MORE OR LESS.

PROPERTY ADDRESS:

5841 SOUTH MARYLAND AVENUE, CHICAGO, ILLINOIS

PROPERTY INDEX NUMBERS:

20-14-118-002-0000
20-14-118-006-0000
20-14-118-007-0000
20-14-119-008-0000
20-14-119-009-0000

ATTACHMENT 2

FIFTH AMENDMENT
to
LEASE AGREEMENT
between
THE UNIVERSITY OF CHICAGO
and
THE UNIVERSITY OF CHICAGO HOSPITALS

This Fifth Amendment to the Lease Agreement dated as of June 30, 1987, recorded as document 87482005, between The University of Chicago ("Lessor") and The University of Chicago Hospitals ("Lessee") as amended as of July 24, 1987 by the First Amendment, as of April 12, 1989 by the Second Amendment, recorded as document 89167251, as of September 29, 1992 by the Third Amendment (incorrectly denominated the Second Amendment), and on May 12, 1993 by the Fourth Amendment (the "Fourth Amendment"), shall become effective on the date of issuance of the Illinois Health Facilities Authority Revenue Bonds, Series 1994 (The University of Chicago Hospitals Project) (the "Series 1994 Fixed Rate Bonds") and the Illinois Health Facilities Authority Adjustable Rate Revenue Bonds Series 1994C (The University of Chicago Hospitals Project) (the "Series 1994 Floating Rate Bonds"). The original Lease Agreement as amended is referred to herein as the "Lease."

The parties recognize that it is necessary to amend the Lease in order to enable Lessee to borrow funds from the Illinois Health Facilities Authority (which will obtain such funds through a bond issue) in order to pay or reimburse Lessee for the construction of the Center for Advanced Medicine and related costs and to refinance certain of its existing borrowings. The parties therefore agree as follows:

1. Section 1.15 of the Lease is amended in its entirety to read as follows:

1.15 "Loan Agreement". Loan Agreement means the Loan Agreement dated as of March 1, 1993 between Lessee and Illinois Health Facilities Authority, the Loan Agreement dated as of May 1, 1994 between Lessee and Illinois Health Facilities Authority relating to the Series 1994 Fixed Rate Bonds, and the Loan Agreement dated as of May 1, 1994 between Lessee and Illinois Health Facilities Authority relating to the Series 1994 Floating Rate Bonds, as such Loan Agreements may from time to time be amended in accordance with the terms thereof.

This document was prepared by
Beth A. Harris
5841 S. Maryland Avenue
Chicago, Illinois 60637

ATTACHMENT 2

2. Section 19.3 of the Lease is further amended to substitute the following for the last sentence of such section (which was added in the Fourth Amendment):

Notwithstanding the foregoing, all rights of the Bond Insurer under this Lease shall terminate at such time as its municipal bond insurance policies insuring the payment of principal of and interest on Illinois Health Facilities Authority Revenue Refunding Bonds, Series 1993 (The University of Chicago Hospitals Project), Illinois Health Facilities Authority Revenue Bonds, Series 1994 (The University of Chicago Hospitals Project) and Illinois Health Facilities Authority Adjustable Rate Revenue Bonds, Series 1994C (The University of Chicago Hospitals Project) are no longer in effect and any amounts due to the Bond Insurer shall have been paid in full.

3. All other provisions of the Lease remain in full force and effect.

IN WITNESS WHEREOF, Lessor and Lessee have executed and delivered this Fifth Amendment to Lease Agreement as of May 1, 1994 pursuant to proper authority duly granted.

Lessor:

THE UNIVERSITY OF CHICAGO

By: _____

Its: VICE PRESIDENT & CHIEF FINANCIAL OFFICER

ATTEST:

_____

Lessee:

THE UNIVERSITY OF CHICAGO HOSPITALS

By: _____

Its: President

ATTEST:

_____

ATTACHMENT 2

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Sandra D. Quarles, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Samuel Golden and Lawrence J. Furnstahl, personally known to me to be the same persons whose names are, respectively, Asst. Secy. to Bd. of Trustees and Vice Pres. & Chief Fin. Officer of THE UNIVERSITY OF CHICAGO, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 1st day of June, 1994.

(SEAL)

Sandra D. Quarles
Notary Public in and for Cook County, Illinois

My Commission Expires:

"OFFICIAL SEAL"
SANDRA D. QUARLES
Notary Public, State of Illinois
My Commission Expires 4-4-98

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Rebecca Ann Miller, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Ralph W. Muller and Hannah C. Holland, personally known to me to be the same persons whose names are, respectively, President and Secretary of THE UNIVERSITY OF CHICAGO HOSPITALS, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 1st day of June, 1994.

(SEAL)

OFFICIAL SEAL
REBECCA ANN MILLER
NOTARY PUBLIC STATE OF ILLINOIS
MY COMMISSION EXP. AUG. 23,1997

Rebecca Ann Miller
Notary Public in and for Cook County, Illinois

My Commission Expires: 8/23/97

ATTACHMENT 2

This instrument was prepared by
and after recording return to:

Elizabeth F. Weber
Katten Muchin & Zavis
525 West Monroe Street
Suite 1600
Chicago, Illinois 60661-3693

SPACE ABOVE THIS LINE
FOR RECORDER'S USE.

SIXTH AMENDMENT
to
LEASE AGREEMENT
between
THE UNIVERSITY OF CHICAGO
and
THE UNIVERSITY OF CHICAGO HOSPITALS

This Sixth Amendment (the "Sixth Amendment") supplementing and amending that certain Lease Agreement dated as of June 30, 1987, between The University of Chicago ("Lessor") and The University of Chicago Hospitals ("Lessee") and recorded as document 87482005, as heretofore amended as of July 24, 1987 by the First Amendment, as of April 12, 1989 by the Second Amendment (recorded as document 89167251), as of September 29, 1992 by the Third Amendment (incorrectly denominated the Second Amendment), as of May 12, 1993 by the Fourth Amendment and as of May 1, 1994 by the Fifth Amendment, shall become effective on the date of issuance of the Illinois Health Facilities Authority Variable Rate Demand Revenue Bonds, Series 1998 (The University of Chicago Hospitals and Health System) (the "Series 1998 Bonds"). The original Lease Agreement as amended is referred to herein as the "Lease".

The parties recognize that it is necessary to amend the Lease in order to enable Lessee to borrow funds from the Illinois Health Facilities Authority (which will obtain such funds through a bond issue) in order to refinance certain existing borrowings of the Lessee and pay related costs. The parties therefore agree as follows:

1. Section 1.15 of the Lease is amended in its entirety to read as follows:

1.15 "Loan Agreement". Loan Agreement means, collectively, (i) the Loan Agreement dated as of March 1, 1993 between Lessee and the Illinois Health Facilities Authority (the "Authority") relating to the Illinois Health Facilities Authority Revenue Refunding Bonds, Series 1993 (The University of Chicago Hospitals Project) (the "Series 1993 Bonds") (ii) the Loan Agreement dated as of May 1, 1994 between Lessee and the Authority relating to the Illinois Health Facilities Authority Adjustable

ATTACHMENT 2

Rate Revenue Bonds, Series 1994C (The University of Chicago Hospitals Project) (the "Series 1994 Floating Rate Bonds") (iii) the Loan Agreement dated as of August 1, 1998 between Lessee and the Authority relating to the Series 1998 Bonds and (iv) the Standby Bond Purchase Agreement dated as of August 1, 1998 between the Lessee and The First National Bank of Chicago relating to the Series 1998 Bonds, as such agreements may from time to time be amended in accordance with the terms thereof.

2. Section 19.3 of the Lease is further amended to substitute the following for the last sentence of such section (which was added in the Fourth Amendment):

Notwithstanding the foregoing, all rights of the Bond Insurer under this Lease shall terminate at such time as its municipal bond insurance policies insuring the payment of principal of and interest on the Series 1993 Bonds, the Series 1994 Floating Rate Bonds and the Series 1998 Bonds are no longer in effect and any amounts due to the Bond Insurer shall have been paid in full.

3. All other provisions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, Lessor and Lessee have executed and delivered this Sixth Amendment to Lease Agreement as of August 1, 1998 pursuant to proper authority duly granted.

Lessor:

ATTEST:

Assistant Secretary of the Board of Trustees

THE UNIVERSITY OF CHICAGO

By: P. Woodworth
Its: Vice President and Chief Financial Officer

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO HOSPITALS

By:
Its: Vice President and Treasurer

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Katherine Placash, a Notary Public in and for the said County in the State aforesaid, do hereby certify that P. Woodworth and Samuel D. Golden, personally known to me to be the same persons whose names are, respectively, Vice President and CFO and Asst. Sec'y of the Bd. of Trustees of THE UNIVERSITY OF CHICAGO, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 31st day of July, 1998.

(SEAL) "OFFICIAL SEAL" KATHERINE PLACASH Notary Public, State of Illinois My Commission Expires 1-8-2002

Notary Public in and for Cook County, Illinois

My Commission Expires:

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Cheryl A Hoppe, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Diane M. Ciganti and Laura Fogt, personally known to me to be the same persons whose names are, respectively, Vice President & Treasurer and Secretary of THE UNIVERSITY OF CHICAGO HOSPITALS, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 1st day of August, 1998.

(SEAL) OFFICIAL SEAL CHERYL A HOPPE NOTARY PUBLIC, STATE OF ILLINOIS MY COMMISSION EXPIRES:05/17/02

Notary Public in and for Cook County, Illinois

My Commission Expires:

This instrument was prepared by
and after recording return to:

Amy S. M. Kim
University of Chicago
Office of Legal Counsel
5801 S. Ellis Avenue, Room 503
Chicago, Illinois 60637

SPACE ABOVE THIS LINE
FOR RECORDER'S USE

SEVENTH AMENDMENT
to
LEASE AGREEEMENT
between
THE UNIVERSITY OF CHICAGO
and
THE UNIVERSITY OF CHICAGO HOSPITALS

This Seventh Amendment (the "Seventh Amendment") supplementing and amending that certain Lease Agreement dated as of June 30, 1987, between The University of Chicago ("Lessor") and The University of Chicago Hospitals ("Lessee") and recorded as document 87482005, as heretofore amended as of July 24, 1987 by the First Amendment, as of April 12, 1989 by the Second Amendment (recorded as document 89167251), as of September 29, 1992 by the Third Amendment (incorrectly denominated the Second Amendment), as of May 12, 1993 by the Fourth Amendment, as of May 1, 1994 by the Fifth Amendment, and as of August 1, 1998 by the Sixth Amendment, shall become effective on the date of issuance of the Illinois Health Facilities Authority Revenue Bonds, Series 2001 (The University of Chicago Hospitals and Health System) (the "Series 2001 Bonds"). The original Lease Agreement as amended is referred to herein as the "Lease".

The parties recognize that it is necessary to amend the Lease in order to enable Lessee to borrow funds from the Illinois Health Facilities Authority (which will obtain such funds through a bond issue) in order to refinance certain existing borrowings of the Lessee and pay related costs. The parties therefore agree as follows:

1. Section 1.15 of the Lease is amended in its entirety to read as follows:

1.15 "Loan Agreement." Loan Agreement means, collectively, (i) the Loan Agreement dated as of March 1, 1993 between Lessee and the Illinois Health Facilities Authority (the "Authority") relating to the Illinois Health Facilities Authority Revenue Refunding Bonds, Series 1993 (The University of Chicago Hospitals Project) (the "Series 1993 Bonds") (ii) the Loan Agreement dated as of May 1, 1994 between Lessee and the

ATTACHMENT 2

Authority relating to the Illinois Health Facilities Authority Adjustable Rate Revenue Bonds, Series 1994C (The University of Chicago Hospitals Project) (the "Series 1994 Floating Rate Bonds") (iii) the Loan Agreement dated as of August 1, 1998 between Lessee and the Authority relating to the Illinois Health Facilities Authority Variable Rate Demand Revenue Bonds, Series 1998 (The University of Chicago Hospitals and Health Systems) (the "Series 1998 Bonds") (iv) the Standby Bond Purchase Agreement dated as of August 1, 1998 between the Lessee and The First National Bank of Chicago relating to the Series 1998 Bonds and (v) the Loan Agreement dated as of August 1, 2001 between Lessee and the Authority related to the Series 2001 Bonds, as such agreements may from time to time be amended in accordance with the terms thereof.

2. Section 4.1 of the Lease is amended in its entirety to read as follows:

4.1 Lease Term. The term of this Lease (the "Lease Term") shall commence on June 30, 1987 as to the Phase I Premises, on July 1, 1987 as to the Phase II Premises, and on July 1, 1988 as to the Phase III Premises; subject, however, to the provisions of Section 2.1 hereof. The Lease Term shall end upon the earlier of the following events: (a) the termination of the Affiliation Agreement or any extensions thereof, (b) the expiration of the Affiliation Agreement as a result of the exercise of the election not to renew for additional 10 year terms or (c) Lessor's assumption of Lessee's obligations under any of Lessee's loan agreements with the Illinois Health Facilities Authority pursuant to Section 18.2 of this Lease, unless sooner terminated in accordance with the terms of this Lease.

3. Section 18.2 of the Lease is amended in its entirety to read as follows:

18.2 Remedies. Upon the occurrence of any one or more Events of Default, Lessor may, in its discretion, pursue any and all rights and remedies specified in this Lease or available at law or in equity (including, without limitation, an action for damages and for injunctive relief) and may also, in Lessor's discretion, terminate this Lease. Upon termination of this Lease, Lessee shall surrender possession, vacate the Leased Premises immediately and deliver possession thereof to Lessor, and hereby grants to Lessor the full and free right, without demand or notice of any kind to Lessee, to enter into and upon the Leased Premises in such event with or without process of law and to repossess the Leased Premises as the Lessor's former estate and to expel or remove the Lessee and any others who may be occupying or may be within the Leased Premises without being deemed in any manner guilty of trespass, eviction, or forcible entry or detainer, without incurring any liability for any damage resulting therefrom and without relinquishing the Lessor's rights to rent or any other right given to the Lessor hereunder or by operation of law. Upon termination of this Lease, Lessor shall be entitled to recover as damages

ATTACHMENT 2

all Rent (including, without limitation, Additional Rent) and other sums due and payable by Lessee on the date of termination or for or with respect to the period ending on the effective date of such termination, plus interest at the Default Interest Rate, plus the cost of performing any other covenants or obligations Lessee should have performed on or before the effective date of such termination. Lessor may relet all or any part of the Leased Premises for such rent and upon such terms as shall be satisfactory to Lessor (including the right to relet the Leased Premises as a part of a larger area and the right to change the character or use made of the Leased Premises), and none of the rents or other amounts received by Lessor as a result of any such reletting shall reduce, or be a credit or offset against, the damages and other amounts required to be paid by Lessee to Lessor hereunder with respect to such termination or otherwise. Notwithstanding anything else contained in this Lease including, without limitation, the provisions of Section 4.1 hereof, the Lessor or the Lessee shall not be entitled to terminate this Lease for any reason, or to exercise its option not to renew the Affiliation Agreement for an additional ten year term upon completion of its initial term unless prior to or concurrently with the termination of the Lease or end of the lease term under Section 4.1 hereof as a result of such non-renewal, the Lessor shall have assumed and agreed to perform the obligations of the Lessee under the Loan Agreement in the manner and to the extent provided in the Loan Agreement.

4. Section 19.3 of the Lease is further amended to substitute the following for the last sentence of such section (which was added in the Fourth Amendment):

Notwithstanding the foregoing, all rights of the Bond Insurer under this Lease shall terminate at such time as its municipal bond insurance policies insuring the payment of principal of and interest on the Series 1993 Bonds, the Series 1994 Floating Rate Bonds, the Series 1998 Bonds and the Series 2001 Bonds are no longer in effect and any amounts due to the Bond Insurer shall have been paid in full.

5. All other provisions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the Lessor and Lessee have executed and delivered this Seventh Amendment to Lease Agreement as of August 1, 2001 pursuant to proper authority duly granted.

Lessor:

ATTEST:

THE UNIVERSITY OF CHICAGO

By: P. Woodworth

Its: Vice President and Chief Financial Officer

ATTACHMENT 2

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO HOSPITALS

By: _____

Its: President

ATTACHMENT 2

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Amy S.M. Kim, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Patricia A. Woodworth and Kineret S. Jaffe, personally know to me to be the same persons whose name are, respectively, Vice President and Chief Financial Officer and Secretary of THE UNIVERSITY OF CHICAGO, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 25th day of September, 2001.

"OFFICIAL SEAL"
AMY S.M. KIM
Notary Public, State of Illinois
My Commission Expires 07-30-02

Amy S.M. Kim
Notary Public in and for Cook County, Illinois

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Gregoria Velazquez, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Michael Riordan and Michael Koetting, personally know to me to be the same persons whose name are, respectively, President and Secretary of THE UNIVERSITY OF CHICAGO HOSPITALS, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 25th day of September, 2001.

OFFICIAL SEAL
GREGORIA VELAZQUEZ
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES: 10/04/04

Gregoria Velazquez
Notary Public in and for Cook County, Illinois

ATTACHMENT 2

This instrument was prepared by
and after recording return to:

Elizabeth F. Weber
Katten Muchin Rosenman LLP
525 West Monroe Street
Chicago, Illinois 60661-3693

SPACE ABOVE THIS LINE FOR RECORDER'S USE.

EIGHTH AMENDMENT
to
LEASE AGREEMENT
originally
between
THE UNIVERSITY OF CHICAGO
and
THE UNIVERSITY OF CHICAGO HOSPITALS

This Eighth Amendment (the "Eighth Amendment") supplementing and amending that certain Lease Agreement dated as of June 30, 1987, between The University of Chicago ("Lessor") and The University of Chicago Medical Center, formerly known as The University of Chicago Hospitals ("Lessee"), relating to the real property described in the Exhibit attached hereto and recorded as document 87482005, as heretofore amended as of July 24, 1987 by the First Amendment, as of April 12, 1989 by the Second Amendment (recorded as document 89167251), as of September 29, 1992 by the Third Amendment (incorrectly denominated the Second Amendment), as of May 12, 1993 by the Fourth Amendment, as of May 1, 1994 by the Fifth Amendment, as of August 1, 1998 by the Sixth Amendment and as of August 1, 2001 by the Seventh Amendment, shall become effective on the date of issuance of the Illinois Finance Authority Variable Rate Demand Revenue Refunding Bonds, Series 2009 (The University of Chicago Hospitals and Health System) consisting of two series designated Series 2009A and Series 2009B (collectively, the "Series 2009 Bonds"). The original Lease Agreement as amended is referred to herein as the "Lease".

The parties recognize that it is necessary to amend the Lease in order to enable Lessee to borrow funds from the Illinois Finance Authority (which will obtain such funds through the issuance of the Series 2009 Bonds) in order to refinance certain existing borrowings of the Lessee and pay related costs. The parties therefore agree as follows:

1. Section 1.15 of the Lease is amended in its entirety to read as follows:

1.15 "Loan Agreement". Loan Agreement means, collectively, (i) the Loan Agreement dated as of August 1, 2001 between Lessee and the Illinois Finance Authority, as successor to the Illinois Health Facilities Authority, related to the Illinois Health Facilities Authority Variable Rate Demand Revenue Bonds, Series 2001 (The University of Chicago Hospitals and Health System) (the "Series 2001 Bonds"), (ii) the Loan Agreement dated as of August 1, 2003 between the Lessee and the Illinois Finance Authority, as successor to the Illinois Health Facilities Authority, related to the Illinois

ATTACHMENT 2

Health Facilities Authority Revenue Refunding Bonds, Series 2003 (The University of Chicago Hospitals and Health System) (the "Series 2003 Bonds"), (iii) the Loan Agreement dated as of February 1, 2009 between the Lessee and the Illinois Finance Authority (the "Authority") related to the Illinois Finance Authority Variable Rate Demand Revenue Refunding Bonds, Series 2009A (The University of Chicago Medical Center) (the "Series 2009A Bonds") and any Credit Facility Agreement (as defined in the Loan Agreement) for the Series 2009A Bonds or any subseries thereof, which is initially the Reimbursement Agreement dated as of February 1, 2009 between the Lessee and Wells Fargo Bank, National Association, and (iv) the Loan Agreement dated as of February 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Refunding Bonds, Series 2009B (The University of Chicago Medical Center) (the "Series 2009B Bonds") and any Credit Facility Agreement (as defined in the Loan Agreement) for the Series 2009B Bonds or any subseries thereof, which is initially the Reimbursement Agreement dated as of February 1, 2009 between the Lessee and the Bank of Montreal, acting through its Chicago Branch, as any of such agreements may from time to time be amended in accordance with the terms thereof."

2. Section 19.3 of the Lease is hereby amended to substitute the following for the second sentence of such section:

"This Lease may not be amended without the prior written consent of MBIA Insurance Corporation, or its successors (the "Bond Insurer"), if such amendment would have the effect of (i) materially increasing the monetary obligations of the Lessee hereunder, (ii) materially decreasing the size or scope of the Leased Premises (except as modified from time to time pursuant to the provisions of Article VI as in effect on the date of original execution and delivery hereof), (iii) changing in any particular any requirement or obligation hereunder relating to the Master Indenture or any loan agreement relating to the Series 2001 Bonds or the Series 2003 Bonds, (iv) decreasing the Lease Term, or (v) limiting or modifying in any respect not originally set forth herein the Lessee's rights of continued use and occupancy of the Leased Premises then being used by the Lessee."

3. Section 19.3 of the Lease is further amended to substitute the following for the last sentence of such section (which was added in the Fourth Amendment):

"Notwithstanding the foregoing, all rights of the Bond Insurer under this Lease shall terminate at such time as its municipal bond insurance policies insuring the payment of principal of and interest on the Series 2001 Bonds and the Series 2003 Bonds are no longer in effect and any amounts due to the Bond Insurer shall have been paid in full or at such time as the Bond Insurer shall have lost its consent rights pursuant to the loan agreements related to the Series 2001 Bonds and the Series 2003 Bonds."

4. All other provisions of the Lease shall remain in full force and effect.

5. This Eighth Amendment may be executed in two or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute and be taken as one and the same instrument.

ATTACHMENT 2

IN WITNESS WHEREOF, Lessor and Lessee have executed and delivered this Eighth Amendment to Lease Agreement as of February 12, 2009 pursuant to proper authority duly granted.

Lessor:

ATTEST:

By: _____
Its: Assistant Secretary

THE UNIVERSITY OF CHICAGO

By: _____
Its: VP FOR ADMINISTRATION & CFO

Lessee:

ATTEST:

By: _____
Its: _____

THE UNIVERSITY OF CHICAGO MEDICAL CENTER

By: _____
Its: _____

ATTACHMENT 2

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Tambra A. Black, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Nimalan Chinniah and Russell Herron, personally known to me to be the same persons whose names are, respectively, Vice President for Administration and Chief Financial Officer and Assistant Secretary of THE UNIVERSITY OF CHICAGO, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 10th day of February, 2009.

(SEAL) OFFICIAL SEAL
TAMBRA A BLACK
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:07/30/10

Tambra A. Black
Notary Public in and for Cook County, Illinois

My Commission Expires: 7/30/2010

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a Notary Public in and for the said County in the State aforesaid, do hereby certify that _____ and _____, personally known to me to be the same persons whose names are, respectively, _____ and _____ of THE UNIVERSITY OF CHICAGO MEDICAL CENTER, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this ____ day of February, 2009.

(SEAL)

_____
Notary Public in and for Cook County, Illinois

My Commission Expires:

IN WITNESS WHEREOF, Lessor and Lessee have executed and delivered this Eighth Amendment to Lease Agreement as of February 12, 2009 pursuant to proper authority duly granted.

Lessor:

ATTEST:

THE UNIVERSITY OF CHICAGO

By: _____
Its: _____

By: _____
Its: _____

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO MEDICAL CENTER

By: _____
Its: Secretary

By: _____
Its: Chief Financial and Strategy Officer

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a Notary Public in and for the said County in the State aforesaid, do hereby certify that _____ and _____, personally known to me to be the same persons whose names are, respectively, _____ and _____ of THE UNIVERSITY OF CHICAGO, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this ____ day of February, 2009.

(SEAL)

_____
Notary Public in and for Cook County, Illinois

My Commission Expires:

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Wanda H. Wideman, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Benjamin D. Gibson and Lawrence J. Fuenstahl, personally known to me to be the same persons whose names are, respectively, Benjamin D. Gibson and Lawrence J. Fuenstahl of THE UNIVERSITY OF CHICAGO MEDICAL CENTER, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 10th day of February, 2009.

(SEAL) "OFFICIAL SEAL"
WANDA H. WIDEMAN
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 8/4/2010

Wanda H. Wideman
Notary Public in and for Cook County, Illinois

My Commission Expires: 8-4-2010

00080917_383330-00002

ATTACHMENT 2

LEGAL DESCRIPTION

(1) ALL OF "GOLDBLATT PAVILION" FOR A TERM OF YEARS BEGINNING JUNE 30, 1987, AND ENDING JUNE 30, 2027;

(2) THE SUB-BASEMENT, FIRST AND SECOND FLOORS OF "BERNARD MITCHELL HOSPITAL" AND THE FIRST AND SECOND FLOORS OF "ARTHUR RUBLOFF INTENSIVE CARE TOWER" FOR A TERM OF YEARS BEGINNING JUNE 30, 1987, AND ENDING JUNE 30, 2027; AND THE REMAINING FLOORS OF BOTH OF SAID BUILDINGS FOR A TERM OF YEARS BEGINNING JULY 1, 1987, AND ENDING JUNE 30, 2027;

(3) THE THIRD FLOOR OF "GOLDBLATT MAGNETIC RESONANCE IMAGING FACILITY" FOR A TERM OF YEARS BEGINNING JULY 1, 1987, AND ENDING JUNE 30, 2027;

(4) THE FOURTH FLOOR OF THE "SURGERY - BRAIN RESEARCH PAVILION," AND THOSE PORTIONS OF THE THIRD FLOOR OF SAID BUILDING SHOWN ON EXHIBIT "C" ATTACHED TO SAID LEASE, FOR A TERM OF YEARS BEGINNING JULY 1, 1987, AND ENDING JUNE 30, 2027; AND

(5) THE BASEMENT AND FIRST TIER OF THE "MATERIALS MANAGEMENT FACILITY," AS SHOWN ON EXHIBIT "C" ATTACHED TO SAID LEASE, FOR A TERM OF YEARS BEGINNING JULY 1, 1987, AND ENDING JUNE 30, 2027;

WHICH BUILDINGS ARE LOCATED ON THE FOLLOWING DESCRIBED LAND:

PARCEL 1 (WITHIN WHICH THE BUILDINGS KNOWN AS "GOLDBLATT PAVILION," "BERNARD MITCHELL HOSPITAL," " GOLDBLATT MAGNETIC RESONANCE IMAGING FACILITY" AND "SURGERY - BRAIN RESEARCH PAVILION" ARE LOCATED):

THOSE PARTS OF BLOCKS 14, 15 AND 16 IN MASON AND MCKICHAN'S SUBDIVISION OF THE WEST HALF OF THE NORTH WEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH THE VACATED STREETS AND ALLEYS LYING WITHIN AND ADJOINING SAID BLOCKS, SAID PARTS (ENCOMPASSING CERTAIN BUILDINGS LYING WITHIN THE BOUNDARIES OF SAID BLOCKS, VACATED STREETS AND ALLEYS) BEING DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH IS 10.11 FEET WEST AND 7.20 FEET NORTH OF THE EAST AND SOUTH LINES, RESPECTIVELY, OF BLOCK 16 AFORESAID, WHICH POINT IS AT THE SOUTH EAST CORNER OF A SIX-STORY AND BASEMENT STONE BUILDING, AND RUNNING THENCE ALONG LINES ENCOMPASSING THE AFOREMENTIONED BUILDINGS THE FOLLOWING COURSES AND DISTANCES:

ATTACHMENT 2

WEST 11.10 FEET; SOUTH 4.45 FEET; WEST 19.80 FEET; NORTH 4.45 FEET; WEST 11.10 FEET; NORTH 2.34 FEET; WEST 49.02 FEET; SOUTH 4.37 FEET; WEST 19.50 FEET; NORTH 4.37 FEET; WEST 49.02 FEET; SOUTH 2.34 FEET; WEST 44.99 FEET TO THE SOUTH WEST CORNER OF A 3-STORY STONE BUILDING, AT A POINT WHICH IS 7.24 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 16; THENCE NORTH 2.34 FEET; WEST 0.67 OF A FOOT; NORTH 108.50 FEET; WEST 15.00 FEET; SOUTH 1.67 FEET; WEST 6.33 FEET; NORTH 1.67 FEET; WEST 48.62 FEET; SOUTH 8.20 FEET; EAST 11.40 FEET; SOUTH 20.60 FEET; WEST 45.60 FEET; NORTH 20.60 FEET; EAST 11.40 FEET; NORTH 8.20 FEET; WEST 48.62 FEET; SOUTH 1.87 FEET; WEST 6.33 FEET; NORTH 1.87 FEET; WEST 15.00 FEET; SOUTH 32.60 FEET; EAST 8.80 FEET; NORTH 1.47 FEET; EAST 4.75 FEET; SOUTH 2.38 FEET; EAST 5.88 FEET; SOUTH 19.18 FEET; WEST 5.88 FEET; SOUTH 2.38 FEET; WEST 4.75 FEET; NORTH 1.47 FEET; WEST 8.80 FEET; SOUTH 55.20 FEET; WEST 0.67 OF A FOOT; SOUTH 2.34 FEET TO THE SOUTH EAST CORNER OF A 3-STORY STONE BUILDING AT A POINT WHICH IS 7.27 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 15; THENCE WEST 45.00 FEET; NORTH 2.34 FEET; WEST 48.48 FEET; SOUTH 7.00 FEET; WEST 18.56 FEET; NORTH 7.00 FEET; WEST 45.48 FEET; SOUTH 2.34 FEET; WEST 42.00 FEET TO THE SOUTH WEST CORNER OF A 5-STORY STONE BUILDING AT A POINT WHICH IS 7.32 FEET NORTH OF SAID SOUTH LINE OF BLOCK 15; THENCE NORTH 18.32 FEET; WEST 0.67 OF A FOOT; NORTH 34.35 FEET; WEST 9.06 FEET; SOUTH 9.24 FEET; WEST 20.47 FEET; SOUTH 7.75 FEET; WEST 16.20 FEET; NORTH 7.75 FEET; WEST 30.50 FEET; NORTH 14.34 FEET; WEST 9.23 FEET; SOUTH 63.64 FEET; EAST 5.76 FEET; SOUTH 12.70 FEET; WEST 5.76 FEET; SOUTH 20.29 FEET; EAST 3.00 FEET; SOUTH 3.00 FEET; WEST 7.79 FEET; SOUTH 4.50 FEET TO THE SOUTH EAST CORNER OF A 3-STORY STONE BUILDING, AT A POINT WHICH IS 10.20 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 14; THENCE WEST 27.19 FEET; NORTH 2.00 FEET; WEST 70.51 FEET; SOUTH 3.70 FEET; WEST 4.74 FEET; SOUTH 2.00 FEET; WEST 13.52 FEET; NORTH 2.00 FEET; WEST 44.95 FEET; SOUTH 2.70 FEET; WEST 20.75 FEET TO A POINT WHICH IS 5.24 FEET NORTH AND 0.91 OF A FOOT EAST OF THE SOUTH AND WEST LINES OF BLOCK 14 AFORESAID; THENCE NORTH 26.86 FEET; EAST 9.00 FEET; NORTH 28.96 FEET; WEST 4.62 FEET; NORTH 6.02 FEET; EAST 3.01 FEET; NORTH 67.70 FEET; WEST 3.50 FEET; NORTH 15.50 FEET; WEST 5.64 FEET; NORTH 16.50 FEET; EAST 5.64 FEET; NORTH 15.50 FEET; EAST 3.50 FEET; NORTH 70.70 FEET; WEST 3.00 FEET; NORTH 6.00 FEET; EAST 3.00 FEET; NORTH 35.28 FEET; WEST 1.47 FEET; NORTH 3.00 FEET; EAST 9.39 FEET; NORTH 13.07 FEET; NORTHWARDLY 13.20 FEET; WESTWARDLY 18.41 FEET; NORTH 44.20 FEET TO A POINT WHICH IS 3.41 FEET WEST OF THE WEST LINE OF BLOCK 14; THENCE EASTWARDLY 18.41 FEET; THENCE NORTHWARDLY 15.80 FEET; THENCE EAST 214.90 FEET; SOUTHWARDLY 15.82 FEET; EAST 18.45 FEET; SOUTH 22.96 FEET; EAST 73.94 FEET; NORTH 58.60 FEET; WEST 105.04 FEET; NORTHWESTWARDLY 28.34 FEET; NORTH 15.00 FEET; WEST 150.08 FEET TO THE SOUTH WEST CORNER OF A 6-STORY STONE BUILDING AT A POINT WHICH IS 0.74 OF A FOOT WEST OF THE WEST LINE OF BLOCK 14; THENCE NORTH 34.99 FEET; WEST 20.42 FEET; NORTH 24.92 FEET; WEST 4.72 FEET; NORTH 40.02 FEET; EAST 4.72 FEET; NORTH

ATTACHMENT 2

24.92 FEET; EAST 20.42 FEET; NORTH 34.11 FEET TO A POINT ON THE SOUTH LINE OF E. 58TH STREET, 0.47 OF A FOOT WEST OF THE SW CORNER OF SAID BLOCK 14; THENCE EAST ALONG SAID SOUTH LINE OF E. 58TH STREET, A DISTANCE OF 353.04 FEET; THENCE SOUTH 247.60 FEET; EAST 100.42 FEET; NORTH 16.98 FEET; EAST 46.65 FEET; NORTH 4.00 FEET; EAST 45.48 FEET; SOUTH 4.00 FEET; EAST 16.66 FEET; NORTH 5.20 FEET; EAST 36.61 FEET; NORTH 32.57 FEET; WEST 23.00 FEET; NORTH 52.00 FEET; EAST 23.00 FEET; NORTH 24.00 FEET; EAST 54.00 FEET; SOUTH 24.00 FEET; EAST 25.00 FEET; SOUTH 52.00 FEET; WEST 25.00 FEET; SOUTH 32.56 FEET; EAST 43.95 FEET; NORTH 170.03 FEET; EAST 26.05 FEET; SOUTHEASTWARDLY 6.52 FEET; EAST 25.64 FEET; NORTHEASTWARDLY 6.52 FEET; EAST 6.37 FEET; NORTH 35.76 FEET; EAST 12.73 FEET; NORTH 3.51 FEET; WEST 2.19 FEET; NORTH 8.76 FEET TO A POINT AT THE NORTHWEST CORNER OF A 6-STORY STONE BUILDING, WHICH IS 7.31 FEET SOUTH OF THE NORTH LINE OF SAID BLOCK 16; THENCE EAST 45.64 FEET TO A POINT AT THE NORTH EAST CORNER OF SAID BUILDING, 7.36 FEET SOUTH OF THE NORTH LINE OF SAID BLOCK 16; THENCE SOUTH 8.76 FEET; WEST 2.19 FEET; SOUTH 3.51 FEET; EAST 25.38 FEET; SOUTH 173.05 FEET; WEST 85.20 FEET; SOUTH 34.04 FEET; EAST 1.92 FEET; SOUTH 2. 60 FEET; EAST 6.00 FEET; NORTH 4.75 FEET; EAST 94.00 FEET; SOUTH 5.46 FEET; EAS 59.55 FEET TO A POINT AT THE NORTH EAST CORNER OF A 7-STORY STONE BUILDING, WHICH IS 5.00 FEET WEST OF THE EAST LINE OF SDBLOCK 16; THENCE SOUTH 46.00 FEET; WEST 3.50 FEET; SOUTH 157.45 FEET; EAST 3.50 FEET; SOUTH 11.50 FEET; EAST 3.65 FEET; SOUTH 22.00 FEET; WEST 3.65 FEET; SOUTH 11.50 FEET; WEST 5.07 FEET; SOUTH 9.75 FEET; EAST 0.67 OF FOOT; SOUTH 84.36 FEET; WEST 0.67 OF A FOOT; AND SOUTH 18.17 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 2 (BEING THE PERIMETER OF THE BUILDING KNOWN AS "MATERIALS MANAGEMENT FACILITY"):

THAT PART OF BLOCK 13 IN MCKICHAN'S SUBDIVISION OF THE WEST 1/2 OF TH NORTH WEST 1/4 OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH THE VACATED ALLEY LYING WITHI SAID BLOCK, SAID PART (ENCOMPASSING A CERTAIN STRUCTURE LYING WITHIN THE BOUNDARIES OF SAID BLOCK AND VACATED ALLEY) BEING DESCRIBED AS FOLLOWS:
BEGINNING AT A POINT WHICH IS 9.00 FEET NORTH AND 7.79 FEET EAST OF T SOUTH AND WEST LINES, RESPECTIVELY, OF SAID BLOCK 13, AND RUNNING THENCE NORTH, A DISTANCE OF 243.44 FEET TO A POINT WHICH IS 7.82 FEET EAST OF SAID WEST LINE OF BLOCK 13; THENCE ALONG LINES WHICH ARE PERPENDICULAR TO OR PARALLEL WITH THE DESCRIBED LINE, RESPECTIVELY, T FOLLOWING COURSES AND DISTANCES: EAST 224.30 FEET; SOUTH 221.85 FEET; EAST 0.38 OF A FOOT; SOUTH 21.59 FEET TO A POINT WHICH IS 9.51 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 13, AND THENCE WEST 224.68 FEE TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

ATTACHMENT 2

PARCEL 3 (BEING THE PERIMETER OF THE "TUNNEL AND BASEMENT"):

A PART OF BLOCKS 13 AND 14, TOGETHER WITH THE VACATED STREET LYING BETWEEN AND ADJOINING SAID BLOCKS IN MASON AND MCKICHANS SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID PART (ENCOMPASSING A TUNNEL AND CERTAIN BASEMENT AREAS ADJOINING SAID TUNNEL), BEING DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH IS 110.26 FEET NORTH AND 3.00 FEET EAST OF THE SOUTH AND WEST LINES, RESPECTIVELY, OF SAID BLOCK 14, AND RUNNING

THENCE WEST ALONG A LINE WHICH IS PERPENDICULAR TO SAID WEST LINE OF BLOCK 14 A DISTANCE OF 29.29 FEET;

THENCE NORTHWESTWARDLY ALONG A LINE, WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH A PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 32.97 FEET, TO A POINT WHICH IS 21.40 FEET EAST OF THE EAST LINE OF SAID BLOCK 13;

THENCE NORTH ALONG A LINE WHICH IS PARALLEL WITH SAID EAST LINE OF BLOCK 13, A DISTANCE OF 93.02 FEET;

THENCE NORTHWESTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 15.30 FEET;

THENCE WEST ALONG A LINE WHICH IS PERPENDICULAR TO SAID EAST LINE OF BLOCK 13, A DISTANCE OF 31.71 FEET, TO A POINT WHICH IS 21.13 FEET WEST AND 237.24 FEET NORTH OF THE EAST AND SOUTH LINES, RESPECTIVELY, OF SAID BLOCK 13;

THENCE NORTH ALONG A LINE WHICH IS PARALLEL WITH SAID EAST LINE OF BLOCK 13, A DISTANCE OF 14.00 FEET;

THENCE EAST ALONG A LINE WHICH IS PERPENDICULAR TO SAID EAST LINE OF BLOCK 13, A DISTANCE OF 31.53 FEET;

THENCE NORTHEASTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 15.56 FEET, TO A POINT WHICH IS 21.40 FEET EAST OF THE EAST LINE OF SAID BLOCK 13;

THENCE NORTH ALONG A LINE WHICH IS PARALLEL WITH SAID EAST LINE OF BLOCK 13, A DISTANCE OF 139.57 FEET;

THENCE EAST ALONG A LINE PERPENDICULAR TO LAST DESCRIBED COURSE, A DISTANCE OF 0.35 OF A FOOT;

ATTACHMENT 2

THENCE NORTH ALONG A LINE WHICH IS PERPENDICULAR TO THE EASTWARD EXTENSION OF THE NORTH LINE OF SAID BLOCK 13 (SAID EASTWARD EXTENSION BEING ALSO THE SOUTH LINE OF E. 58TH STREET), A DISTANCE OF 13.97 FEET;

THENCE EAST ALONG A LINE PERPENDICULAR TO LAST DESCRIBED COURSE, A DISTANCE OF 0.38 OF A FOOT;

THENCE NORTH ALONG A LINE WHICH IS PERPENDICULAR TO SAID SOUTH LINE OF E. 58TH STREET, A DISTANCE OF 181.72 FEET TO A POINT ON SAID SOUTH LINE OF E. 58TH STREET;

THENCE EAST ALONG SAID SOUTH LINE OF E. 58TH STREET, A DISTANCE OF 43.11 FEET TO A POINT WHICH IS 0.47 OF A FOOT WEST OF THE NORTHWEST CORNER OF SAID BLOCK 14;

THENCE ALONG LINES WHICH ARE PERPENDICULAR TO OR PARALLEL WITH SAID SOUTH LINE OF E. 58TH STREET, RESPECTIVELY, THE FOLLOWING COURSES AND DISTANCES:

SOUTH 34.11 FEET;
WEST 20.42 FEET;
SOUTH 24.92 FEET;
WEST 4.72 FEET;
SOUTH 40.02 FEET;
EAST 4.72 FEET;
SOUTH 24.92 FEET;
EAST 20.42 FEET;
SOUTH 34.09 FEET TO A POINT WHICH IS 0.74 OF A FOOT WEST OF SAID WEST LINE OF BLOCK 14;

THENCE EAST 150.07 FEET;

SOUTH 15.00 FEET;

THENCE SOUTHEASTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 30.20 FEET, TO AN INTERSECTION WITH A LINE WHICH IS 194.42 FEET SOUTH OF AND PARALLEL WITH SAID SOUTH LINE OF E. 58TH STREET;

THENCE WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 190.92 FEET;

THENCE SOUTHWESTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 15.42 FEET, TO A POINT WHICH IS 35.40 FEET EAST OF THE AFORESAID EAST LINE OF BLOCK 13;

ATTACHMENT 2

THENCE SOUTH ALONG A LINE WHICH IS PARALLEL WITH SAID EAST LINE OF BLOCK 13, A DISTANCE OF 252.40 FEET;

THENCE SOUTHEASTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 14.30 FEET;

THENCE EAST ALONG A LINE WHICH IS PERPENDICULAR TO SAID WEST LINE OF BLOCK 14, A DISTANCE OF 28.48 FEET TO A POINT WHICH IS 8.00 FEET EAST OF SAID WEST LINE OF BLOCK 14 AND

THENCE SOUTH A DISTANCE OF 19.00 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

CONTAINING 17,432 SQUARE FEET OF LAND MORE OR LESS.

PROPERTY ADDRESS:

5841 SOUTH MARYLAND AVENUE, CHICAGO, ILLINOIS

PROPERTY INDEX NUMBERS:

20-14-118-002-0000
20-14-118-006-0000
20-14-118-007-0000
20-14-119-008-0000
20-14-119-009-0000

ATTACHMENT 2

MBIA CONSENT

This CONSENT by MBIA Insurance Corporation, successor to Municipal Bond Investors Assurance Company ("MBIA") is provided pursuant to Section 19.3 of the hereinafter defined Lease Agreement.

Reference is made to that certain Lease Agreement dated as of June 30, 1987, between The University of Chicago, as Lessor ("Lessor"), and The University of Chicago Medical Center, formerly known as The University of Chicago Hospitals, as Lessee ("Lessee"), as heretofore supplemented and amended by the First Amendment dated as of July 24, 1987, by the Second Amendment dated as of April 12, 1989, by the Third Amendment dated as of September 29, 1992 (incorrectly denominated the Second Amendment), by the Fourth Amendment dated as of May 12, 1993, by the Fifth Amendment dated as of May 1, 1994, by the Sixth Amendment dated as of August 1, 1998 and by the Seventh Amendment dated as of August 1, 2001 (as heretofore supplemented and amended, the "Lease Agreement").

The undersigned, a duly authorized officer of MBIA, for and on behalf of MBIA hereby consents to the amendments contained in the foregoing Eighth Amendment to Lease Agreement dated as of February 1, 2009 between the Lessor and the Lessee.

Dated as of the 1st day of February, 2009.

MBIA INSURANCE CORPORATION

By: _____
Name: _____
Title: DANIEL E. WILSON
DIRECTOR

60705002_1_283330_00011

ATTACHMENT 2

This instrument was prepared by
and after recording return to:

Elizabeth F. Weber
Katten Muchin Rosenman LLP
525 West Monroe Street
Chicago, Illinois 60661-3693

SPACE ABOVE THIS LINE FOR RECORDER'S USE.

NINTH AMENDMENT
to
LEASE AGREEMENT
originally
between
THE UNIVERSITY OF CHICAGO
and
THE UNIVERSITY OF CHICAGO HOSPITALS

This Ninth Amendment (the "Ninth Amendment") supplementing and amending that certain Lease Agreement dated as of June 30, 1987, between The University of Chicago ("Lessor") and The University of Chicago Medical Center, formerly known as The University of Chicago Hospitals ("Lessee"), relating to the real property described in the Exhibit attached hereto and recorded as document 87482005, as heretofore amended as of July 24, 1987 by the First Amendment, as of April 12, 1989 by the Second Amendment (recorded as document 89167251), as of September 29, 1992 by the Third Amendment (incorrectly denominated the Second Amendment), as of May 12, 1993 by the Fourth Amendment, as of May 1, 1994 by the Fifth Amendment, as of August 1, 1998 by the Sixth Amendment, as of August 1, 2001 by the Seventh Amendment and as of February 12, 2009 by the Eighth Amendment, shall become effective on the date of issuance of the Series 2009CDE Bonds (as defined below). The original Lease Agreement as amended is referred to herein as the "Lease".

The parties recognize that it is necessary to amend the Lease in order to enable Lessee to borrow funds from the Illinois Finance Authority (which will obtain such funds through the issuance of the Series 2009 Bonds) in order to refinance certain existing borrowings of the Lessee and pay related costs. The parties therefore agree as follows:

1. Section 1.15 of the Lease is amended in its entirety to read as follows:

1.15 "Loan Agreement." Loan Agreement means, collectively, (i) the Loan Agreement dated as of August 1, 2001 between Lessee and the Illinois Finance Authority or its successor (the "Authority"), as successor to the Illinois Health Facilities Authority, related to the Illinois Health Facilities Authority Revenue Bonds, Series 2001 (The University of Chicago Hospitals and Health System) (the "Series 2001 Bonds"), (ii) the Loan Agreement dated as of August 1, 2003 between the Lessee and the Authority, as successor to the Illinois Health Facilities Authority, related to the Illinois Health Facilities Authority Revenue Refunding Bonds, Series 2003 (The University of Chicago Hospitals and Health System) (the "Series 2003 Bonds"), (iii) the Loan Agreement dated

ATTACHMENT 2

as of February 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Refunding Bonds, Series 2009A (The University of Chicago Medical Center) (the "Series 2009A Bonds") and any Credit Facility Agreement (as defined in such Loan Agreement) for the Series 2009A Bonds or any subseries thereof, which is initially the Reimbursement Agreement dated as of February 1, 2009 between the Lessee and Wells Fargo Bank, National Association, (iv) the Loan Agreement dated as of February 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Refunding Bonds, Series 2009B (The University of Chicago Medical Center) (the "Series 2009B Bonds") and any Credit Facility Agreement (as defined in such Loan Agreement) for the Series 2009B Bonds or any subseries thereof, which is initially the Reimbursement Agreement dated as of February 1, 2009 between the Lessee and the Bank of Montreal, acting through its Chicago Branch, (v) the Loan Agreement dated as of August 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Revenue Bonds, Series 2009C (The University of Chicago Medical Center) (the "Series 2009C Bonds"), (vi) the Loan Agreement dated as of August 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2009D (The University of Chicago Medical Center) (the "Series 2009D Bonds") and any Credit Facility Agreement (as defined in such Loan Agreement) for the Series 2009D Bonds or any subseries thereof, which is initially the Reimbursement Agreement dated as of August 1, 2009 between the Lessee and Bank of America, N.A., and (vii) the Loan Agreement dated as of August 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2009E (The University of Chicago Medical Center) (the "Series 2009E Bonds" and, together with the Series 2009C Bonds and the Series 2009D Bonds, the "Series 2009CDE Bonds") and any Credit Facility Agreement (as defined in such Loan Agreement) for the Series 2009E Bonds or any subseries thereof, which is initially the Reimbursement Agreement dated as of August 1, 2009 between the Lessee and JPMorgan Chase Bank, National Association, and, in the case of each of the foregoing clauses, as any of such agreements may from time to time be amended in accordance with the terms thereof."

2. Notwithstanding Section 19.12 of the Lease, the other parties to each Loan Agreement (as that term may be amended from time to time) and their respective successors and assigns, so long as the Loan Agreement is in effect and amounts are payable thereunder, shall be third party beneficiaries solely with respect to the provisions set forth in the last sentence of Section 18.2 of the Lease.

3. All other provisions of the Lease shall remain in full force and effect.

4. This Ninth Amendment may be executed in two or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute and be taken as one and the same instrument.

ATTACHMENT 2

IN WITNESS WHEREOF, Lessor and Lessee have executed and delivered this Ninth Amendment to Lease Agreement as of August 20, 2009 pursuant to proper authority duly granted.

Lessor:

ATTEST:

THE UNIVERSITY OF CHICAGO

By: _____

By: Nimalan ~~Chinniah~~

Its: Assistant Secretary

Its: Vice President and Chief Financial Officer

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO MEDICAL CENTER

By: _____

Its: Associate General Counsel

By: _____ 8/20/09

Its: COO + Associate Dean

ATTEST:

By: _____

Its: Secretary

ATTACHMENT 2

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Tambra A. Black, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Nimalan Chinniah and Russell Herron, personally known to me to be the same persons whose names are, respectively, Vice President and CFO and Assistant Secretary of THE UNIVERSITY OF CHICAGO, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 20th day of August, 2009.

(SEAL) OFFICIAL SEAL
TAMBRA A BLACK
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:07/30/10

Tambra A Black
Notary Public in and for Cook County, Illinois

My Commission Expires: July 30, 2010

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Wanda H. Wideman, a Notary Public in and for the said County in the State aforesaid, do hereby certify that William D. Frazier, Benjamin D. Gibson and Caldyn S. Wilson, personally known to me to be the same persons whose names are, respectively, Asso. Gen. Counsel, Secretary and COO, Associate Dean of THE UNIVERSITY OF CHICAGO MEDICAL CENTER, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 20th day of August, 2009.

(SEAL) "OFFICIAL SEAL"
WANDA H. WIDEMAN
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES8/4/2010

Wanda H. Wideman
Notary Public in and for Cook County, Illinois

My Commission Expires: 8/4/2010

This instrument was prepared by
and after recording return to:

Elizabeth F. Weber
Katten Muchin Rosenman LLP
525 West Monroe Street
Chicago, Illinois 60661-3693

SPACE ABOVE THIS LINE FOR RECORDER'S USE.

TENTH AMENDMENT
to
LEASE AGREEMENT
originally
between
THE UNIVERSITY OF CHICAGO
and
THE UNIVERSITY OF CHICAGO HOSPITALS

This Tenth Amendment (the "Tenth Amendment") supplementing and amending that certain Lease Agreement dated as of June 30, 1987, between The University of Chicago ("Lessor") and The University of Chicago Medical Center, formerly known as The University of Chicago Hospitals ("Lessee"), relating to the real property described in the Exhibit attached hereto and recorded as document 87482005, as heretofore amended as of July 24, 1987 by the First Amendment, as of April 12, 1989 by the Second Amendment (recorded as document 89167251), as of September 29, 1992 by the Third Amendment (incorrectly denominated the Second Amendment), as of May 12, 1993 by the Fourth Amendment, as of May 1, 1994 by the Fifth Amendment, as of August 1, 1998 by the Sixth Amendment, as of August 1, 2001 by the Seventh Amendment, as of February 12, 2009 by the Eighth Amendment and as of August 20, 2009 by the Ninth Amendment, shall become effective on the date of issuance of the Series 2010 Bonds (as defined below). The original Lease Agreement as amended is referred to herein as the "Lease".

The parties recognize that it is necessary to amend the Lease in order to enable Lessee to borrow funds from the Illinois Finance Authority (which will obtain such funds through the issuance of the Series 2010 Bonds) in order to refinance certain existing borrowings of the Lessee and pay related costs. The parties therefore agree as follows:

1. Section 1.15 of the Lease is amended in its entirety to read as follows:

1.15 "Loan Agreement." Loan Agreement means, collectively, (i) the Loan Agreement dated as of August 1, 2001 between Lessee and the Illinois Finance Authority or its successor (the "Authority"), as successor to the Illinois Health Facilities Authority, related to the Illinois Health Facilities Authority Revenue Bonds, Series 2001 (The University of Chicago Hospitals and Health System) (the "Series 2001 Bonds"), (ii) the Loan Agreement dated as of August 1, 2003 between the Lessee and the Authority, as successor to the Illinois Health Facilities Authority, related to the Illinois Health Facilities Authority Revenue Refunding Bonds, Series 2003 (The University of Chicago

ATTACHMENT 2

Hospitals and Health System) (the "Series 2003 Bonds"), (iii) the Loan Agreement dated as of February 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Revenue Refunding Bonds, Series 2009A (The University of Chicago Medical Center) (the "Series 2009A Bonds"), (iv) the Loan Agreement dated as of February 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Revenue Refunding Bonds, Series 2009B (The University of Chicago Medical Center) (the "Series 2009B Bonds"), (v) the Loan Agreement dated as of August 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Revenue Bonds, Series 2009C (The University of Chicago Medical Center) (the "Series 2009C Bonds"), (vi) the Loan Agreement dated as of August 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2009D (The University of Chicago Medical Center) (the "Series 2009D Bonds") and any Credit Facility Agreement (as defined in such Loan Agreement) for the Series 2009D Bonds or any subseries thereof, which is initially the Reimbursement Agreement dated as of August 1, 2009 between the Lessee and Bank of America, N.A., (vii) the Loan Agreement dated as of August 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2009E (The University of Chicago Medical Center) (the "Series 2009E Bonds" and, together with the Series 2009C Bonds and the Series 2009D Bonds, the "Series 2009CDE Bonds") and any Credit Facility Agreement (as defined in such Loan Agreement) for the Series 2009E Bonds or any subseries thereof, which is initially the Reimbursement Agreement dated as of August 1, 2009 between the Lessee and JPMorgan Chase Bank, National Association, (viii) the Loan Agreement dated as of November 1, 2010 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2010A (The University of Chicago Medical Center) (the "Series 2010A Bonds") and any Credit Facility Agreement (as defined in the Loan Agreement) for the Series 2010A Bonds or any subseries thereof, which is initially the Reimbursement Agreement dated as of November 1, 2010 between the Lessee and Bank of America, N.A., and (ix) the Loan Agreement dated as of November 1, 2010 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2010B (The University of Chicago Medical Center) (the "Series 2010B Bonds" and, together with the Series 2010A Bonds, the "Series 2010 Bonds") and any Credit Facility Agreement (as defined in the Loan Agreement) for the Series 2010B Bonds or any subseries thereof, which is initially the Letter of Credit Reimbursement Agreement dated as of November 1, 2010 between the Lessee and Wells Fargo Bank, National Association, and, in the case of each of the foregoing clauses, as any of such agreements may from time to time be amended in accordance with the terms thereof."

2. Notwithstanding Section 19.12 of the Lease, the other parties to each Loan Agreement (as that term may be amended from time to time) and their respective successors and assigns, so long as the Loan Agreement is in effect and amounts are payable thereunder, shall be third party beneficiaries solely with respect to the provisions set forth in the last sentence of Section 18.2 of the Lease.

3. All other provisions of the Lease shall remain in full force and effect.

ATTACHMENT 2

4. This Tenth Amendment may be executed in two or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute and be taken as one and the same instrument.

ATTACHMENT 2

IN WITNESS WHEREOF, Lessor and Lessee have executed and delivered this Tenth Amendment to Lease Agreement as of November 9, 2010 pursuant to proper authority duly granted.

Lessor:

ATTEST:

THE UNIVERSITY OF CHICAGO

By: _____
Name: Russell J. Herron
Its: Assistant Secretary

By: _____
Name: Nimalan ~~Chinniah~~
Its: Vice President and Chief Financial Officer

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO MEDICAL CENTER

By: _____
Name: Jennifer A. Hill
Its: Secretary

By: _____
Name: Lawrence J. Furnstahl
Its: Chief Financial and Strategy Officer

ATTACHMENT 2

IN WITNESS WHEREOF, Lessor and Lessee have executed and delivered this Tenth Amendment to Lease Agreement as of November 9, 2010 pursuant to proper authority duly granted.

Lessor:

ATTEST:

THE UNIVERSITY OF CHICAGO

By: _____
Name: Russell J. Herron
Its: Assistant Secretary

By: _____
Name: Nimalan Chinniah
Its: Vice President and Chief Financial Officer

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO MEDICAL CENTER

By: _____
Name: Jennifer A. Hill
Its: Secretary

By: _____
Name: Lawrence J. Furnstahl
Its: Chief Financial and Strategy Officer

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Tambra A. Black, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Nimalan Chinniah and Russell J. Herron, personally known to me to be the same persons whose names are, respectively, Vice President and CFO and Assistant Secretary of THE UNIVERSITY OF CHICAGO, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 5th day of November, 2010.

(SEAL)

OFFICIAL SEAL
TAMBRA A BLACK
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:07/30/14

Tambra A. Black
Notary Public in and for Cook County, Illinois

My Commission Expires: 7/30/14

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Lawrence J. Furnstahl and Jennifer A. Hill, personally known to me to be the same persons whose names are, respectively, Chief Financial and Strategy Officer and Secretary of THE UNIVERSITY OF CHICAGO MEDICAL CENTER, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this ____ day of November, 2010.

(SEAL)

_____
Notary Public in and for Cook County, Illinois

My Commission Expires:

ATTACHMENT 2

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Nimalan Chinniah and Russell J. Herron, personally known to me to be the same persons whose names are, respectively, Vice President and CFO and Assistant Secretary of THE UNIVERSITY OF CHICAGO, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this ____ day of November, 2010.

(SEAL)

_____
Notary Public in and for Cook County, Illinois

My Commission Expires:

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Cassandra Cole, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Lawrence J. Furnstahl and Jennifer A. Hill, personally known to me to be the same persons whose names are, respectively, Chief Financial and Strategy Officer and Secretary of THE UNIVERSITY OF CHICAGO MEDICAL CENTER, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 9th day of November, 2010.

"OFFICIAL SEAL"
CASSANDRA COLE
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 8/3/2013

(SEAL)

Cassandra Cole
Notary Public in and for Cook County, Illinois

My Commission Expires: 8/3/2013

60840604v3

ATTACHMENT 2

This instrument was prepared by
and after recording return to:

Elizabeth F. Weber
Katten Muchin Rosenman LLP
525 West Monroe Street
Chicago, Illinois 60661-3693

SPACE ABOVE THIS LINE FOR RECORDER'S USE.

ELEVENTH AMENDMENT
to
LEASE AGREEMENT
originally
between
THE UNIVERSITY OF CHICAGO
and
THE UNIVERSITY OF CHICAGO HOSPITALS

This Eleventh Amendment (the "Eleventh Amendment") supplementing and amending that certain Lease Agreement dated as of June 30, 1987, between The University of Chicago ("Lessor") and The University of Chicago Medical Center, formerly known as The University of Chicago Hospitals ("Lessee"), relating to the real property described in the Exhibit attached hereto and recorded as document 87482005, as heretofore amended as of July 24, 1987 by the First Amendment, as of April 12, 1989 by the Second Amendment (recorded as document 89167251), as of September 29, 1992 by the Third Amendment (incorrectly denominated the Second Amendment), as of May 12, 1993 by the Fourth Amendment, as of May 1, 1994 by the Fifth Amendment, as of August 1, 1998 by the Sixth Amendment, as of August 1, 2001 by the Seventh Amendment, as of February 12, 2009 by the Eighth Amendment, as of August 20, 2009 by the Ninth Amendment and as of November 9, 2010 by the Tenth Amendment, shall become effective on the date of issuance of the Series 2011 Bonds (as defined below). The original Lease Agreement as amended is referred to herein as the "Lease".

The parties recognize that it is necessary to amend the Lease in order to enable Lessee to borrow funds from the Illinois Finance Authority (which will obtain such funds through the issuance of the Series 2011 Bonds) in order to refinance certain existing borrowings of the Lessee and pay related costs. The parties therefore agree as follows:

1. Section 1.15 of the Lease is amended in its entirety to read as follows:

1.15 "Loan Agreement." Loan Agreement means, collectively, (i) the Loan Agreement dated as of August 1, 2001 between Lessee and the Illinois Finance Authority or its successor (the "Authority"), as successor to the Illinois Health Facilities Authority, related to the Illinois Health Facilities Authority Revenue Bonds, Series 2001 (The University of Chicago Hospitals and Health System) (the "Series 2001 Bonds"), (ii) the Loan Agreement dated as of August 1, 2003 between the Lessee and the Authority, as successor to the Illinois Health Facilities Authority, related to the Illinois Health

ATTACHMENT 2

Facilities Authority Revenue Refunding Bonds, Series 2003 (The University of Chicago Hospitals and Health System) (the "Series 2003 Bonds"), (iii) the Loan Agreement dated as of February 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Revenue Refunding Bonds, Series 2009A (The University of Chicago Medical Center) (the "Series 2009A Bonds"), (iv) the Loan Agreement dated as of February 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Revenue Refunding Bonds, Series 2009B (The University of Chicago Medical Center) (the "Series 2009B Bonds"), (v) the Loan Agreement dated as of August 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Revenue Bonds, Series 2009C (The University of Chicago Medical Center) (the "Series 2009C Bonds"), (vi) the Loan Agreement dated as of August 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2009D (The University of Chicago Medical Center) (the "Series 2009D Bonds") and any Credit Facility Agreement (as defined in such Loan Agreement) for the Series 2009D Bonds or any subseries thereof, which is initially the Reimbursement Agreement dated as of August 1, 2009 between the Lessee and Bank of America, N.A., (vii) the Loan Agreement dated as of August 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2009E (The University of Chicago Medical Center) (the "Series 2009E Bonds" and, together with the Series 2009C Bonds and the Series 2009D Bonds, the "Series 2009CDE Bonds") and any Credit Facility Agreement (as defined in such Loan Agreement) for the Series 2009E Bonds or any subseries thereof, which is initially the Reimbursement Agreement dated as of August 1, 2009 between the Lessee and JPMorgan Chase Bank, National Association, (viii) the Loan Agreement dated as of November 1, 2010 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2010A (The University of Chicago Medical Center) (the "Series 2010A Bonds") and any Credit Facility Agreement (as defined in the Loan Agreement) for the Series 2010A Bonds or any subseries thereof, which is initially the Reimbursement Agreement dated as of November 1, 2010 between the Lessee and Bank of America, N.A., (ix) the Loan Agreement dated as of November 1, 2010 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2010B (The University of Chicago Medical Center) (the "Series 2010B Bonds" and, together with the Series 2010A Bonds, the "Series 2010 Bonds") and any Credit Facility Agreement (as defined in the Loan Agreement) for the Series 2010B Bonds or any subseries thereof, which is initially the Letter of Credit Reimbursement Agreement dated as of November 1, 2010 between the Lessee and Wells Fargo Bank, National Association, (x) the Loan Agreement dated as of May 1, 2011 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2011A (The University of Chicago Medical Center) (the "Series 2011A Bonds") and any Credit Facility Agreement (as defined in the Loan Agreement) for the Series 2011A Bonds or any subseries thereof, which is initially the Reimbursement Agreement dated as of May 1, 2011 between the Lessee and Bank of America, N.A., (xi) the Loan Agreement dated as of May 1, 2011 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2011B (The University of Chicago Medical Center) (the "Series 2011B Bonds") and any Credit Facility Agreement (as defined in the Loan Agreement) for the Series 2011B Bonds or any subseries thereof, which is initially the

Letter of Credit Reimbursement Agreement dated as of May 1, 2011 between the Lessee and Wells Fargo Bank, National Association, and, (xii) the Loan Agreement dated as of May 1, 2011 between the Lessee and the Authority related to the Illinois Finance Authority Revenue Bonds, Series 2011C (The University of Chicago Medical Center) (the "Series 2011C Bonds" and, together with the Series 2011A Bonds and the Series 2011B Bonds, the "Series 2011 Bonds," and, in the case of each of the foregoing clauses, as any of such agreements may from time to time be amended in accordance with the terms thereof."

2. Notwithstanding Section 19.12 of the Lease, the other parties to each Loan Agreement (as that term may be amended from time to time) and their respective successors and assigns, so long as the Loan Agreement is in effect and amounts are payable thereunder, shall be third party beneficiaries solely with respect to the provisions set forth in the last sentence of Section 18.2 of the Lease.

3. All other provisions of the Lease shall remain in full force and effect.

4. This Eleventh Amendment may be executed in two or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute and be taken as one and the same instrument.

IN WITNESS WHEREOF, Lessor and Lessee have executed and delivered this Eleventh Amendment to Lease Agreement as of May 20, 2011 pursuant to proper authority duly granted.

Lessor:

ATTEST:

THE UNIVERSITY OF CHICAGO

By: _____
Name: Russell J. Herron
Its: Assistant Secretary

By: _____
Name: Nimalan Chinniah
Its: Vice President for Administration and Chief Financial Officer

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO MEDICAL CENTER

By: _____
Name: Jennifer A. Hill
Its: Secretary

By: _____
Name: Kenneth J. Sharigian
Its: Interim Chief Financial Officer

IN WITNESS WHEREOF, Lessor and Lessee have executed and delivered this Eleventh Amendment to Lease Agreement as of May 20, 2011 pursuant to proper authority duly granted.

Lessor:

ATTEST:

THE UNIVERSITY OF CHICAGO

By: _____
Name: Russell J. Herron
Its: Assistant Secretary

By: _____
Name: Nimalan Chinniah
Its: Vice President for Administration and Chief Financial Officer

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO MEDICAL CENTER

By: Jennifer A. Hill
Name: Jennifer A. Hill
Its: Secretary

By: _____
Name: Kenneth J. Shargian
Its: Interim Chief Financial Officer

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Tambra A Black, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Nimalan Chinniah and Russell J. Herron, personally known to me to be the same persons whose names are, respectively, Vice President for Administration and CFO and Assistant Secretary of THE UNIVERSITY OF CHICAGO, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 17th day of May, 2011.

(SEAL) OFFICIAL SEAL
TAMBRA A BLACK
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:07/30/14

Tambra A Black
Notary Public in and for Cook County, Illinois

My Commission Expires: 7/30/2014

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Kenneth J. Sharigian and Jennifer A. Hill, personally known to me to be the same persons whose names are, respectively, Interim Chief Financial Officer and Secretary of THE UNIVERSITY OF CHICAGO MEDICAL CENTER, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this ____ day of May, 2011.

(SEAL)

_____
Notary Public in and for Cook County, Illinois

My Commission Expires:

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Nimalan Chinniah and Russell J. Herron, personally known to me to be the same persons whose names are, respectively, Vice President for Administration and CFO and Assistant Secretary of THE UNIVERSITY OF CHICAGO, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this ____ day of May, 2011.

(SEAL)

_____
Notary Public in and for Cook County, Illinois

My Commission Expires:

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Colette Louise Gurin, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Kenneth J. Sharigian and Jennifer A. Hill, personally known to me to be the same persons whose names are, respectively, Interim Chief Financial Officer and Secretary of THE UNIVERSITY OF CHICAGO MEDICAL CENTER, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 17th day of May, 2011.

(SEAL)

OFFICIAL SEAL
COLETTE LOUISE GURIN
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 9-17-2012

Colette Louise Gurin
_____
Notary Public in and for Cook County, Illinois

My Commission Expires:

ATTACHMENT 2

Exhibit A

LEGAL DESCRIPTION

(1) ALL OF "GOLDBLATT PAVILION" FOR A TERM OF YEARS BEGINNING JUNE 30, 1987, AND ENDING JUNE 30, 2027;

(2) THE SUB-BASEMENT, FIRST AND SECOND FLOORS OF "BERNARD MITCHELL HOSPITAL" AND THE FIRST AND SECOND FLOORS OF "ARTHUR RUBLOFF INTENSIVE CARE TOWER" FOR A TERM OF YEARS BEGINNING JUNE 30, 1987, AND ENDING JUNE 30, 2027; AND THE REMAINING FLOORS OF EACH OF SAID BUILDINGS FOR A TERM OF YEARS BEGINNING JULY 1, 1987, AND ENDING JUNE 30, 2027;

(3) THE THIRD FLOOR OF "GOLDBLATT MAGNETIC RESONANCE IMAGING FACILITY" FOR A TERM OF YEARS BEGINNING JULY 1, 1987, AND ENDING JUNE 30, 2027;

(4) THE FOURTH FLOOR OF THE "SURGERY - BRAIN RESEARCH PAVILION," AND THOSE PORTIONS OF THE THIRD FLOOR OF SAID BUILDING SHOWN ON EXHIBIT "C" ATTACHED TO SAID LEASE, FOR A TERM OF YEARS BEGINNING JULY 1, 1987, AND ENDING JUNE 30, 2027; AND

(5) THE BASEMENT AND FIRST TIER OF THE "MATERIALS MANAGEMENT FACILITY," AS SHOWN ON EXHIBIT "C" ATTACHED TO SAID LEASE, FOR A TERM OF YEARS BEGINNING JULY 1, 1987, AND ENDING JUNE 30, 2027;

SAID BUILDINGS ARE LOCATED ON THE FOLLOWING DESCRIBED LAND:

PARCEL 1 (WITHIN WHICH THE BUILDINGS KNOWN AS "GOLDBLATT PAVILION," "BERNARD MITCHELL HOSPITAL," " GOLDBLATT MAGNETIC RESONANCE IMAGING FACILITY" AND "SURGERY - BRAIN RESEARCH PAVILION" ARE LOCATED):

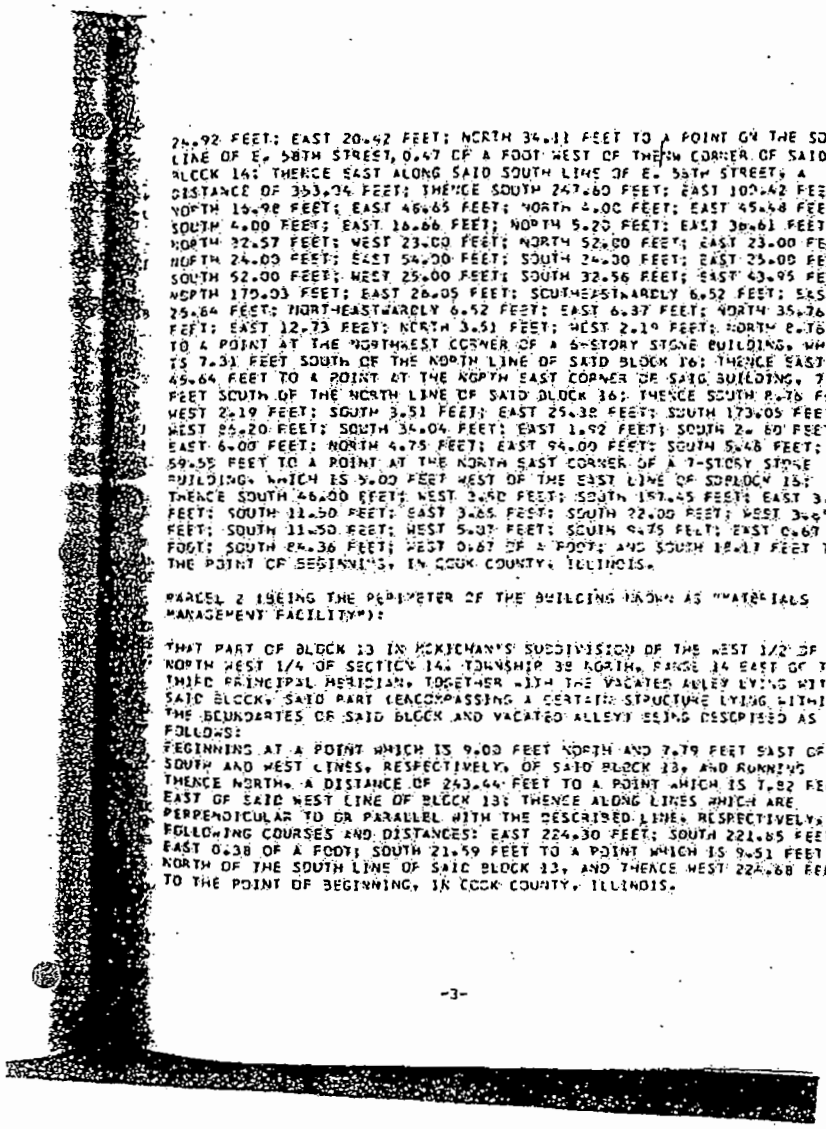
THOSE PARTS OF BLOCKS 14, 15 AND 16 IN NASON AND MCKICHAN'S SUBDIVISION OF THE WEST HALF OF THE NORTH WEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH THE VACATED STREETS AND ALLEYS LYING WITHIN AND ADJOINING SAID BLOCKS, SAID PARTS (ENCOMPASSING CERTAIN BUILDINGS LYING WITHIN THE BOUNDARIES OF SAID BLOCKS, VACATED STREETS AND ALLEYS) BEING DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH IS 10.11 FEET WEST AND 7.20 FEET NORTH OF THE EAST AND SOUTH LINES, RESPECTIVELY, OF BLOCK 16 AFORESAID, WHICH POINT IS AT THE SOUTH EAST CORNER OF A SIX-STORY AND BASEMENT STONE BUILDING, AND RUNNING THENCE ALONG LINES ENCOMPASSING THE AFOREMENTIONED BUILDINGS THE FOLLOWING COURSES AND DISTANCES:

-1-

WEST 11.10 FEET; SOUTH 4.45 FEET; WEST 19.80 FEET; NORTH 4.45 FEET; WEST 11.10 FEET; NORTH 2.34 FEET; WEST 49.02 FEET; SOUTH 4.37 FEET; WEST 19.50 FEET; NORTH 4.37 FEET; WEST 48.02 FEET; SOUTH 2.34 FEET; WEST 44.99 FEET TO THE SOUTH WEST CORNER OF A 3-STORY STONE BUILDING, AT A POINT WHICH IS 7.24 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 16; THENCE NORTH 2.34 FEET; WEST 0.67 OF A FOOT; NORTH 108.50 FEET; WEST 15.00 FEET; SOUTH 1.67 FEET; WEST 6.33 FEET; NORTH 1.67 FEET; WEST 48.62 FEET; SOUTH 8.20 FEET; EAST 11.40 FEET; SOUTH 20.60 FEET; WEST 45.60 FEET; NORTH 20.60 FEET; EAST 11.40 FEET; NORTH 8.20 FEET; WEST 49.62 FEET; SOUTH 1.87 FEET; WEST 4.33 FEET; NORTH 1.87 FEET; WEST 15.00 FEET; SOUTH 32.60 FEET; EAST 8.89 FEET; NORTH 1.47 FEET; EAST 4.75 FEET; SOUTH 2.39 FEET; EAST 5.88 FEET; SOUTH 19.18 FEET; WEST 5.88 FEET; SOUTH 2.38 FEET; WEST 4.75 FEET; NORTH 1.47 FEET; WEST 8.80 FEET; SOUTH 55.20 FEET; WEST 0.67 OF A FOOT; SOUTH 2.34 FEET TO THE SOUTH EAST CORNER OF A 3-STORY STONE BUILDING AT A POINT WHICH IS 7.27 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 15; THENCE WEST 45.00 FEET; NORTH 2.34 FEET; WEST 48.48 FEET; SOUTH 7.00 FEET; WEST 18.56 FEET; NORTH 7.00 FEET; WEST 45.48 FEET; SOUTH 2.34 FEET; WEST 42.00 FEET TO THE SOUTH WEST CORNER OF A 5-STORY STONE BUILDING AT A POINT WHICH IS 7.32 FEET NORTH OF SAID SOUTH LINE OF BLOCK 15; THENCE NORTH 18.32 FEET; WEST 0.67 OF A FOOT; NORTH 84.35 FEET; WEST 9.06 FEET; SOUTH 9.24 FEET; WEST 30.47 FEET; SOUTH 7.75 FEET; WEST 16.25 FEET; NORTH 7.75 FEET; WEST 30.50 FEET; NORTH 14.34 FEET; WEST 9.28 FEET; SOUTH 63.44 FEET; EAST 5.76 FEET; SOUTH 12.70 FEET; WEST 5.76 FEET; SOUTH 20.22 FEET; EAST 3.50 FEET; SOUTH 3.00 FEET; WEST 7.75 FEET; SOUTH 4.50 FEET TO THE SOUTH EAST CORNER OF A 3-STORY STONE BUILDING, AT A POINT WHICH IS 10.20 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 14; THENCE WEST 27.19 FEET; NORTH 2.00 FEET; WEST 70.51 FEET; SOUTH 3.70 FEET; WEST 4.74 FEET; SOUTH 2.00 FEET; WEST 13.52 FEET; NORTH 2.00 FEET; WEST 44.65 FEET; SOUTH 2.70 FEET; WEST 20.75 FEET TO A POINT WHICH IS 5.24 FEET NORTH AND 0.81 OF A FOOT EAST OF THE SOUTH AND WEST LINES OF BLOCK 14 AFORESAID; THENCE NORTH 28.36 FEET; EAST 9.00 FEET; NORTH 28.96 FEET; WEST 4.62 FEET; NORTH 9.02 FEET; EAST 3.01 FEET; NORTH 69.70 FEET; WEST 3.50 FEET; NORTH 15.50 FEET; WEST 5.64 FEET; NORTH 16.50 FEET; EAST 5.64 FEET; NORTH 15.50 FEET; EAST 3.50 FEET; NORTH 70.70 FEET; WEST 3.00 FEET; NORTH 8.00 FEET; EAST 3.00 FEET; NORTH 35.28 FEET; WEST 1.47 FEET; NORTH 3.00 FEET; EAST 9.39 FEET; NORTH 13.07 FEET; NORTHWARDLY 13.20 FEET; WESTWARDLY 18.41 FEET; NORTH 44.20 FEET TO A POINT WHICH IS 3.41 FEET WEST OF THE WEST LINE OF BLOCK 14; THENCE EASTWARDLY 18.41 FEET; THENCE NORTHWARDLY 15.90 FEET; THENCE EAST 214.90 FEET; SOUTHWARDLY 15.82 FEET; EAST 18.45 FEET; SOUTH 22.96 FEET; EAST 73.94 FEET; NORTH 58.60 FEET; WEST 105.04 FEET; NORTHWESTWARDLY 28.34 FEET; NORTH 15.00 FEET; WEST 150.09 FEET TO THE SOUTH WEST CORNER OF A 6-STORY STONE BUILDING AT A POINT WHICH IS 0.74 OF A FOOT WEST OF THE WEST LINE OF BLOCK 14; THENCE NORTH 34.09 FEET; WEST 20.42 FEET; NORTH 24.92 FEET; WEST 4.72 FEET; NORTH 40.02 FEET; EAST 4.72 FEET; NORTH

ATTACHMENT 2



24.92 FEET; EAST 20.42 FEET; NORTH 34.11 FEET TO A POINT ON THE SOUTH LINE OF E. 58TH STREET, 0.47 OF A FOOT WEST OF THE NW CORNER OF SAID BLOCK 16; THENCE EAST ALONG SAID SOUTH LINE OF E. 58TH STREET, A DISTANCE OF 353.04 FEET; THENCE SOUTH 247.60 FEET; EAST 100.42 FEET; NORTH 19.98 FEET; EAST 46.65 FEET; NORTH 4.00 FEET; EAST 45.68 FEET; SOUTH 4.00 FEET; EAST 16.66 FEET; NORTH 5.20 FEET; EAST 38.61 FEET; NORTH 32.57 FEET; WEST 23.00 FEET; NORTH 52.00 FEET; EAST 23.00 FEET; NORTH 24.09 FEET; EAST 54.00 FEET; SOUTH 24.00 FEET; EAST 25.00 FEET; SOUTH 52.00 FEET; WEST 25.00 FEET; SOUTH 32.56 FEET; EAST 43.95 FEET; NORTH 179.03 FEET; EAST 26.05 FEET; SOUTHEASTWARDLY 6.52 FEET; EAST 25.64 FEET; NORTHEASTWARDLY 6.52 FEET; EAST 6.37 FEET; NORTH 35.76 FEET; EAST 12.73 FEET; NORTH 3.51 FEET; WEST 2.19 FEET; NORTH 8.76 FEET TO A POINT AT THE NORTHWEST CORNER OF A 6-STORY STONE BUILDING, WHICH IS 7.31 FEET SOUTH OF THE NORTH LINE OF SAID BLOCK 16; THENCE EAST 45.64 FEET TO A POINT AT THE NORTH EAST CORNER OF SAID BUILDING, 7.36 FEET SOUTH OF THE NORTH LINE OF SAID BLOCK 16; THENCE SOUTH 8.76 FEET; WEST 2.19 FEET; SOUTH 3.51 FEET; EAST 25.38 FEET; SOUTH 173.05 FEET; WEST 89.20 FEET; SOUTH 34.04 FEET; EAST 1.92 FEET; SOUTH 2.60 FEET; EAST 6.00 FEET; NORTH 4.75 FEET; EAST 94.00 FEET; SOUTH 5.48 FEET; EAST 59.55 FEET TO A POINT AT THE NORTH EAST CORNER OF A 7-STORY STONE BUILDING, WHICH IS 9.00 FEET WEST OF THE EAST LINE OF SUBLOCK 16; THENCE SOUTH 46.00 FEET; WEST 2.60 FEET; SOUTH 197.45 FEET; EAST 3.50 FEET; SOUTH 11.50 FEET; EAST 3.85 FEET; SOUTH 22.00 FEET; WEST 3.85 FEET; SOUTH 11.50 FEET; WEST 5.00 FEET; SOUTH 9.75 FEET; EAST 0.67 OF FOOT; SOUTH 84.36 FEET; WEST 0.67 OF A FOOT; AND SOUTH 18.17 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 2 (BEING THE PERIMETER OF THE BUILDING KNOWN AS "MATERIALS MANAGEMENT FACILITY"):

THAT PART OF BLOCK 13 IN HOKIEMAN'S SUBDIVISION OF THE WEST 1/2 OF TH NORTH WEST 1/4 OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH THE VACATED ALLEY LYING WITHI SAID BLOCK, SAID PART (ENCOMPASSING A CERTAIN STRUCTURE LYING WITHIN THE BOUNDARIES OF SAID BLOCK AND VACATED ALLEY) BEING DESCRIBED AS FOLLOWS:
BEGINNING AT A POINT WHICH IS 9.00 FEET NORTH AND 7.79 FEET EAST OF T SOUTH AND WEST LINES, RESPECTIVELY, OF SAID BLOCK 13, AND RUNNING THENCE NORTH, A DISTANCE OF 243.44 FEET TO A POINT WHICH IS 7.92 FEET EAST OF SAID WEST LINE OF BLOCK 13; THENCE ALONG LINES WHICH ARE PERPENDICULAR TO OR PARALLEL WITH THE DESCRIBED LINES, RESPECTIVELY, T FOLLOWING COURSES AND DISTANCES: EAST 224.30 FEET; SOUTH 221.85 FEET; EAST 0.38 OF A FOOT; SOUTH 21.59 FEET TO A POINT WHICH IS 9.51 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 13, AND THENCE WEST 224.68 FEE TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 3 (BEING THE PERIMETER OF THE "TUNNEL AND BASEMENT"):

A PART OF BLOCKS 13 AND 14, TOGETHER WITH THE VACATED STREET LYING BETWEEN AND ADJOINING SAID BLOCKS IN MASON AND MCKICHANS SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID PART (ENCOMPASSING A TUNNEL AND CERTAIN BASEMENT AREAS ADJOINING SAID TUNNEL), BEING DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH IS 110.26 FEET NORTH AND 1.00 FEET EAST OF THE SOUTH AND WEST LINES, RESPECTIVELY, OF SAID BLOCK 14, AND RUNNING

THENCE WEST ALONG A LINE WHICH IS PERPENDICULAR TO SAID WEST LINE OF BLOCK 14 A DISTANCE OF 29.29 FEET;

THENCE NORTHWESTWARDLY ALONG A LINE, WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH A PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 32.97 FEET, TO A POINT WHICH IS 21.40 FEET EAST OF THE EAST LINE OF SAID BLOCK 13;

THENCE NORTH ALONG A LINE WHICH IS PARALLEL WITH SAID EAST LINE OF BLOCK 13, A DISTANCE OF 93.02 FEET;

THENCE NORTHWESTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 15.30 FEET;

THENCE WEST ALONG A LINE WHICH IS PERPENDICULAR TO SAID EAST LINE OF BLOCK 13, A DISTANCE OF 31.71 FEET, TO A POINT WHICH IS 21.13 FEET WEST AND 237.24 FEET NORTH OF THE EAST AND SOUTH LINES, RESPECTIVELY, OF SAID BLOCK 13;

THENCE NORTH ALONG A LINE WHICH IS PARALLEL WITH SAID EAST LINE OF BLOCK 13, A DISTANCE OF 14.00 FEET;

THENCE EAST ALONG A LINE WHICH IS PERPENDICULAR TO SAID EAST LINE OF BLOCK 13, A DISTANCE OF 31.53 FEET;

THENCE NORTHEASTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 15.56 FEET, TO A POINT WHICH IS 21.40 FEET EAST OF THE EAST LINE OF SAID BLOCK 13;

THENCE NORTH ALONG A LINE WHICH IS PARALLEL WITH SAID EAST LINE OF BLOCK 13, A DISTANCE OF 139.57 FEET;

THENCE EAST ALONG A LINE PERPENDICULAR TO LAST DESCRIBED COURSE, A DISTANCE OF 0.35 OF A FOOT;

THENCE NORTH ALONG A LINE WHICH IS PERPENDICULAR TO THE EASTWARD EXTENSION OF THE NORTH LINE OF SAID BLOCK 13 (SAID EASTWARD EXTENSION BEING ALSO THE SOUTH LINE OF E. 58TH STREET), A DISTANCE OF 13.97 FEET;

THENCE EAST ALONG A LINE PERPENDICULAR TO LAST DESCRIBED COURSE, A DISTANCE OF 0.38 OF A FOOT;

THENCE NORTH ALONG A LINE WHICH IS PERPENDICULAR TO SAID SOUTH LINE OF E. 58TH STREET, A DISTANCE OF 181.72 FEET TO A POINT ON SAID SOUTH LINE OF E. 58TH STREET;

THENCE EAST ALONG SAID SOUTH LINE OF E. 58TH STREET, A DISTANCE OF 43.11 FEET TO A POINT WHICH IS 0.47 OF A FOOT WEST OF THE NORTHWEST CORNER OF SAID BLOCK 14;

THENCE ALONG LINES WHICH ARE PERPENDICULAR TO OR PARALLEL WITH SAID SOUTH LINE OF E. 58TH STREET, RESPECTIVELY, THE FOLLOWING COURSES AND DISTANCES:

SOUTH 34.11 FEET;
WEST 20.42 FEET;
SOUTH 24.92 FEET;
WEST 4.72 FEET;
SOUTH 40.02 FEET;
EAST 4.72 FEET;
SOUTH 24.92 FEET;
EAST 20.42 FEET;
SOUTH 34.09 FEET TO A POINT WHICH IS 0.74 OF A FOOT WEST OF SAID WEST LINE OF BLOCK 14;

THENCE EAST 150.07 FEET;

SOUTH 15.00 FEET;

THENCE SOUTHEASTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 30.20 FEET, TO AN INTERSECTION WITH A LINE WHICH IS 194.42 FEET SOUTH OF AND PARALLEL WITH SAID SOUTH LINE OF E. 58TH STREET;

THENCE WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 190.92 FEET;

THENCE SOUTHWESTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 15.42 FEET, TO A POINT WHICH IS 35.40 FEET EAST OF THE AFORESAID EAST LINE OF BLOCK 13;

THENCE SOUTH ALONG A LINE WHICH IS PARALLEL WITH SAID EAST LINE OF BLOCK 13, A DISTANCE OF 252.40 FEET;

THENCE SOUTHEASTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 14.30 FEET;

THENCE EAST ALONG A LINE WHICH IS PERPENDICULAR TO SAID WEST LINE OF BLOCK 14, A DISTANCE OF 28.48 FEET TO A POINT WHICH IS 8.00 FEET EAST OF SAID WEST LINE OF BLOCK 14 AND

THENCE SOUTH A DISTANCE OF 19.00 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

CONTAINING 17,432 SQUARE FEET OF LAND MORE OR LESS.

PROPERTY ADDRESS:

5841 SOUTH MARYLAND AVENUE, CHICAGO, ILLINOIS

PROPERTY INDEX NUMBERS:

20-14-118-002-0000
20-14-118-006-0000
20-14-118-007-0000
20-14-119-008-0000
20-14-119-009-0000

This instrument was prepared by
and after recording return to:

Elizabeth F. Weber
Katten Muchin Rosenman LLP
525 West Monroe Street
Chicago, Illinois 60661-3693

SPACE ABOVE THIS LINE FOR RECORDER'S USE.

TWELFTH AMENDMENT
to
LEASE AGREEMENT
originally
between
THE UNIVERSITY OF CHICAGO
and
THE UNIVERSITY OF CHICAGO HOSPITALS

This Twelfth Amendment (the "Twelfth Amendment") supplementing and amending that certain Lease Agreement dated as of June 30, 1987, between The University of Chicago ("Lessor") and The University of Chicago Medical Center, formerly known as The University of Chicago Hospitals ("Lessee"), relating to the real property described in the Exhibit attached hereto and recorded as document 87482005, as heretofore amended as of July 24, 1987 by the First Amendment, as of April 12, 1989 by the Second Amendment (recorded as document 89167251), as of September 29, 1992 by the Third Amendment (incorrectly denominated the Second Amendment), as of May 12, 1993 by the Fourth Amendment, as of May 1, 1994 by the Fifth Amendment, as of August 1, 1998 by the Sixth Amendment, as of August 1, 2001 by the Seventh Amendment, as of February 12, 2009 by the Eighth Amendment, as of August 20, 2009 by the Ninth Amendment, as of November 9, 2010 by the Tenth Amendment and as of May 20, 2011 by the Eleventh Amendment, shall become effective on the date of issuance of the Series 2012 Bonds (as defined below). The original Lease Agreement as amended is referred to herein as the "Lease".

The parties recognize that it is necessary to amend the Lease in order to enable Lessee to borrow funds from the Illinois Finance Authority (which will obtain such funds through the issuance of the Series 2012 Bonds) in order to refinance certain existing borrowings of the Lessee and pay related costs. The parties therefore agree as follows:

1. Section 1.15 of the Lease is amended in its entirety to read as follows:

1.15 "Loan Agreement." Loan Agreement means, collectively, (i) the Loan Agreement dated as of August 1, 2003 between the Lessee and the Illinois Finance Authority or its successor (the "Authority"), as successor to the Illinois Health Facilities Authority, related to the Illinois Health Facilities Authority Revenue Refunding Bonds, Series 2003 (The University of Chicago Hospitals and Health System) (the "Series 2003 Bonds"), (ii) the Loan Agreement dated as of February 1, 2009 between the Lessee and

ATTACHMENT 2

the Authority related to the Illinois Finance Authority Revenue Refunding Bonds, Series 2009A (The University of Chicago Medical Center) (the "Series 2009A Bonds"), (iii) the Loan Agreement dated as of February 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Revenue Refunding Bonds, Series 2009B (The University of Chicago Medical Center) (the "Series 2009B Bonds"), (iv) the Loan Agreement dated as of August 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Revenue Bonds, Series 2009C (The University of Chicago Medical Center) (the "Series 2009C Bonds"), (v) the Loan Agreement dated as of August 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2009D (The University of Chicago Medical Center) (the "Series 2009D Bonds") and any Credit Facility Agreement (as defined in such Loan Agreement) for the Series 2009D Bonds or any subseries thereof, which as of the date of this Twelfth Amendment is the Reimbursement Agreement dated as of June 1, 2012 between the Lessee and PNC Bank, National Association, (vi) the Loan Agreement dated as of August 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2009E (The University of Chicago Medical Center) (the "Series 2009E Bonds" and, together with the Series 2009C Bonds and the Series 2009D Bonds, the "Series 2009CDE Bonds") and any Credit Facility Agreement (as defined in such Loan Agreement) for the Series 2009E Bonds or any subseries thereof, which is initially the Reimbursement Agreement dated as of August 1, 2009 between the Lessee and JPMorgan Chase Bank, National Association, (vii) the Loan Agreement dated as of November 1, 2010 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2010A (The University of Chicago Medical Center) (the "Series 2010A Bonds") and any Credit Facility Agreement (as defined in the Loan Agreement) for the Series 2010A Bonds or any subseries thereof, which is initially the Reimbursement Agreement dated as of November 1, 2010 between the Lessee and Bank of America, N.A., (viii) the Loan Agreement dated as of November 1, 2010 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2010B (The University of Chicago Medical Center) (the "Series 2010B Bonds" and, together with the Series 2010A Bonds, the "Series 2010 Bonds") and any Credit Facility Agreement (as defined in the Loan Agreement) for the Series 2010B Bonds or any subseries thereof, which is initially the Letter of Credit Reimbursement Agreement dated as of November 1, 2010 between the Lessee and Wells Fargo Bank, National Association, (ix) the Loan Agreement dated as of May 1, 2011 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2011A (The University of Chicago Medical Center) (the "Series 2011A Bonds") and any Credit Facility Agreement (as defined in the Loan Agreement) for the Series 2011A Bonds or any subseries thereof, which is initially the Reimbursement Agreement dated as of May 1, 2011 between the Lessee and Bank of America, N.A., (x) the Loan Agreement dated as of May 1, 2011 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2011B (The University of Chicago Medical Center) (the "Series 2011B Bonds") and any Credit Facility Agreement (as defined in the Loan Agreement) for the Series 2011B Bonds or any subseries thereof, which is initially the Letter of Credit Reimbursement Agreement dated as of May 1, 2011 between the Lessee and Wells Fargo Bank, National Association, (xi) the Loan Agreement dated as of May 1, 2011 between

ATTACHMENT 2

the Lessee and the Authority related to the Illinois Finance Authority Revenue Bonds, Series 2011C (The University of Chicago Medical Center) (the "Series 2011C Bonds" and, together with the Series 2011A Bonds and the Series 2011B Bonds, the "Series 2011 Bonds"), and (xii) the Loan Agreement dated as of June 1, 2012 between the Lessee and the Authority related to the Illinois Finance Authority Revenue Refunding Bonds, Series 2012A (The University of Chicago Medical Center) (the "Series 2012A Bonds") and, in the case of each of the foregoing clauses, as any of such agreements may from time to time be amended in accordance with the terms thereof."

2. Notwithstanding Section 19.12 of the Lease, the other parties to each Loan Agreement (as that term may be amended from time to time) and their respective successors and assigns, so long as the Loan Agreement is in effect and amounts are payable thereunder, shall be third party beneficiaries solely with respect to the provisions set forth in the last sentence of Section 18.2 of the Lease.

3. All other provisions of the Lease shall remain in full force and effect.

4. This Twelfth Amendment may be executed in two or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute and be taken as one and the same instrument.

ATTACHMENT 2

IN WITNESS WHEREOF, Lessor and Lessee have executed and delivered this Twelfth Amendment to Lease Agreement as of June 28, 2012 pursuant to proper authority duly granted.

Lessor:

ATTEST:

THE UNIVERSITY OF CHICAGO

By: _____
Name: Russell J. Herron
Its: Assistant Secretary

By: _____
Name: Nimalan Chinniah
Its: Vice President for Administration and Chief Financial Officer

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO MEDICAL CENTER

By: _____
Name: Jennifer A. Hill
Its: Secretary

By: _____
Name: James M. Watson
Its: Chief Financial Officer

ATTACHMENT 2

IN WITNESS WHEREOF, Lessor and Lessee have executed and delivered this Twelfth Amendment to Lease Agreement as of June 28, 2012 pursuant to proper authority duly granted.

Lessor:

ATTEST:

THE UNIVERSITY OF CHICAGO

By: _____
Name: Russell J. Herron
Its: Assistant Secretary

By: _____
Name: Nimalan Chinniah
Its: Vice President for Administration and Chief Financial Officer

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO MEDICAL CENTER

By: Jennifer A. Hill
Name: Jennifer A. Hill
Its: Secretary

By: James M. Watson
Name: James M. Watson
Its: Chief Financial Officer

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Tambra A. Black, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Nimalan Chinniah and Russell J. Herron, personally known to me to be the same persons whose names are, respectively, Vice President for Administration and CFO and Assistant Secretary of THE UNIVERSITY OF CHICAGO, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 25th day of June, 2012.

(SEAL) OFFICIAL SEAL
TAMBRA A BLACK
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:07/30/14

Tambra A. Black
Notary Public in and for Cook County, Illinois

My Commission Expires: July 30, 2014

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a Notary Public in and for the said County in the State aforesaid, do hereby certify that James M. Watson and Jennifer A. Hill, personally known to me to be the same persons whose names are, respectively, Chief Financial Officer and Secretary of THE UNIVERSITY OF CHICAGO MEDICAL CENTER, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this ____ day of June, 2012.

(SEAL)

_____
Notary Public in and for Cook County, Illinois

My Commission Expires:

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Nimalan Chinniah and Russell J. Herron, personally known to me to be the same persons whose names are, respectively, Vice President for Administration and CFO and Assistant Secretary of THE UNIVERSITY OF CHICAGO, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this ____ day of June, 2012.

(SEAL)

_____
Notary Public in and for Cook County, Illinois

My Commission Expires:

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Wanda H. Wideman, a Notary Public in and for the said County in the State aforesaid, do hereby certify that James M. Watson and Jennifer A. Hill, personally known to me to be the same persons whose names are, respectively, Chief Financial Officer and Secretary of THE UNIVERSITY OF CHICAGO MEDICAL CENTER, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 21e day of June, 2012.

"OFFICIAL SEAL"
WANDA H. WIDEMAN
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 8/4/2014

(SEAL)

Wanda H. Wideman
Notary Public in and for Cook County, Illinois

My Commission Expires: 8-4-2014

Exhibit A

LEGAL DESCRIPTION

(1) ALL OF "GOLDBLATT PAVILION" FOR A TERM OF YEARS BEGINNING JUNE 30, 1987, AND ENDING JUNE 30, 2027;

(2) THE SUB-BASEMENT, FIRST AND SECOND FLOORS OF "BERNARD MITCHELL HOSPITAL" AND THE FIRST AND SECOND FLOORS OF "ARTHUR ROBLOFF INTENSIVE CARE TOWER" FOR A TERM OF YEARS BEGINNING JUNE 30, 1987, AND ENDING JUNE 30, 2027; AND THE REMAINING FLOORS OF BOTH OF SAID BUILDINGS FOR A TERM OF YEARS BEGINNING JULY 1, 1987, AND ENDING JUNE 30, 2027;

(3) THE THIRD FLOOR OF "GOLDBLATT MAGNETIC RESONANCE IMAGING FACILITY" FOR A TERM OF YEARS BEGINNING JULY 1, 1987, AND ENDING JUNE 30, 2027;

(4) THE FOURTH FLOOR OF THE "SURGERY - BRAIN RESEARCH PAVILION," AND THOSE PORTIONS OF THE THIRD FLOOR OF SAID BUILDING SHOWN ON EXHIBIT "C" ATTACHED TO SAID LEASE, FOR A TERM OF YEARS BEGINNING JULY 1, 1987, AND ENDING JUNE 30, 2027; AND

(5) THE BASEMENT AND FIRST TIER OF THE "MATERIALS MANAGEMENT FACILITY," AS SHOWN ON EXHIBIT "C" ATTACHED TO SAID LEASE, FOR A TERM OF YEARS BEGINNING JULY 1, 1987, AND ENDING JUNE 30, 2027;

WHICH BUILDINGS ARE LOCATED ON THE FOLLOWING DESCRIBED LANDS:

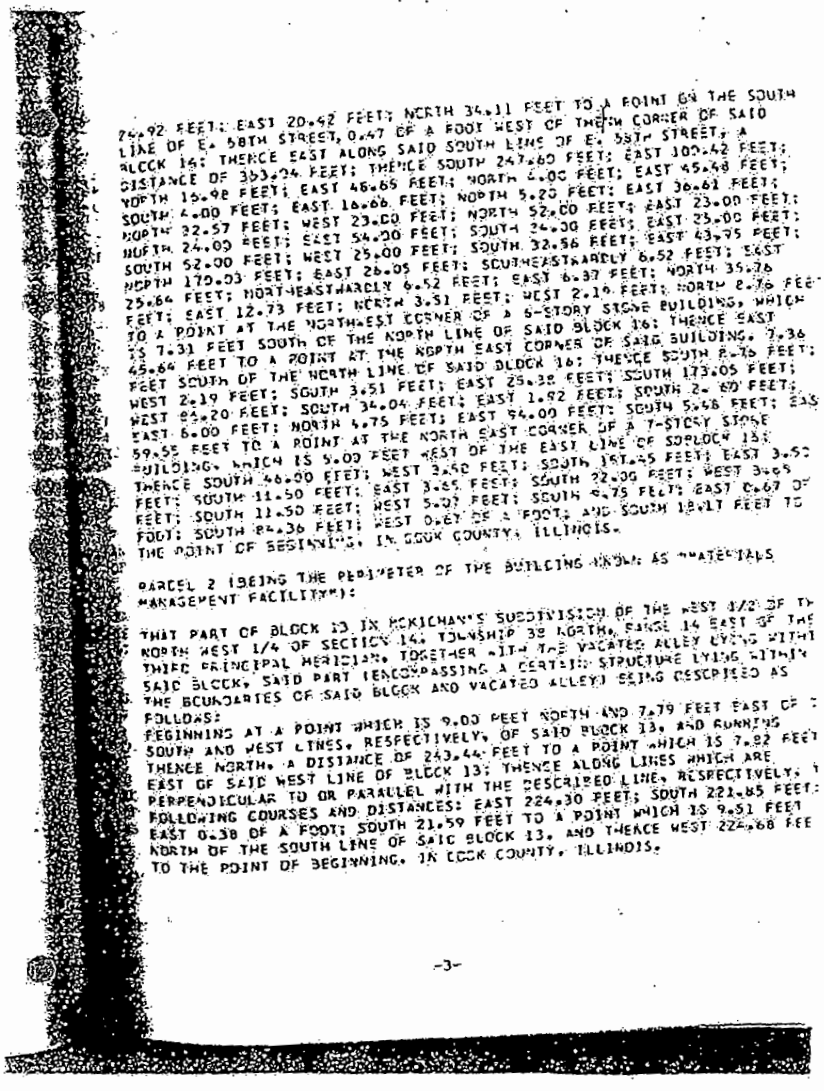
PARCEL 1 (WITHIN WHICH THE BUILDINGS KNOWN AS "GOLDBLATT PAVILION," "BERNARD MITCHELL HOSPITAL," " GOLDBLATT MAGNETIC RESONANCE IMAGING FACILITY" AND "SURGERY - BRAIN RESEARCH PAVILION" ARE LOCATED):

THOSE PARTS OF BLOCKS 14, 15 AND 16 IN MASON AND MCKICHAN'S SUBDIVISION OF THE WEST HALF OF THE NORTH WEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH THE VACATED STREETS AND ALLEYS LYING WITHIN AND ADJOINING SAID BLOCKS, SAID PARTS (ENCOMPASSING CERTAIN BUILDINGS LYING WITHIN THE BOUNDARIES OF SAID BLOCKS, VACATED STREETS AND ALLEYS) BEING DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH IS 10.31 FEET WEST AND 7.20 FEET NORTH OF THE EAST AND SOUTH LINES, RESPECTIVELY, OF BLOCK 16 AFORESAID, WHICH POINT IS AT THE SOUTH EAST CORNER OF A SIX-STORY AND BASEMENT STONE BUILDING, AND RUNNING THENCE ALONG LINES ENCOMPASSING THE AFOREMENTIONED BUILDINGS THE FOLLOWING COURSES AND DISTANCES:

-1-

WEST 11.10 FEET; SOUTH 4.45 FEET; WEST 19.80 FEET; NORTH 4.45 FEET; WEST 11.10 FEET; NORTH 2.34 FEET; WEST 48.02 FEET; SOUTH 4.37 FEET; WEST 19.50 FEET; NORTH 4.37 FEET; WEST 48.02 FEET; SOUTH 2.34 FEET; WEST 44.99 FEET TO THE SOUTH WEST CORNER OF A 3-STORY STONE BUILDING, AT A POINT WHICH IS 7.24 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 16; THENCE NORTH 2.34 FEET; WEST 0.67 OF A FOOT; NORTH 108.50 FEET; WEST 15.00 FEET; SOUTH 1.67 FEET; WEST 6.33 FEET; NORTH 1.67 FEET; WEST 48.62 FEET; SOUTH 8.20 FEET; EAST 11.40 FEET; SOUTH 20.60 FEET; WEST 45.60 FEET; NORTH 20.60 FEET; EAST 11.40 FEET; NORTH 8.20 FEET; WEST 48.62 FEET; SOUTH 1.67 FEET; WEST 6.33 FEET; NORTH 1.67 FEET; WEST 15.00 FEET; SOUTH 32.60 FEET; EAST 8.80 FEET; NORTH 1.47 FEET; EAST 4.75 FEET; SOUTH 2.39 FEET; EAST 5.88 FEET; SOUTH 19.18 FEET; WEST 5.88 FEET; SOUTH 2.38 FEET; WEST 4.75 FEET; NORTH 1.47 FEET; WEST 8.80 FEET; SOUTH 55.20 FEET; WEST 0.67 OF A FOOT; SOUTH 2.34 FEET TO THE SOUTH EAST CORNER OF A 3-STORY STONE BUILDING AT A POINT WHICH IS 7.27 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 15; THENCE WEST 45.00 FEET; NORTH 2.34 FEET; WEST 48.48 FEET; SOUTH 7.00 FEET; WEST 18.56 FEET; NORTH 7.00 FEET; WEST 48.48 FEET; SOUTH 2.34 FEET; WEST 42.00 FEET TO THE SOUTH WEST CORNER OF A 5-STORY STONE BUILDING AT A POINT WHICH IS 7.32 FEET NORTH OF SAID SOUTH LINE OF BLOCK 15; THENCE NORTH 12.32 FEET; WEST 0.67 OF A FOOT; NORTH 34.35 FEET; WEST 9.06 FEET; SOUTH 9.24 FEET; WEST 30.47 FEET; SOUTH 7.75 FEET; WEST 16.20 FEET; NORTH 7.75 FEET; WEST 30.50 FEET; NORTH 14.34 FEET; WEST 9.20 FEET; SOUTH 63.64 FEET; EAST 5.76 FEET; SOUTH 12.70 FEET; WEST 5.76 FEET; SOUTH 20.29 FEET; EAST 3.00 FEET; SOUTH 3.00 FEET; WEST 7.75 FEET; SOUTH 4.50 FEET TO THE SOUTH EAST CORNER OF A 3-STORY STONE BUILDING, AT A POINT WHICH IS 10.20 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 14; THENCE WEST 27.19 FEET; NORTH 2.00 FEET; WEST 70.51 FEET; SOUTH 3.70 FEET; WEST 4.74 FEET; SOUTH 2.00 FEET; WEST 13.52 FEET; NORTH 2.00 FEET; WEST 44.65 FEET; SOUTH 2.70 FEET; WEST 20.75 FEET TO A POINT WHICH IS 5.24 FEET NORTH AND 0.81 OF A FOOT EAST OF THE SOUTH AND WEST LINES OF BLOCK 14 AFORESAID; THENCE NORTH 28.86 FEET; EAST 9.00 FEET; NORTH 23.96 FEET; WEST 4.62 FEET; NORTH 6.02 FEET; EAST 3.01 FEET; NORTH 67.70 FEET; WEST 3.50 FEET; NORTH 15.50 FEET; WEST 5.64 FEET; NORTH 16.50 FEET; EAST 5.64 FEET; NORTH 15.50 FEET; EAST 3.50 FEET; NORTH 70.70 FEET; WEST 3.00 FEET; NORTH 6.00 FEET; EAST 3.00 FEET; NORTH 35.28 FEET; WEST 1.47 FEET; NORTH 3.00 FEET; EAST 9.39 FEET; NORTH 13.07 FEET; NORTHWARDLY 13.20 FEET; WESTWARDLY 18.41 FEET; NORTH 44.20 FEET TO A POINT WHICH IS 3.41 FEET WEST OF THE WEST LINE OF BLOCK 14; THENCE EASTWARDLY 18.41 FEET; THENCE NORTHWARDLY 15.80 FEET; THENCE EAST 214.90 FEET; SOUTHWARDLY 15.82 FEET; EAST 18.45 FEET; SOUTH 22.96 FEET; EAST 73.94 FEET; NORTH 58.60 FEET; WEST 105.04 FEET; NORTHWESTWARDLY 28.34 FEET; NORTH 15.00 FEET; WEST 150.38 FEET TO THE SOUTH WEST CORNER OF A 6-STORY STONE BUILDING AT A POINT WHICH IS 0.74 OF A FOOT WEST OF THE WEST LINE OF BLOCK 14; THENCE NORTH 34.99 FEET; WEST 20.42 FEET; NORTH 24.92 FEET; WEST 4.72 FEET; NORTH 40.02 FEET; EAST 4.72 FEET; NORTH



79.92 FEET; EAST 20.42 FEET; NORTH 34.11 FEET TO A POINT ON THE SOUTH LINE OF E. 58TH STREET, 0.47 OF A FOOT WEST OF THE N CORNER OF SAID BLOCK 16; THENCE EAST ALONG SAID SOUTH LINE OF E. 58TH STREET, A DISTANCE OF 353.24 FEET; THENCE SOUTH 247.60 FEET; EAST 100.42 FEET; NORTH 19.98 FEET; EAST 46.66 FEET; NORTH 4.00 FEET; EAST 45.48 FEET; SOUTH 4.00 FEET; EAST 16.66 FEET; NORTH 5.20 FEET; EAST 36.61 FEET; NORTH 32.57 FEET; WEST 23.00 FEET; NORTH 52.00 FEET; EAST 23.00 FEET; NORTH 24.00 FEET; EAST 54.00 FEET; SOUTH 24.00 FEET; EAST 25.00 FEET; SOUTH 52.00 FEET; WEST 25.00 FEET; SOUTH 32.56 FEET; EAST 43.95 FEET; NORTH 170.03 FEET; EAST 26.05 FEET; SOUTHEASTWARDLY 6.52 FEET; EAST 25.84 FEET; NORTHEASTWARDLY 6.52 FEET; EAST 6.37 FEET; NORTH 35.76 FEET; EAST 12.73 FEET; NORTH 3.51 FEET; WEST 2.19 FEET; NORTH 2.76 FEE TO A POINT AT THE NORTHEAST CORNER OF A 6-STORY STONE BUILDING, WHICH IS 7.31 FEET SOUTH OF THE NORTH LINE OF SAID BLOCK 16; THENCE EAST 46.64 FEET TO A POINT AT THE NORTH EAST CORNER OF SAID BUILDING, 7.36 FEET SOUTH OF THE NORTH LINE OF SAID BLOCK 16; THENCE SOUTH 8.76 FEET; WEST 2.19 FEET; SOUTH 3.51 FEET; EAST 29.38 FEET; SOUTH 173.05 FEET; WEST 84.20 FEET; SOUTH 34.04 FEET; EAST 1.92 FEET; SOUTH 2.60 FEET; EAST 6.00 FEET; NORTH 4.75 FEET; EAST 94.00 FEET; SOUTH 5.48 FEET; EAS 59.55 FEET TO A POINT AT THE NORTH EAST CORNER OF A 7-STORY STONE BUILDING, WHICH IS 9.00 FEET WEST OF THE EAST LINE OF SUBLOCK 13; THENCE SOUTH 46.00 FEET; WEST 3.60 FEET; SOUTH 167.45 FEET; EAST 3.60 FEET; SOUTH 11.50 FEET; EAST 3.65 FEET; SOUTH 22.00 FEET; WEST 3.65 FEET; SOUTH 11.50 FEET; WEST 5.07 FEET; SOUTH 9.75 FEET; EAST 0.67 OF FOOT; SOUTH 84.36 FEET; WEST 0.67 OF A FOOT; AND SOUTH 18.17 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 2 (BEING THE PERIMETER OF THE BUILDING KNOWN AS "MATERIALS MANAGEMENT FACILITY"):

THAT PART OF BLOCK 13 IN ROBICHAUX'S SUBDIVISION OF THE WEST 1/2 OF TH NORTH WEST 1/4 OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH THE VACATED ALLEY LYING WITHI SAID BLOCK, SAID PART (ENCOMPASSING A CERTAIN STRUCTURE LYING WITHIN THE BOUNDARIES OF SAID BLOCK AND VACATED ALLEY) BEING DESCRIBED AS FOLLOWS:
BEGINNING AT A POINT WHICH IS 9.00 FEET NORTH AND 7.79 FEET EAST OF T SOUTH AND WEST LINES, RESPECTIVELY, OF SAID BLOCK 13, AND RUNNING THENCE NORTH, A DISTANCE OF 243.44 FEET TO A POINT WHICH IS 7.92 FEET EAST OF SAID WEST LINE OF BLOCK 13; THENCE ALONG LINES WHICH ARE PERPENDICULAR TO OR PARALLEL WITH THE DESCRIBED LINE, RESPECTIVELY, T FOLLOWING COURSES AND DISTANCES: EAST 224.30 FEET; SOUTH 221.85 FEET; EAST 0.38 OF A FOOT; SOUTH 21.59 FEET TO A POINT WHICH IS 9.51 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 13, AND THENCE WEST 224.68 FEE TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

-3-

ATTACHMENT 2

PARCEL 3 (BEING THE PERIMETER OF THE "TUNNEL AND BASEMENT"):

A PART OF BLOCKS 13 AND 14, TOGETHER WITH THE VACATED STREET LYING BETWEEN AND ADJOINING SAID BLOCKS IN MASON AND MCKICHANS SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID PART (ENCOMPASSING A TUNNEL AND CERTAIN BASEMENT AREAS ADJOINING SAID TUNNEL), BEING DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH IS 110.26 FEET NORTH AND 9.00 FEET EAST OF THE SOUTH AND WEST LINES, RESPECTIVELY, OF SAID BLOCK 14, AND RUNNING

THENCE WEST ALONG A LINE WHICH IS PERPENDICULAR TO SAID WEST LINE OF BLOCK 14 A DISTANCE OF 29.29 FEET;

THENCE NORTHWESTWARDLY ALONG A LINE, WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH A PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 32.97 FEET, TO A POINT WHICH IS 21.40 FEET EAST OF THE EAST LINE OF SAID BLOCK 13;

THENCE NORTH ALONG A LINE WHICH IS PARALLEL WITH SAID EAST LINE OF BLOCK 13, A DISTANCE OF 93.02 FEET;

THENCE NORTHWESTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 15.30 FEET;

THENCE WEST ALONG A LINE WHICH IS PERPENDICULAR TO SAID EAST LINE OF BLOCK 13, A DISTANCE OF 31.71 FEET, TO A POINT WHICH IS 21.13 FEET WEST AND 237.24 FEET NORTH OF THE EAST AND SOUTH LINES, RESPECTIVELY, OF SAID BLOCK 13;

THENCE NORTH ALONG A LINE WHICH IS PARALLEL WITH SAID EAST LINE OF BLOCK 13, A DISTANCE OF 14.00 FEET;

THENCE EAST ALONG A LINE WHICH IS PERPENDICULAR TO SAID EAST LINE OF BLOCK 13, A DISTANCE OF 31.53 FEET;

THENCE NORTHEASTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 15.56 FEET, TO A POINT WHICH IS 21.40 FEET EAST OF THE EAST LINE OF SAID BLOCK 13;

THENCE NORTH ALONG A LINE WHICH IS PARALLEL WITH SAID EAST LINE OF BLOCK 13, A DISTANCE OF 139.57 FEET;

THENCE EAST ALONG A LINE PERPENDICULAR TO LAST DESCRIBED COURSE, A DISTANCE OF 6.35 OF A FOOT;

-4-

THENCE NORTH ALONG A LINE WHICH IS PERPENDICULAR TO THE EASTWARD EXTENSION OF THE NORTH LINE OF SAID BLOCK 13 (SAID EASTWARD EXTENSION BEING ALSO THE SOUTH LINE OF E. 58TH STREET), A DISTANCE OF 13.97 FEET;

THENCE EAST ALONG A LINE PERPENDICULAR TO LAST DESCRIBED COURSE, A DISTANCE OF 0.38 OF A FOOT;

THENCE NORTH ALONG A LINE WHICH IS PERPENDICULAR TO SAID SOUTH LINE OF E. 58TH STREET, A DISTANCE OF 181.72 FEET TO A POINT ON SAID SOUTH LINE OF E. 58TH STREET;

THENCE EAST ALONG SAID SOUTH LINE OF E. 58TH STREET, A DISTANCE OF 43.11 FEET TO A POINT WHICH IS 0.47 OF A FOOT WEST OF THE NORTHWEST CORNER OF SAID BLOCK 14;

THENCE ALONG LINES WHICH ARE PERPENDICULAR TO OR PARALLEL WITH SAID SOUTH LINE OF E. 58TH STREET, RESPECTIVELY, THE FOLLOWING COURSES AND DISTANCES:

SOUTH 34.11 FEET;
WEST 20.42 FEET;
SOUTH 24.92 FEET;
WEST 4.72 FEET;
SOUTH 40.02 FEET;
EAST 4.72 FEET;
SOUTH 24.92 FEET;
EAST 20.42 FEET;
SOUTH 34.09 FEET TO A POINT WHICH IS 0.74 OF A FOOT WEST OF SAID WEST LINE OF BLOCK 14;

THENCE EAST 150.07 FEET;

SOUTH 15.00 FEET;

THENCE SOUTHEASTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 30.20 FEET, TO AN INTERSECTION WITH A LINE WHICH IS 194.42 FEET SOUTH OF AND PARALLEL WITH SAID SOUTH LINE OF E. 58TH STREET;

THENCE WEST ALONG SAID PARALLEL LINE, A DISTANCE OF 190.92 FEET;

THENCE SOUTHWESTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 15.42 FEET, TO A POINT WHICH IS 35.40 FEET EAST OF THE AFORESAID EAST LINE OF BLOCK 13;

THENCE SOUTH ALONG A LINE WHICH IS PARALLEL WITH SAID EAST LINE OF BLOCK 13, A DISTANCE OF 252.40 FEET;

THENCE SOUTHEASTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 14.30 FEET;

THENCE EAST ALONG A LINE WHICH IS PERPENDICULAR TO SAID WEST LINE OF BLOCK 14, A DISTANCE OF 28.48 FEET TO A POINT WHICH IS 8.00 FEET EAST OF SAID WEST LINE OF BLOCK 14 AND

THENCE SOUTH A DISTANCE OF 19.00 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

CONTAINING 17,432 SQUARE FEET OF LAND MORE OR LESS.

PROPERTY ADDRESS:

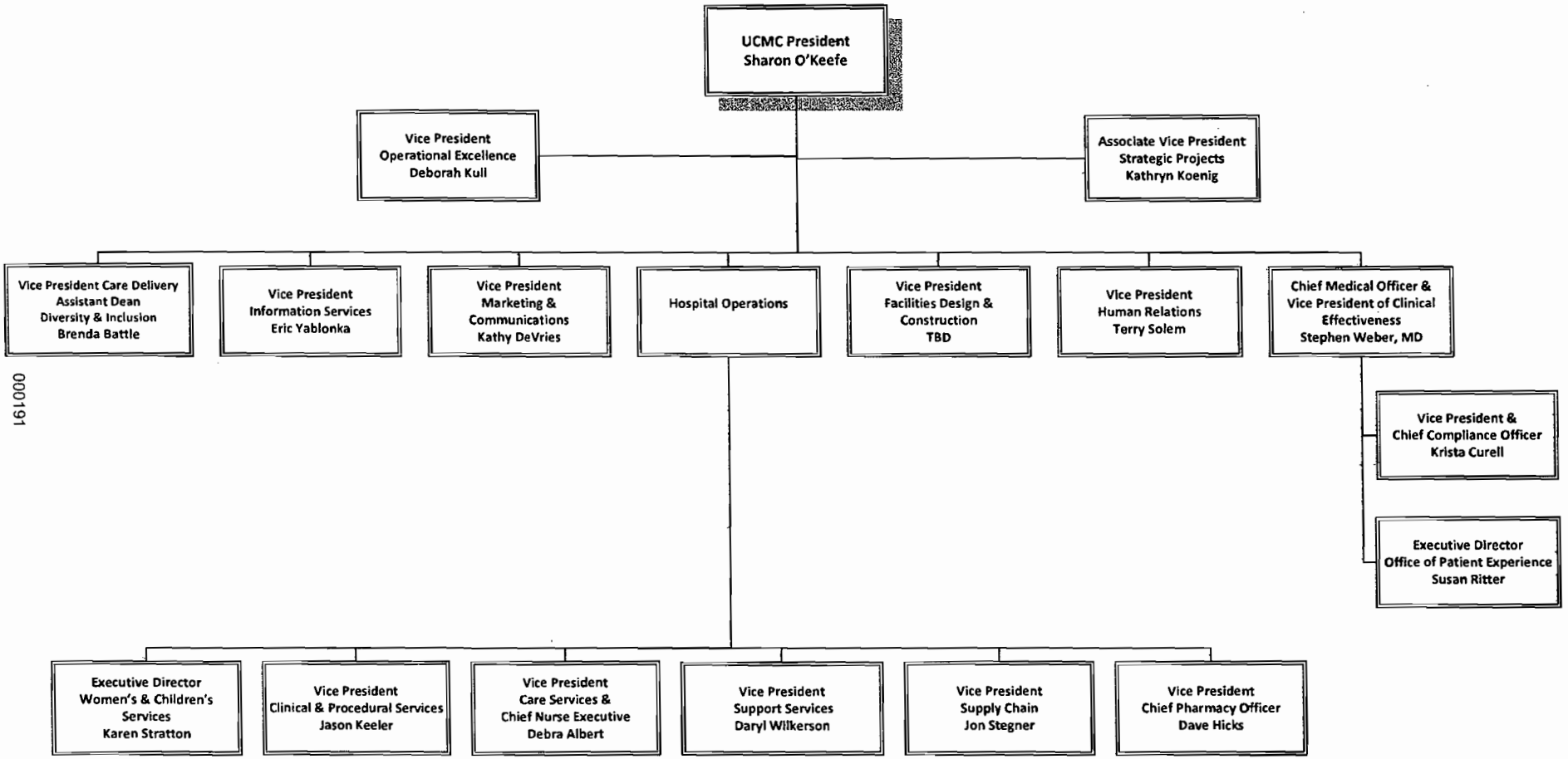
5841 SOUTH MARYLAND AVENUE, CHICAGO, ILLINOIS

PROPERTY INDEX NUMBERS:

20-14-118-002-0000
20-14-118-006-0000
20-14-118-007-0000
20-14-119-008-0000
20-14-119-009-0000

The University of Chicago Medical Center Organizational Chart

4/8/13



000191

ATTACHMENT 4

File Number 5439-757-7

STATE OF ILLINOIS

OFFICE OF THE SECRETARY OF STATE

To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that

THE UNIVERSITY OF CHICAGO MEDICAL CENTER, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON OCTOBER 01, 1986, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 3RD *day of* MAY *A.D.* 2013 .

Jesse White

SECRETARY OF STATE

Authentication #: 1312301598

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

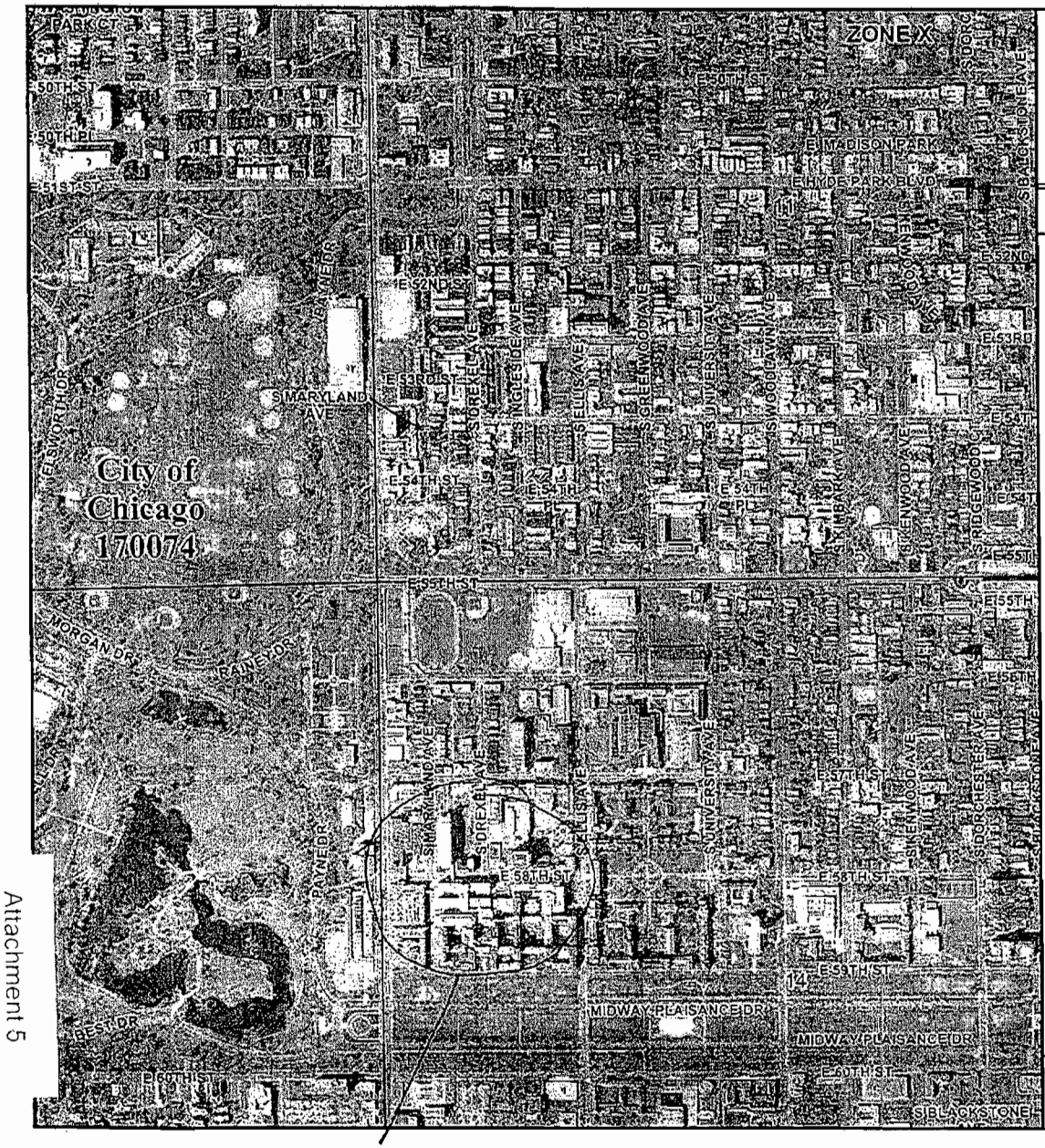
ATTACHMENT 4

ADDITIONAL REQUIREMENTS

Flood Plain Requirements

We attest that the site of our proposed project is not located in a flood plain and that the project complies with the Flood Plain Rule under Illinois Executive Order #2005-5. See attached map from FEMA, noting that the project site is not in a Flood Hazard Area.

Attachment - 5



MAP SCALE 1" = 1000'

500 0 1000 2000 FEET

NFIP

NATIONAL FLOOD INSURANCE PROGRAM

PANEL 0540J

FIRM

FLOOD INSURANCE RATE MAP

COOK COUNTY, ILLINOIS

AND INCORPORATED AREAS

PANEL 540 OF 832

(SEE MAP INDEX FOR FIRM PANEL LAYOUT)

CONTAINS:

COMMUNITY	NUMBER	PANEL	SUFFIX
CHICAGO, CITY OF	170074	0540	J
COOK COUNTY	170054	0540	J

Notice to User: The Map Number shown below should be used when placing map orders; the Community Number shown above should be used on insurance applications for the subject community.

MAP NUMBER
17031C0540J

MAP REVISED
AUGUST 19, 2008

Federal Emergency Management Agency

This is an official copy of a portion of the above referenced flood map. It was extracted using F-MIT On-Line. This map does not reflect changes or amendments which may have been made subsequent to the date on the title block. For the latest product information about National Flood Insurance Program flood maps check the FEMA Flood Map Store at www.msc.fema.gov

Not in FEMA Flood Hazard Area

000194

Attachment 5

LEGEND

SPECIAL FLOOD HAZARD AREAS (SFHAs) SUBJECT TO INUNDATION BY THE 1% ANNUAL CHANCE FLOOD

The 1% annual chance flood (100-year flood), also known as the base flood, is the flood that has a 1% chance of being equaled or exceeded in any given year. The Special Flood Hazard Area is the area subject to flooding by the 1% annual chance flood. Areas of Special Flood Hazard include Zones A, AE, AH, AO, AR, A99, V, and VE. The Base Flood Elevation is the water-surface elevation of the 1% annual chance flood.

ZONE A	No Base Flood Elevations determined.
ZONE AE	Base Flood Elevations determined.
ZONE AH	Flood depths of 1 to 3 feet (usually areas of ponding); Base Flooc Elevations determined.
ZONE AO	Flood depths of 1 to 3 feet (usually sheet flow on sloping terrain); average depths determined. For areas of alluvial fan flooding, velocities also determined.
ZONE AR	Special Flood Hazard Areas formerly protected from the 1% annual chance flood by a flood control system that was subsequently decertified. Zone AR indicates that the former flood control system is being restored to provide protection from the 1% annual chance or greater flood.
ZONE A99	Area to be protected from 1% annual chance flood by a Federal flood protection system under construction; no Base Flood Elevations determined.
ZONE V	Coastal flood zone with velocity hazard (wave action); no Base Flood Elevations determined.
ZONE VE	Coastal flood zone with velocity hazard (wave action); Base Flood Elevations determined.

FLOODWAY AREAS IN ZONE AE

The floodway is the channel of a stream plus any adjacent floodplain areas that must be kept free of encroachment so that the 1% annual chance flood can be carried without substantial increases in flood heights.

OTHER FLOOD AREAS

ZONE X Areas of 0.2% annual chance flood; areas of 1% annual chance flood with average depths of less than 1 foot or with drainage areas less than 1 square mile; and areas protected by levees from 1% annual chance flood.

OTHER AREAS

ZONE X Areas determined to be outside the 0.2% annual chance floodplain.

ZONE D Areas in which flood hazards are undetermined, but possible.

COASTAL BARRIER RESOURCES SYSTEM (CBRS) AREAS

MAP NUMBER
17031C0540J

MAP REVISED
AUGUST 19, 2008

OTHERWISE PROTECTED AREAS (OPAs)

CBRS areas and OPAs are normally located within or adjacent to Special Flood Hazard Areas.

- 1% annual chance floodplain boundary
- 0.2% annual chance floodplain boundary
- Floodway boundary
- Zone D boundary
- CBRS and OPA boundary
- Boundary dividing Special Flood Hazard Areas of different Base Flood Elevations, flood depths or flood velocities.
- 513 — Base Flood Elevation line and value; elevation in feet*
- (EL 987) — Base Flood Elevation value where uniform within zone; elevation in feet*

*Referenced to the North American Vertical Datum of 1988

- A — A — Cross section line
- 23 — 23 — Transect line
- 45° 02' 08", 93° 02' 12" — Geographic coordinates referenced to the North American Datum of 1983 (NAD 83)
- 4989000mN — 1000-meter Universal Transverse Mercator grid values, zone 16
- 1565000 FT — 5000-foot grid tick: Illinois State Plane East Coordinate System, 3776 zone (FIPSZONE 1201) Transverse Mercator
- DX5510 — Bench mark (see explanation in Notes to Users section of this FIRM panel)
- M1.5 — River Mile

MAP REPOSITORIES
Refer to Map Repositories list on Map Index

EFFECTIVE DATE OF COUNTYWIDE FLOOD INSURANCE RATE MAP
NOVEMBER 6, 2000

EFFECTIVE DATE(S) OF REVISION(S) TO THIS PANEL

December 20, 2002; February 4, 2004; June 2, 2005; December 16, 2005; November 16, 2006; and April 16, 2007

August 19, 2008 - to reflect updated topographic information, to update corporate limits, to add road names, to incorporate previously issued Letters of Map Revision, to change Base Flood Elevations, to add Special Flood Hazard Areas and Base Flood Elevations, and to change zone designations.

For community map revision history prior to countywide mapping, refer to the Community Map History table located in the Flood Insurance Study report for this jurisdiction.

To determine if flood insurance is available in this community, contact your insurance agent or call the National Flood Insurance Program at 1-800-638-6620.

This is an official copy of a portion of the above referenced flood map. It was extracted using F-MIT On-Line. This map does not reflect changes or amendments which may have been made subsequent to the date on the title block. For the latest product information about National Flood Insurance Program flood maps check the FEMA Flood Map Store at www.msc.fema.gov

Attachment 5

Illinois Historic
Preservation Agency

1 Old State Capitol Plaza • Springfield, Illinois 62701-1512 • Voice (217) 782-4836 • Teletypewriter Only (217) 524-7128
www.illinois-history.gov

Cook County
Chicago
Certificate of Need Applications
University of Chicago Hospitals
IHPA Log #17050997

May 26, 2005

John R. Beberman, Capital Budget Director
University of Chicago Hospitals
Room L-018, MC 0953
5841 South Maryland Avenue
Chicago, Illinois 60637-1470

Dear Mr. Beberman:

Our staff has reviewed your letter of 5 May 1997 requesting a streamlined review process for University of Chicago Hospitals projects submitted to the Illinois Health Facilities Planning Board (IHFPB) subject to review by IHPA. Our object is to streamline this process as much as possible also.

IHPA is willing to determine through this correspondence that non-ground disturbing projects undertaken on the properties listed below are considered to have no effect on historic properties and may proceed at the University's discretion.

UC Childrens Hospital	5839 S. Maryland
Surgery/Brain Research Pavilion	5812 S. Ellis
Bernard A. Mitchell Hospital	5843 S. Maryland
Duchossois Center for Advanced Medicine	5758 S. Maryland

As the subject buildings reach fifty years in age, they will need to be evaluated by IHPA for historic and architectural significance. This process will not be necessary until 2016 when the Childrens Hospital becomes potentially eligible for listing on the National Register of Historic Places (NRHP).

IHPA review and comment on projects involving ground disturbance, such as additions to extant buildings or new facilities will be required primarily due to the fact that this area, if not part of, was in close proximity to the Columbian Exposition of 1893 and may contain archaeologial artifacts related to construction for and operations associated with that event. For your reference, the Jackson Park Historic Landscape District and Midway Plaisance, which was listed on the NRHP in December of 1972, has East 59th Street as a northern boundary.

Inclusion of this letter in your future applications to the IHFPB will be sufficient to indicate compliance with the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420), as currently amended, for non-ground disturbing projects for the addresses listed above until 2016.

If you have any questions, do not hesitate to contact me at 217/785-5027.

Sincerely,

Anne E. Haaker

Anne E. Haaker
Deputy State Historic
Preservation Officer

Attachment 6

SECTION I - Project Costs Detail

Modernization		
Emergency power receptacles for patient monitors		$21,850
Data outlets for patient monitors		21,850
TV mounting brackets installation		15,296
Door security devices		48,000
Hydronic piping		67,040
Sheet metal ductwork/ air balancing		117,280
Paging system amplifiers		9,524
Domestic water piping		151,840
Sanitary waste piping		98,720
Nurse call rebuilding		140,000
Plant shutdowns, other services		12,000
Permit fees		5,000
Modernization total		$708,400
Contingencies		$70,840
Consulting and Other Fees		
CON consultant		$50,000
Movable and Other Equipment	Quant.	
Furnishings:		
- Task chairs, waiting chairs		$24,000
- Panel system refurbishment		20,000
- Cubicle curtains		12,496
Information systems:		
- Emergin nurse call/cell phone link		80,000
- Capsule device integration with EMR		35,000
- Connection to hospital central monitoring		150,000
- Epic EMR software licenses		200,000
- Micromedex application		5,000
- Cache database application		32,000
- Citrix license		25,000
- Computers and carts		86,000
- Televisions and brackets		40,000
Clinical Equipment:		
- Patient beds	38	266,000
- Patient monitors	38	1,000,000
- Patient monitors brackets	38	115,000
- Infusion pumps	30	110,000
- Crash cart with defibrillator and suction	2	44,000
- Bladder scanner	2	28,000
- Vital signs monitors	8	22,400
- Patient lift	2	30,000
- Blanket warmer	2	14,000
- Bedside cabinet	38	30,400
- Commode (regular)	20	1,000
- Commode (bariatric)	4	1,000
- Glove dispenser	100	2,000
- Thermometer with stand	8	3,600
- Waste, biohazard	50	4,500
- Waste, step-on	160	19,200
- Doppler, with stand	6	3,900
- Hovermat	2	2,400

Attachment - 7

SECTION I - Project Costs Detail

Movable and Other Equipment (continued)		
- Scale, platform	4	9,600
- Cardiac chair	2	16,800
- PAPR (respirator mask)	2	2,400
- Tank cabinet	4	4,000
- Pill crusher	2	300
- Glucoscan with docking station	4	5,800
- Cylinder carrier	4	500
- Pulse oximeter with mobile stand	4	8,000
- Sphygmomanometer, mobile, aneroid	8	2,960
- Hamper	20	6,500
Movable and Other Equipment total		$2,463,756

Other Costs to be Capitalized	
IS support personnel	$90,000
Cleaning	24,000
Dumpster charges	3,000
Moving	17,000
Other Costs to be Capitalized total	$134,000
Grand total	$3,426,996

Attachment - 7

SECTION I. Cost Space Requirements

Department/Area	Cost	Gross Square Feet Existing	Gross Square Feet Proposed	Amount of Proposed Total GSF That Is: New Constr.	Modern.	As Is	Vacated Space
Reviewable:							
Med/Surg Beds	$3,426,996	177,634	196,866	0	19,232	177,634	0
Total Reviewable					19,232		
Nonreviewable:							
Nothing	$0						
Total Nonreviewable					0		
Grand Total	$3,426,996	177,634	196,866	0	19,232	177,634	0

All space amounts are BGSF

Attachment - 9

THE UNIVERSITY OF CHICAGO MEDICAL CENTER
BACKGROUND OF APPLICANT
CRITERION 1110.230(a)(3)(A)

#1: A listing of all health care facilities owned or operated by the applicant, including licensing, certification and accreditation identification numbers, if applicable.

The only health care facility owned or operated by The University of Chicago Medical Center ("UCMC") is UCMC. A copy of UCMC's current license, permit, certification and registration issued by the Department of Public Health and its letter of accreditation by The Joint Commission are attached hereto.

State of Illinois 2087329
Department of Public Health

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

The person, firm or corporation whose name appears on this certificate has complied with the provisions of the Illinois Statutes and/or rules and regulations and is hereby authorized to engage in the activity as indicated below.

LA MAR HASBROUCK, MD, MPH
DIRECTOR

Issued under the authority of The State of Illinois Department of Public Health

EXPIRATION DATE	CATEGORY	I.D. NUMBER
06/30/13	BGBD	0003897

FULL LICENSE

GENERAL HOSPITAL

EFFECTIVE: 07/01/12

BUSINESS ADDRESS

THE UNIVERSITY OF CHICAGO MEDICAL CENTER
5841 SOUTH MARYLAND
MC 1112
CHICAGO IL 60637

The face of this license has a colored background. Printed by Authority of the State of Illinois • 4/97 •

DISPLAY THIS PART IN A CONSPICUOUS PLACE

REMOVE THIS CARD TO CARRY AS AN IDENTIFICATION

State of Illinois 2087329
Department of Public Health
LICENSE, PERMIT, CERTIFICATION, REGISTRATION

THE UNIVERSITY OF CHICAGO MEDICAL CEN

EXPIRATION DATE	CATEGORY	I.D. NUMBER
06/30/13	BGBD	0003897

FULL LICENSE

GENERAL HOSPITAL

EFFECTIVE: 07/01/12

05/05/12

THE UNIVERSITY OF CHICAGO MEDICAL
5841 SOUTH MARYLAND
MC 1112
CHICAGO IL 60637

FEE RECEIPT NO.

000201

ATTACHMENT 11

The Joint Commission

October 20, 2010

Everett Vokes, M.D.
New Interim Dean/CEO
University of Chicago Medical Center
5841 South Maryland Avenue
Chicago, IL 60637

Joint Commission ID #: 7315
Program: Hospital Accreditation
Accreditation Activity: 45-day Evidence of Standards Compliance
Accreditation Activity Completed: 10/20/2010

Dear Dr. Vokes:

The Joint Commission would like to thank your organization for participating in the accreditation process. This process is designed to help your organization continuously provide safe, high-quality care, treatment, and services by identifying opportunities for improvement in your processes and helping you follow through on and implement these improvements. We encourage you to use the accreditation process as a continuous standards compliance and operational improvement tool.

The Joint Commission is granting your organization an accreditation decision of Accredited for all services surveyed under the applicable manual(s) noted below:

- Comprehensive Accreditation Manual for Hospitals

This accreditation cycle is effective beginning April 10, 2010. The Joint Commission reserves the right to shorten or lengthen the duration of the cycle; however, the certificate and cycle are customarily valid for up to 39 months.

Please visit Quality Check® on The Joint Commission web site for updated information related to your accreditation decision.

We encourage you to share this accreditation decision with your organization's appropriate staff, leadership, and governing body. You may also want to inform the Centers for Medicare and Medicaid Services (CMS), state or regional regulatory services, and the public you serve of your organization's accreditation decision.

Please be assured that The Joint Commission will keep the report confidential, except as required by law. To ensure that The Joint Commission's information about your organization is always accurate and current, our policy requires that you inform us of any changes in the name or ownership of your organization or the health care services you provide.

Sincerely,

Ann Scott Blouin RN, PhD

Ann Scott Blouin, RN, Ph.D.
Executive Vice President
Accreditation and Certification Operations

ATTACHMENT 11

THE UNIVERSITY OF CHICAGO MEDICINE

Sharon O'Keefe
President

MC 1000 S-115
5841 South Maryland Avenue
Chicago, Illinois 60637-1470
phone (773) 702-8908
fax (773) 702-1897
sharon.okeefe@uchospitals.edu

May 13, 2013

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

Re: The University of Chicago Medical Center Permit Application – No Adverse Action

Dear Ms. Avery:

Please be advised that no disciplinary action relative to "Adverse Action" as defined under Section 1110.230(a)(1) of the Review Board Rules has been adjudicated against The University of Chicago Medical Center, or against any health care facility owned or operated by it, directly or indirectly, within three (3) years preceding the filing of the permit application.

Sincerely,

The University of Chicago Medical Center

Sharon O'Keefe
President

Notarization:

Subscribed and sworn to before me
this 13th day of May, 2013

Signature of Notary Public

Seal

"OFFICIAL SEAL"
CASSANDRA COLE
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 8/3/2013

THE UNIVERSITY OF CHICAGO MEDICINE

Sharon O'Keefe
President

MC 1000 S-115
5841 South Maryland Avenue
Chicago, Illinois 60637-1470
phone (773) 702-8908
fax (773) 702-1897
sharon.okeefe@uchospitals.edu

May 13, 2013

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

Re: The University of Chicago Medical Center Permit Application – Access to Information

Dear Ms. Avery:

I hereby authorize the State Board and State Agency access to information from any licensing/certification agency in order to verify any and all documentation or information submitted in relation to this permit application. I further authorize the Illinois Department of Public Health to obtain any additional documentation or information that said agency deems necessary for the review of the application as it pertains to Section 1110.230(a)(3)(C) of the Review Board Rules.

Sincerely,

The University of Chicago Medical Center

Sharon O'Keefe
President

Notarization:
Subscribed and sworn to before me
this 13th day of May, 2013

Signature of Notary Public

Seal

"OFFICIAL SEAL"
CASSANDRA COLE
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 8/3/2013

THE UNIVERSITY OF CHICAGO MEDICAL CENTER
CON APPLICATION
§1110.230(b)
PURPOSE OF THE PROJECT
ATTACHMENT 12

Overview of Purpose

The purpose of the project is to alleviate significant capacity constraints at The University of Chicago Medical Center ("UCMC") by re-activating 38 med/surg beds that had been recently de-commissioned.

When its CON permit application for the construction of its Center for Care & Discovery ("CCD") was filed in 2007, UCMC forecast a utilization growth rate of 1.2% annually. Instead, UCMC's actual utilization has grown by an average of 4.3% over the last four years. Within four days of opening on February 23, the med/surg beds in the CCD, along with the remainder of med/surg beds in Mitchell, were essentially full. Because of lack of availability of med/surg beds, UCMC's Emergency Department ("ED") must frequently go on diversion (by-pass) and is on diversion over 20% of the time – unfortunately, far more than any other hospital in the state. In addition, UCMC is frequently unable to accept transfers from area community hospitals needing to transfer patients to a tertiary hospital able to handle patients requiring specialized or high acuity care. UCMC's bed capacity constraints also increase the length-of-stay for admitted patients in the ED and affect the number of patients that choose to leave the ED without being seen.

Re-activating 38 existing, but de-commissioned, beds will allow UCMC to immediately address this bed shortage at low cost.

1. Document that the project will provide health care services that improve the health care or well-being of the market area population to be served.

UCMC is the sole academic medical center on the South Side of Chicago and closest support for the surrounding community hospitals. UCMC's case mix index for its med/surg beds is 1.8987, substantially higher than other hospitals in its planning area. In fact, the case mix indices for four of the other area hospitals in the planning area are less than 1.0 and range from 0.7933 to 1.3758. Although there is a calculated surplus of beds in the Planning Area, these data demonstrate the clear need for high-acuity med/surg beds that is not accounted for under the current system. In other words, med/surg capacity elsewhere in the planning area does not equal capacity at UCMC because of the level of UCMC's specialization.

UCMC is seeking to increase med/surg bed capacity to:

- Accommodate strong demand for high-acuity med/surg capacity in the planning area
- Reduce number of failed transfers
- Reduce adult ED backlog, including:
    - Rate of Patients Leaving Without Being Seen ("LWBS") in the ED
    - Long Waits for Admission from the ED
    - Rates of Ambulance Diversion
- Better Accommodate Occupancy Peak Periods

2. Define the planning area or market area, or other, per the applicant's definition.

As a major national academic medical center, UCMC essentially has two market areas. First, it serves much of the South Side of the City of Chicago, primarily in Planning Area A-03. In addition, for its highly specialized tertiary and quaternary services, UCMC serves much of the metropolitan area, the state and the Midwest, and

even includes international patients. These service areas are more precisely delineated in Attachment 20.

3. Identify the existing problems or issues that need to be addressed, as applicable and appropriate for the project.

UCMC is proposing an increase in the number of inpatient beds in the med/surg category of service from 300 to 338 to address the following issues.

UCMC Utilization Trends

Med/surg volume at UCMC has increased 4.3% annually between CY 2009-2012 — far more than the 1.2% growth rate projected when UCMC submitted its Center for Care and Discovery ("CCD") CON Application in 2007. With the increase in med/surg volume, these beds are frequently at full capacity, and UCMC is forced to limit admissions. Internal analysis indicates that pressures on inpatient occupancy will persist, largely driven by projected continuation of 4.3% annual growth.

Unlike other hospitals in its service area, UCMC has no reserve capacity to accommodate growth in inpatient utilization or even peak census periods. The lack of capacity creates a plethora of issues that directly bear upon UCMC's ability to provide patient care. The demand for UCMC's sub-specialized services continues to grow. UCMC is also investing in key services to better serve its community and patients. Both will require additional beds.

During the past year, UCMC operated at or beyond maximum effective clinical utilization (90%) based on peak daily census approximately 35% of the time.

Number of Failed Transfers

UCMC is a safety-net provider for patients and even other safety-net hospitals in its primary service area but cannot keep pace with current demand. Hospitals in UCMC's primary service area, including La Rabida Children's Hospital, Ingalls Memorial, St. Bernard, Mercy, Jackson Park, Roseland Community, Holy Cross, South Shore, Little Company of Mary, Advocate Trinity, MetroSouth medical Center, and Provident Cook County rely on UCMC's specialized expertise. These hospitals comprise 36% of total transfer requests, but almost one in five requests from nearby hospitals cannot be accommodated because of capacity constraints.

Most pediatric transfer requests are placed because UCMC is not currently experiencing a shortage of pediatric beds. The reality is that UCMC often does not have space to accommodate adult transfers. In contrast to a cancellation rate of 3% in FY 12 for pediatric transfers, three of the area community hospitals had cancellation rates for adult patients from 28 to 51%. Area hospitals attempt to transfer complex patients that need higher level of care, but UCMC must frequently decline requested transfers because it does not have available beds.

Additional beds are required in order for UCMC to accept these transfers.

Reduce Constraints on Emergency Department

A fundamental purpose of the proposed addition of the med/surg beds is to unclog operations and improve throughput in UCMC's Emergency Department, which is an essential portal for the health care and well-being of UCMC's constituency.

- Patients Left Without Being Seen rates in the Emergency Department

  Overall, UCMC's emergency department is 49% Medicaid or uninsured. Of the patients who left without being seen by a medical provider, 65% of them were insured by Medicaid or were uninsured and thus, the long-wait times in the Emergency Room disproportionately affects this population. Additionally, the LWBS rate distorts UCMC's utilization rates for inpatient beds because some of the patients who leave without being seen likely would have been admitted to UCMC.

- Long Waits for Admission in the ED

  The ED wait times are second highest in the Chicagoland area, and highest among all private hospitals in this area. Addressing this backlog will require additional beds.

- Reduce Ambulance Diversion Rates

  For 2012, the Adult ED was on ambulance diversion 2,025 hours out of 8,760 hours or over 23% of the time. In 95% of these instances, the diversion was due to the unavailability of hospital beds.

Better Accommodate Peak Periods

In 2012, UCMC's med/surg beds operated at 90% utilization or more 35% of the time. This means that, one out of every three days, UCMC reached full capacity. UCMC operated at or above 95% utilization 12% of the time. While such numbers can be predicted, they cannot be prevented with current number of med/surg beds. This results in significant consequences for patient care.

4. Cite the sources of the information provided as documentation

UCMC undertakes ongoing internal utilization studies and the source of this information includes those reports and other information, such as diversion rates, reported to EMS and IDPH.

5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.

Most of the issues referenced above, including declined transfers, ED diversion and backlog and patients left without being seen are a direct result of unavailable med/surg beds. The reactivation of these 38 beds will alleviate these issues in the near future.

6. Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals as appropriate.

The goals of this Project are to:

- Increase the number of specialized and high acuity patients transfers from area community hospitals that must be declined because of the unavailability of on open bed.
- Reduce the number of patients who leave the ED without being seen because of long wait times.
- Reduce long ED wait times necessitated by unavailability of beds
- Reduce the number of hours that UCMC's ED must be on diversion

Because the Project will involve minimal change to reactivate beds that existed until the February 2013 opening of the CCD, many of these goals can be achieved within a year after Project approval.

ATTACHMENT 12

THE UNIVERSITY OF CHICAGO MEDICAL CENTER
CON APPLICATION
§1110.230(c) ALTERNATIVES

Alternative 1: Project of Greater or Lesser Scope and Cost

UCMC considered constructing an additional 38 beds in its newly opened Center for Care and Discovery, which currently maintains two shelled floors. While the future use of at least one of the two shelled floors likely will be for inpatient beds, the 38 proposed beds would require only approximately half of the 102,455 square footage area of either floor, since the bed capacity on each floor is approximately 74, leaving three-fourths of the shelled space vacant. UCMC is still actively considering how best to configure this shelled space to meet the needs of the community, including the combination of bed categories to locate there, and whether it should house a proposed teaching institute and/or additional diagnostic and clinical capabilities. The alternative to build out only a small portion of the shelled space without a comprehensive plan for the remainder was rejected, especially because it would not address UCMC's need for an expedient solution to its capacity constraints. The cost of partially building out shelled space in the CCD would be much higher and the time necessary for construction much longer. UCMC estimated $486 per square foot, or $24.9 million, plus $2.4 million for architect/engineer services for a total project cost of $27.4 million. This compares to $779,000 estimated for very minor construction to existing patient units in Mitchell Hospital. The huge difference in both cost and timing made the Mitchell Hospital alternative an easy choice.

A project of lesser cost is difficult to conceive, since the proposed project considers the use of vacant, nearly move-in ready patient units in the Mitchell Hospital. More than half of the

ATTACHMENT 13

cost of the proposed project is for beds and monitors. A project of lesser scope would be undesirable since it would not meet UCMC's documented patient demand. UCMC has quantified a certain number of patients and associated patient days for failed transfers due to bed unavailability and for ED ambulance diversions, patients who leave without being seen (and admitted), and patients who must wait hours for a bed to open for admission. To design a project with fewer beds would mean that these vexing problems would not fully be resolved.

Alternative 2: Pursuing a Joint Venture with Another Provider

Pursuing a joint venture with another provider does not appear to be efficacious. The intent of the proposed project is to serve the needs of the patients in Planning Area A-3 South Chicago. An affiliation with another hospital might be useful to handle some number of patients. A concern is the capabilities of other hospitals in our area. As is shown in Attachment 20 to this Application, the average, weighted case mix index for the other eight hospitals in Planning Area A-3 is 1.125 compared to 1.899 for UCMC. This 69% difference in case intensity is a reflection of the levels of service offered. UCMC is the only tertiary level, academic hospital located in Planning Area A-3. Patients fill UCMC's Emergency Department and request transfers from other hospitals because of the recognized high quality care in many specialized services provided by UCMC. Of UCMC's 4,300 annual transfer requests, 36% are from South Chicago hospitals. A joint venture with another area provider where the beds would be located at the other provider's facility does not acknowledge that patients seek their care and from UCMC clinicians in UCMC facilities. This is not to say that UCMC does not try to make use of capacity in other area hospitals, as will be addressed in Alternative 3, below. UCMC physicians routinely counsel patients in the ED about finding community doctors, using health centers near their homes, and

by extension using other area hospitals for services that can be provided in settings commensurate with their treatment needs. Finding a medical home for patients exemplifies the important role hospitals should play in guiding them through an often fractured and confusing system.

Alternative 3: Utilizing Other Health Care Resources

Five years ago, after lengthy investigation and in depth discussions, UCMC began treating patients in Med/Surg beds at Mercy Hospital & Medical Center, about four miles north of the UCMC campus. UCMC faculty physicians and residents attend to these patients, while the other staffing is provided by Mercy. UCMC at Mercy combines the expertise of an academic medical center with the capacity and resources of a community hospital for a common goal – compassionate and competent patient care.

The affiliation agreement with Mercy was entered into to relieve pressure on beds at UCMC, decompress the Adult ED, and provide a more well-rounded teaching experience for UCMC residents who see and treat many complex patients but not enough with more straightforward illness. Pursuant to this arrangement, UCMC physicians offer stable emergency department patients needing hospitalization the option to be transferred to Mercy, where they have a chance to receive an inpatient bed more quickly. Presently, there are 5.4 full time equivalent University of Chicago Department of Medicine physicians treating patients at Mercy and overseeing both UCMC and Mercy residents.

The number of patients who have chosen to go to Mercy from UCMC has ranged from 547 to 742 annually for the last three years. While some patients consent to the transfer, many patients do not, often because they prefer to be treated at UCMC.

ATTACHMENT 13

UCMC patients utilize about 14 beds routinely at Mercy to support this arrangement. Initial capital costs to purchase equipment were $150,000, provided by UCMC along with start-up operational funds. Despite the relief that this arrangement has provided, UCMC has documented a further need for 38 beds. After five years, both parties to the affiliation believe it has matured and reached a level that could not be increased to meet UCMC's continuing needs.

In summary, the proposal to increase Med/Surg beds in existing, recently vacated patient units is the most cost effective alternative that gives area patients access to the services that to a significant extent cannot be found in most other hospitals in the area. UCMC physicians routinely advise patients of area health care resources that are commensurate with their needs. UCMC has a transfer agreement with Mercy Hospital & Medical Center by which patients have the option to be transferred there for general medicine services, thereby utilizing other area hospitals to relieve crowding at UCMC. However, despite this UCMC still finds a need for additional capacity and hence is requesting an additional 38 Med/Surg beds.

ATTACHMENT 13

University of Chicago Medical Center

Alternatives to the Proposed Project

Cost/Benefit Analysis

ALTERNATIVE	COSTS	BENEFITS/LIMITATIONS
1. Build-out shell space in new hospital.	1. Project cost estimated at $27,400,000.	1. Benefits: --New construction more modern facility --Longer useful life 2. Limitations: --Not cost-effective --Doesn't address current and projected unmet patient needs
2. Project of a lesser scope **19 bed proposal**	1. Project cost estimated at $1,713,498	1 Benefits: --Lower cost 2. Limitations: --Doesn't address current and projected unmet patient needs

ATTACHMENT 13

ALTERNATIVE	COSTS	BENEFITS/LIMITATIONS
3. Transfer patients to another area hospital under joint venture arrangement with other providers.	1. No capital costs associated with this alternative.	1. Benefits: --Postpones expenditure --Could avoid the expense of the CON process 2. Limitations: --Patients specifically seek out specialized care at UCMC -- Patients coming to UCMC (either through ED or inpatient unit) are more acutely ill than patients occupying other med/surg beds in the planning area, making transfer difficult
4. Utilize other health care resources	1. No capital costs associated with this alternative.	1. Benefits: --Postpones expenditure --Could avoid the expense of the CON process. 2. Limitations: --Complexity of care is 69% higher at UCMC than at other area hospitals --Patients coming to UCMC (either through ED or inpatient unit) are more acutely ill than patients occupying other med/surg beds in the planning area, making transfer difficult --Patients must approve transfer and oftentimes they do not

ATTACHMENT 13

ALTERNATIVE	COSTS	BENEFITS/LIMITATIONS
5. Proceed with Proposed Plan	1. Project cost estimated at $3,426,996.	1. Only alternative which addresses all issues: --Allows UCMC to maintain excellent standards of patient care --Allows UCMC to uphold ongoing commitment to community --Expedient short-term solution 2. Most cost effective solution

ATTACHMENT 13

THE UNIVERSITY OF CHICAGO MEDICAL CENTER
SIZE OF PROJECT
CRITERION 1110.234(a)
ATTACHMENT 14

The location of the requested 38 additional med/surg beds will be in Mitchell Hospital in two patient units vacated when UCMC opened its Center for Care and Discovery (CCD) in February, 2013. In total 13 med/surg patient units in Mitchell were vacated. Currently UCMC is operating five Mitchell units, since not all med/surg services were relocated to CCD.

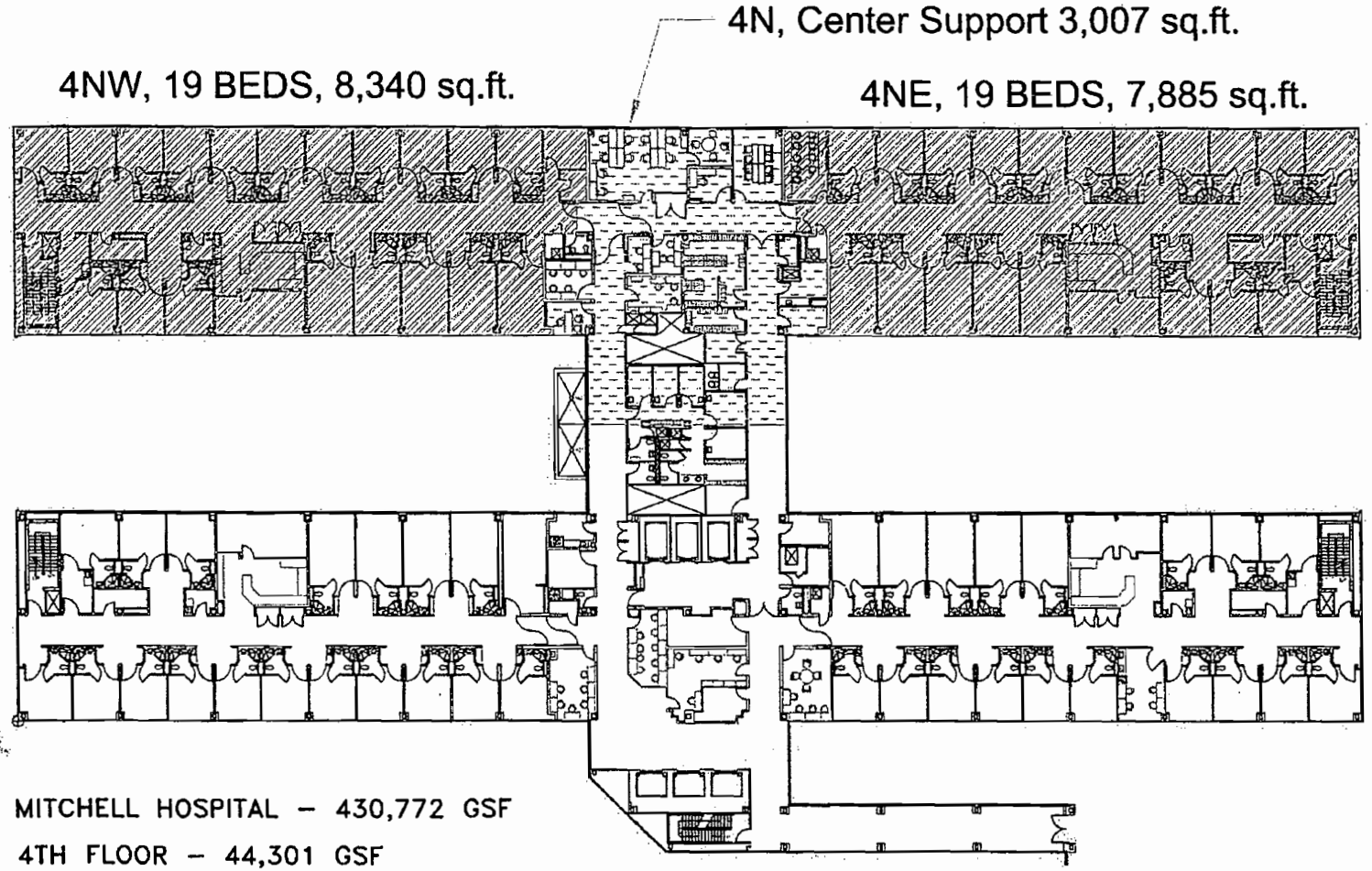
Mitchell Hospital was opened in 1983. The proposed beds will fill two currently vacant units in Mitchell, and such units will be used as originally built with no movement of walls. The only change is rather than 5 double occupancy and 14 single occupancy rooms for a total of 24 beds per unit, UCMC will operate the rooms as 19 single occupancy rooms, affording more space than in the former double occupancy rooms. The Mitchell design has served UCMC well for 30 years, and it is expected to continue to do so in the near to intermediate term. The layout for the recommissioned units is set forth in the accompanying 1/16 scale architectural plans, which follow this Attachment 14.

The Review Board rules set forth a range of 500-660 departmental gross square feet per bed. The proposed square footage per bed is included on the chart below. The total proposed DGSF for all 38 beds equals 19,232 DGSF. The average square footage per bed is 506 DGSF which is within the State's standard range.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	**PROPOSED BGSF/DGSF**	**STATE STANDARD**	**DIFFERENCE**	**MET STANDARD?**
Med/Surg Bed	506 DGSF	500-660 DGSF	N/A	YES

ATTACHMENT 14

Section IV - Size of Project



MITCHELL HOSPITAL – 430,772 GSF

4TH FLOOR – 44,301 GSF

4NW – 8,340 GSF

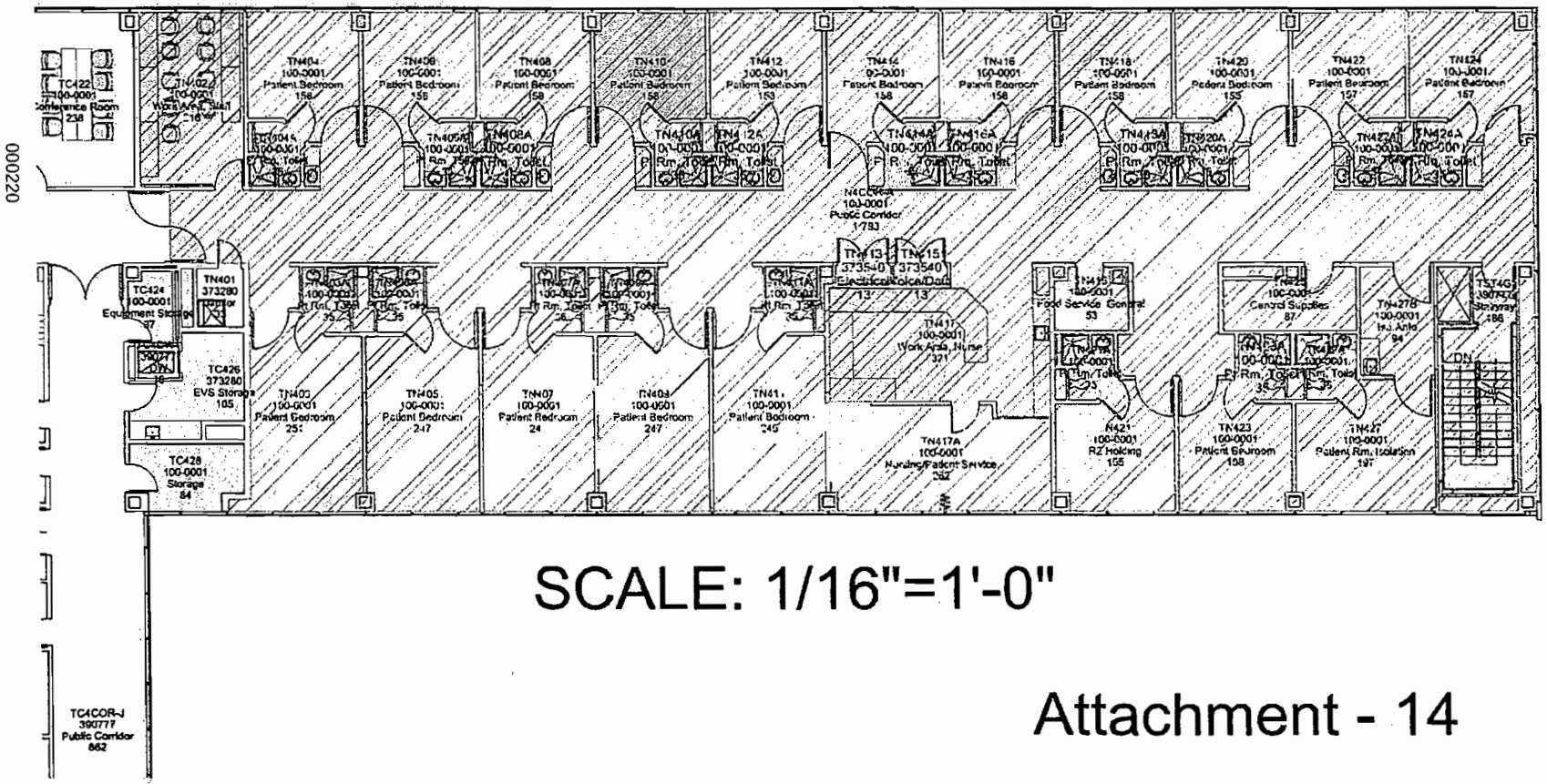
4NE – 7,885 GSF

Attachment - 14

000219

Section IV - Size of Project

4NE, 19 BEDS, 7,885 sq.ft.



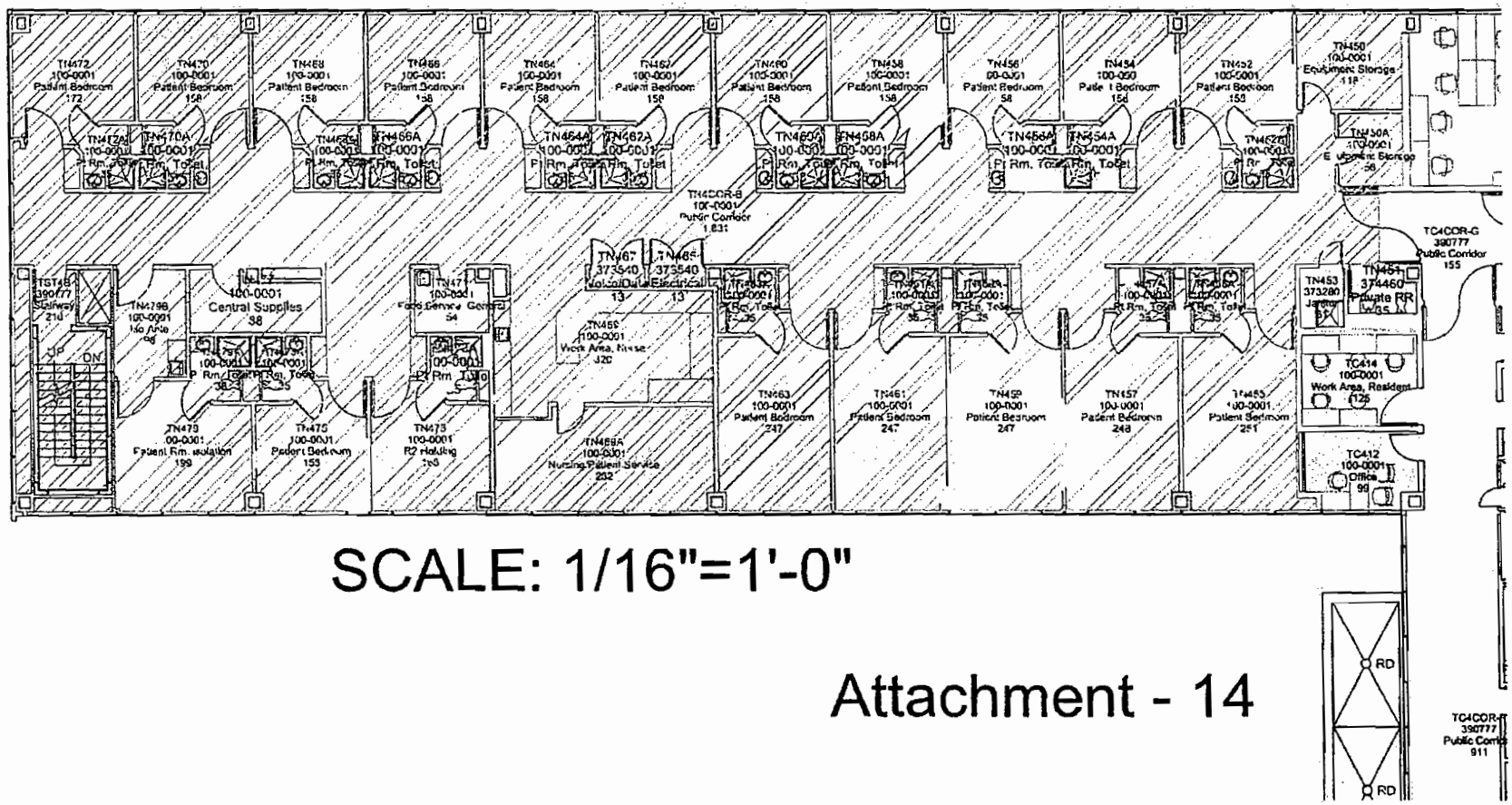
SCALE: 1/16"=1'-0"

Attachment - 14

000220

Section IV - Size of Project

4NW, 19 BEDS, 8,340 sq.ft.



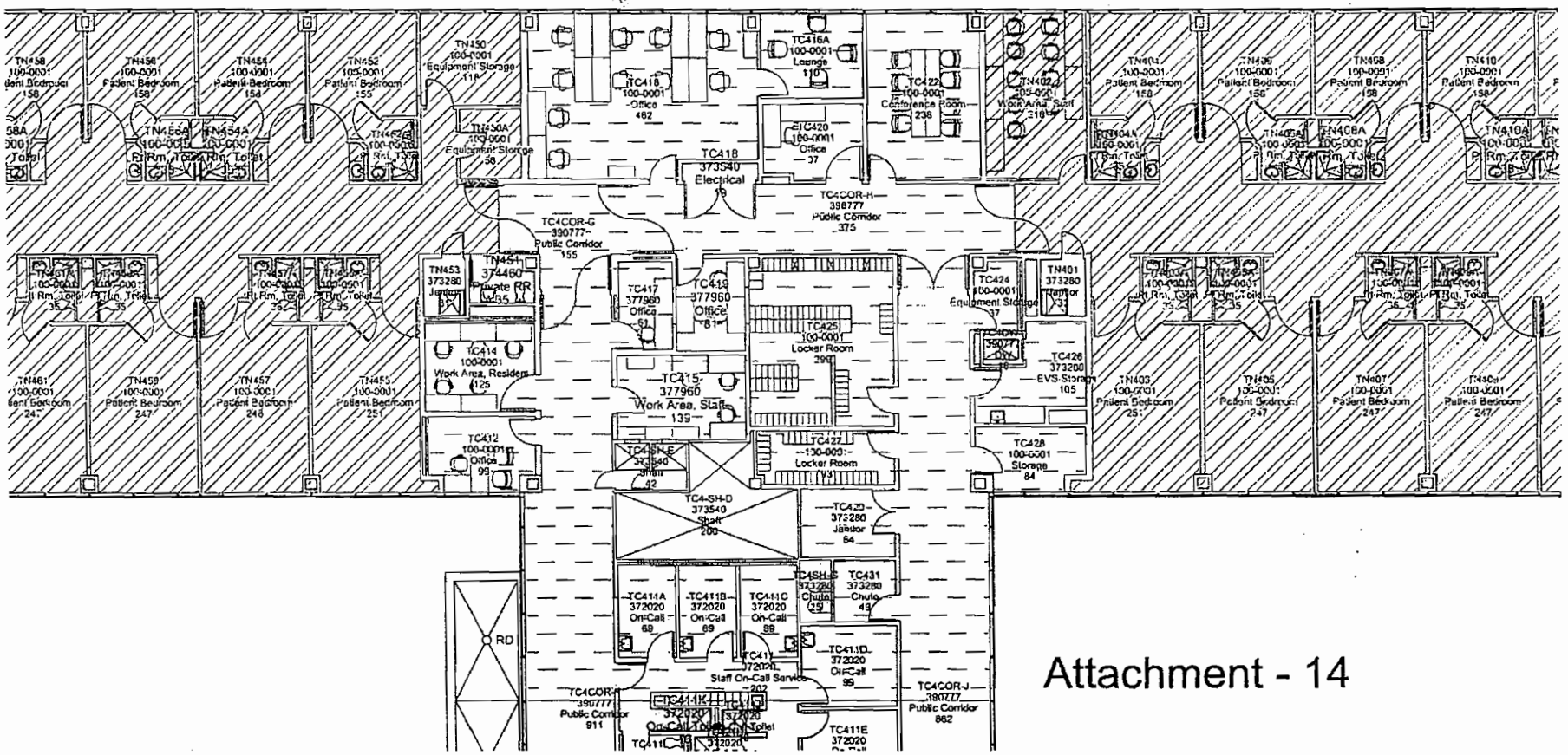
SCALE: 1/16"=1'-0"

Attachment - 14

Section IV - Size of Project

4N, Center Support 3,007 sq.ft.

SCALE: 1/16"=1'-0"



Attachment - 14

000222

THE UNIVERSITY OF CHICAGO MEDICAL CENTER
CON APPLICATION
PROJECT SERVICES UTILIZATION – 1110.234(B)
ATTACHMENT 15

The University of Chicago Medical Center ("UCMC") proposes to increase med/surg beds from 300 currently to 338.

Continued General Growth of Medical/Surgical Category of Service Days

Med/surg patient days have grown from 77,166 in 2009 (75,357 days plus 1,809 observation days) to 87,634 for 2012 (85,611 days plus 2,023 observation days). This reflects an annual average rate of increase of 4.3%. UCMC projects the experienced growth of this historical four year period to continue to 9/30/16, which is two years after the project completion date of 9/30/14, reaching 102,644 days. (See Calculation of Beds Justified Two Years After Project Completion, following this Attachment 15). UCMC maintains a strong presence in its service area and provides a broad array of specialized services that attract patients from throughout the Chicago metro region, every state in the country, and from an average of 49 different countries each year. UMCM's specialty services include:

Adoption Center
Aortic Diseases
Brain Tumor Center
Burn Center
Cancer
Cardiac Care
Celiac Disease
Chiari Malformation
Cold Hands Syndrome
Craniosynostosis
Dermatology
Diabetes
Ear, Nose, and Throat
Minimally Invasive Surgery
Multiple Sclerosis
Neurointensive Care
Neurosciences
Obstetrics
Ophthalmology
Orthopaedic Surgery
Osteoporosis
Pain Management
Pancreatic Diseases
Parkinson's Disease and Movement Disorders
Pediatrics

Endocrinology	Pelvic Health
Epilepsy	Plastic Surgery
Esophageal Diseases	Polycystic Ovary Syndrome
Gastrointestinal Disorders	Primary Care
General Surgery	Respiratory Diseases
Genetics	Rheumatology
Gynecology	Sleep Disorders
Hydrocephalus	Spina Bifida
Hyperhidrosis	Sports Medicine
Hypertension	Stroke
Infectious Diseases	Surgery
Inflammatory Bowel Disease	Syringomyelia
Internal Medicine	Thoracic Surgery
Kidney Disease	Transplant
Liver Diseases	Urology
Lung Diseases	Vascular Surgery
Mental Health	Weight Loss Surgery

Beginning several years ago UCMC undertook renewed efforts to make beds more available practically. This involves a change from designating sets of beds for certain services to opening up beds to multiple services to streamlining the admitting processes. Further UCMC has concentrated on more efficient discharge planning and room turnover to minimize the time between when a patient leaves the room and when it can be occupied by the next patient. These steps have allowed UCMC to better accommodate demand that was always present but was restricted somewhat by bed availability.

The ability to achieve the continued historical growth rests not only on the efficiencies described above, but as the leading hospital in Planning Area A-3 for specialty care, its team of highly regarded physicians and researchers, many of whom are considered leaders in their areas,

and a skilled and dedicated staff of nurses, technologists, and the many others who support UCMC's mission.

Inability to Accept Many Transfers from Other Hospitals

UCMC carefully tracks transfer requests from other hospitals with the goal of accepting as many transfer patients as possible; however many of the services offered at UCMC cannot be obtained at other hospitals in Planning Area A-3 and may only be obtained at a few other institutions in this region. Due to a shortage of med/surg beds UCMC is often unable to accept transfer requests.

One might wonder that if UCMC's med/surg occupancy rate in 2012 was 80%, (and the State's target use rate is 90%), why there would be a need for additional beds. The reason is that patient volumes ebb and flow, with volumes generally lower on Sundays and early Mondays and higher during influenza outbreaks and cold season. But often there are so many determinants of daily caseload that it is difficult to explain why some days are very busy and others less so.

In trying to understand why UCMC's med/surg beds seemed to be in such tight supply despite the overall 80% average occupancy, UCMC analyzed peak loads for 2012. A patient census is now taken four times a day – 12 a.m., 6 a.m., 12 p.m., and 6 p.m. The official census reported to IDPH is taken at 12 a.m. (midnight). Examining the highest census recorded for each day of the year revealed that on 127 days or 35% of the year UCMC was at or greater than 90% occupancy. It is at this 90% level that bed availability difficulties are experiences. A licensed bed is often unavailable because of gender mismatches in double occupancy rooms, infectious patients who must be kept in positive air pressure rooms or hematology/oncology patients who must be kept in sealed rooms with negative air pressure. There are specialty units such as

neurology that have extensive and specialized monitoring systems required by these patients, and UCMC is reluctant to house other patients there in order to keep these limited beds available to neurology patients. These and other factors make it nearly impossible to achieve extremely high occupancy rates, and yet during the previous year 33% of the days UCMC experienced occupancy rates at 90% or higher and 12% of the days were 95% or higher. These frequent peak periods result in failed transfers and ED backups addressed later in this Attachment 15.

In 11 months ending 2/28/13 and annualized, there were 800 cancelled requests for transfers to UCMC. It is estimated that in half the cases the patient's condition might have improved and decided not to transfer, the patient died, or the patient chose to be transferred to a different hospital. The other half could not be transferred to UCMC because there was not a bed available when it was needed. Eighty percent of transfers are adult patients and 66% of the adult transfers were admitted to med/surg beds. Transfer patients have an average length of stay of 10.6 days. Thus, an estimated 2,240 patient days were lost in 2012 due to an insufficient amount of med/surg beds.

Adult Emergency Department Backup

High demand for Emergency Department services is seen throughout Chicago, but is more pronounced in areas of high rates of poverty, illness, and low socio-economic status. Many communities located in Planning Area A-3 exhibit these attributes to a considerable degree, which is discussed in more detail in the Maldistribution of Services section found at Attachment 20 of this Application. While UCMC has worked diligently over the years to find appropriate medical homes for patients, people frequently use the Emergency Department for routine medical needs. However, much of UCMC's medical population suffers high acuity illness and

chronic disease and requires emergency services. UCMC's Pediatric and Adult Emergency Departments has grown considerably to meet this need. In 2004 the Adult ED totaled 9 treatment stations. In 2005, UCMC invested $5 million to expand the Adult ED from 9 to 21 stations. Two years later after an expenditure of $49 million, UCMC opened a 27 station, separate Pediatric ED. This freed up space adjacent to the Adult ED, so it was expanded to 30 stations. In 2012 UCMC captured some additional adjacent space and added another 6 stations, reaching 36 Adult ED stations. In total, UCMC expanded the Adult ED capacity four fold, from 9 to 36 stations, a 300% increase.

Despite quadrupling ED capacity and working to reduce non-emergency visits by connecting patients to community health centers and physicians, UCMC has suffered frequent backups in the Adult ED. This has resulted in extremely long waits, many patients leaving without being treated, and a very high level of ambulance diversion when UCMC is too full to accept any but the most severe cases by ambulance. The principle reason for these backups, which are unacceptable for the patients and the care givers, is the lack of med/surg beds for patients who require admission. The following sections project the number of foregone bed days due to the shortage of med/surg beds is estimated.

Adult ED Length of Stay Reduction

When ED patients need to be admitted but there are no available med/surg beds, the patient must remain in a bed in a treatment or observation bay. Often these stays last for many hours. UCMC measured the time that it was determined to admit a patient to the time the patient was admitted, subtracting 30 minutes for each case for normal processing time. This time was

totaled and divided by 24 hours to determine how many bed days were spent by patients in the ED waiting for an open bed. This totaled 1,828 annual days.

Patient Who Left Without Being Seen

One byproduct of a very crowded and backed up ED is patients who left without being seen or treated. UCMC selects only those patients who were given an Emergency Severity Index score, which is a triage acuity measure ranging from 1 to 5 and its experienced rate of admission for each level to determine foregone admissions and days for patients who left without being seen. This totaled 2,437 annual days.

Ambulance Diversions

When there are no beds available and ED treatment bays are full, UCMC must frequently request EMS dispatchers to divert ambulances to other hospitals. Ambulances will continue to bring the most serious cases, those likely to be graded as ESI 1, but all others reroute to other EDs in the area. Five percent of the time, UCMC goes on ambulance diversion if physicians and nurses are busy with trauma and other serious cases and clinical staff cannot respond to additional, serious cases. The other 95 percent are occasions when beds are unavailable. For 2012, UCMC experienced 2,025 hours of diversion, compared to 624 hours for the next highest ED.

UCMC has identified the specific days and hours on bypass in 2012 and analyzed actual 2012 admissions to find the number coming by ambulance, determined how many of those were admitted to M/S beds, and on which day of the week. UCMC combined these data and employing regression analysis, estimated the number of patient days lost by being on diversion. The total was 2,738 days.

ATTACHMENT 15

The factors described above account for 15,010 days from recent historical growth trended forward and 9,243 days lost due to bed unavailability, a total of 21,041 or 111,887 med/surg days in 2016. At 90% State standard utilization for med/surg beds, this demonstrates a need for 341 beds, or 41 additional to our present 300. We are requesting 338 or an addition of 38 beds because this allows us to fully occupy two recently vacated patient care units.

ATTACHMENT 15

SECTION IV - PROJECT UTILIZATION

Calculation of Beds Justified Two Years After Project Completion

UTILIZATION					
	Dept. M/S beds	M/S Days Historical	M/S Days Projected	State Standard	Met Standard?
2009	300	75,357			
2010	300	76,012			
2011	300	78,227			
2012	300	85,611			
observ. days		2,023			
Total 2012	300	87,634			
2013	300		91,402		
2014	338		104,576		
2015	338		108,675		
2016	338		111,887	90%	91%
					Yes

Calculation:

M/S days grew by 4.3%/year between 2009 and 2012.

Year	Days	
2009	75,357	
2012	85,611	
2012	85,611	
Observation Days	2,023	
Total in M/S beds	87,634	
	x 1.043	
2013	91,402	
	x 1.043	
2014	95,333	project Completion Date is 9/30/14
	x 1.043	
2015	99,432	
	x 1.0323	(4.3% rate through 9/30/16)
2016	102,644	Two years after Project Completion date

Denied transfers	2,240
Long ED waits for adm.	1,828
LWBS	2,437
Ambulance diversion	2,738

Total days by 9/30/16 111,887 /365 days/90% occupancy standard =

341 beds justified at 90% occupancy

338 beds requested

Attachment - 15

THE UNIVERSITY OF CHICAGO MEDICAL CENTER
CON APPLICATION
§1110.530—MEDICAL/SURGICAL, OBSTETRIC, PEDIATRIC AND INTENSIVE CARE
ATTACHMENT 20

UCMC proposes to increase med/surg beds from 300 to 338.

1110.530(b)(2) – Planning Area Need – Service to Planning Area Residents

The primary purpose of this Project is to provide care to the patients in the community. The attached map shows UCMC's primary service area (PSA), which closely approximates the A-3 Chicago South Planning Area. (The A-3 Planning Area is roughly bounded by Roosevelt Road (12th Street) to the north, Cicero Avenue to the west, 127th Street to the south, and Lake Michigan/Indiana state line to the east.)

In the past two years, UCMC attracted patients not only from the Chicago metropolitan area but also every single state in the country. In the past five years UCMC served patients from 86 countries (see list below). The purpose of expanding the medical/surgical category of service is to better serve UCMC patients. 92% of patients who occupied a med/surg bed at UCMC in 2012 reside in the Chicago Metropolitan area and approximately half of those live in UCMC's PSA. The table below shows the countries of origin of patients we treated between 2009 and 2013.

Algeria	Czech Republic	Indonesia	Nicaragua	Slovenia
Argentina	Denmark	Iran	Nigeria	South Africa
Austria	Dominican Repub.	Ireland	Norway	Spain
Bahamas	Ecuador	Israel	Pakistan	Sri Lanka
Bahrain	Egypt	Italy	Palestine	St Thomas
Bangladesh	El Salvador	Jamaica	Panama	Switzerland
Belgium	Ethiopia	Japan	Paraguay	Taiwan
Bermuda	Finland	Jordan	Peru	Thailand
Bolivia	France	Kenya	Philippines	Trinidad
Brazil	Germany	Korea	Poland	Turkey
Bulgaria	Ghana	Kuwait	Qatar	UAE
Cameroon	Greece	Lebanon	Rwanda	Uganda
Canada	Guatemala	Macedonia	Romania	UK
Chile	Honduras	Mexico	Russia	Ukraine
Colombia	Hong Kong	Mongolia	Saudi Arabia	Venezuela
Croatia	Iceland	Morocco	Serbia	Vietnam
Costa Rica	India	Netherlands	Singapore	Zimbabwe
Cyprus				

UCMC is one of nine hospitals providing medical/surgical inpatient care in Planning Area A-3. UCMC is currently licensed for 300 med/surg beds, which represents 20% of the A-3 total; however, UCMC provided 28% of the patient days of care in the planning area as reported to IDPH for 2011.

The foremost indicator of UCMC's need for additional capacity is the backup up that occurs in its Adult Emergency Department (ED) when no open beds are available. The result is that patients experience prolonged admission times. When the ED is full, UCMC must go on ambulance diversion. Diversion occurred 23% of the time in 2012, by far the highest amount in Illinois (see "Illinois Hospitals Time on ER Bypass", attached as part of this Attachment 20). In 2012, 84% of Adult ED patients resided in A-3. Adding beds is a key to resolving the ED backup, which clearly will benefit the residents of the A-3 Planning Area.

A list of UCMC patients, by zip code, who occupied med/surg beds during 2012, is included as part of this Attachment 20.

ATTACHMENT 20

1110.530(b)(4) – Planning Area Need – Service Demand – Expansion

Historical Service Demand

In 2011, there were 78,227 med/surg days and 1,939 observation days in med/surg licensed beds. In 2012, there were 85,611 med/surg days and 2,023 observation days in licensed med/surg beds. The average occupancy rates were 73 percent and 80 percent respectively. While these are less than the applicable 90 percent occupancy standard, this application demonstrates that peak patient loads throughout the year create situations where all med/surg beds are occupied. This then causes backups in our Adult ED, a very high rate of ambulance diversions, and problems accepting transfers.

Projected Service Demand

Continued General Growth of Med/Surg Days

During the last four year period, med/surg patient days have grown from 77,166 in 2009 (75,357 days plus 1,809 observation days) to 87,634 for 2012 (85,611 days plus 2,023 observation days). This reflects and annual average rate of increase of 4.3%. UCMC projects that to continue for the next four years, reaching 102,644 days. (See Service Area Demand Calculations in this section).

Beginning several years ago UCMC undertook efforts to make licensed beds more available practically. This involves a change from designating sets of beds for certain services to opening up beds to multiple services to streamlining the admitting processes. Further UCMC has concentrated on more efficient discharge planning and room turnover to minimize the time between when a patient leaves the room and when it can be occupied by the next patient. These steps have allowed UCMC to better accommodate demand that was always present but was restricted somewhat by bed availability.

ATTACHMENT 20

The ability to achieve the continued historical growth rests not only on the efficiencies described above, but as the leading hospital in Planning Area A-3 for specialty care, UCMC's team of highly regarded physicians and researchers, many of whom are considered leaders in their areas, and a skilled and dedicated staff of nurses, technologists, and the many others who support UCMC's mission.

Inability to Accept Many Transfers from Other Hospitals

UCMC carefully tracks transfer requests from other hospitals with the goal of accepting as many transfer patients as possible; however many of the services offered at UCMC cannot be obtained at other hospitals in Planning Area A-3 and may only be obtained at a few other institutions in this region. Due to a shortage of med/surg beds UCMC is often unable to accept transfer requests.

One might wonder that while UCMC's med/surg occupancy rate in 2012 was 80%, (and the State's target use rate is 90%), why there would be a need for additional beds. The reason is that patient volumes ebb and flow, with volumes generally lower on Sundays and early Mondays and higher during influenza outbreaks and cold season. But there are so many determinants of daily caseload that it is difficult to explain why some days are very busy and others less so.

In trying to understand why med/surg beds seemed to be in such tight supply despite the overall 80% average occupancy, UCMC analyzed peak loads for 2012. A patient census is now taken four times a day – 12 a.m., 6 a.m., 12 p.m., and 6 p.m. The official census reported to IDPH is taken at 12 a.m. (midnight). Examining the highest census recorded for each day of the year revealed that on 127 days or 35 % of the year UCMC was at or greater than 90% occupancy. It is at this 90% level that bed difficulties are experienced. A licensed bed is often unavailable because of gender mismatches in double occupancy rooms, infectious patients who

must be kept in positive air pressure rooms or hematology/oncology patients who must be kept in sealed rooms with negative air pressure. There are specialty units such as neurology that have extensive and specialized monitoring systems required by these patients and UCMC is reluctant to house other patients there in order to keep these limited beds available to neurology patients. These and other factors make it nearly impossible to achieve extremely high occupancy rates, and yet during the previous year 33% of the days UCMC experienced occupancy rates at 90% or higher and 12% of the days were 95% or higher. These frequent peak periods result in failed transfers and ED backups addressed further in this section.

In 11 months ending 2/28/13 and annualized, there were 800 cancelled requests for transfers to UCMC. It is estimated that in half the cases the patient's condition might have improved and decided not to transfer, the patient died, or the patient chose to be transferred to a different hospital. The other half could not be transferred to UCMC because there was not a bed available when it was needed. Eighty percent of transfers are adult patients and 66% of the adult transfers were admitted to med/surg beds. Transfer patients have an average length of stay of 10.6 days. Thus, an estimated 2,240 patient days were lost in 2012 due to an insufficient amount of med/surg beds.

Adult Emergency Department Backup

High demand for Emergency Department services is seen throughout Chicago, but is more pronounced in areas of high rates of poverty, illness, and low socio-economic status. Many communities located in Planning Area A-3 exhibit these attributes to a considerable degree, which is discussed in more detail in the Maldistribution of Services section found at Attachment 20 of this Application. While UCMC has worked diligently over the years to find appropriate medical homes for patients, people frequently use the Emergency Department for routine

medical needs. However, much of UCMC's medical population suffers high levels of trauma and disease and requires emergency services. UCMC's Pediatric and Adult Emergency Departments has grown considerably to meet this need. In 2004 the Adult ED totaled 9 treatment stations. In 2005, UCMC invested $5 million to expand the Adult ED from 9 to 21 stations. Two years later after an expenditure of $49 million, UCMC opened a 27 station, separate Pediatric ED. This freed up space adjacent to the Adult ED, so it was expanded to 30 stations. In 2012 UCMC captured some additional adjacent space and added another 6 stations, reaching 36 Adult ED stations. In total, UCMC expanded the Adult ED capacity four fold, from 9 to 36 stations, a 300% increase.

Despite quadrupling ED capacity and working to reduce non-emergency visits by connecting patients to community health centers and physicians, UCMC has suffered frequent backups in the Adult ED. This has resulted in extremely long waits, many patients leaving without being treated, and a very high level of ambulance diversion when UCMC is too full to accept any but the most severe cases by ambulance. The principle reason for these backups, which are unacceptable for the patients and the care givers, is the lack of med/surg beds for patients who require admission. The following sections project the number of foregone bed days due to the shortage of med/surg beds.

Adult ED Length of Stay Reduction

When ED patients need to be admitted but there are no available med/surg beds, the patient must remain in a bed in a treatment or observation bay. Often these stays last for many hours. UCMC measured the time that it was determined to admit a patient to the time the patient was admitted, subtracting 30 minutes for each case for normal processing time. This time was

ATTACHMENT 20

totaled and divided by 24 hours to determine how many bed days were spent by patients in the ED waiting for an open bed. This totaled 1,828 annual days.

Patient Who Left Without Being Seen

One byproduct of a very crowded and backed up ED is patients who left without being seen or treated. UCMC selects only those patients who were given an Emergency Severity Index score, which is a triage acuity measure ranging from 1 to 5 and its experienced rate of admission for each level to determine foregone admissions and days for patients who left without being seen. This totaled 2,437 annual days.

Ambulance Diversions

When there are no beds available and ED treatment bays are full, UCMC must frequently request EMS dispatchers to divert ambulances to other hospitals. Ambulances will continue to bring the most serious cases, those likely to be graded as ESI 1, but all others reroute to other EDs in the area. Five percent of the time, UCMC goes on ambulance diversion if physicians and nurses are busy with trauma and other serious cases and clinical staff cannot respond to additional, serious cases. The other 95 percent are occasions when beds are unavailable. For 2012, UCMC experienced 2,025 hours of diversion, compared to 624 hours for the next highest ED.

UCMC has identified the specific days and hours on bypass in 2012 and analyzed actual 2012 admissions to find the number coming by ambulance, determined how many of those were admitted to M/S beds, and on which day of the week. UCMC combined these data and employing regression analysis, estimated the number of patient days lost by being on diversion. The total was 2,738 days.

ATTACHMENT 20

The factors described above account for 15,010 days from recent historical growth trended forward and 9,243 days lost due to bed unavailability, a total of 21,041 or 111,887 med/surg days in 2016. At 90% State standard utilization for med/surg beds, this demonstrates a need for 341 beds, or 41 additional to UCMC's present 300. UCMC is requesting 338 or an addition of 38 beds because this allows UCMC to fully occupy two recently vacated patient care units.

1110.530(c)(2) – Maldistribution - Hospitals Within 30 Minutes Travel Time, Population

A list of all zip codes that are located within 30 minutes travel time of UCMC and population by zip code area is included in this Attachment 20. The total population is 2,721,638. Also included in this Attachment 20 is a list of all hospitals within 30 minutes travel time of UCMC and a map that outlines the area for which the population is given. Including UCMC, there are 30 hospitals with 5,530 licensed med/surg beds.

The question of maldistribution centers on whether the number of available beds in an area are sufficient to meet the needs of that area's population. In examining each case, the State Agency review considers all hospitals offering med/surg inpatient services that can be reached in 30 minutes of driving time. For Chicago this is problematic since 30 minutes in a densely populated area can take you far from what residents of a hospital's community consider their area. For example, nearly half of UCMC's med/surg patients in 2012 resided in the primary service area that closely approximates Planning Area A-3. The southern end of the service area borders Indiana. It is unlikely that patients that far south or in much of Planning Area A-3 would consider Rush Oak Park Hospital or Presence Saint Joseph Hospital as possible destinations for medical services. People prefer to seek care in their more immediate area.

ATTACHMENT 20

Examining Planning Area A-3 (Chicago South) specifically is a more properly focused look at maldistribution. The supply of med/surg beds appears to be abundant, at 1,499. Given the historic use rates of the population and occupancy standards, the State Agency determines that there is an excess of 245 med/surg beds. This finding is seemingly buttressed when looking at occupancy rates of med/surg beds in Planning Area A-3 hospitals. For 2011, the latest reported data, med/surg bed use rates range from 24% to 65% at the other hospitals. UCMC med/surg beds were occupied at the rate of 71% in 2011, increasing to 78% in 2012 (see the table titled "A-03 South Chicago Med/Surg Occupancy 2011" included in this Attachment 20).

The discussion above shows continued general growth of demand and the need to reduce the backlogs that occur in the ED and having available beds to accept outside transfers justifies additional beds for UCMC. In considering maldistribution, the question is why these patients could not use the beds at other area hospitals that are running at lower occupancies. Applicant asserts that UCMC offers a unique breadth and depth of services not found to the same extent at other hospitals in the planning area. The case mix index weighted average for all the other hospitals in A-3 is 1.125. For UCMC is it 69% greater, at 1.899. This reflects the fundamental difference in services and patient characteristics at UCMC versus the other hospitals in the area. (See Case Mix Index chart included in this Attachment 20.)

Historical Closure of Hospitals Within Planning Area

To understand the health needs and hospital resources within Planning Area A-3, it is helpful to look at the history of hospital development. In 1985 there were 16 hospitals. Between 1986 and 2009 seven hospitals closed. By 2011 the surviving hospitals had reduced their beds by 1,056. See the Health Service Area A-3 Licensed Beds 1985 Versus 2011 chart included in this Attachment 20. The closures and bed reductions can be attributed to a change in hospital

practices, in which reimbursement methods changed and hospitals became more rigorous in admission policies and managing length of stay. Population also changed, declining by 36 percent in the 26 year period. But one must consider further that the realities of demographics of much of the planning area has had a profound and deleterious impact on many if not most of hospitals within the A-3 Planning Area.

High Health Risks and Needs in Community

The South Chicago Planning Area has long exhibited difficult, deep seated, and challenging demographic characteristics. Though 7 to 8 of the 30 community areas score average or better on socio-economic and mortality and morbidity measures, the remaining three-quarters do poorly. A review of data reported by the Chicago Department of Public Health (see chart included in the Attachment 20), reveals that low birth weight babies as a percent of all births had 6 A-3 areas among the worst ten community areas in Chicago. The worst A-3 score was 19.7 percent, over double the Chicago average of 9.7 percent. Percent of pre-term birth saw 5 A-3 areas among the worst 10 in Chicago, with a high score of 16.9 percent, or 56 percent worse than the city as a whole.

The Mortality indicators are reported for various diseases. An example is colorectal cancer deaths per 100,000 population. A-3 had 7 or the highest ten Chicago community areas with a high rate of 260 deaths, versus a Chicago average of 22 deaths, or 93 percent lower. Death by stroke saw 5 A-3 areas among the worst 10, with a rate of 111 deaths per 100,000. The rate for Chicago and the U.S. is 60 percent lower.

For lead exposure, children 6 years of age and younger were tested for lead poisoning. Six of the worst ten Chicago areas were in A03, with a high score of 3 percent, triple the Chicago and national averages.

ATTACHMENT 20

Infectious Diseases reported gonorrhea per 100,000 population for males and females. In both categories, the worst A-3 areas held 7 of the worst ten positions in Chicago. The rate of incidence for the worst scoring A-3 area was roughly 350 percent higher than found in Chicago as a whole and 1,000 percent higher than the U.S average.

Finally, for Economic measures the percent of households below the poverty level saw 4 A-3 community areas among the highest ten in the City. The worst A-3 community area scored 55.5 percent below the poverty level compared to a Chicago rate of 18.7 percent and a national rate of 13 percent. Unemployment rate showed 6 A-3 areas among the top 10 and 14 of the top 20, with a high score of 40%. This compares to the Chicago average of 11.1 percent.

These and other equally somber statistics are reported later in this section in Public Health Indicators Planning Area A-3 Versus Chicago and U.S. High rates of poverty, infection, lead poisoning, mortality from disease, and birth difficulties are experienced in three quarters of the community areas of A-3. This has long been a huge challenge for health care providers and particularly hospitals, both in terms of the high levels of disease but also in dealing with constrained reimbursement of the cost of caring for the residents of the community. These facts have contributed to the demise of the seven hospitals lost since 1986 and surely add to the challenge of many hospitals providing service. While there might be licensed beds, if there is difficulty attracting physicians and paying nurses and other vital staff, the beds are a misleading asset.

A-3 is unique among the three Chicago Planning Areas in that it has a net outmigration of patients totaling 114,016 days. This compares to A-1 having in migration of 145,604 for med/surg days and A-2 at 215,489 in migration. This movement reflects in part the difficulties

of many A-3 hospitals maintaining robust operations in the face of the serious economic and health problems exhibited by much of the South Chicago population.

UCMC has been fortunate to have a large and extremely talented group of faculty physicians working with excellent and dedicated staff. It has done comparatively well financially over years when most other A-3 hospitals had trouble meeting costs and renewing their facilities. As a bulwark among the South Chicago hospitals, UCMC is sought out by area residents for their hospital care. While other area hospitals seem to have underutilized beds and could, at least on paper serve more patients, UCMC has difficulty accommodating transfer requests and more acutely has frequent and serious backlogs in the ED caused by frequent peak periods when there are no available beds. While it is incontrovertible that there are many hospitals in the area that have underutilized beds, UCMC has demand for its particular services that presently cannot be met. Ideally, all area hospital resources would be well used, but the reality is that due to the many factors discussed above, people come to UCMC for their care because since they believe it is the best place for them.

1110.530(e) – Staffing Availability

For the proposed 38 bed addition, UCMC would need to hire 59 RNs, 15 Nursing Support Assistants, 2 Patient Care Managers, and 3 Assistant Patient Care Managers. The majority of the staff to be found is nurses. Open positions are posted internally initially to allow present employees to bid for the jobs. After a short while, the Applicant will advertise the openings externally. Presently there is a surplus of nurses. In Applicant's experience, a job posted on line on Friday, will result in the receipt of 50 to 75 applications by Monday. In total, the Applicant hears from between 300 to 900 applicants per month. During the last four months UCMC's new nurse hires have ranged from 21 to 37 per month. UCMC has sufficient

applications on file and is confident that excellent candidates are readily available to fill the new positions in a short period of time given the attractiveness of UCMC to nurses and the job market for nurses.

1110.530(f) – Performance Requirements

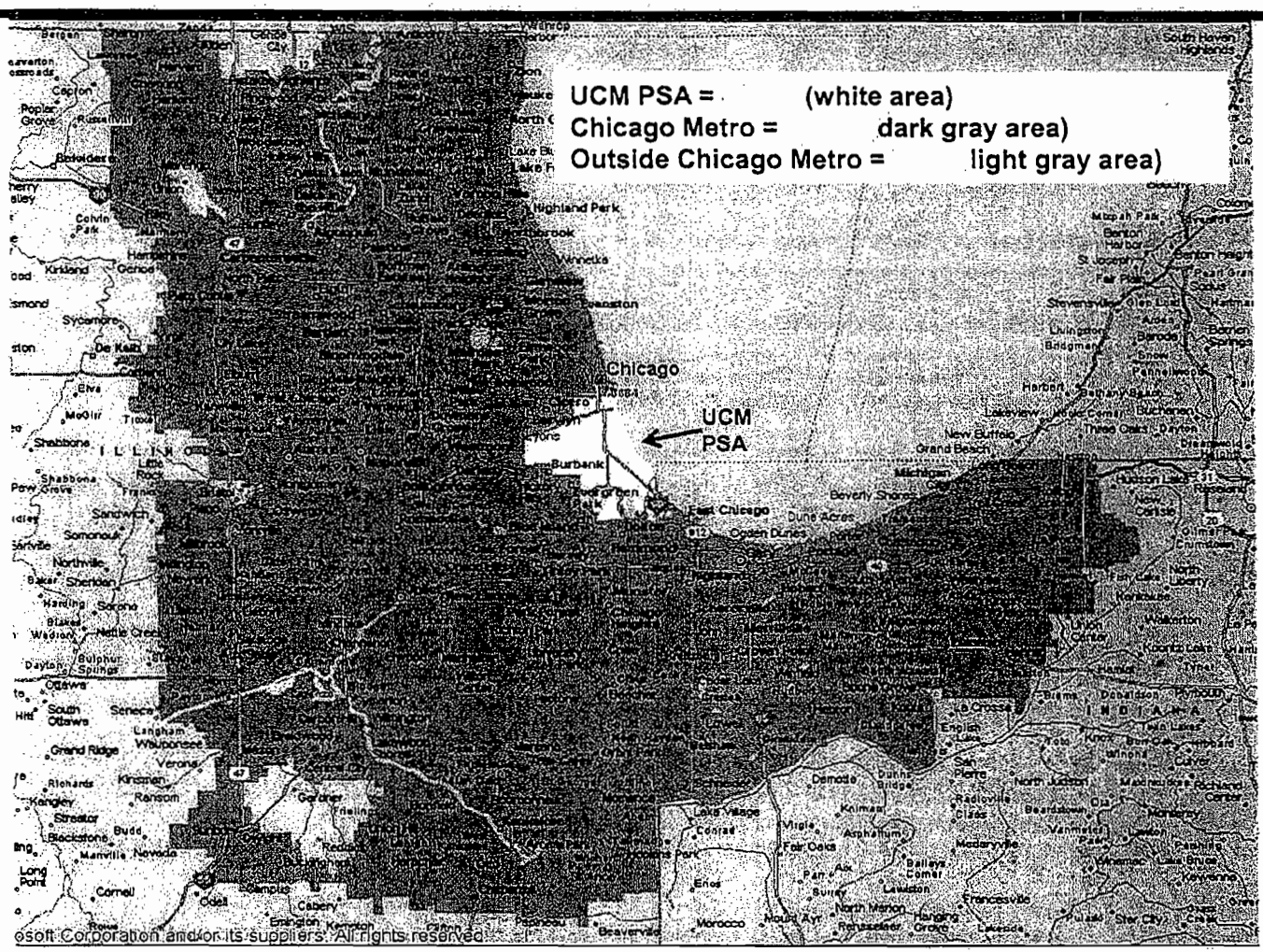
The resultant number of med/surg beds at UCMC will exceed the required minimum of 100 in the Metropolitan Statistical Area.

1110.530(g) – Assurances

See accompanying letter of assurance by Sharon O'Keefe, President, attesting to the expectation that UCMC will meet the targeted utilization.

ATTACHMENT 20

UCM Market Areas – Percent of Adult M/S Discharges in Calendar 2012



Attachment 20

ILLINOIS HOSPITALS
TIME ON ER BYPASS
(Calendar 2012)

Rank	Region	Hospital Name	Hospital Bypass %	Time on Bypass (Hours)
1	11	THE UNIVERSITY OF CHICAGO MEDICAL CENTER	23.06%	2,025.4
2	7	ADVOCATE CHRIST MEDICAL CENTER	7.10%	623.8
3	11	ADVOCATE TRINITY HOSPITAL	4.58%	402.6
4	8	LOYOLA UNIVERSITY MEDICAL CENTER	4.09%	359.4
5	11	ST. BERNARD HOSPITAL	2.07%	181.5
6	7	PALOS COMMUNITY HOSPITAL	1.39%	122.2
7	7	LITTLE COMPANY OF MARY HOSPITAL	1.22%	107.2
8	9	PRESENCE MERCY MEDICAL CENTER	1.15%	100.7
9	11	NORTHWESTERN MEMORIAL HOSPITAL	1.07%	94.1
10	11	PRESENCE OUR LADY OF THE RESURRECTION MEDICAL CENTER	0.97%	85.6
11	5	HEARTLAND REGIONAL MEDICAL CENTER	0.87%	76.3
12	11	UNIVERSITY OF ILLINOIS HOSPITAL	0.75%	66.0
13	8	WEST SUBURBAN HOSPITAL MEDICAL CENTER	0.67%	58.6
14	8	WESTLAKE HOSPITAL	0.61%	53.5
15	7	SOUTH SUBURBAN HOSPITAL ADVOCATE	0.58%	51.4
16	11	MT. SINAI HOSPITAL MEDICAL CENTER	0.55%	48.2
17	11	SWEDISH COVENANT HOSPITAL	0.51%	44.6
18	11	ANN & ROBERT H LURIE CHILDREN'S HOSPITAL OF CHICAGO	0.48%	42.3
19	8	ADVENTIST GLENOAKS HOSPITAL	0.45%	39.4
20	2	GALESBURG COTTAGE HOSPITAL	0.42%	37.1
21	2	GENESIS MEDICAL CENTER, ILLINI CAMPUS	0.42%	36.6
22	11	HOLY CROSS HOSPITAL	0.39%	34.0
23	11	PRESENCE SAINT MARY AND ELIZABETH MEDICAL CENTEI	0.37%	32.8
24	11	RUSH UNIVERSITY MEDICAL CENTER (RUMC)	0.34%	30.2
25	2	HOLY FAMILY MEDICAL (OSF)	0.34%	29.4
26	11	ROSELAND COMMUNITY HOSPITAL	0.31%	27.4
27	9	ST.ALEXIUS MEDICAL CENTER	0.27%	24.1
28	8	CENTRAL DUPAGE HOSPITAL	0.26%	23.1
29	8	ELMHURST MEMORIAL HEALTHCARE	0.23%	20.3
30	9	ADVOCATE GOOD SHEPHERD HOSPITAL	0.22%	19.5
31	1	ROCKFORD MEMORIAL HOSPITAL	0.20%	18.0
32	8	MACNEAL HOSPITAL	0.20%	17.6
33	2	OSF ST. MARY MEDICAL CENTER	0.17%	15.1
34	7	INGALLS MEMORIAL HOSPITAL	0.17%	14.7
35	11	THE UNIVERSITY OF CHICAGO COMER CHILDRENS	0.15%	13.5
36	11	MERCY HOSPITAL AND MEDICAL CENTER	0.14%	12.4
37	2	METHODIST MEDICAL CENTER OF ILLINOIS	0.11%	9.3
38	5	SALEM TOWNSHIP HOSPITAL	0.09%	8.2
39	8	RUSH OAK PARK HOSPITAL	0.09%	7.9
40	11	PRESENCE SAINT JOSEPH HOSPITAL - CHICAGO	0.09%	7.9
41	4	COMMUNITY MEMORIAL HOSPITAL (STAUNTON)	0.09%	7.8
42	11	SOUTH SHORE HOSPITAL	0.09%	7.6
43	8	ADVENTIST LA GRANGE MEMORIAL HOSPITAL	0.09%	7.6
44	7	PRESENCE ST. MARY'S HOSPITAL	0.08%	7.2
45	10	NORTHSHORE SKOKIE HOSPITAL	0.04%	3.8
46	1	SWEDISH AMERICAN MEDICAL CENTER BELVIDERE	0.04%	3.6
47	5	HERRIN HOSPITAL	0.04%	3.5
48	11	NORWEGIAN AMERICAN HOSP INC	0.04%	3.2
49	10	NORTHWESTERN LAKE FOREST HOSPITAL	0.01%	1.0

Source: IDPH Website

Attachment 20

SECTION VII - Service to Planning Area Residents

Calendar 2012 Patients in M/S beds
Excludes Peds and OB
Includes patients who had at least 1 day in a Med/Surg bed

Zip Code	Market Description	Discharges
60609	UCMC Primary Service Area	295
60615	UCMC Primary Service Area	946
60617	UCMC Primary Service Area	724
60619	UCMC Primary Service Area	992
60620	UCMC Primary Service Area	469
60621	UCMC Primary Service Area	424
60628	UCMC Primary Service Area	479
60636	UCMC Primary Service Area	307
60637	UCMC Primary Service Area	1,442
60643	UCMC Primary Service Area	232
60649	UCMC Primary Service Area	730
60653	UCMC Primary Service Area	523
60605	UCMC Primary Service Area	64
60616	UCMC Primary Service Area	153
60629	UCMC Primary Service Area	160
60608	UCMC Primary Service Area	61
60632	UCMC Primary Service Area	48
60638	UCMC Primary Service Area	65
60652	UCMC Primary Service Area	106
46301	Chicago Metro	1
46303	Chicago Metro	54
46304	Chicago Metro	56
46307	Chicago Metro	143
46311	Chicago Metro	60
46312	Chicago Metro	34
46319	Chicago Metro	54
46320	Chicago Metro	23
46321	Chicago Metro	86
46322	Chicago Metro	62
46323	Chicago Metro	53
46324	Chicago Metro	35
46327	Chicago Metro	15
46340	Chicago Metro	1
46341	Chicago Metro	33
46342	Chicago Metro	87
46345	Chicago Metro	1
46346	Chicago Metro	2
46347	Chicago Metro	12
46350	Chicago Metro	80
46356	Chicago Metro	35
46360	Chicago Metro	85
46361	Chicago Metro	1
46365	Chicago Metro	1
46368	Chicago Metro	106
46371	Chicago Metro	3
46373	Chicago Metro	25
46375	Chicago Metro	51
46376	Chicago Metro	2
46382	Chicago Metro	10
46383	Chicago Metro	55
46385	Chicago Metro	136
46390	Chicago Metro	2
46391	Chicago Metro	5
46394	Chicago Metro	41
46401	Chicago Metro	1

Attachment 20

46402	Chicago Metro	7
46403	Chicago Metro	24
46404	Chicago Metro	44
46405	Chicago Metro	18
46406	Chicago Metro	18
46407	Chicago Metro	23
46408	Chicago Metro	31
46409	Chicago Metro	11
46410	Chicago Metro	94
60002	Chicago Metro	16
60004	Chicago Metro	37
60005	Chicago Metro	11
60007	Chicago Metro	19
60008	Chicago Metro	19
60010	Chicago Metro	25
60012	Chicago Metro	4
60013	Chicago Metro	16
60014	Chicago Metro	22
60015	Chicago Metro	30
60016	Chicago Metro	22
60018	Chicago Metro	11
60020	Chicago Metro	6
60021	Chicago Metro	6
60022	Chicago Metro	2
60025	Chicago Metro	23
60026	Chicago Metro	10
60030	Chicago Metro	34
60031	Chicago Metro	19
60033	Chicago Metro	5
60035	Chicago Metro	42
60038	Chicago Metro	1
60040	Chicago Metro	5
60041	Chicago Metro	3
60042	Chicago Metro	1
60044	Chicago Metro	8
60045	Chicago Metro	17
60046	Chicago Metro	12
60047	Chicago Metro	25
60048	Chicago Metro	21
60050	Chicago Metro	17
60051	Chicago Metro	5
60053	Chicago Metro	6
60056	Chicago Metro	25
60060	Chicago Metro	10
60061	Chicago Metro	17
60062	Chicago Metro	39
60064	Chicago Metro	2
60067	Chicago Metro	48
60068	Chicago Metro	34
60069	Chicago Metro	4
60070	Chicago Metro	6
60072	Chicago Metro	1
60073	Chicago Metro	32
60074	Chicago Metro	23
60075	Chicago Metro	1
60076	Chicago Metro	21
60077	Chicago Metro	7
60081	Chicago Metro	5
60083	Chicago Metro	3
60084	Chicago Metro	5
60085	Chicago Metro	15

60087	Chicago Metro	5
60088	Chicago Metro	3
60089	Chicago Metro	30
60090	Chicago Metro	13
60091	Chicago Metro	12
60093	Chicago Metro	12
60096	Chicago Metro	1
60097	Chicago Metro	6
60098	Chicago Metro	22
60099	Chicago Metro	9
60101	Chicago Metro	22
60102	Chicago Metro	20
60103	Chicago Metro	19
60104	Chicago Metro	6
60106	Chicago Metro	14
60107	Chicago Metro	21
60108	Chicago Metro	24
60110	Chicago Metro	5
60118	Chicago Metro	14
60119	Chicago Metro	5
60120	Chicago Metro	25
60123	Chicago Metro	39
60124	Chicago Metro	8
60126	Chicago Metro	38
60130	Chicago Metro	4
60131	Chicago Metro	3
60133	Chicago Metro	9
60134	Chicago Metro	15
60136	Chicago Metro	5
60137	Chicago Metro	45
60139	Chicago Metro	14
60140	Chicago Metro	8
60141	Chicago Metro	1
60142	Chicago Metro	13
60143	Chicago Metro	12
60148	Chicago Metro	45
60151	Chicago Metro	7
60152	Chicago Metro	3
60153	Chicago Metro	15
60154	Chicago Metro	5
60155	Chicago Metro	3
60156	Chicago Metro	16
60157	Chicago Metro	2
60160	Chicago Metro	15
60162	Chicago Metro	6
60163	Chicago Metro	3
60164	Chicago Metro	5
60169	Chicago Metro	15
60171	Chicago Metro	1
60172	Chicago Metro	12
60173	Chicago Metro	6
60174	Chicago Metro	20
60175	Chicago Metro	19
60177	Chicago Metro	21
60181	Chicago Metro	11
60183	Chicago Metro	1
60184	Chicago Metro	5
60185	Chicago Metro	14
60187	Chicago Metro	17
60188	Chicago Metro	30
60189	Chicago Metro	24

60190	Chicago Metro	7
60191	Chicago Metro	14
60192	Chicago Metro	6
60193	Chicago Metro	20
60194	Chicago Metro	15
60195	Chicago Metro	6
60201	Chicago Metro	21
60202	Chicago Metro	19
60203	Chicago Metro	3
60301	Chicago Metro	2
60302	Chicago Metro	19
60304	Chicago Metro	12
60305	Chicago Metro	10
60401	Chicago Metro	23
60402	Chicago Metro	18
60403	Chicago Metro	13
60404	Chicago Metro	10
60406	Chicago Metro	65
60407	Chicago Metro	2
60408	Chicago Metro	4
60409	Chicago Metro	126
60410	Chicago Metro	10
60411	Chicago Metro	134
60412	Chicago Metro	2
60415	Chicago Metro	13
60416	Chicago Metro	5
60417	Chicago Metro	31
60419	Chicago Metro	70
60420	Chicago Metro	8
60421	Chicago Metro	6
60422	Chicago Metro	46
60423	Chicago Metro	60
60425	Chicago Metro	31
60426	Chicago Metro	84
60428	Chicago Metro	36
60429	Chicago Metro	58
60430	Chicago Metro	46
60431	Chicago Metro	9
60432	Chicago Metro	15
60433	Chicago Metro	23
60434	Chicago Metro	2
60435	Chicago Metro	28
60436	Chicago Metro	19
60438	Chicago Metro	84
60439	Chicago Metro	29
60440	Chicago Metro	39
60441	Chicago Metro	26
60442	Chicago Metro	11
60443	Chicago Metro	57
60444	Chicago Metro	1
60445	Chicago Metro	48
60446	Chicago Metro	22
60447	Chicago Metro	6
60448	Chicago Metro	55
60449	Chicago Metro	13
60450	Chicago Metro	13
60451	Chicago Metro	53
60452	Chicago Metro	67
60453	Chicago Metro	68
60455	Chicago Metro	25
60456	Chicago Metro	7

60457	Chicago Metro	15
60458	Chicago Metro	9
60459	Chicago Metro	25
60461	Chicago Metro	19
60462	Chicago Metro	93
60463	Chicago Metro	26
60464	Chicago Metro	24
60465	Chicago Metro	23
60466	Chicago Metro	43
60467	Chicago Metro	62
60468	Chicago Metro	12
60469	Chicago Metro	7
60471	Chicago Metro	21
60472	Chicago Metro	14
60473	Chicago Metro	73
60475	Chicago Metro	31
60476	Chicago Metro	9
60477	Chicago Metro	86
60478	Chicago Metro	30
60480	Chicago Metro	5
60481	Chicago Metro	8
60482	Chicago Metro	13
60484	Chicago Metro	10
60487	Chicago Metro	40
60490	Chicago Metro	10
60491	Chicago Metro	34
60501	Chicago Metro	7
60502	Chicago Metro	16
60503	Chicago Metro	11
60504	Chicago Metro	19
60505	Chicago Metro	15
60506	Chicago Metro	26
60510	Chicago Metro	18
60513	Chicago Metro	7
60514	Chicago Metro	12
60515	Chicago Metro	19
60516	Chicago Metro	27
60517	Chicago Metro	41
60521	Chicago Metro	33
60523	Chicago Metro	10
60525	Chicago Metro	21
60526	Chicago Metro	20
60527	Chicago Metro	25
60532	Chicago Metro	16
60534	Chicago Metro	1
60538	Chicago Metro	19
60540	Chicago Metro	26
60541	Chicago Metro	3
60542	Chicago Metro	9
60543	Chicago Metro	27
60544	Chicago Metro	14
60545	Chicago Metro	8
60546	Chicago Metro	14
60554	Chicago Metro	10
60555	Chicago Metro	10
60558	Chicago Metro	7
60559	Chicago Metro	21
60560	Chicago Metro	16
60561	Chicago Metro	16
60563	Chicago Metro	42
60564	Chicago Metro	21

60565	Chicago Metro	32
60585	Chicago Metro	14
60586	Chicago Metro	25
60601	Chicago Metro	19
60602	Chicago Metro	1
60604	Chicago Metro	1
60606	Chicago Metro	12
60607	Chicago Metro	16
60610	Chicago Metro	45
60611	Chicago Metro	43
60612	Chicago Metro	24
60613	Chicago Metro	44
60614	Chicago Metro	60
60618	Chicago Metro	29
60622	Chicago Metro	30
60623	Chicago Metro	39
60624	Chicago Metro	30
60625	Chicago Metro	38
60626	Chicago Metro	40
60630	Chicago Metro	54
60631	Chicago Metro	16
60633	Chicago Metro	58
60634	Chicago Metro	30
60639	Chicago Metro	32
60640	Chicago Metro	78
60641	Chicago Metro	26
60642	Chicago Metro	13
60644	Chicago Metro	33
60645	Chicago Metro	35
60646	Chicago Metro	16
60647	Chicago Metro	34
60651	Chicago Metro	29
60654	Chicago Metro	25
60655	Chicago Metro	51
60656	Chicago Metro	18
60657	Chicago Metro	54
60659	Chicago Metro	37
60660	Chicago Metro	31
60661	Chicago Metro	6
60664	Chicago Metro	1
60680	Chicago Metro	1
60699	Chicago Metro	1
60706	Chicago Metro	16
60707	Chicago Metro	22
60712	Chicago Metro	8
60714	Chicago Metro	11
60803	Chicago Metro	42
60804	Chicago Metro	26
60805	Chicago Metro	37
60827	Chicago Metro	91
60901	Chicago Metro	90
60913	Chicago Metro	3
60914	Chicago Metro	41
60915	Chicago Metro	23
60917	Chicago Metro	2
60922	Chicago Metro	5
60940	Chicago Metro	9
60941	Chicago Metro	5
60950	Chicago Metro	36
60954	Chicago Metro	17
60958	Chicago Metro	11

60964	Chicago Metro	7
0	Outside Chicago Metro	5
803	Outside Chicago Metro	1
987	Outside Chicago Metro	1
5672	Outside Chicago Metro	2
7094	Outside Chicago Metro	1
7901	Outside Chicago Metro	1
8540	Outside Chicago Metro	1
8753	Outside Chicago Metro	1
10314	Outside Chicago Metro	1
10924	Outside Chicago Metro	2
11102	Outside Chicago Metro	2
11426	Outside Chicago Metro	1
11579	Outside Chicago Metro	1
15203	Outside Chicago Metro	1
16066	Outside Chicago Metro	1
18104	Outside Chicago Metro	1
19010	Outside Chicago Metro	1
19022	Outside Chicago Metro	1
19713	Outside Chicago Metro	1
20175	Outside Chicago Metro	1
20197	Outside Chicago Metro	7
20878	Outside Chicago Metro	1
21042	Outside Chicago Metro	1
21157	Outside Chicago Metro	1
21229	Outside Chicago Metro	2
22066	Outside Chicago Metro	1
22968	Outside Chicago Metro	1
23185	Outside Chicago Metro	5
24210	Outside Chicago Metro	1
25301	Outside Chicago Metro	1
28027	Outside Chicago Metro	1
29115	Outside Chicago Metro	4
29579	Outside Chicago Metro	1
29605	Outside Chicago Metro	3
29910	Outside Chicago Metro	2
29926	Outside Chicago Metro	1
30044	Outside Chicago Metro	1
30058	Outside Chicago Metro	1
30075	Outside Chicago Metro	1
30120	Outside Chicago Metro	1
30213	Outside Chicago Metro	2
30316	Outside Chicago Metro	1
30318	Outside Chicago Metro	2
31411	Outside Chicago Metro	1
31419	Outside Chicago Metro	1
31522	Outside Chicago Metro	2
32162	Outside Chicago Metro	1
32208	Outside Chicago Metro	1
32456	Outside Chicago Metro	3
33071	Outside Chicago Metro	1
33330	Outside Chicago Metro	1
33441	Outside Chicago Metro	1
33455	Outside Chicago Metro	2
33584	Outside Chicago Metro	1
33611	Outside Chicago Metro	1
33615	Outside Chicago Metro	1
33772	Outside Chicago Metro	1
33778	Outside Chicago Metro	3
33872	Outside Chicago Metro	1
33913	Outside Chicago Metro	2

33914	Outside Chicago Metro	1
33931	Outside Chicago Metro	1
33974	Outside Chicago Metro	1
34103	Outside Chicago Metro	1
34112	Outside Chicago Metro	1
34116	Outside Chicago Metro	1
34134	Outside Chicago Metro	1
34608	Outside Chicago Metro	1
34688	Outside Chicago Metro	2
34990	Outside Chicago Metro	1
35570	Outside Chicago Metro	1
36108	Outside Chicago Metro	1
37064	Outside Chicago Metro	2
37076	Outside Chicago Metro	1
37215	Outside Chicago Metro	1
37218	Outside Chicago Metro	1
37321	Outside Chicago Metro	2
37352	Outside Chicago Metro	1
38068	Outside Chicago Metro	1
38106	Outside Chicago Metro	1
38637	Outside Chicago Metro	1
38652	Outside Chicago Metro	1
38654	Outside Chicago Metro	1
38801	Outside Chicago Metro	1
38921	Outside Chicago Metro	1
39759	Outside Chicago Metro	1
40206	Outside Chicago Metro	1
40504	Outside Chicago Metro	1
40509	Outside Chicago Metro	1
40515	Outside Chicago Metro	1
42029	Outside Chicago Metro	1
42788	Outside Chicago Metro	1
43017	Outside Chicago Metro	1
43065	Outside Chicago Metro	1
43416	Outside Chicago Metro	1
43506	Outside Chicago Metro	2
43606	Outside Chicago Metro	1
43616	Outside Chicago Metro	1
43619	Outside Chicago Metro	1
44121	Outside Chicago Metro	1
44224	Outside Chicago Metro	1
44236	Outside Chicago Metro	1
44256	Outside Chicago Metro	1
44406	Outside Chicago Metro	2
45233	Outside Chicago Metro	1
45238	Outside Chicago Metro	1
45247	Outside Chicago Metro	1
45255	Outside Chicago Metro	1
45341	Outside Chicago Metro	1
45844	Outside Chicago Metro	1
46033	Outside Chicago Metro	1
46041	Outside Chicago Metro	11
46062	Outside Chicago Metro	5
46065	Outside Chicago Metro	1
46112	Outside Chicago Metro	1
46205	Outside Chicago Metro	2
46217	Outside Chicago Metro	1
46226	Outside Chicago Metro	1
46227	Outside Chicago Metro	1
46254	Outside Chicago Metro	4
46306	Outside Chicago Metro	2

46310	Outside Chicago Metro	22
46349	Outside Chicago Metro	9
46366	Outside Chicago Metro	2
46392	Outside Chicago Metro	12
46504	Outside Chicago Metro	4
46507	Outside Chicago Metro	9
46510	Outside Chicago Metro	3
46511	Outside Chicago Metro	1
46514	Outside Chicago Metro	9
46516	Outside Chicago Metro	8
46517	Outside Chicago Metro	6
46526	Outside Chicago Metro	5
46528	Outside Chicago Metro	3
46530	Outside Chicago Metro	9
46532	Outside Chicago Metro	2
46534	Outside Chicago Metro	12
46536	Outside Chicago Metro	2
46544	Outside Chicago Metro	8
46545	Outside Chicago Metro	10
46552	Outside Chicago Metro	1
46555	Outside Chicago Metro	1
46561	Outside Chicago Metro	8
46563	Outside Chicago Metro	2
46574	Outside Chicago Metro	1
46580	Outside Chicago Metro	1
46601	Outside Chicago Metro	1
46613	Outside Chicago Metro	1
46614	Outside Chicago Metro	18
46617	Outside Chicago Metro	12
46619	Outside Chicago Metro	2
46628	Outside Chicago Metro	7
46637	Outside Chicago Metro	11
46706	Outside Chicago Metro	1
46723	Outside Chicago Metro	1
46725	Outside Chicago Metro	1
46763	Outside Chicago Metro	5
46767	Outside Chicago Metro	1
46772	Outside Chicago Metro	1
46802	Outside Chicago Metro	1
46804	Outside Chicago Metro	1
46845	Outside Chicago Metro	1
46922	Outside Chicago Metro	1
46985	Outside Chicago Metro	1
46996	Outside Chicago Metro	2
47301	Outside Chicago Metro	1
47303	Outside Chicago Metro	5
47304	Outside Chicago Metro	1
47355	Outside Chicago Metro	1
47431	Outside Chicago Metro	2
47714	Outside Chicago Metro	1
47725	Outside Chicago Metro	2
47804	Outside Chicago Metro	1
47807	Outside Chicago Metro	1
47834	Outside Chicago Metro	1
47842	Outside Chicago Metro	1
47905	Outside Chicago Metro	3
47906	Outside Chicago Metro	6
47922	Outside Chicago Metro	1
47933	Outside Chicago Metro	1
47959	Outside Chicago Metro	1
47960	Outside Chicago Metro	5

47963	Outside Chicago Metro	2
47978	Outside Chicago Metro	9
48009	Outside Chicago Metro	3
48063	Outside Chicago Metro	1
48070	Outside Chicago Metro	1
48073	Outside Chicago Metro	1
48089	Outside Chicago Metro	1
48098	Outside Chicago Metro	1
48108	Outside Chicago Metro	1
48161	Outside Chicago Metro	1
48169	Outside Chicago Metro	1
48224	Outside Chicago Metro	1
48238	Outside Chicago Metro	1
48304	Outside Chicago Metro	1
48327	Outside Chicago Metro	2
48423	Outside Chicago Metro	1
48628	Outside Chicago Metro	2
48840	Outside Chicago Metro	1
48864	Outside Chicago Metro	1
49004	Outside Chicago Metro	1
49015	Outside Chicago Metro	4
49022	Outside Chicago Metro	15
49024	Outside Chicago Metro	5
49031	Outside Chicago Metro	1
49038	Outside Chicago Metro	12
49047	Outside Chicago Metro	6
49048	Outside Chicago Metro	1
49061	Outside Chicago Metro	1
49064	Outside Chicago Metro	1
49065	Outside Chicago Metro	1
49079	Outside Chicago Metro	1
49085	Outside Chicago Metro	13
49091	Outside Chicago Metro	1
49097	Outside Chicago Metro	1
49098	Outside Chicago Metro	3
49099	Outside Chicago Metro	1
49101	Outside Chicago Metro	2
49102	Outside Chicago Metro	4
49103	Outside Chicago Metro	8
49106	Outside Chicago Metro	13
49107	Outside Chicago Metro	1
49111	Outside Chicago Metro	1
49112	Outside Chicago Metro	4
49115	Outside Chicago Metro	4
49117	Outside Chicago Metro	12
49120	Outside Chicago Metro	19
49125	Outside Chicago Metro	1
49127	Outside Chicago Metro	9
49128	Outside Chicago Metro	2
49129	Outside Chicago Metro	2
49186	Outside Chicago Metro	2
49302	Outside Chicago Metro	1
49309	Outside Chicago Metro	1
49315	Outside Chicago Metro	1
49321	Outside Chicago Metro	1
49331	Outside Chicago Metro	2
49408	Outside Chicago Metro	2
49423	Outside Chicago Metro	3
49424	Outside Chicago Metro	1
49442	Outside Chicago Metro	1
49444	Outside Chicago Metro	1

49445	Outside Chicago Metro	1
49453	Outside Chicago Metro	1
49457	Outside Chicago Metro	1
49464	Outside Chicago Metro	6
49506	Outside Chicago Metro	1
49508	Outside Chicago Metro	3
49525	Outside Chicago Metro	2
49534	Outside Chicago Metro	1
49546	Outside Chicago Metro	1
49642	Outside Chicago Metro	1
49689	Outside Chicago Metro	1
49706	Outside Chicago Metro	1
49770	Outside Chicago Metro	2
49858	Outside Chicago Metro	1
49913	Outside Chicago Metro	1
50266	Outside Chicago Metro	3
50317	Outside Chicago Metro	2
52302	Outside Chicago Metro	1
52404	Outside Chicago Metro	2
52722	Outside Chicago Metro	1
52742	Outside Chicago Metro	1
52761	Outside Chicago Metro	1
52806	Outside Chicago Metro	1
53005	Outside Chicago Metro	1
53024	Outside Chicago Metro	1
53045	Outside Chicago Metro	4
53066	Outside Chicago Metro	3
53105	Outside Chicago Metro	1
53115	Outside Chicago Metro	1
53118	Outside Chicago Metro	2
53129	Outside Chicago Metro	3
53139	Outside Chicago Metro	1
53140	Outside Chicago Metro	1
53142	Outside Chicago Metro	2
53143	Outside Chicago Metro	1
53144	Outside Chicago Metro	6
53154	Outside Chicago Metro	6
53158	Outside Chicago Metro	3
53168	Outside Chicago Metro	3
53179	Outside Chicago Metro	3
53184	Outside Chicago Metro	1
53208	Outside Chicago Metro	1
53209	Outside Chicago Metro	1
53216	Outside Chicago Metro	1
53218	Outside Chicago Metro	1
53219	Outside Chicago Metro	1
53221	Outside Chicago Metro	3
53223	Outside Chicago Metro	1
53224	Outside Chicago Metro	2
53403	Outside Chicago Metro	1
53559	Outside Chicago Metro	1
53569	Outside Chicago Metro	1
53951	Outside Chicago Metro	1
54013	Outside Chicago Metro	5
54016	Outside Chicago Metro	1
54165	Outside Chicago Metro	1
54174	Outside Chicago Metro	1
54177	Outside Chicago Metro	3
54220	Outside Chicago Metro	1
54235	Outside Chicago Metro	5
54301	Outside Chicago Metro	1

54311	Outside Chicago Metro	1
54313	Outside Chicago Metro	1
54703	Outside Chicago Metro	1
54904	Outside Chicago Metro	1
55112	Outside Chicago Metro	1
55124	Outside Chicago Metro	1
55317	Outside Chicago Metro	1
55337	Outside Chicago Metro	2
55408	Outside Chicago Metro	1
55419	Outside Chicago Metro	1
56058	Outside Chicago Metro	1
58104	Outside Chicago Metro	1
60115	Outside Chicago Metro	10
60135	Outside Chicago Metro	1
60146	Outside Chicago Metro	1
60150	Outside Chicago Metro	2
60178	Outside Chicago Metro	5
60531	Outside Chicago Metro	1
60548	Outside Chicago Metro	12
60549	Outside Chicago Metro	1
60550	Outside Chicago Metro	1
60551	Outside Chicago Metro	3
60556	Outside Chicago Metro	1
60600	Outside Chicago Metro	1
60911	Outside Chicago Metro	1
60919	Outside Chicago Metro	1
60924	Outside Chicago Metro	6
60927	Outside Chicago Metro	1
60931	Outside Chicago Metro	2
60946	Outside Chicago Metro	1
60953	Outside Chicago Metro	4
60959	Outside Chicago Metro	1
60960	Outside Chicago Metro	1
60963	Outside Chicago Metro	1
60966	Outside Chicago Metro	4
60970	Outside Chicago Metro	6
60973	Outside Chicago Metro	3
61008	Outside Chicago Metro	3
61011	Outside Chicago Metro	1
61012	Outside Chicago Metro	3
61021	Outside Chicago Metro	15
61028	Outside Chicago Metro	1
61031	Outside Chicago Metro	1
61032	Outside Chicago Metro	4
61037	Outside Chicago Metro	1
61046	Outside Chicago Metro	2
61051	Outside Chicago Metro	1
61052	Outside Chicago Metro	1
61064	Outside Chicago Metro	1
61065	Outside Chicago Metro	1
61071	Outside Chicago Metro	2
61073	Outside Chicago Metro	4
61080	Outside Chicago Metro	5
61081	Outside Chicago Metro	9
61088	Outside Chicago Metro	10
61101	Outside Chicago Metro	1
61102	Outside Chicago Metro	2
61103	Outside Chicago Metro	5
61104	Outside Chicago Metro	3
61107	Outside Chicago Metro	2
61108	Outside Chicago Metro	4

61109	Outside Chicago Metro	8
61111	Outside Chicago Metro	4
61115	Outside Chicago Metro	1
61201	Outside Chicago Metro	2
61232	Outside Chicago Metro	2
61240	Outside Chicago Metro	2
61244	Outside Chicago Metro	14
61252	Outside Chicago Metro	2
61254	Outside Chicago Metro	2
61264	Outside Chicago Metro	2
61265	Outside Chicago Metro	1
61270	Outside Chicago Metro	1
61277	Outside Chicago Metro	1
61282	Outside Chicago Metro	1
61301	Outside Chicago Metro	4
61310	Outside Chicago Metro	2
61312	Outside Chicago Metro	1
61326	Outside Chicago Metro	5
61329	Outside Chicago Metro	3
61341	Outside Chicago Metro	3
61342	Outside Chicago Metro	2
61348	Outside Chicago Metro	5
61350	Outside Chicago Metro	16
61354	Outside Chicago Metro	7
61360	Outside Chicago Metro	1
61361	Outside Chicago Metro	2
61362	Outside Chicago Metro	1
61364	Outside Chicago Metro	17
61369	Outside Chicago Metro	2
61373	Outside Chicago Metro	1
61377	Outside Chicago Metro	1
61401	Outside Chicago Metro	7
61436	Outside Chicago Metro	2
61443	Outside Chicago Metro	2
61454	Outside Chicago Metro	1
61455	Outside Chicago Metro	1
61480	Outside Chicago Metro	1
61486	Outside Chicago Metro	1
61517	Outside Chicago Metro	1
61520	Outside Chicago Metro	6
61523	Outside Chicago Metro	4
61525	Outside Chicago Metro	1
61528	Outside Chicago Metro	2
61533	Outside Chicago Metro	1
61536	Outside Chicago Metro	1
61540	Outside Chicago Metro	1
61548	Outside Chicago Metro	2
61554	Outside Chicago Metro	6
61561	Outside Chicago Metro	10
61565	Outside Chicago Metro	1
61603	Outside Chicago Metro	2
61604	Outside Chicago Metro	3
61605	Outside Chicago Metro	4
61611	Outside Chicago Metro	3
61614	Outside Chicago Metro	5
61615	Outside Chicago Metro	9
61701	Outside Chicago Metro	14
61704	Outside Chicago Metro	22
61705	Outside Chicago Metro	1
61726	Outside Chicago Metro	1
61730	Outside Chicago Metro	1

61732	Outside Chicago Metro	1
61738	Outside Chicago Metro	1
61753	Outside Chicago Metro	1
61759	Outside Chicago Metro	5
61761	Outside Chicago Metro	14
61764	Outside Chicago Metro	3
61801	Outside Chicago Metro	4
61802	Outside Chicago Metro	3
61820	Outside Chicago Metro	1
61821	Outside Chicago Metro	4
61822	Outside Chicago Metro	10
61832	Outside Chicago Metro	3
61839	Outside Chicago Metro	2
61842	Outside Chicago Metro	8
61843	Outside Chicago Metro	1
61848	Outside Chicago Metro	1
61853	Outside Chicago Metro	2
61855	Outside Chicago Metro	2
61856	Outside Chicago Metro	5
61866	Outside Chicago Metro	1
61883	Outside Chicago Metro	1
61910	Outside Chicago Metro	2
61920	Outside Chicago Metro	1
61938	Outside Chicago Metro	2
61951	Outside Chicago Metro	1
61953	Outside Chicago Metro	3
61956	Outside Chicago Metro	2
62025	Outside Chicago Metro	1
62246	Outside Chicago Metro	1
62305	Outside Chicago Metro	2
62338	Outside Chicago Metro	3
62401	Outside Chicago Metro	1
62420	Outside Chicago Metro	1
62448	Outside Chicago Metro	1
62454	Outside Chicago Metro	1
62466	Outside Chicago Metro	1
62521	Outside Chicago Metro	10
62523	Outside Chicago Metro	1
62526	Outside Chicago Metro	4
62553	Outside Chicago Metro	2
62613	Outside Chicago Metro	2
62650	Outside Chicago Metro	2
62681	Outside Chicago Metro	1
62702	Outside Chicago Metro	1
62703	Outside Chicago Metro	4
62704	Outside Chicago Metro	1
62708	Outside Chicago Metro	1
62711	Outside Chicago Metro	1
62712	Outside Chicago Metro	1
62732	Outside Chicago Metro	1
62816	Outside Chicago Metro	1
62837	Outside Chicago Metro	1
62896	Outside Chicago Metro	2
62901	Outside Chicago Metro	2
62903	Outside Chicago Metro	2
62930	Outside Chicago Metro	1
62939	Outside Chicago Metro	1
63017	Outside Chicago Metro	7
63052	Outside Chicago Metro	1
63112	Outside Chicago Metro	1
63114	Outside Chicago Metro	1

63116	Outside Chicago Metro	2
63127	Outside Chicago Metro	1
63136	Outside Chicago Metro	1
63307	Outside Chicago Metro	1
64112	Outside Chicago Metro	11
65020	Outside Chicago Metro	1
66112	Outside Chicago Metro	1
67205	Outside Chicago Metro	1
68028	Outside Chicago Metro	1
68901	Outside Chicago Metro	1
70005	Outside Chicago Metro	1
71459	Outside Chicago Metro	1
72065	Outside Chicago Metro	1
72651	Outside Chicago Metro	1
74136	Outside Chicago Metro	1
75081	Outside Chicago Metro	1
75234	Outside Chicago Metro	1
77008	Outside Chicago Metro	5
77042	Outside Chicago Metro	1
77096	Outside Chicago Metro	2
77273	Outside Chicago Metro	2
78040	Outside Chicago Metro	1
78209	Outside Chicago Metro	1
78596	Outside Chicago Metro	1
78721	Outside Chicago Metro	1
78759	Outside Chicago Metro	1
79938	Outside Chicago Metro	1
80228	Outside Chicago Metro	1
80525	Outside Chicago Metro	1
83128	Outside Chicago Metro	1
83466	Outside Chicago Metro	1
84065	Outside Chicago Metro	1
84094	Outside Chicago Metro	1
85208	Outside Chicago Metro	9
85383	Outside Chicago Metro	1
87120	Outside Chicago Metro	1
89104	Outside Chicago Metro	2
89107	Outside Chicago Metro	1
89117	Outside Chicago Metro	3
89120	Outside Chicago Metro	1
90292	Outside Chicago Metro	1
92625	Outside Chicago Metro	1
93110	Outside Chicago Metro	1
93535	Outside Chicago Metro	1
94404	Outside Chicago Metro	1
94501	Outside Chicago Metro	1
94585	Outside Chicago Metro	1
95073	Outside Chicago Metro	1

SERVICE AREA DEMAND CALCULATIONS

Section VII. A. 3. Planning Area Need - Service Demand

	Added Days	Cumulative Days	M/S Beds @ 90%
0. Present state - CY2012	0	87,634	267
1. Last 3 Year's Growth Continues Three Years	15,010	102,644	312

M/S days grew by 4.3%/year between 2009 and 2012.

Year	Days	
2009	75,357	
2012	85,611	
2012	85,611	
Observation Days	2,023	
Total in M/S beds	87,634	
	x 1.043	
2013	91,402	
	x 1.043	
2014	95,333	
	x 1.043	
2015	99,432	
	x 1.0323	(4.3% rate through 9/30/16, two years after project completion
2016	102,644	

2. Denied Transfers Are Accommodated By Additional Beds	2,240	104,884	319

Recent 11 months ending 2/13 are annualized and result in 800 cancelled requests for transfer. Estimated 50 percent were cancelled due to death, other change in health condition, preference for different hospital, patient stabilizes. The remaining 400 would be admitted here. Eighty percent are adult admissions, based on percent of transfers in this period who were Pediatric patients. Sixty six percent of remainder are assumed to be M/S admissions, since this is the proportion of recent transfers who are admitted to M/S beds. Average length of stay for transfer patients is 10.6 days, which yields 2,240 additional days were there available beds for failed transfers in a year.

800 failed transfers x 50% who did not come due to bed unavailable x 80% non-Peds x 66% M/S x 10.6 day ALOS = 2,240 days

3. Adult Emergency Department Backup

The peak occupancy times when beds are not available (we exceed 90% occupancy 35% of the days) results in backlogs in the Adult ED. This results in long waits in the ED for a bed to become open, patients who leave without being seen, and frequent ambulance diversion. The lost patient days caused by the bed insufficiency is estimated in this section.

A. Long Waits in the ED for Admissions Are Curtailed	1,828	106,712	325

We measured the time from decision to admit the patient to the time of admittance, subtracted 30 minutes for normal processing time, then totaled all minutes in excess to determine the patient days that would have occurred had there been open beds when they were needed.

Hours after subtracting 30 minutes processing time - 43,872 / 24 hrs/day = 1,828 days

SERVICE AREA DEMAND CALCULATIONS

Section VII. A. 3. Planning Area Need - Service Demand

	Added Days	Cumulative Days	M/S Beds @ 90%
B. Patients Who Left Without Being Seen Are Eliminated Because Bed Availability Reduces Waiting Time	2,437	109,149	332

We determined the admission rate by ESI (Emergency Severity Index), a triage acuity measurement and applied these rates to Adult ED patients who were given ESI scores and later left without being seen (LWBS). We took the proportion of patients historically admitted to M/S beds from the ED and applied this rate to the LWBS patients to arrive at 438 admissions. Using the average length of stay for M/S patients produces 2,437 lost M/S days.

C. Ambulance Diversions Are Reduced When Beds Are More Available	2,738	111,887	341

For 2012, the Adult ED was on ambulance diversion 2,025 hours out of 8,760 possible hours. In 95 percent of these instances, the diversion is due to no available hospital bed. We estimate the number of lost patient days due to ambulance diversion.

We identified the days and hours we were on diversion. We determined the number of admissions of patients coming by ambulance who were admitted to M/S beds, and on which day of the week. Using this information, we performed regression analysis to estimate the number of lost admissions for the time we were on diversion. Using the average length of stay of 5.6 days yielded 2,738 M/S days lost while on diversion.

Beds requested	338

ZIP CODE AREAS/POPULATION
OF HOSPITALS WITHIN 30 MINUTES TRAVEL TIME

Zip Code	Population
Illinois	
60302	32,108
60402	63,448
60406	25,460
60409	37,186
60415	14,139
60419	22,788
60426	29,594
60453	56,855
60455	16,446
60456	4,349
60459	28,929
60469	5,930
60472	5,390
60546	15,668
60601	11,110
60602	1,204
60603	493
60604	570
60605	24,668
60606	2,308
60607	23,897
60608	82,739
60609	64,906
60610	37,726
60612	33,472
60613	48,281
60614	66,617
60615	40,603
60616	48,433
60617	84,155
60618	92,084
60619	63,825
60620	72,216
60621	35,912
60622	52,548
60623	92,108
60624	38,105
60625	76,651
60628	72,202
60629	113,916
60630	54,093
60632	91,326
60633	12,927
60636	40,916
60637	49,503
60638	55,026
60639	90,407

Attachment 20

ZIP CODE AREAS/POPULATION
OF HOSPITALS WITHIN 30 MINUTES TRAVEL TIME

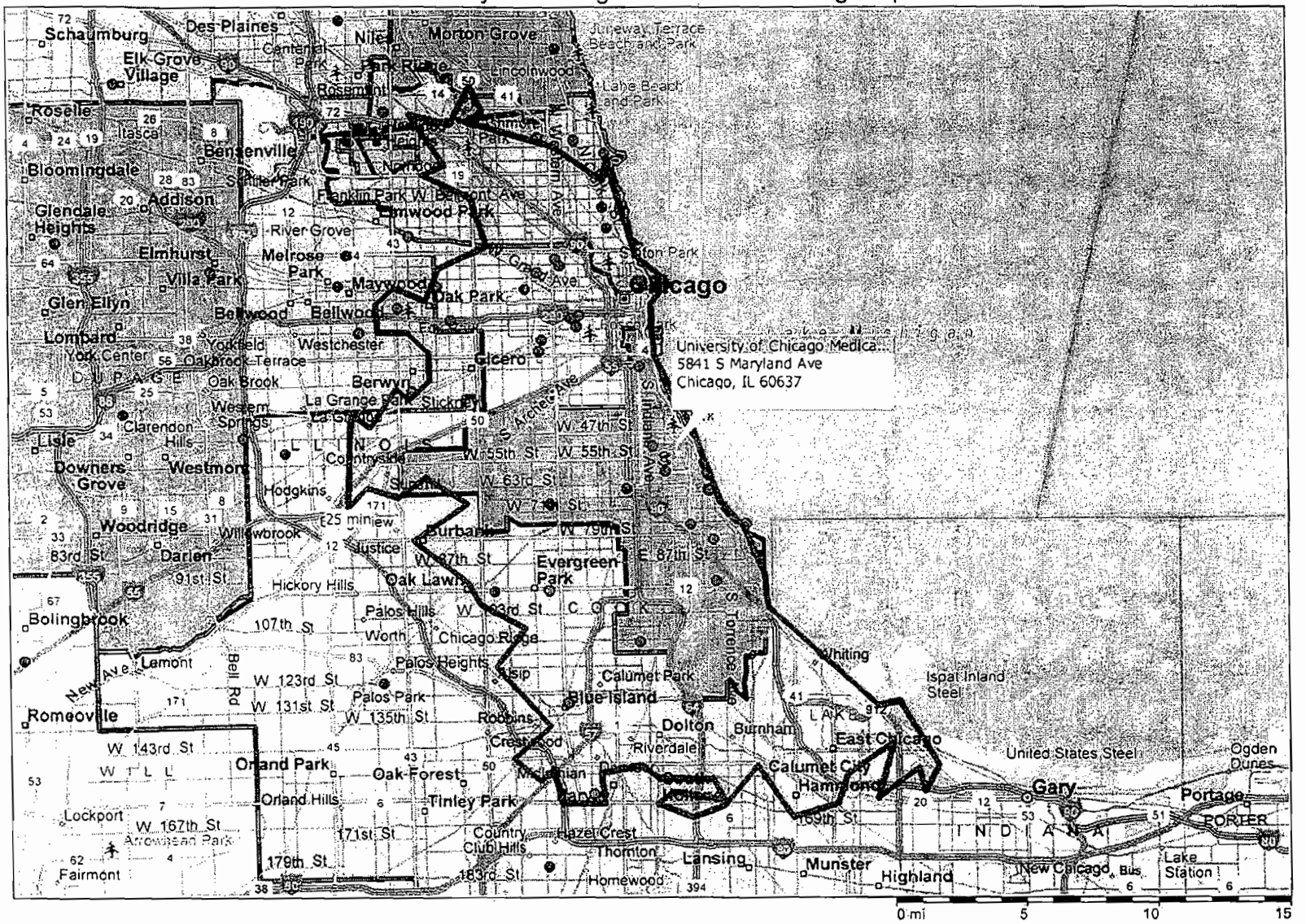
Zip Code	Population
60640	65,790
60641	71,663
60642	18,480
60643	49,952
60644	48,648
60647	87,921
60649	46,650
60651	64,267
60652	40,959
60653	29,908
60655	28,550
60657	65,996
Indiana	
46312	29,698
46320	15,508
46327	12,153
46394	12,258
Total	2,721,638

Attachment 20

HOSPITALS WITHIN 30 MINUTES TRAVEL TIME OF THE UNIVERSITY OF CHICAGC MEDICAL CENTER
(That Operate Med/Surg Inpatient Units)

185	University Of Chicago Medical Center	5841 South Maryland	Chicago	300	61	3897	IL	60637-0000 W Virginia Ave & Franklin Ave
Hospitals that are within 30 minutes travel time from UCMC are as follows:								
7	Advocate Christ Hospital and Medical Center	9500 South Kenneth Ave	Oak Lawn	394	45	315	IL	60453-0000 SR-22 & SR-59
100	MetroSouth Medical Center	12935 South Gregory Street	Blue Island	258		5116	IL	60406-0000
68	Ingalls Memorial Hospital	One Ingalls Drive	Harvey	349	17	1099	IL	60426-0000 California at 15th Avenue
79	Little Company of Mary Hospital and Health Care Center	2800 West 95th Street	Evergreen Park	208	20	1271	IL	60642-0000
62	Holy Cross Hospital	2701 West 68th Street	Chicago	204		992	IL	60629-0000
160	St. Bernard Hospital	326 West 64th Street	Chicago	126	12	2303	IL	60621-0000
137	Roseland Community Hospital	45 West 111th Street	Chicago	77		2063	IL	60628-0000
15	Advocate Trinity Hospital	2320 East 93rd Street	Chicago	158		4176	IL	60617-0000
70	Jackson Park Hosp. Foundation	7531 Stony Island Avenue	Chicago	149	1	1115	IL	60649-0000 240 East Ontario Suite 530
131	Provident Hospital of Cook County	500 East 51st Street	Chicago	79		4549	IL	60615-0000 721 East Court Street
155	South Shore Hospital	8012 South Crandon	Chicago	117	6	3459	IL	60617-0000
77	LaRabida Children's Hospital	6501 S. Promontory Drive	Chicago		49			60649
139	Rush Oak Park Hospital	520 South Maple Street	Oak Park	151		1750	IL	60304-0000
80	Loretto Hospital	645 South Central Avenue	Chicago	89	10	1289	IL	60644-0000
188	VHS West Suburban Medical Center	622 North Austin Ave	Oak Park	135	5	2907	IL	60302-0000 6850 SR-12
159	St. Anthony Hospital	2875 West 19th Street	Chicago	62	12	4556	IL	60623-0000 1775 Dempster Street
105	Mount Sinai Hospital Medical Center	1501 S California Ave	Chicago	165	31	1644	IL	60608-0000
73	John H. Stroger Hospital of Cook County	1901 West Harrison Street - Suite 5550	Chicago	240	40	430	IL	60612-0000
141	Sacred Heart Hospital	3240 West Franklin Blvd	Chicago	111		4168	IL	60624-0000 Erie At Austin
109	Norwegian American Hospital	1044 North Francisco Avenue	Chicago	98	5	1727	IL	60622-0000
146	Saint Mary Of Nazareth Hospital	2233 West Divison Street	Chicago	186	14	2584	IL	60622-0000 Tremont & Second Street
162	St. Elizabeth's Hospital	1431 North Claremont	Chicago	40		2360	IL	60622-0000
186	University of Illinois Hospital	1740 West Taylor Avenue	Chicago	240	44	2840	IL	60612-0000 315 8th Street
140	Rush University Medical Center	1653 West Congress Parkway	Chicago	342	22	1917	IL	60612-0000
12	Advocate Illinois Masonic Medical Center	836 West Wellington	Chicago	225	14	5165	IL	60657-5193
27	Children's Memorial Hospital	2300 Childrens Plaza	Chicago		144	3137	IL	60614-0000
145	Presence Saint Joseph Hospital	2900 North Lake Shore W	Chicago	208	11	2493	IL	60657-0000
97	Mercy Hospital & Medical Center	2525 South Michigan Avenue	Chicago	289	37	1578	IL	60616-2477
108	Northwestern Memorial Hospital	251 East Huron St	Chicago	530		3251	IL	60611-0000 1225 Lake Street
			Total MS Beds	5,530				

University of Chicago Med Ctr. Med/Surg Map



Copyright © and (P) 1988–2006 Microsoft Corporation and/or its suppliers. All rights reserved. http://www.microsoft.com/mappoint/
Portions © 1990–2005 InstallShield Software Corporation. All rights reserved. Certain mapping and direction data © 2005 NAVTEQ. All rights reserved. The Data for areas of Canada includes information taken with permission from Canadian authorities, including: © Her Majesty the Queen in Right of Canada, © Queen's Printer for Ontario. NAVTEQ and NAVTEQ ON BOARD are trademarks of NAVTEQ. © 2005 Tele Atlas North America, Inc. All rights reserved. Tele Atlas and Tele Atlas North America are trademarks of Tele Atlas, Inc.

A-03 SOUTH CHICAGO MED/SURG OCCUPANCY
2011

Hospital	Beds	Admissions	M/S Days	Occupancy %
Advocate Trinity	158	9,178	35,540	62%
Holy Cross	204	7,343	29,997	40%
Jackson Park	149	5,698	20,930	38%
Mercy	289	10,224	43,939	42%
Provident	79	2,061	6,962	24%
Roseland	77	4,302	18,175	65%
South Shore	117	4,188	24,695	58%
St. Bernard	126	5,902	23,875	52%
Non-UCMC Total	1,199		204,113	47%
UCMC	300	13,577	77,887	71%
UCMC CY2012	300	15,400	85,611	78%

Attachment 20

CASE MIX INDEX
A-3 PLANNING AREA AND BEYOND

A-3 Planning Area	FY12 Discharges (excl normal newborns)	Case Mix Index	Index x Disch.	Non-UCMC Discharges	Wtd. Avg. Non-UCMC
UNIVERSITY OF CHICAGO MEDICAL CENTER	24,006	1.8987			
MERCY HOSPITAL & MEDICAL CENTER - CHICAGO	14,674	1.2788	18765.111		
ADVOCATE TRINITY HOSPITAL - CHICAGO	11,389	1.2378	14097.304		
HOLY CROSS HOSPITAL	9,950	1.2085	12024.575		
SOUTH SHORE HOSPITAL	4,283	1.0923	4678.3209		
ROSELAND COMMUNITY HOSPITAL	4,971	0.9802	4872.5742		
ST BERNARD HOSPITAL & HEALTH CARE CENTER	8,499	0.9797	8326.4703		
JACKSON PARK HOSPITAL	9,576	0.9428	9028.2528		
PROVIDENT HOSPITAL OF COOK COUNTY	1,527	0.7933	1211.3691		
			73003.978	64,869	1.1254
Conclusion: UCMC CMI is 69% greater than weighted avg. for the other A-3 hospitals.		69%			
Other South Side Hospitals					
LITTLE COMPANY OF MARY HOSPITAL & HEALTHCARE CTRS	13,103	1.348			
ADVOCATE CHRIST HOSPITAL & MEDICAL CENTER	41,630	1.6802			
METROSOUTH MEDICAL CENTER (BLUE ISLAND)	9,964	1.3758			
Other Large Chicago Area Hospitals					
LOYOLA UNIVERSITY MEDICAL CENTER	23,640	1.814			
RUSH UNIVERSITY MEDICAL CENTER	31,024	1.7292			
ANN & ROBT LURIE CHILDREN'S HOSP CHGO	10,793	1.5504			
NORTHWESTERN MEMORIAL HOSPITAL	50,771	1.5318			
UNIVERSITY OF ILLINOIS HOSPITAL & HEALTH SCIENCES SYSTEM	19,422	1.4996			
ADVOCATE LUTHERAN GENERAL HOSPITAL	29,505	1.4619			
JOHN H STROGER JR. HOSPITAL OF COOK COUNTY	22,650	1.3034			
MOUNT SINAI HOSPITAL	17,273	1.1909			

Health Service Area A-3 Licensed Beds
1985 Versus 2011

				1985					Closed					2011				
A-3 Health Service Area Licensed Beds	Med/Surg	Peds	OB	ICU	NICU	Psych	Rehab	Total		Med/Surg	Peds	OB	ICU	NICU	Psych	Rehab	Total
Central Community Hospital	100			7				107	1990								0
Chicago Osteopathic	211	27	24	13	10	18		303	1996								0
Holy Cross Hospital	327	40	32	33			34	466		204		16	20			34	274
Hyde Park Community Hospital	200			6				206	2000								0
Jackson Park Hospital Foundation	313	21	21	28	8	36		427		149	8	17	8		86		268
Louise Burg Hospital	79	21		12				112	1991								0
Mercy Hospital and Medical Center	324	49	39	30	12	43	24	521		289	37	30	30		39	24	449
Michael Reese Hospital and Medical Center	572	91	82	41	33	120	16	955	2009								0
Provident Medical Center	236	30	16	18				300		79		23	11				113
Roseland Community Hospital	132		27	10	6			175		77		17	10		30		134
South Shore Hospital	161	6		11				178		117	6		8		15		146
St. Bernard Hospital	192	28	22	10				252		126	12	22	10		40		210
The Hospital of Englewood	95	23	17	5				140	1988								0
Trinity Hospital (South Chicago Community Hosp.)	304	35	34	22				395		158		23	12				193
University of Chicago Medical Center	413	91	68	63	36	26		697		300	61	46	114	47			568
Woodlawn Hospital	120	4	20	4				148	1986								0
Totals	3,779	466	402	313	105	243	74	5,382		1,499	124	194	223	47	210	58	2,355
Closed beds 1985 to 2011																	
Closed hospitals								1,971									
Existing hospitals reduced bed capacity								1,056									
Total closed beds								3,027	56% decline in beds								

000269

PUBLIC HEALTH INDICATORS
PLANNING AREA A-3 VERSUS CHICAGO AND U.S.

Category	Measure	Units	U.S. Baseline	Chicago Rate or Percent	Highest A-3 Community Area % or Rate	A-3 Planning Area Ranked Among Highest 10 Community Areas	A-3 Planning Area Ranked Among Highest 20 Community Areas
Natality							
	Low Birth Weight	Percent of Live Births	8.2	9.7	19.7	6 of Highest 10	13 of Highest 20
	Preterm Births	Percent of Live Births	12.7	10.8	16.9	5 of Highest 10	11 of Highest 20
Mortality							
	Breast Cancer Female	Per 100K Females	22.9	27.7	45.4	4 of Highest 10	12 of Highest 20
	Cancer (All Sites)	Per 100K Persons	178.4	197.7	283.1	6 of Highest 10	12 of Highest 20
	Colorectal Cancer	Per 100K Persons	17	22	259.7	7 of Highest 10	12 of Highest 20
	Diabetes - Related	Per 100K Persons	73.1	70.5	122.8	5 of Highest 10	10 of Highest 20
	Infant Mortality	Per 1K Live Births	6.7	8.2	27.6	7 of Highest 10	14 of Highest 20
	Stroke	Per 100K Persons	42.2	46.4	110.9	5 of Highest 10	13 of Highest 20
Lead							
	Childhood Lead Poisoning	% Children Tested-6yrs	0.9	1.1	3	6 of Highest 10	11 of Highest 20
Infectious							
	Gonorrhea in Females	Per 100K Females*	285	660.8	3,108.8	7 of Highest 10	14 of Highest 20
	Gonorrhea in Males	Per 100K Males*	220	598.6	2,545.7	7 of Highest 10	15 of Highest 20
	Tuberculosis	Per 100K Persons	3.6	7.4	17.4	3 of Highest 10	6 of Highest 20
Economic							
	Below Poverty Level	Percent of Households	13	18.7	55.5	4 of Highest 10	11 of Highest 20
	No High School Diploma	% Persons 25yrs+	15	20.6	54.1	4 of Highest 10	11 of Highest 20
	Per capita Income	2010 Adjusted $'s	$27,334	$27,148	$9,016	6 of Highest 10	12 of Highest 20
	Unemployment	% in Labor Force 16+	7.9	11.1	40	6 of Highest 10	14 of Highest 20

* 15 to 44 years of age

Source: City of Chicago Data Portal, Chicago Department of Public Health, Oct. 25, 2012 Update

MEDICAL-SURGICAL and PEDIATRIC Categories of Service

Hospital Planning Area: A-01

Hospital	City	Beds	2008 Admissions	2008 Patient Days
Medical-Surgical/Pediatrics Planning Area Totals		**2,303**	**102,027**	**500,461**

Patient Days by Age	2006	2007	2008	TOTAL	3 Year Average	2008 Population	Use Rates	2018 Population	Projected Days
0-14 Years Old	60,005	69,420	53,360	182,785	60,928	169,570	0.3593	176,760	63,512
15-44 Years Old	79,110	79,260	70,768	229,138	76,379	554,160	0.1378	581,140	80,098
45-64 Years Old	146,515	146,151	144,977	437,643	145,881	229,590	0.6354	267,290	169,836
65-74 Years Old	82,124	78,634	81,828	242,586	80,862	48,220	1.6769	60,190	100,935
75-up Years Old	156,644	149,393	149,528	455,565	151,855	45,360	3.3478	40,980	137,192

Out-Migration	In-Migration	Net Migration	Average Length of Stay	Migration Days	Adjustment Factor	Adjustment	Total Projected Days	Adjusted Days
32018	63616	-31,598	4.608	-145,604	0.50	-72,802	551,572	478,770

Adjusted Days	Days in Year 2018	Adjusted Average Daily Census	Occupancy Target*	Adjusted Beds Needed	Existing Beds	Excess Beds
478,770	365	1,312	0.90	1,457	**2,303**	846

* If ADC less than 100 in Planning Area, Occupancy Target is 80%; if the Planning Area has ADC of 100-199, the Occupancy Target is 85%; if ADC is 200 or more, 90%.

000271

Attachment 20

MEDICAL-SURGICAL and PEDIATRIC Categories of Service

Hospital Planning Area: A-02

Hospital	City	Beds	2008 Admissions	2008 Patient Days
Medical-Surgical/Pediatrics Planning Area Totals		**1,755**	**94,575**	**428,876**

Patient Days by Age	2006	2007	2008	TOTAL	3 Year Average	2008 Population	Use Rates	2018 Population	Projected Days
0-14 Years Old	29,005	38,141	35,962	103,108	34,369	131,960	0.2605	114,030	29,699
15-44 Years Old	114,207	104,262	101,730	320,199	106,733	299,050	0.3569	293,020	104,581
45-64 Years Old	165,481	162,965	164,206	492,652	164,217	117,440	1.3983	134,300	187,793
65-74 Years Old	65,793	59,925	62,528	188,246	62,749	28,430	2.2071	46,810	103,316
75-up Years Old	71,326	65,689	64,450	201,465	67,155	18,010	3.7288	19,060	71,070

Out-Migration	In-Migration	Net Migration	Average Length of Stay	Migration Days	Adjustment Factor	Adjustment	Total Projected Days	Adjusted Days
27816	74580	-46,764	4.608	-215,489	0.50	-107,744	496,459	388,715

Adjusted Days	Days in Year 2018	Adjusted Average Daily Census	Occupancy Target*	Adjusted Beds Needed	Existing Beds	Excess Beds
388,715	365	1,065	0.90	1,183	1,755	572

* If ADC less than 100 in Planning Area, Occupancy Target is 80%; if the Planning Area has ADC of 100-199, the Occupancy Target is 85%; if ADC is 200 or more, 90%.

000272

Attachment 20

MEDICAL-SURGICAL and PEDIATRIC Categories of Service

Hospital Planning Area: A-03

Hospital	City	Beds	2008 Admissions	2008 Patient Days
Medical-Surgical/Pediatrics Planning Area Totals		**1,672**	**73,137**	**353,926**

Patient Days by Age	2006	2007	2008	TOTAL	3 Year Average	2008 Population	Use Rates	2018 Population	Projected Days
0-14 Years Old	33,029	36,302	35,585	104,916	34,972	215,240	0.1625	224,730	36,514
15-44 Years Old	75,434	76,173	67,016	218,623	72,874	358,610	0.2032	350,080	71,141
45-64 Years Old	129,684	131,908	119,651	381,243	127,081	169,010	0.7519	179,390	134,886
65-74 Years Old	66,616	62,954	55,767	185,337	61,779	47,380	1.3039	61,600	80,321
75-up Years Old	86,229	86,206	75,907	248,342	82,781	44,170	1.8741	47,380	88,797

Out-Migration	In-Migration	Net Migration	Average Length of Stay	Migration Days	Adjustment Factor	Adjustment	Total Projected Days	Adjusted Days
52829	28086	24,743	4.608	114,016	0.50	57,008	411,658	468,666

Adjusted Days	Days in Year 2018	Adjusted Average Daily Census	Occupancy Target*	Adjusted Beds Needed	Existing Beds	Excess Beds
468,666	365	1,284	0.90	1,427	1,672	245

* If ADC less than 100 in Planning Area, Occupancy Target is 80%; if the Planning Area has ADC of 100-199, the Occupancy Target is 85%; if ADC is 200 or more, 90%.

000273

Attachment 20

THE UNIVERSITY OF CHICAGO MEDICINE

Sharon O'Keefe
President

MC 1000 S-115
5841 South Maryland Avenue
Chicago, Illinois 60637-1470
phone (773) 702-8908
fax (773) 702-1897
sharon.okeefe@uchospitals.edu

May 13, 2013

Re: University of Chicago Medical Center, Assurance for Criterion 1110.234(e)(1)

Dear Ms. Avery:

This letter attests to the fact that if this Project is approved by the Illinois Health Facilities and Services Review Board, University of Chicago Medical Center understands that it is expected to achieve and maintain the occupancy specified in §1110.234(e)(l) by the second year of operation after project completion. The University of Chicago Medical Center reasonably expects to meet this occupancy. Our ability to maintain this occupancy level could be affected by various factors, however, such as natural disasters, regulatory changes in healthcare, interruption of necessary utilities, physical plant problems, or other unexpected issues outside of our control which could have a direct or indirect effect upon our occupancy rate.

Sincerely,

Sharon O'Keefe
President
University of Chicago Medical Center

10930004.1

ATTACHMENT 20

SECTION VIII – Bond Rating

In June, 2012 our most recent bond rating, we received the following:

FitchRatings – AA-

Moody's Investors Service – Aa3

Standard & Poor's – AA-

Statements from these three companies are attached. Since these ratings are A- or better and were issued within 18 months of the application submission, we do not have to address Sections 1120.120, 1120.130, and 1120.140 subsection a.

Attachment - 39

FitchRatings

One State Street Plaza
New York, NY 10004

T 212 908 0500 / 800 75 FITCH
www.fitchratings.com

June 8, 2012

Mr. Lawrence Furnstahl
Chief Financial Officer
University of Chicago Medical Center
5841 South Maryland Avenue
MC 1111 Room S-107
Chicago, IL 60637

Dear Mr. Furnstahl:

Fitch Ratings has assigned one or more ratings and/or otherwise taken rating action(s), as detailed in the attached Notice of Rating Action.

In issuing and maintaining its ratings, Fitch relies on factual information it receives from issuers and underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction.

The manner of Fitch's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of Fitch's ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information Fitch relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to Fitch and to the market in offering documents and other reports. In issuing its ratings Fitch must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

Fitch seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that Fitch is continuously evaluating and updating. Therefore, ratings are the collective work product of Fitch and no individual, or group of individuals, is solely responsible for a rating. All Fitch reports have shared authorship. Individuals identified in a Fitch report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. Fitch is not your advisor, nor is Fitch providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services.

Attachment 39

The assignment of a rating by Fitch does not constitute consent by Fitch to the use of its name as an expert in connection with any registration statement or other filings under US, UK or any other relevant securities laws. Fitch does not consent to the inclusion of its ratings nor this letter communicating our rating action in any offering document.

It is important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason Fitch deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between Fitch and you or between us and any user of the ratings.

In this letter, "Fitch" means Fitch, Inc. and Fitch Ratings Ltd and any subsidiary of either of them together with any successor in interest to any such person.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please feel free to contact us at any time.

Jeff Schaub
Managing Director, Operations
U.S. Public Finance /
Global Infrastructure & Project Finance

JS/mb

Enc: Notice of Rating Action
(Doc ID: 174512)

ATTACHMENT 39

Notice of Rating Action

Bond Description	Rating Type	Action	Rating	Outlook/ Watch	Eff Date	Notes
Illinois Finance Authority (IL) (University of Chicago Medical Center) rev bonds ser 2012A	Long Term	New Rating	AA-	RO:Sta	07-Jun-2012	

Key: RO: Rating Outlook, RW: Rating Watch; Pos: Positive, Neg: Negative, Sta: Stable, Evo: Evolving

(Doc ID: 174512)

MOODY'S
INVESTORS SERVICE

received
6/14/12

7 World Trade Center
250 Greenwich Street
New York, NY 10007
www.moodys.com

June 8, 2012

Mr. James Watson
Chief Financial Officer
The University of Chicago Medical Center
Room M-116, MC 1111
5841 S. Maryland
Chicago, IL 60637-0970

Dear Mr. Watson:

We wish to inform you that Moody's Investors Service has assigned a Aa3 rating to The University of Chicago Medical Center's Series 2012A fixed rate revenue refunding bonds to be issued through the Illinois Finance Authority. Concurrent with this action, we are affirming UCMC's Aa3 long-term and underlying ratings. The outlook remains stable.

Moody's will monitor this rating and reserves the right, at its sole discretion, to revise or withdraw this rating at any time.

The rating as well as any other revisions or withdrawals thereof will be publicly disseminated by Moody's through the normal print and electronic media and in response to verbal requests to Moody's rating desk.

In order for us to maintain the currency of our rating, we request that you provide ongoing disclosure, including annual and quarterly financial and statistical information.

Should you have any questions regarding the above, please do not hesitate to contact me.

Sincerely,

Mark Pascaris

Mark Pascaris
Vice President/Senior Analyst
Phone: 312-706-9963
Fax: 212-298-6377
Email: mark.pascaris@moodys.com

MP:rl

cc: Ms. Ann McColgan, The University of Chicago Medical Center
Ms. Suzanne Beitel, JPMorgan Securities Inc.
Mr. Mark Melio, Melio & Company

Attachment 39

STANDARD
&POOR'S
RATINGS SERVICES

130 East Randolph Street
Suite 2900
Chicago, IL 60601
tel 312 233-7001
reference no.: 1220125

June 12, 2012

University of Chicago Medical Center
8201 South Cass Avenue
Darien, IL 60561
Attention: Ms. Ann M. McColgan, Assistant Treasurer

Re: ***US$75,000,000 Illinois Finance Authority Revenue Bonds, Series 2012A (The University of Chicago Medical Center), dated: Date of delivery, due: June 30, 2037***

Dear Ms. McColgan:

Pursuant to your request for a Standard & Poor's rating on the above-referenced issuer, we have reviewed the information submitted to us and, subject to the enclosed *Terms and Conditions*, have assigned a rating of "AA-". Standard & Poor's views the outlook for this rating as stable. A copy of the rationale supporting the rating is enclosed.

The rating is not investment, financial, or other advice and you should not and cannot rely upon the rating as such. The rating is based on information supplied to us by you or by your agents but does not represent an audit. We undertake no duty of due diligence or independent verification of any information. The assignment of a rating does not create a fiduciary relationship between us and you or between us and other recipients of the rating. We have not consented to and will not consent to being named an "expert" under the applicable securities laws, including without limitation, Section 7 of the Securities Act of 1933. The rating is not a "market rating" nor is it a recommendation to buy, hold, or sell the obligations.

This letter constitutes Standard & Poor's permission to you to disseminate the above-assigned rating to interested parties. Standard & Poor's reserves the right to inform its own clients, subscribers, and the public of the rating.

Standard & Poor's relies on the issuer/obligor and its counsel, accountants, and other experts for the accuracy and completeness of the information submitted in connection with the rating. This rating is based on financial information and documents we received prior to the issuance of this letter. Standard & Poor's assumes that the documents you have provided to us are final. If any subsequent changes were made in the final documents, you must notify us of such changes by sending us the revised final documents with the changes clearly marked.

To maintain the rating, Standard & Poor's must receive all relevant financial information as soon as such information is available. Placing us on a distribution list for this information would

Attachment 39

facilitate the process. You must promptly notify us of all material changes in the financial information and the documents. Standard & Poor's may change, suspend, withdraw, or place on CreditWatch the rating as a result of changes in, or unavailability of, such information. Standard & Poor's reserves the right to request additional information if necessary to maintain the rating.

Please send all information to:

Standard & Poor's Ratings Services
Public Finance Department
55 Water Street
New York, NY 10041-0003

Standard & Poor's is pleased to be of service to you. For more information on Standard & Poor's, please visit our website at www.standardandpoors.com. If we can be of help in any other way, please call or contact us at nypublicfinance@standardandpoors.com. Thank you for choosing Standard & Poor's and we look forward to working with you again.

Sincerely yours,

Standard & Poor's

Standard & Poor's Ratings Services
a Standard & Poor's Financial Services LLC business.

sp
enclosures
cc: Ms. Smrita M. Choubey, Analyst
J.P. Morgan

ATTACHMENT 39

STANDARD
&POOR'S
RATINGS SERVICES

Standard & Poor's Ratings Services
Terms and Conditions Applicable To Public Finance Ratings

You understand and agree that:

General. The ratings and other views of Standard & Poor's Ratings Services ("Ratings Services") are statements of opinion and not statements of fact. A rating is not a recommendation to purchase, hold, or sell any securities nor does it comment on market price, marketability, investor preference or suitability of any security. While Ratings Services bases its ratings and other views on information provided by issuers and their agents and advisors, and other information from sources it believes to be reliable, Ratings Services does not perform an audit, and undertakes no duty of due diligence or independent verification, of any information it receives. Such information and Ratings Services' opinions should not be relied upon in making any investment decision. Ratings Services does not act as a "fiduciary" or an investment advisor. Ratings Services neither recommends nor will recommend how an issuer can or should achieve a particular rating outcome nor provides or will provide consulting, advisory, financial or structuring advice.

All Rating Actions in Ratings Services' Sole Discretion. Ratings Services may assign, raise, lower, suspend, place on CreditWatch, or withdraw a rating, and assign or revise an Outlook, at any time, in Ratings Services' sole discretion. Ratings Services may take any of the foregoing actions notwithstanding any request for a confidential or private rating or a withdrawal of a rating, or termination of this Agreement. Ratings Services will not convert a public rating to a confidential or private rating, or a private rating to a confidential rating.

Publication. Ratings Services reserves the right to use, publish, disseminate, or license others to use, publish or disseminate the rating provided hereunder and any analytical reports, including the rationale for the rating, unless you specifically request in connection with the initial rating that the rating be assigned and maintained on a confidential or private basis. If, however, a confidential or private rating or the existence of a confidential or private rating subsequently becomes public through disclosure other than by an act of Ratings Services or its affiliates, Ratings Services reserves the right to treat the rating as a public rating, including, without limitation, publishing the rating and any related analytical reports. Any analytical reports published by Ratings Services are not issued by or on behalf of you or at your request. Notwithstanding anything to the contrary herein, Ratings Services reserves the right to use, publish, disseminate or license others to use, publish or disseminate analytical reports with respect to public ratings that have been withdrawn, regardless of the reason for such withdrawal. Ratings Services may publish explanations of Ratings Services' ratings criteria from time to time and nothing in this Agreement shall be construed as limiting Ratings Services' ability to modify or refine its ratings criteria at any time as Ratings Services deems appropriate.

Information to be Provided by You. For so long as this Agreement is in effect, in connection with the rating provided hereunder, you warrant that you will provide, or cause to be provided, as promptly as practicable, to Ratings Services all information requested by Ratings Services in accordance with its applicable published ratings criteria. The rating, and the maintenance of the rating, may be affected by Ratings Services' opinion of the information received from you or your agents or advisors. You further warrant that all information provided to Ratings Services by you or your agents or advisors regarding the rating or, if applicable, surveillance of the rating, as of the date such information is provided, (i) is true, accurate and complete in all material respects and, in light of the circumstances in which it was provided, not misleading and (ii) does not infringe or violate the intellectual property rights of a third party. A material breach of the warranties in this paragraph shall constitute a material breach of this Agreement.

Confidential Information. For purposes of this Agreement, "Confidential Information" shall mean verbal or written information that you or your agents or advisors have provided to Ratings Services and, in a specific and particularized manner, have marked or otherwise indicated in writing (either prior to or promptly following such disclosure) that such information is "Confidential". Notwithstanding the foregoing, information disclosed by you or your agents or advisors

to Ratings Services shall not be deemed to be Confidential Information, and Ratings Services shall have no obligation to treat such information as Confidential Information, if such information (i) was known by Ratings Services or its affiliates at the time of such disclosure and was not known by Ratings Services to be subject to a prohibition on disclosure, (ii) was known to the public at the time of such disclosure, (iii) becomes known to the public (other than by an act of Ratings Services or its affiliates) subsequent to such disclosure, (iv) is disclosed to Ratings Services or its affiliates by a third party subsequent to such disclosure and Ratings Services reasonably believes that such third party's disclosure to Ratings Services or its affiliates was not prohibited, (v) is developed independently by Ratings Services or its affiliates without reference to the Confidential Information, (vi) is approved in writing by you for public disclosure, or (vii) is required by law or regulation to be disclosed by Ratings Services or its affiliates. Ratings Services is aware that U.S. and state securities laws may impose restrictions on trading in securities when in possession of material, non-public information and has adopted securities trading and communication policies to that effect.

Ratings Services' Use of Information. Except as otherwise provided herein, Ratings Services shall not disclose Confidential Information to third parties. Ratings Services may (i) use Confidential Information to assign, raise, lower, suspend, place on CreditWatch, or withdraw a rating, and assign or revise an Outlook, and (ii) share Confidential Information with its affiliates engaged in the ratings business who are bound by appropriate confidentiality obligations; in each case, subject to the restrictions contained herein, Ratings Services and such affiliates may publish information derived from Confidential Information. Ratings Services may also use, and share Confidential Information with any of its affiliates or agents engaged in the ratings or other financial services businesses who are bound by appropriate confidentiality obligations ("Relevant Affiliates and Agents"), for modelling, benchmarking and research purposes; in each case, subject to the restrictions contained herein, Ratings Services and such affiliates may publish information derived from Confidential Information. With respect to structured finance ratings not maintained on a confidential or private basis, Ratings Services may publish data aggregated from Confidential Information, excluding data that is specific to and identifies individual debtors ("Relevant Data"), and share such Confidential Information with any of its Relevant Affiliates and Agents for general market dissemination of Relevant Data; you confirm that, to the best of your knowledge, such publication would not breach any confidentiality obligations you may have toward third parties. Ratings Services will comply with all applicable U.S. and state laws, rules and regulations protecting personally-identifiable information and the privacy rights of individuals. Ratings Services acknowledges that you may be entitled to seek specific performance and injunctive or other equitable relief as a remedy for Ratings Services' disclosure of Confidential Information in violation of this Agreement. Ratings Services and its affiliates reserve the right to use, publish, disseminate, or license others to use, publish or disseminate any non-Confidential Information provided by you, your agents or advisors.

Ratings Services Not an Expert, Underwriter or Seller under Securities Laws. Ratings Services has not consented to and will not consent to being named an "expert" or any similar designation under any applicable securities laws or other regulatory guidance, rules or recommendations, including without limitation, Section 7 of the U.S. Securities Act of 1933. Ratings Services is not an "underwriter" or "seller" as those terms are defined under applicable securities laws or other regulatory guidance, rules or recommendations, including without limitation Sections 11 and 12(a)(2) of the U.S. Securities Act of 1933. Rating Services has not performed the role or tasks associated with an "underwriter" or "seller" under the United States federal securities laws or other regulatory guidance, rules or recommendations in connection with this engagement.

Office of Foreign Assets Control. As of the date of this Agreement, (a) neither you nor the issuer (if you are not the issuer) or any of your or the issuer's subsidiaries, or any director or corporate officer of any of the foregoing entities, is the subject of any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury ("OFAC Sanctions"), (b) neither you nor the issuer (if you are not the issuer) is 50% or more owned or controlled, directly or indirectly, by any person or entity ("parent") that is the subject of OFAC Sanctions, and (c) to the best of your knowledge, no entity 50% or more owned or controlled by a direct or indirect parent of you or the issuer (if you are not the issuer) is the subject of OFAC sanctions. For so long as this Agreement is in effect, you will promptly notify Ratings Services if any of these circumstances change.

Ratings Services' Use of Confidential and Private Ratings. Ratings Services may use confidential and private ratings in its analysis of the debt issued by collateralized debt obligation (CDO) and other investment vehicles. Ratings Services

may disclose a confidential or private rating as a confidential credit estimate or assessment to the managers of CDO and similar investment vehicles. Ratings Services may permit CDO managers to use and disseminate credit estimates or assessments on a limited basis and subject to various restrictions; however, Ratings Services cannot control any such use or dissemination.

Entire Agreement. Nothing in this Agreement shall prevent you, the issuer (if you are not the issuer) or Ratings Services from acting in accordance with applicable laws and regulations. Subject to the prior sentence, this Agreement, including any amendment made in accordance with the provisions hereof, constitutes the complete and entire agreement between the parties on all matters regarding the rating provided hereunder. The terms of this Agreement supersede any other terms and conditions relating to information provided to Ratings Services by you or your agents and advisors hereunder, including without limitation, terms and conditions found on, or applicable to, websites or other means through which you or your agents and advisors make such information available to Ratings Services, regardless if such terms and conditions are entered into before or after the date of this Agreement. Such terms and conditions shall be null and void as to Ratings Services.

Limitation on Damages. Ratings Services does not and cannot guarantee the accuracy, completeness, or timeliness of the information relied on in connection with a rating or the results obtained from the use of such information. RATINGS SERVICES GIVES NO EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. Ratings Services, its affiliates or third party providers, or any of their officers, directors, shareholders, employees or agents shall not be liable to you, your affiliates or any person asserting claims on your behalf, directly or indirectly, for any inaccuracies, errors, or omissions, in each case regardless of cause, actions, damages (consequential, special, indirect, incidental, punitive, compensatory, exemplary or otherwise), claims, liabilities, costs, expenses, legal fees or losses (including, without limitation, lost income or lost profits and opportunity costs) in any way arising out of or relating to the rating provided hereunder or the related analytic services even if advised of the possibility of such damages or other amounts except to the extent such damages or other amounts are finally determined by a court of competent jurisdiction in a proceeding in which you and Ratings Services are parties to result from gross negligence, intentional wrongdoing, or willful misconduct of Ratings Services. In furtherance and not in limitation of the foregoing, Ratings Services will not be liable to you, your affiliates or any person asserting claims on your behalf in respect of any decisions alleged to be made by any person based on anything that may be perceived as advice or recommendations. In the event that Ratings Services is nevertheless held liable to you, your affiliates, or any person asserting claims on your behalf for monetary damages under this Agreement, in no event shall Ratings Services be liable in an aggregate amount in excess of US$5,000,000 except to the extent such monetary damages directly result from Ratings Services' intentional wrongdoing or willful misconduct. The provisions of this paragraph shall apply regardless of the form of action, damage, claim, liability, cost, expense, or loss, whether in contract, statute, tort (including, without limitation, negligence), or otherwise. Neither party waives any protections, privileges, or defenses it may have under law, including but not limited to, the First Amendment of the Constitution of the United States of America.

Termination of Agreement. This Agreement may be terminated by either party at any time upon written notice to the other party. Except where expressly limited to the term of this Agreement, these Terms and Conditions shall survive the termination of this Agreement.

No Third-Party Beneficiaries. Nothing in this Agreement, or the rating when issued, is intended or should be construed as creating any rights on behalf of any third parties, including, without limitation, any recipient of the rating. No person is intended as a third party beneficiary of this Agreement or of the rating when issued.

Binding Effect. This Agreement shall be binding on, and inure to the benefit of, the parties hereto and their successors and assigns.

Severability. In the event that any term or provision of this Agreement shall be held to be invalid, void, or unenforceable, then the remainder of this Agreement shall not be affected, impaired, or invalidated, and each such term and provision shall be valid and enforceable to the fullest extent permitted by law.

Amendments. This Agreement may not be amended or superseded except by a writing that specifically refers to this Agreement and is executed manually or electronically by authorized representatives of both parties.

Reservation of Rights. The parties to this Agreement do not waive, and reserve the right to contest, any issues regarding sovereign immunity, the applicable governing law and the appropriate forum for resolving any disputes arising out of or relating to this Agreement.

pwc

This report is intended solely for the information and use of the Board of Trustees and management of UCMC, the Illinois Finance Authority, Wells Fargo Bank and the National Public Finance Guarantee Corporation and is not intended to be and should not be used by anyone other than these specified parties.

PricewaterhouseCoopers LLP

Chicago, Illinois
October 10, 2012

ATTACHMENT 39

pwc

The University of Chicago Medical Center
Calculation of Historical Debt Service Coverage Ratio
Year Ended June 30, 2011 **Exhibit**

(In thousands of dollars, except ratio data)	
Income available for debt services	$239,498
Divided by - debt service requirements	25,397
Historical debt service coverage ratio	9.43 : 1

ATTACHMENT 39

pwc

Report of Independent Auditors

To the Board of Trustees of
The University of Chicago Medical Center:

This report is written at the request of the University of Chicago Medical Center ("UCMC") in connection with the annual requirements of the Master Trust Indenture pertaining to $65,290,000 principal amount of Revenue Bonds, Series 2003; pertaining to $27,866,000 principal amount of Commercial Paper Revenue Notes, Series 1998, $29,000,000 principal amount of Commercial Paper Revenue Notes, Series 2005, and $41,000,000 principal amount of Commercial Paper Revenue Notes, Series 2007, of the Illinois Educational Facilities Authority; pertaining to $154,830,000 principal amount of Revenue Refunding Bonds, Series 2009A-B, $85,000,000 principal amount of Revenue Bonds, Series 2009C, and $140,000,000 principal amount of Variable Rate Demand Revenue Bonds Series 2009D-E, of the Illinois Finance Authority; pertaining to $92,500,000 principal amount of Variable Rate Demand Revenue Bonds Series 2010A-B of the Illinois Finance Authority; pertaining to $92,500,000 principal amount of Variable Rate Demand Revenue Bonds Series 2011A-B, and $90,000,000 of Revenue Bonds, Series 2011C, of the Illinois Finance Authority, and pertaining to the $75,155,000 principal amount of Variable Rate Demand Revenue Bonds Series 2012A, of the Illinois Finance Authority;

We have audited, in accordance with auditing standards generally accepted in the United States of America, the balance sheet of UCMC (which is the sole member of the Obligated Group) as of June 30, 2012, and the related statements of operations, of changes in net assets and of cash flows for the year then ended and have issued our report thereon dated October 10, 2012.

We have read the Master Trust Indenture (Amended and Restated) dated November 1, 1998, between UCMC and Wells Fargo Bank, NA as successor Master Trustee, particularly Article IV as amended or supplemented by various supplemental indentures between UCMC and Wells Fargo Bank, NA as successor Master Trustee. Article IV, as amended, contains the covenants of the Obligated Group (as defined in the Master Trust Indenture) relative to the maintenance of certain financial ratios and other conditions.

Section 409 and 414 of the Master Trust Indenture require the computation of the Historical Debt Service Coverage Ratio (the "Ratio"), as defined. According to these sections, the Ratio of the Obligated Group in any fiscal year cannot be less than 1.1 to 1 without causing the Obligated Group to take certain defined measures. According to the calculation on the attached Exhibit, the Obligated Group had a Ratio of 9.43 to 1 for the fiscal year ended June 30, 2012.

In connection with our audit, nothing came to our attention that caused us to believe that (a) the Group failed to comply with the terms, covenants, provisions, or conditions inclusive of Article IV of the Master Trust Indenture, dated November 1, 1998, as amended, with Wells Fargo Bank, NA insofar as they relate to accounting matters, although our audit was not directed primarily toward obtaining knowledge of such noncompliance and (b) the information set forth and as defined in the accompanying Exhibit is not fairly stated, in all material respects, in relation to the financial statement from which it has been derived.

PricewaterhouseCoopers LLP, One North Wacker, Chicago, IL 60606
T: (312) 298 2000, F: (312) 298 2001, www.pwc.com/us

ATTACHMENT 39

pwc

Report of Independent Auditors

To the Board of Trustees of
The University of Chicago Medical Center:

This report is written at the request of the University of Chicago Medical Center ("UCMC") in connection with the annual requirements of the Security Agreement pertaining to $27,866,000 principal amount of Commercial Paper Revenue Notes, Series 1998, $29,000,000 principal amount of Commercial Paper Revenue Notes, Series 2005, and $41,000,000 principal amount of Commercial Paper Revenue Notes, Series 2007, of the Illinois Educational Facilities Authority.

We have audited, in accordance with auditing standards generally accepted in the United States of America, the balance sheet of UCMC (which is the sole member of the Obligated Group) as of June 30, 2011, and the related statements of operations, of changes in net assets and of cash flows for the year then ended, and have issued our report thereon dated October 10, 2012.

We have read the Security agreement dated November 1, 1998, between UCMC and the Illinois Educational Facilities Authority, particularly Article II, as amended. Article II contains the covenants of UCMC relative to the maintenance of proper books and records and other conditions.

In connection with our audit, nothing came to our attention that caused us to believe that UCMC failed to comply with the terms, covenants, provisions, or conditions of Article II of the Security Agreement dated November 1, 1998, with the Illinois Educational Facilities Authority insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance.

This report is intended solely for the information and use of the Board of Trustees and management of UCMC, the Illinois Finance Authority, the Bank of New York Mellon and the Northern Trust Company and is not intended to be and should not be used by anyone other than these specified parties.

PricewaterhouseCoopers LLP

Chicago, Illinois
October 10, 2012

PricewaterhouseCoopers LLP, One North Wacker, Chicago, IL 60606
T: (312) 298 2000, F: (312) 298 2001, www.pwc.com/us

ATTACHMENT 39

The University of Chicago Medical Center

Financial Statements
June 30, 2012 and 2011

ATTACHMENT 39

The University of Chicago Medical Center
Index
June 30, 2012 and 2011

	Page(s)
Report of Independent Auditors	1
Financial Statements	
Balance Sheets	2
Statements of Operations	3
Statements of Changes in Net Assets	4
Statements of Cash Flows	5
Notes to Financial Statements	6–31

ATTACHMENT 39

pwc

Report of Independent Auditors

To the Board of Trustees of
The University of Chicago Medical Center:

In our opinion, the accompanying balance sheets at June 30, 2012 and 2011 and the related statements of operations, of changes in net assets and of cash flows for the years then ended, present fairly, in all material respects, the financial position of The University of Chicago Medical Center at June 30, 2012 and 2011, and the results of its operations, its changes in net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of The University of Chicago Medical Center's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 2 to the consolidated financial statements, the University of Chicago Medical Center adopted the new Financial Accounting Standards Board's ("FASB") presentation and disclosure guidance for patient service revenues and provision for doubtful accounts in 2012.

PricewaterhouseCoopers LLP

October 10, 2012

PricewaterhouseCoopers LLP, One North Wacker, Chicago, IL 60606
T: (312) 298 2000, F: (312) 298 2001, www.pwc.com/us

ATTACHMENT 39

The University of Chicago Medical Center
Balance Sheets
June 30, 2012 and 2011
(in thousands of dollars)

	2012	2011
Assets		
Current assets		
Cash and cash equivalents	$ 74,348	$ 148,207
Patient accounts receivable, less allowance for doubtful accounts for 2012 - $30,796 and 2011 - $26,653	209,006	138,601
Current portion of investments limited to use	27,033	151
Current portion of malpractice self-insurance receivable	17,629	-
Current portion of pledges receivable	4,799	5,765
Other current assets	23,627	44,357
Total current assets	356,442	337,081
Investments limited to use, less current portion	897,405	1,035,070
Property, plant and equipment, net	1,066,494	893,767
Pledges receivable, less current portion	5,634	8,260
Malpractice self-insurance receivable, less current portion	100,524	-
Other assets, net	27,349	27,131
Total assets	$ 2,453,848	$ 2,301,309
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued expenses	$ 117,678	$ 105,728
Current portion of long-term debt	11,290	9,340
Current portion of other long-term liabilities	688	923
Current portion of estimated third-party payor settlements	27,379	36,001
Current portion of malpractice self-insurance liability	17,629	-
Due to University of Chicago	15,593	12,935
Total current liabilities	190,257	164,927
Other liabilities		
Worker's compensation self-insurance liabilities, less current portion	8,216	8,196
Malpractice self-insurance liability, less current portion	100,524	-
Long-term debt, less current portion	833,255	843,944
Interest rate swap liability	135,872	58,064
Other long-term liabilities, less current portion	56,370	61,203
Total liabilities	1,324,494	1,136,334
Net assets		
Unrestricted	1,027,917	1,064,924
Temporarily restricted	95,345	93,939
Permanently restricted	6,092	6,112
Total net assets	1,129,354	1,164,975
Total liabilities and net assets	$ 2,453,848	$ 2,301,309

The accompanying notes are an integral part of these financial statements.

ATTACHMENT 39

The University of Chicago Medical Center
Statements of Operations
Years Ended June 30, 2012 and 2011
(In thousands of dollars)

	2012	2011
Operating revenues		
Net patient service revenue	$ 1,267,104	$ 1,158,990
Provision for doubtful accounts	45,133	45,300
Net patient service revenue after provision for doubtful accounts	1,221,971	1,113,690
Other operating revenues and net assets released from restrictions	67,914	68,776
Total operating revenues	1,289,885	1,182,466
Operating expenses		
Salaries, wages and benefits	532,949	526,045
Supplies and other	324,844	287,908
Physician services from the University of Chicago	185,026	166,984
Insurance	20,902	20,874
Interest	12,789	11,367
Medicaid provider tax	26,691	26,691
Depreciation and amortization	67,522	67,717
Total operating expenses	1,170,723	1,107,586
Total operating income	119,162	74,880
Nonoperating gains		
Investment income and unrestricted gifts, net	24,857	125,173
Derivative ineffectiveness gain (loss)	(3,679)	7,803
Gain on sale of dialysis units	-	23,533
Excess of revenues over expenses	140,340	231,389
Other changes in net assets		
Transfers to University of Chicago	(90,396)	(23,000)
Liability for pension benefits	(2,659)	3,381
Changes in valuation of derivativs	(85,079)	(4,014)
Other, net	787	55
Increase (decrease) in unrestricted net assets	$ (37,007)	$ 207,811

The accompanying notes are an integral part of these financial statements.

The University of Chicago Medical Center
Statements of Changes in Net Assets
Years Ended June 30, 2012 and 2011
(in thousands of dollars)

	2012	2011
Unrestricted net assets		
Excess of revenues over expenses	$ 140,340	$ 231,389
Transfers to University of Chicago	(90,396)	(23,000)
Liability for pension benefits	(2,659)	3,381
Changes in valuation of derivatives	(85,079)	(4,014)
Other, net	787	55
Increase (decrease) in unrestricted net assets	(37,007)	207,811
Temporarily restricted net assets		
Contributions	3,345	8,844
Net assets released from restrictions used for operating purposes	(4,539)	(4,882)
Investment income	2,825	12,601
Net assets released for capital purchases	(225)	-
Increase in temporarily restricted net assets	1,406	16,563
Permanently restricted net assets		
Contributions and other	(20)	9
Increase (decrease) in net assets	(35,621)	224,383
Net assets at beginning of year	1,164,975	940,592
Net assets at end of year	$ 1,129,354	$ 1,164,975

The accompanying notes are an integral part of these financial statements.

ATTACHMENT 39

The University of Chicago Medical Center
Statements of Cash Flows
Years Ended June 30, 2012 and 2011
(in thousands of dollars)

	2012	2011
Cash flows from operating activities		
Increase (decrease) in net assets	$ (35,621)	$ 224,383
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Net change in unrealized gains on investments	13,425	(88,827)
Transfers to University of Chicago	90,396	23,000
Restricted contributions and other changes	(3,344)	(8,853)
Realized gains on investments	(41,941)	(33,706)
Net change in valuation of derivatives	77,808	(3,789)
Pension and other changes in unrestricted net assets	2,566	(3,436)
Loss on disposal of assets	388	272
Loss on extinguishment of debt	2,891	-
Gain on sale of dialysis units	-	(23,533)
Depreciation and amortization	67,521	67,717
Increase (decrease) in cash resulting from a change in		
Patient accounts receivable, net	(69,641)	(11,627)
Other assets	(7,369)	(9,577)
Accounts payable and accrued expenses	12,072	(7,984)
Due to the University of Chicago	2,658	(8,771)
Estimated settlements with third-party payors	(8,622)	(10,755)
Self-insurance liabilities	20	834
Other liabilities	(6,758)	(4,121)
Net cash provided from operating activities	96,449	101,227
Cash flows from investing activities		
Purchases of property, plant and equipment	(240,736)	(244,876)
Deposits to construction/capitalized interest funds	-	(271,075)
Uses of construction/capitalized interest funds	125,620	192,058
Acquisition of business purchased	(2,607)	-
Proceeds on sale of dialysis units	-	27,589
Purchases of investments	(146,314)	(137,678)
Sales of investments	186,875	131,013
Net cash used in investing activities	(77,162)	(302,969)
Cash flows from financing activities		
Proceeds from issuance of long-term debt	80,945	275,839
Payments on long-term obligations	(90,631)	(15,145)
Transfers paid to the University of Chicago, net	(90,396)	(23,000)
Restricted contributions	6,936	4,742
Net cash from financing activities	(93,146)	242,436
Net increase in cash and cash equivalents	(73,859)	40,694
Cash and cash equivalents		
Beginning of year	148,207	107,513
End of year	$ 74,348	$ 148,207

The accompanying notes are an integral part of these financial statements.

ATTACHMENT 39

1. Organization and Basis of Presentation

The University of Chicago Medical Center ("UCMC" or the "Medical Center") is an Illinois not-for-profit corporation. UCMC operates the Bernard Mitchell Hospital, the Chicago Lying-In Hospital, the University of Chicago Comer Children's Hospital, the Duchossois Center for Advanced Medicine, and various other outpatient clinics and treatment areas.

The University of Chicago (the "University"), as the sole corporate member of UCMC, elects UCMC's Board of Trustees and approves its By-Laws. The UCMC President reports to the University's Executive Vice President for Medical Affairs. The relationship between UCMC and the University is defined in the Medical Center By-Laws, an Affiliation Agreement, an Operating Agreement, and several Leases. See Note 3 for agreements and transactions with the University.

UCMC is a tax-exempt organization under Section 501(c)3 of the Internal Revenue Code. Accordingly, no provision for income taxes related to these entities has been made.

2. Summary of Significant Accounting Policies

New Accounting Pronouncements

In August 2010, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update 2010-24, *Health Care Entities* (Topic 954): *Presentation of Insurance Claims and Related Insurance Recoveries* ("ASU 2010-24"). Under previous guidance, a health care entity could net its estimated liabilities from malpractice or similar claims against its estimated insurance recoveries. ASU 2010-24 now requires that health care entities present the full estimated liability in its financial statements, as well as an asset for the estimated receivable for the amount covered by insurance policies. The Medical Center adopted ASU 2010-24 as of July 1, 2011, retrospective application is not required.

In August 2010, the FASB issued ASU 2010-23, *Measuring Charity Care for Disclosure* (ASU 2010-23). The provisions of ASU 2010-23 are intended to reduce the diversity in how charity care is calculated and disclosed across healthcare entities that provide it. Charity care is required to be measured at cost, defined as the direct and indirect costs of providing the charity care. Funds received to offset or subsidize the cost of charity care provided, for example from gifts or grants restricted for charity care, should be separately disclosed. As a healthcare entity does not recognize revenue when charity care is provided, this update will only require enhanced disclosures and will have no effect on the statements of operations and changes in net assets. This new guidance is effective for fiscal years beginning after December 15, 2010, with retrospective application required and with early application permitted. The Medical Center adopted this guidance as of July 1, 2011.

During 2012, the Medical Center adopted the provisions of Accounting Standards Update 2011-07, *Presentation and Disclosure of Patient Service Revenue, Provision of Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities* ("ASU 2011-07"). ASU 2011-07 requires health care entities to change the presentation of the statements of operations by reclassifying the provision for doubtful accounts from an operating expense to a deduction from patient service revenues.

In September 2011, the FASB issued guidance to expand the disclosures required for entities that participate in multiemployer pension and other postretirement benefit plans, but did not amend the accounting for multiemployer plans. The purpose of the expanded disclosures is to assist financial statement users in understanding the possible impact of an entity's participation in these plans on future cash flows. The amended guidance is effective for annual reporting periods ending after December 15, 2011 and accordingly, the Medical Center has adopted these expanded disclosure requirements as of July 1, 2011.

In January 2010, the Financial Accounting Standards Board ("FASB") issued amended fair value disclosure requirements. Under this amended guidance, entities are to separately disclose the amounts of significant transfers into and out of its financial assets or liabilities having a fair value hierarchy valuation of Level 1 and Level 2 along with the reasons for those transfers. The amended disclosure guidance also requires entities to separately present its financial assets or liabilities having a fair value hierarchy valuation based on unobservable inputs that reflect the reporting entity's own assumptions ("Level 3 hierarchy") in a reconciliation that includes: purchases, sales, issuances, and settlements on a gross basis. The Medical Center adopted this amended disclosure guidance as of June 30, 2011.

In May 2009, the FASB issued new guidance for not-for-profit entities regarding mergers and acquisitions. Under this guidance it establishes principles and requirements in determining whether a not-for-profit entity combination is a merger or acquisition, applies the carry-over method of accounting for mergers, applies the acquisition method of accounting for acquisitions, and requires enhanced disclosures about the merger or acquisition including identifying which of the combining entities is the acquirer. In addition, the guidance amended previous FASB guidance on goodwill and other intangible assets and the reporting of noncontrolling interests in consolidated financial statements that was previously only applicable to for-profit entities to be fully applicable to not-for-profit entities. The new standard impacted UCMC's financial statements as disclosed in Note 12, specifically related to goodwill, intangibles and amortization expense.

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The most significant estimates are made in the areas of patient accounts receivable, accruals for settlements with third-party payors, malpractice liability, fair value of investments, goodwill, intangibles, and accrued compensation and benefits.

Community Benefits
UCMC's policy is to treat patients in immediate need of medical services without regard to their ability to pay for such services, including patients transferred from other hospitals under the provisions of the Emergency Medical Treatment and Active Labor Act (EMTALA). UCMC also accepts patients through the Perinatal and Pediatric Trauma Networks without regard to their ability to pay for services.

UCMC developed a Financial Assistance Policy (the "Policy") under which patients are offered discounts of up to 100% of charges on a sliding scale. The policy is based both on income as a percentage of the Federal Poverty Level guidelines and the charges for services rendered. The policy also contains provisions that are responsive to those patients subject to catastrophic

healthcare expenses. Since UCMC does not pursue collection of these amounts, they are not reported as net patient service revenue. The cost of providing care under this policy, along with the unreimbursed cost of government sponsored indigent healthcare programs, unreimbursed cost to support education, clinical research and other community programs for the years ended June 30, 2012 and 2011, are reported in Note 4.

Fair Value of Financial Instruments
The fair value of financial instruments approximates the carrying amount reported in the combined balance sheets for cash and cash equivalents, patient accounts receivable, self-insurance receivable, accounts payable and long-term debt.

Cash and Cash Equivalents
Cash and cash equivalents represent money market and highly liquid debt instruments with an original maturity date of three months or less.

Inventory
UCMC values inventories at the lower of cost or market, using the first-in first-out method.

Investments
Investments are recorded at estimated fair value. If an investment is held directly by UCMC and an active market with quoted prices exists, the market price of an identical security is used as reported fair value. Reported fair values for shares in mutual funds are based on share prices reported by the funds as of the last business day of the fiscal year. Private equity, real assets, and absolute return (collectively "Alternative Investments"), are generally reported at the net asset value (NAV) reported by the fund managers, which is used as a practical expedient to estimate the fair value, unless it is probable that all or a portion of the investment will be sold for an amount different from NAV. As of June 30, 2012 and 2011, UCMC had no plans to sell any Alternative Investments at amounts different from NAV. All changes in the value of these investments are included in the excess (deficit) of revenues over expenses.

A significant portion of UCMC's investments are part of the University's Total Return Investment Pool (TRIP). UCMC accounts for its investments in TRIP based on its share of the underlying securities and records the investment activity as if UCMC owned the investments directly.

Endowment Funds with Deficits
From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the value of the initial and subsequent donor gift amounts (deficit). When donor endowment deficits exist, they are classified as a reduction of unrestricted net assets. As of June 30, 2012 and 2011, there were no endowments in a deficit position.

Investments Limited as to Use
Investments limited as to use primarily include assets held by trustees under debt and other agreements and designated assets set aside by the Board of Trustees for future capital improvements and other specific purposes, over which the Board retains control and may at their discretion subsequently use for other purposes.

Derivative Instruments
In August 2006, UCMC entered into a forward starting swap transaction against contemplated variable rate borrowing for a new hospital pavilion. This is a cash flow hedge against interest on the variable rate debt. The effective date of the swap was August 2011. In July 2011, UCMC

novated the original swap agreement to divide the original notional amount in two equal parts between financial institutions. The fair value of the terminated portion of the hedge on the date of the novation was recorded in net assets in the amount of $35,123 and will be amortized into interest expense over the life of the related debt. The new agreement entered into will be accounting for as a hedge going forward. The combined notional amount of this swaps are $325,000 and the effective start date was August 2011. The swap values are based on the London Interbank Rate ("LIBOR"). Management determined that the interest rate swaps are effective, and has qualified for hedge accounting. Management has recognized a net recovery (loss) of ineffectiveness of $(3,700) and $7,800 in 2012 and 2011. This movement reflects the spread between tax exempt interest rates and LIBOR during the period. The effective portion of these swaps are included in other changes in unrestricted net assets. The interest rate swaps terminate on February 1, 2044.

UCMC is required to provide collateral on one of the interest rate swap agreements when the liability of that swap exceeds $50,000. At June 30, 2012 approximately $26,400 was held as collateral and classified as current portion of investments limited to use.

Cash settlement payments related to the swaps for 2012 were $10,900, which began in fiscal year 2012, are being recorded to net assets since the new hospital pavilion continues to be classified as construction in progress. These payments will be accumulated in net assets during the construction period and will be amortized over the life of the building as depreciation expense when the asset is placed into service.

Property, Plant and Equipment
Property, plant and equipment are reported on the basis of cost less accumulated depreciation and amortization. Donated items are recorded at fair market value at the date of contribution. The carrying value of property, plant and equipment is reviewed if the facts and circumstances suggest that it may be impaired. Depreciation of property, plant and equipment is calculated by use of the straight-line method at rates intended to depreciate the cost of assets over their estimated useful lives, which generally range from three to forty years. Interest costs incurred on borrowed funds during the period of construction of capital assets, net of any interest earned, are capitalized as a component of the cost of acquiring those assets.

Asset Retirement Obligation
UCMC recognizes a liability for the fair value of a legal obligation to perform asset retirement activities that are conditional on a future event if the amount can be reasonably estimated. Upon recognition of a liability, the asset retirement cost is recorded as an increase in the carrying value of the related long-lived asset and then depreciated over the life of the asset. The UCMC asset retirement obligations arise primarily from regulations that specify how to dispose of asbestos if facilities are demolished or undergo major renovations or repairs. UCMC's obligation to remove asbestos was estimated using site-specific surveys where available and a per square foot estimate where surveys were unavailable.

Pledges Receivable
Pledges are recorded at fair value. Estimated future cash flows due after one year are discounted using interest rates commensurate with estimated collection risks.

Other Assets
Other assets include deferred financing costs, which are amortized over the term of the related obligations.

Net Assets
Permanently restricted net assets include the historical dollar amounts of gifts that are required by donors to be permanently retained. Temporarily restricted net assets include gifts, which can be expended but for which restrictions have not yet been met. Such restrictions include purpose restrictions where donors have specified the purpose for which the net assets are to be spent, or time restrictions imposed by donors or implied by the nature of the gift (such as pledges to be paid in the future) or by interpretations of law. Unrestricted net assets include all the remaining net assets of UCMC. See Note 15 for further information on the composition of restricted net assets.

Realized gains and losses are classified as changes in unrestricted net assets unless they are restricted by the donor or law.

Gifts and Grants
Unconditional promises to give assets other than cash to UCMC are reported at fair value at the date the promise is received. Conditional promises to give are recognized when the conditions are substantially met. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. Donor-restricted contributions whose restrictions are met within the same year received are reported as unrestricted gifts in the accompanying financial statements.

Gifts of cash or other assets that must be used to acquire long-lived assets are reported as additions to temporarily restricted net assets until the assets are placed into service.

Statement of Operations
All activities of UCMC deemed by management to be ongoing, major and central to the provision of healthcare services are reported as operating revenues and expenses. Activities deemed to be nonoperating include certain investment income (including realized gains and losses).

UCMC recognizes changes in accounting estimates related to third-party payor settlements as more experience is acquired. Adjustments to prior year estimates for these items resulted in an increase in net patient service revenues of $6,000 in 2012 and $15,000 in 2011.

In addition, UCMC recognized a gain of $5,500 in 2012 as a result of a favorable settlement with Medicare relating to the rural floor budget neutrality adjustment for fiscal years 1999 through 2011. UCMC recognized a gain of $21,000 in 2012 relating to the flow through of the 1996 IME and GME FTE caps for years 2006 through 2011.

The statement of operations includes excess (deficit) of revenues over expenses. Changes in unrestricted net assets that are excluded from excess (deficit) of revenues over expenses include transfers to the University, contributions of long-lived assets released from restrictions (including assets acquired using contributions which by donor restriction were to be used for acquisition of UCMC assets), the effective portion of changes in the valuation of the interest rate swap, and pension benefit liabilities.

Net Patient Service Revenue, Accounts Receivable and Allowance for Doubtful Accounts
UCMC maintains agreements with the Social Security Administration under the Medicare Program, Blue Cross and Blue Shield of Illinois, Inc. (Blue Cross), and the State of Illinois under the Medicaid Program and various managed care payors that govern payment to UCMC for services rendered to patients covered by these agreements. The agreements generally provide for per case or per diem

rates or payments based on allowable costs, subject to certain limitations, for inpatient care and discounted charges or fee schedules for outpatient care.

Net patient service revenue is reported at estimated net realizable amounts from patients, third-party payors, and others for services rendered and include estimated retroactive revenue adjustments due to future audits, reviews, and investigations. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and UCMC estimates are adjusted in future periods as adjustments become known or as years are no longer subject to UCMC audits, reviews and investigations. Contracts, laws and regulations governing Medicare, Medicaid, and Blue Cross are complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. A portion of the accrual for settlements with third-party payors has been classified as long-term because UCMC estimates they will not be paid within one year.

The process for estimating the ultimate collectability of receivables involves significant assumptions and judgment. UCMC has implemented a standardized approach to this estimation based on the payor classification and age of outstanding receivables. Account balances are written off against the allowance when management feels it is probable the receivable will not be recovered. The use of historical collection experience is an integral part of the estimation of the reserve for doubtful accounts. Revisions in the reserve for doubtful accounts are recorded as adjustments to the provision for doubtful accounts.

Hospital Assessment Program/Medicaid Provider Tax
In December 2008, the State of Illinois, after receiving approval by the federal government, implemented a hospital assessment program. The program assessed hospitals a provider tax based on occupied bed days and provided increases in hospitals' Medicaid payments. The program results in a net increase of $30,300 in income from operations, which represents $57,000 in additional Medicaid payments offset by $26,700 in Medicaid provider tax for 2012 and 2011.

Reclassifications
The provision for doubtful accounts was reclassified on the statements of operations related to the adoption of ASU 2011-07 for 2012 and 2011 presentation.

Subsequent Events
UCMC has performed an evaluation of subsequent events through October 10, 2012, which is that date the financial statements were issued.

3. Agreements and Transactions with the University

The Affiliation Agreement with the University provides, among other things, that all members of the medical staff will have academic appointments in the University. The Affiliation Agreement has an initial term of 40 years ending October 1, 2026 unless sooner terminated by mutual consent or as a result of a continuing breach of a material obligation therein or in the Operating Agreement. The Affiliation Agreement automatically renews for additional successive 10-year terms following expiration of the initial term, unless either party provides the other with at least two years' prior written notice of its election not to renew.

The Operating Agreement, as amended, provides, among other things, that the University gives UCMC the right to use and operate certain facilities. The Operating Agreement is coterminous with the Affiliation Agreement.

The Lease Agreements provide, among other things, that UCMC will lease from the University certain of the health care facilities and land that UCMC operates and occupies. The Lease Agreements are coterminous with the Affiliation Agreement.

UCMC purchases various services from the University, including certain employee benefits, utilities, security, telecommunications and insurance. In addition, certain UCMC accounting records are maintained by the University. During the years ended June 30, 2012 and 2011, the University charged UCMC approximately $22,500 and $21,700, respectively, for utilities, security, telecommunications, insurance and overhead.

The University's Division of Biological Sciences ("BSD") provides physician services to UCMC. In 2012 and 2011, UCMC recorded approximately $185,000 and $166,900, respectively, in expense related to these services.

UCMC's Board of Trustees adopted a plan of support under which it would provide annual net asset transfers to the University for support of academic programs in biology and medicine. All commitments under this plan are subject to the approval of UCMC's Board of Trustees and do not represent legally binding commitments until that approval. Unpaid portions of commitments approved by the UCMC Board of Trustees are reflected as current liabilities. UCMC recorded net asset transfers of $63,000 in 2012 and $23,000 in 2011 for this support.

4. Community Benefits

The unreimbursed cost of providing care under the Financial Assistance Policy, along with the unreimbursed cost of government sponsored indigent healthcare programs, unreimbursed cost to support education, clinical research and other community programs for the years ended June 30, 2012 and 2011, are as follows:

	Years Ended June 30, 2012	2011
Uncompensated care:		
Medicaid sponsored indigent healthcare	$ 40,223	$ 33,754
Medicare sponsored indigent healthcare - Cost Report	38,520	39,707
Medicare sponsored indigent healthcare - Physician Services	11,431	7,683
Total uncompensated care	90,174	81,144
Provision for doubtful accounts	11,995	12,565
Charity care	20,310	17,142
	122,479	110,851
Unreimbursed education and research:		
Education	81,735	70,478
Research	48,000	23,000
Total unreimbursed education and research	129,735	93,478
Total community benefits	$ 252,214	$ 204,329

The Medical Center determines the costs associated with providing charity care by aggregating the applicable direct and indirect costs, including salaries, wages, and benefits, supplies, and other operating expenses, based on data from its costing system to determine a cost-to-charge ratio. The cost to charge ratio is applied to the charity care charge to calculate the charity care amount reported above.

5. Investments Limited as to Use

The composition of investments limited as to use is as follows at June 30:

	Endowments				
	Separately Invested	TRIP	Other	Total	2011
Investments carried at fair value:					
Cash Equivalents	$ 6,126	$ 8,538	$ 759	$ 15,423	$ 22,926
Global Public Equities	148,778	86,666	-	235,444	248,861
Private Debt	-	22,848	-	22,848	23,717
Private Equity					
U.S. Venture Capital	5,804	28,114	-	33,918	35,108
U.S. Corporate Finance	-	33,196	-	33,196	31,918
International	429	39,804	-	40,233	41,370
Real Assets					
Real Estate	-	57,296	-	57,296	48,317
Natural Resources	-	59,953	-	59,953	55,127
Absolute Return					
Equity Oriented	-	28,983	-	28,983	24,281
Global Macro/Relative Value	-	40,235	-	40,235	13,875
Multi-Strategy	-	50,350	-	50,350	51,829
Credit-Oriented	-	11,214	-	11,214	7,180
Volatility-Oriented	-	9,975	-	9,975	-
Fixed Income					
U.S. Treasuries, including TIPS	84,749	64,916	-	149,665	151,341
Other Fixed Income	50,977	30,505	-	81,482	129,371
Funds in Trust	-	-	54,223	54,223	150,000
Total Investments	$ 296,863	$ 572,593	$ 54,982	$ 924,438	$ 1,035,221

Investments classified as other consist of construction and debt proceeds to pay interest, donor restricted, worker's compensation, self-insurance, and trustee-held funds. Investments are presented in the financials statements as follows:

	2012	2011
Current portion of investments limited to use	$ 27,033	$ 151
Investments limited to use, less current portion	897,405	1,035,070
Total investments limited to use	$ 924,438	$ 1,035,221

The composition of net investment income is as follows for the years ended June 30:

	2012	2011
Interest and dividend income, net	$ 14,831	$ 12,808
Realized gains on sales of securities	23,970	31,544
Unrealized gains (losses) on securities	(13,944)	80,821
	$ 24,857	$ 125,173

Outside of TRIP, UCMC also invests in private equity limited partnerships. As of June 30, 2012, UCMC has commitments of $35,900 to fund private equity limited partnerships, approximately $34,200 of which have been funded.

Fair Value of Financial Instruments
Under the provisions of the Financial Accounting Standards Board (FASB) official pronouncements on Fair Value Measurements for financial instruments fair value is defined and a framework is established for measuring fair value that includes a hierarchy that categorizes and prioritizes the sources used to measure and disclose fair value. Financial instruments categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

Fair value is defined as the price that would be received upon selling an asset in an orderly transaction between market participants.

The hierarchy is broken down into three levels based on inputs that market participants would use in valuing the financial instruments based on market data obtained from sources independent of UCMC. Inputs refer broadly to the assumptions that market participants would use in pricing the asset, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset developed based on the best information available. The three-tier hierarchy of inputs is summarized in the three broad levels as follows:

- Level 1 - Quoted prices in active markets for identical assets or liabilities.
- Level 2 - Quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active; or other inputs other than quoted prices that are observable including model based valuation techniques.
- Level 3 – Valuation techniques that use significant inputs that are unobservable because they trade infrequently or not at all.

To coincide with the FASB Fair Value Measurements pronouncement, UCMC also follows the FASB update for Investments in Certain Entities That Calculate Net Asset Value Per Share (or Its Equivalent) which permits, as a practical expedient, UCMC to measure the fair value of an asset that is within the scope of the update on the basis of the net asset value per share of the asset or its equivalent determined as of UCMC's fiscal year end. Under this approach, certain attributes of the asset such as restrictions on redemption and transaction prices from principal-to-principal or brokered transactions are not considered in measuring the fair value of an investment. The

following is a summary of the inputs used as of June 30, 2012 and 2011 in valuing the assets and liabilities carried at fair value:

	Quoted Prices In Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	2012 Total Fair Value
Assets				
Cash & Short-term investments (including cash & cash equivalents)	$ -	$ -	$ -	$ -
Investments:				
Cash Equivalents	15,422	-	-	15,422
Global Public Equities	125,953	72,801	36,691	235,445
Private Debt	-	-	22,848	22,848
Private Equity				
U.S. Venture Capital	-	-	33,918	33,918
U.S. Corporate Finance	-	-	33,196	33,196
International	-	-	40,232	40,232
Real Assets				
Real Estate	-	-	57,296	57,296
Natural Resources	-	-	59,953	59,953
Absolute Return				
Equity Oriented	5,728	5,448	17,808	28,984
Global Macro/Relative Value	5,764	5,538	28,933	40,235
Multi-Strategy	-	-	50,350	50,350
Credit-Oriented	-	-	11,214	11,214
Volatility-Oriented	-	9,975	-	9,975
Fixed Income				
U.S. Treasuries, including TIPS	74,878	74,787	-	149,665
Other Fixed Income	81,482	-	-	81,482
Funds in Trust	54,223	-	-	54,223
Total investments	363,450	168,549	392,439	924,438
Other assets	$ 41,580	$ -	-	41,580
Total assets at fair value	$ 405,030	$ 168,549	$ 392,439	$ 966,018
Liabilities				
Interest rate swap payable	$ -	$ 135,872	$ -	135,872
Total liabilities at fair value	$ -	$ 135,872	$ -	$ 135,872

	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	2011 Total Fair Value
Assets				
Cash & Short-term investments (including cash & cash equivalents)	$ 86,094	$ -	$ -	$ 86,094
Investments:				
Cash Equivalents	22,926	-	-	22,926
Global Public Equities	132,586	80,143	36,132	248,861
Private Debt	-	-	23,717	23,717
Private Equity				
U.S. Venture Capital	-	-	35,108	35,108
U.S. Corporate Finance	-	-	31,918	31,918
International	-	-	41,370	41,370
Real Assets				
Real Estate	-	-	48,317	48,317
Natural Resources	-	-	55,127	55,127
Absolute Return				
Equity Oriented	4,084	2,829	17,368	24,281
Global Macro/Relative Value	-	4,349	9,526	13,875
Multi-Strategy	-	-	51,829	51,829
Credit-Oriented	-	-	7,180	7,180
Fixed Income				
U.S. Treasuries, including TIPS	54,864	96,477	-	151,341
Other Fixed Income	113,376	-	15,995	129,371
Funds in Trust	150,000	-	-	150,000
Total investments	477,836	183,798	373,587	1,035,221
Other assets	$ 15,464	$ -	-	15,464
Total assets at fair value	$ 579,394	$ 183,798	$ 373,587	$ 1,136,779
Liabilities				
Interest rate swap payable	$ -	$ 58,064	$ -	58,064
Total liabilities at fair value	$ -	$ 58,064	$ -	$ 58,064

During 2012 there were no transfers between investment Levels 1 and 2 which are considered material to the financial statements. Changes to the reported amounts of investments measured at fair value using unobservable inputs (Level 3) as of June 30, 2012 and 2011 are as follows:

	Separately Invested	Invested in TRIP	2012 Total
Fair value, July 1, 2011	$ 7,510	$ 366,077	$ 373,587
Realized gains	18	23,569	23,587
Unrealized gains	297	(3,815)	(3,518)
Purchases	80	48,080	48,160
Sales	(1,672)	(50,008)	(51,680)
Transfers	-	2,303	2,303
Fair value, June 30, 2012	$ 6,233	$ 386,206	$ 392,439

	Separately Invested	Invested in TRIP	2011 Total
Fair value, July 1, 2010	$ 10,157	$ 345,768	$ 355,925
Realized gains	-	24,680	24,680
Unrealized gains	751	36,727	37,478
Purchases	86	34,895	34,981
Sales	(3,484)	(89,754)	(93,238)
Transfers	-	13,761	13,761
Fair value, June 30, 2011	$ 7,510	$ 366,077	$ 373,587

The interest rate swap arrangement has inputs which can generally be corroborated by market data and is therefore classified within level 2.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while UCMC believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

The significant unobservable inputs used in the fair value measurement of UCMC's long-lived partnership investments include a combination of cost, discounted cash flow analysis, industry comparables and outside appraisals. Significant increases (decreases) in any inputs used by investment managers in determining net asset values in isolation would result in a significantly lower (higher) fair value measurement.

UCMC has made investments in various long-lived partnerships and, in other cases, has entered into contractual agreements that may limit its ability to initiate redemptions due to notice periods, lockups and gates. Details on typical redemption terms by asset class and type of investment are provided below:

	Remaining Life	Redemption Terms	Redemption Restrictions and terms	Redemption Restrictions in Place at June 30, 2012
Cash	N/A	Daily	None	None
Global Public Equity:				
Separate accounts	N/A	Daily	None	None
Commingled funds	N/A	Daily to monthly with notice periods of 1 to 14 days	None	None
Partnerships	N/A	Quarterly to annually with notice periods of 30 to 180 days	Lock-up provisions ranging from 0 to 5 years, some investments have a portion of capital in side pockets with no redemptions permitted	None
Private debt	1 to 10 years	Redemptions not permitted	N/A	N/A
Private equity	1 to 19 years	Redemptions not permitted	N/A	N/A
Real assets	1 to 18 years	Redemptions not permitted	N/A	N/A
Absolute return:				
Partnerships	N/A	Monthly to annually with varying notice periods	Lock-up provisions ranging from 0 to 5 investments have a portion of capital in side pockets with no redemptions permitted	Approximately $36.7 million of investments are in gated or liquidating funds
Drawdown partnerships	1 to 4 years	Redemptions not permitted	N/A	N/A
Fixed income:				
Separate accounts	N/A	Daily	None	None
Commingled funds	N/A	Daily	None	None
Partnerships	N/A	Quarterly with notice periods of 90 days	Only one-third capital available in any 12-month period	None
Funds held in trust	N/A	Daily	None	None

6. Endowments

UCMC's endowment consists of individual donor restricted endowment funds and board-designated endowment funds for a variety of purposes plus the following where the assets have been designated for endowment: pledges receivable, split interest agreements, and other net assets. The endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments. The net assets associated with endowment funds including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor imposed restrictions.

Illinois is governed by the "Uniform Prudent Management of Institutional Funds Act" (UPMIFA). The Board of Trustees of UCMC has interpreted UPMIFA as sustaining the preservation of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, UCMC classifies as permanently restricted net assets, (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by UCMC in a manner consistent with the standard of prudence prescribed by UPMIFA.

UCMC has the following donor-restricted endowment activities during the years ended June 30, 2012 and 2011 delineated by net asset class:

	Unrestricted Funds Functioning	Temporarily Restricted	Permanently Restricted	2012 Total
Endowment net assets, beginning of year	$ 810,184	$ 67,857	$ 6,072	$ 884,113
Investment return:				
Investment income	36,192	3,140	-	39,332
Net appreciation (realized and unrealized)	(11,335)	(305)	-	(11,640)
Total investment return	24,857	2,835	-	27,692
Appropriation of endowment assets for expenditure	(37,343)	(3,792)	-	(41,135)
Other	(1,593)	379	-	(1,214)
Endowment net assets, end of year	$ 796,105	$ 67,279	$ 6,072	$ 869,456

	Unrestricted				
	Funds Functioning	Other	Temporarily Restricted	Permanently Restricted	2011 Total
Endowment net assets, beginning of year	$ 696,071	$ (5)	$ 58,844	$ 6,061	$ 760,971
Investment return:					
Investment income	39,348	-	4,594	-	43,942
Net appreciation (realized and unrealized)	85,825	-	8,007	-	93,832
Total investment return	125,173	-	12,601	-	137,774
Gifts and other additions	25,000	-	-	11	25,011
Appropriation of endowment assets for expenditure	(36,055)	-	(3,588)	-	(39,643)
Other	(5)	5	-	-	-
Endowment net assets, end of year	$ 810,184	$ -	$ 67,857	$ 6,072	$ 884,113

Description of amounts classified as permanently restricted net assets and temporarily restricted net assets (Endowments only) as of June 30, 2012 and 2011:

	Perpetual	Time-Restricted by Donor	Time-Restricted by Law	2012 Total
Restricted for pediatric health care	$ 1,835	$ -	$ 15,273	$ 17,108
Restricted for adult health care	1,925	-	49,751	51,676
Restricted for educational and scientific programs	2,312	-	2,255	4,567
	$ 6,072	$ -	$ 67,279	$ 73,351

	Perpetual	Time-Restricted by Donor	Time-Restricted by Law	2011 Total
Restricted for pediatric health care	$ 1,835	$ -	$ 15,073	$ 16,908
Restricted for adult health care	1,925	-	49,176	51,101
Restricted for educational and scientific programs	2,312	-	2,208	4,520
	$ 6,072	$ -	$ 66,457	$ 72,529

Investment and Spending Policies
UCMC has adopted endowment investment and spending policies that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of endowment assets. UCMC expects its endowment funds over time, to provide an average rate of return of approximately 6% annually. To achieve its long-term rate of return objectives, UCMC relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized gains) and current yield (interest and dividends). Actual returns in any given year may vary from this amount.

For endowments invested in TRIP, the Board of Trustees of UCMC has adopted the University's method to be used to appropriate endowment funds for expenditure, including following the University's payout formula. The University utilizes the total return concept in allocating endowment income. In accordance with the University's total return objective, between 4.5% and 5.5% of a 12-quarter moving average of the fair value of endowment investments, lagged by one year, is available each year for expenditure in the form of endowment payout. The exact payout percentage, which is set each year by the Board of Trustees with the objective of a 5% average payout over time, was 5% for the fiscal years ended June 30, 2012 and 2011. If endowment income received is not sufficient to support the total return objective, the balance is provided from capital gains. If income received is in excess of the objective, the balance is reinvested in the endowment.

For endowments invested apart from TRIP, UCMC calculates a payout of 4% annually on a rolling 24-month average market value. In establishing this policy, the Board considered the expected long term rate of return on its endowment.

7. Property, Plant and Equipment

The components of property, plant and equipment as of June 30 are as follows:

	2012	2011
Land and land rights	$ 36,008	$ 36,008
Buildings and improvements	649,565	645,336
Equipment	479,832	436,070
Construction in progress	610,211	425,488
	1,775,616	1,542,902
Less accumulated depreciation	(709,122)	(649,135)
Total property, plant and equipment, net	$ 1,066,494	$ 893,767

UCMC's net property, plant and equipment cost includes $11,100 representing assets under capital leases with the University, which are stated at the UCMC's historical cost. The cost of buildings that are jointly used by the University and UCMC is allocated based on the lease provisions. In addition, land and land rights includes $20,600, which represents the unamortized portion of initial lease payments made to the University. The New Hospital Pavilion is included in construction in progress at June 30, 2012 in the amount of $535,900; approximately $158,000 was spent in 2012 related to the building. In 2012 and 2011, approximately $16,800 and $12,000 were capitalized related to software implementation of an electronic medical records system.

Capitalized interest costs in 2012 and 2011 were $10,000 and $7,700, respectively.

8. Long-Term Debt

Long-term debt as of June 30 consists of the following:

	Final fiscal year maturity	Interest rate	2012	2011
Fixed rate:				
Illinois Health Facilities Authority:				
Series 2001	2024	4.7	$ -	$ 27,570
Series 2001	2032	5.0	-	28,100
Series 2001	2037	5.1	-	24,065
Series 2003	2015	5.0	21,235	27,725
Illinois Finance Authority:				
Series 2009A and B	2027	4.9	152,350	153,670
Series 2009C	2037	5.4	85,000	85,000
Series 2009D-1 and 2 (synthetically fixed rate)	2044	3.9	70,000	70,000
Series 2009E-1 and 2 (synthetically fixed rate)	2044	3.9	70,000	70,000
Series 2010A (synthetically fixed rate)	2045	3.9	46,250	46,250
Series 2010B (synthetically fixed rate)	2045	3.9	46,250	46,250
Series 2011A (synthetically fixed rate)	2045	3.9	46,250	46,250
Series 2011B (synthetically fixed rate)	2045	3.9	46,250	46,250
Series 2011C	2042	5.5	90,000	90,000
Series 2012A	2037	4.5	75,155	-
Unamortized premium			12,528	7,088
Total fixed rate			761,268	768,218
Variable rate:				
Illinois Educational Facilities Authority (IEFA):	2038	0.1	83,277	85,066
Total variable rate			83,277	85,066
Total notes and bonds payable			844,545	853,284
Less current portion of long-term debt			(11,290)	(9,340)
Long-term portion of debt			$ 833,255	$ 843,944

The fair value of long-term debt is based on the pricing of fixed-rate bonds of market participants, including assumptions about the present value of current market interest rates, and loans of comparable quality and maturity. The fair value of long-term debt would be a Level 2 hierarchy. The carrying value of long-term debt is below the estimated fair value of the debt by $34,439 as of June 30, 2012 based on the quoted market prices for the same or similar issues. The carrying value of the long-term debt does not differ materially from its estimated fair value at June 30, 2011 based on the quoted market prices for the same or similar issues.

Scheduled annual repayments for the next five years are as follows at June 30:

Year	Amount
2013	$ 11,290
2014	10,385
2015	10,050
2016	11,535
2017	11,975

ATTACHMENT 39

Under its various indebtedness agreements, the Medical Center is subject to certain financial covenants, including maintaining a minimum debt service coverage ratio, maintaining minimum levels of days cash on hand, maintaining debt to capitalization at certain levels; limitations on selling, leasing, or otherwise disposing of Medical Center property; and certain other nonfinancial covenants. Each of the bond series is collateralized by unrestricted receivables under a Master Trust Indenture and subject to certain restrictions. The Medical Center was in compliance with its debt covenants as of June 30, 2012 and 2011.

Recent Financing Activity

In June 2012, the IFA issued $75,155 of Series 2012A Revenue Refunding Bonds, allocated to the Medical Center for the purpose of refunding the Illinois Health Facilities Authority Revenue Bonds, Series 2001. The Series 2012A Bonds are secured by a Direct Note Obligation, Series 2012A of the Medical Center issued pursuant to the Master Trust Indenture. The extinguishment of the Series 2001 bonds resulted in a loss of $2,800 which was recorded to supplies and other expense in 2012.

Letters of Credit

Payment on each of the variable rate demand revenue bonds is also collateralized by a letter of credit. The letters of credit that support the Series 2009D and the Series 2009E bonds were due to expire in August 2012. The Medical Center replaced the letter of credit that supports the Series 2009D bonds with a new letter of credit in June 2012, which expires in June 2017. The letter of credit that supports the 2009E bonds was extended subsequent to June 30, 2012 and now expires in December 2014. The letters of credit that support the Series 2010A and Series 2010B bonds expire in November 2015 and the letters of credit that support the Series 2011A and Series 2011B bonds expire in May 2016. The letters of credit are subject to certain restrictions, which include financial ratio requirements and consent to future indebtedness. The most restrictive financial ratio is to maintain a debt service coverage ratio of 1.25:1. UCMC was in compliance with all applicable debt covenants at June 30, 2012.

Payment on each of the IEFA bonds is collateralized by a letter of credit maturing November 2014. The letter of credit is subject to certain restrictions, which include financial ratio requirements. The most restrictive financial ratio is to maintain a debt service coverage ratio of 1.75:1. UCMC was in compliance with all applicable debt covenants at June 30, 2012.

Included in UCMC's debt is $83,277 of commercial paper revenue notes and $325,000 of variable rate demand bonds. In the event that UCMC's remarketing agents are unable to remarket the bonds, the trustee of the bonds will tender them under the letters of credit. Scheduled repayments under the letters of credit are between 1 and 3 years, beginning after a grace period of at least one year, and bear interest rates different from those associated with the original bond issue. Any bonds tendered are still eligible to be remarketed. Bonds subsequently remarketed would be subject to the original bond repayment schedules.

UCMC paid interest, net of capitalized interest, of approximately $13,000 and $12,100 in 2012 and 2011, respectively.

UCMC has a $15,000 line of credit from a commercial bank. As of June 30, 2012 and 2011, no amount was outstanding under this line.

9. Commitments

Leases

UCMC has capital and noncancelable operating leases for certain buildings and equipment. Future minimum payments required under noncancelable operating and capital leases as of June 30 are as follows:

	Operating	Capital
2013	$ 2,422	$ 442
2014	2,343	329
2015	2,193	172
2016	2,239	-
2017 and thereafter	8,203	-
Total minimum lease payments	$ 17,400	943
Less - Amount representing interest		35
Present value of net minimum capital lease payments		$ 908

The amount of total assets capitalized under these leases at June 30, 2012 and 2011, is $9,200 with related accumulated depreciation of $8,100 and $7,200, respectively. Rental expense was approximately $4,700 and $4,100 for the years ended June 30, 2012 and 2011, respectively, including a $500 annual rental of a parking garage from the University.

Construction Projects

UCMC is constructing the New Hospital Pavilion (NHP) that will include 240 beds, 23 operating rooms, 7 interventional suites, imaging scanners and other advanced diagnostic and treatment services. The total estimated cost of the NHP is approximately $687,500, and is expected to open in 2013. As of June 30, 2012, total outstanding commitments on the project amounted to approximately $616,400, of which approximately $522,100 has been paid or accrued and recorded in construction in progress.

10. Insurance

UCMC is included under certain of the University's insurance programs. Since 1977, UCMC, in conjunction with the University, has maintained a self-insurance program for its medical malpractice liability. This program is supplemented with commercial excess insurance above the University's self-insurance retention, which for the years ended June 30, 2012 and 2011 was $7,500 per claim and unlimited in the aggregate. Claims in excess of $7,500 are subject to an additional self-insurance retention limited to $12,500 per claim and $12,500 in aggregate.

The estimated liability for medical malpractice self-insurance is actuarially determined based upon estimated claim reserves and various assumptions, and represents the estimated present value of self-insurance claims that will be settled in the future. It considers anticipated payout patterns as well as interest to be earned on available assets prior to payment.

A comparison of the estimated liability for incurred malpractice claims (filed and not filed) and net assets for the combined University and UCMC self-insurance program as of June 30, 2012 and 2011, is presented below:

	2012	2011
Actuarial present value of self-insurance liability for medical malpractice	$ 246,700	$ 245,861
Total assets available for claims	$ 330,431	$ 309,418

If the present-value method were not used, the ultimate liability for medical malpractice self-insurance claims would be approximately $39,600 higher at June 30, 2012. The interest rate assumed in determining the present value was 3.75% for 2012 and 5.25% for 2011. The Medical Center has recorded its prorate share of the malpractice self-insurance liability as required under ASU 2010-24 in the amount of $118,200 at June 30, 2012 with an offsetting receivable from the malpractice trust to cover any related claims.

The malpractice self-insurance trust assets consist primarily of funds held in TRIP.

UCMC recognizes as malpractice expense its negotiated pro-rata share of the actuarially determined normal contribution, with gains and losses amortized over six years, with no retroactive adjustments, as provided in the operating agreement. For fiscal year 2013, the Medical Center expense will be $18,400 related to malpractice.

UCMC designated $12,400 and $9,500 as of June 30, 2012 and 2011, respectively, as a workers' compensation self-insurance reserve trust fund. The self-insurance program investments consist of 65% bonds and 35% marketable equities. The specifically identified claim requirements and actuarially determined reserve requirements for unreported workers' compensation claims were $8,200 as of June 30, 2012 and 2011, respectively. The University also charges UCMC for its portion of other commercial insurance and self-insurance costs.

11. Pension Plans

Active Plans

A majority of UCMC's personnel participate in the University's defined benefit and contribution pension plan. Under the defined benefit portion of this plan, benefits are based on years of service and the employee's compensation for the five highest paid consecutive years within the last ten years of employment. UCMC and the University make annual contributions to this portion of the plan at a rate necessary to maintain plan funding on an actuarially recommended basis. UCMC recognizes its share of net periodic pension cost as expense and any remaining contribution as a reduction to unrestricted net assets. The reduction to net assets for 2012 was $27,400. Contributions of $52,700 and $42,600 were made in the fiscal years ended June 30, 2012 and 2011, respectively. UCMC expects to make contributions of $32,500 for the fiscal year ended June 30, 2013 that will be entirely expensed as net periodic pension costs.

Under the defined contribution portion of the plan, UCMC and plan participants make contributions that accrue to the benefit of the participants at retirement. UCMC's contributions, which are based on a percentage of each covered employee's salary, totaled approximately $6,100 and $5,700 for the years ended June 30, 2012 and 2011, respectively.

Plan Name	EIN	Contributions of UCMC	
		2012	2011
University of Chicago Retirement Income Plan for Employees	36-2177139-002	$ 35,000	$ 17,700
University of Chicago Pension Plan for Staff Employees	36-2177139-003	17,700	24,900
		$ 52,700	$ 42,600

The benefit obligation, fair value of plan assets and funded status for the University's defined benefit plan included in the University's financial statements as of June 30, are shown below:

	2012	2011
Projected benefit obligation	$ 780,797	$ 651,244
Fair value of plan assets	496,657	385,578
Deficit of plan assets over benefit obligation	$ (284,140)	$ (265,666)

The weighted-average assumptions used in the accounting for the plan are shown below:

	2012	2011
Discount rate	4.5 %	5.5 %
Expected return on plan assets	7.1 %	7.1 %
Rate of compensation increase	3.5 %	3.5 %

The weighted average asset allocation for the plan is as follows:

	2012	2011
Domestic equities	27 %	27 %
International equity	16 %	16 %
Fixed income	57 %	57 %
	100 %	100 %

Total benefits and plan expenses paid by the plan were $32,200 and $26,200 for the fiscal years ended June 30, 2012 and 2011, respectively.

Expected future benefit payments excluding plan expenses are as follows:

Fiscal Year	
2013	31,125
2014	32,902
2015	35,008
2016	37,358
2017	39,846
2018-2022	235,874

Certain UCMC personnel participate in a contributory pension plan. Under this plan, UCMC and plan participants make annual contributions to purchase annuities equivalent to retirement benefits earned. UCMC's pension expense for this plan was $5,000 and $4,500 for the years ended June 30, 2012 and 2011, respectively.

Curtailed and Frozen Plan

In June 2002, UCMC assumed sponsorship of the Louis A. Weiss Memorial Hospital Pension Plan (Employer Identification Number 36-3488183, Plan Number 003), which covers employees of a former affiliate. Participation and benefit accruals are frozen. All benefit accruals are fully vested.

Components of net periodic pension cost and other amounts recognized in unrestricted net assets include the following:

	Years Ended June 30, 2012	2011
Net periodic pension cost		
Interest cost	$ 2,719	$ 2,681
Expected return on plan assets	(2,921)	(2,363)
Amortization of unrecognized net actuarial loss	684	822
Net periodic pension cost	482	1,140
Other changes in plan assets and benefit obligations recognized in unrestricted net assets		
Liability for pension benefits	(2,659)	3,381
Total recognized in net periodic pension cost and unrestricted net assets	$ 3,141	$ (2,241)

The following tables set forth additional required pension disclosure information for this plan:

	Years Ended June 30, 2012	2011
Change in projected benefit obligation		
Benefit obligation at beginning of year	$ 55,219	$ 55,468
Interest cost	2,719	2,681
Net actuarial loss	3,425	193
Benefits paid	(3,264)	(3,123)
	58,099	55,219
Change in plan assets		
Fair value of plan assets at beginning of year	41,717	35,565
Actual return on plan assets	3,003	5,115
Employer contribution	6,240	4,160
Benefits paid	(3,264)	(3,123)
	47,696	41,717
Funded status at end of year	$ (10,403)	$ (13,502)

Amounts recognized in the balance sheet are included in noncurrent liabilities.

Accumulated plan benefits equal projected plan benefits. Assumptions used in the accounting for the net periodic pension cost were as follows:

	2012	2011
Discount rate	4.2 %	5.1 %
Expected return on plan assets	6.0 %	6.6 %
Rate of compensation increase	N/A	N/A

Weighted average asset allocations for plan assets are as follows:

	2012	2011
Cash	8 %	4 %
Fixed income	53	50
Domestic equities	28	36
International equities	11	10
	100 %	100 %

All plan assets are valued using level 1 inputs. The target asset allocation is 40% equities and 60% fixed income. The expected return on plan assets is based on historical investment returns for similar investment portfolios.

UCMC expects to make contributions of $3,165 to the plan in the fiscal year ending June 30, 2013. Expected future benefit payments are:

Fiscal Year	
2013	$ 3,420
2014	3,426
2015	3,428
2016	3,438
2017	3,461
2018-2022	17,809

12. Acquisitions

On September 30, 2011, the Medical Center entered into an Asset Purchase Agreement, whereby the Medical Center acquired the operations of Midwest Center for Hematology/Oncology, S.C. a professional service corporation that specializes in oncology. The purchase price was $2,607 and there are no earn-out provisions with the agreements. The acquisition is accounted for under the purchase method of accounting and, accordingly, the cost has been allocated on the basis of estimated fair value of assets acquired and liabilities assumed. This resulted in $766 of the purchase price being allocated to goodwill and $905 being allocated to non-compete agreements. The non-compete agreements are amortized over a 5 year period.

The purchase price was allocated to the fair value of the assets acquired and liabilities assumed as follows:

Fair value of net assets acquired	
Accounts receivable, net	$ 764
Property and equipment	172
Goodwill	766
Non-compete agreements	905
	$ 2,607

13. Concentration of Credit Risk

As a hospital, UCMC is potentially subject to concentration of credit risk from patient accounts receivable and certain investments. Investments, which include government and agency securities, stocks, corporate bonds, real assets, absolute return, and private equities, are not concentrated in any corporation or industry or with any single counter-party. UCMC receives a significant portion of its payments for services rendered from a limited number of government and commercial third-party payors, including Medicare, Medicaid, and Blue Cross. For 2012 and 2011, Medicaid approximated 17% and 15% of the Medical Center's net revenue for the year. Medicaid represented 28.9% and 11.9% of UCMC's net accounts receivable at June 30, 2012 and 2011, respectively. Management does not anticipate any collection risk related to the Medicaid accounts receivable at June 30, 2012. UCMC has not historically incurred any significant credit losses outside the normal course of business.

14. Pledges

Pledges receivable at June 30 are shown below:

	2012	2011
Unconditional promises expected to be collected in:		
Less than one year	$ 4,959	$ 5,765
One year to five years	6,001	8,985
More than five years	-	144
	10,960	14,894
Less unamortized discount (discount rate 5.5%)	(527)	(869)
Total	$ 10,433	$ 14,025

15. Restricted Net Assets

Temporarily restricted net assets are available for the following purposes as of June 30:

	2012	2011
Pediatric health care	$ 17,751	$ 17,690
Adult health care	50,743	50,962
Educational and scientific programs	4,187	3,629
Capital and other purposes	22,664	21,658
Total	$ 95,345	$ 93,939

Income from permanently restricted net assets is restricted for:

	2012	2011
Pediatric health care	$ 1,845	$ 1,875
Adult health care	1,935	1,925
Educational and scientific programs	2,312	2,312
Total	$ 6,092	$ 6,112

16. Functional Expenses

Total operating expenses by function are as follows for the years ended June 30:

	2012	2011
Health care services	$ 1,103,904	$ 1,046,520
General and administrative	66,819	61,066
Total	$ 1,170,723	$ 1,107,586

17. Contingencies

UCMC is subject to complaints, claims and litigation which have risen in the normal course of business. In addition, UCMC is subject to reviews by various federal and state government agencies to assure compliance with applicable laws, some of which are subject to different interpretations. While the outcome of these suits cannot be determined at this time, management, based on advice from legal counsel, believes that any loss which may arise from these actions will not have a material adverse effect on the financial position or results of operations of UCMC.

18. Friend Family Health Center (FFHC)

FFHC was incorporated in June 1997 to provide primary care to economically challenged and medically high-risk populations on Chicago's South Side, and was designated a Federally Qualified Health Center in October 1998. FFHC is a separate not-for-profit Illinois corporation which is not controlled by UCMC.

ATTACHMENT 39

UCMC subleases facilities to FFHC in the Friend Building located near its main facilities, and provides security and information services to FFHC. Certain members of UCMC's medical staff provide physician services at FFHC.

UCMC has provided $10,300 of cumulative support to offset FFHC operating losses, towards which $3,000 has been provided by the Emanuel Friend Trust, a charitable trust established in Chicago in the 1930s. Support from the Trust is provided under a 1994 agreement with UCMC.

SECTION X. C. 1. Reasonableness of Project and Related Costs

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (list below)	A Cost/Sq. Foot		C Gross Sq. Ft.	D	E Gross Sq. Ft.	F	G Const. $	H Mod. $	Total Costs
	New	Mod.	New	Circ.	Mod	Circ.	(A x C)	(B x E)	(G + H)
Reviewable:									
M/S Bed Addition		$36.83			19,232	14%		$708,400	$708,400
Reviewable Total		$36.83			19,232	14%		$708,400	$708,400
Non-reviewable:									
None									
Non-reviewable Total									$0
Contingency		$3.68			19,232			$70,840	$70,840
TOTALS		$40.52			19,232			$779,240	$779,240

Attachment - 42

Section X. Economic Feasibility

D. Projected Operating Costs

	Per Patient Unit	Patient Units	Extended Cost
Compensation	$3,144,143	2	$6,288,286
Supplies	230,147	2	460,294
Services and Other	12,598	2	25,196
Total Direct Costs	$3,386,888		$6,773,776
Patient Days (38 beds @ 90%)			12,483
Cost/Day			$542.64

Assumes 2013 dollars

Section X. Economic Feasibility

E. Effect on Capital Costs

Project is assumed to reach target occupancy rate 9/30/16, which is two years after project completion.

UCMC Total Capital Costs	FY17
Depreciation	$108,133,000
Interest	34,844,000
Total Capital Costs	$142,977,000

	FY17
Patient Days	163,688
Outpatient Visits	485,857
OP Rev/IP Rev	0.6902
Equivalent Patient Days	499,024
Projected Cap. Cost per Equiv. PD	$286.51

Project Only Capital Costs	FY17
Depreciation	$441,000
Equivalent Patient Days	499,024
Projected Cap. Cost per Equiv. PD	$0.88

THE UNIVERSITY OF CHICAGO MEDICAL CENTER
CON APPLICATION
SAFETY NET IMPACT STATEMENT

Safety Net Information per PA 96-0031			
CHARITY CARE			
Charity (# of patients)	**2010**	**2011**	**2012**
Inpatient	386	597	655
Outpatient	18,921	15,021	20,446
Total	19,307	15,618	21,101
Charity (cost in dollars)			
Inpatient	$5,917,000	$7,721,000	$7,524,000
Outpatient	6,755,000	6,706,000	9,096,000
Total	$12,672,000	$14,427,000	$16,620,000
MEDICAID			
Medicaid (# of patients)	**2010**	**2011**	**2012**
Inpatient	6,610	6,969	7,414
Outpatient	136,634	142,776	148,677
Total	143,244	149,745	156,091
Medicaid (revenue)			
Inpatient	$168,945,000	$162,810,000	$171,224,000
Outpatient	43,334,000	43,554,000	44,182,000
Total	$212,279,000	$206,364,000	$215,406,000

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.

The University of Chicago Medical Center ("UCMC" or the "Medical Center") is an established provider of safety net services, and medical/surgical beds at UCMC are an essential, safety-net resource for the communities that it serves. At a time when many other hospitals are contracting their own bed inventories, UCMC's intent to create additional medical/surgical capacity is a demonstration of its enduring commitment to low-income and other vulnerable populations and to anchor the South Side communities in which they make their homes. UCMC recognizes that financial and other barriers to

healthcare are endemic to its constituency and seeks to remove its own bed shortage as potential obstacle to their timely receipt of quality health care in the community.

The proposed expansion of the number of medical/surgical beds at the Medical Center will increase capacity and make more accessible the services that UCMC has historically provided to the communities that comprise its primary service area. The UCMC service area consists of a large, medically underserved, low income population on Chicago's South Side, a community that is among one of the most economically challenged communities in the State of Illinois and that has a critical need for quality healthcare. The population of the South Side is approximately 87% African American, 6% White and 4% Hispanic. The South Side is relatively poor compared to the City of Chicago as a whole with 29% of community residents reporting family incomes below the poverty level compared with 20% for the city as a whole. In addition, just under half of the South Side community lives below 200% of the poverty level. (Source: *Serving Chicago's Underserved: Regional Health System Profiles,* Chicago Department of Public Health, Chicago Health and Health Systems Project (Oct. 20, 2005).)

The South Side community is one of the unhealthiest in Cook County, with high rates of diabetes, asthma, hypertension and other chronic conditions. In fact, the target communities in UCMC's service area have some of the highest chronic disease and mortality rates in Chicago. UCMC is one of the few hospitals – and the only academic medical center – located in the South Side of Chicago. At the same time, hospitalization rates in UCMC's service area are much higher than the metropolitan average. The South Side of Chicago has the highest incidence in Chicago of admissions through the emergency room; at UCMC, approximately 20% of the visits becoming inpatient

admissions. These high rates of admission through emergency departments may be attributed to the high number of uninsured, underinsured and low income residents in the community which leads to a lack of access for these residents to primary care services.

UCMC remains the largest provider of Medicaid services (by admissions and patient days) on the South Side of Chicago and one of the largest in the State of Illinois. Notably, patients Medicaid or who are uninsured comprise almost one-half of UCMC's emergency department population.

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.

UCMC's proposed expansion of the number of its medical/surgical beds should not impact the ability of other providers or health care systems to cross-subsidize safety net services. The project does not include any increases in market share or market reach; rather the purpose of the beds is to attempt to keep pace with current, but yet unmet, demand from the community, either directly or via community hospitals. The patients that will use the additional beds either have been served by UCMC in the past or would have been served but for UCMC's capacity constraints (patients could not be admitted because of UCMC's high census).

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.

Not applicable.

4. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other services.

UCMC already provides a substantial amount of care for which it does not receive payment. For fiscal year, 2012, UCMC provided $20,179,000 in care for which it did not

expect to receive compensation, incurred losses on government programs of $78,872,000 and losses on education of $86,263,000, provided research support of $48,000,000 and $1,179,000 for other programs, and incurred uncompensated charges – or bad debt – of $11,917,000.

However, the community benefit provided by UCMC goes well beyond the number of charity care and Medicaid patients treated at the University of Chicago Medical Center. For example, UCMC's mission is to provide superior health care in a compassionate manner, ever mindful of each patient's dignity and individuality. To accomplish its mission, the Medical Center calls upon the skills and expertise of all who work together to advance medical innovation (patient care), service the health needs of the community (community service) and to further the knowledge of those dedicated to caring (research and education).

The Medical Center is a nationally recognized leader in patient care, research and medical education. Renowned for treating some of the most complex medical cases, UCMC brings the very latest medical treatments to patients in Chicago's South Side community, and throughout the world. In this way, UCMC furthers its commitment to patient care, clinical practice and community health. UCMC partners with the University of Chicago physicians and the Pritzker School of Medicine to educate the next generation of physicians and other health care professionals. The Medical Center is a leading provider of complex care and routinely ranks among the top providers of Medicaid services (based on admissions and inpatient days) in the state of Illinois.

THE CENTER FOR CARE & DISCOVERY AND BERNARD A. MITCHELL HOSPITAL

Completed in 2013, the Center for Care & Discovery is UCMC's new hospital, a 10-story "hospital for the future" that provides a home for complex specialty care with a focus on cancer, gastrointestinal disease, neuroscience, advanced surgery and high-technology medical imaging. The new hospital also has space for 28 operating rooms with leading-edge technology; and an integrated diagnostic and interventional platform including cardiac, gastrointestinal, neurological and vascular services.

Built in 1983, Bernard A. Mitchell Hospital was UCMC's primary adult inpatient facility until the construction of the Center for Care and Discovery, and includes the Emergency Department and the Arthur Rubloff Intensive Care Tower. The tower houses the University of Chicago Medical Center Burn Unit and Electrical Trauma Unit and remains an integral hub for intensive care and medical/surgical patients.

UCMC houses one of only two burn units in Chicago, at which UCMC provides care to critically-injured adult and pediatric patients, many of whom spend months in this intensive care facility.

UCMC admitted more than 19,440 adult patients in fiscal year 2012 with more than 409,000 visits to the outpatient ambulatory care facility. In addition, UCMC's Mitchell Hospital contains state-of-the-art obstetrical and gynecological facilities and has a leading program in reproductive endocrinology and infertility. The facilities include eight labor rooms, three delivery rooms, and two birthing rooms, as well as a 17-bed gynecology unit and four obstetric operating rooms. Over 1,400 babies were delivered at UCMC during FY 2012, many to women with high-risk pregnancies.

The Medical Center offers world-class transplantation programs in several areas, including transplantation of the liver, kidney, pancreas, lung, heart, bone marrow and other tissues, multiple-organ transplantation, and research in transplant immunology. UCMC performed 106 organ transplants in FY 2012 and 148 bone marrow or stem cell transplant procedures for treatment of various cancers.

UCMC's Emergency Department is open 24 hours a day, 7 days a week and in FY 2012, UCMC provided almost 47,000 adult ED visits, making it the busiest emergency room on Chicago's South Side. In addition, UCMC serves as a Resource Hospital for one of the emergency medical system ("EMS") regions in Illinois. UCMC is one of three (3) Resource Hospitals in Chicago and represents Chicago South. As a Resource Hospital, UCMC has authority and responsibility over the entire EMS regional system, including the clinical aspects, operations and educational programs. UCMC provides the entire budget for its participation as a Resource Hospital and spends over $300,000 per year on this service. As a Resource Hospital, UCMC also is responsible for replacing medical supplies and providing for equipment exchange in participating EMS vehicles. UCMC spends approximately $30,000 per year on replacement and restocking.

CHICAGO COMER CHILDREN'S HOSPITAL

As a major tertiary referral center, the University of Chicago Comer Children's Hospital sees children with medical problems that range from some of the most common to some of the most complex in its 155 bed, seven-story facility, which opened in February 2005. Families of these pediatric patients can stay at the 30,000 square-foot Ronald McDonald House on campus, which UCMC built and opened in December 2007,

nearly doubling the size of the prior Ronald McDonald House. More than 4,700 children were admitted as patients to Comer Children's Hospital in fiscal year 2012 from the Chicago area, the Midwest, and around the world. In FY 2012, UCMC's outpatient clinics accommodated more than 44,000 general pediatric and specialty visits in its ambulatory care facility and more than 29,500 visits were made to the Comer pediatric emergency room.

Comer Children's Hospital is staffed by more than 100 physicians from the Department of Pediatrics at the University, as well as specialty nurses and caring support staff. The teams of healthcare professionals – including medical students, residents and fellows – work together to provide general and specialty medical care for newborns to young adults. At Comer Children's Hospital and through its outpatient clinics, children and teens receive advanced therapies in virtually all clinical areas.

Comer Children's Hospital is a pediatric Level-I trauma center that treats children with severe injuries for emergency trauma care. UCMC also cares for critically ill and injured children in its technologically advanced Pediatric Intensive Care Unit ("PICU"). The 30-bed PICU is fully equipped to treat children with multiple traumas, complex medical problems, and conditions requiring major surgery, including cardiac, transplant, and neurosurgery. In fiscal year 2012, over 1,000 children were cared for in the PICU.

In addition, 47 designated tertiary care (Level III) beds in the Neonatal Intensive Care Unit and 18 convalescent (Level II) beds in the Transitional Care Unit provide premature and critically ill infants with the most advanced medical care and life support systems.

At the Comer Children's Hospital, infants who spend time in the NICU receive specialized follow-up care after they are discharged at its Center for Healthy Families ("Center"). The Center uses a multidisciplinary care approach that includes general pediatricians, neonatologists, nurse educators, pediatric social workers, registered dietitians, occupational therapists, physical therapists, speech therapists and home health nurses. The Center also draws on the expertise of other pediatric specialists as needed. The team addresses a host of concerns, including medical and physical needs, development, motor skills, speech, growth, nutrition, and the home environment. Team members are available by pager 24 hours a day and also teach parents how to give medications, monitor symptoms, and take other steps to meet their child's special needs. Sometimes, team members even visit the child's home to help parents and caregivers adapt to the physical and emotional environment to support the child's needs.

Comer Children's Hospital serves as the Center of a Regional Perinatal Network that is responsible for the administration and implementation of the Illinois Department of Public Health's ("IDPH") regionalized perinatal health care program. In this role, UCMC provides nine area hospitals with consultation as well as transport services for approximately 16,000 babies born in network hospitals, more than one-third of them considered high-risk. The network is committed to reducing fetal and infant mortality throughout the surrounding urban, suburban, and rural communities. UCMC also provides leadership in the design and implementation of IDPH's Continuous Quality Improvement program and participates in continuing education for other health professionals.

More than 60% of all care provided at Comer Children's Hospital is provided to children covered by the Medicaid program. Comer Children's Hospital has a strong commitment to its community and sponsors a number of programs and services that extend beyond its walls. For example, Comer Children's Hospital takes primary care to children in its surrounding neighborhoods through the Pediatric Mobile Medical Unit (the "Mobile Unit"), which features two fully equipped exam rooms and a team comprised of a physician, a nurse practitioner and a community health advocate. The 40-foot-long Mobile Unit provides a full array of pediatric primary care services to children ages 3 to 19 who may not receive healthcare on a regular basis and brings medical resources to the children's school so parents or guardians don't have to work through obstacles, such as transportation.

At schools throughout the community, the Mobile Unit provides such services as immunizations; physicals for school and sports; screenings for vision, hearing, lead poisoning, and anemia; urine tests; and blood draws. At high schools, the Mobile Unit offers health education and treatment for minor injuries. When appropriate, children are referred for follow up care and specialty services to manage conditions such as asthma, diabetes, or mental health problems.

COMMUNITY SERVICE

UCMC's South Side community lacks needed health care services. Chicago's South Side has lost seven hospitals since 1985 – including most recently, the closure of Michael Reese Hospital in 2009 – and more than 2,000 beds in the past decade alone. Most recently, Roseland Community Hospital has been identified as another South Side

hospital in trouble. This has resulted in a "shortage" of critical medical services and an increased demand for preventative care. Rooted in the firm belief that all patients should have access to the health care services they need, UCMC has partnered with other healthcare providers that serve this community to coordinate resources.

UCMC is committed to building strong and meaningful relationships with the surrounding community and recognizes that these relationships will help improve health outcomes on the South Side of Chicago.

One of UCMC's innovative approaches to addressing the health care shortage in its community is a program called the Urban Health Initiative ("UHI"). Under the UHI, UCMC pursues meaningful partnerships with other providers in the community to improve the long-term health of patients and to conduct important community-based clinical research, including research on the diseases that have the greatest impact in the South Side community (*e.g.,* diabetes, renal failure, asthma, etc.).

Under the UHI, UCMC established, and continues to expand, a series of relationships with other health care providers throughout the South Side to help patients establish a permanent "medical home" and to ensure that more patients are guided to the most suitable providers for the care they need. Research has shown that when patients have a medical home in the community, they can manage their health issues on a more consistent basis and get more effective care for the prevention and treatment of non-urgent conditions, routine care and management of health issues, and referrals to specialists or hospitals for more complex care as needed.

One of the key components of the UHI is the South Side Healthcare Collaborative (SSHC). The SSHC was established in 2005, with assistance from a two-year Healthy Communities Access Program grant from the United States Department of Health and Human Services, to help emergency room patients who report not having a primary care physician find appropriate care at a medical home where the patient can establish an ongoing relationship with a community clinic or physician. After the government grant ended, UCMC undertook the continued funding of the SSHCC operations.

To help patients connect with community health resources, UCMC staffs its Emergency Department with patient advocates whose goal is to meet with patients who have come to the emergency department and do not otherwise have a primary care provider. In addition, the program provides comprehensive social service assessments and referrals through social workers in the Emergency Department. Since 2005, UCMC has given information to more than 27,000 patients about available SSHCC resources and more than 16,000 of those patients have been connected to community resources.

Under the UHI, UCMC recently developed an ER Community Portal, a web-based site that gives SSHC physicians the ability to access the medical records of patients referred from UCMC's pediatric and adult emergency rooms. The Portal is aimed at helping to lower medical costs by reducing the need to re-order redundant tests; reducing medical errors by giving community physicians a more comprehensive view of patients' medical histories; and improving outcomes by providing better continuity of care. The Portal is just one of the many steps geared towards creating a seamless network of interconnected health care and social service agencies on the South Side.

UCMC also provides community residents with sub-specialty care through a number of additional programs. For example, in an effort to expand the availability of high quality medical care in the community, under the UHI, UCMC has placed specialty care providers at a federally qualified health center ("FQHC") in the South Side. This clinic aims to increase specialty services available to patients living in the community, as the absence of specialty care can lead to greater morbidity and perhaps mortality among patients from their underlying medical conditions.

UCMC has partnered with the public health system on the IRIS for Kids program, which is designed to expand access to pediatric specialty care and diagnostic services. This automated, Internet-based scheduling system allows parents to book specialty care appointments for children at the public hospital. Often the wait for these appointments is lengthy on the South Side and this system provides much-needed additional capacity.

UCMC provides grants to community health care providers under the UHI to help them expand their capabilities to serve more patients with more resources. UCMC develops partnerships with community hospitals to help make the best use of resources in underutilized hospitals. In addition, UCMC physicians often provide care at these community providers and hospitals.

As part of the UHI, UCMC has undertaken research initiatives that engage South Side residents in finding innovative, community-based solutions to ongoing health care needs. For example, UHI has launched a Center for Community Health and Vitality ("CCHV"), which provides a community base for UHI to offer University data and research resources to the community and to facilitate research and demonstrations done by University investigators in collaboration with South Side residents.

One of the major CCHV initiatives is the South Side Health and Vitality Studies (the "Studies"). The Studies are guided by the fundamental premise that scientific inquiry in service to community priorities and in collaboration with community partners is needed to eliminate the most impenetrable barriers to health and vitality. The South Side Health and Vitality Studies focus on social, environmental and technological determinants of health.

More specifically, the Studies aim to track several thousand South Side households over a generation to discover ways to ensure long-term health and wellness. These discoveries will inform effective health policy and action. The first of these studies is a Community Asset Mapping project that engages community members in keeping current information about the availability and distribution of commercial, healthcare, social and civic resources in all thirty-four (34) South Side communities. The goal of the Community Asset Mapping project is to give area residents reliable information to help them find quality services, to identify gaps in such services, and to inform new community investments. Residents may view and give feedback on the Community Asset Mapping project at SouthSideHealth.org. This interactive website also provides professionals with detailed information about available resources for health and human services in Chicago's South Side.

UCMC provides financial incentives to encourage alumni to practice in surrounding, underserved communities through UCMC's funding of a program called Repayment for Education to Alumni in Community Health, or REACH. REACH encourages up to five graduates a year from the Medical School to practice medicine at a federally qualified health clinic or community hospital on the South Side of Chicago,

once they have completed a residency. In exchange, students receive financial help, which can be used for education loan repayment, of $40,000 a year.

COMMUNITY OUTREACH AND EDUCATION

As a member of a diverse neighborhood, UCMC is involved in a variety of activities with community groups, faith-based organizations, community leaders and residents. To this end, UCMC has launched a series of initiatives to build partnerships with local communities and engage directly in providing information and solutions that enhance healthcare in the neighborhoods surrounding UCMC.

UCMC routinely holds community events on specific diseases and diagnoses and invites community residents to participate through outreach efforts via churches and other community-based organizations. At these community events, UCMC clinical and administrative personnel speak directly to members of the community about a variety of issues, including how to manage particular medical issues and the importance of having a medical home.

On a bi-annual basis, UCMC holds a UHI Summit, which brings together UCMC physicians, administrators and staff; public healthcare officials; representatives of various community organizations; and the media to discuss ways to advance health in the community.

In addition, UCMC and the University of Chicago's Comprehensive Cancer Center are focused on addressing the gap between advances in cancer care and patient accessibility. To achieve the desired cancer prevention and control outcomes, the Comprehensive Cancer Center's priority is to identify the parts of Chicago most affected by cancer and provide resources that maximize the impact of its services. This includes

improving the quality of life for cancer patients and survivors, reducing risk factors, increasing access to care, reducing tobacco use and increasing participation in cancer research. To this end, UCMC and the University of Chicago initiated the Community Engagement Centering on Solutions ("CECOS") program, with a goal of enhancing public awareness of cancer prevention, early cancer detection and control, and the role of genetics in cancer. The program also strives to provide sustained engagement with the South Side community to increase local awareness of the latest advances in cancer research.

UCMC also provides Best of the Best Tours to children and teens in grades 6 through 12. The Best of the Best Tours provide a hands-on look at what goes on inside the Medical Center and a personal introduction to the many job opportunities available at UCMC, one of the South Side's largest employers. Students visit an array of critical areas where they look at human organs to learn about disease; they learn about the impact of exercise on the body; and they see how technology is used in all facets of medical care — both diagnostically and administratively. It's a day of fun and inspiration as students learn about careers as sterile technicians, pathologists, nurses, phlebotomists, information systems analysts, human resources specialists and other job roles. Since 2003, the Medical Center has provided between three and ten Best of the Best tours per year.

RESEARCH AND EDUCATION

UCMC dedicates resources to a variety of clinical, research and education initiatives that are designed to promote better health results for the communities it serves. UCMC works with the University to conduct a wide array of externally and internally funded biologic research with the aim of finding solutions to some of the country's most

critical health problems. Hundreds of clinical research projects are being conducted at UCMC facilities at any one time and are available to nearly every type of patient UCMC treats. As a result, UCMC provides the only comprehensive set of clinical trials to patients in the South Side of Chicago.

For example, the Center for Interdisciplinary Health Disparities Research focuses on achieving a trans-disciplinary approach to understanding population health and health disparities and the elimination of group differences in health. Currently the Center for Interdisciplinary Health Disparities Research is focused on understanding why African American women develop breast cancer at a younger age and have a higher incidence of mortality from breast cancer than do white women.

UCMC also invests in research conducted under a Clinical and Translational Science Award (CTSA) – funded by federal grants to the University with additional investment by UCMC – to provide more effective community health care by helping to translate basic science research into programs that benefit the community. The CTSA initiative is led by the National Center for Research Resources at the National Institutes of Health and is aimed at improving the way biomedical research is conducted across the country, reducing the time it takes for laboratory discoveries to become treatments for patients, engaging communities in clinical research efforts, and training the next generation of clinical and translational researchers. In an effort to marshal available intellectual resources, this research includes the involvement of University social scientists and social workers to help researchers and practitioners better understand how to overcome social and/or cultural hurdles and improve community health.

UCMC is deeply committed to providing health care solutions and services for patients, the community and the region. With a continued focus on its three critical missions – patient care, research and education – UCMC strives be a leader in complex care and to have a lasting impact on the health and vitality of Chicago's South Side.

The community benefit services are described in detail in the UCMC's FY 2011 Community Benefit Report, included as part of this Attachment 43.

THE UNIVERSITY OF CHICAGO MEDICINE

AT THE FOREFRONT OF MEDICINE™

AT THE FOREFRONT OF OUR COMMUNITY

2011 Community Benefit Report for the University of Chicago Medical Center

ATTACHMENT 43

Our Commitment to the Community

Contents

About Us.....1
Providing Benefits and Services.....2
Creating Jobs for Chicago.....4
Improving Urban Health.....5
- Community Clinics
- Child Wellness
- Diabetes and Obesity
- Cancer Prevention
Volunteering in Our Community.....15
Investing in Important Research.....16
Contributing to Global Health.....17

We are pleased to introduce the University of Chicago Medical Center's first Community Benefit Report. This publication highlights the myriad ways we have served the community through the clinical care we provide, as well as the programs, medical education and research we support.

The University of Chicago's Biological Sciences Division and the Medical Center work together under the University of Chicago Medicine brand to teach and train future physicians, perform research and practice patient care. Our reach and impact can be seen locally, regionally, nationally and internationally — from the underserved residents of the South Side who get free flu shots to the earthquake victims in Haiti we continue to monitor and treat.

Our benefits to the community start with IRS-defined components for health care providers' losses tied to Medicaid, charity care, education of health professionals, and contributions to community groups and programs.

In addition, our commitment to service extends beyond those categories. We absorb underpayments by Medicare and forgive bills for patients who are unable to pay. We support medical research, subsidize costly services such as our pediatric trauma and burn units, provide volunteer work, and facilitate a number of other health-related activities.

Also, each dollar spent by the University of Chicago Medical Center and the Biological Sciences Division supports the local economy. Nothing embodies both our economic impact and our commitment to the South Side better than the New Hospital Pavilion, a 1.2 million-square-foot hospital that incorporates the latest in technology with inpatient and operating-room design.

Thanks in large part to this endeavor, the University of Chicago Medical Center has contributed tens of millions of dollars in economic benefit as a major employer, job creator and purchaser of goods and services. We are proud that women- and minority-owned businesses have helped to build the New Hospital Pavilion, which is scheduled to open in January 2013. We hope you will join us in the fall for a grand celebration with our faculty and staff.

We invite you to spend time reading the personal stories in this report to learn about our many programs that may benefit you or someone you know.

Sharon O'Keefe
President, University of Chicago Medical Center

Kenneth S. Polonsky
Executive Vice President for Medical Affairs, University of Chicago
Dean, Biological Sciences Division and Pritzker School of Medicine

On the cover: Patient advocate Semeca Johnson. Learn more about her story on Page 5.

ATTACHMENT 43

About Us

The University of Chicago Medical Center comprises the Bernard Mitchell Hospital, Comer Children's Hospital, the Duchossois Center for Advanced Medicine and a network of smaller clinics — all closely linked to the University of Chicago's Biological Sciences Division and the Pritzker School of Medicine.

When the University of Chicago Medical Center opened its doors to the community in the fall of 1927, it had only two clinical departments: medicine and surgery. Since then, the medical campus has grown to include 60 adult and 44 pediatric specialties.

The Medical Center is consistently recognized as a leading provider of sophisticated medical care. University of Chicago physician-scientists performed the first organ transplant and the first bone marrow transplant in animal models, the first successful living-donor liver transplant, the first hormone therapy for cancer and the first successful application of cancer chemotherapy. Its researchers also discovered REM sleep and were the first to describe several of the stages of sleep. Twelve of the 87 Nobel Prize winners associated with the University of Chicago have received the prize for discoveries related to biology or medicine.

IN FY2011

9,500
Employees

INCLUDING

700+
Physicians

800+
Residents and Fellows

1,500
Nurses

568
Licensed Beds
(avg. 550 in service)

74,359
ER Visits

146
Organs Transplanted

1,572
Babies Delivered

Nationally Ranked Medical Center

In the U.S.News & World Report 2011–12 "Best Hospitals" survey, 12 adult and nine pediatric specialties at the University of Chicago Medical Center ranked among the top in the country. Those 21 top-ranked programs are more than at any other institution in Illinois.

Adult Programs
Digestive disorders (9)
Cancer (14)
Pulmonology (19)
Diabetes, Endocrinology (23)
Kidney Disease (28)
Neurology, Neurosurgery (29)
Ear, Nose and Throat (30)
Urology (33)
Geriatrics (34)
Cardiology, heart surgery (35)
Gynecology (39)
Orthopedics (43)

Pediatric Programs
Gastroenterology (30)
Neurology, Neurosurgery (31)
Neonatology (33)
Pulmonology (35)
Cancer (37)
Urology (37)
Diabetes, Endocrinology (42)
Orthopedics (46)
Nephrology (50)

Medicaid Acute Care Days for Private Illinois Hospitals*

1. University of Chicago Medical Center	42,789
2. Northwestern Memorial Hospital	41,311
3. Advocate Christ Medical Center	41,226
4. Rush University Medical Center	38,092
5. OSF St. Francis Medical Center (Peoria)	36,931
6. Children's Memorial Hospital	36,160
7. Mount Sinai Hospital	32,744
8. Loyola University Medical Center	29,068
9. Resurrection St. Mary of Nazareth	22,984
10. Advocate Lutheran General Hospital	21,667

Excluding normal nursery days
Source: Illinois Department of Healthcare and Family Services, for the state fiscal year ended June 30, 2010

Contact us

For more information about the University of Chicago Medicine's programs and services or for an electronic version of this report, please visit www.uchospitals.edu. To schedule an appointment, please call 773-702-1000.

ATTACHMENT 43

Providing Benefits and Services

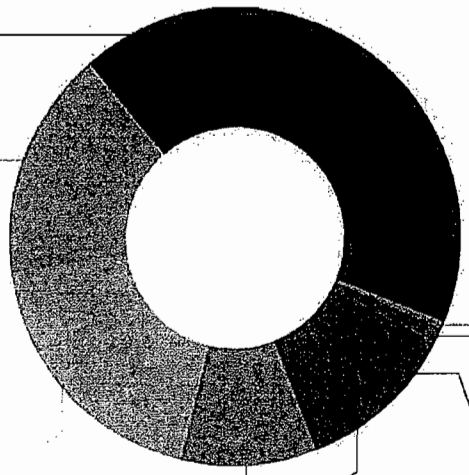
The University of Chicago is home to world-class medical, research and teaching facilities where innovation has been a hallmark and has helped position it as a valuable resource for the underserved populations of Chicago's South Side.

The University of Chicago Medical Center provides millions of dollars in free or discounted medical care. It also subsidizes government insurance programs, which reimburse at rates much lower than the cost of care. In fact, nearly 56 percent of its patients received medical coverage through government programs in the fiscal year ended June 30, 2011. That's about 12 percent above the national average for the hospital industry.

The University of Chicago Medical Center has formed valuable community partnerships, trained future health professionals and supported vital research to improve the health of the neighborhoods it serves. As the South Side's largest private employer and one of the largest in Chicago, the university and the medical campus add to the economic vitality of the region by creating jobs and other opportunities for minorities and women.

Altogether, the University of Chicago Medical Center and the Biological Sciences Division provided $237.1 million in total benefits and services to the community in fiscal 2011. That amounted to 21.4 percent of total operating revenues.

$237.1 MILLION
Community benefits, services in fiscal 2011
21.4% of $1.11 billion total operating expenses



MEDICARE PROGRAM LOSSES $100.7 MILLION
Medicare is a federal health insurance program for people 65 and older and for those with certain disabilities. This figure is the amount not reimbursed by the government-sponsored program. As with Medicaid, Medicare payments to health care providers are significantly less than the cost of care.

MEDICAID PROGRAM LOSSES* $37.7 MILLION
Medicaid is a federal-state health insurance program for low-income and other needy people. As with Medicare, Medicaid payments to health care providers do not cover the cost of care. The University of Chicago Medical Center is one of the top providers of Medicaid inpatient care in Illinois.

MEDICAL EDUCATION* $44.9 MILLION
To help subsidize the cost of training tomorrow's doctors, the University of Chicago provides assistance with expenses not covered by tuition grants and scholarships.

MEDICAL RESEARCH $23 MILLION
This signifies the unreimbursed cost of supporting research on ways to prevent, detect and treat disease.

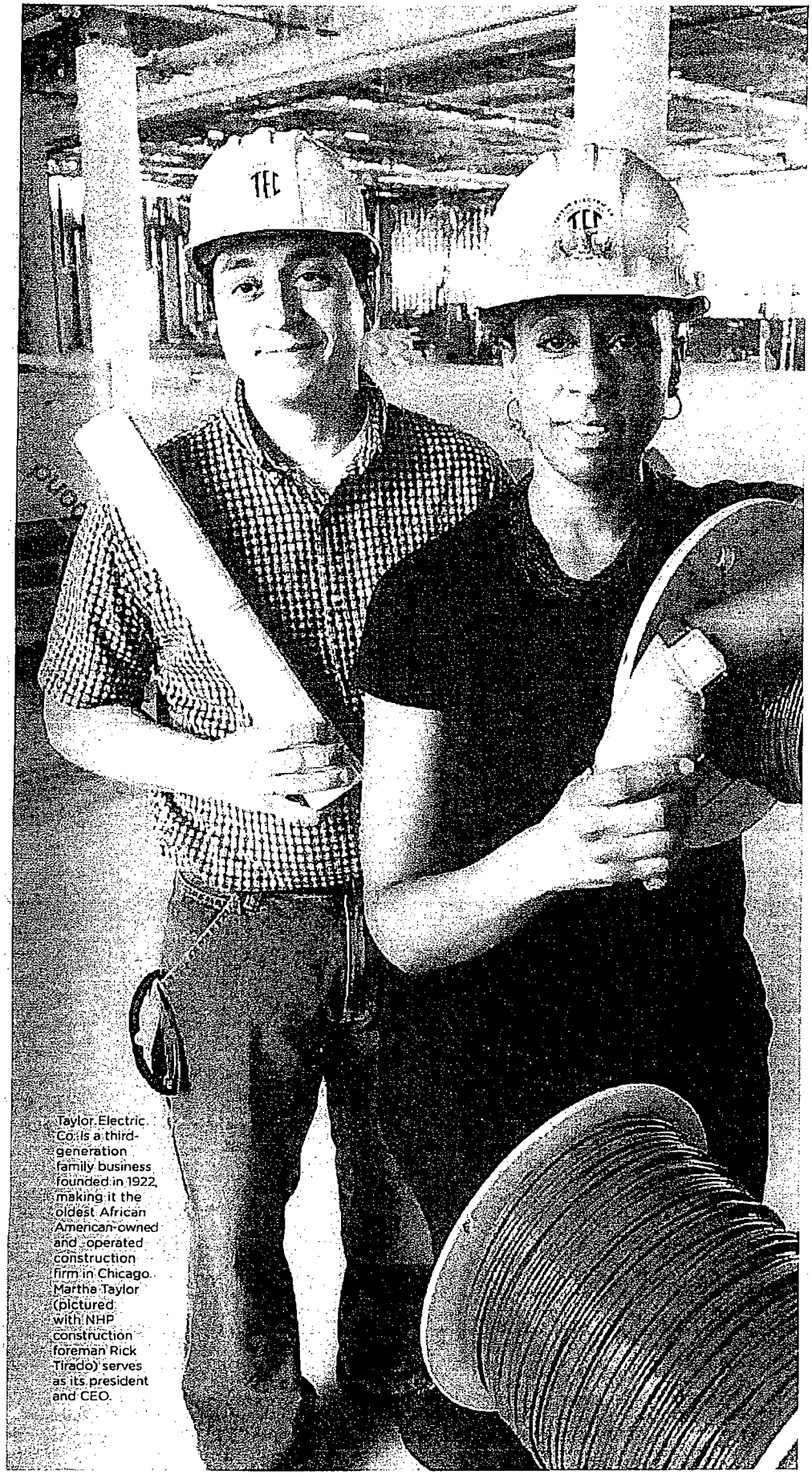
CHARITY CARE* $14.4 MILLION
This represents the cost of providing necessary services to patients with significant financial hardships who qualify for free or discounted care.

UNRECOVERABLE PATIENT DEBT $12.6 MILLION
Hospitals absorb patient debt when they cannot collect expected payment for health services. This also is known as "forgiven debt."

CASH AND IN-KIND CONTRIBUTIONS* $773,441
This figure reflects donations to community organizations and subsidies for services to meet community needs.

UNCATEGORIZED COMMUNITY BENEFITS $3 MILLION
This includes subsidized health services, community activities, and support for volunteers and interpreters.

**An IRS-defined category of community benefit. Components of community benefit for fiscal year 2011 (measured at cost). The numbers and data in this report were prepared based on the Illinois Attorney General's guidelines for fiscal year ended June 30, 2011.*



Taylor Electric Co. is a third-generation family business founded in 1922, making it the oldest African American-owned and -operated construction firm in Chicago. Martha Taylor (pictured with NHP construction foreman Rick Tirado) serves as its president and CEO.

In fiscal year 2011, the University of Chicago Medical Center and the University's Biological Sciences Division:

PROVIDED WELL-PAYING, STABLE EMPLOYMENT

The medical campus is the largest non-government employer on the South Side and one of the largest in the city of Chicago.

Employees: **9,565**

Payroll: **$547 MILLION**

PURCHASED GOODS AND SERVICES

Each year, millions of dollars are spent on the goods and services needed to provide health care. These dollars flow from the medical campus to vendors and businesses, spreading to the rest of the local economy.

Goods and Services: **$341 MILLION**

BUILT FOR THE FUTURE

In response to the rapid changes in medicine and technology and to the needs of patients, the Medical Center has enhanced and updated existing buildings, builds new facilities, and invests in major medical equipment. These investments stimulate the local economy through the creation of jobs and the purchase of materials, equipment, and services.

Construction and Medical Equipment: **$274 MILLION**

SUPPORTED MINORITY AND WOMEN BUSINESSES

The New Hospital Pavilion project is helping the Medical Center's goal of granting at least 40 percent of contracts to minority and women business enterprises (MBEs and WBEs). That goal likely will be surpassed.

Amount paid to MBEs and WBEs, as well as to women and minority workers, on all construction and renovation projects from 2001 through June 2011: **$281.3 MILLION**

Source: University of Chicago Medical Center

Creating Jobs for Chicago

For Taylor Electric Co., a family-owned electrical services company on the South Side of Chicago, the chance to work on the University of Chicago Medical Center's New Hospital Pavilion was just the kind of exposure it needed.

A minority-owned business, Taylor Electric was contracted to install four emergency generators for the 1.2 million-square-foot, 10-story hospital, which is scheduled to open in January 2013.

"Working on the New Hospital Pavilion gave us a great opportunity to forge new relationships," said Martha Taylor, president and CEO of Taylor Electric. "We were able to show the University of Chicago Medical Center what we can do, and as a result we are now working at several facilities on the medical campus."

Providing such opportunities for local businesses is a cornerstone of the University of Chicago Medical Center's commitment to strengthening the community. Capital spending to modernize and build facilities generates millions of dollars for the local economy, as does purchasing goods and services.

As an employer, the University of Chicago Medical Center provides stability and growth for the South Side, causing a ripple effect throughout the region. More than 9,500 people work at the medical campus, which includes the Medical Center and the University's Biological Sciences Division (BSD). They, along with medical students, BSD undergraduates and medical campus visitors, add to the economic vigor of the South Side.

As part of this community investment, the University of Chicago Medical Center is dedicated to creating economic opportunity for minorities and women. In 2001, it launched an initiative to increase the number of minority- and women-owned firms doing business at the medical campus and to encourage the use of minority and women workers by all contractors. Since then, through June 2011, $281.3 million has been paid on construction and renovation projects to such businesses and to minority and women contract workers.

Nothing embodies this commitment more than the New Hospital Pavilion, the University of Chicago's latest major undertaking benefiting the South Side. Since the start of construction in 2009, the hospital project has encouraged and fostered the participation of minority and women business enterprises.

"For all medical campus construction and renovation projects, we aim to grant a minimum of 40 percent of contracts to minority- and women-owned material suppliers, construction contractors and professional services firms," said Joan Archie, executive director of construction compliance. "The New Hospital Pavilion will help us to meet, if not surpass, that goal for bringing economic benefit to local businesses and the economy."

ECONOMIC IMPACT

The University of Chicago commissioned Anderson Economic Group to provide an independent assessment of how much the education, research and patient-care activities of the Biological Sciences Division (BSD) and the Medical Center contributed to the local economy in fiscal year 2010. The assessment included direct spending, such as on salaries, and indirect spending, as when those salaries circulate through the economy, but subtracted spending that would have occurred even in the absence of the UCMC and BSD. Among Anderson's findings:

THE MEDICAL CENTER AND BSD
UNIQUE CONTRIBUTION TO THE REGION:

$869.9 MILLION
to the economy

$260.9 MILLION
in household earnings

of which

$808.6 MILLION
to the economy

$231.4 MILLION
in household earnings

NEW HOSPITAL PAVILION **WORKFORCE**
From 2009 through June 2011

TOTAL: 1,809 construction workers earned **$60.1 million**

of which

1,661 Illinois residents earned $55.2 million

746 minority & women workers earned **$23.6 million**

699 Chicago residents earned **$20.8 million**

494 South Side residents earned $11.1 million

Improving Urban Health

Semeca Johnson helped launch the patient advocate program at the University of Chicago Medicine Comer Children's Hospital in 2009

Semeca Johnson understands the people she meets in her role as patient advocate for the Medical Center's adult and pediatric emergency departments. As a young adult with a chronic disease, Johnson used to visit the emergency room for her primary care. Now she sees a physician close to her home and gets regular care to better manage her condition.

Johnson is passionate about placing patients "where they need to be for the best care." On any given day, she meets individually with dozens of people as they wait for treatment in the emergency department.

"Many patients with chronic illnesses think of the emergency room as a clinic that is open 24 hours a day," Johnson said. "We help patients understand the value of having a long-term relationship with a regular doctor — a physician who knows them and can track and manage their disease or condition."

Studies show that increasing access to primary care reduces visits to emergency rooms and hospitals. Patients who have an ongoing relationship with a doctor generally see their health improve because they not only benefit from early diagnosis and treatment but also better understand the importance of wellness.

Encouraging health and wellness and increasing access to quality care in under-resourced communities are pillars of the Medical Center's Urban Health Initiative (UHI). The South Side, a culturally rich and vibrant collection of neighborhoods, has a critical need for primary care. Its population of about 869,000 people contends with disproportionately high rates of treatable and often avoidable chronic conditions, such as diabetes, hypertension and asthma. Compounding these health disparities are difficult socioeconomic circumstances and a widespread lack of health insurance.

"We take a comprehensive and innovative approach to reducing health care disparities," said Eric Whitaker, MD, executive vice president of strategic affiliations and associate dean for community-based research, who is responsible for leading UHI. "We believe UHI could eventually become a model for urban health nationwide."

Using the medical campus as a hub, UHI connects residents to health care through a coordinated network of providers. In addition to conducting community-based research, UHI also supports medical education and partners with civic leaders, faith-based groups and neighborhood organizations to develop relationships that can foster long-term health and vitality on the South Side.

When Johnson identifies someone who is visiting the emergency room with a non-urgent health issue, she seeks to connect the patient with a regular doctor. She offers to schedule an appointment at one of the clinics that partners with the University of Chicago Medical Center to provide primary care and chronic disease management. Later, Johnson will follow up to ask how the medical visit went.

"Ninety percent of the patients are pleased with the connections," Johnson said. "They find the clinics very welcoming."

HIGHLIGHTS OF THE URBAN HEALTH INITIATIVE

South Side Healthcare Collaborative

UHI focuses on preventive care by connecting adults and children with affordable, experienced doctors in the South Side Healthcare Collaborative, a network of more than 30 community health centers, two free clinics and five local hospitals. In addition to offering routine medical services, many of the community-based health centers in the network provide social support, behavioral health, nutrition, dental and pharmacy services.

Family physician Dionna Brown, MD, recently began her second year in the REACH program. She works at the Chicago Family Health Center in Pullman.

The University of Chicago Medical Center has implemented Extension for Community Healthcare Outcomes (ECHO), a teaching tool that uses video conferencing to train staff at these clinics. In 2011, the Medical Center created ECHO programs on treating hypertension and attention deficit hyperactivity disorder as well as managing care for breast cancer survivors.

South Side Health and Vitality Studies

To better understand community health issues, the Medical Center and the University of Chicago have partnered with community-based organizations to create the South Side Health and Vitality Studies. This research focuses on how social and environmental factors in the community affect health and influence attitudes toward medical services. Information gathered from this project guides UHI in the development of programs, services and policies.

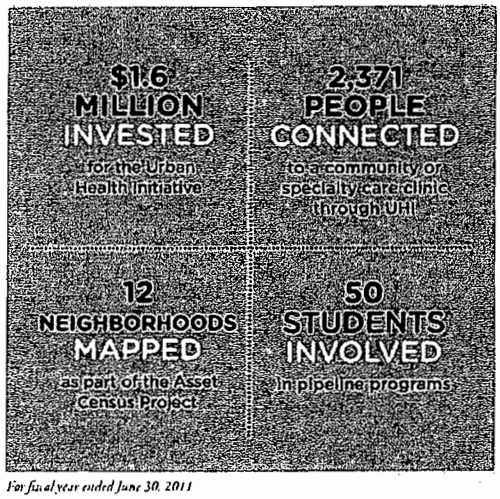
One key study under way is the Asset Census Project, a comprehensive survey mapping all commercial, health care, social, cultural and civic resources available in 34 South Side communities. By connecting residents with services in their neighborhoods, the Asset Census Project aims to help participants learn more about services that promote wellness and find quality health resources close to home.

Repayment for Education to Alumni in Community Health

In 2008, the University of Chicago established Repayment for Education to Alumni in Community Health (REACH) to encourage and enable Pritzker School of Medicine graduates to practice on the South Side. REACH provides up to four years of financial support to help young physicians repay medical school debt while also making an impact in the neighborhood where they received their education. The doctors work in Federally Qualified Health Centers or in community hospitals in the medical campus' primary service area. Some also conduct research on how to improve health care delivery to medically underserved areas.

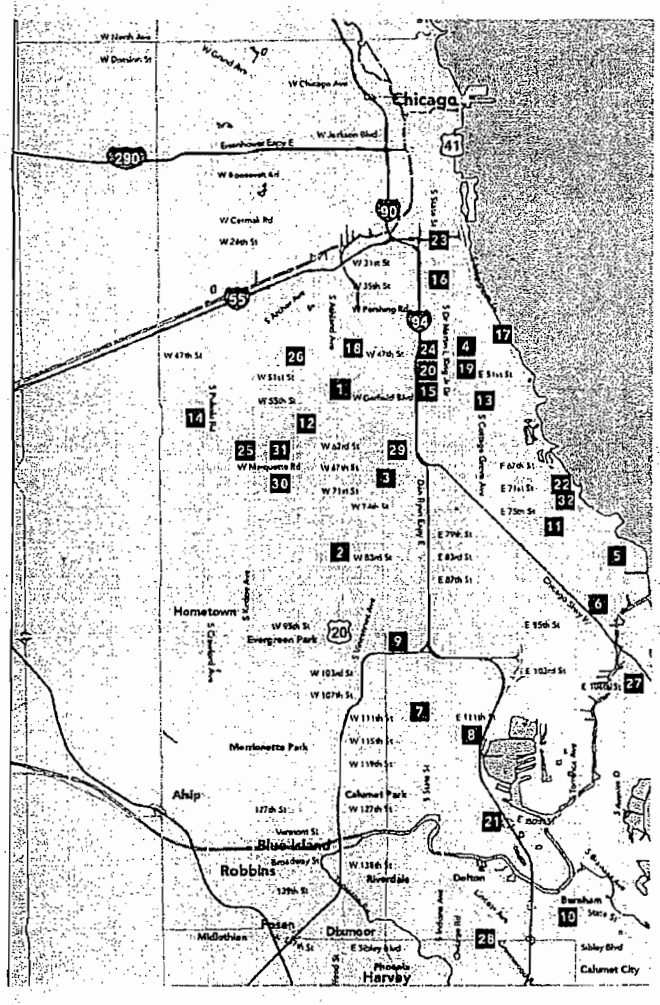
Pipeline Programs for High School and College Students

The Pritzker School of Medicine inspires and prepares talented high school and college students to pursue careers in medicine and health-related research through four innovative "pipeline" initiatives: the Chicago Academic Medicine Program, Pritzker School of Medicine Experience in Research, Young Scientists Training Program and Training Early Achievers for Careers in Health. Largely designed to attract minorities who are underrepresented in the medical and scientific fields, these programs encourage students to aim for high levels of achievement and, eventually, to practice in medically underserved communities.



For fiscal year ended June 30, 2011

Visit one of these locations to find a primary care doctor. For more information, contact the South Side Healthcare Collaborative at 773.702.5668 or visit uchospitals.edu/medicalhome



1 ACCESS Ashland Family Health Center
5256 S. Ashland Ave. | 773.434.9216

2 ACCESS Auburn-Gresham Family Health Center
8234 S. Ashland Ave. | 773.874.1400
Special Services: Pediatrics, OB/GYN, Family Medicine

3 Beloved Community Family Wellness Center
6821 S. Halsted St. | 773.651.3629

4 ACCESS Booker Family Health Center
654 E. 47th St. | 773.624.4800
Special Services: Internal Medicine, OB/GYN, Family Medicine

5 ACCESS Brandon Family Health Center
8300 S. Brandon Ave. | 773.721.7600
Special Services: Family Medicine, OB/GYN, Asthma

6 Chicago Family Health Center - South Chicago
9119 S. Exchange Ave. | 773.768.5000
Special Services: Behavioral Health, Dentistry, OB/GYN, Pediatrics, Nutritional, AllScripts

7 Chicago Family Health Center - Roseland
120 W. 111th St. | 773.768.5000
Special Services: OB/GYN, Pediatrics, Behavioral Health

8 Chicago Family Health Center - Pullman
556 E. 115th St. | 773.768.5000
Special Services: Pediatrics, Dentistry, OB/GYN, AllScripts, Behavioral Health

9 Christian Community Health Center
9718 S. Halsted St. | 773.233.4100
Special Services: Behavioral Health, Dentistry, HIV, OB/GYN, Pediatrics, Podiatry

10 Christian Community Health Center
364 Torrence Ave., Calumet City
708.868.9457
Special Services: OB/GYN, Pediatrics

11 Frank Beardon, M.D.
2011 E. 75th St., Suite 102
773.752.2483
Special Services: Diabetes

12 Friend Family Health Center
5843 S. Western Ave. | 773-434-8600
Special Services: Pediatrics, Internal Medicine

13 Friend Family Health Center
800 E. 55th St. | 773.702.0660
Special Services: Pediatrics, Family Medicine, Internal Medicine, OB/GYN, Confidential Teen Care, Pediatric Infectious Disease

14 Friend Family Health Center
5635 S. Pulaski Rd. | 773.585.3900
Special Services: Pediatrics, OB/GYN

15 ACCESS Grand Boulevard Family Health Center
5401 S. Wentworth Ave.
773.288.6900
Special Services: Infection Control, Adult Rheumatology, Adult/Pediatric Cardiology, Adult/Pediatric Endocrinology, Adult/Pediatric Gastroenterology, Pediatric Neurology

16 ACCESS at Illinois Eye Institute
3241 S. Michigan Ave. | 312.949.7770

17 Komed Holman Health Center - Near North
4259 S. Berkeley Ave. | 773.268.7600
Special Services: Internal Medicine, Pediatric Medicine, Women's Health, Ophthalmology, Oral Health, Podiatry

18 Mile Square Health Center at Bishop Plaza
4630 S. Bishop Plz. | 312.996.2000
Special Services: Family Medicine, OB/GYN, Eye Care

19 Cottage View Health Center - Near North
4829 S. Cottage Grove Ave.
773.548.1170
Special Services: Nutrition, Sub-Specialty Services (as needed)

20 ACCESS South State Family Health Center
5050 S. State St., 2nd Floor
773.624.2700
Special Services: Cardiology, OB/GYN, Obstetrics

21 TCA Health, Inc.
1029 E. 130th St. | 773.995.6300
Special Services: Optometry, Dentistry, OB/GYN, Pediatrics, Psychiatry, Behavioral Health/Substance Abuse, Internal/Family Medicine

22 Mile Square Health Center at South Shore
7131 S. Jeffrey Blvd. | 312.996.2000
Special Services: Adult/Pediatric Dentistry, Family Medicine, OB/GYN

23 Mercy Family Health Center
2525 S. Michigan Ave. | 312.567.2000
Special Services: OB/GYN, Pediatrics, Internal Medicine

24 Friend Family Health Center - Beethoven
23 W. 47th St. | 773.702.0660
Special Services: Pediatrics, Internal Medicine

25 Chicago Family Health Center - Chicago Lawn
3223 W. 63rd St. | 773.768.5000
Special Services: Pediatrics, Behavioral Health, Dentistry, OB/GYN

26 Friend Family Health Center
2436 W. 47th St. | 773.376.9900
Special Services: Family Medicine, OB/GYN

27 Chicago Family Health Center - East Side
10536 S. Ewing Ave. | 773.768.5000
Special Services: OB/GYN, Behavioral Health, Dentistry

28 Christian Community Health Center
901 E. Sibley Blvd., South Holland
773.233.4100
Special Services: Pediatrics

29 CommunityHealth
641 W. 63rd St. | 773.994.1515

30 ACCESS at Holy Cross
2701 W. 68th St. 3-South
773.434.4040
Special Services: Behavioral Health, Family Medicine, OB/GYN, Pediatrics

31 IMAN Health Clinic
2744 W. 63rd St. | 773.434.4626
Special Services: Family Medicine, Pediatrics

32 Senior Health Center at South Shore
7101 S. Exchange Ave. | 773.702.5700
Special Services: Consultations in Memory Center Assessment, Successful Aging for Frail Elders (SAFE) Clinic

ATTACHMENT 43

Improving Urban Health: Community Clinics

In September 2010, Gwendolyn Gilmore was one of the first patients to visit the new CommunityHealth Englewood clinic, just blocks from her home.

"The staff here really listens to you," said Gilmore, a 60-year-old senior care worker. "There are a lot of uninsured people around here, and I tell them to come on over."

In its first three months of operation, about 250 patients visited the Englewood clinic, which is open two half-days per week and staffed predominantly by University of Chicago residents. In its first nine months, 1,020 uninsured patients visited the clinic. About a third of them were new patients. Twenty-eight of those patients were referred from the University of Chicago Medical Center.

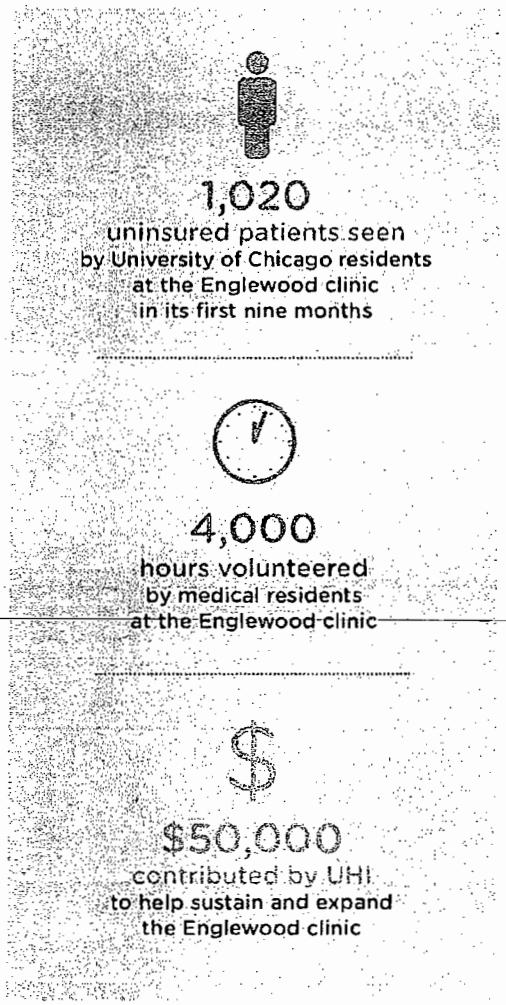
During the same time, the Medical Center and the University of Chicago's Department of Medicine gave 1,302 hours of resident time and 316 hours of faculty time to the Englewood clinic, dedicated exclusively to the delivery of direct patient care. The services provided by the facility include helping patients manage hypertension and diabetes — two common chronic conditions in the community.

"We're improving health literacy," said Amber Pincavage, MD, then chief resident of internal medicine, now on faculty as one of the internal medicine clerkship directors. She supervises residents at the clinic, a satellite site of CommunityHealth West Town, the largest volunteer-based free clinic in Illinois. "Primary care is a new concept for many uninsured patients who have always relied on walk-in clinics and emergency rooms."

CommunityHealth West Town and Englewood are two of four free clinics staffed at least in part by students and medical residents from the University of Chicago. The other two — Washington Park Children's Free Health Clinic and the Maria Shelter — are led by Pritzker School of Medicine students under the supervision of faculty volunteers.

Pritzker medical students serve multiple roles in the four clinics, such as counting medications or showing patients with diabetes how to give themselves insulin injections, as well as conducting medical histories and physical exams overseen by faculty volunteers. Medical residents serve as primary care physicians to uninsured patients one half day per week.

"These clinics offer uninsured or underinsured patients access to health care they would otherwise not have," said James Woodruff, MD, associate dean of students for Pritzker, who oversees residents at the Englewood clinic. "You can think of these clinics as the safety net of the safety net."

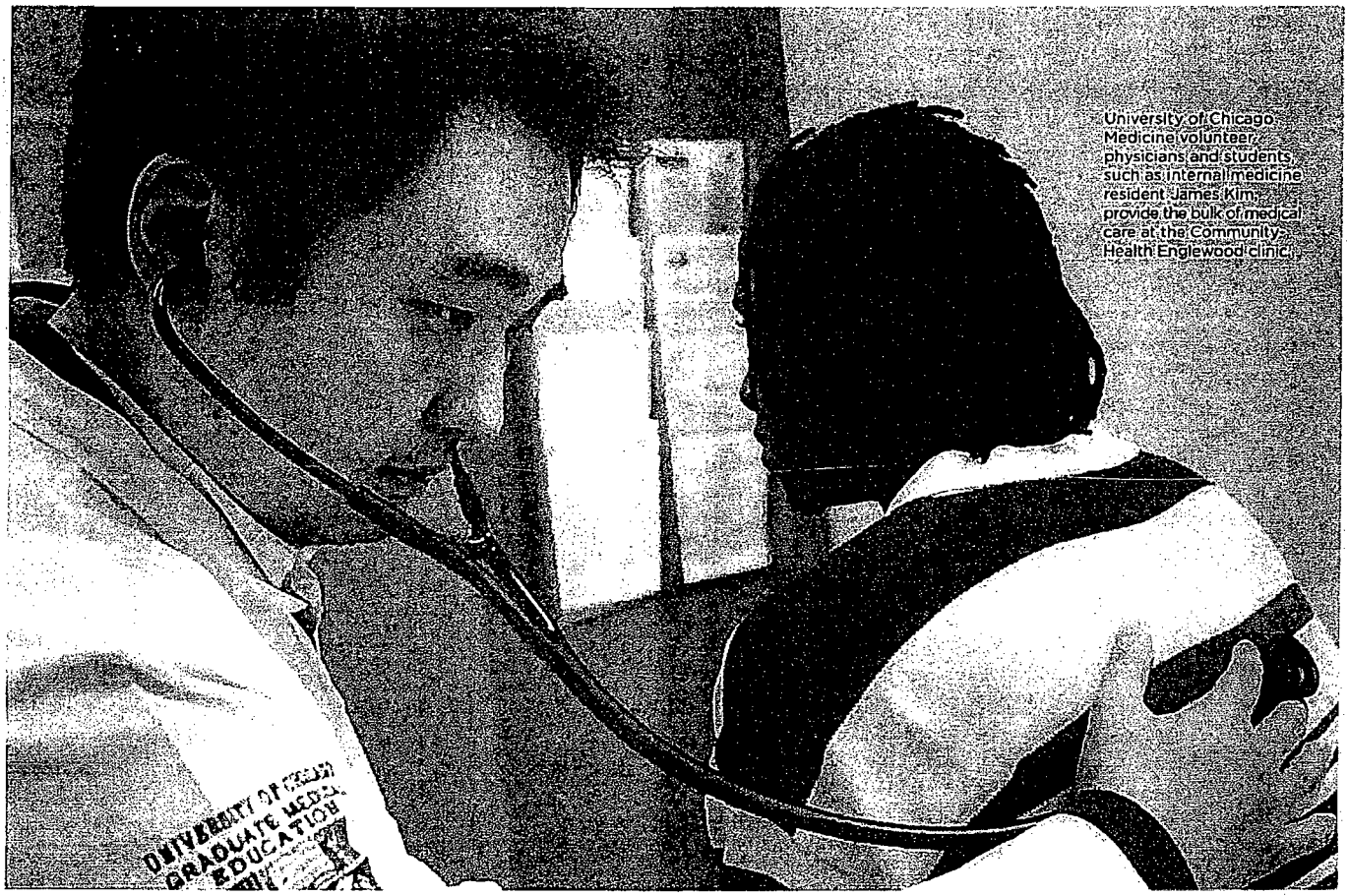


Andrew Davis, MD, associate professor of medicine at the University of Chicago and faculty adviser for the Maria Shelter, views the volunteer work in clinics as a basic responsibility for physicians in a nation where approximately 50 million people don't have access to health care.

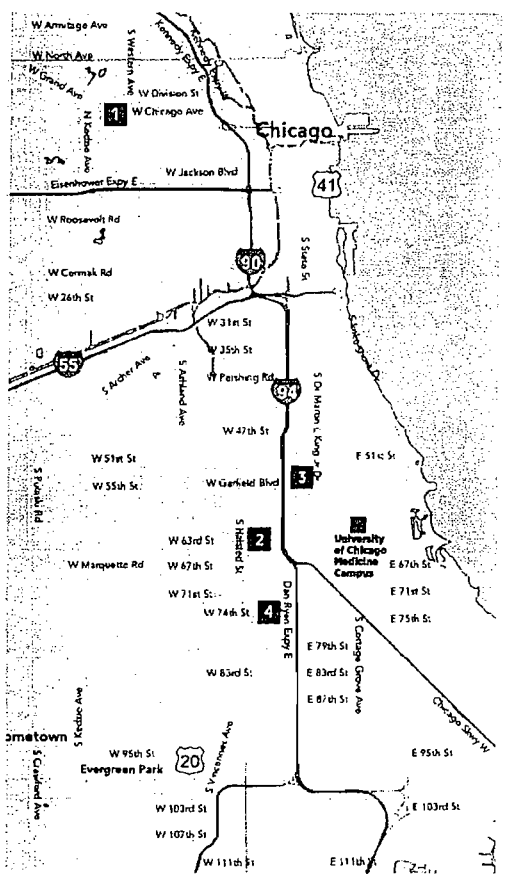
"It sensitizes students and residents to the calling of medicine and the social responsibility to promote health for all and not just for those who can afford to pay," Davis said.

000352

ATTACHMENT 43



University of Chicago Medicine volunteer physicians and students, such as internal medicine resident James Kim, provide the bulk of medical care at the Community Health Englewood clinic.



FREE CLINICS

CommunityHealth

Founded in 1993, this nonprofit company is dedicated to serving the uninsured in Chicago and its surrounding communities. CommunityHealth operates the West Town facility and a satellite clinic in Englewood. The Englewood clinic is staffed largely by residents and faculty from the University of Chicago. University of Chicago students and faculty support a weekly clinic at the West Town facility.

1. West Town: 2611 W. Chicago Ave. | 773-395-9900
2. Englewood: 641 W. 63rd St. | 773-994-1515

3. Washington Park Children's Free Health Clinic

Every Tuesday evening since 1999, a multipurpose room inside the Chicago Youth Program headquarters has been converted into a clinic that provides primary and preventive care for children.

5350 S. Prairie Ave. | 773-924-0220 ext. 110

4. Maria Shelter Clinic

Each Wednesday evening, Pritzker students and an attending physician provide medical care at the Maria Shelter for homeless women and their children. The shelter was founded in 1974 by Sister Margaret Ellen Traxler, a Catholic nun who spoke out on behalf of women's rights.

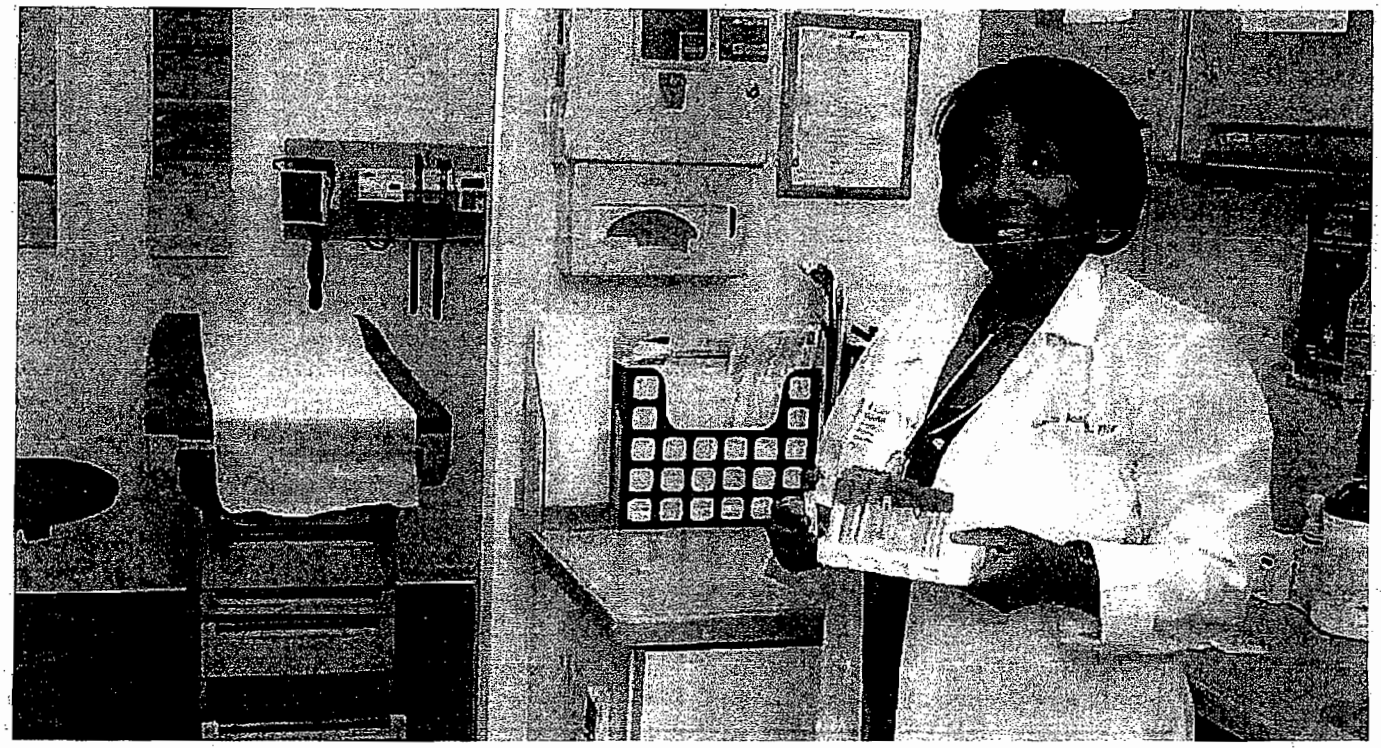
7320 S. Yale Ave. | 773-994-5350

000353

ATTACHMENT 43

Improving Urban Health: Child Wellness

Thanks to the Comer Children's Hospital Mobile Medical Unit, nurse practitioner Pamela Beaudoy is able to bring vaccinations, physical exams and education to Chicago Public Schools students who don't have access to medical care.



Hours before children pounded down the hallways, nurses had transformed selected Chicago Public Schools classrooms into medical clinics with boxes of surgical gloves and stands of immunization-ready needles.

Students tiptoed into their classrooms with crumpled consent forms in their hands to receive their shots. Some recoiled at the sight of needles, but, in the end, they got their shots.

Unvaccinated children not only run the risk of contracting a serious illness but also put schools at risks of outbreaks of preventable diseases such as measles or whooping cough, explained Kenneth Alexander, MD, professor of pediatrics and principal investigator on the Promoting Adolescent Health at School program. Common obstructions that keep children from getting vaccinated include hard-to-decipher consent forms, fears about side effects or lack of time or money to take children to a health care professional.

Because 86 percent of Chicago Public Schools students on the South Side come from low-income households, Alexander developed a cost-efficient, in-school immunization model to bring vaccines to South Side children. Using federal funds already allocated for children's vaccines, Alexander and his team provide state-mandated vaccines so children can stay in school and stay healthy.

"I feel that everyone should have access to in-school clinics," said Jennifer Burns, CPNP, APN, medical director of the Pediatric and Family Travel Clinic.

Burns runs a different Medical Center vaccine outreach program. In addition to vaccinating kids, she and her team are now providing consultation services to schools about communicative disease policies, outbreak prevention, and a number of other topics.

MOBILE CLINIC IMPACT→

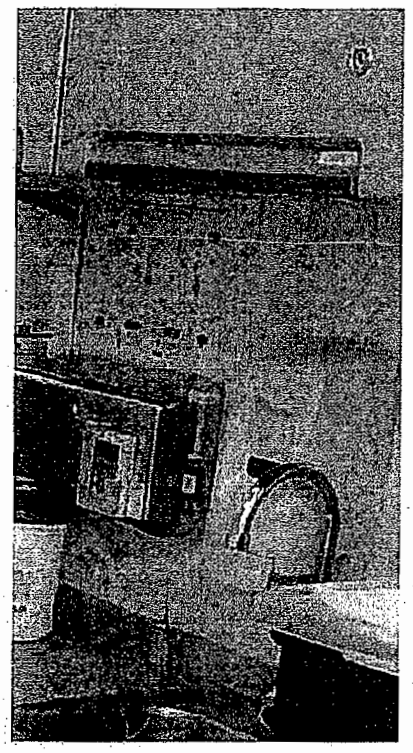
2010-11 SCHOOL YEAR

121 SITE VISITS

2,000 PEDIATRIC PATIENTS SERVED

000354

ATTACHMENT 43



CHILD PROTECTIVE SERVICES

It's Tuesday morning, and the Comer Children's Hospital Child Protective Services (CPS) team is in the hospital's conference room with representatives from the Illinois Department of Children and Family Services and the Chicago Children's Advocacy Center. They gather each week to discuss potential cases of sexual and physical abuse, as well as neglect, in children.

Those in attendance include Jill Glick, MD, a dedicated pediatrician and child abuse expert, who established CPS at the University of Chicago Medicine two decades ago to address the problem of child maltreatment. As CPS medical director, Glick works alongside program manager and social worker Lindsay Forrey, LCSW, and 10 licensed social workers to investigate and evaluate all possible child abuse and neglect cases seen in the hospital. Each year, more than 400 children receive services from the CPS team.

The staff also serves as a resource for the community on child welfare concerns and consults with pediatricians on issues of abuse and neglect. The interdisciplinary team provides training and education for health professionals, local agencies and other community members.

In 2000, Glick developed a model that called for more medical input in the assessment of child abuse for very young children. Because of her efforts, an expert medical review is now mandated in Chicago for any child under age 3 with injuries that may signal abuse. This practice brings crucial expertise to community hospitals and child welfare agencies.

"The program unites pediatric experts with child welfare professionals and law enforcement personnel to ensure all of these children receive comprehensive medical assessments, treatment and follow-up care," Glick said. "We want everyone involved in these cases to make the best, most informed decision."

"There's a lot of false information out there," Burns said. Vaccines have gotten better in the past few years, and children need more vaccines to keep them safe and healthy, she added.

The University of Chicago Medical Center's mission of promoting wellness among children is a key element of sound public health practices, and its efforts extend beyond the medical campus. In addition to transforming schools into clinics, the Medical Center uses a van to reach underinsured and uninsured children from 2 to 18 years old.

"This community outreach is rewarding because we provide services that improve the health and future of our neighborhood children and, thus, strengthen the community as a whole," said Icy Cade-Bell, MD, pediatrician and medical director for the Mobile Medical Unit, which visits schools, day care centers, health fairs and other sites on the South Side.

Felecia Morelon, CNA, senior program coordinator for the mobile unit, described the 40-foot-long vehicle as a "clinic on wheels" that includes two fully equipped exam rooms where three health care providers perform physicals, immunizations, treatment for acute injuries and illnesses, and health education sessions.

During the 2010-11 school year, the mobile unit completed 121 site visits and saw nearly 2,000 pediatric patients for clinical care and education on topics ranging from personal hygiene to sexually transmitted infections. Through the Teen Clinic and Foundations for the Future programs, 333 teens received confidential adolescent services, sports physical exams, or mental health services. The Foundations for the Future program also provides mental health education for students, parents, teachers and staff at Hyde Park Academy High School.

"I have to turn down schools because we're so in demand," Morelon said, adding that the mobile unit has become even more important to families in need as the economy struggles to recover from the recession. "For a lot of these kids, if they didn't see us, they wouldn't have medical care."

400 CASES
CONSULTED BY CHILD PROTECTIVE SERVICES ANNUALLY

2,843 CHILDREN
VACCINATED AT THE MEDICAL CENTER'S IMMUNIZATION CLINIC AND AT SOUTH SIDE SCHOOLS IN THE 2010-11 SCHOOL YEAR

ATTACHMENT 43

Improving Urban Health: Diabetes and Obesity

Reach-Out is an interactive program in which children learn about good nutrition and exercise

Countless campaigns have been launched to steer schoolchildren toward healthy habits, yet rates of childhood obesity and diabetes continue to soar. One promising strategy: Create programs that are locally focused and tailored to the culture of children who are being targeted.

That approach inspired two child diabetes prevention programs created by University of Chicago researchers. The two programs, Reach-Out and Power-Up, are siblings with similar designs, goals and measures that target slightly different populations and venues.

To design the programs, researchers first listened to the community. The research team, led by Deborah Burnet, MD, professor of medicine and pediatrics, organized focus groups with overweight children and their parents to learn about their obstacles to improving health and to gather ideas about the types of physical activity and classes that would appeal to them. The conversations laid the groundwork for programs that would take the unique circumstances of families on the South Side of Chicago into account.

"They were good partners, they really liked working with us, and they felt a sense of ownership," Burnet said. "We didn't just drop it in there; they worked with us to think about how it would work in their setting."

For Reach-Out, parents and children ages 9 to 12 were recruited to follow a 14-week program at a local YMCA, with education and activities that included grocery store tours, cooking classes, martial arts and yoga.

For Power-Up, the program modified the Reach-Out schedule to fit an after-school program for kindergarten through 6th grade at Woodlawn Community School. Because the school's curriculum is structured around African heritage, traditional cultural activities such as drumming and dance were incorporated into the course.

Preliminary results from the Power-Up pilot study found a significant drop in body mass index, frequently known as BMI, for overweight children, but not for obese kids, suggesting that more intense intervention may be needed. Researchers also had difficulty reaching parents with the after-school format, and the second pilot study incorporating text messaging to involve parents in the curriculum is under way.

"There may be ways to use technology to help us personalize things, and that's where these programs are going," Burnet said.

000356

ATTACHMENT 43

Picture Good Health

In the neighborhood of South Lawndale the mortality rate from diabetes is 40 per 100,000 residents — nearly double the national rate. To reach this predominantly Hispanic community, University of Chicago researcher Arshiya Baig, MD, decided to work through a central hub of the neighborhood culture: the church.

Picture Good Health/Imaginate una Buena Salud is an eight-week course designed to improve diabetes outcomes for the Latino community. To educate participants on how to control diabetes through diet, exercise, blood-sugar monitoring and medication, the program uses culturally tailored materials and activities. Each session is led by a facilitator from the community who is trained by University of Chicago diabetes experts. The pilot study seeks to recruit 100 residents by the end of the year.

"This community has high rates of diabetes and a lot of barriers to health care, including not being able to get in to see their physician and not having health insurance," said Baig, an assistant professor of medicine. "We thought we would work through the churches and design a program led by community members who are connected to resources within the community. We taught trainers how to empower people to change."

Kovler Diabetes Center

Part of the Kovler Diabetes Center's mission is to help treat and prevent diabetes in South Side communities through a combination of educational, clinical and research efforts. Each year, Kovler physicians and educators reach thousands of Chicagoans through health fairs, community seminars and special events featuring speakers such as Chicago Bears quarterback Jay Cutler and best-selling author and TV medical expert Ian Smith, MD, a graduate of the Pritzker School of Medicine.

"We are delighted to have an impact at the national, regional and local level for research and improving care of all kinds of diabetes," said Lou Philipson, MD, PhD, director of the Kovler Diabetes Center and professor of medicine.

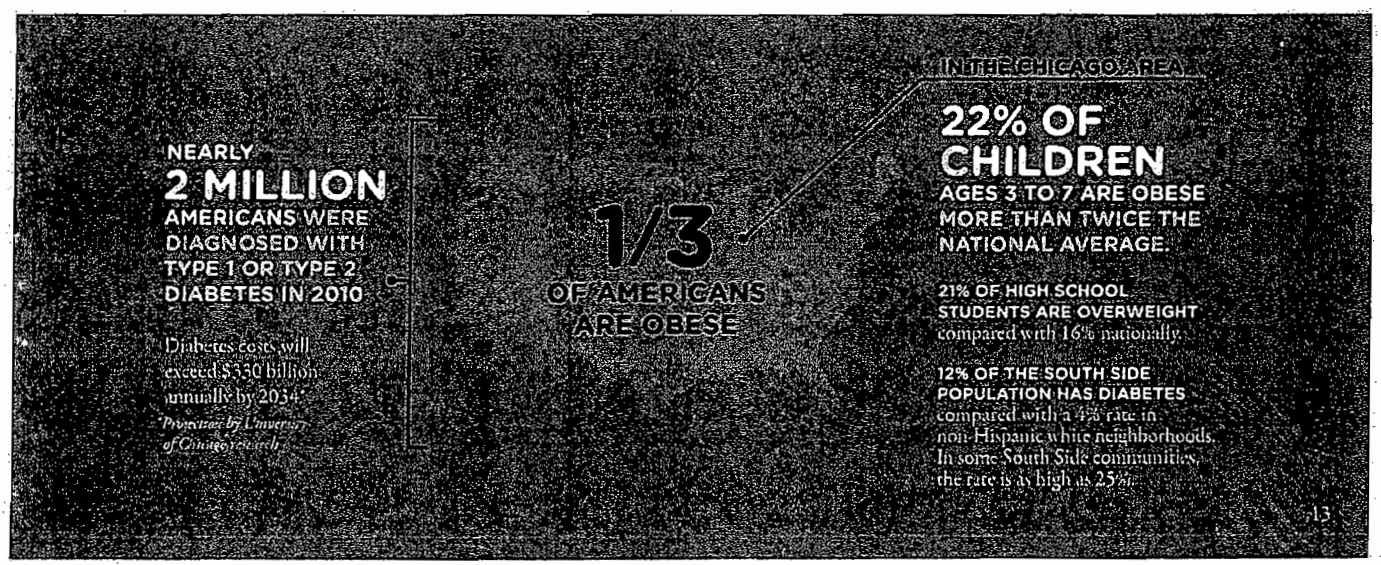
Two unique clinical programs provide long-term care for young diabetes patients: Kovler Kids and InTransit. In addition to programs on eating disorders and obesity, Kovler co-sponsors seasonal farmers markets to provide access to healthy, fresh foods in urban food deserts, where grocery stores are scarce.

On the research side, Kovler is part of the Diabetes Research and Training Center, a National Institutes of Health-funded program directed by Graeme Bell, PhD, professor of medicine and human genetics. This federally funded program includes an important outcomes and prevention component, which has sprouted a separate research center headed by Marshall Chinn, MD, professor of medicine.

In addition, Kovler is affiliated with Improving Diabetes Care and Outcomes on the South Side of Chicago. The project is funded by a $3.5 million grant from the Merck Company Foundation's Alliance to Reduce Disparities in Diabetes and led by Chin and Monica Peek, MD, assistant professor of medicine. The program works with six community health clinics on the South Side that serve primarily African-American and Hispanic patients, including clinics in the ACCESS Community Health Network. Initiatives such as the Diabetes Empowerment Program, in which educator-led classes provide culturally relevant advice for diabetes management and care, are conducted at these clinics.

Free monthly food drives and educational seminars are held in cooperation with the Keep Loving Each Other Community Family Life Center. Another innovative pilot study uses text messaging to remind patients daily to take medication, conduct self-examinations for diabetes complications and check their blood sugar.

"We're trying to help people manage their diabetes where they are," Peek said.



ATTACHMENT 43

Improving Urban Health: Cancer Prevention

On a drizzly Sunday afternoon under a tent on Chicago's Southwest Side, Karen E. Kim, MD, MS, assembled a team of volunteers to offer free flu shots, blood pressure screenings and cancer education to several thousand people who had gathered for the Chicago Latin American Soccer Association championship games.

Jennifer Burns, CPNP, director of the Pediatric and Family Travel Clinic, administers a flu shot to a 104-year-old spectator at the 2011 Chicago Latin American Soccer Association championship games. The free shots were part of a cancer outreach event.

Spectators of all ages — from toddlers to a 104-year-old woman — and even some of the soccer players stopped by the tent shared by the University of Chicago Comprehensive Cancer Center and the American Cancer Society.

The event was part of a Comprehensive Cancer Center outreach program that offers culturally and geographically customized information about cancer risk, prevention and treatment. In fiscal year 2011, Kim's group visited more than 7,000 people at 36 community events.

"Cancer is not homogeneous," Kim said. "Not only are the risks different for every racial and ethnic group, but there also are geographic differences. For example, one out of every three cancer diagnoses in American women is breast cancer, and we've found that the breast cancer death rate is much higher in Chicago than in New York City or in the U.S. as a whole."

Community outreach and engagement are essential to addressing the unequal burden of cancer carried by many racial and ethnic groups, particularly in a major metropolitan city with a diverse population such as Chicago. Each ethnic group has its own health risks. Black men have an elevated risk of prostate cancer. Hispanic women experience a high incidence of cervical cancer. Asians and Pacific Islanders have a heightened chance of developing liver and stomach cancers.

To reach the different ethnic groups, the program partners with community and faith-based organizations such as the Apostolic Faith Church, American Indian Health Service of Chicago and the Asian Health Coalition. Through such collaborations, Kim's group is able to not only tailor outreach efforts to each community, but also to teach community leaders to become health advocates.

"Being a partner with the University of Chicago has been an empowering experience," said Asian Health Coalition Executive Director Edwin Chandrasekar. "I really appreciate the commitment to recognizing the integral role the community plays in the fight against cancer."

IN FISCAL YEAR 2011:

7,000+
COMMUNITY
PARTICIPANTS

EVENTS CONDUCTED IN:
ENGLISH
SPANISH
CANTONESE
KOREAN
VIETNAMESE

DID YOU KNOW?

AFRICAN AMERICANS
are more likely to develop cancer than any other racial or ethnic group.

HISPANICS
have a higher rate than whites of cancers associated with infection, such as uterine, cervical, liver and stomach cancers.

ASIAN AMERICANS
have the highest incidence of liver cancer

AMERICAN INDIANS/ALASKAN NATIVES
have the highest kidney cancer death rate

000358

ATTACHMENT 43

Volunteering in Our Community

Mya Hardamon's little voice was clear over the sounds of volunteers raking planters and pulling weeds at Villa Guadalupe Senior Services on Chicago's Far South Side. "I can't find any worms!"

"Well, they're there," replied Celia Hardamon, Mya's mom. "You've got to dig, dig, dig."

With her husband, Antoine, who works in the University of Chicago Medical Center's finance department in Darien, Hardamon and her family were just a few of the 264 volunteers who came out in May 2011 for the ninth annual Day of Service and Reflection. Founded in 2002 by now-First Lady Michelle Obama, the Day of Service has become a spring festival of volunteerism sponsored by the Office of Community Affairs, which supports the Medical Center's external programming.

This year, volunteers served at 17 South Side sites, including senior living facilities, food pantries and schools.

The Medical Center and the Biological Sciences Division provided financial and volunteer support for 53 community events in the fiscal year through June 2011. Key programs included the Day of Service and Reflection, the Bud Billiken Parade, Real Men Cook and the Black Women's Expo, which featured a booth about the South Side Healthcare Collaborative and other health topics.

"We're an important institution on the South Side of Chicago," said Leif Elsmo, executive director for community and external affairs and volunteer services at the Medical Center. "So it's important for us to be present in continual and meaningful ways that go beyond health care."

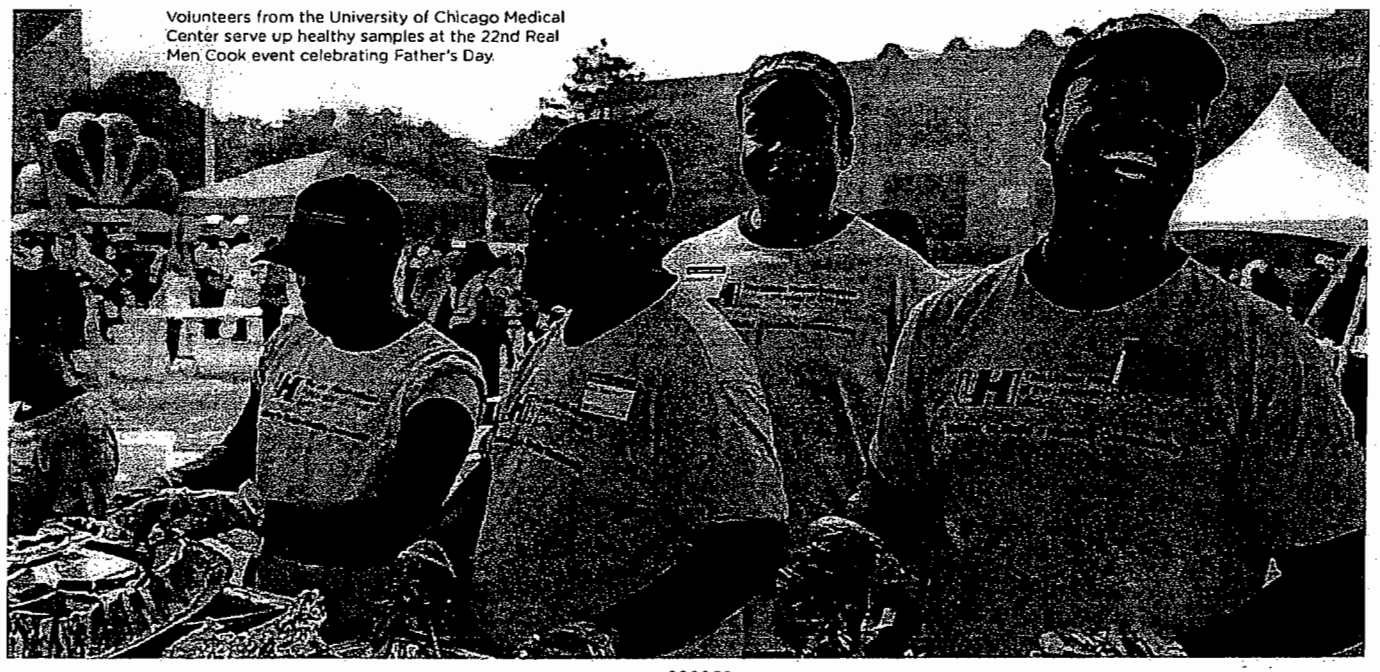
One way the Medical Center goes beyond conventional methods to tackle pressing health issues is through Community Grand Rounds, which seeks to share the knowledge and research of the University of Chicago with area residents. In the 2011 fiscal year, seven Grand Rounds events were held in different neighborhoods, including Auburn-Gresham, Englewood, South Chicago and Woodlawn. Each event tackled a different subject chosen by the community, such as sexual health, diabetes and asthma, or domestic violence.

FAST FACTS FOR FISCAL YEAR 2011:

Events	Number of Volunteers	Economic Value of Volunteers	Total Financial Support
53	1,272	$140,965	$395,428

The series kicked off in October 2010 with a production of the play "It Shoudda Been Me" at the Perspectives Charter School. Written by Doriane Miller, MD, associate professor of medicine and director of the Center for Community Health and Vitality, the play addressed youth violence and depression. Miller was inspired to write a play after being struck by the resigned attitudes of her patients who had experienced youth violence in their neighborhoods.

"When I asked for information about these experiences and how my young patients felt about them, their response made it seem like a regular rite of passage," Miller said. "However, many of these young people exhibited symptoms of anxiety and depression, not unlike people exposed to war."



Volunteers from the University of Chicago Medical Center serve up healthy samples at the 22nd Real Men Cook event celebrating Father's Day.

Investing in Important Research

D'Andrea Keys and her son, Joshua, interact by counting objects and following figures in a book as part of the Thirty Million Words project.

Joshua Ryan Keys had a small device tucked into the pocket of his shirt. It looked like a pedometer, but it counted words he heard instead of the steps he took.

The toddler wore the automated Language Environment Analysis system once a week as part of the Thirty Million Words project led by Dana Suskind, MD, a surgeon and associate professor of surgery and pediatrics at the University of Chicago. The device records up to 16 hours of the words spoken to a child, verbal interaction with the child and a number of other sounds, such as those from a television.

"Babies' brains grow with language," Suskind explained. But by age 3, children of lower socioeconomic status will have heard 30 million fewer words than their more affluent counterparts.

Through the Thirty Million Words project, researchers visit homes of low-income parents to teach them more productive ways to talk with their children, empowering them to improve their children's language development and educational outcomes.

Suskind's project is one of many translational research projects on the medical campus, where researchers are turning scientific findings into programs that can help community members. Translational scientists work with a variety of experts, including statisticians, psychologists, informatics specialists and others to find new ways to address health and wellness problems in neighborhoods more quickly.

"Translational research that improves the health of our community is our goal," said Julian Solway, MD, director of the University of Chicago Institute for Translational Medicine.

Such community-based projects represent only one area of the University of Chicago's research endeavors. At any given time, more than 2,400 research projects are active across the medical campus, ranging from finding ways to improve language disparities to isolating cancer genes. University of Chicago experts conduct about 1,100 clinical trials each year, including about 400 cancer-specific trials.

In addition to conducting research supported by government, industry and foundation sources, the University of Chicago Medicine subsidized about $23 million in unreimbursed expenses over the course of fiscal year 2011 to fund medical research that benefited the community.

1,100 clinical trials each year

2,400 active research projects on the medical campus

D'Andrea Keys, Joshua's mother, said the Thirty Million Words project has changed the way she interacts with her son. "Sometimes, I've had a long day, and I'm doing homework, and I just want to tell him to be quiet ... but I don't," she said. "When Joshua does go on to preschool and kindergarten, he's going to be an A student."

000360

ATTACHMENT 43

Contributing to Global Health

Days after a massive earthquake struck Haiti in January 2010, anesthesiologist Richard Cook bottle-fed a tiny 2-week-old boy who was brought to the University of Chicago Medical Center's field hospital about 40 miles east of Port-au-Prince. The child, whose mother was killed in the 7.0 magnitude temblor, nearly died of malnutrition and dehydration. His father had only sugar-water to feed him.

During a follow-up visit in mid-2011 to the still-devastated nation, pulmonologist John Kress, MD, played with the same child, now a toddler who has shown no lasting effects of his near starvation.

The University of Chicago's commitment to disaster relief did not end following the immediate response in 2010. "We didn't want to jump in for the crisis and then bail out of the follow-up," said disaster-medicine specialist Christine Babcock, MD, associate professor of medicine.

The Medical Center sent dozens of trained staff, including 20 physicians and 16 nurses armed with 900 pounds of equipment and supplies, to Haiti at a cost of nearly $500,000 — not including volunteer time. That effort continued long after the immediate crisis, necessitating an additional investment of more than $60,000. The second wave of outreach began in August 2010, when volunteers returned to the country to teach teams of Haitians how to manage health issues at a displaced persons camp. The camp and the surrounding region had far fewer cholera infections and deaths than most of Haiti during the nationwide cholera outbreak that began in October 2010. Talks are under way about an ongoing clinical and educational presence at a new hospital being built outside Port-au-Prince by Partners in Health, a global health organization.

The Medical Center's response to such crises is coordinated by the Global Health Initiative (GHI), which was created in July 2008 to tap the University of Chicago's vast intellectual resources and apply them across the globe. GHI's mission is to reduce health disparities and improve medical care locally and globally.

Lessons learned on the South Side of Chicago can be applied to work with disadvantaged populations, and lessons learned by GHI in resource-poor countries can help disadvantaged populations in Chicago and across the United States.

For example, a project led by Funmi Olopade, MD, associate dean for global heath, compares the genetic heritage and social stresses affecting women in Nigeria and African-American women on the South Side of Chicago to understand the roles of nature and nurture in certain types of breast cancer. Knowledge gained from this project will be tested in a clinical trial designed to improve treatment of aggressive, early onset breast cancers that are common on the South Side.

Richard Cook, MD, professor of anesthesia and critical care, feeds a baby at the field hospital in Fond Parisien, Haiti. The following year, the boy's father brought him back to the field clinic to thank the University of Chicago team. The toddler is pictured (inset) with John Kress, MD, associate professor of medicine and director of the Medical Intensive Care Unit.

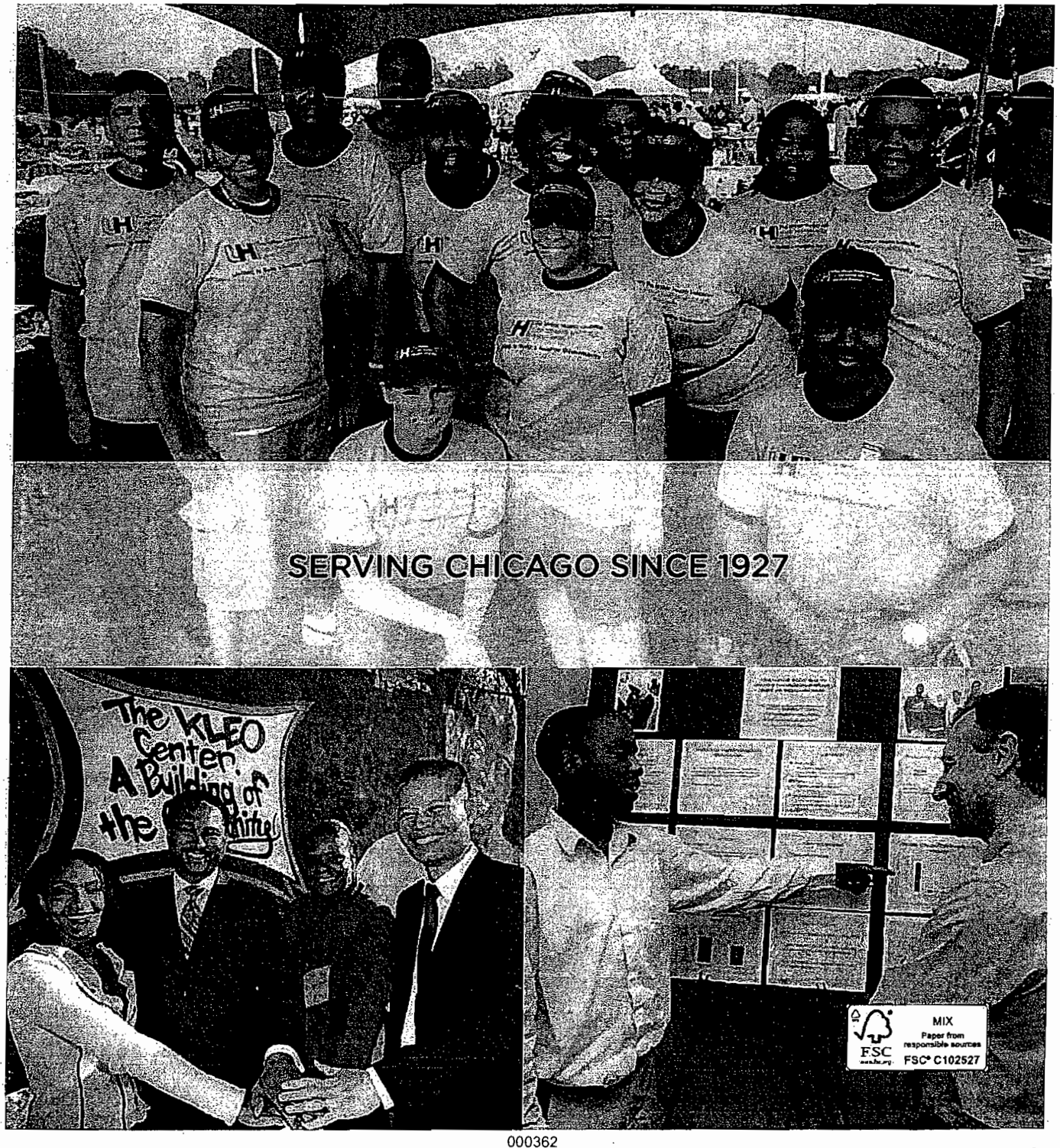
ATTACHMENT 43

THE UNIVERSITY OF
CHICAGO
MEDICINE

AT THE FOREFRONT OF MEDICINE

5841 S. Maryland Ave.
Chicago, IL 60637

address area



ATTACHMENT 43

THE UNIVERSITY OF CHICAGO MEDICAL CENTER
CON APPLICATION
CHARITY CARE INFORMATION

CHARITY CARE			
	2010	**2011**	**2012**
Net Patient Revenue			
Amount of Charity Care (charges)	54,282,000	61,801,000	73,064,000
Cost of Charity Care	12,672,000	14,427,000	16,620,000