

ORIGINAL

15-003

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT**RECEIVED**SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION **JAN 27 2015**

This Section must be completed for all projects.

HEALTH FACILITIES &
SERVICES REVIEW BOARD**Facility/Project Identification**

Facility Name: Danville Dialysis		
Street Address: 22 West Newell Road		
City and Zip Code: Danville, Illinois 61834		
County: Vermilion	Health Service Area: 4	Health Planning Area: 4

Applicant /Co-Applicant Identification

[Provide for each co-applicant [refer to Part 1130.220].

Exact Legal Name: DaVita HealthCare Partners Inc.
Address: 2000 16 th Street, Denver, CO 80202
Name of Registered Agent: Illinois Corporation Service Company
Name of Chief Executive Officer: Kent Thiry
CEO Address: 2000 16 th Street, Denver, CO 80202
Telephone Number: (303) 405-2100

Type of Ownership of Applicant/Co-Applicant

<input type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership
<input checked="" type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental
<input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship
	<input type="checkbox"/> Other

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

APPEND DOCUMENTATION AS ATTACHMENT-1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.**Primary Contact****[Person to receive ALL correspondence or inquiries]**

Name: Tim Tincknell
Title: Administrator
Company Name: DaVita HealthCare Partners Inc.
Address: 1333 North Kingsbury Street, Suite 305 Chicago, Illinois 60642
Telephone Number: 312-649-9289
E-mail Address: timothy.tincknell@davita.com
Fax Number: 866-586-3214

Additional Contact

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

Name: Cindy Emley
Title: Regional Operations Director
Company Name: DaVita HealthCare Partners Inc.
Address: 2930 South Montvale Drive, Suite A
Telephone Number: 217-547-1229
E-mail Address: cindy.emley@davita.com
Fax Number: 866-620-0543

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

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

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Facility/Project Identification

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City and Zip Code: Danville, Illinois 61834		
County: Vermilion	Health Service Area: 4	Health Planning Area: 4

Applicant /Co-Applicant Identification

[Provide for each co-applicant [refer to Part 1130.220].

Exact Legal Name: Total Renal Care Inc.
Address: 2000 16 th Street, Denver, CO 80202
Name of Registered Agent: Illinois Corporation Service Company
Name of Chief Executive Officer: Kent Thiry
CEO Address: 2000 16 th Street, Denver, CO 80202
Telephone Number: (303) 405-2100

Type of Ownership of Applicant/Co-Applicant

<input type="checkbox"/> Non-profit Corporation	<input type="checkbox"/> Partnership
<input checked="" type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental
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County: Vermilion	Health Service Area: 4	Health Planning Area: 4

Applicant /Co-Applicant Identification

[Provide for each co-applicant [refer to Part 1130.220].

Exact Legal Name: Genesis KC Development LLC
Address: 2000 16 th Street, Denver, CO 80202
Name of Registered Agent: Illinois Corporation Service Company
Name of Chief Executive Officer: Kent Thiry
CEO Address: 2000 16 th Street, Denver, CO 80202
Telephone Number: (303) 405-2100

Type of Ownership of Applicant/Co-Applicant

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<input type="checkbox"/> For-profit Corporation	<input type="checkbox"/> Governmental
<input checked="" type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Sole Proprietorship
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Address: 2930 South Montvale Drive, Suite A
Telephone Number: 217-547-1229
E-mail Address: cindy.emley@davita.com
Fax Number: 866-620-0543

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: Charles Sheets
Title: Attorney
Company Name: Polsinelli PC
Address: 161 North Clark Street, Suite 4200, Chicago, Illinois 60601
Telephone Number: 312-873-3605
E-mail Address: csheets@polsinelli.com
Fax Number: 312-873-3793

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Genesis KC Development LLC
Address of Site Owner: 2000 16 th Street, Denver, CO 80202
Street Address or Legal Description of Site: Lot 9 of Danville Crossings 2 containing 1.160 acres located as part of the NE 1/4, Section 17, T-20-N, R-11-W, 2 nd P.M., City of Danville, Vermilion County, Illinois
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: Total Renal Care Inc.
Address: 2000 16 th Street, Denver, CO 80202
<input type="checkbox"/> Non-profit Corporation <input type="checkbox"/> Partnership <input checked="" type="checkbox"/> For-profit Corporation <input type="checkbox"/> Governmental <input type="checkbox"/> Limited Liability Company <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Other
<ul style="list-style-type: none"> o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner. o Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.
APPEND DOCUMENTATION AS ATTACHMENT-3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Organizational Relationships

Provide (for each 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:

- Substantive
 Non-substantive

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.

DaVita HealthCare Partners Inc., Total Renal Care Inc., and Genesis KC Development LLC (the "Applicants") seek authority from the Illinois Health Facilities and Services Review Board (the "Board") to establish an 8-station dialysis facility located at 22 West Newell Road, Danville, Illinois 61834. The proposed dialysis facility will consist of 4,790 gross square feet of clinical space and 1,010 gross square feet of non-clinical space for a total of **5,800** rentable gross square feet.

This project has been classified as substantive because it involves the establishment of a health care facility.

Project Costs and Sources of Funds

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

Project Costs and Sources of Funds			
USE OF FUNDS	CLINICAL	NONCLINICAL	TOTAL
Preplanning Costs			
Site Survey and Soil Investigation	\$17,343	\$3,657	\$21,000
Site Preparation			
Off Site Work			
New Construction Contracts	\$1,633,163	\$344,362	\$1,977,525
Modernization Contracts			
Contingencies	\$161,043	\$33,957	\$195,000
Architectural/Engineering Fees	\$164,016	\$34,584	\$198,600
Consulting and Other Fees	\$212,659	\$44,841	\$257,500
Movable or Other Equipment (not in construction contracts)	\$400,672	\$8,565	\$409,237
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			
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	\$2,588,896	\$469,966	\$3,058,862
SOURCE OF FUNDS	CLINICAL	NONCLINICAL	CLINICAL
Cash and Securities	\$2,588,896	\$469,966	\$3,058,862
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	\$2,588,896	\$469,966	\$3,058,862
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	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Purchase Price:	\$ <u>215,000</u>	
Fair Market Value:	\$ <u>215,000</u>	

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 \$ 799,421.

Project Status and Completion Schedules

For facilities in which prior permits have been issued please provide the permit numbers.	
Indicate the stage of the project's architectural drawings:	
<input type="checkbox"/> None or not applicable	<input type="checkbox"/> Preliminary
<input checked="" type="checkbox"/> Schematics	<input type="checkbox"/> Final Working
Anticipated project completion date (refer to Part 1130.140): April 30, 2017	
Indicate the following with respect to project expenditures or to obligation (refer to Part 1130.140):	
<input type="checkbox"/> Purchase orders, leases or contracts pertaining to the project have been executed. <input type="checkbox"/> Project obligation is contingent upon permit issuance. Provide a copy of the contingent "certification of obligation" document, highlighting any language related to CON Contingencies <input checked="" type="checkbox"/> 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:
<input type="checkbox"/> Cancer Registry
<input type="checkbox"/> APORS
<input checked="" type="checkbox"/> All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
<input checked="" type="checkbox"/> 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.**

Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
REVIEWABLE							
Medical Surgical							
Intensive Care							
Diagnostic Radiology							
MRI							
Total Clinical							
NON REVIEWABLE							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
TOTAL							
<p>APPEND DOCUMENTATION AS ATTACHMENT-9, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.</p>							

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

CERTIFICATION

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

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

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


SIGNATURE

Arturo Sida
PRINTED NAME

Assistant Corporate Secretary
PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this ____ day of ____

Signature of Notary
Seal

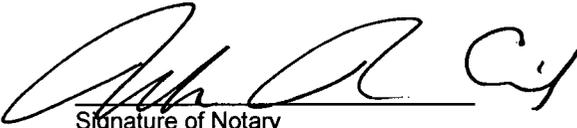
*Insert EXACT legal name of the applicant

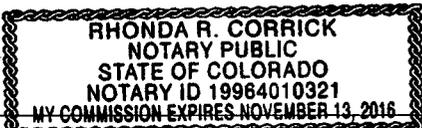

SIGNATURE

MICHAEL STAFFIERI
PRINTED NAME

CHIEF OPERATING OFFICER
PRINTED TITLE
STATE OF COLORADO
COUNTY OF DENVER

Notarization:
Subscribed and sworn to before me
this 27th day of OCTOBER 2014


Signature of Notary

Seal


State of California
County of Los Angeles

On October 21, 2014 before me, Kimberly Ann K. Burgo, Notary Public
(here insert name and title of the officer)

personally appeared Arturo Sida

who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ is~~are~~ subscribed to the within instrument and acknowledged to me that he~~/she/they~~ executed the same in his~~/her/their~~ authorized capacity~~(ies)~~, and that by his~~/her/their~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature *Kimberly Ann K. Burgo*



(Seal)

OPTIONAL INFORMATION

Law does not require the information below. This information could be of great value to any person(s) relying on this document and could prevent fraudulent and/or the reattachment of this document to an unauthorized document(s)

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: Secretary's Certificate
Document Date: October 21, 2014 Number of Pages: one (1)
Signer(s) if Different Than Above: No
Other Information: _____

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s): Arturo Sida

- Individual
- Corporate Officer

(Title(s))

- Partner
- Attorney-in-Fact
- Trustee
- Guardian/Conservator
- Other: Assistant Corporate Secretary

SIGNER IS REPRESENTING:

Name of Person(s) or Entity(ies): DaVita HealthCare Partners Inc. / Danville Dialysis

CERTIFICATION

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

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

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

Art Sida

 SIGNATURE

Arturo Sida

 PRINTED NAME

Assistant Corporate Secretary

 PRINTED TITLE

Notarization:
 Subscribed and sworn to before me
 this _____ day of _____

see Attached

 Signature of Notary

Seal

Michael Staffieri

 SIGNATURE

MICHAEL STAFFIERI

 PRINTED NAME

CHIEF OPERATING OFFICER

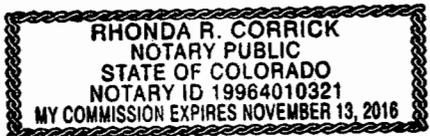
 PRINTED TITLE

STATE OF COLORADO
 CITY OF DENVER
 Notarization:
 Subscribed and sworn to before me
 this 27th day of OCTOBER 2014

Rhonda R. Corrick

 Signature of Notary

Seal



*Insert EXACT legal name of the applicant

State of California
County of Los Angeles

On October 21, 2014 before me, Kimberly Ann K. Burgo, Notary Public
(here insert name and title of the officer)

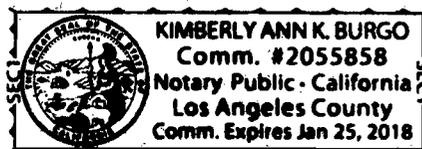
personally appeared Arturo Sida

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Kimberly Ann K Burgo



(Seal)

OPTIONAL INFORMATION

Law does not require the information below. This information could be of great value to any person(s) relying on this document and could prevent fraudulent and/or the reattachment of this document to an unauthorized document(s)

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Other Information:

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s): Arturo Sida

- Individual
Corporate Officer

(Title(s))

- Partner
Attorney-in-Fact
Trustee
Guardian/Conservator
Other: Assistant Corporate Secretary

SIGNER IS REPRESENTING:

Name of Person(s) or Entity(ies): DVA Renal Healthcare, Inc. / Danville Dialysis

CERTIFICATION

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



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Arturo Sida

 PRINTED NAME

Assistant Corporate Secretary

 PRINTED TITLE

Notarization:
 Subscribed and sworn to before me
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~~See Attached~~

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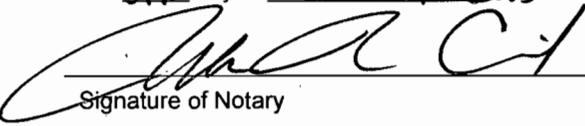
Michael D. Staffieri

 PRINTED NAME

Chief Operating Officer, Kidney Care

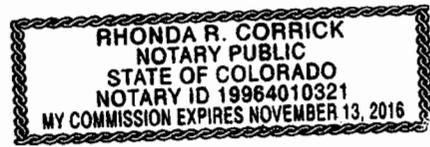
 PRINTED TITLE

STATE OF COLORADO
 COUNTY OF DENVER
 Notarization:
 Subscribed and sworn to before me
 this 6th day of JANUARY 2015



 Signature of Notary

Seal



*Insert EXACT legal name of the applicant

State of California

County of Los Angeles

On December 29, 2014 before me, Kimberly Ann K. Burgo, Notary Public
(here insert name and title of the officer)

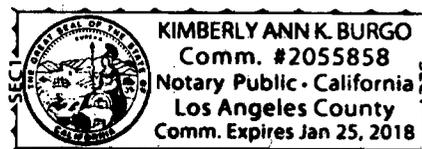
personally appeared Arturo Sida

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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Signature Kimberly Ann K. Burgo



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Other Information: _____

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s): Arturo Sida

- Individual
 Corporate Officer

(Title(s))

- Partner
 Attorney-in-Fact
 Trustee
 Guardian/Conservator
 Other: Assistant Corporate Secretary

SIGNER IS REPRESENTING:

Name of Person(s) or Entity(ies): DaVita HealthCare Partners Inc.

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 Board 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.

UNFINISHED OR SHELL SPACE:

Provide the following information:

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

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

ASSURANCES:

Submit the following:

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

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

G. Criterion 1110.1430 - In-Center Hemodialysis

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

Category of Service	# Existing Stations	# Proposed Stations
<input checked="" type="checkbox"/> In-Center Hemodialysis	0	8

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

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.1430(b)(1) - Planning Area Need - 77 Ill. Adm. Code 1100 (formula calculation)	X		
1110.1430(b)(2) - Planning Area Need - Service to Planning Area Residents	X	X	
1110.1430(b)(3) - Planning Area Need - Service Demand - Establishment of Category of Service	X		
1110.1430(b)(4) - Planning Area Need - Service Demand - Expansion of Existing Category of Service		X	
1110.1430(b)(5) - Planning Area Need - Service Accessibility	X		
1110.1430(c)(1) - Unnecessary Duplication of Services	X		
1110.1430(c)(2) - Maldistribution	X		
1110.1430(c)(3) - Impact of Project on Other Area Providers	X		
1110.1430(d)(1) - Deteriorated Facilities			X
1110.1430(d)(2) - Documentation			X
1110.1430(d)(3) - Documentation Related to Cited Problems			X
1110.1430(e) - Staffing Availability	X	X	
1110.1430(f) - Support Services	X	X	X
1110.1430(g) - Minimum Number of Stations	X		
1110.1430(h) - Continuity of Care	X		
1110.1430(j) - Assurances	X	X	X
APPEND DOCUMENTATION AS ATTACHMENT-26, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.			

4. Projects for relocation of a facility from one location in a planning area to another in the same planning area must address the requirements listed in subsection (a)(1) for the "Establishment of Services or Facilities", as well as the requirements in Section 1110.130 - "Discontinuation" and subsection 1110.1430(i) - "Relocation of Facilities".

IX. 1120.130 - Financial Viability

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

Financial Viability Waiver

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

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

See Section 1120.130 Financial Waiver for information to be provided

APPEND DOCUMENTATION AS ATTACHMENT-37, 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 38, 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

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

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

B. Conditions of Debt Financing

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

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

C. Reasonableness of Project and Related Costs

Read the criterion and provide the following:

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

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

* Include the percentage (%) of space for circulation

D. Projected Operating Costs

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

E. Total Effect of the Project on Capital Costs

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

APPEND DOCUMENTATION AS ATTACHMENT 39, 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 Medicaid patients. Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital Profile.
3. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other service.

A table in the following format must be provided as part of Attachment 43.

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

Medicaid (revenue)			
Inpatient			
Outpatient			
Total			

APPEND DOCUMENTATION AS ATTACHMENT-40, 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-41, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Section I, Identification, General Information, and Certification
Applicants

Certificates of Good Standing for DaVita HealthCare Partners Inc., Total Renal Care Inc., and Genesis KC Development LLC (collectively, the "Applicants" or "DaVita") are attached at Attachment – 1. Total Renal Care Inc. will be the operator of Danville Dialysis. Danville Dialysis is a trade name of Total Renal Care Inc. and is not separately organized. As the person with final control over the operator, DaVita HealthCare Partners Inc. is named as an applicant for this CON application. DaVita HealthCare Partners Inc. does not do business in the State of Illinois. A Certificate of Good Standing for DaVita HealthCare Partners Inc. from the state of its incorporation, Delaware is attached.

Delaware

PAGE 1

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "DAVITA HEALTHCARE PARTNERS INC." IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE FIFTEENTH DAY OF JULY, A.D. 2014.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "DAVITA HEALTHCARE PARTNERS INC." WAS INCORPORATED ON THE FOURTH DAY OF APRIL, A.D. 1994.

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

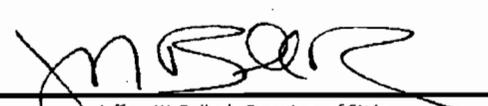
AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL REPORTS HAVE BEEN FILED TO DATE.

2391269 8300

140958293

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




Jeffrey W. Bullock, Secretary of State
AUTHENTICATION: 1537962

DATE: 07-15-14



To all to whom these Presents Shall Come, Greeting:

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

TOTAL RENAL CARE, INC., INCORPORATED IN CALIFORNIA AND LICENSED TO TRANSACT BUSINESS IN THIS STATE ON MARCH 10, 1995, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE RELATING TO THE PAYMENT OF FRANCHISE TAXES, AND AS OF THIS DATE, IS A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.



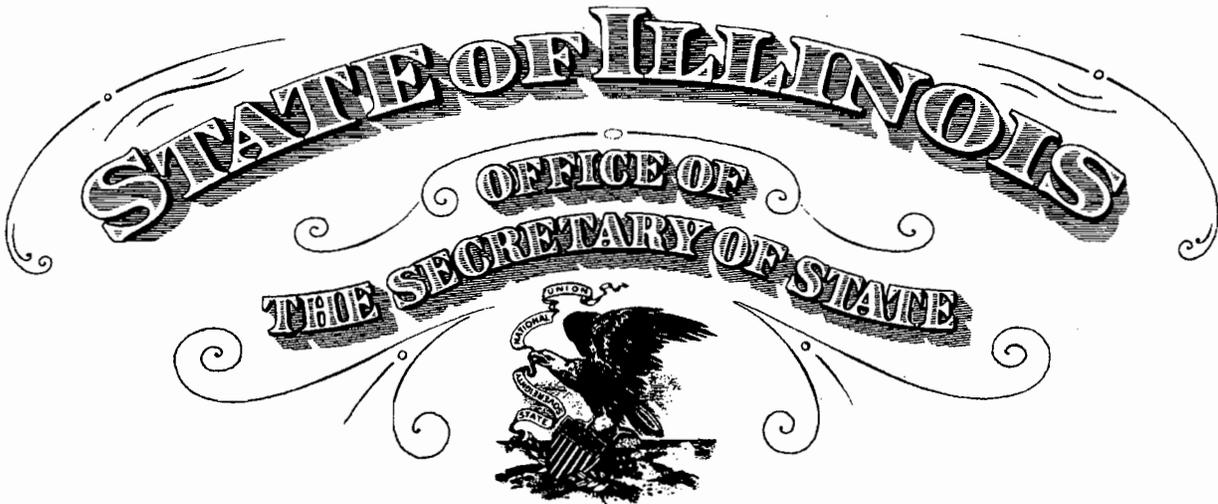
Authentication #: 1409000508

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

In Testimony Whereof, I hereto set
my hand and cause to be affixed the Great Seal of
the State of Illinois, this 31ST
day of MARCH A.D. 2014 .

Jesse White

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

GENESIS KC DEVELOPMENT, LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON NOVEMBER 13, 2014, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.



Authentication #: 1431802694

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

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 14TH day of NOVEMBER A.D. 2014

Jesse White

SECRETARY OF STATE

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

Genesis KC Development LLC, an applicant to this application, has a contract to purchase the site for the facility located at 22 West Newell Road, Danville, Illinois 61834. Attachment – 2.

PURCHASE AND SALE AGREEMENT
BETWEEN
DANVILLE CROSSING LP
AND
GENESIS KC DEVELOPMENT, LLC

Property: Lot 9 OF Danville Crossings 2, Danville, Illinois
(approximately 1.160 acres)

504157.2

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT is made and entered into as of the Effective Date by and between Danville crossing LP, an Illinois limited partnership ("Seller"), and Genesis KC Development, LLC, a Delaware limited liability company ("Purchaser").

WITNESSETH:

WHEREAS, Seller is the fee owner of a certain parcel of unimproved land (the "Land"), known as Lot 9 of Danville Crossings 2 containing approximately 1.160 acres located in the City of Danville, County of Vermilion, State of Illinois and more particularly described in **Exhibit A**, attached hereto and made a part hereof; and

WHEREAS, Seller desires to sell and Purchaser desires to purchase the Land and all improvements located thereon (the "Property"), upon and subject to the terms and conditions contained in this Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants and promises herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Purchaser and Seller hereby agree as follows:

ARTICLE 1

DEFINITIONS

1.1 **Definitions.** When used in this Agreement, the following terms shall have the respective meanings set forth opposite each such term:

ADDITIONAL DEPOSIT: The sum of Ten Thousand Dollars (\$10,000.00).

AGREEMENT: This Purchase and Sale Agreement, including all exhibits attached hereto, as the same may be amended from time to time

CLOSING DATE: The thirtieth (30th) day following the expiration of the Due Diligence Period or such earlier or later date as Purchaser and Seller may agree in writing.

DUE DILIGENCE PERIOD The period from the Effective Date to the date that is one hundred (100) days following the Effective Date,

which may be extended for an additional thirty (30) days as provided in Section 4.4 below.

DOCUMENT DELIVERY DATE: The date which is fifteen (15) days after the Effective Date.

EFFECTIVE DATE: The later to occur of (i) the date on which this Agreement is executed by Purchaser or (ii) the date on which this Agreement is executed by Seller.

INITIAL DEPOSIT: The sum of Twenty Thousand Dollars (\$20,000.00).

PROPERTY: The land legally described on EXHIBIT A, together with all improvements thereon or therein; and all privileges, rights, easements, hereditaments, and appurtenances thereto belonging.

PURCHASE PRICE: The sum of Two Hundred Fifteen Thousand Dollars (\$215,000.00).

SURVEY: Current survey (or update of any existing survey) of the Land and the Property prepared by a surveyor licensed by the State in which the Property is located and certified to Purchaser, Title Company and such other parties as Purchaser shall designate, which survey shall be prepared in accordance with the "Minimum Standard Detail Requirements for ALTA/ACSM Land Title Surveys" jointly established and adopted by the American Land Title Association, and the National Society of Professional Surveyors in 2011, which shall contain, at a minimum Table A, Optional Survey Responsibilities and Specifications.

TITLE AND SURVEY OBJECTION DEADLINE: The date which is thirty (30) days after Purchaser's receipt of the Title Commitment and existing survey, if applicable

TITLE COMMITMENT: A commitment for a Form T-7 Title Commitment for the issuance of a Form T-1 Owners Policy for Title Insurance (i) the Property and (ii) all easements appurtenant to the Property, issued by Title Company in the full amount of the Purchase Price, covering title to the Property and all such easements on or after the

date hereof, showing Seller as owner of the Property in fee simple.

TITLE COMPANY:

FIRST AMERICAN TITLE INSURANCE COMPANY,
1125 17th Street, Suite 750, Denver, CO 80202, Attn:
Beverly Carlson (bevcarlson@firstam.com).

TITLE ENDORSEMENTS:

The following title endorsements: Owners' Comp, Survey, Access, Contiguity and Tax Parcel.

ARTICLE 2
PURCHASE AND SALE

2.1 **Purchase and Sale.** Subject to the conditions and on the terms contained in this Agreement, on the Closing Date, Seller shall sell, transfer and convey fee simple title to the Property to Purchaser or any assignee or designee of Purchaser by good, sufficient and recordable general warranty deed subject only to the Permitted Title Exceptions.

2.2 **Initial Deposit.** Within five (5) business days after the Effective Date, Purchaser shall place the Initial Deposit in escrow with Title Company. The Deposit shall be retained by Title Company as earnest money for the benefit of Purchaser and Seller in accordance with the provisions of this Agreement. If Purchaser so elects, the parties shall direct Title Company to invest the Deposit in an interest bearing account. Purchaser and Seller further agree to execute any and all directions in a timely fashion that are necessary to cause Title Company to disburse the Deposit and the interest earned on the Deposit, if any, as required by the provisions of this Agreement.

2.3 **Purchase Price.** The Deposit, including any accrued interest thereon, shall be applied against the Purchase Price on the Closing Date. On the Closing Date, Purchaser shall deposit the balance of the Purchase Price with Title Company, plus or minus pro-rations, as hereinafter provided.

ARTICLE 3
SURVEY AND TITLE

3.1 **Survey.** Purchaser shall prepare a Survey of the Property within forty-five (45) days of the Effective Date, as provided in Section 4.1 below.

3.2 **Title Commitment.** On or before the Document Delivery Date, cause the Title Company to issue and deliver to Purchaser, a Title Commitment, together with legible copies of all documents referenced therein, at Seller's sole cost and expense. Seller shall also deliver to Purchaser copies of all unrecorded leases, agreements, and other documents within Seller's possession that may affect title to the Property, which have not been previously delivered to Purchaser, if any. The Title Commitment shall commit to

delete from the Title Policy (as defined below), at Seller's expense: (i) the standard survey exceptions; (ii) any exception for instruments recorded after the effective date of the Title Commitment and prior to recording of the Deed (as defined herein) except Permitted Title Exceptions which are accepted by Purchaser pursuant to the terms of this Agreement; and (iii) any exception for unpaid taxes and assessments except for the year of closing and subsequent years.

3.3 Title and Survey Objections.

(A) Within thirty (30) days after Purchaser's receipt of the Title Commitment and existing survey, if applicable, (the "Title and Survey Objection Deadline") Purchaser shall give written notice to Seller (which notice shall be sufficient if delivered by electronic mail to Seller's attorney) of each matter set forth in the Survey and Title Commitment which is objectionable to Purchaser, in Purchaser's sole and absolute discretion (a "Unpermitted Title Exception") (provided, however, that if any such amendments or updates are received by Purchaser after the Document Delivery Date Purchaser shall have ten (10) days following Purchaser's receipt of such amendment or update and copies of all documents referenced therein to notify Seller of objections to matters shown on any such amendment or update that were not disclosed on the previously delivered Title Commitment of Survey).

(B) With respect to each Unpermitted Title Exception, Seller shall have the option, by notifying Purchaser within seven (7) days after receipt of Purchaser's notice of the Unpermitted Title Exceptions, to have such Unpermitted Title Exception removed from the Title Commitment and/or Survey, at Seller's sole cost and expense. If Seller does not elect to remove all of the Unpermitted Title Exceptions, Purchaser shall elect (as its sole and exclusive remedy), on or before the Closing Date, either (i) to terminate this Agreement, in which event the Deposit and all interest earned thereon, if any, shall forthwith be returned to Purchaser and neither of the parties shall have any further rights or obligations under this Agreement nor shall Purchaser have any further obligations with respect to the Property, except those which expressly survive termination, or (ii) to accept the Property subject to those Unpermitted Title Exceptions which Seller has elected not to remove, and if Purchaser fails to make such election, Purchaser shall be deemed to have terminated this Agreement in accordance with (i) above.

(C) If Seller agrees to cure any such Unpermitted Title Exception, such cure shall be a condition of Closing. With respect to the Unpermitted Title Exception which Seller has elected to remove, Seller shall use commercially reasonable efforts to cause the Unpermitted Title Exception to be removed prior to the Closing Date, and upon removal of the Unpermitted Title Exceptions, Seller shall deliver to Purchaser a revised Title Commitment and/or Survey evidencing the removal of all such Unpermitted Title Exceptions. If despite the use of commercially reasonable efforts, Seller fails to remove such Unpermitted Title Exceptions prior to the Closing Date, Purchaser shall elect (as its sole and exclusive remedy), on or before the Closing Date, either (i) to terminate this Agreement, in which event the Deposit and all interest earned thereon, if any, shall

forthwith be returned to Purchaser and neither of the parties shall have any further rights or obligations under this Agreement nor shall Purchaser have any further obligations with respect to the Property, except those which expressly survive termination, or (ii) to accept the Property subject to those Unpermitted Title Exceptions which Seller has been unable to remove. If Purchaser fails to make such election, Purchaser shall be deemed to have terminated this Agreement in accordance with (i) above.

(D) On the Closing Date, Seller shall, at Seller's sole cost and expense, cause Title Company to commit to issue an owner's title insurance policy pursuant to and in accordance with the Title Commitment, insuring in Purchaser fee simple title to the Property and the easements which benefit the Property, subject only to the Permitted Title Exceptions, together with the Title Endorsements and extended coverage over all general exceptions (the "Title Policy"). If Seller fails to remove any lien or encumbrance of a definite or ascertainable monetary amount, Purchaser shall have the right to (i) deduct from the Purchase Price amounts secured by any such lien or encumbrance, or (ii) cause Title Company to issue its endorsement insuring against damage caused by any such exception and deduct from the Purchase Price the cost of the premiums and security provided for said endorsement, as the case may be.

ARTICLE 4

DUE DILIGENCE AND INSPECTIONS

4.1 Seller's Delivery of Existing Materials. Within fifteen (15) days after the Effective Date, Seller shall provide to Purchaser copies of the following existing items which are in Seller's or its affiliates' possession or control, or written notice as to the non-existence of any such items: all tax bills, including but not limited to, property, personal, rental, liens and special assessments for the current tax year; true, correct and complete copies of all existing surveys, topographical maps, preliminary plats, studies and plans, copies of any leases and agreements with tenants, correspondence with governmental authorities, and copies of any other studies or reports relevant to development regarding the Property, soil tests, Phase I and II and any other environmental site assessments and updates and other records relative to the physical condition of the Property or relative to any obligations in respect to the Property which would be binding on Purchaser after the Closing Date which are in Seller's possession or control or otherwise reasonably available to Seller.

4.2 Due Diligence Period. During the Due Diligence Period Purchaser shall inspect the Property and determine its suitability for Purchaser's purposes, in Purchaser's sole and absolute discretion. Purchaser's obligations under this Agreement are subject to Purchaser being satisfied, in its sole and absolute discretion, that the Property is suitable to Purchaser.

4.3 Inspections. Purchaser and its agents, employees, representatives and independent contractors shall have the right to enter the Property at reasonable times to conduct such inspections, tests and investigations of the Property as Purchaser may elect,

including, without limitation physical, engineering, soils, geotechnical, and environmental tests. Purchaser agrees to indemnify and defend (including reasonable attorney fees and costs) Seller for any action, loss or damages asserted against Seller as a result of Purchaser and its agents, employees, representatives or independent contractors investigation of or access to the Property, provided however, that the foregoing indemnity shall not apply to, and the Purchaser shall not indemnify the Seller or the Property from any such actions, loss, claims, demands, damages, costs, liabilities or expenses which are (i) caused by the act or omission of the Seller, or its agents, representatives or employees, or (ii) arise from or relate to the discovery or release of any physical condition existing on the Property prior to the Purchaser's entry thereon, including, without limitation the discovery of any Hazardous Materials (as defined herein) on the Property. If Purchaser fails to close this transaction through no fault of Seller, Purchaser shall restore any damages to or alterations of the Property resulting from Purchaser and its agents', employees', representatives' or independent contractors' investigation of the Property.

4.4 Right to Extend Due Diligence Period. Purchaser shall have the option to extend the Due Diligence Period for an additional 30 day period by so notifying Seller in writing of its election to do so prior to the expiration of the preceding Due Diligence Period and depositing an additional \$10,000.00 into escrow with the Title Company (the "Additional Deposit"). The Additional Deposit and the Deposit shall collectively be referred to as the "Deposit".

4.5 Termination Right. If Purchaser determines prior to the expiration of the Due Diligence Period, in Purchaser's sole and absolute discretion, that the Property is not acceptable for its purposes, Purchaser may, at its option, elect to terminate this Agreement by written notice given to Seller (which notice shall be effective if given by electronic mail to Seller's attorney) and the Deposit (excluding the Additional Deposit, if any) and all interest earned thereon, shall be returned to Purchaser. In the event the Due Diligence Period is extended pursuant to Section 4.4 and Purchaser elects to terminate this Agreement pursuant to this Section 4.5, the Additional Deposit, and all interest, if any, shall be paid to Seller by the Escrow Agent.

4.6 Seller Cooperation. Seller agrees that, from and after execution of this Agreement, Purchaser may contact and make reasonable inquires with any governmental or quasi-governmental agency or entity with jurisdiction over the Property or any public or private utility serving the Property with respect to any applications for permits, licenses, approvals, or other entitlements concerning the development of the Property, and related zoning and land use approvals, plats, and the Survey. In the event after Closing any governmental or quasi-governmental agency or entity with jurisdiction over the Property or any public or private utility serving the Property reasonably requires consent or approvals from Seller for the development of the Property, Seller will execute such documents as necessary to process such consent or approvals; provided Seller shall not be required to incur any out of pocket costs or expense or any further liability or duty with respect to the Property or any representations made. Seller agrees to give Purchaser a copy of any

notice, summons or other document relating to a pending or threatened attack on an zoning, land use or other matters received by Seller.

ARTICLE 5

POSSESSION, PRORATIONS AND EXPENSES

5.1 **Possession.** Subject only to the Permitted Title Exceptions, sole and exclusive possession of the Property shall be delivered to Purchaser as of the Closing Date.

5.2 **Prorations.**

(A) **Method of Proration.** Taxes, all charges, if any, for water, sewer or other utility services and assessments affecting the Property shall be prorated between Purchaser and Seller as of the Closing Date based on a 365-day year. All non-delinquent real estate taxes and assessments on the Property shall be prorated based on the actual current tax bill, but if such tax bill has not yet been received by Seller by the Closing Date or if supplemental taxes are assessed after the Closing Date for the period prior to the Closing Date, the parties shall make any necessary adjustment after the Closing Date by cash payment to the party entitled thereto so that Seller shall have borne all real property taxes, including all supplemental taxes, allocable to the period prior to the Closing Date and Purchaser shall bear all real property taxes, including all supplemental taxes, allocable to the period from and after the Closing Date. If any expenses attributable to the Property and allocable to the period prior to the Closing Date are discovered or billed after the Closing Date, the parties shall make any necessary adjustment after the Closing Date by cash payment to the party entitled thereto so that Seller shall have borne all expenses allocable to the period prior to the Closing Date and Purchaser shall bear all expenses allocable to the period from and after Closing. All improvement and special liens and assessments attributable to the Property shall be paid in full by Seller at or before Closing. Additionally, all other items that are customarily prorated in transactions in the metropolitan area where the Property is located similar to this transaction contemplated hereby shall be prorated between the parties in the customary manner.

(B) **Apportionment.** If taxes and/or assessments must be prorated and/or paid before the appropriate tax/assessment records reflect the Property as a separate parcel, such taxes and/or assessments will be allocated between the Property and the rest of the Land on the basis of acreage, except that any taxes attributable to improvements will be allocated to the land on which the improvements are located.

(C) **Survival.** The obligations under this Section shall survive the Closing and the delivery and recordation of the Deed for the Property.

5.3 **Expenses.** Each party shall pay its own costs and expenses arising in connection with Closing (including, without limitation, its own attorneys' and advisors' fees, charges, and disbursements), except the following costs (the "Closing Costs"), which shall be allocated between the parties as follows:

(A) Title Company's escrow fees and costs shall be paid one-half by Seller and one-half by Purchaser;

(B) The cost of the Survey (or recertification of the existing survey, as the case may be) shall be paid by Seller;

(C) The cost of the Owner's Title Policy (including, the premiums for extended coverage over the general exceptions printed in the Title Commitment and the Title Endorsements) shall be paid by Seller;

(D) The recording fees for the recording of the Deed shall be paid by Seller;

(E) All other recording fees and closing fees and costs shall be charged to and paid by Seller and Purchaser in accordance with customary practices in the County in which the Property is located; and

(F) Seller shall pay, when due, any and all sales and use taxes that may accrue because of the purchase and sale of the Property and shall furnish Purchaser evidence of the filing of any tax returns that are required to be filed and the payment of any taxes due.

ARTICLE 6 COVENANTS OF SELLER

6.1 **Maintenance of the Property.** From and after the Effective Date through and including the Closing Date, Seller shall, at Seller's sole cost and expense, maintain the Property, in its current condition, free from waste and neglect and shall keep and perform all obligations imposed on the owner of the Property, under all applicable laws. If the Property is not in the required condition on the Closing Date, Purchaser may elect either (i) to terminate this Agreement, in which event the Deposit and all interest earned thereon, if any, shall forthwith be returned to Purchaser, or (ii) to accept the Property in its then current condition, in which event Seller shall pay to Purchaser on the Closing Date the reasonably estimated cost (including any fines or penalties and interest thereon) to restore the Property to the required condition. If such estimated cost of restoration is less than the actual cost of restoration, Seller shall pay to Purchaser, upon demand by Purchaser, the additional cost incurred by Purchaser.

6.2 **Transactions and Encumbrances Affecting the Property.** From and after the Effective Date through and including the Closing Date, Seller shall not sell, lease, encumber or grant any interest in the Property or any part thereof in any form or manner whatsoever, or otherwise perform or permit any act or enter into any transaction affecting

the Property which will diminish or otherwise affect Purchaser's interest under this Agreement, or in or to the Property or which will prevent Seller's full performance of its obligations hereunder.

6.3 Zoning and Governmental Approvals. Seller shall notify Purchaser at least two weeks in advance of any governmental hearings or meetings at which the Property is subject. Seller agrees to cooperate with and assist Purchaser in obtaining such zoning, variations, public sector financing, site plan approvals, sign approvals, subdivision approvals and other governmental approvals and in obtaining any other approvals, certificates or other authorizations required, in Purchaser's sole opinion, to permit Purchaser's Intended Use.

6.4 Additional Third Party Consents. In addition to any other approval required hereby, Seller agrees to cooperate with and assist Purchaser in obtaining, any required approval or consent from any third party for Purchaser to construction, develop and operate the Property, including, without limitation, any owner of any property adjacent to the Property, owners' associations, developers etc. Seller shall provide and cause to be provided all estoppels or compliance certificates reasonably requested by Purchaser.

ARTICLE 7

REPRESENTATIONS AND WARRANTIES OF SELLER

7.1 Representations and Warranties of Seller. To induce Purchaser to execute, deliver and perform this Agreement, Seller represents and warrants to Purchaser on and as of the Effective Date and as of the Closing Date as follows:

(A) **Documents.** To the best of Seller's knowledge, the information included in the documents to be delivered to Purchaser pursuant to this Agreement shall be true, correct and complete in all material respects.

(B) **Authorization.** Seller is a limited partnership duly organized under the laws of the State of Illinois, validly existing, and in good standing under the laws of the State of Illinois. Seller has full capacity, right, power and authority to execute, deliver and perform this Agreement and all documents to be executed by Seller pursuant hereto, and all required action and approvals therefor have been duly taken and obtained. The individuals signing this Agreement and all other documents executed or to be executed pursuant to this Agreement on behalf of Seller are and shall be duly authorized to sign the same on Seller's behalf and to bind Seller thereto. This Agreement and all documents to be executed pursuant hereto by Seller are and shall be binding upon and enforceable against Seller in accordance with their respective terms, and the transaction contemplated hereby will not result in a breach of, or constitute a default or permit acceleration of maturity under, any indenture, mortgage, deed of trust, loan agreement or other agreement to which Seller or the Property is subject or by which Seller or the Property is bound.

(C) **Bankruptcy.** Seller has not (i) made a general assignment for the benefit of creditors, (ii) filed any voluntary petition in bankruptcy or suffered the filing of any involuntary petition by Seller's creditors, (iii) suffered the appointment of a receiver to take possession of all or substantially all of Seller's assets, (iv) suffered the attachment or other judicial seizure of all, or substantially all, of Seller's assets, (v) admitted in writing its inability to pay its debts as they come due, or (vi) made an offer of settlement, extension or composition to its creditors generally.

(D) **Litigation.** There are no judgments, orders, awards or decrees currently in effect, or claims, investigations, proceedings, causes of action or other litigation or proceedings pending or, to the best of Seller's knowledge, contemplated or threatened in respect to the ownership, operation or environmental condition of the Property or any part thereof (including disputes with mortgagees, governmental authorities, utility companies, contractors, adjoining land owners or suppliers of goods or services).

(E) **Violations.** To the best of Seller's knowledge, there are no violations of any health, safety, pollution, environmental, zoning or other laws, ordinances, rules or regulations with respect to the Property or the balance of the Land, which have not been heretofore entirely corrected.

(F) **Condemnation/Zoning.** There is no existing, pending or, to the best of Seller's knowledge, contemplated, threatened or anticipated (i) condemnation of any part of the Property or the balance of the Land, (ii) widening, change of grade or limitation on use of streets, roads or highways abutting the Property or the balance of the Land, (iii) special tax or assessment or back tax due to abatement, exemption deferral or special classification to be levied against the Property or the balance of the Land, (iv) change in the zoning classification of the Property or the balance of the Land, or (v) change in the tax assessment of the Property or the balance of the Land.

(G) **Non-Foreign Status.** Seller is not a "foreign person" within the meaning of Section 1445(f)(3) of the Internal Revenue Code of 1986, as amended.

(H) **Possession.** Except for Seller, there are no persons in possession or occupancy of the Property or any part thereof, nor are there any persons who have possessory rights in respect to the Property or any part thereof.

(I) **Restrictions.** Other than as provided in applicable law and regulations, there are no restrictions, easements or conditions encumbering the Property which do not appear in the public records of the county in which the Property is located.

(J) **Other Agreements.** There are no leases, construction contracts, service contracts or other agreements or contracts or commitments or oral or written understandings in existence affecting the Property or the use thereof.

(K) **Liens.** There are no mechanic's or materialman's liens or similar claims or liens now asserted against the Property for work performed or commenced prior to the date hereof and there has been no work done by or on behalf of Seller with respect to the Property for which any expenses have been incurred for materials, materialmen, laborers, contractors or subcontractors used in connection therewith that have not been paid in full.

(L) **Referral Source.** Seller represents and warrants to Purchaser that Seller is not a "referring physician" or a "referral source" as to Buyer for services paid for by Medicare or a state health care program, as the terms are defined under any federal or state health care anti-referral or anti-kickback regulation, interpretation or opinion (a "Referral Source"). Seller covenants it will not knowingly (a) take any action that would cause it to become a Referral Source as to Purchaser or (b) sell, exchange or transfer its interest in and to the Property or this Agreement to any individual or entity who is a Referral Source as to Purchaser.

7.2 **Seller's Covenant.** Seller shall notify Purchaser immediately if Seller becomes aware of any transaction or occurrence prior to the Closing Date which would make any of the representations or warranties of Seller herein untrue in any material respect.

7.3 **Continuing Validity of Representations and Warranties.** The obligation of Purchaser to close the transaction contemplated hereby is subject to all of the representations and warranties of Seller contained in this Agreement being true, correct and complete in all material respects on the Closing Date. If any representation or warranty of Seller contained in this Agreement is not true, correct or complete in any material respect on the Closing Date, Purchaser may, by notice to Seller, terminate this Agreement, in which event the Deposit any and all interest earned thereon shall forthwith be returned to Purchaser.

ARTICLE 8

REPRESENTATIONS AND WARRANTIES OF PURCHASER

To induce Seller to execute, deliver and perform this Agreement, Purchaser hereby represents and warrants to Seller on and as of the Effective Date and on and as of the Closing Date that Purchaser is a limited liability company duly organized under the laws of the State of Delaware, validly existing, and as of Closing Date will be in good standing under the laws of the State of Illinois, has full capacity, right, power and authority to execute, deliver and perform this Agreement and all documents to be executed by Purchaser pursuant to this Agreement, and all required actions and approvals therefor have been duly taken and obtained. The individuals signing this Agreement and all other documents executed or to be executed pursuant hereto on behalf of Purchaser are and shall be duly authorized to sign the same on Purchaser's behalf and to bind Purchaser thereto. This Agreement and all documents to be executed pursuant hereto by Purchaser

are and shall be binding upon and enforceable against Purchaser in accordance with their respective terms.

ARTICLE 9

COMPLIANCE WITH ENVIRONMENTAL LAWS

9.1 **Environmental Definitions.** The term "Hazardous Materials" shall mean any substance, material, waste, gas or particulate matter which is regulated by the United States or any state or local authority, including, but not limited to, petroleum, asbestos, polychlorinated biphenyl, radioactive material or any material or substance which is (i) defined as a "hazardous waste", "hazardous material", "hazardous substance", "extremely hazardous waste", or "restricted hazardous waste" under federal, state or local law, (ii) designated as a "hazardous substance" pursuant to Section 311 of the Federal Water Pollution Control Act, 33 U.S.C. § 1251 *et seq.*, (iii) defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 *et seq.*, or (iv) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601 *et seq.* ("CERCLA"). The term "Environmental Laws" shall mean all statutes specifically described in the foregoing sentence and all other federal, state and local environmental health and safety statutes, ordinances, codes, rules, regulations, orders and decrees regulating, relating to or imposing liability or standards concerning or in connection with Hazardous Materials.

9.2 **Environmental Representations and Warranties.** Seller represents and warrants that to the best of Seller's knowledge (i) the Property is not in breach of any Environmental Laws; (ii) no part of the Property has ever been used as a landfill, dump, toxic or waste disposal site or storage area; (iii) there are no underground storage tanks in the Property, or, with respect to removed tanks, at the time of removal, all contaminated soil was removed; (iv) the Property is free of any Hazardous Materials that would trigger response or remedial action under any Environmental Laws or any existing common law theory based on nuisance or strict liability; (v) at no time has there been a release (as defined in CERCLA) of any Hazardous Materials in, on, or under the Property and; (vi) Seller has never used the Property for the storage, manufacture, disposal, handling, transportation or use of any Hazardous Materials, nor has the Property ever been used for the storage, manufacture, disposal, handling, transportation or use of any Hazardous Materials.

9.3 **No Notices.** Seller has received no notice that the Property is, and, to the best of its knowledge and belief, no part of the Property is located within an area that has been designated by the Federal Emergency Management Agency, the Army Corps of Engineers or any other governmental body as located in a flood plain area, a "wetlands" area, a conservation area or any other area otherwise subject to special hazards.

9.4 **Environmental Claims.** As of the Closing Date, Seller shall assign to Purchaser, on a non-exclusive basis and related to the Property only, all claims,

counterclaims, defenses and actions, whether at common law or pursuant to any other applicable federal, state or other laws that Seller may have against any third party or parties relating to the existence or presence of any Hazardous Materials in, at, on or about the Property.

ARTICLE 10 **CONDITIONS PRECEDENT**

10.1 **Conditions to Close.** Purchaser's obligations under this Agreement are subject to Purchaser being satisfied, in its sole and absolute discretion, that all of the following conditions precedent have been fulfilled:

(A) Seller shall have delivered to Purchaser or the Title Company, as applicable all documents required hereunder.

(B) Purchaser shall have received the Title Commitment and the Title Company's irrevocable commitment to insure title by means of the Title Policy showing fee title to the Property vested in Purchaser containing no exceptions other than the Permitted Exceptions.

(C) The physical condition of the Property shall be substantially the same on the closing Date as on the Effective Date, except for reasonable wear and tear and any alterations caused by Purchaser.

(D) All representations and warranties of Seller set forth herein shall be true and correct as of the Closing Date, and all covenants, agreements and conditions required to be performed or complied with by Seller prior to or on the Closing Date shall have been duly performed or complied with by Seller or waived in writing by Purchaser.

If Purchaser in its sole discretion determines that any of the conditions precedent set forth in this Article 10 are not satisfied, Purchaser may, at its option, elect to terminate this Agreement by written notice to Seller, in which event the Deposit, and any interest earned thereon, shall be returned to Purchaser.

ARTICLE 11 **CLOSING**

11.1 **Closing.** The closing of the transaction contemplated by this Agreement (the "Closing") shall be the date mutually agreed to by Seller and Purchaser (the "Closing Date"); provided, however, the Closing Date shall not be later than thirty (30) days after the expiration of Due Diligence Period. Purchaser shall have the right to extend the Closing

Date by sixty (60) days upon providing notice (which may be electronic) to Seller and depositing Ten Thousand Dollars (\$10,000.00) (the "Extension Deposit") with the Title Company. The Extension Deposit shall be considered part of the Deposit and shall be applicable to the Purchase Price at Closing. In the event the Closing does not occur by the extended Closing Date for any reason other than Seller's default under this Agreement, the Extension Deposit and any interest earned thereon, shall be paid to Seller.

11.2 Escrow Closing. Purchaser and Seller, through their respective attorneys, shall establish a deed and money escrow with Title Company, through which the transaction contemplated hereby shall be closed. The escrow instructions shall be in the form customarily used by Title Company with such special provisions added thereto as may be required to conform such escrow instructions to the provisions of this Agreement. Said escrow shall be auxiliary to this Agreement, and this Agreement shall not be merged into nor in any manner superseded by said escrow.

11.3 Seller's Deposits. On or before the Closing Date, Seller shall deliver to Title Company the following documents:

(A) A special warranty deed from Seller conveying to Purchaser or Purchaser's designee fee simple title to the Property, subject only to the Permitted Title Exceptions;

(B) A certificate executed by Seller confirming that the representations and warranties of Seller set forth in this Agreement are true, correct and complete on and as of the Closing Date;

(C) An affidavit in the form required by Title Company to delete or insure over the general exceptions contained in the Title Commitment including without limitation, the exception for rights or claims by parties in possession of the Land not shown by the public records and the exception for any lien, or right of lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records;

(D) The personal undertaking, if any, required by Title Company to remove the exception for recording gaps; and

(E) Such other documents, certifications and confirmations as may be reasonably required and designated by Purchaser or Title Company to fully effect and consummate the transactions contemplated hereby.

11.4 Purchaser's Deposits. On or before the Closing Date, Purchaser shall deliver to the Title Company the following:

(A) The balance of the Purchase Price as provided in Section 2.3 hereof by wire transfer of immediately available funds.

(B) A certificate executed by Purchaser confirming that the representations and warranties of Purchaser set forth in this Agreement are true, correct and complete on and as of the Closing Date.

(C) The personal undertaking, if any, required by Title Company of Purchaser to remove the exception for recording gaps; and

(E) Such other documents, certifications and confirmations as may be reasonably required and designated the Title Company to fully effect and consummate the transactions contemplated hereby.

11.5 **Approval of Closing Documents.** All closing documents to be furnished by Purchaser or Seller pursuant to this Agreement shall be in form and substance reasonably satisfactory to both Purchaser and Seller, and to the extent required, the Title Company.

11.6 **Joint Deposits.** Purchaser and Seller shall jointly execute and deliver to each other or the Title Company as applicable, the following documents:

(A) An agreed upon closing statement; and

(B) Such transfer tax declarations and returns as may be required under applicable state, county or municipal law.

ARTICLE 12 **DEFAULT**

12.1 **Default by Purchaser.** In the event this transaction fails to close as a result of a material default by Purchaser of any of Purchaser's obligations under this Agreement and such failure to close continues for a period of 15 days after Seller notifies Purchaser in writing of such event, Seller's sole and exclusive remedy for such failure to close as a result of such material default shall be the right to cancel and terminate this Agreement and to receive the Deposit and the interest earned thereon, if any, from Title Company as liquidated damages, it being understood and agreed that Seller is hereby releasing and waiving any right it might have either to specifically enforce this Agreement or to sue Purchaser or any person or entity affiliated with Purchaser for damages. This liquidated damage provision has been agreed to in view of the difficulty in ascertaining Seller's actual damages because of the uncertainties of the real estate market and fluctuating property values and the difference of opinion with respect to such matters.

12.2 **Default by Seller.** In the event of a default by Seller of any of Seller's obligations under this Agreement, Purchaser may, at its option, pursue any one of the following remedies either separately or cumulatively:

(i) to terminate this Agreement and received immediate payment of the Deposit and all interest earned thereon;

(ii) maintain this Agreement in full force and effect, and pursue an action for specific performance; or

(iii) to pursue any other legal or equitable remedies available to Purchaser by virtue of Seller's default.

ARTICLE 13
MISCELLANEOUS

13.1 Notices.

(A) All notices, demands, statements and requests required or permitted to be given under this Agreement must be in writing and shall be delivered by one of the following methods of delivery:

(i) personal service, in which event the notice shall be deemed to have been given upon actual receipt;

(ii) Federal Express or another nationally recognized overnight courier service, in which event the notice shall be deemed to have been given on the first business day after the notice is deposited with the courier service (or the next business day thereafter if the notice is deposited with the courier service on a day other than a business day);

(iii) United States registered or certified mail, postage prepaid and return receipt requested, in which event the notice shall be deemed to have been given three business days after the notice is deposited with the United States Postal Service; or

(iv) facsimile or electronic transmission, in which event the notice shall be deemed to have been given upon confirmation of the transmission.

Notwithstanding the foregoing, a notice sent by first class mail shall be effective and deemed to have been given on the date received by the party to whom it was sent.

(B) The initial addresses of the parties shall be:

Purchaser: c/o DaVita HealthCare Partners Inc.
2000 16th Street
Denver, CO 80202
Attention: Mr. Thomas Thoreson
E-Mail: Thomas.Thoreson@davita.com

Subject: Danville, IL (DDP #11289)

with a copy to:

c/o DaVita HealthCare Partners Inc.
2000 16th Street
Denver, CO 80202
Attention: relegal@davita.com
Subject: Danville, IL (DDP #11289)

Seller: Danville Crossing, L.P.
c/o Stonewald Company, Its General Partner
7625 N. University, Suite C
Peoria, IL 61614
Attention: Russell L. Waldschmidt, President
Fax: (309) 676-8119
E-Mail: rwaldschmidt@waldland.com

with a copy to:

John S. Elias
Elias, Meginnes & Seghetti, P.C.
416 Main Street, Suite 1400
Peoria, IL 61602
Fax: (309) 637-6000
E-mail: jelias@emrslaw.com

Each party shall have the right from time to time to change its address for notice purposes to any other address within the United States of America upon at least three days prior written notice to the other party in accordance with the provisions of this Section 13.1.

13.2 Real Estate Commission. Each Party represents that it has not retained any real estate agent or broker who would be entitled to a commission or fee in connection with this Agreement other than Coldwell Banker Commercial Devonshire Realty and Johnson Controls, Inc. (collectively the "Broker"). Seller shall pay Broker a brokerage commission pursuant to a separate agreement. Each Party hereto shall defend and hold harmless the other Party ("Indemnified Party") from any claim for a commission or finder's fee other than as set forth above asserted by any party against the Indemnified Party except for a claim for a commission by reason of an agreement between a third-party and the Indemnified Party.

13.3 Condemnation/Casualty.

(A) Condemnation. If any portion of the Property is condemned or access thereto is taken prior to the Closing Date or if a condemnation proceeding affecting the

Land is initiated or threatened prior to the Closing Date, Purchaser may elect, by written notice to Seller, either (i) to terminate this Agreement, in which event the Deposit and the interest earned thereon, if any, shall be returned to Purchaser, or (ii) to proceed to close the transaction contemplated hereby, in which event (A) the Purchase Price shall not be affected, and (B) the condemnation award insofar as it affects the Property shall belong to Purchaser, and at Closing, Seller shall assign to Purchaser all of Seller's right, title and interest with respect to such award and shall further execute any other instrument requested by Purchaser to assure that such award is paid to Purchaser. If Purchaser does not terminate this Agreement, it shall have the right to contest the condemnation of the Property and the award resulting therefrom.

(B) **Casualty.** Prior to and through the Closing Date and notwithstanding the pendency of this Agreement, the entire risk of loss or damage to the Property by casualty shall be borne by and assumed by Seller. If on or prior to the Closing Date, any portion of the Property is damaged as a result of casualty, Seller shall immediately notify Purchaser of such fact. In such event, Purchaser shall have the option to terminate this Agreement upon written notice to Seller given within ten (10) days after receipt of any such notice from Seller, in which event the Deposit and interest earned thereon, shall be promptly returned to Purchaser. If Purchaser fails to deliver written notice of its election pursuant to this Section within such ten (10) day period, Purchaser shall be deemed to have elected to terminate this Agreement, in which event the Deposit and the interest earned thereon, if any, shall be returned to Purchaser.

13.4 **Entire Agreement.** This Agreement contains the entire agreement and understanding of the parties with respect to the subject matter hereof, and all previous negotiations and understandings between Purchaser and Seller or their respective agents and employees with respect to the transaction set forth herein are merged in this Agreement.

13.5 **Amendments and Waivers.** This Agreement may not be amended, modified or discharged nor may any of its terms be waived except by an instrument in writing signed by the party(ies) to be bound thereby.

13.6 **Further Assurances.** The parties each agree to perform, execute, acknowledge and deliver all such further acts, instruments and assurances and to take all such further action before or after the Closing as shall be necessary or desirable fully to carry out this Agreement and fully to consummate and effect the transactions contemplated hereby.

13.7 **Survival and Benefit.** Each of the covenants, representations, warranties, indemnities and undertakings contained in this Agreement shall survive the Closing of the transaction contemplated hereby and shall inure to the benefit of and be binding upon Purchaser and Seller and their respective successors and assigns for one (1) year at which time they shall be null and void and of no further form and effect. The obligations of Purchaser and Seller to return or deliver or cause to be returned or delivered the Deposit, together with any accrued interest thereon, shall survive any termination of this Agreement.

13.8 **No Third Party Benefits.** All of the parties' rights, duties, benefits, liabilities and obligations under this Agreement shall inure to the benefit of, and be binding upon their respective successors and assigns. This Agreement is for the sole and exclusive benefit of the Purchaser and Seller and their respective successors and assigns, and no third party is intended to or shall have any rights hereunder.

13.9 **Assignment.** Purchaser may assign its rights and delegate its duties under this Agreement without Seller's consent. Seller shall have no right to assign its rights or delegate its duties under this Agreement.

13.10 **Interpretation.**

(A) The headings and captions herein are inserted for convenient reference only and the same shall not limit or construe the paragraphs or sections to which they apply or otherwise affect the interpretation hereof.

(B) This Agreement shall be governed by and construed in accordance with the laws of the State in which the Property is located. The invalidity or unenforceability of any provision of this Agreement shall not affect or impair any other provision.

(C) This Agreement shall not be construed more strictly against one party than against the other merely by virtue of the fact that it may have been prepared primarily by counsel for one of the parties, it being recognized that both Purchaser and Seller have contributed substantially and materially to the preparation of this Agreement.

(D) For the purposes of this Agreement, the phrases "to the best of Seller's knowledge", "to Seller's knowledge" and similar phrases shall imply a reasonable investigation by Seller and its agents.

(E) Time shall be of the essence with respect to all matters contemplated by this Agreement.

13.11 **Confidentiality.** Except as may be required by an action to enforce or interpret this Agreement, neither Purchaser nor Seller shall disclose the existence of this Agreement or any of the terms and provisions hereof without the prior written approval of the other and Purchaser and Seller shall use all reasonable efforts to keep the details of the transaction contemplated hereby strictly confidential.

13.12 **Business Days.** As used herein, the term "business day" shall mean a day that is not a Saturday, Sunday, or legal holiday. In the event that the date for the performance of any covenant or obligation under this Agreement shall fall on a Saturday, Sunday, or legal holiday, the date for performance thereof shall be extended to the next business day.

13.13 **Counterpart; Facsimile Signatures.** This Agreement may be signed manually or electronically, in one or more counterparts, each of which shall be an original, and such counterparts shall together constitute but one and the same instrument. Facsimile or electronic signatures on this Agreement shall be valid

(remainder of page left intentionally blank)

IN WITNESS WHEREOF, Purchaser and Seller have executed this Agreement effective as of the Effective Date.

SELLER:

DANVILLE CROSSING LP, an Illinois limited partnership

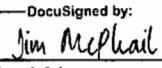
By: Stonewald Company, an Illinois Corporation,
its general partner

By: 
Printed Name: RUSSELL L. WADSchmidt
Title: President

Date: 11/24/2014

PURCHASER:

GENESIS KC DEVELOPMENT, LLC,
a Delaware limited liability company

DocuSigned by:
By: 
Printed Name: Jim McPhail
Title: VP-real estate & center development

Date: December 11, 2014

FOR PURCHASER'S INTERNAL USE ONLY:

Approved as to form only:

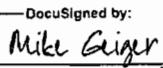
DocuSigned by:
By: 
Printed Name: Mike Geiger
Title: Assistant General Counsel

EXHIBIT A

Legal Description/Depiction of the Property

Lot 9 of Danville Crossings 2 containing 1.160 acres located as part of the NE ¼ Section 17, T-20-N, R-11-W, 2nd PM, City of Danville, County of Vermilion, State of Illinois.

504157.1
Danville, IL (#11289)



JOHNSON CONTROLS REAL ESTATE SERVICES INC.
A JOHNSON CONTROLS COMPANY

November 19, 2014

Genesis KC Development LLC

RE: RFP for a to be constructed building on Lot 9 of Danville Crossings 2 containing 1.160 acres located as part of the NE ¼, Section 17, T-20-N, R-11-W, 2nd PM, City of Danville, Vermilion County, Illinois

Dear Marshall:

Johnson Controls Real Estate Services, Inc., has been authorized by Total Renal Care, Inc – a subsidiary of DaVita Inc. to assist in securing a lease requirement. DaVita Inc. is a Fortune 500 company with more than 2,000 locations across the US and revenues of approximately \$11.5 billion.

Below is a request for proposal outlining the terms and conditions wherein the Tenant is willing to lease the subject premises:

PREMISES: To be constructed building on Lot 9 of Danville Crossings 2 containing 1.160 acres located as part of the NE ¼, Section 17, T-20-N, R-11-W, 2nd PM, City of Danville, Vermilion County, Illinois

TENANT: “Total Renal Care, Inc. or related entity to be named”

LANDLORD: Genesis KC Development LLC

SPACE REQUIREMENTS: **Approximately 5,800** contiguous rentable square feet. Tenant shall have the right to measure space based on most recent BOMA standards.

Please indicate both rentable and useable square footage for Premises.

PRIMARY TERM: 15 years

BASE RENT: \$24.71/psf NNN for years 1-5;
 \$27.18/psf NNN for years 6-10;
 \$29.89/psf NNN for years 11-15.

ADDITIONAL EXPENSES: *Please provide an estimated annual cost per square foot for any and all additional operating expenses for which the Tenant will be responsible for paying including Taxes, Insurance and CAM.*

Please provide Tenant's pro rata share percentage of operating expenses.

If operating expenses are based on a Base Year, please indicate the Base Year and expense stop.

Please indicate what, if any, utility costs Tenant will be responsible for paying that are not included in operating expenses or Base Rent.

Landlord to limit the cumulative operating expense costs to \$4.00/psf in the first full year and no greater than 3% increases annually thereafter.

OPTION TO RENEW:

Tenant desires three, five-year options to renew the lease. Option rent shall be \$32.88/psf, \$36.17/psf, and \$39.79/psf, for the first second and third options, respectively.

LANDLORD'S MAINTENANCE:

Landlord, at its sole cost and expense, shall be responsible for the structural and capitalized items (per GAAP standards) for the Property.

POSSESSION AND RENT COMMENCEMENT:

Landlord shall deliver Possession of the Premises to the Tenant with Landlord's work complete within 90 days from CON permit date. Rent Commencement shall be the earlier of seven (7) months from Possession or the date each of the following conditions have occurred:

- a. Construction improvements within the Premises have been completed in accordance with the final construction documents (except for nominal punch list items); and
- b. A certificate of occupancy for the Premises has been obtained from the city or county; and
- c. Tenant has obtained all necessary licenses and permits to operate its business.

DUE DILLIGENCE:

Tenant shall have the right to obtain Tenant's executive committee approval within 90 days following Lease execution. If Tenant does not receive executive committee approval during such 90 day period, Tenant may elect to terminate the Lease by written notice given not later than the 90th day following lease execution.

LEASE FORM:

Tenant's standard lease form.

USE:

Tenant may operate the Premises for the use as an outpatient renal dialysis clinic, renal dialysis home training, aphaeresis services and similar blood separation and cell collection procedures, general medical offices, clinical laboratory, including all incidental, related and necessary elements and functions of other recognized dialysis disciplines which may be necessary or desirable to render a complete program of treatment to patients of Tenant and related office and administrative uses or for any other lawful purpose.

Please verify that the Use is permitted within the building's zoning.

Please provide a copy of any CCR's or other documents that may impact tenancy.

PARKING:

Tenant shall receive four (4) stalls per 1,000 rsf, and two (2) handicapped stalls or such greater number as is required by applicable law or regulation. Landlord will provide dedicated parking to Tenant.

Please indicate the number and location of parking spaces to be allocated to the Tenant, number of general handicap stalls, total reserved stalls, if there is a patient drop off area, and if the drop off area is covered.

BASE BUILDING:

Landlord shall deliver to the premises, the Base Building improvements included in the attached Schedule A subject to architect and project manager approval.

**RIGHT OF FIRST OPPORTUNITY
ON ADJACENT SPACE:**

Tenant shall have the on-going right of first opportunity on any adjacent space that may become available during the initial term of the lease and any extension thereof, under the same terms and conditions of Tenant's existing lease.

**FAILURE TO DELIVER
PREMISES:**

If Landlord has not delivered the premises to Tenant with all base building items substantially completed within 90 days from CON permit date, Tenant may elect to a) terminate the lease by written notice to Landlord or b) elect to receive two days of rent abatement for every day of delay beyond the 90 day delivery period

HOLDING OVER:

Tenant shall be obligated to pay 110% for the then current rate.

TENANT SIGNAGE:

Tenant shall have the right to install building, monument and pylon signage at the Premises, subject to compliance with all applicable laws and regulations. Landlord, at Landlord's expense, will furnish Tenant with any standard building directory signage.

BUILDING HOURS:

Tenant requires building hours of 24 hours a day, seven days a week.

Please indicate building hours for HVAC and utility services.

SUBLEASE/ASSIGNMENT:

Tenant will have the right at any time to sublease or assign its interest in this Lease to any majority owned subsidiaries or related entities of DaVita, Inc. without the consent of the Landlord, or to unrelated entities with Landlord reasonable approval.

ROOF RIGHTS:

Tenant shall have the right to place a satellite dish on the roof at no additional fee.

NON COMPETE:

Landlord agrees not to lease space to another dialysis provider within a five mile radius of Premise.

HVAC:

As part of Landlord's work, Landlord shall provide HVAC units meeting the specifications set forth in Schedule A attached hereto.

Please provide general description of HVAC systems (i.e. ground units, tonnage, age)

DELIVERIES:

Please indicate manner of deliveries to the Premises (i.e. dock-high door in rear, shared)

OTHER CONCESSIONS:

Please indicate any other concessions the Landlord is willing to offer.

**GOVERNMENTAL
COMPLIANCE:**

Landlord shall represent and warrant to Tenant that Landlord, at Landlord's sole expense, will cause the Premises, common areas, the building and parking facilities to be in full compliance with any governmental laws, ordinances, regulations or orders relating to, but not limited to, compliance with the Americans with Disabilities Act (ADA), and environmental conditions relating to the existence of asbestos and/or other hazardous materials, or soil and ground water conditions, and shall indemnify and hold Tenant harmless from any claims, liabilities and cost arising from environmental conditions not caused by Tenant(s).

CERTIFICATE OF NEED:

Tenant CON Obligation: Landlord and Tenant understand and agree that the establishment of any chronic outpatient dialysis facility in the State of Illinois is subject to the requirements of the Illinois Health Facilities Planning Act, 20 ILCS 3960/1 et seq. and, thus, the Tenant cannot establish a dialysis facility on the Premises or execute a binding real estate lease in connection therewith unless Tenant obtains a Certificate of Need (CON) permit from the Illinois Health Facilities and Services Review Board (HFSRB). Based on the length of the HFSRB review process, Tenant does not expect to receive a CON permit prior to seven (7) months from the latter of an executed LOI or subsequent filing date. In light of the foregoing facts, the parties agree that they shall promptly proceed with due diligence to negotiate the terms of a definitive lease agreement and execute such agreement prior to approval of the CON permit provided, however, the lease shall not be binding on either party prior to approval of the CON permit and the lease agreement shall contain a contingency clause indicating that the lease agreement is not effective prior to CON permit approval. Assuming CON approval is granted, the effective date of the lease agreement shall be the first day of the calendar month following CON permit approval. In the event that the HFSRB does not award Tenant a CON permit to establish a dialysis center on the Premises within seven (7) months from the latter of an executed LOI or subsequent filing date neither party shall have any further obligation to the other party with regard to the negotiations, lease, or Premises contemplated by this Letter of Intent.

BROKERAGE FEE:

Landlord recognizes Johnson Controls Real Estate Services, Inc., as the Tenant's sole representatives and shall pay a brokerage fee equal to 2% of the rental value over the first ten (10) year lease term per separate commission agreement. Tenant shall retain the right to offset rent for failure to pay the brokerage fee.

PLANS:

Please provide copies of site and construction plans or drawings.

It should be understood that this LOI is subject to the terms of Exhibit A attached hereto. The information herein is confidential and may be legally privileged.

Thank you for your time and consideration to partner with DaVita.

Sincerely,



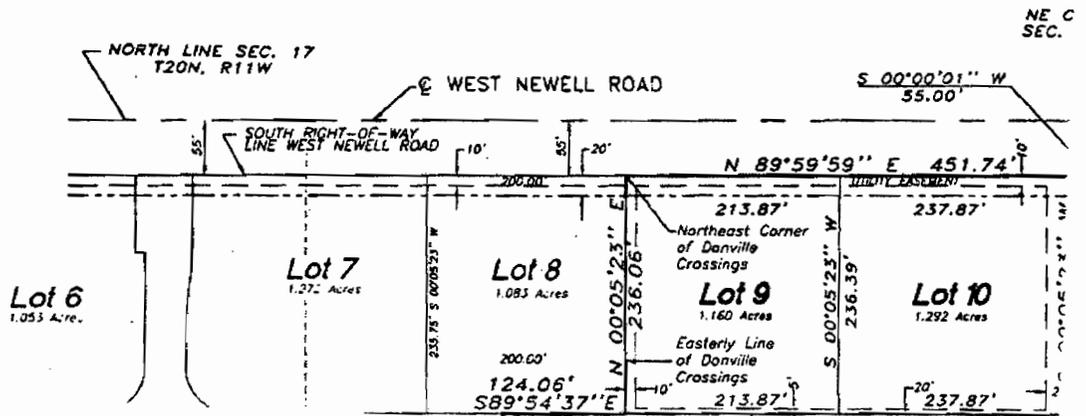
John Steffens

CC: Matthew J. Gramlich, Johnson Controls Real Estate Services, Inc.
DaVita Regional Operational Leadership
DaVita Team Genesis Real Estate

FINAL PLAT

DANVILLE CROSSINGS 2

PART OF THE NE 1/4, SECTION 17, T-20-N, R-11-W, 2ND P.M.
CITY OF DANVILLE, VERMILION COUNTY, ILLINOIS



SIGNATURE PAGE

LETTER OF INTENT:

**TO BE CONSTRUCTED BUILDING ON PART OF LOT 9 OF DANVILLE
CROSSINGS 2 CONTAINING 1.160 ACRES LOCATED AS PART OF THE NE ¼,
SECTION 17, T-20-N, R-11-W, 2ND PM, CITY OF DANVILLE, VERMILION
COUNTY, ILLINOIS**

AGREED TO AND ACCEPTED THIS 12 DAY OF DECEMBER 2014

By: Mary Anderson

**On behalf of Total Renal Care, a wholly owned subsidiary of DaVita Healthcare
Partners, Inc.
("Tenant")**

AGREED TO AND ACCEPTED THIS 13 DAY OF DECEMBER 2014

By: Marshall Stewman 

Genesis KC Development, LLC
("Landlord")

EXHIBIT A

NON-BINDING NOTICE

NOTICE: THE PROVISIONS CONTAINED IN THIS LETTER OF INTENT ARE AN EXPRESSION OF THE PARTIES' INTEREST ONLY. SAID PROVISIONS TAKEN TOGETHER OR SEPARATELY ARE NEITHER AN OFFER WHICH BY AN "ACCEPTANCE" CAN BECOME A CONTRACT, NOR A CONTRACT. BY ISSUING THIS LETTER OF INTENT NEITHER TENANT NOR LANDLORD (OR JCI) SHALL BE BOUND TO ENTER INTO ANY (GOOD FAITH OR OTHERWISE) NEGOTIATIONS OF ANY KIND WHATSOEVER. TENANT RESERVES THE RIGHT TO NEGOTIATE WITH OTHER PARTIES. NEITHER TENANT, LANDLORD OR JCI INTENDS ON THE PROVISIONS CONTAINED IN THIS LETTER OF INTENT TO BE BINDING IN ANY MANNER, AS THE ANALYSIS FOR AN ACCEPTABLE TRANSACTION WILL INVOLVE ADDITIONAL MATTERS NOT ADDRESSED IN THIS LETTER, INCLUDING, WITHOUT LIMITATION, THE TERMS OF ANY COMPETING PROJECTS, OVERALL ECONOMIC AND LIABILITY PROVISIONS CONTAINED IN ANY LEASE DOCUMENT AND INTERNAL APPROVAL PROCESSES AND PROCEDURES. THE PARTIES UNDERSTAND AND AGREE THAT A CONTRACT WITH RESPECT TO THE PROVISIONS IN THIS LETTER OF INTENT WILL NOT EXIST UNLESS AND UNTIL THE PARTIES HAVE EXECUTED A FORMAL, WRITTEN LEASE AGREEMENT APPROVED IN WRITING BY THEIR RESPECTIVE COUNSEL. JCI IS ACTING SOLELY IN THE CAPACITY OF SOLICITING, PROVIDING AND RECEIVING INFORMATION AND PROPOSALS AND NEGOTIATING THE SAME ON BEHALF OF OUR CLIENTS. UNDER NO CIRCUMSTANCES WHATSOEVER DOES JCI HAVE ANY AUTHORITY TO BIND OUR CLIENTS TO ANY ITEM, TERM OR COMBINATION OF TERMS CONTAINED HEREIN. THIS LETTER OF INTENT IS SUBMITTED SUBJECT TO ERRORS, OMISSIONS, CHANGE OF PRICE, RENTAL OR OTHER TERMS; ANY SPECIAL CONDITIONS IMPOSED BY OUR CLIENTS; AND WITHDRAWAL WITHOUT NOTICE. WE RESERVE THE RIGHT TO CONTINUE SIMULTANEOUS NEGOTIATIONS WITH OTHER PARTIES ON BEHALF OF OUR CLIENT. NO PARTY SHALL HAVE ANY LEGAL RIGHTS OR OBLIGATIONS WITH RESPECT TO ANY OTHER PARTY, AND NO PARTY SHOULD TAKE ANY ACTION OR FAIL TO TAKE ANY ACTION IN DETRIMENTAL RELIANCE ON THIS OR ANY OTHER DOCUMENT OR COMMUNICATION UNTIL AND UNLESS A DEFINITIVE WRITTEN LEASE AGREEMENT IS PREPARED AND SIGNED BY TENANT AND LANDLORD.



OPTION 1 FOR NEW BUILDING

[SUBJECT TO MODIFICATION BASED ON INPUT FROM LESSEE'S PROJECT MANAGER WITH RESPECT TO EACH CENTER PROJECT]

SCHEDULE A - TO WORK LETTER

MINIMUM BASE BUILDING IMPROVEMENT REQUIREMENTS

(Note: Sections with an Asterisk (*) have specific requirements for I 1.2 in California and other select States – see end of document for changes to that section)

At a minimum, the Lessor shall provide the following Base Building and Site Development Improvements to meet Lessee's Building and Site Development specifications at Lessor's sole cost:

All MBBI work completed by the Lessor will need to be coordinated and approved by the Lessee and their Consultants prior to any work being completed, including shop drawings and submittal reviews.

1.0 - Building Codes & Design *

All Minimum Base Building Improvements (MBBI) and Site Development are to be performed in accordance with all current local, state, and federal building codes including any related amendments, fire and life safety codes, ADA regulations, State Department of Public Health, and other applicable and codes as it pertains to Dialysis. All Lessor's work will have Governmental Authorities Having Jurisdiction ("GAHJ") approved architectural and engineering (Mechanical, Plumbing, Electrical, Structural, Civil, Environmental) plans and specifications prepared by a licensed architect and engineer and must be coordinated with the Lessee Improvement plans and specifications.

2.0 - Zoning & Permitting

Building and premises must be zoned to perform services as a dialysis clinic. Lessor to provide all permitting related to the base building and site improvements.

3.0 - Common Areas

Lessee will have access and use of all common areas i.e. Lobbies Hallways, Corridors, Restrooms, Stairwells, Utility Rooms, Roof Access, Emergency Access Points and Elevators. All common areas must be code and ADA compliant for Life Safety per current federal, state and local code requirements.

4.0 Foundation and Floor

The foundation and floor of the building shall be in accordance with local code requirements. The foundation and concrete slab shall be designed by the Lessor's engineer to accommodate site-specific Climate and soil conditions and recommendations per Lessor's soil engineering and exploration report (To be reviewed and approved by Lessee's engineer).

Foundation to consist of formed concrete spread footing with horizontal reinforcing sized per geotechnical engineering report. Foundation wall, sized according to exterior wall systems used and to consist of formed and poured concrete with reinforcing bars or a running bond masonry block with proper horizontal and vertical reinforcing within courses and cells. Internal masonry cells to be concrete filled full depth entire building perimeter. Foundation wall to receive poly board R-10 insulation on interior side of wall on entire building perimeter (if required by code). Provide proper foundation drainage.

The floor shall be concrete slab on grade and shall be a minimum five-inch (5") thick with minimum concrete strength of 3,000-psi. It will include one of the following, wire mesh or fiber mesh, and/or rebar reinforcement over a vapor barrier and granular fill per Lessor's soils and/or structural engineering team based on soil conditions and report from the Soils Engineer. Finish floor elevation to be a minimum of 8" above finish grade. Include proper

expansion control joints. Floor shall be level (1/8" with 10' of run), smooth, broom clean with no adhesive residues, in a condition that is acceptable to install floor coverings in accordance with the flooring manufacturer's specifications. Concrete floor shall be constructed so that no more than 3-lbs. of moisture per 1,000sf/24 hours is emitted per completed calcium chloride testing results after 28 day cure time. Means and methods to achieve this level will be responsibility of the Lessor. Under slab plumbing shall be installed by Lessee's General Contractor in coordination with Lessor's General Contractor, inspected by municipality and Lessee for approval prior to pouring the building slab.

5.0 - Structural *

Structural systems shall be designed to provide a minimum 13'-0" clearance (for 10'-0" finished ceiling height and 15' clearance for a 12" ceiling height) to the underside of the lowest structural member from finished slab and meet building steel (Type II construction or better) erection requirements, standards and codes. Structural design to allow for ceiling heights (as indicated above) while accommodating all Mechanical, Plumbing, Electrical above ceiling. Structure to include all necessary members including, but not limited to, columns, beams, joists; load bearing walls, and demising walls. Provide necessary bridging, bracing, and reinforcing supports to accommodate all Mechanical systems (Typical for flat roofs - minimum of four (4) HVAC roof top openings, one (1) roof hatch opening, and four (4) exhaust fans openings). Treatment room shall be column free.

The floor and roof structure shall be fireproofed as needed to meet local building code and regulatory requirements.

Roof hatch shall be provided and equipped with ladders meeting all local, state and federal requirements.

6.0 - Exterior walls

Exterior walls to be fire rated if required by local or State code requirements. If no fire rating is required, walls shall be left as exposed on the interior side of the metal studs or masonry/concrete with exterior insulation as required to meet code requirements and for an energy efficient building shell. Lessee shall be responsible for interior gyp board, taping and finish.

7.0 - Demising walls *

All demising walls shall be a 1 or 2hr fire rated wall depending on local, state and/or regulatory (NFPA 101 – 2000) codes requirements whichever is more stringent. Walls will be installed per UL design and taped (Lessee shall be responsible for final finish preparation of gypsum board walls on Lessee side only). At Lessee's option and as agreed upon by Lessor, the interior drywall finish of demising walls shall not be installed until after Lessee's improvements are complete in the wall. Walls to be fire caulked in accordance with UL standards at floor and roof deck. Demising walls will have sound attenuation bats from floor to underside of deck.

8.0 - Roof Covering

The roof system shall have a minimum of a twenty (20) year life span with full (no dollar limit - NDL) manufacturer's warrantee against leakage due to ordinary wear and tear. Roof system to include a minimum of R-30 insulation. Ice control measures mechanically or electrically controlled to be considered in climates subject to these conditions. Downspouts to be connected into controlled underground discharge for the rain leaders into the storm system for the site or as otherwise required meeting local storm water treatment requirements. Storm water will be discharged away from the building, sidewalks, and pavement. Roof and all related systems to be maintained by the Lessor for the duration of the lease. Lessor to provide Lessee copy of material and labor roof warranty for record.

9.0 – Parapet *

Lessor to provide a parapet wall based on building designed/type and wall height should be from the highest roof line. HVAC Rooftop units should be concealed from public view if required by local code.

10.0 - Façade

Lessor to provide specifications for building façade for lessee review and approval. All wall system to be signed off by a Lessor's Structural Engineer. Wall system "R" value must meet current Energy code. Wall system options include, but not limited to:

4" Face brick Veneer on 6" 16 or 18ga metal studs , R- 19 or higher batt wall insulation, on Tyvek (commercial grade) over 5/8" exterior grade gypsum board or Dens-Glass Sheathing.

Or

2" EIFS on 6" 16 or 18ga metal studs, R- 19 or higher batt wall insulation, on ½" cement board or equal.

Or

8" Split faced block with 3-1/2" to 6" 20ga metal stud furring, batt wall insulation to meet energy code and depth of mtl stud used.

11.0 - Canopy *

Covered drop off canopy at Lessee's front entry door. Approximate size to be 16' width by 21' length with 10'-9" minimum clearance to structure with full drive thru capacity. Canopy to accommodate patient drop off with a level grade ADA compliant transition to the finish floor elevation. Canopy roof to be an extension of the main building with blending rooflines. Controlled storm water drainage requirements of gutters with downspouts connected to site storm sewer system or properly discharged away from the building, sidewalks, and pavement. Canopy structural system to consist of a reinforced concrete footing, structural columns and beam frame, joists, decking and matching roof covering. Canopy columns clad with EIFS and masonry veneer piers, matching masonry to main building. Steel bollards at column locations.

12.0 – Waterproofing and Weatherproofing

Lessor shall provide complete water tight building shell inclusive but not limited to. Flashing and/or sealant around windows, doors, parapet walls, Mechanical / Plumbing / Electrical penetrations. Lessor shall properly seal the building's exterior walls, footings, slabs as required in high moisture conditions such as (including but not limited to) finish floor sub-grade, raised planters, and high water table. Lessor shall be responsible for replacing any damaged items and repairing any deficiencies exposed during / after construction of tenant improvement.

13.0 - Windows

Lessor to provide code compliant energy efficient windows and storefront systems to be 1" tinted insulated glass with thermally broken insulated aluminum mullions. Window size and locations to be determined by Lessee's architectural floor plan and shall be coordinate with Lessor's Architect.

14.0 - Thermal Insulation

All exterior walls to have a vapor barrier and insulation that meets or exceeds the local and national energy codes. The R value to be determined by the size of the stud cavity and should extend from finish floor to bottom of floor or ceiling deck. Roof deck to have a minimum R-30 insulation mechanically fastened to the underside of roof deck.

15.0 - Exterior Doors

All doors to have weather-stripping and commercial grade hardware (equal to Schlage L Series or better). Doors shall meet American Disability Act (ADA), and State Department of Health requirements. Lessor shall change the keys (reset tumblers) on all doors with locks after construction, but prior to commencement of the Lease, and shall provide Lessee with three (3) sets of keys. Final location of doors to be determined by Lessee architectural floor plan and shall be coordinate with Lessee's Architect. At a minimum, the following doors, frames and hardware shall be provided by the Lessor:

- Patient Entry Doors: Provide Storefront with insulated glass doors and Aluminum framing to be 42" width including push paddle/panic bar hardware, continuous hinge and lock mechanism. Door to be prepped to accept power assist opener and push button keypad lock provided by Lessee.

- **Service Doors:** Provide 72" wide double door (Alternates for approval by Lessee's Project Manager to include: 60" Roll up door, or a 48" wide single door or double door with 36" and 24" doors) with 20 gauge insulated hollow metal (double doors), Flush bolts, T astragal, Heavy Duty Aluminum threshold, continuous hinge each leaf, prepped for panic bar hardware (as required by code) painted with rust inhibiting paint and prepped to receive a push button keypad lock provided by Lessee. Door to have a 10" square vision panel cut out with insulated glass installed if requested by Lessee.
- **Fire Egress Doors:** Provide 36" wide door with 20 gauge insulated hollow metal door or Aluminum frame/glass door with panic bar hardware, lock, hinges, closer and painted with rust inhibiting paint. Door to have a 10" square vision panel cut out with insulated glass installed if requested by Lessee.

16.0 - Utilities

All utilities to be provided at designated utility entrance points into the building at locations approved by the Lessee. Lessor is responsible for all tap/connection and impact fees for all utilities. All Utilities to be coordinated with Lessee's Architect. Lessor shall have contained within the building a common main room to accommodate the utility services which include, but not limited, to electrical, fire alarm, security alarm and fire riser if in a multi tenant building.

17.0 - Plumbing

Lessor to provide a segregated/dedicated potable water supply line that will be sized by Lessee's Engineer based on Lessee's water requirements (not tied-in to any other lessee spaces, fire suppression systems, or irrigation systems unless mandated by Local Building and or Water Dept). Water supply shall be provided with a shut off valve, 2 (two) reduced pressure zone (RPZ) backflow preventors arranged in parallel (with floor drain or open site drain under RPZ's), and meter. Water supply to provide a continuous minimum pressure of 50 psi, maximum 80psi, with a minimum flow rate of 50 gallons per minute to Lessee space. The RPZ's and the Meter will be sized to the incoming line, or per water provider or municipality standards. Lessor to provide Lessee with the most recent site water flow and pressure test results (gallons per minute and psi) for approval. Lessor shall perform water flow and pressure test prior to lease execution. Lessor shall stub the dedicated water line into the building per location coordinated by Lessee.

Provide exterior (anti-freeze when required) hose bibs (minimum of 2) in locations approved by Lessee.

Building sanitary drain size will be determined by Lessee's Mech Engineer based on total combined drainage fixture units (DFU's) for entire building, but not less than 4 inch diameter. The drain shall be stubbed into the building per location coordinated by Lessee at an elevation no higher than 4 feet below finished floor elevation, to a maximum of 10 feet below finished floor elevation. (Coordinate actual depth and location with Lessee's Architect and Engineer.) Provide with a cleanout structure at building entry point. New sanitary building drain shall be properly pitched to accommodate Lessee's sanitary system design per Lessee's plumbing plans, and per applicable Plumbing Code(s). Lift station/sewage ejectors will not be permitted.

Sanitary sampling manhole to be installed by Lessor if required by local municipality.

Lessor to provide and pay for all tap fees related to new sanitary sewer and water services in accordance with local building and regulatory agencies.

18.0 - Fire Suppression System *

Single story stand alone buildings under 10,000sf will not require a Sprinkler System unless requested by Lessee, or if required by code or local authority. Single story stand alone buildings greater than 10,000 will require a sprinkler system. Lessor shall design and install a complete turnkey sprinkler system (less drops and heads in Lessee's space) that meets the requirements of NFPA #13 and all local building and life safety codes per NFPA 101-2000. This system will be on a dedicated water line independent of Lessee's potable water line requirements, or as required by local municipality or water provider. Lessor shall provide all municipal (or code authority) approved shop drawings, service drops and sprinkler heads at heights per Lessee's reflective ceiling plan, flow control switches wired and tested, alarms including wiring and an electrically/telephonically controlled fire alarm control panel connected to a monitoring systems for emergency dispatch.

19.0 - Electrical

Provide underground service with a dedicated meter via a new CT cabinet per utility company standards. Service size to be determined by Lessee's engineer dependant on facility size and gas availability (400amp to 1,000amp service) 120/208 volt, 3 phase, 4 wire to a distribution panelboard in the Lessee's utility room (location to be per Code and coordinated with Lessee and their Architect) for Lessee's exclusive use in powering equipment, appliances, lighting, heating, cooling and miscellaneous use. Lessor's service provisions shall include transformer coordination with utility company, transformer pad, grounding, and underground conduit wire sized for service inclusive of excavation, trenching and restoration, utility metering, distribution panelboard with main and branch circuit breakers, and electrical service and building grounding per NEC. Lessee's engineer shall have the final approval on the electrical service size and location and the size and quantity of circuit breakers to be provided in the distribution panelboard.

If lease space is in a multi-tenant building then Lessor to provide meter center with service disconnecting means, service grounding per NEC, dedicated combination CT cabinet with disconnect for Lessee and distribution panelboard per above.

Lessor will allow Lessee to have installed, at Lessee cost, Transfer Switch for temporary generator hook-up, or permanent generator.

Lessor to provide main Fire Alarm Control panel that serves the Lessee space and will have the capacity to accommodate devices in Lessee space based on Fire Alarm system approved by local authority having jurisdiction. If lease space is in a multi-tenant building then Lessor to provide Fire Alarm panel to accommodate all tenants and locate panel in a common room with conduit stub into lessee space. Lessor's Fire Alarm panel shall include supervision of fire suppression system(s) and connections to emergency dispatch or third party monitoring service in accordance with the local authority having jurisdiction.

Fire Alarm system equipment shall be equipped for double detection activation if required.

20.0 - Gas

Natural gas service, at a minimum, will be rated to have 6" water column pressure and supply 800,000-BTU's. Natural gas pipeline shall be stubbed into the building per location coordinated with Lessee and shall be individually metered and sized per demand. Additional electrical service capacity will be required if natural gas service is not available to the building.

21.0 - Mechanical /Heating Ventilation Air Conditioning *

Lessor to be responsible for all costs for the HVAC system based on the below criteria.

Lessee will be responsible for the design, procurement and installation of the HVAC system.

The criteria is as follows:

- Equipment to be Lennox RTU's
- Supply air shall be provided to the Premises sufficient for cooling and ventilation at the rate of 275 to 325 square feet per ton to meet Lessee's demands for a dialysis facility and the base building Shell loads.
- Ductwork shall be extended 5' into the space for supply and return air,
- System to be a fully ducted return air design
- All ductwork to be externally lined except
 - Provide 100% enthalpy economizer
 - Units to include Power Exhaust
 - Control system must be capable of performing all items outlined in the Sequence of Operations specification section.
 - RTU controller shall be compatible with a Building Management System using BACnet communication protocol. Provide 18" curbs, 36" in Northern areas with significant snow fall

for the drops from the units.

- Units to have disconnect and service outlet
- Units will include motorized dampers for OA, RA & EA
- System shall be capable of providing 55deg supply air temperature when it is in the cooling mode
- Provide factory installed UV lights.

Equipment will be new and come with a full warranty on all parts including compressors (minimum of 5yrs) including labor. Work to include, but not limited to, the purchase of the units, installation, roof framing, mechanical curbs, flashings, gas & electrical hook-up, coordination with Building Management System supplier, thermostats start-up and commissioning. Anticipate minimum up to five (5) through a BACnet compatible controller (Note: The 5 zones of conditioning may be provided by individual constant volume RTU's. Lessee's engineer shall have the final approval on the sizes, tonnages, zoning, location, curb sizes (heights) and number of HVAC units based on Lessee's design criteria and local and state codes. RTU's (or AHU's as needed) to be purchased using DaVita national contract pricing/ Furnish By Owner (FBO) program.

Lessor to furnish steel framing members, roof curbs and flashing to support Lessee exhaust fans (minimum of 4) to be located by Lessee's architect.

22.0 - Telephone

Lessor shall provide a single 2" PVC underground conduit entrance into Lessee's utility room to serve as chase way for new telephone service. Entrance conduit location shall be coordinated with Lessee.

23.0 - Cable TV

Lessor shall provide a single 2" PVC underground conduit entrance into Lessee utility room to serve as chase way for new cable television service. Entrance conduit location shall be coordinated with Lessee.

Lessee shall have the right to place a satellite dish on the roof and run appropriate electrical cabling from the Premises to such satellite dish and/or install cable service to the Premises at no additional fee. Lessor shall reasonably cooperate and grant "right of access" with Lessee's satellite or cable provider to ensure there is no delay in acquiring such services.

24.0 - Handicap Accessibility *

Full compliance with ADA and all local jurisdictions' handicap requirements. Lessor shall comply with all ADA regulations affecting the Building and entrance to Lessee space including, but not limited to, the elevator, exterior and interior doors, concrete curb cuts, ramps and walk approaches to / from the parking lot, parking lot striping for four (4) dedicated handicap stalls for a unit up to 20 station clinic and six (6) HC stalls for units over 20 stations handicap stalls inclusive of pavement markings and stall signs with current local provisions for handicap parking stalls, delivery areas and walkways.

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

25.0 - Exiting

Lessor shall provide at the main entrance and rear doors safety lights, exterior service lights, exit sign with battery backup signs per doorway, in accordance with applicable building codes, local fire codes and other applicable regulations, ordinances and codes. The exiting shall encompass all routes from access points terminating at public right of way.

26.0 - Site Development Scope of Requirements

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

- Utility extensions, service entrance locations, inspection manholes;
- Parking lot design, stall sizes per municipal standard in conformance to zoning requirement;
- Site grading with Storm water management control measures (detention / retention / restrictions);
- Refuse enclosure location & construction details for trash and recycling;
- Handicap stall location to be as close to front entrance as possible;
- Side walk placement for patron access, delivery via service entrance;
- Concrete curbing for greenbelt management;
- Site lighting;
- Conduits for Lessee signage;
- Site and parking to accommodate tractor trailer 18 wheel truck delivery access to service entrance;
- Ramps and curb depressions.
- Landscaping shrub and turf as required per municipality;
- Irrigation system if Lessor so desires and will be designed by landscape architect and approved by planning department;
- Construction details, specifications / standards of installation and legends;
- Final grade will be sloped away from building.

27.0 - Refuse Enclosure *

Lessor to provide a minimum 6" thick reinforced concrete pad approx 100 to 150SF based on Lessee's requirements' and an 8' x 12' apron way to accommodate dumpster and vehicle weight. Enclosure to be provided as required by local codes.

28.0 - Generator

Lessor to allow a generator to be installed onsite if required by code or Lessee chooses to provide one.

29.0 - Site Lighting

Lessor to provide adequate lighting per code and to illuminate all parking, pathways, and building access points readied for connection into Lessee power panel. Location of pole fixtures per Lessor civil plan to maximize illumination coverage across site. Parking lot lighting to include timer (to be programmed per Lessee hours of operation) or a photocell. Parking lot lighting shall be connected to and powered by Lessor house panel (if in a Multi tenant building) and equipped with a code compliant 90 minute battery back up at all access points.

30.0 - Exterior Building Lighting

Lessor to provide adequate lighting and power per code and to illuminate the building main, exit and service entrance, landings and related sidewalks. Lighting shall be connected to and powered by Lessor house panel and equipped with a code compliant 90 minute battery back up at all access points.

31.0 - Parking Lot

Provide adequate amount of handicap and standard parking stalls in accordance with dialysis use and overall building uses. Stalls to receive striping, lot to receive traffic directional arrows and concrete parking bumpers. Bumpers to be firmly spike anchored in place onto the asphalt per stall alignment.

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

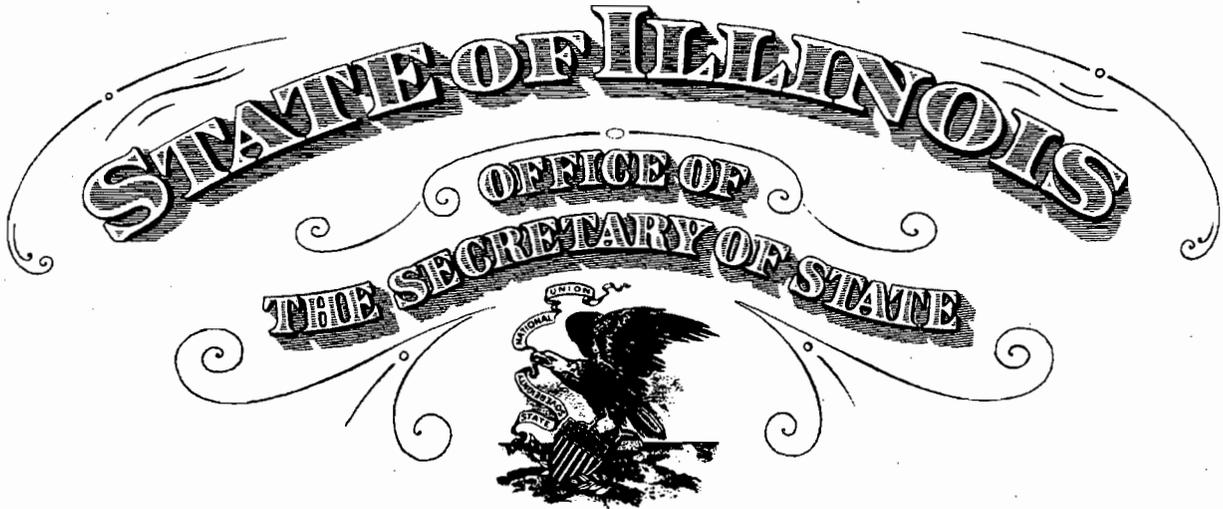
Asphalt to be graded gradual to meet handicap and civil site slope standards, graded into & out of new patient drop off canopy and provide positive drainage to in place storm catch basins leaving surface free of standing water, bird baths or ice buildup potential.

32.0 - Site Signage

Lessor to allow for an illuminated site and/or façade mounted signs. A monument and/or the pylon structure to be provided by Lessor with power and a receptacle. Final sign layout to be approved by Lessee and the City.

Section I, Identification, General Information, and Certification
Operating Entity/Licensee

The Illinois Certificate of Good Standing for Total Renal Care Inc. is attached at Attachment – 3.



To all to whom these Presents Shall Come, Greeting:

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

TOTAL RENAL CARE, INC., INCORPORATED IN CALIFORNIA AND LICENSED TO TRANSACT BUSINESS IN THIS STATE ON MARCH 10, 1995, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE RELATING TO THE PAYMENT OF FRANCHISE TAXES, AND AS OF THIS DATE, IS A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.



Authentication #: 1409000508
Authenticate at: <http://www.cyberdriveillinois.com>

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 31ST day of MARCH A.D. 2014

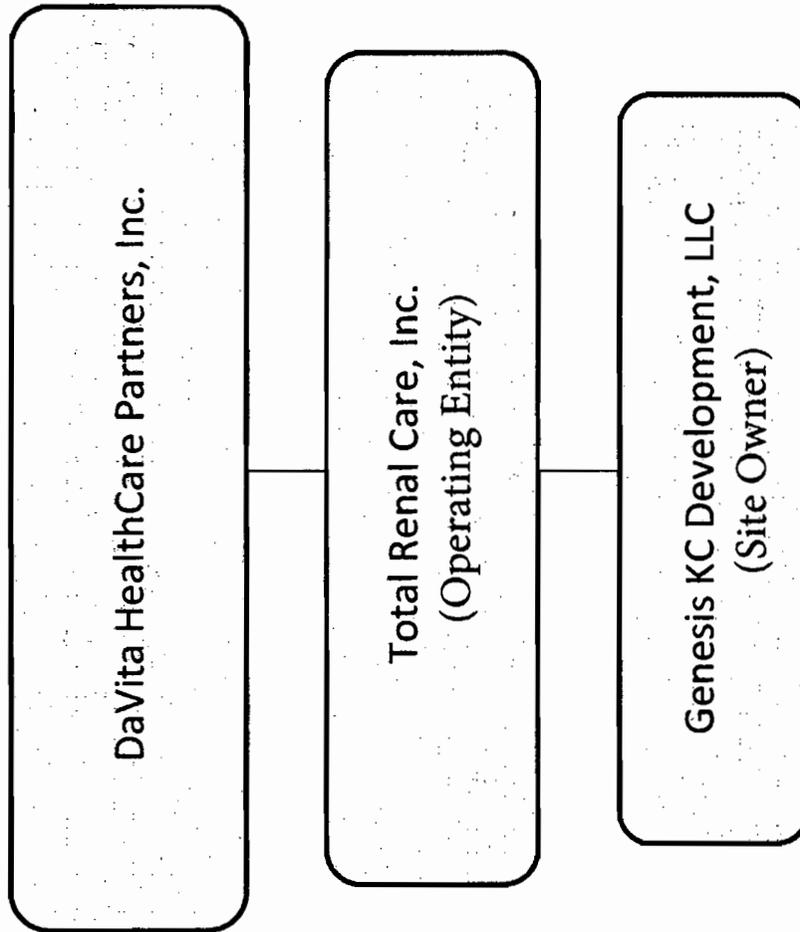
Jesse White

SECRETARY OF STATE

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

The organizational chart for DaVita HealthCare Partners Inc., Total Renal Care Inc., and Genesis KC Development LLC is attached at Attachment – 4.

DDP Entity Organizational Chart



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

The site of the proposed dialysis facility complies with the requirements of Illinois Executive Order #2005-5. The proposed dialysis facility will be located at 22 West Newell Road, Danville, Illinois 61834. As shown on the FEMA flood plain map attached at Attachment – 5, the site of the proposed dialysis facility is located outside of a flood plain.

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

The Historic Preservation Act determination from the Illinois Historic Preservation Agency is attached at Attachment – 6.



FAX 217/524-7525

Vermilion County
Danville
22 West Newell Road
Section:17-Township:20N-Range:11W
IHFSRB
New construction, DaVita Health Care 8-station dialysis facility

PLEASE REFER TO: IHPA LOG #004111814

November 25, 2014

Timothy Tincknell
DaVita Healthcare Partners, Inc.
1333 N. Kingsbury St., Suite 305
Chicago, IL 60642

Dear Mr. Tincknell:

The Illinois Historic Preservation Agency is required by the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420, as amended, 17 IAC 4180) to review all state funded, permitted or licensed undertakings for their effect on cultural resources. Pursuant to this, we have received information regarding the referenced project for our comment.

Our staff has reviewed the specifications under the state law and assessed the impact of the project as submitted by your office. We have determined, based on the available information, that no significant historic, architectural or archaeological resources are located within the proposed project area.

According to the information you have provided concerning your proposed project, apparently there is no federal involvement in your project. However, please note that the state law is less restrictive than the federal cultural resource laws concerning archaeology. If your project will use federal loans or grants, need federal agency permits, use federal property, or involve assistance from a federal agency, then your project must be reviewed under the National Historic Preservation Act of 1966, as amended. Please notify us immediately if such is the case.

This clearance remains in effect for two (2) years from date of issuance. It does not pertain to any discovery during construction, nor is it a clearance for purposes of the IL Human Skeletal Remains Protection Act (20 ILCS 3440).

Please retain this letter in your files as evidence of compliance with the Illinois State Agency Historic Resources Preservation Act.

Sincerely,

Anne E. Haaker
Deputy State Historic
Preservation Officer

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

The Applicants anticipate project completion within **24** months of project approval.

Further, as the site for the proposed facility to be located at 22 West Newell Road, Danville, Illinois 61834 is owned by co-applicant Genesis KC Development LLC, as outlined in Attachment - 2, the intent of project obligation is contingent upon permit issuance.

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

Cost Space Table							
Dept. / Area	Cost	Gross Square Feet		Amount of Proposed Total Gross Square Feet That Is:			
		Existing	Proposed	New Const.	Modernized	As Is	Vacated Space
CLINICAL							
ESRD	\$2,588,896		4,790	4,790			
Total Clinical	\$2,588,896		4,790	4,790			
NON REVIEWABLE							
NON-CLINICAL	\$469,966		1,010	1,010			
Total Non-Reviewable	\$469,966		1,010	1,010			
TOTAL	\$3,058,862		5,800	5,800			

Section III, Project Purpose, Background and Alternatives – Information Requirements
Criterion 1110.230(a), Project Purpose, Background and Alternatives

Background of the Applicant

The Applicants are fit, willing and able, and have the qualifications, background and character to adequately provide a proper standard of health care services for the community. For this project, DaVita HealthCare Partners Inc. has partnered with Total Renal Care Inc. and Genesis KC Development LLC in their commitment to the Danville community. The proposed project involves the establishment of an 8-station dialysis facility to be located at 22 West Newell Road, Danville, Illinois 61834.

DaVita HealthCare Partners Inc is a leading provider of dialysis services in the United States and is committed to innovation, improving clinical outcomes, compassionate care, education and empowering patients, and community outreach. A copy of DaVita's 2013 Community Care report, some of which is outlined below, details DaVita's commitment to quality, patient centric focus and community outreach and was previously submitted with Proj. No. 14-024.

DaVita has taken on many initiatives to improve the lives of patients suffering from chronic kidney disease ("CKD") and end stage renal disease ("ESRD"). These programs include the Kidney Smart, IMPACT, CathAway, and transplant assistance programs. Information on the Kidney Smart, IMPACT and CathAway programs were previously submitted as part of the Applicants' application for Proj. No. 14-016. Three recent press releases: "DaVita HealthCare Partners Honors and Supports Service Members," "DaVita Kidney Care Announces Collaboration with Medtronic Focused on Cardiovascular Health in ESRD Patients," and DaVita HealthCare Partners Named to Aon Hewitt Top Companies for Leaders List" are attached at Attachment – 11A.

There are over 26 million patients with CKD and that number is expected to rise. Current data reveals troubling trends, which help explain the growing need for dialysis services:

- Between 1988-1994 and 2005-2010, the overall prevalence estimate for CKD rose from 12.3 to 14.0 percent. The largest relative increase, from 25.4 to 40.8 percent, was seen in those with cardiovascular disease.¹
- Many studies have shown that diabetes, hypertension, cardiovascular disease, higher body mass index, and advancing age are associated with the increasing prevalence of CKD.²
- Nearly six times the number of new patients began treatment for ESRD in 2011 (approximately 116,000) versus 1980 (approximately 20,000).³
- Nearly eleven times more patients are now being treated for ESRD than in 1980 (approximately 615,000 versus approximately 60,000).⁴
- U.S. patients newly diagnosed with ESRD were 1 in 2,800 in 2011 versus 1 in 11,000 in 1980.⁵
- U.S. patients treated for ESRD were 1 in 526 in 2011 versus 1 in 3,400 in 1980.⁶
- Increasing prevalence in the diagnosis of diabetes and hypertension, the two major causes of CKD; 44% of new ESRD cases have a primary diagnosis of diabetes; 28% have a primary diagnosis of hypertension.⁷

¹ US Renal Data System, USRDS 2013 Annual Data Report: Atlas of Chronic Kidney Disease and End-Stage Renal Disease in the United States, National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases, Bethesda, MD, 44 (2013).

² Id. at 46

³ Id. at 158

⁴ Id.

⁵ Id. at 160

⁶ Id.

- Nephrology care prior to ESRD continues to be a concern. Since the 2005 introduction of the new Medical Evidence form (2728), with fields addressing pre-ESRD care, there has been little progress made in this area (pre-ESRD data, however, should be interpreted with caution because of the potential for misreporting). Forty-two percent of new ESRD patients in 2011, for example, had not seen a nephrologist prior to beginning therapy. And among these patients, 51 percent of those on hemodialysis began therapy with a catheter, compared to 19 percent of those who had received a year or more of nephrology care. Among those with a year or more of pre-ESRD nephrologist care, 30 percent began therapy with a fistula – five times higher than the rate among non-referred patients.⁸

Additionally, DaVita's Kidney Smart program helps to improve intervention and education for pre-ESRD patients. Approximately 65-75% of CKD Medicare patients have never been evaluated by a nephrologist.⁹ Timely CKD care is imperative for patient morbidity and mortality. Adverse outcomes of CKD can often be prevented or delayed through early detection and treatment. Several studies have shown that early detection, intervention and care of CKD may result in improved patient outcomes and reduce ESRD:

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

A care plan for patients with CKD includes strategies to slow the loss of kidney function, manage comorbidities, and prevent or treat cardiovascular disease and other complications of CKD, as well as ease the transition to kidney replacement therapy. Through the Kidney Smart program, DaVita offers educational services to CKD patients that can help patients reduce, delay, and prevent adverse outcomes of untreated CKD. DaVita's Kidney Smart program encourages CKD patients to take control of their health and make informed decisions about their dialysis care.

To extend DaVita's CKD education and awareness programs to the Spanish-speaking population, DaVita launched its Spanish-language website (DaVita.com/Espanol) in November 2011. Similar to DaVita's English-language website, DaVita.com/Espanol provides easy-to-access information for Spanish-speaking kidney care patients and their families, including educational information on kidney disease, treatment options, and recipes.

DaVita's IMPACT program seeks to reduce patient mortality rates during the first 90-days of dialysis through patient intake, education and management, and reporting. In fact, since piloting in October 2007, the program has not only shown to reduce mortality rates by 8 percent but has also resulted in improved patient outcomes.

DaVita's CathAway program seeks to reduce the number of patients with central venous catheters ("CVC"). Instead patients receive arteriovenous fistula ("AV fistula") placement. AV fistulas have superior patency, lower complication rates, improved adequacy, lower cost to the healthcare system, and

⁷ Id at 161

⁸ Id. at 216-217

⁹ US Renal Data System, *USRDS 2011 Annual Data Report: Atlas of Chronic Kidney Disease and End-Stage Renal Disease in the United States*, Bethesda, MD: National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases; 2011.

decreased risk of patient mortality compared to CVCs. In July 2003, the Centers for Medicare and Medicaid Services, the End Stage Renal Disease Networks and key providers jointly recommended adoption of a National Vascular Access Improvement Initiative ("NVAII") to increase the appropriate use of AV fistulas for hemodialysis. The CathAway program is designed to comply with NVAII through patient education outlining the benefits for AV fistula placement and support through vessel mapping, fistula surgery and maturation, first cannulation and catheter removal. Since the inception of the program, DaVita has achieved a 45 percent reduction in the number of "Day 90+" catheter patients. As of November 2013, DaVita's catheter use rate is at an all-time low with 13 percent of patients dialyzing at DaVita for 90 days or more with a catheter in place. DaVita is an industry leader in the rate of fistula use and has the lowest day-90 catheter rates among large dialysis providers.

DaVita was recognized at the National Adult and Influenza Immunization Summit (NAIS) as the national winner in the "Healthcare Personnel Campaign" category of the 2014 Immunization Excellence Awards. In 2013, DaVita was the first large dialysis provider to implement a comprehensive teammate vaccination order, requiring all teammates who work in or whose jobs require frequent visits to dialysis centers to either be vaccinated against influenza or wear surgical masks in patient-care areas. As of March 15, DaVita achieved 100 percent compliance with its teammate immunization-or-mask directive, with more than 86 percent of teammates choosing vaccination. As of the same date, 92.2 percent of patients were vaccinated for the flu, marking the fourth consecutive year that DaVita's patient vaccination rates exceeded the U.S. Department of Health and Human Services Healthy People 2020 recommendations.

In an effort to improve patient outcomes and experience during dialysis, on May 13, 2014, DaVita announced the first delivery of hemodiafiltration in the United States. It is delivering hemodiafiltration treatments to select patients at its North Colorado Springs Clinic as part of a six-month trial program. Hemodiafiltration incorporates the standard hemodialysis process but adds an extra step to remove even larger toxin particles. It is commonly practiced in Europe but until recently there was no FDA approved device for use in the U.S. Over the next six months, DaVita clinical experts will determine whether there are improved outcomes of dialysis treatment and patient quality of life compared to hemodialysis.

For more than a decade, DaVita has been investing and growing its integrated kidney care capabilities, and on May 5, 2014, DaVita's approach to integrated care was recognized with two Dorland Health "Case in Point" Platinum Awards for its Pathways Care Management and VillageHealth Integrated Care Management programs. The Dorland Health awards recognize the most successful and innovative case-management programs working to improve health care across the continuum.

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

DaVita currently partners with over 350 hospitals nationwide through Patient Pathways. Patient Pathways has demonstrated benefits to hospitals, patients, physicians and dialysis centers. Since its creation in 2007, Patient Pathways has impacted over 130,000 patients. In 2012 alone, the Patient Pathways program reduced renal-related readmission rates by more than 73 percent and saved partnering hospitals a total of 40,800 bed days and 18,500 acute dialysis treatments. Combined, these efficiencies reduced the country's 2012 health care costs by more than \$50 million. Moreover, patients are better educated and arrive at the dialysis center more prepared and less stressed. They have a better understanding of their insurance coverage and are more engaged and satisfied with their choice of dialysis facility. As a result, patients have higher attendance rates, are more compliant with their dialysis care, and have fewer avoidable readmissions.

Since 1996, Village Health has innovated to become the country's largest renal National Committee for Quality Assurance accredited disease management program. VillageHealth's Integrated Care

Management ("ICM") services partners with patients, providers and care team members to focus on the root causes of unnecessary hospitalizations such as unplanned dialysis starts, infection, fluid overload and medication management.

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

DaVita's transplant referral and tracking program ensures every dialysis patient is informed of transplant as a modality option and promotes access to transplantation for every patient who is interested and eligible for transplant. The social worker or designee obtains transplant center guidelines and criteria for selection of appropriate candidates and assists transplant candidates with factors that may affect their eligibility, such as severe obesity, adherence to prescribed medicine or therapy, and social/emotional/financial factors related to post-transplant functioning.

In an effort to better serve all kidney patients, DaVita believes in requiring that all providers measure outcomes in the same way and report them in a timely and accurate basis or be subject to penalty. There are four key measures that are the most common indicators of quality care for dialysis providers - dialysis adequacy, fistula use rate, nutrition and bone and mineral metabolism. Adherence to these standard measures has been directly linked to 15-20% fewer hospitalizations. On each of these measures, DaVita has demonstrated superior clinical outcomes, which directly translated into 7% reduction in hospitalizations among DaVita patients. DaVita has improved clinical outcomes each year since 2000, generating an estimated \$204M in net savings to the American healthcare system in 2013.

DaVita Rx, the first and largest licensed, full-service U.S. renal pharmacy, focuses on the unique needs of dialysis patients. Since 2005, DaVita Rx has been helping improve outcomes by delivering medications to dialysis centers or to patients' homes, making it easier for patients to keep up with their drug regimens. As of 2012, DaVita Rx patients have an 82% adherence rate, compared to those who use chain pharmacies and have a 32% adherence rate, and those who use independent pharmacies and have a 36% adherence rate. In addition, better adherence may lead to fewer hospitalizations for patients using DaVita Rx versus those patients not on this service. Hospitalizations (per member per 1000) was 1.4 for Non-DaVita Rx patients versus 1.0 for DaVita Rx patients in 2012.

DaVita has been repeatedly recognized for its commitment to its employees (or teammates), particularly its more than 1,700 teammates who are reservists, members of the National Guard, military veterans, and military spouses. In June 2013, DaVita received the prestigious Secretary of Defense Employer Support Freedom Award. Presented annually by the Employer Support of the Guard and Reserve ("ESGR"), an arm of the Department of Defense, the Freedom Award recognizes employers for outstanding support of employees who serve in the Guard and Reserve. It is the highest military-friendly award presented by the U.S. government. Nearly 3,000 employers were nominated for a Freedom Award in 2013. An awards committee composed of senior Department of Defense officials, business leaders and prior honorees selected just 15 companies to receive the 2013 Freedom Award. DaVita also received the 2013 award for Best Military Recruiting Program from ERE Media and was recognized this year with Top 100 Military Friendly Employer and 2013 Top 100 Military Friendly Spouse Employer awards from GI Jobs, a Most Valuable Employers award from CivilianJobs.com and a "Best for Vets" award from Military Times EDGE.

In April 2014, DaVita received three major national and local awards for its focus on its teammates: WorldBlu Most Democratic Workplaces, Top Workplaces Colorado and LearningElite Silver. For the seventh consecutive year, DaVita appeared on WorldBlu's list of most democratic work places. WorldBlu surveys organizations' teammates to determine the level of democracy practiced. For the third consecutive year, WorkplaceDynamics also recognized DaVita as one of the top workplaces in Colorado, based on employee input. DaVita was named a Silver LearningElite organization for 2014 by *Chief*

Learning Officer magazine for creating and implementing exemplary teammate development practices that deliver measurable business value. DaVita ranked No. 29 in a record breaking field of more than 200 companies. Finally, DaVita has been recognized as a one of *Fortune*® Magazine's Most Admired Companies in 2014. DaVita ranked first overall among health care facilities and was the second highest-rated company in Colorado.

DaVita is also committed to sustainability and reducing its carbon footprint. In fact, it is the only kidney care company recognized by the Environmental Protection Agency for its sustainability initiatives. In 2010, DaVita opened the first LEED-certified dialysis center in the U.S. Furthermore, it annually saves approximately 8 million pounds of medical waste through dialyzer reuse and it also diverts more than 85% of its waste through composting and recycling programs. It has also undertaken a number of similar initiatives at its offices and is seeking LEED Gold certification for its corporate headquarters. In addition, DaVita was also recognized as an "EPA Green Power Partner" by the U.S. Environmental Protection Agency.

DaVita consistently raises awareness of community needs and makes cash contributions to organizations aimed at improving access to kidney care. DaVita provides significant funding to kidney disease-awareness organizations such as the Kidney TRUST, the National Kidney Foundation, the American Kidney Fund, and several other organizations. Its own employees, or members of the "DaVita Village," assisted in these initiatives and have raised approximately \$5 million, thus far, through the annual Tour DaVita bicycle ride, with \$1 million coming in 2013 alone. The Kidney Rock 5K Run/Walk raised an estimated \$1 million for Bridge of Life – DaVita Medical Missions in 2011 and 2012, combined. DaVita continued its "DaVita Way of Giving" program in 2013 with teammates at clinics across DaVita's 43-state footprint selecting more than 1100 charities from Ronald McDonald House to small community-support entities in their local areas, to receive approximately \$1.2 million in contributions.

DaVita does not limit its community engagement to the U.S. alone. It founded Bridge of Life, a 501(c)(3) nonprofit organization that operates on donations to bring care to those for whom it is out of reach. In 2013, nearly 50 volunteers from Bridge of Life- DaVita Medical Missions™ worked to complete 15 missions in 11 countries, during which volunteers and partners helped to install or repair 77 dialysis machines and train more than 50 kidney care professionals, bringing treatment and quality care to an addition 420 people around the world.

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

A list of health care facilities owned or operated by the Applicants in Illinois is attached at Attachment – 11B.

Dialysis facilities are currently not subject to State Licensure in Illinois.

2. Certification that no adverse action has been taken against any of the Applicants or against any health care facilities owned or operated by the Applicants in Illinois within three years preceding the filing of this application is attached at Attachment – 11C.
3. An authorization permitting the Illinois Health Facilities and Services Review Board (the "Board") and the Illinois Department of Public Health ("IDPH") access to any documents necessary to verify information submitted, including, but not limited to: official records of IDPH or other State agencies; and the records of nationally recognized accreditation organizations is attached at Attachment – 11C.



Office of the Chief
 Medical Officer (OCMO)
 Allen R. Nissenson, MD
 Chief Medical Officer
 Meredith Mathews, MD
 Robert Provenzano, MD
 John Robertson, MD
 David B. Van Wyck, MD

San Martin Street | El Segundo, CA 90235 | 1-800-313-4872 | www.davita.com/physicians

April 30, 2009

Dear Medical Directors:

As your partner, DaVita® and OCMO are committed to helping you achieve unprecedented clinical outcomes with your patients. As part of OCMO's Relentless Pursuit of Quality™, DaVita will be launching our top two clinical initiatives; IMPACT, and CathAway™ at our annual 2009 Nationwide Meeting. Your facility administrators will be orienting you on both programs upon their return from the meeting in early May.



IMPACT: The goal of IMPACT is to reduce incident patient mortality. IMPACT stands for Incident Management of Patients Actions Centered on Treatment. The program focuses on three components: patient intake, education and management and reporting. IMPACT has been piloting since October 2007 and has demonstrated a reduction in mortality. The study recently presented at the National Kidney Foundation's Spring Clinical Meeting in Nashville, TN. In addition to lower mortality rates, patient outcomes improved - confirming this vulnerable patient population is healthier under DaVita's relentless pursuit of quality care.



CathAway: Higher catheter use is associated with increased infection, morbidity, mortality and hospitalizations ^{(1) (2)}. The 7-step Cathaway Program supports reducing the number of patients with central venous catheters (CVCs). The program begins with patient education outlining the benefits of fistula placement. The remaining steps support the patient through vessel mapping, fistula surgery and maturation, first cannulation and catheter removal. For general information about the CathAway program, see the November 2008 issue of QUEST, DaVita's Nephrology Journal.

As Medical Directors, here is how you can support both initiatives in your facilities:

- **Assess incident patients regularly in their first 90 days:** At your monthly DaVita QIFMM meetings, discuss patients individually and regularly. Use the IMPACT scorecard to prompt these discussions.
- **Adopt "Facility Specific Orders":** Create new facility specific orders using the form that will be provided to you. Each of your attending physicians will also need to be educated on the use of the form for their new patients.
- **Minimize the "catheter-removal" cycle time:** At your monthly DaVita QIFMM meetings, review each of your catheter patients with the team and identify obstacles causing delays in catheter removal.
- **Plan fistula and graft placements:** Start AV placement plans early by scheduling vessel mapping and surgery evaluation appointments for Stage 4 CKD patients. Schedule fistula placement surgery for those patients where ESRD is imminent in the next 3-6 months. Share early fistula and graft placement expectations with attending physicians in your dialysis facilities.



Launch Kits:

In May, Launch Kits containing materials and tools to support both initiatives will be arriving at your facilities. IMPACT kits will include a physician introduction to the program, step by step implementation plan and a full set of educational resources. FAs and Vascular Access Leaders will begin training on a new tool to help identify root-causes for catheter removal delays.

As the leader in the dialysis center, your support of these efforts is crucial. As always, I welcome your feedback, questions and ideas. Together with you, our physician partners, we will drive catheter use to all-time lows and help give our incident patients the quality and length of life they deserve.

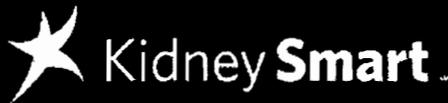
Sincerely,



Allen R. Nissenson, MD, FACP
Chief Medical Officer, DaVita

- (1) Dialysis Outcomes and Practice Patterns Study (DOPPS): 2 yrs/7 Countries / 10,000 pts.
- (2) Pastan et al: Vascular access and increased risk of death among hemodialysis patients.





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Welcome

Kidney Smart™ Education Program

Your comprehensive guide to
Chronic Kidney Disease (CKD)

 *Introduction*
ay Video

I am in the Early Stage of CKD

 **Start**

 *Not sure?*
ay Section Guide

Few or no symptoms
Not on dialysis
eGFR Stage 1, 2 or 3

I am in the Late Stage of CKD

 **Start**

 *Not sure?*
ay Section Guide

Considering open dialysis
Considering transplant
eGFR < 30, CKD Stage 4 or 5

I am a Care Partner

 **Start**

 *Not sure?*
ay Section Guide

Family and friends of people
with chronic kidney disease





Content Guide

I am in the Early Stage of CKD

Living

- [What Does My Diagnosis Mean?](#)
- [Home, Family, and Work Life](#)
- [Adjusting to Life with CKD](#)
- [Preparing for the Future Starts Now](#)

Learning

- [About Your Kidneys](#)
- [The Stages of CKD](#)
- [Deeper Explanation of CKD](#)
- [Monitoring Laboratory Tests](#)

Choices

- [Take Control](#)
- [Make a Plan - Diet and Exercise](#)
- [Make a Plan - Insurance and Benefits](#)
- [Make a Plan - Current and Future Treatment Choices](#)
- [Stay Your Course](#)

I am in the Late Stage of CKD

Living

- [What Do Diagnosis and Treatment Mean for Me?](#)
- [Home, Family, Work Life](#)
- [Adjusting to Treatment](#)
- [Preparing for the Future Starts Now](#)

Learning

- [About your Kidneys](#)
- [The Stages of CKD](#)
- [A Deeper Explanation of CKD](#)
- [Next Steps](#)

Choices

- [Take Control](#)
- [Make a Plan - Diet and Exercise](#)
- [Make a Plan - Transplant Choice](#)
- [Make a Plan - Dialysis Choices](#)
- [Make a Plan - Peritoneal Dialysis](#)
- [Make a Plan - Hemodialysis](#)
- [Make a Plan - Home Hemodialysis](#)
- [Make a Plan - Palliative Care/Conservative Choice](#)
- [Stay Your Course](#)

I am a Care Partner

Caring for Someone with CKD

- [Being an Effective Care Partner](#)
- [Support for Home Hemodialysis](#)
- [Support for Home Peritoneal Dialysis](#)
- [Support for Post-Transplant](#)

Caring for Yourself

- [Take Care of Yourself](#)
- [Recognize Burnout](#)

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Kidney Smart was produced by a multi-disciplinary team of healthcare providers and health education professionals who are teammates of DaVita, Inc. The content presented here is intended to be informational only, and does not replace the advice of your doctor.

I Have Early-Stage Kidney Disease I Have Late-Stage Kidney Disease



DAVITA ESPANOL

EMAIL [input] PASSWORD [input] Sign In [input]
[checkbox] REMEMBER ME FORGOT PASSWORD? REGISTER NOW

PHYSICIANS HOSPITALS INVESTORS CAREERS ABOUT DAVITA

KIDNEY DISEASE EDUCATION TREATMENT OPTIONS DAVITA SERVICES KIDNEY-FRIENDLY RECIPES DAVITA TOOLS DISCUSSION FORUMS MY DAVITA

DaVita.com > DaVita_services > Find a Kidney Education Class

[input] Search

Find a Kidney Smart™ Class

DaVita offers instructor-led classes in neighborhoods across the country. Finding a class is quick and easy. Begin your search below.

Find by State

STATE [Select One]

OR

Find by ZIP Code

ZIP CODE [input] WITHIN [30 Miles]

Include:

- [x] Kidney Smart
[x] CKD Stage 3: Taking Control of Kidney Disease
[x] CKD Stages 4 & 5: Making Healthy Choices
[x] Treatment Choices

Contact Us



Not all classes are currently listed in our online directory. To get the most up-to-date listing of classes in your area, please call:

1-888-MY-KIDNEY (1-888-695-4363)

Kidney Disease Education
Treatment Options
DaVita Services
Kidney Friendly Recipes
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Dialysis Patient Citizens
The Kidney TRUST
Bridge of Life
Tour DaVita

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Follow us on Twitter
Watch us on YouTube
By posting on any of these social media sites, you are bound by our legal terms of use.





Davita[®]



Dear Physician Partners:

IMPACT™ is an initiative focused on reducing incident patient mortality. The program provides a comprehensive onboarding process for incident patients, with program materials centered on four key clinical indicators—access, albumin, anemia, and adequacy.

Medical Directors: How can you support IMPACT in your facilities?

- Customize the new Standard Admission Order template into facility-specific orders.
Drive use of the standard order with your attending physicians
- Review your facility IMPACT scorecard at your monthly QIFMM meeting
- Talk about IMPACT regularly with your attending physicians

Attending Physicians: How can you support IMPACT in your facilities?

- Use the IMPACT scorecard to assess incident patients
- Educate teammates about the risk incident patients face and how IMPACT can help

How was IMPACT developed? What are the initial results?

From October 2007 to April 2009, IMPACT was piloted in DaVita® centers. Early results, presented at the National Kidney Foundation's Spring Clinical Meeting in Nashville, TN this April, showed an 8% reduction in annualized mortality. In addition to lower mortality, IMPACT patients showed improvements in fistula placement rates and serum albumin levels. The results are so impressive that we are implementing this program throughout the Village.

Your support of this effort is crucial.

If you have not seen the IMPACT order template and scorecard by the end of June, or if you have additional questions about the program, email impact@davita.com. Together we can give our incident patients the quality and length of life they deserve.

Sincerely,

Dennis Kogod
Chief Operating Officer

Allen R. Nissenson, MD, FACP
Chief Medical Officer

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FOR IMMEDIATE RELEASE

DaVita's IMPACT Program Reduces Mortality for New Dialysis Patients

Study Shows New Patient Care Model Significantly Improves Patient Outcomes

El Segundo, Calif., (March, 29, 2009) – DaVita Inc., a leading provider of kidney care services for those diagnosed with chronic kidney disease (CKD), today released the findings of a study revealing DaVita's IMPACT™ (Incident Management of Patients, Actions Centered on Treatment) pilot program can significantly reduce mortality rates for new dialysis patients. The study presented at the National Kidney Foundation's Spring Clinical Meeting in Nashville, TN details how the IMPACT patient care model educates and manages dialysis patients within the first 90 days of treatment, when they are most unstable and are at highest risk. In addition to lower mortality rates, patient outcomes improved - confirming the health of this vulnerable patient population is better supported under DaVita's *Relentless Pursuit of Quality*™ care.

The pilot program was implemented with 606 patients completing the IMPACT program over a 12 month period in 44 DaVita centers around the nation. IMPACT focuses on patient education and important clinical outcomes - such as the measurement of adequate dialysis, access placement, anemia, and albumin levels - monitoring the patient's overall health in the first 90 days on dialysis. Data reflects a reduction in annualized mortality rates by eight percent for IMPACT patients compared with non-IMPACT patients in the DaVita network. Given that DaVita has roughly 28,000 new patients starting dialysis every year, this reduction affects a significant number of lives.

In addition, a higher number of IMPACT patients versus non-IMPACT patients had an arteriovenous fistula (AVF) in place. Research shows that fistulas - the surgical connection of an artery to a vein - last longer and are associated with lower rates of infection, hospitalization and death compared to all other access choices.

Allen R. Nissenson, MD, Chief Medical Officer at DaVita says, "The IMPACT program is about quality patient care starting in the first 90 days and extending beyond. Improved outcomes in new dialysis patients translates to better long term results and healthier patients overall."

Researchers applaud the IMPACT program's inclusion of all patients starting dialysis, regardless of their cognitive ability or health status. Enrolling all patients at this early stage in their treatment allows them to better understand their disease and care needs while healthcare providers work to improve their outcomes. Through this program, DaVita mandates reporting on this particular population to better track and manage patients through their incident period.

Dennis Kogod, Chief Operating Officer of DaVita says, "We are thrilled by the promising results IMPACT has had on our new dialysis patients. DaVita continues to be the leader in the kidney care community, and we look forward to rolling out this program to all facilities later this year, to improve the health of all new dialysis patients."

DaVita, IMPACT and *Relentless Pursuit of Quality* are trademarks or registered trademarks of DaVita Inc. All other trademarks are the properties of their respective owners.

Poster Presentation
NKF Spring Clinical Meeting
Nashville, TN
March 26-28, 2009

Incident Management of Hemodialysis Patients: Managing the First 90 Days

John Robertson¹, Pooja Goel¹, Grace Chen¹, Ronald Levine¹, Debbie Benner¹, and Amy Burdan¹
¹DaVita Inc., El Segundo, CA, USA

IMPACT (Incident Management of Patients, Actions Centered on Treatment) is a program to reduce mortality and morbidity in new patients during the first 3 months of dialysis, when these patients are most vulnerable. IMPACT was designed to standardize the onboarding process of incident patients from their 0 to 90-day period. We report on an observational (non-randomized), un-blinded study of 606 incident patients evaluated over 12 months (Oct77-Oct08) at 44 US DaVita facilities.

The study focused on 4 key predictive indicators associated with lower mortality and morbidity —anemia, albumin, adequacy and access (4As). IMPACT consisted of:

- (1) Structured New Patient Intake Process with a standardized admission order, referral fax, and an intake checklist;
- (2) 90-day Patient Education Program with an education manual and tracking checklist;
- (3) Tools for 90-day Patient Management Pathway including QOL; and
- (4) Data Monitoring Reports.

Data as of July, 2008 is reported. Patients in the IMPACT group were 60.6 ± 15.1 years old (mean±SD), 42.8% Caucasian, 61% male with 25% having a fistula. Results showed a reduction in 90-day mortality almost 2 percentage points lower (6.14% vs. 7.98%; $p < 0.10$) among IMPACT versus nonIMPACT patients. Changes among the 4As showed higher albumin levels from 3.5 to 3.6 g/dL (note that some IMPACT patients were on protein supplementation during this period) and patients achieving fistula access during their first 90-days was 25% vs. 21.4%, IMPACT and nonIMPACT, respectively ($p \leq 0.05$). However, only 20.6% of IMPACT patients achieved Hct targets ($33 \leq \text{Hb} \leq 36$) vs. 23.4% for controls ($p < 0.10$); some IMPACT patients may still have > 36 -level Hcts. Mean calculated Kt/V was 1.54 for IMPACT patients vs. 1.58 for nonIMPACT patients ($p \leq 0.05$).

IMPACT is a first step toward a comprehensive approach to reduce mortality of incident patients. We believe this focus may help us to better manage CKD as a continuum of care. Long-term mortality measures will help determine if this process really impacts patients in the intended way, resulting in longer lives and better outcomes.

IMPACT Tools

Here's how the IMPACT program will help the team record data, educate patients and monitor their progress in your facilities.

- 1 Standard Order Template, a two-page form with drop-down menus that can be customized into a center-specific template
- 2 Intake Checklist to gather registration and clinical data prior to admission
- 3 Patient Announcement to alert teammates about new incident patients
- 4 Patient Education Book and Flip Chart to teach patients about dialysis
- 5 Tracking Checklist for the team to monitor progress over the first 90 days
- 6 IMPACT Scorecard to track monthly center summary and patient level detail for four clinical indicators: access, albumin, adequacy, anemia

HEMODIALYSIS/HAEMODIULSION ORDERS

Standard Order Template form with various fields and checkboxes.

INTAKE CHECKLIST

Intake Checklist form with sections for patient information and clinical data.

Attention, teammates!
A new IMPACT patient is about to step up to the plate.

Let's become their biggest fans. Let's coach and encourage them. And let's cheer them along every step of their first 90 days.

Go _____ (insert name)

FIRST TREATMENT EVER SHIRT REFERRED BY: SPECIAL COMMENTS

IMPACT SCORECARD

Facility: XYZ - Sample Facility
 Division: Sample Division
 Region: Sample Region
 Period: March 2009

Indicator	Target	Actual
Access	95%	98%
Albumin	3.5	3.8
Adequacy	1.1	1.2
Anemia	11%	12%

Overall Score: 96

Dayita IMPACT Management Checklist

Indicator	Assess	Assess	Assess	Assess	Assess
ACCESS	Assess	Assess	Assess	Assess	Assess
ALBUMIN	Assess	Assess	Assess	Assess	Assess
ADEQUACY	Assess	Assess	Assess	Assess	Assess
ANEMIA	Assess	Assess	Assess	Assess	Assess

Patient Education Book and Flip Chart with 'Day Train' logo.



Headquarters
1627 Cole Blvd, Bldg 18
Lakewood CO 80401
1-888-200-1041

IMPACT

For more information, contact
1-800-400-8331

DaVita.com

Our Mission
To be the Provider,
Partner and Employer
of Choice

Core Values
Service Excellence
Integrity
Team
Continuous Improvement
Accountability
Fulfillment
Fun



DaVita HealthCare Partners Honors and Supports Service Members

Teammates across the country celebrate and commemorate veteran military personnel for Veterans Day
DENVER, Nov. 11, 2014 /PRNewswire/ -- [DaVita HealthCare Partners Inc.](#) (NYSE: DVA), one of the nation's largest and most innovative health care communities, today honors the men and women of the armed forces who have selflessly served the United States.

To honor this day, DaVita HealthCare Partners will be building a "Wall of Honor for Veterans" to display at its World Headquarters in Denver to honor the teammates and family members who are veterans.

"We are proud to highlight the service of military personnel this Veterans Day, but our support does not stop there," said Laura Mildenerger, chief people officer at DaVita Kidney Care. "We are committed to providing ongoing opportunities to our veterans through specially designed programs that offer us a chance to give back continuously."

DaVita HealthCare Partners has been a member of the Military Spouse Employment Partnership since 2011 and has made a commitment to help match veterans and their spouses to jobs within the company. DaVita HealthCare Partners is also active with the "100,000 Jobs Mission," one of the largest private sector coalitions dedicated to veteran employment. Once hired, DaVita HealthCare Partners' "Village Veterans" program allows new teammates to receive mentorship from company leaders as they transition to new roles within the company.

DaVita HealthCare Partners' "Star Troopers" program offers teammates the opportunity to volunteer and assemble care packages and write thank you notes to be sent to those serving overseas. To date, Star Troopers has supported troops with over 7,500 cards, letters and care packages.

DaVita HealthCare Partners and its teammates have been recognized for their initiatives with military veterans and their spouses, and guard and reserve members by receiving several awards, including the following:

- Freedom Award 2013 - the highest recognition given by the U.S. Government to employers
- *G.I. Jobs* "Top 100 Military Friendly Employers" 2014
- "Best for Vets Employers" by *Military Times EDGE Magazine* 2014
- *Military Spouse Magazine's* "Military Friendly Spouse Employer" 2014
- "Most Valuable Employer" by *Civilianjobs.com*; 2014
- 2014 Top Veteran-Friendly Companies by *U.S. Veterans Magazine*

For more information about DaVita's veterans' programs, please visit Careers.DaVita.com/Careers/Military.

About DaVita HealthCare Partners

DaVita HealthCare Partners Inc., a Fortune 500® company, is the parent company of DaVita Kidney Care and HealthCare Partners. DaVita Kidney Care is a leading provider of kidney care in the United States, delivering dialysis services to patients with chronic kidney failure and end stage renal disease. As of September 30, 2014, DaVita Kidney Care operated or provided administrative services at 2,152 outpatient dialysis centers located in the United States serving approximately 170,000 patients. The company also operated 87 outpatient dialysis centers located in 10 countries outside the United States. HealthCare Partners manages and operates medical groups and affiliated physician networks in Arizona, California, Nevada, New Mexico and Florida in its pursuit to deliver excellent-quality health care in a dignified and compassionate manner. As of September 30, 2014, HealthCare Partners provided integrated care management for approximately 836,000 patients. For more information, please visit DaVitaHealthCarePartners.com.

DaVita, HealthCare Partners and DaVita HealthCare Partners are trademarks or registered trademarks of DaVita HealthCare Partners Inc.

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Ashley.Henson@davita.com

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SOURCE DaVita HealthCare Partners Inc.



DaVita Kidney Care Announces Collaboration with Medtronic Focused on Cardiovascular Health in ESRD Patients

DENVER, Nov. 15, 2014 /PRNewswire/ -- [DaVita Kidney Care](#), a division of [DaVita HealthCare Partners Inc.](#) (NYSE: DVA) and leading provider of kidney care services, announced today a collaboration with Medtronic, Inc., to better understand cardiovascular health in end stage renal disease (ESRD) patients. The collaboration will focus on developing a pilot program using Medtronic's Reveal LINQ™ Insertable Cardiac Monitoring system to identify cardiac arrhythmias in patients receiving dialysis.

"Medtronic recently announced data at the American Society of Nephrology meeting that showed a higher incidence of arrhythmias in patients receiving hemodialysis," said Ven Manda, vice president, Renal Care Solutions at Medtronic. "We are pleased to pursue this collaboration with DaVita to monitor more patients and gather additional data that will further our understanding of the relationship between dialysis and cardiac events in ESRD patients."

"Given the high incidence rate of cardiovascular disease and events in ESRD patients, we believe that by collaborating with Medtronic, we can gain knowledge to help improve the lives of ESRD patients," said Mahesh Krishnan, vice president for clinical innovation and public policy for DaVita HealthCare Partners. "Through the collaboration we expect to utilize innovative monitoring technology and data from our DaVita Kidney Care information systems across the country. This effort is poised to improve the lives of patients by proactively detecting and preventing cardiac complications."

About DaVita Kidney Care

DaVita Kidney Care is a division of DaVita HealthCare Partners Inc., a Fortune 500(r) company that, through its operating divisions, provides a variety of health care services to patient populations throughout the United States and abroad. A leading provider of dialysis services in the United States, DaVita Kidney Care treats patients with chronic kidney failure and end stage renal disease. DaVita Kidney Care strives to improve patients' quality of life by innovating clinical care, and by offering integrated treatment plans, personalized care teams and convenient health-management services. As of September 30, 2014, DaVita Kidney Care operated or provided administrative services at 2,152 outpatient dialysis centers located in the United States serving approximately 170,000 patients. The company also operated 87 outpatient dialysis centers located in 10 countries outside the United States. DaVita Kidney Care supports numerous programs dedicated to creating positive, sustainable change in communities around the world. The company's leadership development initiatives and social responsibility efforts have been recognized by Fortune, Modern Healthcare, Newsweek and WorldBlu. For more information, please visit [DaVita.com](#).

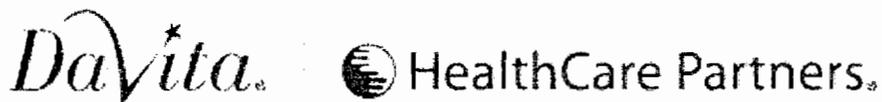
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Photo - <http://photos.prnewswire.com/prnh/20140318/DC85712LOGO>

CONTACT: Kathryn Stabrawa, +1-720-318-4080, kathryn.stabrawa@davita.com

SOURCE DaVita Kidney Care



DaVita HealthCare Partners Named to Aon Hewitt Top Companies for Leaders List

Company earns national recognition for best-in-class leadership and talent strategies, practices and outcomes
DENVER, Nov. 17, 2014 /PRNewswire/ -- [DaVita HealthCare Partners Inc.](#) (NYSE: DVA), one of the nation's largest and most innovative health care communities, today announced that it was one of four companies in North America to receive Special Recognition in the 2014 Aon Hewitt [Top Companies for Leaders®](#) study.

"Receiving third-party recognition from a respected company like Aon Hewitt validates our work in leadership and talent development," said Kent Thiry, co-chairman and CEO of DaVita HealthCare Partners. "Building a strong community of teammates is an important way to impact patient care, which is the foundation of our commitment as a Village."

Conducted since 2001, the Aon Hewitt Top Companies for Leaders study is a comprehensive, longitudinal analysis of talent management and leadership practices of organizations around the world. This year's winners were selected and ranked by an expert panel of independent judges based on a number of criteria, including strength of leadership practices and culture, examples of leader development on a global scale, alignment of business and leadership strategy, company reputation, and business and financial performance.

In addition to the regional and Global Aon Hewitt Top Companies for Leaders list, the 2014 judges panel in North America felt there were a small number of companies that, given the strength of their leadership practices today, deserved special recognition.

"In today's complex and unpredictable business landscape, Aon Hewitt Top Companies for Leaders are passionate about cultivating resilient and engaging leaders who take the time to know and develop their talent and understand what experiences they need to rise above the rest," said Pete Sanborn, Global Talent practice leader. "We congratulate DaVita HealthCare Partners on being among a select group of organizations that excel at building and growing a strong leadership environment."

Only 29 companies across North America made the list. This marks the second time DaVita HealthCare Partners has been recognized by Aon Hewitt. The company's unique workplace has received a number of awards this year, including [Harvard Business Review's](#) ranking the company's reputation as 37th globally, [WorldBlu's](#) "Most Democratic Workplaces" and [Becker's Hospital Review's](#) 150 Great Places to Work in Healthcare." See a complete list of DaVita HealthCare Partners 2014 awards at [DaVita.com/About/Awards](#).

Visit www.aon.com/topcompanies-winners for the full list of Aon Hewitt Top Companies for Leaders.

About DaVita HealthCare Partners

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SOURCE DaVita HealthCare Partners

DaVita HealthCare Partners Inc.									
Illinois Facilities									
Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number		
Adams County Dialysis	436 N 10TH ST		QUINCY	ADAMS	IL	62301-4152	14-2711		
Alton Dialysis	3511 COLLEGE AVE		ALTON	MADISON	IL	62002-5009	14-2619		
Arlington Heights Renal Center	17 WEST GOLF ROAD		ARLINGTON HEIGHTS	COOK	IL	60005-3905	14-2628		
Barrington Creek	28160 W. NORTHWEST HIGHWAY		LAKE BARRINGTON	LAKE	IL	60010	14-2736		
Belvidere Dialysis	1755 BELOIT ROAD		BELVIDERE	BOONE	IL	61008			
Benton Dialysis	1151 ROUTE 14 W		BENTON	FRANKLIN	IL	62812-1500	14-2608		
Beverly Dialysis	8109 SOUTH WESTERN AVE		CHICAGO	COOK	IL	60620-5939	14-2638		
Big Oaks Dialysis	5623 W TOUHY AVE		NILES	COOK	IL	60714-4019	14-2712		
Buffalo Grove Renal Center	1291 W. DUNDEE ROAD		BUFFALO GROVE	COOK	IL	60089-4009	14-2650		
Carpentersville Dialysis	2203 RANDALL ROAD		CARPENTERSVILLE	KANE	IL	60110-3355	14-2598		
Centralia Dialysis	1231 STATE ROUTE 161		CENTRALIA	MARION	IL	62801-6739	14-2609		
Chicago Heights Dialysis	177 W JOE ORR RD	STE B	CHICAGO HEIGHTS	COOK	IL	60411-1733	14-2635		
Chicago Ridge Dialysis	10511 SOUTH HARLEM AVE		WORTH	COOK	IL	60482			
Churchview Dialysis	5970 CHURCHVIEW DR		ROCKFORD	WINNEBAGO	IL	61107-2574	14-2640		
Cobblestone Dialysis	934 CENTER ST	STE A	ELGIN	KANE	IL	60120-2125	14-2715		
Country Hills Dialysis	4215 W 167TH ST		COUNTRY CLUB HILLS	COOK	IL	60478-2017	14-2575		
Crystal Springs Dialysis	720 COG CIRCLE		CRYSTAL LAKE	MCHENRY	IL	60014-7301	14-2716		
Decatur East Wood Dialysis	794 E WOOD ST		DECATUR	MACON	IL	62523-1155	14-2599		
Dixon Kidney Center	1131 N GALENA AVE		DIXON	LEE	IL	61021-1015	14-2651		
Driftwood Dialysis	1808 SOUTH WEST AVE		FREEPORT	STEPHENSON	IL	61032-6712	14-2747		
Edwardsville Dialysis	235 S BUCHANAN ST		EDWARDSVILLE	MADISON	IL	62025-2108	14-2701		
Effingham Dialysis	904 MEDICAL PARK DR	STE 1	EFFINGHAM	EFFINGHAM	IL	62401-2193	14-2580		
Emerald Dialysis	710 W 43RD ST		CHICAGO	COOK	IL	60609-3435	14-2529		
Evanston Renal Center	1715 CENTRAL STREET		EVANSTON	COOK	IL	60201-1507	14-2511		
Grand Crossing Dialysis	7319 S COTTAGE GROVE AVENUE		CHICAGO	COOK	IL	60619-1909	14-2728		
Freeport Dialysis	1028 S KUNKLE BLVD		FREEPORT	STEPHENSON	IL	61032-6914	14-2642		
Garfield Kidney Center	3250 WEST FRANKLIN BLVD		CHICAGO	COOK	IL	60624-1509	14-2777		
Granite City Dialysis Center	9 AMERICAN VLG		GRANITE CITY	MADISON	IL	62040-3706	14-2537		
Harvey Dialysis	16641 S HALSTED ST		HARVEY	COOK	IL	60426-6174	14-2698		
Hazel Crest Renal Center	3470 WEST 183rd STREET		HAZEL CREST	COOK	IL	60429-2428	14-2622		
Illini Renal Dialysis	507 E UNIVERSITY AVE		CHAMPAIGN	CHAMPAIGN	IL	61820-3828	14-2633		
Jacksonville Dialysis	1515 W WALNUT ST		JACKSONVILLE	MORGAN	IL	62650-1150	14-2581		
Jerseyville Dialysis	917 S STATE ST		JERSEYVILLE	JERSEY	IL	62052-2344	14-2636		

DaVita HealthCare Partners Inc.									
Illinois Facilities									
Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number		
Kankakee County Dialysis	581 WILLIAM R LATHAM SR DR	STE 104	BOURBONNAIS	KANKAKEE	IL	60914-2439	14-2685		
Kenwood Dialysis	4259 S COTTAGE GROVE AVENUE		CHICAGO	COOK	IL	60653	14-2717		
Lake County Dialysis Services	565 LAKEVIEW PARKWAY	STE 176	VERNON HILLS	LAKE	IL	60061	14-2552		
Lake Villa Dialysis	37809 N IL ROUTE 59		LAKE VILLA	LAKE	IL	60046-7332	14-2666		
Lawndale Dialysis	3934 WEST 24TH ST		CHICAGO	COOK	IL	60623	14-2768		
Lincoln Dialysis	2100 WEST FIFTH		LINCOLN	LOGAN	IL	62656-9115	14-2582		
Lincoln Park Dialysis	3157 N LINCOLN AVE		CHICAGO	COOK	IL	60657-3111	14-2528		
Litchfield Dialysis	915 ST FRANCES WAY		LITCHFIELD	MONTGOMERY	IL	62056-1775	14-2583		
Little Village Dialysis	2335 W CERMAK RD		CHICAGO	COOK	IL	60608-3811	14-2668		
Logan Square Dialysis	2838 NORTH KIMBALL AVE		CHICAGO	COOK	IL	60618	14-2534		
Loop Renal Center	1101 SOUTH CANAL STREET		CHICAGO	COOK	IL	60607-4901	14-2505		
Macon County Dialysis	1090 W MCKINLEY AVE		DECATUR	MACON	IL	62526-3208	14-2584		
Marengo City Dialysis	910 GREENLEE STREET	STE B	MARENGO	MCHENRY	IL	60152-8200	14-2643		
Marion Dialysis	324 S 4TH ST		MARION	WILLIAMSON	IL	62959-1241	14-2570		
Maryville Dialysis	2130 VADALABENE DR		MARYVILLE	MADISON	IL	62062-5632	14-2634		
Mattoon Dialysis	6051 DEVELOPMENT DRIVE		CHARLESTON	COLES	IL	61938-4652	14-2585		
Metro East Dialysis	5105 W MAIN ST		BELLEVILLE	SAINT CLAIR	IL	62226-4728	14-2527		
Montclare Dialysis Center	7009 W BELMONT AVE		CHICAGO	COOK	IL	60634-4533	14-2649		
Mount Vernon Dialysis	1800 JEFFERSON AVE		MOUNT VERNON	JEFFERSON	IL	62864-4300	14-2541		
Mt. Greenwood Dialysis	3401 W 111TH ST		CHICAGO	COOK	IL	60655-3329	14-2660		
Olney Dialysis Center	117 N BOONE ST		OLNEY	RICHLAND	IL	62450-2109	14-2674		
Olympia Fields Dialysis Center	4557B LINCOLN HWY	STE B	MATTESON	COOK	IL	60443-2318	14-2548		
Palos Park Dialysis	13155 S LaGRANGE ROAD		ORLAND PARK	COOK	IL	60462-1162	14-2732		
Pittsfield Dialysis	640 W WASHINGTON ST		PITTSFIELD	PIKE	IL	62363-1350	14-2708		
Red Bud Dialysis	LOT 4 IN 1ST ADDITION OF EAST INDUSTRIAL PARK		RED BUD	RANDOLPH	IL	62278	14-2772		
Robinson Dialysis	1215 N ALLEN ST	STE B	ROBINSON	CRAWFORD	IL	62454-1100	14-2714		
Rockford Dialysis	3339 N ROCKTON AVE		ROCKFORD	WINNEBAGO	IL	61103-2839	14-2647		
Roxbury Dialysis Center	622 ROXBURY RD		ROCKFORD	WINNEBAGO	IL	61107-5089	14-2665		
Rushville Dialysis	112 SULLIVAN DRIVE		RUSHVILLE	SCHUYLER	IL	62681-1293	14-2620		
Sauget Dialysis	2061 GOOSE LAKE RD		SAUGET	SAINT CLAIR	IL	62206-2822	14-2561		

DaVita HealthCare Partners Inc.									
Illinois Facilities									
Regulatory Name	Address 1	Address 2	City	County	State	Zip	Medicare Certification Number		
Schaumburg Renal Center	1156 S ROSELLE ROAD		SCHAUMBURG	COOK	IL	60193-4072	14-2654		
Shiloh Dialysis	1095 NORTH GREEN MOUNT RD		SHILOH	ST CLAIR	IL	62269	14-2753		
Silver Cross Renal Center - Morris	1551 CREEK DRIVE		MORRIS	GRUNDY	IL	60450	14-2740		
Silver Cross Renal Center - New Lenox	1890 SILVER CROSS BOULEVARD		NEW LENOX	WILL	IL	60451	14-2741		
Silver Cross Renal Center - West	1051 ESSINGTON ROAD		JOLIET	WILL	IL	60435	14-2742		
South Holland Renal Center	16136 SOUTH PARK AVENUE		SOUTH HOLLAND	COOK	IL	60473-1511	14-2544		
Springfield Central Dialysis	932 N RUTLEDGE ST		SPRINGFIELD	SANGAMON	IL	62702-3721	14-2586		
Springfield Montvale Dialysis	2930 MONTVALE DR	STE A	SPRINGFIELD	SANGAMON	IL	62704-5376	14-2590		
Springfield South	2930 SOUTH 6th STREET		SPRINGFIELD	SANGAMON	IL	62703	14-2733		
Stoncrest Dialysis	1302 E STATE ST		ROCKFORD	WINNEBAGO	IL	61104-2228	14-2615		
Stony Creek Dialysis	9115 S CICERO AVE		OAK LAWN	COOK	IL	60453-1895	14-2661		
Stony Island Dialysis	8725 S STONY ISLAND AVE		CHICAGO	COOK	IL	60617-2709	14-2718		
Sycamore Dialysis	2200 GATEWAY DR		SYCAMORE	DEKALB	IL	60178-3113	14-2639		
Taylorville Dialysis	901 W SPRESSER ST		TAYLORVILLE	CHRISTIAN	IL	62568-1831	14-2587		
Tazewell County Dialysis	1021 COURT STREET		PEKIN	TAZEWELL	IL	61554	14-2767		
Timber Creek Dialysis	1001 S ANNIE GLIDDEN ROAD		DEKALB	DEKALB	IL	60115	14-2763		
Tinley Park Dialysis	16767 SOUTH 80TH AVENUE		TINLEY PARK	COOK	IL	60477			
TRC Children's Dialysis Center	2611 N HALSTED ST		CHICAGO	COOK	IL	60614-2301	14-2604		
Vandalia Dialysis	301 MATTES AVE		VANDALIA	FAYETTE	IL	62471-2061	14-2693		
Waukegan Renal Center	1616 NORTH GRAND AVENUE	STE C	Waukegan	COOK	IL	60085-3676	14-2577		
Wayne County Dialysis	303 NW 11TH ST	STE 1	FAIRFIELD	WAYNE	IL	62837-1203	14-2688		
West Lawn Dialysis	7000 S PULASKI RD		CHICAGO	COOK	IL	60629-5842	14-2719		
West Side Dialysis	1600 W 13TH STREET		CHICAGO	COOK	IL	60608			
Whiteside Dialysis	2600 N LOCUST	STE D	STERLING	WHITESIDE	IL	61081-4602	14-2648		
Woodlawn Dialysis	5060 S STATE ST		CHICAGO	COOK	IL	60609	14-2310		

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

Dear Chair Olson:

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

Additionally, pursuant to 77 Ill. Admin. Code § 1110.230(a)(3)(C), I hereby authorize the Health Facilities and Services Review Board ("HFSRB") and the Illinois Department of Public Health ("IDPH") access to any documents necessary to verify information submitted as part of this application for permit. I further authorize HFSRB and IDPH to obtain any additional information or documents from other government agencies which HFSRB or IDPH deem pertinent to process this application for permit.

Sincerely,


Print Name: Arturo Sida
Its: Vice President, Associate General Counsel and
Assistant Corporate Secretary
DaVita HealthCare Partners Inc.

Subscribed and sworn to me

This ___ day of _____, 2014

See Attached

Notary Public

State of California

County of Los Angeles

On October 21, 2014 before me, Kimberly Ann K. Burgo, Notary Public
(here insert name and title of the officer)

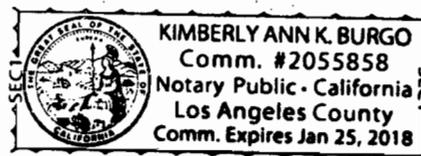
personally appeared Arturo Sida

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature *Kimberly Ann K. Burgo*



(Seal)

OPTIONAL INFORMATION

Law does not require the information below. This information could be of great value to any person(s) relying on this document and could prevent fraudulent and/or the reattachment of this document to an unauthorized document(s)

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: Secretary's Certificate - Ltr to K. Olson

Document Date: October 21, 2014 Number of Pages: one (1)

Signer(s) if Different Than Above: No

Other Information: _____

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s): Arturo Sida

- Individual
- Corporate Officer

(Title(s))

- Partner
- Attorney-in-Fact
- Trustee
- Guardian/Conservator

Other: Vice President, Associate General Counsel and Assistant Corporate Secretary

SIGNER IS REPRESENTING:

Name of Person(s) or Entity(ies): DaVita HealthCare Partners Inc. / Danville Dialysis

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

Dear Chair Olson:

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

Additionally, pursuant to 77 Ill. Admin. Code § 1110.230(a)(3)(C), I hereby authorize the Health Facilities and Services Review Board (“HFSRB”) and the Illinois Department of Public Health (“IDPH”) access to any documents necessary to verify information submitted as part of this application for permit. I further authorize HFSRB and IDPH to obtain any additional information or documents from other government agencies which HFSRB or IDPH deem pertinent to process this application for permit.

Sincerely,



Print Name: Arturo Sida
Its: Assistant Corporate Secretary
DaVita HealthCare Partners Inc.

Subscribed and sworn to me
This ___ day of ___, 2014

See Attached

Notary Public

State of California
County of Los Angeles

On December 29, 2014 before me, Kimberly Ann K. Burgo, Notary Public
(here insert name and title of the officer)

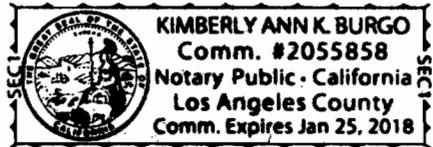
personally appeared Arturo Sida

who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity~~(ies)~~, and that by his/~~her/their~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature *Kimberly Ann K. Burgo*



(Seal)

OPTIONAL INFORMATION

Law does not require the information below. This information could be of great value to any person(s) relying on this document and could prevent fraudulent and/or the reattachment of this document to an unauthorized document(s)

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: Secretary's Certificate - Ltr to K. Olson re Genesis KC Development LLC

Document Date: December 29, 2014 Number of Pages: one (1)

Signer(s) if Different Than Above: No

Other Information: _____

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s): Arturo Sida

- Individual
- Corporate Officer

(Title(s))

- Partner
- Attorney-in-Fact
- Trustee
- Guardian/Conservator
- Other: Assistant Corporate Secretary

SIGNER IS REPRESENTING:

Name of Person(s) or Entity(ies): DaVita HealthCare Partners Inc.

Section III, Background, Purpose of the Project, and Alternatives – Information Requirements
Criterion 1110.230(b) – Background, Purpose of the Project, and Alternatives

Purpose of Project

1. The purpose of the project is to improve access to life sustaining dialysis services to the residents of the Danville community. There is currently one existing dialysis facility within 30 minutes of the proposed Danville Dialysis, which was operating at 61.4% for the quarter ending September 30, 2014. Despite the low utilization, access issues exist within the Danville community. Specifically, no existing facility will admit patients without insurance or do not have a permanent access, i.e., AV fistula. These patients must travel 40 minutes to Champaign three times per week for their dialysis treatment. Dialysis is very taxing on the body and frequently leaves patients feeling tired and nauseous. As a result, many patients are reliant on family or friends to transport them to or from their dialysis appointments. Patients are generally at the facility for four to five hours per treatment, which means their caregiver must either wait for them or make two round trips from Danville to Champaign. Additionally, they may have to miss treatments, which results in involuntary non-compliance, when they cannot arrange for transportation. The proposed Danville Dialysis will improve the health of these patients as they can better manage their disease and their lives when their dialysis facility is close to home.

Dr. Abdel-Moneim Mohamad Abdou Attia's practice, within the Division of Nephrology of the Carle Physician Group, treated 238 CKD patients in the first half of 2014, with 196 of the patients residing within approximately 20 minutes of Danville. 139 of these Stage 3, 4, and 5 CKD patients actually live in Danville. See Appendix 1. Conservatively, based upon attrition due patient death, transplant, return of function, or relocation, Dr. Attia anticipates that at least 39 of these patients will initiate dialysis at the proposed facility within 12 to 24 months following project completion.

The establishment of an 8-station dialysis facility will improve access to necessary dialysis treatment for those individuals in the Danville community who suffer from ESRD. The proposed Danville Dialysis will accept all patients who are clinically appropriate for in-center hemodialysis, regardless of their insurance status and whether they have a permanent access. The facility will also serve the respite needs of DaVita's Danville home hemodialysis (HHD) and peritoneal dialysis (PD) patients requiring an in-center treatment. In approximately 2 ½ years, DaVita has grown its Danville home program to 19 PD and 5 HHD patients. When an in-center treatment is needed, these patients must drive 40 minutes each way to Champaign. Establishment of a local in-center hemodialysis facility will reduce the travel burden tremendously on this already over-taxed patient population.

2. A map of the market area for the proposed facility is attached at Attachment – 12. The market area encompasses an approximate 20 mile radius around the proposed facility. The boundaries of the market area are as follows:
 - North approximately 30 minutes normal travel time to Hoopston, IL.
 - Northeast approximately 15 minutes normal travel time to Illiana, IL.
 - East approximately 10 minutes normal travel time to the IN border.
 - Southeast approximately 20 minutes normal travel time to I-136 and the IN border.
 - South approximately 25 minutes normal travel time to Georgetown, IL.
 - Southwest approximately 30 minutes normal travel time to Fairmount, IL.
 - West approximately 30 minutes normal travel time to Ogden, IL.
 - Northwest approximately 30 minutes normal travel time to Penfield, IL.

The purpose of this project is to improve access to life sustaining dialysis to residents of the community of Danville and the immediately surrounding areas.

3. The minimum size of a GSA is 30 minutes; however, many of the patients reside within the immediate vicinity of the proposed facility. The proposed facility is located in Danville, IL. Dr. Attia expects at least 39 of the current 196 CKD patients that reside within approximately 20 minutes of the proposed site to require dialysis within the next 12 to 24 months.

4. Source Information

Illinois Health Facilities and Services Review Board, Update to Inventory of Other Health Services (11/13/2014) available at http://hfsrb.illinois.gov/hfsrbinvent_data.htm (last visited November 14, 2104).

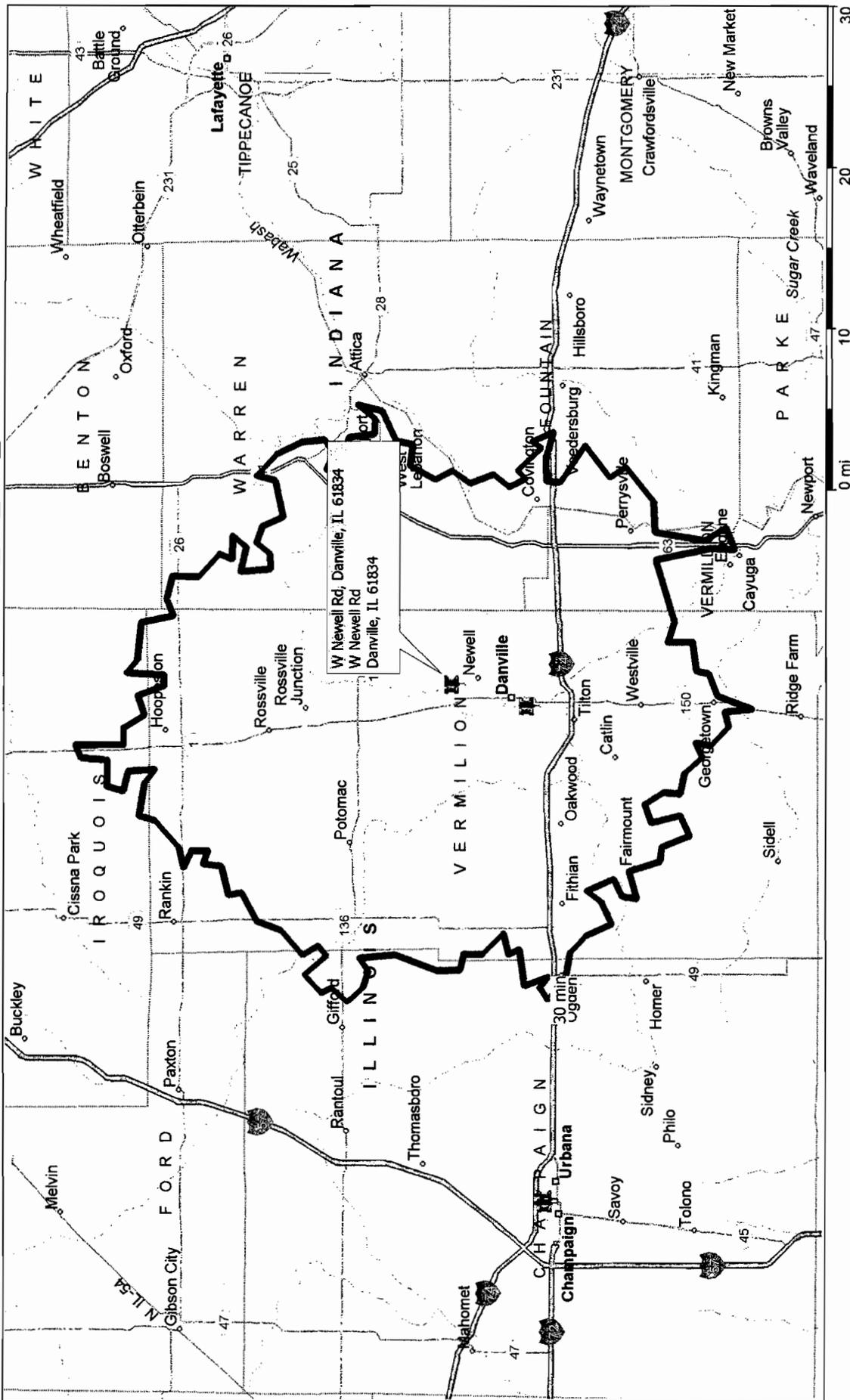
U.S. Census Bureau, American FactFinder, Fact Sheet, available at <http://factfinder2.census.gov/faces/nav/jsf/pages/index.xhtml> (last visited November 18, 2014).

US Renal Data System, USRDS 2011 Annual Data Report: Atlas of Chronic Kidney Disease and End-Stage Renal Disease in the United States, Bethesda, MD: National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases; 2011.

US Renal Data System, USRDS 2013 Annual Data Report: Atlas of Chronic Kidney Disease and End-Stage Renal Disease in the United States; National Institutes of Health, National Institute of Diabetes and Digestive and Kidney Diseases, Bethesda, MD, 2013.

5. The proposed facility will improve access to dialysis services to the residents of the Danville community and the surrounding area by establishing the proposed facility. Given the increasing size of Dr. Attia's patient-base, this facility is necessary to ensure sufficient access to dialysis services in this community.
6. The Applicants anticipate the proposed facility will have quality outcomes comparable to its other facilities. Additionally, in an effort to better serve all kidney patients, DaVita believes in requiring all providers measure outcomes in the same way and report them in a timely and accurate basis or be subject to penalty. There are four key measures that are the most common indicators of quality care for dialysis providers - dialysis adequacy, fistula use rate, nutrition and bone and mineral metabolism. Adherence to these standard measures has been directly linked to 15-20% fewer hospitalizations. On each of these measures, DaVita has demonstrated superior clinical outcomes, which directly translated into 7% reduction in hospitalizations among DaVita patients, the monetary result of which is more than \$1.5 billion in savings to the health care system and the American taxpayer from 2010 - 2012.

22 W Newell Rd Danville IL 61834 30 Min_GSA



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Obesity and Risk for Chronic Renal Failure

Elisabeth Ejerblad,* C. Michael Fored,[†] Per Lindblad,*[‡] Jon Fryzek,^{§||}
Joseph K. McLaughlin,^{§||} and Olof Nyrén*^{||}

*Department of Medical Epidemiology and Biostatistics and [†]Clinical Epidemiology Unit, Department of Medicine, Karolinska Institutet and Karolinska University Hospital M9:01, Stockholm, Sweden; [‡]Department of Urology, Sundsvall Hospital, Sundsvall, Sweden; [§]The International Epidemiology Institute, Rockville, Maryland; and ^{||}Department of Medicine, Vanderbilt University Medical Center, Nashville, Tennessee

Few large-scale epidemiologic studies have quantified the possible link between obesity and chronic renal failure (CRF). This study analyzed anthropometric data from a nationwide, population-based, case-control study of incident, moderately severe CRF. Eligible as cases were all native Swedes who were aged 18 to 74 yr and had CRF and whose serum creatinine for the first time and permanently exceeded 3.4 mg/dl (men) or 2.8 mg/dl (women) during the study period. A total of 926 case patients and 998 control subjects, randomly drawn from the study base, were enrolled. Face-to-face interviews, supplemented with self-administered questionnaires, provided information about anthropometric measures and other lifestyle factors. Logistic regression models with adjustments for several co-factors estimated the relative risk for CRF in relation to body mass index (BMI). Overweight (BMI ≥ 25 kg/m²) at age 20 was associated with a significant three-fold excess risk for CRF, relative to BMI <25. Obesity (BMI ≥ 30) among men and morbid obesity (BMI ≥ 35) among women anytime during lifetime was linked to three- to four-fold increases in risk. The strongest association was with diabetic nephropathy, but two- to three-fold risk elevations were observed for all major subtypes of CRF. Analyses that were confined to strata without hypertension or diabetes revealed a three-fold increased risk among patients who were overweight at age 20, whereas the two-fold observed risk elevation among those who had a highest lifetime BMI of >35 was statistically nonsignificant. Obesity seems to be an important—and potentially preventable—risk factor for CRF. Although hypertension and type 2 diabetes are important mediators, additional pathways also may exist.

J Am Soc Nephrol 17: 1695–1702, 2006. doi: 10.1681/ASN.2005060638

The number of patients with chronic renal failure (CRF) and ESRD is increasing steadily worldwide (1,2). Although the growing population with ESRD may be explained partly by more complete registration and better survival, a true rise in CRF incidence seems to be indisputable (3). This development parallels a rise in obesity prevalence of almost epidemic proportions.

Obesity has been implicated as a possible risk factor for microalbuminuria in individuals with hypertension and diabetes (4–6), and body mass index (BMI) was positively associated with progression of IgA glomerulonephritis in a cohort study (7). Studies from the general population suggest that obesity also may be harmful to the kidneys in individuals without hypertension, diabetes, or preexisting renal disease (8,9). In the Framingham Offspring cohort (10), body mass was positively related to the odds of having a GFR in the fifth or lower percentile after long-term follow-up. Similarly, follow-up among participants in health screening programs in the United States (11) and Japan (12) demonstrated a significant positive relationship between BMI and risk for ESRD, although this

association seemingly was confined to men in the Japanese study.

The aim of this study was to investigate the possible effects of body mass on the incidence of moderately severe CRF overall and by subtype. We obtained detailed anthropometric information in a nationwide, population-based, case-control study of incident preuremic CRF (13).

Materials and Methods

Study Participants

The study design has been described elsewhere (13). Briefly, the Swedish National Population Register provided a well-defined source population of 5.3 million native Swedes who were aged 18 to 74 yr and lived in Sweden during the ascertainment period, May 20, 1996, through May 31, 1998.

Eligible as cases were all men and women whose serum creatinine level, for the first time and permanently, exceeded 3.4 mg/dl (300 μ mol/L) and 2.8 mg/dl (250 μ mol/L), respectively. For ensuring complete case ascertainment, all medical laboratories that covered inpatient and outpatient care in Sweden provided monthly lists of patients who had undergone serum creatinine testing: any time during the entire study period. A second creatinine measurement, 3 mo after the first, was done to verify the chronicity. Local physicians who treat patients with renal diseases determined patients' eligibility for the study by reviewing the medical records of patients with elevated serum creatinine levels. The diagnosis of underlying disease was based on the results of routine clinical evaluation. Patients with prerenal (e.g., severe heart failure) or postrenal (e.g., outlet obstruction) causes or with kid-

Received June 20, 2005. Accepted March 15, 2006.

Published online ahead of print. Publication date available at www.jasn.org.

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ney transplants were ineligible. Of eligible cases, 16% refused or were too severely disabled to participate, and 6% had died, leaving 926 (78%) participants.

Control subjects, who were frequency-matched to cases according to age (± 10 yr) and gender, were randomly selected from the 5.3 million Swedes in the study base, using the nationwide National Population Register. The control selection was carried out on three occasions during the ascertainment period. Of 1330 selected control subjects, 998 (75%) participated, 17% refused, 4% could not be reached, and 4% were too sick to participate. All study participants provided informed consent, and the regional ethics committees and Swedish Data Inspection Board approved the study protocol.

Data Collection

Study participants completed a mailed questionnaire about anthropometric measures (height; current weight; weight at ages 20, 40, and 60; and highest weight during lifetime), education, alcohol consumption, and tobacco use. During a subsequent face-to-face interview, professional interviewers from Statistics Sweden double-checked the questionnaires and obtained information on medical history, occupation, and analgesic use. Although blinding of the interviewers to case/control status of the participants was impossible, the interviewers were instructed to interact similarly with case patients and control subjects in a standardized manner.

Data Analyses

Relative risk for CRF among groups with different anthropometric measures was estimated by odds ratios (OR) and 95% confidence intervals (CI) that were derived from unconditional logistic regression models. We analyzed data stratified by gender throughout, except in

analyses of disease-specific CRF, as a result of small sample sizes. Continuous variables (BMI [body weight divided by height raised to the second power, kg/m^2], cumulative number of cigarette pack-years, grams of alcohol per week) were categorized into quartiles according to the distribution among control subjects. In addition, BMI was categorized according to World Health Organization's (WHO's) definitions of overweight and obesity (14). Because few participants had a BMI >30 kg/m^2 at age 20, BMI at that age was dichotomized into <25 and ≥ 25 kg/m^2 . Level of education was categorized into ≤ 9 yr, 10 to 12 yr, and ≥ 13 yr. An indicator of regular use of aspirin and paracetamol was found to control sufficiently for confounding of nonnarcotic analgesic use. Adjustment for socioeconomic status instead of number of school years did not change the risk estimates. Always included as covariates in our models were age, cumulative cigarette pack-years, grams of alcohol consumed per week, ever/never regular use of paracetamol or aspirin, and number of years of formal education. We tested for interactions but did not include any interaction terms in the final models because they were statistically insignificant. Model fit was verified with the Hosmer and Lemeshow test (15).

Results

The participating case patients are characterized with regard to renal function and underlying disease in Table 1. A majority of the patients were in the preuremic stage: 80% had a creatinine level <4.5 mg/dl (400 $\mu\text{mol}/\text{L}$); only 6% had a predicted creatinine clearance (16) <10 ml/min . Approximately one third of the patients had a diagnosis of diabetic nephropathy. The second largest group was patients with glomerulonephritis (28% of men and 16% of women), followed by renal vascular

Table 1. Participating case patients with CRF: Measures of renal function and underlying diagnosis^a

	Men (<i>n</i> = 597)	Women (<i>n</i> = 329)
Serum creatinine at inclusion (mg/dl ; median [range]) ^b	3.8 (3.4 to 28)	3.2 (2.8 to 19)
Creatinine clearance (ml/min ; median [range]) ^c	22 (2 to 53)	19 (3 to 35)
Diagnosis group		
diabetic nephropathy (<i>n</i> [%])	180 (30)	106 (32)
type 1 diabetes	75	46
type 2 diabetes	97	54
unknown	8	6
glomerulonephritis (<i>n</i> [%])	168 (28)	54 (16)
IgA nephropathy	55	8
no renal biopsy	40	14
unclassified on biopsy	27	15
proliferative	18	8
focal segmental sclerosis	13	3
crescentic glomerulonephritis	8	4
other	7	2
renal vascular disease (<i>n</i> [%])	100 (17)	39 (12)
other diagnosis (<i>n</i> [%])	149 (25)	130 (40)
hereditary disease	58	40
systemic disease or vasculitis	40	42
other diagnosis	23	32
unknown renal disease	28	16

^aCRF, chronic renal failure.

^bConversion factor for SI unit ($\mu\text{mol}/\text{L}$) is 88.4.

^cPredicted creatinine clearance (Cockcroft-Gault formula).

disease (17 and 12% of men and women, respectively). Mean age was 58 yr for men and 57 yr for women among both case patients and control subjects (Table 2). Compared with control subjects, case patients were on average less well educated, used more analgesics, and smoked more. The proportion of alcohol users was lower among case patients, but the mean consumption was somewhat higher. As expected, the prevalence of self-reported hypertension was high among case patients: 87% of men and 85% of women, compared with approximately 25% of male and female control subjects. Diabetes, present in slightly more than one third of the case patients, was reported by 7% of the control subjects (both genders). Current BMI was similar among case patients and control subjects, whereas mean of lifetime highest BMI was significantly higher among case patients, regardless of gender ($P < 0.001$).

OR for overall CRF in relation to BMI are presented sepa-

rately for men and women (Table 3), although no statistically significant effect modification by gender could be confirmed, neither when using quartiles as cut points for BMI categories nor when using the WHO's cut points for overweight and obesity ($P = 0.35$ and $P = 0.25$, respectively). We found a positive association of highest lifetime BMI with overall CRF risk, particularly among men (Table 3). Men in the highest quartile had a 2.3-fold increased risk (95% CI 1.6 to 3.3) compared with those in the lowest quartile. The corresponding OR was modest and statistically nonsignificant among women, but when using WHO's cut points (14), clear excesses of three-fold or greater were seen for BMI ≥ 35 kg/m² in both genders. Men and women who reported a BMI ≥ 25 kg/m² at age 20 had a significant three-fold elevated risk for CRF compared with patients with BMI < 25 kg/m². BMI at age 40 and at age 60 showed similar relationships with CRF risk as did highest

Table 2. Selected characteristics of case patients and control subjects^a

	Men		Women	
	Case Patients (<i>n</i> = 597)	Control Subjects (<i>n</i> = 653)	Case Patients (<i>n</i> = 329)	Control Subjects (<i>n</i> = 345)
Age at interview (yr; <i>n</i> [%])				
18 to 24	5 (1)	14 (2)	5 (2)	6 (2)
25 to 34	34 (6)	32 (5)	29 (9)	26 (8)
35 to 44	59 (10)	62 (9)	36 (11)	35 (10)
45 to 54	131 (22)	116 (18)	62 (19)	70 (20)
55 to 64	124 (21)	134 (21)	62 (19)	70 (20)
65 to 74	244 (41)	295 (45)	135 (41)	138 (40)
Education (yr; <i>n</i> [%])				
≤ 9	350 (59)	355 (54)	187 (57)	170 (49)
10 to 12	129 (22)	150 (23)	80 (24)	96 (28)
> 12	109 (18)	142 (22)	59 (18)	78 (23)
missing	9 (2)	6 (1)	3 (1)	1 (0)
Smoking (pack-years; <i>n</i> [%])				
never regular smokers ^b	216 (36)	252 (39)	156 (47)	188 (54)
≤ 6.6	61 (10)	94 (14)	18 (5)	44 (13)
6.7 to 15.9	86 (14)	85 (13)	55 (17)	47 (14)
16.0 to 27.3	96 (16)	101 (15)	60 (18)	41 (12)
> 27.3	130 (22)	117 (18)	37 (11)	24 (7)
missing	8 (1)	4 (1)	3 (1)	1 (0)
Diabetes (<i>n</i> [%])				
yes	206 (35)	45 (7)	123 (37)	23 (7)
no	391 (65)	608 (93)	206 (63)	322 (93)
missing	0 (0)	0 (0)	0 (0)	0 (0)
Hypertension (<i>n</i> [%])				
yes	518 (87)	160 (25)	279 (85)	88 (26)
no	77 (13)	488 (75)	49 (15)	257 (74)
missing	2 (0)	5 (1)	1 (0)	0 (0)
Height (cm; mean [SD])	176.9 (7.3)	177.7 (7.0)	163.8 (6.4)	164.4 (5.7)
Current BMI (kg/m ² ; mean [SD])	25.6 (4.2)	25.8 (3.5)	25.0 (5.0)	25.3 (4.1)
Highest BMI ^c (kg/m ² ; mean [SD])	28.5 (4.9)	26.8 (3.9)	28.3 (5.9)	26.7 (4.6)

^aBMI, body mass index.

^bLess than 6 mo of daily smoking in lifetime.

^cHighest BMI in lifetime.

Table 3. OR for CRF associated with BMI^a

	Men		Women	
	No. of Case Patients/Control Subjects	OR ^b (95% CI)	No. of Case Patients/Control Subjects	OR ^b (95% CI)
Highest BMI (kg/m ²) ^c				
gender-specific quartiles ^d				
Q1 (lowest quartile)	101/158	1.0 (referent)	64/81	1.0 (referent)
Q2	113/160	1.1 (0.8 to 1.6)	56/85	0.8 (0.5 to 1.3)
Q3	136/158	1.4 (1.0 to 2.0)	81/82	1.2 (0.7 to 1.9)
Q4 (highest quartile)	230/157	2.3 (1.6 to 3.3)	107/84	1.3 (0.8 to 2.1)
cut points in accordance with WHO's definition of overweight and obesity				
<25.00	129/213	1.0 (referent)	96/136	1.0 (referent)
25.00 to 29.9	265/323	1.4 (1.0 to 1.9)	115/133	1.2 (0.8 to 1.8)
30.0 to 34.9	130/79	2.7 (1.9 to 4.0)	49/46	1.4 (0.8 to 2.4)
≥35.00	56/18	4.4 (2.4 to 8.2)	48/17	3.1 (1.6 to 6.1)
BMI at age 20 (kg/m ²) ^e				
gender-specific quartiles ^f				
Q1 (lowest quartile)	94/136	1.0 (referent)	55/68	1.0 (referent)
Q2	75/130	0.9 (0.6 to 1.4)	52/75	0.9 (0.5 to 1.5)
Q3	125/142	1.3 (0.9 to 1.9)	48/72	0.8 (0.5 to 1.5)
Q4 (highest quartile)	175/138	1.9 (1.3 to 2.8)	86/72	1.4 (0.8 to 2.3)
cut points in accordance with the WHO definition of overweight				
<25.0	377/506	1.0 (referent)	211/274	1.0 (referent)
≥25.0	92/40	3.1 (2.1 to 4.8)	30/13	3.0 (1.4 to 6.1)

^aCI, confidence interval; OR, odds ratio; Q, quartile; WHO, World Health Organization.

^bAdjusted for age, education, smoking, alcohol, and use of paracetamol and salicylates.

^cHighest BMI during lifetime. Because of missing information on ≥1 covariate, 46 case patients and 53 control subjects were excluded from analyses.

^dQ1: Men <24.4, women <23.6; Q2: men 24.4 to 26.4, women 23.6 to 25.8; Q3: men 26.5 to 28.8, women 25.9 to 28.9; Q4: men >28.8, women >28.9.

^eBecause of missing information on ≥1 covariate, 222 case patients and 183 control subjects were excluded from analyses.

^fQ1: men <20.5, women <19.0; Q2: men 20.6 to 21.7, women 19.1 to 20.5; Q3: men 21.8 to 23.4, women 20.6 to 21.9; Q4: men >23.4, women >21.9.

lifetime BMI, but the relative risk estimates were less precise as a result of the smaller number of patients who had attained these ages (data not shown). However, BMI at time of interview was not significantly associated with CRF risk: Men and women with BMI of 35 kg/m² or more had adjusted OR of 1.9 (95% CI 0.8 to 4.6) and 1.2 (95% CI 0.5 to 3.3), respectively, relative to patients with BMI <25.

In analyses stratified by the presence or absence of self-reported diabetes, the elevated CRF risk with increasing maximum BMI was more pronounced among individuals with than without diabetes. However, even for men and women without diabetes, a lifetime highest BMI of 35 kg/m² or more entailed a significant OR of 2.2, relative to those with BMI <25 kg/m² (Table 4). Likewise, obesity was associated with CRF also among patients who self-reported that they had no history of clinically known hypertension. The OR for CRF among these presumably nonhypertensive patients with highest BMI ≥35 kg/m² was 2.8 (95% CI 1.0 to 8.1), relative to patients with BMI

<25 kg/m². Analyses that were confined to individuals who reported neither diabetes nor hypertension produced point estimates of similar magnitude, albeit without statistical significance (Table 4). In contrast, a statistically significant three-fold risk increase was observed among those who did not have diabetes and hypertension and who reported overweight at age 20 (Table 4).

Lifetime highest BMI was dose-dependently associated with risk for all major CRF subtypes (Table 5). The highest risk was found for diabetic nephropathy: Having a BMI of 35 kg/m² or more entailed a more than seven-fold increase in risk relative to having a BMI <25 kg/m². The association was restricted essentially to nephropathy caused by type 2 diabetes, for which the OR was 6.4 (95% CI 3.5 to 11.7) among patients with a BMI of 30 to 34.9 kg/m² and 17.7 (95% CI 8.8 to 35.4) among those with a BMI of 35 kg/m² or more compared with nonoverweight individuals. A BMI of 30 kg/m² or more was associated with a significant 2.4-fold excess in risk also for nephrosclerosis and a

Table 4. OR for CRF associated with BMI^a

	No Diabetes		No Hypertension		No Diabetes or Hypertension	
	No. of Case Patients/Control Subjects	OR ^b (95% CI)	No. of Case Patients/Control Subjects	OR ^b (95% CI)	No. of Case Patients/Control Subjects	OR ^b (95% CI)
Highest BMI in lifetime (kg/m ²) ^c						
<25	159/336	1.0 (referent)	37/293	1.0 (referent)	31/281	1.0 (referent)
25 to 29.9	274/434	1.3 (1.0 to 1.7)	58/347	1.3 (0.8 to 2.0)	44/335	1.1 (0.6 to 1.8)
30 to 34.9	104/105	2.0 (1.4 to 2.8)	19/72	1.8 (1.0 to 3.5)	10/65	1.2 (0.5 to 2.6)
≥35.0	37/28	2.2 (1.3 to 3.8)	7/13	2.8 (1.0 to 8.1)	4/11	2.1 (0.6 to 7.6)
BMI at age 20 (kg/m ²) ^d						
<25.0	413/728	1.0 (referent)	81/588	1.0 (referent)	62/559	1.0 (referent)
≥25.0	64/51	2.4 (1.6 to 3.6)	17/33	3.6 (1.8 to 7.1)	12/33	3.0 (1.4 to 6.4)

^aAnalyses are restricted to participants without self-reported diabetes and/or hypertension.

^bAdjusted for age, gender, education, smoking, alcohol, and use of paracetamol and salicylates.

^cCut points in accordance with the WHO definition of overweight and obesity.

^dCut points in accordance with the WHO definition of overweight.

Table 5. OR among men and women for various subtypes of CRF associated with BMI

	No. of Control Subjects	Diabetic Nephropathy		Nephrosclerosis		Glomerulonephritis		Other	
		No. of Case Patients	OR ^a (95% CI)	No. of Case Patients	OR ^a (95% CI)	No. of Case Patients	OR ^a (95% CI)	No. of Case Patients	OR ^a (95% CI)
Highest BMI in lifetime (kg/m ²) ^b									
<25	349	59	1.0 (referent)	30	1.0 (referent)	58	1.0 (referent)	78	1.0 (referent)
25 to 29.9	456	90	1.2 (0.8 to 1.7)	61	1.4 (0.8 to 2.2)	99	1.3 (0.9 to 1.9)	130	1.3 (1.0 to 1.9)
30 to 34.9	125	65	2.8 (1.8 to 4.4)	32	2.4 (1.4 to 4.3)	43	2.0 (1.2 to 3.2)	39	1.5 (0.9 to 2.4)
≥35.0	35	56	7.4 (4.2 to 13.0)	12	2.8 (1.2 to 6.2)	14	2.0 (1.0 to 4.2)	22	2.0 (1.1 to 3.9)
BMI at age 20 (kg/m ²) ^c									
<25.00	780	149	1.0 (referent)	95	1.0 (referent)	154	1.0 (referent)	190	1.0 (referent)
≥25.00	53	49	5.2 (3.2 to 8.4)	18	3.0 (1.6 to 5.5)	30	3.0 (1.8 to 4.9)	25	2.1 (1.2 to 3.6)

^aAdjusted for age, gender, education, smoking, alcohol, and use of paracetamol and salicylates.

^bCut points in accordance with the WHO definition of overweight and obesity.

^cCut points in accordance with the WHO definition of overweight.

two-fold increase in risk for glomerulonephritis and "other renal disease." Likewise, elevated BMI at age 20 yielded increases in risk for all major types of CRF (Table 5).

Discussion

In this population-based, case-control study of preuremic CRF, being overweight at age 20 or obese (for women being morbidly obese) at any later time was linked with an increased risk for CRF. In contrast, BMI at time of interview was not significantly related to CRF. The latter finding may be explained by weight loss among case patients as a consequence of morbidity related to the renal failure itself.

There is an accumulating body of clinical and experimental data implicating obesity as an important causative factor in renal disease (17,18), but epidemiologic data linking obesity to CRF have been scarce so far. Some studies have investigated the association between obesity and proteinuria in the general

population (8,9); however, few epidemiologic studies have quantified the possible link between obesity and established renal failure in population-based settings. Our study is one of the first large-scale, population-based investigations to identify obesity as an important risk factor in the development of renal failure. Relative risk estimates that were consistent with ours were reported in a cohort study with a smaller number of incident CRF cases (19). In a Japanese cohort that was assembled during a mass screening project in 1983, high BMI was associated with an increased risk for ESRD 17 yr later but only among men (12). There, the excess risk was comparable or slightly higher than in our study. A similar US cohort study among individuals who participated in a health testing program reported an even stronger and monotonic trend of increasing ESRD risk with increasing BMI among both men and women (11). Another US cohort study among men and women who were free of kidney disease at baseline noted a 23% in-

crease per unit BMI in the odds of falling below the fifth percentile of GFR after 18.5 yr of follow-up (10).

It is widely known that obesity markedly increases risk for diabetes and hypertension (20) and that both diabetes and hypertension are important contributors to ESRD (21,22). Not surprising, in analyses that estimated risks for specific renal diseases, we found the strongest positive association of high BMI with risk for diabetic nephropathy (related to type 2 diabetes) and the second strongest relationship with nephrosclerosis (almost all patients were reported to have hypertension as the underlying cause of this diagnosis). Nevertheless, two- to three-fold risk elevations also were observed for glomerulonephritis and "other renal diseases," although we cannot exclude some degree of misclassification because the renal diagnoses were based on biopsies in only 30%. As hypertension accompanies virtually all types of renal disease not only as a cause but also frequently as a consequence of the renal failure and because both hypertension and mild to moderate renal failure can pass unnoticed for several years, it is a limitation of our study that we were unable to establish whether any hypertension preceded the onset of the kidney disease. Specifically, we cannot exclude that some patients with glomerulonephritis and "other renal diseases" also had previous hypertension, potentially related to obesity. We chose not to adjust for hypertension in our modeling because hypertension frequently is a secondary effect of CRF, but in an attempt to elucidate further the effect of BMI on CRF risk, independent of hypertension and diabetes, we conducted analyses that were stratified on these conditions. We observed stronger associations among individuals with hypertension and/or diabetes, but excesses in risks also were seen among overweight individuals with a negative self-reported history of these conditions, at least among individuals who reported overweight at age 20. However, these analyses were based on small numbers, and the results must be interpreted cautiously. In addition, some of the patients may have had undiagnosed hypertension or diabetes.

We did not take preexisting proteinuria into consideration in this study, because confounding by proteinuria seems unlikely. It seems well established that leakage of proteins through the glomeruli, regardless of the cause, is harmful to the kidney (23,24). As obesity is the cause of glomerular leakage of proteins, proteinuria must be a link in one of the causal chains between obesity and CRF. Hence, proteinuria could be a true confounding factor only if it would be associated with obesity without being a consequence of it. It is conceivable that massive proteinuria of other causes than obesity could be associated with fluid retention, but it is inconceivable that such retention could result in BMI values of 30 or more. If proteinuria of other causes than obesity would result in reduced physical activity without a corresponding reduction in energy intake, then some weight gain also would be expected, but BMI values in excess of 30 seem implausible. Therefore, in our opinion, proteinuria is in the causal pathway between obesity and CRF and does not act as a confounder.

Focal segmental glomerulosclerosis (FSGS) and/or glomerulomegaly is seen commonly in renal biopsies from morbidly obese patients (25–27), and the development of these conditions

seems to be independent of hypertension and diabetes. The proportion of all renal biopsies that exhibited obesity-related FSGS or glomerulomegaly increased 10-fold from 1986 to 2000 in a New York clinicopathologic study (27). Although a low rate of renal biopsy may have entailed underascertainment, only 16 of our case patients had received a diagnosis of FSGS, and only one had a lifetime highest BMI that exceeded 35 kg/m².

Our finding that obesity was independently associated with increased risks for all major types of CRF agrees with the "multi-hit" hypothesis (28); that is, obesity entails an extra burden on the nephrons, which promotes the progression of renal failure. Obesity previously has been linked to the progression of existing renal disease, independent of other risk factors, but it also is an independent risk factor for proteinuria in the general population (8,9). In the latter case, obesity would act as an initiator of the process, although a preceding state of reduced number of nephrons as a result of congenital or unknown environmental and lifestyle factors cannot be excluded. Obese individuals, compared with lean, are at higher risk for developing proteinuria and CRF after unilateral nephrectomy (29). This supports the view that the coexistence of obesity and reduced number of functioning nephrons increases risk for CRF.

The BMI–CRF risk relationship seemed to be somewhat stronger—and evident in a lower BMI range—in men than in women. However, no BMI*gender interactions attained statistical significance. Therefore, the observed difference is likely to be a chance finding. However, the previous literature has provided some weak indications that a true gender difference might exist (11,12). The definition of ESRD in these studies was based mainly on the occurrence of renal replacement therapy (or death as a result of ESRD), so gender differences with regard to medical management could have introduced bias. In our study, the outcome classification was based on serum creatinine measurements in combination with evaluations by local specialists. Although different cut points were used for men and women, the inherent association among body weight, muscle mass, and serum creatinine warrants cautious interpretation of gender differences. In general, however, it seems that men have a more rapid progression rate of renal failure than women (30), possibly mediated by sex hormones, but one could speculate that differences in risk that is conferred by being overweight also may be important to this gender difference in progression rate.

The mechanisms that lead to renal damage in obesity are not completely understood. Suggested contributing factors include hyperlipidemia, hyperleptinemia, a state of low-grade inflammation, hyperfiltration caused by insulin resistance, increased sympathetic activity, and activated renin-angiotensin system (17,31).

The major strengths of our study include its population-based design deriving from a well-defined and continuously enumerated source population, the complete ascertainment of all incident CRF cases, and the relatively large sample size. Moreover, the vast majority of case patients had moderately severe renal failure, thus allaying some concern about recall

bias, reverse causation, and/or selective loss of cases with rapid disease progression. Important selection bias is unlikely owing to the fairly high and equal participation rates among case patients and control subjects. However, obese individuals, who experience considerable morbidity of various kinds, may undergo serum creatinine testing more often than the average person, raising some concern about possible detection bias. The creatinine levels that were chosen for our case definition are typically symptomatic. Therefore, the pool of asymptomatic prevalent cases that potentially could be recruited through more zealous creatinine testing is likely to be small.

Misclassification of the self-reported anthropometric measures could have influenced our results. Although self-reported information on height, current weight, weight at age 20, and birth weight is known to be relatively accurate overall (32–34), there is a systematic tendency for overweight individuals to underestimate their body size; conversely, very lean individuals tend to overestimate (35). Such misclassification of exposure, if nondifferential between case patients and control subjects, would bias estimates of associations toward null. The absence of any widespread preconceptions among the public about links between anthropometric measures and CRF lessens concern about reporting bias.

Conclusion

Taking experimental, clinical, and epidemiologic data together, obesity seems to be causally linked, directly or indirectly, to the development of CRF. Our results support that obesity contributes to the rapidly increasing burden of CRF in both men and women. The excess risk for CRF among obese people seems to be driven mainly by a high prevalence of hypertension and/or type 2 diabetes, but additional pathways cannot be ruled out. According to our data, the etiologic fraction (36) of all CRF that is attributable to obesity in the comparably lean Swedish population is 16% among men and 11% among women. This fraction is likely to be greater in the United States, where the general prevalence of obesity is higher. Hence, obesity probably should be put high on the list of potentially preventable causes of CRF. Moreover, promising results of weight reduction in patients with early-stage renal disease raise hopes for future secondary prevention (37).

Acknowledgments

This study was supported by the International Epidemiology Institute (Rockville, MD), which in turn received funding from McNeil Consumer Healthcare.

We thank all participating men and women whose efforts enabled this study. We are indebted to the physicians who cared for patients with renal diseases in Sweden for their participation, to the staff of the laboratories that were involved in this study, and to Annika Åkerström for coordinating the study.

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See related editorial, "The Enlarging Body of Evidence: Obesity and Chronic Kidney Disease," on pages 1501–1502.

Access to UpToDate on-line is available for additional clinical information
at <http://www.jasn.org/>

Section III, Background, Purpose of the Project, and Alternatives
Criterion 1110.230(c) – Background, Purpose of the Project, and Alternatives

Alternatives

The Applicants considered two options prior to determining to establish an 8-station dialysis facility. The options considered are as follows:

1. Utilize Existing Facilities.
2. Establish a new facility.

After exploring these options, which are discussed in more detail below, the Applicants determined to establish an 8-station dialysis facility. A review of each of the options considered and the reasons they were rejected follows.

Utilize Existing Facilities

3. The purpose of the project is to improve access to life sustaining dialysis services to the residents of the Danville community. There is currently one existing dialysis facility within 30 minutes of the proposed Danville Dialysis, which was operating at 61.4% for the quarter ending September 30, 2014. Despite the low utilization, access issues exist within the Danville community. Specifically, no existing facility will admit patients without insurance or do not have a permanent access, i.e., AV fistula. These patients must travel 40 minutes to Champaign three times per week for their dialysis treatment. Dialysis is very taxing on the body and frequently leaves patients feeling tired and nauseous. As a result, many patients are reliant on family or friends to transport them to or from their dialysis appointments. Patients are generally at the facility for four to five hours per treatment, which means their caregiver must either wait for them or make two round trips from Danville to Champaign. Additionally, they may have to miss treatments, which results in involuntary non-compliance, when they cannot arrange for transportation. The proposed Danville Dialysis will improve the health of these patients as they can better manage their disease and their lives when their dialysis facility is close to home.

Additionally, Dr. Attia's practice, within the Division of Nephrology of the Carle Physician Group, treated 238 CKD patients in the first half of 2014, with 196 of the patients residing within approximately 20 minutes of Danville. 139 of these Stage 3, 4, and 5 CKD patients actually live in Danville. See Appendix 1. Conservatively, based upon attrition due patient death, transplant, return of function, or relocation, Dr. Attia anticipates that at least 39 of these patients will initiate dialysis at the proposed facility within 12 to 24 months following project completion.

The facility will also serve the respite needs of DaVita's Danville home hemodialysis (HHD) and peritoneal dialysis (PD) patients requiring an in-center treatment. In approximately 2 ½ years, DaVita has grown its Danville home program to 19 PD and 5 HHD patients. When an in-center treatment is needed, these patients must drive 40 minutes each way to Champaign. Establishment of a local in-center hemodialysis facility will reduce the travel burden tremendously on this already over-taxed patient population.

The establishment of an 8-station dialysis facility will improve access to necessary dialysis treatment for those individuals in the Danville community who suffer from ESRD. The proposed Danville Dialysis will accept all patients who are clinically appropriate for in-center hemodialysis, regardless of their insurance status and whether they have a permanent access. Additionally, the facility will serve the respite needs of DaVita's 5 home hemodialysis (HHD) and 19 peritoneal dialysis (PD) patients residing in Danville. When in-center treatment is needed, these patients must drive 40 minutes each way to Champaign. ESRD patients are typically chronically ill individuals and adequate access to dialysis services is essential to their well-being.

There is no capital cost with this alternative.

Establish a New Facility

Based upon access issues with the existing dialysis facilities and the projected number of CKD patients that will require in-center hemodialysis within the next 12 to 24 months following project completion, the only feasible option is to establish an 8-station in-center hemodialysis facility. This alternative will ensure residents of the Danville community and the surrounding area have continued access to life sustaining dialysis treatment.

The cost of this alternative is **\$3,058,862**.

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

The Applicants propose to establish an 8-station dialysis facility. Pursuant to Section 1110, Appendix B of the HFSRB's rules, the State standard is 450-650 gross square feet per dialysis station for a total of 3,600 – 5,200 gross square feet for 8 dialysis stations. The total gross square footage of the clinical space of the proposed dialysis facility is 4,790 gross square feet (or 598.75 GSF per station). Accordingly, the proposed Facility meets the State standard.

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
ESRD	4,790	3,600 – 5,200	NA	Meets State Standard

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

By the second year of operation, annual utilization at the proposed facility shall exceed HFSRB's utilization standard of 80%. Pursuant to Section 1100.1430 of the HFSRB's rules, facilities providing in-center hemodialysis should operate their dialysis stations at or above an annual utilization rate of 80%, assuming three patient shifts per day per dialysis station, operating six days per week. Dr. Attia is currently treating 196 CKD patients that reside within approximately 20 minutes of the proposed facility, and whose condition is advancing to ESRD. 139 of these CKD patients actually live in Danville with 59 at an advanced stage (4 or 5). See Attachment – 15A. Conservatively, based upon attrition due patient death, transplant, return of function, or relocation, it is estimated that 39 of these patients will initiate dialysis within 12 to 24 months following project completion.

	Dept./ Service	Historical Utilization (Treatments)	Projected Utilization	State Standard	Met Standard?
Year 1	ESRD	N/A	4,212	5,990	No
Year 2	ESRD	N/A	6,084	5,990	Yes

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

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

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

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

Section VII, Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.1430, In-Center Hemodialysis Projects – Review Criteria

1. Planning Area Need

The Applicants propose to establish an 8-station dialysis facility to be located at 22 West Newell Road, Danville, IL 61832. There is currently one existing dialysis facility within 30 minutes of the proposed Danville Dialysis, which was operating at 61.4% for the quarter ending September 30, 2014. Despite the low utilization, access issues exist within the Danville community. Specifically, no existing facility will admit patients without insurance or do not have a permanent access, i.e., AV fistula. These patients must travel 40 minutes to Champaign three times per week for their dialysis treatment. Dialysis is very taxing on the body and frequently leaves patients feeling tired and nauseous. As a result, many patients are reliant on family or friends to transport them to or from their dialysis appointments. Patients are generally at the facility for four to five hours per treatment, which means their caregiver must either wait for them or make two round trips from Danville to Champaign. Additionally, they may have to miss treatments, which results in involuntary non-compliance, when they cannot arrange for transportation. The proposed Danville Dialysis will improve the health of these patients as they can better manage their disease and their lives when their dialysis facility is close to home.

Dr. Attia is currently treating 59 combined Stage 4 and 5 CKD patients who reside within approximately 20 minutes of the proposed facility. Their condition is advancing to ESRD where they will likely initiate dialysis within the next 12 to 24 months. See Appendix 1. Conservatively, based upon attrition due to patient death, transplant, return of function, or relocation, it is estimated that at least 39 of these patients will initiate dialysis within 12 to 24 months following project completion.

The establishment of an 8-station dialysis facility will improve access to necessary dialysis treatment for those individuals in the Danville community who suffer from ESRD. The proposed Danville Dialysis will accept all patients who are clinically appropriate for in-center hemodialysis, regardless of their insurance status and whether they have a permanent access. The facility will also serve the respite needs of DaVita's Danville home hemodialysis (HHD) and peritoneal dialysis (PD) patients requiring an in-center treatment. In approximately 2 ½ years, DaVita has grown its Danville home program to 19 PD and 5 HHD patients. When an in-center treatment is needed, these patients must drive 40 minutes each way to Champaign. Establishment of a local in-center hemodialysis facility will reduce the travel burden tremendously on this already over-taxed patient population

Importantly, the prevalence of ESRD will continue to increase for the foreseeable future. Based upon data from the U.S. Centers for Disease Control and Prevention, 10% of American adults have some level of CKD. Further, the National Kidney Fund of Illinois estimates over 1 million Illinoisans have CKD and most do not know it. Kidney disease is often silent until the late stages when it can be too late to head off kidney failure. As more working families obtain health insurance through the Affordable Care Act (or ACA)¹⁰ and 1.5 million Medicaid beneficiaries transition from traditional fee for service Medicaid to Medicaid managed care,¹¹ more individuals in high risk groups, like low income African-Americans and Hispanics, will have better access to primary care and kidney screening. As a result of these health care reform initiatives, there will likely be tens of thousands of newly diagnosed cases of CKD in the years ahead. Once diagnosed, many of these patients will be further along in the progression of CKD due to the lack of nephrologist care prior to diagnosis. It is imperative that

¹⁰ According to data from the federal government 61,111 Illinois residents enrolled in a health insurance program through the ACA.

¹¹ In January 2011, the Illinois General Assembly passed legislation mandating 50% of the Medicaid population to be covered by a managed care program by 2015.

enough stations are available to treat this new influx of ESRD patients, who will require dialysis in the next couple of years.

2. Service to Planning Area Residents

The primary purpose of the proposed project is to improve access to life-sustaining dialysis services to the residents of the Danville community and the surrounding area. There is currently one existing dialysis facility within 30 minutes of the proposed Danville Dialysis, which was operating at 61.4% for the quarter ending September 30, 2014. Despite the low utilization, access issues exist within the Danville community. Specifically, no existing facility will admit patients without insurance or do not have a permanent access, i.e., AV fistula. These patients must travel 40 minutes to Champaign three times per week for their dialysis treatment. Dialysis is very taxing on the body and frequently leaves patients feeling tired and nauseous. As a result, many patients are reliant on family or friends to transport them to or from their dialysis appointments. Patients are generally at the facility for four to five hours per treatment, which means their caregiver must either wait for them or make two round trips from Danville to Champaign. Additionally, they may have to miss treatments, which results in involuntary non-compliance, when they cannot arrange for transportation. The proposed Danville Dialysis will improve the health of these patients as they can better manage their disease and their lives when their dialysis facility is close to home.

Additionally, Dr. Attia is currently treating 59 combined Stage 4 and 5 CKD patients who reside within approximately 20 minutes of the proposed facility. Their condition is advancing to ESRD to where they will likely initiate dialysis within the next 12 to 24 months. See Appendix 1. Conservatively, based upon attrition due to patient death, transplant, return of function, or relocation, it is estimated that at least 39 of these patients will initiate dialysis within 12 to 24 months following project completion.

3. Service Demand

Attached at Appendix - 1 is a physician referral letter from Dr. Attia and a schedule of pre-ESRD and current patients by zip code. A summary of CKD patients projected to be referred to the proposed dialysis facility within the first two years after project completion is provided in Table 1110.1430(b)(3)(B) below.

Table 1110.1430(b)(3)(B) Projected Pre- ESRD Patient Referrals by Zip Code	
Zip Code	Total Patients
60963	4
61811	1
61832	31
61833	1
61834	7
61846	9
61858	3
61883	3
Total	59

4. Service Accessibility

As set forth throughout this application, the proposed facility is needed to improve access to life-sustaining dialysis for residents in the Danville community and the surrounding area. There is currently one existing dialysis facility within 30 minutes of the proposed Danville Dialysis, which was operating at 61.4% for the quarter ending September 30, 2014. Despite the low utilization, access issues exist within the Danville community. Specifically, no existing facility will admit patients without insurance or do not have a permanent access, i.e., AV fistula. These patients must travel 40 minutes to Champaign three times per week for their dialysis treatment. Dialysis is very taxing on the body and frequently leaves patients feeling tired and nauseous. As a result, many patients are reliant on family or friends to transport them to or from their dialysis appointments. Patients are generally at the facility for four to five hours per treatment, which means their caregiver must either wait for them or make two round trips from Danville to Champaign. Additionally, they may have to miss treatments, which results in involuntary non-compliance, when they cannot arrange for transportation. The proposed Danville Dialysis will improve the health of these patients as they can better manage their disease and their lives when their dialysis facility is close to home.

End Stage Renal Disease Facility Danville Dialysis Services LLC	Address 910 West Clay Street	City Danville	Distance 5.69	Drive Time 11	Adjusted Drive Time 12.65	09-30-2014 Stations 19	09-30-2014_Patients 70	09-30-2014 Utilization 0.6140
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Section VII, Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.1430(c), Unnecessary Duplication/Maldistribution

1. Unnecessary Duplication of Services

- a. The proposed dialysis facility will be located at 22 West Newell Road, Danville, IL 61834. A map of the proposed facility's market area is attached at Attachment – 26B. A list of all zip codes located, in total or in part, within 30 minutes normal travel time of the site of the proposed dialysis facility as well as 2010 census figures for each zip code is provided in Table 1110.1430(c)(1)(A).

Table 1110.1430(c)(1)(A) Population of Zip Codes within 30 Minutes of Proposed Facility		
ZIP Code	City	Population
61832	DANVILLE	37,290
61834	DANVILLE	8,454
61833	TILTON	2,124
61858	OAKWOOD	3,124
61883	WESTVILLE	4,438
61814	BISMARCK	1,157
61817	CATLIN	2,583
61857	MUNCIE	153
61846	GEORGETOWN	5,101
61811	ALVIN	703
61844	FITHIAN	970
61848	HENNING	227
60963	ROSSVILLE	1,807
61865	POTOMAC	1,391
Total		69,522

Source: U.S. Census Bureau, Census 2010, American Factfinder available at <http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=bkmk> (last visited November 17, 2014).

- b. A list of existing and approved dialysis facilities located within 30 minutes normal travel time of the proposed dialysis facility is provided at Attachment – 26A.

2. Maldistribution of Services

The proposed dialysis facility will not result in a maldistribution of services. A maldistribution exists when an identified area has an excess supply of facilities, stations, and services characterized by such factors as, but not limited to: (1) ratio of stations to population exceeds one and one-half times the State Average; (2) historical utilization for existing facilities and services is below the HFSRB's utilization standard; or (3) insufficient population to provide the volume or caseload necessary to utilize the services proposed by the project at or above utilization standards. As discussed more fully below, the ratio of stations to population in the GSA is 84.5% of the State average, the average

utilization of existing and approved facilities is 61.4%, and sufficient population exists to achieve target utilization. Accordingly, the proposed dialysis facility will not result in a maldistribution of services.

a. Ratio of Stations to Population

As shown in Table 1110.1430(c)(2)(A), the ratio of stations to population is 84.5% of the State Average.

Table 1110.1430(c)(2)(A) Ratio of Stations to Population			
	Population	Dialysis Stations	Stations to Population
Geographic Service Area	69,522	19	1:3,659
State	12,830,632	4,151	1:3,091

b. Historic Utilization of Existing Facilities

There is currently one existing dialysis facility within 30 minutes of the proposed Danville Dialysis, which was operating at 61.4% for the quarter ending September 30, 2014. Despite the low utilization, access issues exist within the Danville community. Specifically, no existing facility will admit patients without insurance or do not have a permanent access, i.e., AV fistula. These patients must travel 40 minutes to Champaign three times per week for their dialysis treatment. Dialysis is very taxing on the body and frequently leaves patients feeling tired and nauseous. As a result, many patients are reliant on family or friends to transport them to or from their dialysis appointments. Patients are generally at the facility for four to five hours per treatment, which means their caregiver must either wait for them or make two round trips from Danville to Champaign. Additionally, they may have to miss treatments, which results in involuntary non-compliance, when they cannot arrange for transportation. The proposed Danville Dialysis will improve the health of these patients as they can better manage their disease and their lives when their dialysis facility is close to home.

c. Sufficient Population to Achieve Target Utilization

The Applicants propose to establish an 8-station dialysis facility. To achieve the HFSRB's 80% utilization standard within the first two years after project completion, the Applicants would need 39 patient referrals. Dr Attia is presently treating 196 Stage 3, 4, and 5 pre-ESRD patients who all reside within approximately 20 minutes of the proposed facility, with 70.9% (or 139 of these 196 patients) living in Danville, the city of the proposed site. As set forth above in Table 1110.230(b)(2), 59 patients have reached the stage 4 or 5 level of CKD and 38 of these 59 patients, or 64.4%, reside in Danville. Conservatively, based upon attrition due patient death, transplant, return of function, or relocation, it is estimated that at least 39 of the 59 Stage 4 and Stage 5 patients will initiate dialysis within 12 to 24 months following project completion.

3. Impact to Other Providers

- a. The proposed dialysis facility will not have an adverse impact on existing facilities in the GSA. As discussed throughout this application, the average utilization of the existing facility within the geographical service area is 61.4%. The current ratio of stations to population in the GSA is below the State average and there is sufficient patient population to justify the need for the proposed facility. Dr Attia is presently treating 196 pre-ESRD patients who all reside within 20 minutes of the proposed facility. With 70.9% or 139 of these 196 Stage 3, 4, or 5 CKD patients living within Danville, the chosen city for the proposed site, this warrants the establishment of a new dialysis facility.

- b. The proposed facility will not lower the utilization of other area providers that are operating below the occupancy standards.

Section VII, Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.1430(e), Staffing

1. The proposed facility will be staffed in accordance with all State and Medicare staffing requirements.
 - a. Medical Director: Abdel-Moneim Mohamad Abdou Attia, M.D. will serve as the Medical Director for the proposed facility. A copy of Dr. Attia's curriculum vitae is attached at Attachment – 26C.

- b. Other Clinical Staff: Initial staffing for the proposed facility will be as follows:

Administrator
Registered Nurse (1.5 FTE)
Patient Care Technician (3.5 FTE)
Biomedical Technician (0.2 FTE)
Social Worker (licensed MSW) (0.4 FTE)
Registered Dietitian (0.4 FTE)
Administrative Assistant (1 FTE)

As patient volume increases, nursing and patient care technician staffing will increase accordingly to maintain a ratio of at least one direct patient care provider for every 4 ESRD patients. At least one registered nurse will be on duty while the facility is in operation.

- c. All staff will be training under the direction of the proposed facility's Governing Body, utilizing DaVita's comprehensive training program. DaVita's training program meets all State and Medicare requirements. The training program includes introduction to the dialysis machine, components of the hemodialysis system, infection control, anticoagulation, patient assessment/data collection, vascular access, kidney failure, documentation, complications of dialysis, laboratory draws, and miscellaneous testing devices used. In addition, it includes in-depth theory on the structure and function of the kidneys; including, homeostasis, renal failure, ARF/CRF, uremia, osteodystrophy and anemia, principles of dialysis; components of hemodialysis system; water treatment; dialyzer reprocessing; hemodialysis treatment; fluid management; nutrition; laboratory; adequacy; pharmacology; patient education, and service excellence. A summary of the training program is attached at Attachment – 26D.
 - d. As set forth in the letter from Arturo Sida, Vice President, Associate General Counsel of DaVita HealthCare Partners Inc. and Total Renal Care Inc., attached at Attachment – 26E, Danville Dialysis will maintain an open medical staff.

Curriculum Vitae

Personal Information:

- Name : Abdel-Moneim Mohamad Abdou Attia
 - Sex: Male.
 - Birth Date: 10/26/1954
 - Marital Status: Married.
 - Home Phone : (217) 398-0409
 - Mobile Phone : (217) 369-7682
-

Education:

- Bachelor Degree of Medicine and Surgery: Cairo University, EGYPT, December 1977.
 - Master Degree of Internal Medicine: Cairo University, EGYPT, May 1982.
 - American Board of Internal Medicine, August 2000.
 - American Board of Nephrology November 2003 and 2013.
 - Specialist in Hypertension 2004.
-

Professional Experience:

- Internship: Cairo University Hospitals, EGYPT, March 1978 – February 1979.
- Resident Internal Medicine: ESKO General Hospital, EGYPT, March 1979 – May 1982.
- Internist: ESKO General Hospital, EGYPT, June 1982 – July 1984.
- Internist: SWCC Polyclinic, Saudi Arabia, August 1984 – June 1997.
- Resident Internal Medicine: Nassau University Medical Center, East Meadow, NY July 1997– June 2000.
- Chief resident: Nassau University Medical Center, East Meadow, NY July 2000 – June 2001.
- Nephrology Fellow: Nassau University Medical Center, East Meadow, NY July 2001 – June 2003.
- Medical Emergency Attending (Sessional): Nassau University Medical Center, East Meadow, NY July 2001 – June 2003.
- Nephrology Attending: Carle Hospital, Urbana, IL July 2003 till current.
- Medical Director CU Dialysis unit: 2010 till current
- Medical Director Illini Hemodialysis unit: 2012 till current.
- Head of Nephrology Department: Carle Hospital 2010 till 2014.
- Clinical Assistant Professor: Medical School, University of Illinois Urbana Champaign: current

TITLE: BASIC TRAINING PROGRAM OVERVIEW

Mission

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

Explanation of Content

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

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

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

- I. Program Overview (TR1-01-01)
- II. Program Description (TR1-01-02)
 - Basic Training Class Outline (TR1-01-02A)
 - Basic Charge Nurse Training Class Outline (TR1-01-02B)
- III. Education Enrollment Information (TR1-01-03)
- IV. Education Standards (TR1-01-04)
- V. Verification of Competency
 - New teammate without prior experience (TR1-01-05)
 - New teammate with prior experience (TR1-01-06)
 - Medical Director Approval Form (TR1-01-07)
- VI. Evaluation of Education Program
 - Program Evaluation
 - Basic Training Classroom Evaluation (TR1-01-08A)
 - Basic Charge Nurse Training Classroom Evaluation (TR1-01-08B)
 - Curriculum Evaluation
- VII. Additional Educational Forms
 - New Teammate Weekly Progress Report for the PCT (TR1-01-09)
 - New Teammate Weekly Progress Report for Nurses (TR1-01-10)
 - Training hours tracking form (TR1-01-11)
- VIII. State-specific information/forms (as applicable)

**TITLE: BASIC TRAINING FOR HEMODIALYSIS PROGRAM
DESCRIPTION**

Introduction to Program

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

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

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

A non-experienced teammate is defined as:

- A newly hired patient care teammate without prior dialysis experience.
- A rehired patient care teammate who left prior to completing the initial training.
- A newly hired or rehired patient care teammate with previous dialysis experience who has not provided at least 3 months of hands on dialysis care to patients within the past 12 months.

An experienced teammate is defined as:

- A newly hired or rehired teammate who can show proof of completing a dialysis training program and has provided at least 3 months of hands on dialysis care to patients within the past 12 months.

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

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

Program Description

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

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

Within the clinic setting this training includes

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

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

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

- Acute Kidney Injury vs. Chronic Renal Failure
- Manifestations of Chronic Renal Failure
- Normal Kidney Function vs. Hemodialysis
- Documentation & Flow Sheet Review

- Patient Self-management
- Motivational Interviewing
- Infection Control
- Data Collection and Assessment
- Water Treatment and Dialyzer Reprocessing
- Fluid Management
- Pharmacology
- Vascular Access
- Renal Nutrition
- Laboratory
- The Hemodialysis Delivery System
- Adequacy of Hemodialysis
- Complications of Hemodialysis
- Importance of P&P
- Role of the Renal Social Worker
- Conflict Resolution
- The DaVita Quality Index

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

A final comprehensive examination score of 80% (unless state requires a higher score) must be obtained to successfully complete this portion of the didactic phase. If a score of less than 80% is attained, the teammate will receive additional appropriate remediation and a second exam will be given.

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

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

- Nephrology Nursing, Scope of Practice, Delegation and Supervision, Practicing according to P&P
- Nephrology Nurse Leadership
- Impact – Role of the Nurse
- Care Planning including developing a POC exercise
- Achieving Adequacy with focus on assessment, intervention, available tools
- Interpreting laboratory Values and the role of the nurse

Training Program Manual
Basic Training for Hemodialysis
DaVita HealthCare Partners Inc.

TR1-01-02

- Hepatitis B – surveillance, lab interpretation, follow up, vaccination schedules
- TB Infection Control for Nurses
- Anemia Management – ESA Hyporesponse: a StarLearning Course
- Survey Readiness
- CKD-MBD – Relationship with the Renal Dietitian
- Pharmacology for Nurses – video
- Workshop
 - Culture of Safety, Conducting a Homeroom Meeting
 - Nurse Responsibilities, Time Management
 - Communication – Meetings, SBAR (Situation, Background, Assessment, Recommendation)
 - Surfing the VillageWeb – Important sites and departments, finding information

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

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

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

The education program for the newly hired patient care provider teammate **with previous dialysis experience** is individually tailored based on the identified learning needs. The initial orientation to the *Health Prevention and Safety Training* will be successfully completed prior to the new teammate working/receiving training in the clinical area. The new teammate will utilize the Basic Training Workbook for Hemodialysis and progress at his/her own pace. This workbook should be completed within a timely manner as to also demonstrate acceptable skill-level. The *Procedural Skills Verification Checklist* including verification of review of applicable P&P will be completed by the preceptor, and the registered nurse in charge of the training upon demonstration of an acceptable skill-level by the new teammate, and then signed by the new teammate, the RN trainer and the facility administrator.

Ideally teammates will attend Basic Training Class, however, teammates with experience may opt-out of class by successful passing of the *Initial Competency Exam* with a score of 80% or higher. The CSS or RN Trainer responsible for teaching Basic Training Class will enroll the new teammate with experience in the Initial Competency Exam on the LMS. The new teammate's preceptor will proctor the exam. The new experienced teammate should complete all segments of the workbook including the recommended resources to prepare for taking the *Initial Competency Exam* as questions not only assess common knowledge related to the hemodialysis treatment but also knowledge related to specific DaVita P&P, treatment outcome goals based on clinical initiatives and patient involvement in their care. Prior to the new teammate receiving an independent patient-care assignment, the skills checklist must be completed and signed along with a passing score from the classroom or the *Initial Competency Exam*. If the new teammate receives a score of less than 80% on the *Initial Competency Exam*, this teammate will be required to attend Basic Training Class. If the new teammate receives a score of less than 80% on the final comprehensive classroom exam, this teammate will receive theory instruction pertaining to the area of deficiency and a second competency exam will then be given. If the new teammate receives a score of less than 80% on the second exam, this teammate will be evaluated by the administrator, preceptor, and educator to determine if completion of formal training is appropriate.

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

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

Process of Program Evaluation

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

Section VII, Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.1430(f), Support Services

Attached at Attachment – 26E is a letter from Arturo Sida, Vice President, Associate General Counsel of DaVita HealthCare Partners Inc. and Total Renal Care Inc. attesting that the proposed facility will participate in a dialysis data system, will make support services available to patients, and will provide training for self-care dialysis, self-care instruction, home and home-assisted dialysis, and home training.

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

Re: Certification of Support Services

Dear Chair Olson:

I hereby certify under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 and pursuant to 77 Ill. Admin. Code § 1110.1430(g) that Danville Dialysis will maintain an open medical staff.

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

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

Sincerely,



Print Name: Arturo Sida
Its: Vice President, Associate General Counsel and
Assistant Corporate Secretary
DaVita HealthCare Partners Inc.

Subscribed and sworn to me

This ___ day of _____ 2014

See Attached

Notary Public

State of California

County of Los Angeles

On October 21, 2014 before me, Kimberly Ann K. Burgo, Notary Public
(here insert name and title of the officer)

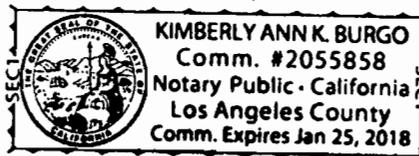
personally appeared Arturo Sida

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Kimberly Ann K. Burgo



(Seal)

OPTIONAL INFORMATION

Law does not require the information below. This information could be of great value to any person(s) relying on this document and could prevent fraudulent and/or the reattachment of this document to an unauthorized document(s)

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: Secretary's Certificate - Ltr to K. Olson re Certification of Support Services

Document Date: October 21, 2014 Number of Pages: one (1)

Signer(s) if Different Than Above: No

Other Information: _____

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s): Arturo Sida

- Individual
- Corporate Officer

(Title(s))

- Partner
- Attorney-in-Fact
- Trustee
- Guardian/Conservator

Other: Vice President, Associate General Counsel and Assistant Corporate Secretary

SIGNER IS REPRESENTING:

Name of Person(s) or Entity(ies): DaVita HealthCare Partners Inc. / Danville Dialysis

Section VII, Service Specific Review Criteria

In-Center Hemodialysis

Criterion 1110.1430(g), Minimum Number of Stations

The proposed dialysis facility will be located in the Champaign metropolitan statistical area ("MSA"). A dialysis facility located within an MSA must have a minimum of eight dialysis stations. The Applicants propose to establish an 8-station dialysis facility. Accordingly, this criterion is met.

Section VII, Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.1430(h), Continuity of Care

DaVita HealthCare Partners Inc. has an agreement with The Carle Foundation Hospital to provide inpatient care and other hospital services. Attached at Attachment – 26F is a copy of the service agreement with this area hospital.

Jan. 31. 2012 4:19AM

No. 08'4 P. 2

FOR COMPANY USE ONLY:
Clinic #: 05024

PATIENT TRANSFER AGREEMENT

This **PATIENT TRANSFER AGREEMENT** (the "Agreement") is made as of the last date of execution of this Agreement (the "Effective Date"), by and between The Carle Foundation (hereinafter "Hospital") and Total Renal Care, Inc., a subsidiary of DaVita, Inc. ("Company").

RECITALS

WHEREAS, the parties hereto desire to enter into this Agreement governing the transfer of patients between Hospital and the following free-standing dialysis clinic owned and operated by Company (the "Center"):

**Danville Home Dialysis
3 Poland Road
Danville, IL 61832**

WHEREAS, the parties hereto desire to enter into this Agreement in order to specify the rights and duties of each of the parties and to specify the procedure for ensuring the timely transfer of patients between the Hospital and the Center; and

WHEREAS, the parties wish to facilitate the continuity of care and the timely transfer of patients and records between the Hospital and the Center; and

WHEREAS, the parties acknowledge that only a patient's attending physician (not Company or the Hospital) can refer such patient to Company for dialysis treatments.

NOW THEREFORE, in consideration of the premises herein contained and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **HOSPITAL OBLIGATIONS.** In accordance with the policies and procedures as hereinafter provided, and upon the recommendation of an attending physician, a patient of Company may be transferred to Hospital.

(a) Hospital agrees to exercise its best efforts to provide for prompt admission of patients provided that all usual, reasonable conditions of admission are met. All transfers between the facilities shall be made in accordance with applicable federal and state laws and regulations, the standards of the Joint Commission on the Accreditation of Healthcare Organizations ("JCAHO") and any other applicable accrediting bodies, and reasonable policies and procedures of the facilities. Transfer record forms shall be completed in detail and signed by the physician or nurse in charge at Company and must accompany the patient to the receiving institution.

(b) Neither the decision to transfer a patient nor the decision to not accept a request to transfer a patient shall be predicated upon arbitrary, capricious or unreasonable

discrimination or based upon the patient's inability to pay for services rendered by either facility.

2. COMPANY OBLIGATIONS.

(a) Upon transfer of a patient to Hospital, Company agrees:

- i. That it shall transfer any needed personal effects of the patient, and information relating to the same, and shall be responsible therefor until signed for by a representative of Hospital;
- ii. Original medical records kept by each of the parties shall remain the property of that institution; and
- iii. That transfer procedures shall be made known to the patient care personnel of each of the parties.

(b) Company agrees to transmit with each patient at the time of transfer, or in case of an emergency, as promptly as possible thereafter, an abstract of pertinent medical and other records necessary to continue the patient's treatment without interruption and to provide identifying and other information, to include:

- i. current medical findings;
- ii. diagnosis;
- iii. rehabilitation potential;
- iv. discharge summary;
- v. a brief summary of the course of treatment followed;
- vi. nursing and dietary information;
- vii. ambulating status; and
- viii. administrative and pertinent social information.

(c) Company agrees to readmit to the Center patients who have been transferred to Hospital for medical care as clinic capacity allows. Hospital agrees to keep the administrator or designee of Company advised of the condition of the patients that will affect the anticipated date of transfer back to Company and to provide as much notice of the transfer date as possible. Company shall assign readmission priority for its patients who have been treated at Hospital and who are ready to transfer back to the Center.

3. BILLING, PAYMENT, AND FEES. Hospital and Company each shall be responsible for billing the appropriate payor for the services it provides, respectively,

Jan. 31. 2012 4:19AM

No. 004 P. 4

hereunder. Company shall not act as guarantor for any charges incurred while the patient is a patient in Hospital.

4. HIPAA. Hospital and Company agree to comply with the patient privacy and security requirements set forth in the Health Insurance Portability and Accountability Act of 1996, and attendant regulations at 45 C.F.R. Parts 160 and 164, as amended by the federal Health Information Technology for Economic and Clinical Health Act and its implementing regulations, as may be modified or amended, including future issuance of regulations and guidance by HHS (collectively "HIPAA"), and any applicable state patient privacy and security laws. Hospital and Company acknowledge and agree that from time to time, HIPAA may require modification to this Agreement for compliance purposes. Hospital and Company each agrees to comply with requests by the other party hereto related to HIPAA.

5. STATUS AS INDEPENDENT CONTRACTORS. The parties acknowledge and agree that their relationship is solely that of independent contractors. Governing bodies of Hospital and Company shall have exclusive control of the policies, management, assets, and affairs of their respective facilities. Nothing in this Agreement shall be construed as limiting the right of either to affiliate or contract with any other hospital or facility on either a limited or general basis while this Agreement is in effect. Neither party shall use the name of the other in any promotional or advertising material unless review and approval of the intended use shall be obtained from the party whose name is to be used and its legal counsel.

6. INSURANCE. Each party shall secure and maintain, or cause to be secured and maintained during the term of this Agreement, comprehensive general liability, property damage, and workers compensation insurance in amounts generally acceptable in the industry, and professional liability insurance providing minimum limits of liability of \$1,000,000 per occurrence and \$3,000,000 in aggregate. Each party shall deliver to the other party certificate(s) of insurance evidencing such insurance coverage upon execution of this Agreement, and annually thereafter upon the request of the other party. Each party shall provide the other party with not less than thirty (30) days prior written notice of any change in or cancellation of any of such insurance policies. Said insurance shall survive the termination of this Agreement.

7. INDEMNIFICATION.

(a) Hospital Indemnity. Hospital hereby agrees to defend, indemnify and hold harmless Company and its shareholders, affiliates, officers, directors, employees, and agents for, from and against any claim, loss, liability, cost and expense including, without limitation, costs of investigation and reasonable attorney's fees (collectively, "Loss"), directly or indirectly relating to, resulting from or arising out of any action or failure to act arising out of this Agreement by Hospital and its staff regardless of whether or not it is caused in part by Company or its officers, directors, agents, representatives, employees, successors and assigns. This indemnification provision shall not be effective

as to any Loss attributable exclusively to the negligence or willful act or omission of Company.

(b) Company Indemnity. Company hereby agrees to defend, indemnify and hold harmless Hospital and its shareholders, affiliates, officers, directors, employees, and agents for, from and against any Loss directly or indirectly relating to, resulting from or arising out of any action or failure to act arising out of this Agreement by Company and its staff regardless of whether or not it is caused in part by or its officers, directors, agents, representatives, employees, successors and assigns. This indemnification provision shall not be effective as to any Loss attributable exclusively to the negligence or willful act or omission of Hospital.

(c) Survival. The Indemnification obligations of the parties shall continue in full force and effect notwithstanding the expiration or termination of this Agreement with respect to any such expenses, costs, damages, claims and liabilities which arise out of or are attributable to the performance of this Agreement prior to its expiration or termination.

8. DISPUTE RESOLUTION. Any dispute which may arise under this Agreement shall first be discussed directly with representatives of the departments of the parties that are directly involved. If the dispute cannot be resolved at this level, it shall be referred to administrative representatives of the parties for discussion and resolution.

(a) Informal Resolution. Should any dispute between the parties arise under this Agreement, written notice of such dispute shall be delivered from one party to the other party and thereafter, the parties, through appropriate representatives, shall first meet and attempt to resolve the dispute in face-to-face negotiations. This meeting shall occur within thirty (30) days of the date on which the written notice of such dispute is received by the other party.

(b) Resolution Through Mediation. If no resolution is reached through informal resolution, pursuant to Section 8(a) above, the parties shall, within forty-five (45) days of the first meeting referred to in Section 8(a) above, attempt to settle the dispute by formal mediation. If the parties cannot otherwise agree upon a mediator and the place of the mediation within such forty-five (45) day period, the American Arbitration Association ("AAA") in the State of Illinois shall administer the mediation. Such mediation shall occur no later than ninety (90) days after the dispute arises. All findings of fact and results of such mediation shall be in written form prepared by such mediator and provided to each party to such mediation. In the event that the parties are unable to resolve the dispute through formal mediation pursuant to this Section 8(b), the parties shall be entitled to seek any and all available legal remedies.

9. TERM AND TERMINATION. This Agreement shall be effective for an initial period of one (1) year from the Effective Date and shall continue in effect indefinitely after such initial term, except that either party may terminate by giving at least sixty (60) days notice in writing to the other party of its intention to terminate this Agreement. If

Jan. 31. 2012 4:20AM

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this Agreement is terminated for any reason within one (1) year of the Effective Date of this Agreement, then the parties hereto shall not enter into a similar agreement with each other for the services covered hereunder before the first anniversary of the Effective Date. Termination shall be effective at the expiration of the sixty (60) day notice period. However, if either party shall have its license to operate its facility revoked by the State or become ineligible as a provider of service under Medicare or Medicaid laws, this Agreement shall automatically terminate on the date such revocation or ineligibility becomes effective.

10. **AMENDMENT.** This Agreement may be modified or amended from time to time by mutual written agreement of the parties, signed by authorized representatives thereof, and any such modification or amendment shall be attached to and become part of this Agreement. No oral agreement or modification shall be binding unless reduced to writing and signed by both parties.

11. **ENFORCEABILITY/SEVERABILITY.** The provisions of this Agreement are severable. The invalidity or unenforceability of any term or provisions hereto in any jurisdiction shall in no way affect the validity or enforceability of any other terms or provisions in that jurisdiction, or of this entire Agreement in any other jurisdiction.

12. **COMPLIANCE RELATED MATTERS.** The parties agree and certify that this Agreement is not intended to generate referrals for services or supplies for which payment maybe made in whole or in part under any federal health care program. The parties will comply with statutes, rules, and regulations as promulgated by federal and state regulatory agencies or legislative authorities having jurisdiction over the parties.

13. **EXCLUDED PROVIDER.** Each party represents that neither that party nor any entity owning or controlling that party has ever been excluded from any federal health care program including the Medicare/Medicaid program or from any state health care program. Each party further represents that it is eligible for Medicare/Medicaid participation. Each party agrees to disclose immediately any material federal, state, or local sanctions of any kind, imposed subsequent to the date of this Agreement, or any investigation which commences subsequent to the date of this Agreement, that would materially adversely impact Company's ability to perform its obligations hereunder.

14. **NOTICES.** All notices, requests, and other communications to any party hereto shall be in writing and shall be addressed to the receiving party's address set forth below or to any other address as a party may designate by notice hereunder, and shall either be (a) delivered by hand, (b) sent by recognized overnight courier, or (c) by certified mail, return receipt requested, postage prepaid.

If to Hospital: Carle Foundation Hospital
602 W. University Ave.
Urbana, IL 61801
Attention: Medical Center Administrator

Jan. 31. 2012 4:20AM

No. 08:4 P. 7

If to Company: DaVita, Inc.
c/o: Danville Home Dialysis
3 Poland Road
Danville, IL 61832
Attention: Facility Administrator

With copies to: Danville Home Dialysis (#05024)
c/o: DaVita, Inc.
1551 Wewatta Street
Denver, CO 80202
Attention: Group General Counsel

Jan. 31. 2012 4:21AM

No. 08'4 P. 8

All notices, requests, and other communication hereunder shall be deemed effective (a) if by hand, at the time of the delivery thereof to the receiving party at the address of such party set forth above, (b) if sent by overnight courier, on the next business day following the day such notice is delivered to the courier service, or (c) if sent by certified mail, five (5) business days following the day such mailing is made.

15. **ASSIGNMENT.** This Agreement shall not be assigned in whole or in part by either party hereto without the express written consent of the other party, except that Company may assign this Agreement to one of its affiliates or subsidiaries without the consent of Hospital.

16. **COUNTERPARTS.** This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Copies of signatures sent by facsimile shall be deemed to be originals.

17. **NON-DISCRIMINATION.** All services provided by Hospital hereunder shall be in compliance with all federal and state laws prohibiting discrimination on the basis of race, color religion, sex national origin, handicap, or veteran status.

18. **WAIVER.** The failure of any party to insist in any one or more instances upon performance of any terms or conditions of this Agreement shall not be construed as a waiver of future performance of any such term, covenant, or condition, and the obligations of such party with respect thereto shall continue in full force and effect.

19. **GOVERNING LAW.** The laws of the State of Iowa shall govern this Agreement.

20. **HEADINGS.** The headings appearing in this Agreement are for convenience and reference only, and are not intended to, and shall not, define or limit the scope of the provisions to which they relate.

21. **ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes any and all other agreements, either oral or written, between the parties (including, without limitation, any prior agreement between Hospital and Company or any of its subsidiaries or affiliates) with respect to the subject matter hereof.

22. **APPROVAL BY DAVITA INC. ("DAVITA") AS TO FORM.** The parties acknowledge and agree that this Agreement shall take effect and be legally binding upon the parties only upon full execution hereof by the parties and upon approval by DaVita Inc. as to the form hereof.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

Hospital:

The Carle Foundation

Company:

Total Renal Care, Inc.

By: Marc F. Berlin

By: Marcia Sorrell

Name: Marc F. Berlin

Name: Marcia Sorrell

Its: UP-Surgical & Medical
Specialties

Its: Regional Operations Director

Date: 1-11-12

Date: 2-3-2012

APPROVED AS TO FORM ONLY:

By: _____

Name: Marcie Damisch

Its: Group General Counsel

Section VII, Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.1430(j), Relocation of Facilities

The Applicants propose the establishment of an 8-station dialysis facility. Thus, this criterion is not applicable.

Section VII, Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.1430(j), Assurances

Attached at Attachment – 26G is a letter from Arturo Sida, Vice President, Associate General Counsel, DaVita HealthCare Partners Inc. certifying that the proposed facility will achieve target utilization by the second year of operation.

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

Re: In-Center Hemodialysis Assurances

Dear Chair Olson:

Pursuant to 77 Ill. Admin. Code § 1110.1430(k), I hereby certify the following:

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

Sincerely,



Print Name Print Name: Arturo Sida
Its: Vice President, Associate General Counsel and
Assistant Corporate Secretary
DaVita HealthCare Partners Inc.

Subscribed and sworn to me

This ___ day of _____, 2014

See Attached

Notary Public

State of California
County of Los Angeles

On October 21, 2014 before me, Kimberly Ann K. Burgo, Notary Public
(here insert name and title of the officer)

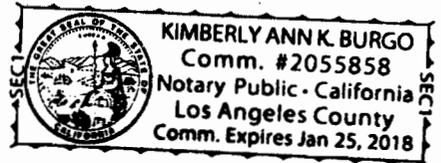
personally appeared Arturo Sida

who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity~~(ies)~~, and that by his/~~her/their~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature *Kimberly Ann K. Burgo*



(Seal)

OPTIONAL INFORMATION

Law does not require the information below. This information could be of great value to any person(s) relying on this document and could prevent fraudulent and/or the reattachment of this document to an unauthorized document(s)

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: Secretary's Certificate - Ltr to K. Olson re In-Center Hemodialysis Assurances
Document Date: October 21, 2014 Number of Pages: one (1)
Signer(s) if Different Than Above: No
Other Information: _____

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s): Arturo Sida

- Individual
- Corporate Officer

(Title(s))

- Partner
- Attorney-in-Fact
- Trustee
- Guardian/Conservator
- Other: Vice President, Associate General Counsel and Assistant Corporate Secretary

SIGNER IS REPRESENTING:

Name of Person(s) or Entity(ies): DaVita HealthCare Partners Inc./ Danville Dialysis

Section VIII, Financial Feasibility
Criterion 1120.120 Availability of Funds

The project will be funded entirely with cash and cash equivalents, and Genesis KC Development LLC, a co-applicant, will be the site owner. A copy of DaVita's 2013 10-K Statement evidencing sufficient internal resources to fund the project was previously submitted with the application 14-016. A copy of the contract to purchase the site is attached at Attachment – 36.

PURCHASE AND SALE AGREEMENT
BETWEEN
DANVILLE CROSSING LP
AND
GENESIS KC DEVELOPMENT, LLC

Property: Lot 9 OF Danville Crossings 2, Danville, Illinois
(approximately 1.160 acres)

504157.2

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT is made and entered into as of the Effective Date by and between Danville crossing LP, an Illinois limited partnership ("Seller"), and Genesis KC Development, LLC, a Delaware limited liability company ("Purchaser").

WITNESSETH:

WHEREAS, Seller is the fee owner of a certain parcel of unimproved land (the "Land"), known as Lot 9 of Danville Crossings 2 containing approximately 1.160 acres located in the City of Danville, County of Vermilion, State of Illinois and more particularly described in **Exhibit A**, attached hereto and made a part hereof; and

WHEREAS, Seller desires to sell and Purchaser desires to purchase the Land and all improvements located thereon (the "Property"), upon and subject to the terms and conditions contained in this Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants and promises herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Purchaser and Seller hereby agree as follows:

ARTICLE 1

DEFINITIONS

1.1 **Definitions.** When used in this Agreement, the following terms shall have the respective meanings set forth opposite each such term:

ADDITIONAL DEPOSIT: The sum of Ten Thousand Dollars (\$10,000.00).

AGREEMENT: This Purchase and Sale Agreement, including all exhibits attached hereto, as the same may be amended from time to time

CLOSING DATE: The thirtieth (30th) day following the expiration of the Due Diligence Period or such earlier or later date as Purchaser and Seller may agree in writing.

DUE DILIGENCE PERIOD The period from the Effective Date to the date that is one hundred (100) days following the Effective Date,

which may be extended for an additional thirty (30) days as provided in Section 4.4 below.

DOCUMENT DELIVERY DATE: The date which is fifteen (15) days after the Effective Date.

EFFECTIVE DATE: The later to occur of (i) the date on which this Agreement is executed by Purchaser or (ii) the date on which this Agreement is executed by Seller.

INITIAL DEPOSIT: The sum of Twenty Thousand Dollars (\$20,000.00).

PROPERTY: The land legally described on EXHIBIT A, together with all improvements thereon or therein; and all privileges, rights, easements, hereditaments, and appurtenances thereto belonging.

PURCHASE PRICE: The sum of Two Hundred Fifteen Thousand Dollars (\$215,000.00).

SURVEY: Current survey (or update of any existing survey) of the Land and the Property prepared by a surveyor licensed by the State in which the Property is located and certified to Purchaser, Title Company and such other parties as Purchaser shall designate, which survey shall be prepared in accordance with the "Minimum Standard Detail Requirements for ALTA/ACSM Land Title Surveys" jointly established and adopted by the American Land Title Association, and the National Society of Professional Surveyors in 2011, which shall contain, at a minimum Table A, Optional Survey Responsibilities and Specifications.

TITLE AND SURVEY OBJECTION DEADLINE: The date which is thirty (30) days after Purchaser's receipt of the Title Commitment and existing survey, if applicable

TITLE COMMITMENT: A commitment for a Form T-7 Title Commitment for the issuance of a Form T-1 Owners Policy for Title Insurance (i) the Property and (ii) all easements appurtenant to the Property, issued by Title Company in the full amount of the Purchase Price, covering title to the Property and all such easements on or after the

date hereof, showing Seller as owner of the Property in fee simple.

TITLE COMPANY:

FIRST AMERICAN TITLE INSURANCE COMPANY,
1125 17th Street, Suite 750, Denver, CO 80202, Attn:
Beverly Carlson (bevcarlson@firstam.com).

TITLE ENDORSEMENTS:

The following title endorsements: Owners' Comp, Survey, Access, Contiguity and Tax Parcel.

ARTICLE 2
PURCHASE AND SALE

2.1 **Purchase and Sale.** Subject to the conditions and on the terms contained in this Agreement, on the Closing Date, Seller shall sell, transfer and convey fee simple title to the Property to Purchaser or any assignee or designee of Purchaser by good, sufficient and recordable general warranty deed subject only to the Permitted Title Exceptions.

2.2 **Initial Deposit.** Within five (5) business days after the Effective Date, Purchaser shall place the Initial Deposit in escrow with Title Company. The Deposit shall be retained by Title Company as earnest money for the benefit of Purchaser and Seller in accordance with the provisions of this Agreement. If Purchaser so elects, the parties shall direct Title Company to invest the Deposit in an interest bearing account. Purchaser and Seller further agree to execute any and all directions in a timely fashion that are necessary to cause Title Company to disburse the Deposit and the interest earned on the Deposit, if any, as required by the provisions of this Agreement.

2.3 **Purchase Price.** The Deposit, including any accrued interest thereon, shall be applied against the Purchase Price on the Closing Date. On the Closing Date, Purchaser shall deposit the balance of the Purchase Price with Title Company, plus or minus pro-rations, as hereinafter provided.

ARTICLE 3
SURVEY AND TITLE

3.1 **Survey.** Purchaser shall prepare a Survey of the Property within forty-five (45) days of the Effective Date, as provided in Section 4.1 below.

3.2 **Title Commitment.** On or before the Document Delivery Date, cause the Title Company to issue and deliver to Purchaser, a Title Commitment, together with legible copies of all documents referenced therein, at Seller's sole cost and expense. Seller shall also deliver to Purchaser copies of all unrecorded leases, agreements, and other documents within Seller's possession that may affect title to the Property, which have not been previously delivered to Purchaser, if any. The Title Commitment shall commit to

delete from the Title Policy (as defined below), at Seller's expense: (i) the standard survey exceptions; (ii) any exception for instruments recorded after the effective date of the Title Commitment and prior to recording of the Deed (as defined herein) except Permitted Title Exceptions which are accepted by Purchaser pursuant to the terms of this Agreement; and (iii) any exception for unpaid taxes and assessments except for the year of closing and subsequent years.

3.3 Title and Survey Objections.

(A) Within thirty (30) days after Purchaser's receipt of the Title Commitment and existing survey, if applicable, (the "Title and Survey Objection Deadline") Purchaser shall give written notice to Seller (which notice shall be sufficient if delivered by electronic mail to Seller's attorney) of each matter set forth in the Survey and Title Commitment which is objectionable to Purchaser, in Purchaser's sole and absolute discretion (a "Unpermitted Title Exception") (provided, however, that if any such amendments or updates are received by Purchaser after the Document Delivery Date Purchaser shall have ten (10) days following Purchaser's receipt of such amendment or update and copies of all documents referenced therein to notify Seller of objections to matters shown on any such amendment or update that were not disclosed on the previously delivered Title Commitment of Survey).

(B) With respect to each Unpermitted Title Exception, Seller shall have the option, by notifying Purchaser within seven (7) days after receipt of Purchaser's notice of the Unpermitted Title Exceptions, to have such Unpermitted Title Exception removed from the Title Commitment and/or Survey, at Seller's sole cost and expense. If Seller does not elect to remove all of the Unpermitted Title Exceptions, Purchaser shall elect (as its sole and exclusive remedy), on or before the Closing Date, either (i) to terminate this Agreement, in which event the Deposit and all interest earned thereon, if any, shall forthwith be returned to Purchaser and neither of the parties shall have any further rights or obligations under this Agreement nor shall Purchaser have any further obligations with respect to the Property, except those which expressly survive termination, or (ii) to accept the Property subject to those Unpermitted Title Exceptions which Seller has elected not to remove, and if Purchaser fails to make such election, Purchaser shall be deemed to have terminated this Agreement in accordance with (i) above.

(C) If Seller agrees to cure any such Unpermitted Title Exception, such cure shall be a condition of Closing. With respect to the Unpermitted Title Exception which Seller has elected to remove, Seller shall use commercially reasonable efforts to cause the Unpermitted Title Exception to be removed prior to the Closing Date, and upon removal of the Unpermitted Title Exceptions, Seller shall deliver to Purchaser a revised Title Commitment and/or Survey evidencing the removal of all such Unpermitted Title Exceptions. If despite the use of commercially reasonable efforts, Seller fails to remove such Unpermitted Title Exceptions prior to the Closing Date, Purchaser shall elect (as its sole and exclusive remedy), on or before the Closing Date, either (i) to terminate this Agreement, in which event the Deposit and all interest earned thereon, if any, shall

forthwith be returned to Purchaser and neither of the parties shall have any further rights or obligations under this Agreement nor shall Purchaser have any further obligations with respect to the Property, except those which expressly survive termination, or (ii) to accept the Property subject to those Unpermitted Title Exceptions which Seller has been unable to remove. If Purchaser fails to make such election, Purchaser shall be deemed to have terminated this Agreement in accordance with (i) above.

(D) On the Closing Date, Seller shall, at Seller's sole cost and expense, cause Title Company to commit to issue an owner's title insurance policy pursuant to and in accordance with the Title Commitment, insuring in Purchaser fee simple title to the Property and the easements which benefit the Property, subject only to the Permitted Title Exceptions, together with the Title Endorsements and extended coverage over all general exceptions (the "Title Policy"). If Seller fails to remove any lien or encumbrance of a definite or ascertainable monetary amount, Purchaser shall have the right to (i) deduct from the Purchase Price amounts secured by any such lien or encumbrance, or (ii) cause Title Company to issue its endorsement insuring against damage caused by any such exception and deduct from the Purchase Price the cost of the premiums and security provided for said endorsement, as the case may be.

ARTICLE 4 **DUE DILIGENCE AND INSPECTIONS**

4.1 Seller's Delivery of Existing Materials. Within fifteen (15) days after the Effective Date, Seller shall provide to Purchaser copies of the following existing items which are in Seller's or its affiliates' possession or control, or written notice as to the non-existence of any such items: all tax bills, including but not limited to, property, personal, rental, liens and special assessments for the current tax year; true, correct and complete copies of all existing surveys, topographical maps, preliminary plats, studies and plans, copies of any leases and agreements with tenants, correspondence with governmental authorities, and copies of any other studies or reports relevant to development regarding the Property, soil tests, Phase I and II and any other environmental site assessments and updates and other records relative to the physical condition of the Property or relative to any obligations in respect to the Property which would be binding on Purchaser after the Closing Date which are in Seller's possession or control or otherwise reasonably available to Seller.

4.2 Due Diligence Period. During the Due Diligence Period Purchaser shall inspect the Property and determine its suitability for Purchaser's purposes, in Purchaser's sole and absolute discretion. Purchaser's obligations under this Agreement are subject to Purchaser being satisfied, in its sole and absolute discretion, that the Property is suitable to Purchaser.

4.3 Inspections. Purchaser and its agents, employees, representatives and independent contractors shall have the right to enter the Property at reasonable times to conduct such inspections, tests and investigations of the Property as Purchaser may elect,

including, without limitation physical, engineering, soils, geotechnical, and environmental tests. Purchaser agrees to indemnify and defend (including reasonable attorney fees and costs) Seller for any action, loss or damages asserted against Seller as a result of Purchaser and its agents, employees, representatives or independent contractors investigation of or access to the Property, provided however, that the foregoing indemnity shall not apply to, and the Purchaser shall not indemnify the Seller or the Property from any such actions, loss, claims, demands, damages, costs, liabilities or expenses which are (i) caused by the act or omission of the Seller, or its agents, representatives or employees, or (ii) arise from or relate to the discovery or release of any physical condition existing on the Property prior to the Purchaser's entry thereon, including, without limitation the discovery of any Hazardous Materials (as defined herein) on the Property. If Purchaser fails to close this transaction through no fault of Seller, Purchaser shall restore any damages to or alterations of the Property resulting from Purchaser and its agents', employees', representatives' or independent contractors' investigation of the Property.

4.4 Right to Extend Due Diligence Period. Purchaser shall have the option to extend the Due Diligence Period for an additional 30 day period by so notifying Seller in writing of its election to do so prior to the expiration of the preceding Due Diligence Period and depositing an additional \$10,000.00 into escrow with the Title Company (the "Additional Deposit"). The Additional Deposit and the Deposit shall collectively be referred to as the "Deposit".

4.5 Termination Right. If Purchaser determines prior to the expiration of the Due Diligence Period, in Purchaser's sole and absolute discretion, that the Property is not acceptable for its purposes, Purchaser may, at its option, elect to terminate this Agreement by written notice given to Seller (which notice shall be effective if given by electronic mail to Seller's attorney) and the Deposit (excluding the Additional Deposit, if any) and all interest earned thereon, shall be returned to Purchaser. In the event the Due Diligence Period is extended pursuant to Section 4.4 and Purchaser elects to terminate this Agreement pursuant to this Section 4.5, the Additional Deposit, and all interest, if any, shall be paid to Seller by the Escrow Agent.

4.6 Seller Cooperation. Seller agrees that, from and after execution of this Agreement, Purchaser may contact and make reasonable inquires with any governmental or quasi-governmental agency or entity with jurisdiction over the Property or any public or private utility serving the Property with respect to any applications for permits, licenses, approvals, or other entitlements concerning the development of the Property, and related zoning and land use approvals, plats, and the Survey. In the event after Closing any governmental or quasi-governmental agency or entity with jurisdiction over the Property or any public or private utility serving the Property reasonably requires consent or approvals from Seller for the development of the Property, Seller will execute such documents as necessary to process such consent or approvals; provided Seller shall not be required to incur any out of pocket costs or expense or any further liability or duty with respect to the Property or any representations made. Seller agrees to give Purchaser a copy of any

notice, summons or other document relating to a pending or threatened attack on an zoning, land use or other matters received by Seller.

ARTICLE 5

POSSESSION, PRORATIONS AND EXPENSES

5.1 **Possession**. Subject only to the Permitted Title Exceptions, sole and exclusive possession of the Property shall be delivered to Purchaser as of the Closing Date.

5.2 **Prorations**.

(A) **Method of Proration**. Taxes, all charges, if any, for water, sewer or other utility services and assessments affecting the Property shall be prorated between Purchaser and Seller as of the Closing Date based on a 365-day year. All non-delinquent real estate taxes and assessments on the Property shall be prorated based on the actual current tax bill, but if such tax bill has not yet been received by Seller by the Closing Date or if supplemental taxes are assessed after the Closing Date for the period prior to the Closing Date, the parties shall make any necessary adjustment after the Closing Date by cash payment to the party entitled thereto so that Seller shall have borne all real property taxes, including all supplemental taxes, allocable to the period prior to the Closing Date and Purchaser shall bear all real property taxes, including all supplemental taxes, allocable to the period from and after the Closing Date. If any expenses attributable to the Property and allocable to the period prior to the Closing Date are discovered or billed after the Closing Date, the parties shall make any necessary adjustment after the Closing Date by cash payment to the party entitled thereto so that Seller shall have borne all expenses allocable to the period prior to the Closing Date and Purchaser shall bear all expenses allocable to the period from and after Closing. All improvement and special liens and assessments attributable to the Property shall be paid in full by Seller at or before Closing. Additionally, all other items that are customarily prorated in transactions in the metropolitan area where the Property is located similar to this transaction contemplated hereby shall be prorated between the parties in the customary manner.

(B) **Apportionment**. If taxes and/or assessments must be prorated and/or paid before the appropriate tax/assessment records reflect the Property as a separate parcel, such taxes and/or assessments will be allocated between the Property and the rest of the Land on the basis of acreage, except that any taxes attributable to improvements will be allocated to the land on which the improvements are located.

(C) **Survival**. The obligations under this Section shall survive the Closing and the delivery and recordation of the Deed for the Property.

5.3 **Expenses.** Each party shall pay its own costs and expenses arising in connection with Closing (including, without limitation, its own attorneys' and advisors' fees, charges, and disbursements), except the following costs (the "Closing Costs"), which shall be allocated between the parties as follows:

(A) Title Company's escrow fees and costs shall be paid one-half by Seller and one-half by Purchaser;

(B) The cost of the Survey (or recertification of the existing survey, as the case may be) shall be paid by Seller;

(C) The cost of the Owner's Title Policy (including, the premiums for extended coverage over the general exceptions printed in the Title Commitment and the Title Endorsements) shall be paid by Seller;

(D) The recording fees for the recording of the Deed shall be paid by Seller;

(E) All other recording fees and closing fees and costs shall be charged to and paid by Seller and Purchaser in accordance with customary practices in the County in which the Property is located; and

(F) Seller shall pay, when due, any and all sales and use taxes that may accrue because of the purchase and sale of the Property and shall furnish Purchaser evidence of the filing of any tax returns that are required to be filed and the payment of any taxes due.

ARTICLE 6 COVENANTS OF SELLER

6.1 **Maintenance of the Property.** From and after the Effective Date through and including the Closing Date, Seller shall, at Seller's sole cost and expense, maintain the Property, in its current condition, free from waste and neglect and shall keep and perform all obligations imposed on the owner of the Property, under all applicable laws. If the Property is not in the required condition on the Closing Date, Purchaser may elect either (i) to terminate this Agreement, in which event the Deposit and all interest earned thereon, if any, shall forthwith be returned to Purchaser, or (ii) to accept the Property in its then current condition, in which event Seller shall pay to Purchaser on the Closing Date the reasonably estimated cost (including any fines or penalties and interest thereon) to restore the Property to the required condition. If such estimated cost of restoration is less than the actual cost of restoration, Seller shall pay to Purchaser, upon demand by Purchaser, the additional cost incurred by Purchaser.

6.2 **Transactions and Encumbrances Affecting the Property.** From and after the Effective Date through and including the Closing Date, Seller shall not sell, lease, encumber or grant any interest in the Property or any part thereof in any form or manner whatsoever, or otherwise perform or permit any act or enter into any transaction affecting

the Property which will diminish or otherwise affect Purchaser's interest under this Agreement, or in or to the Property or which will prevent Seller's full performance of its obligations hereunder.

6.3 **Zoning and Governmental Approvals.** Seller shall notify Purchaser at least two weeks in advance of any governmental hearings or meetings at which the Property is subject. Seller agrees to cooperate with and assist Purchaser in obtaining such zoning, variations, public sector financing, site plan approvals, sign approvals, subdivision approvals and other governmental approvals and in obtaining any other approvals, certificates or other authorizations required, in Purchaser's sole opinion, to permit Purchaser's Intended Use.

6.4 **Additional Third Party Consents.** In addition to any other approval required hereby, Seller agrees to cooperate with and assist Purchaser in obtaining, any required approval or consent from any third party for Purchaser to construction, develop and operate the Property, including, without limitation, any owner of any property adjacent to the Property, owners' associations, developers etc. Seller shall provide and cause to be provided all estoppels or compliance certificates reasonably requested by Purchaser.

ARTICLE 7

REPRESENTATIONS AND WARRANTIES OF SELLER

7.1 **Representations and Warranties of Seller.** To induce Purchaser to execute, deliver and perform this Agreement, Seller represents and warrants to Purchaser on and as of the Effective Date and as of the Closing Date as follows:

(A) **Documents.** To the best of Seller's knowledge, the information included in the documents to be delivered to Purchaser pursuant to this Agreement shall be true, correct and complete in all material respects.

(B) **Authorization.** Seller is a limited partnership duly organized under the laws of the State of Illinois, validly existing, and in good standing under the laws of the State of Illinois. Seller has full capacity, right, power and authority to execute, deliver and perform this Agreement and all documents to be executed by Seller pursuant hereto, and all required action and approvals therefor have been duly taken and obtained. The individuals signing this Agreement and all other documents executed or to be executed pursuant to this Agreement on behalf of Seller are and shall be duly authorized to sign the same on Seller's behalf and to bind Seller thereto. This Agreement and all documents to be executed pursuant hereto by Seller are and shall be binding upon and enforceable against Seller in accordance with their respective terms, and the transaction contemplated hereby will not result in a breach of, or constitute a default or permit acceleration of maturity under, any indenture, mortgage, deed of trust, loan agreement or other agreement to which Seller or the Property is subject or by which Seller or the Property is bound.

(C) **Bankruptcy.** Seller has not (i) made a general assignment for the benefit of creditors, (ii) filed any voluntary petition in bankruptcy or suffered the filing of any involuntary petition by Seller's creditors, (iii) suffered the appointment of a receiver to take possession of all or substantially all of Seller's assets, (iv) suffered the attachment or other judicial seizure of all, or substantially all, of Seller's assets, (v) admitted in writing its inability to pay its debts as they come due, or (vi) made an offer of settlement, extension or composition to its creditors generally.

(D) **Litigation.** There are no judgments, orders, awards or decrees currently in effect, or claims, investigations, proceedings, causes of action or other litigation or proceedings pending or, to the best of Seller's knowledge, contemplated or threatened in respect to the ownership, operation or environmental condition of the Property or any part thereof (including disputes with mortgagees, governmental authorities, utility companies, contractors, adjoining land owners or suppliers of goods or services).

(E) **Violations.** To the best of Seller's knowledge, there are no violations of any health, safety, pollution, environmental, zoning or other laws, ordinances, rules or regulations with respect to the Property or the balance of the Land, which have not been heretofore entirely corrected.

(F) **Condemnation/Zoning.** There is no existing, pending or, to the best of Seller's knowledge, contemplated, threatened or anticipated (i) condemnation of any part of the Property or the balance of the Land, (ii) widening, change of grade or limitation on use of streets, roads or highways abutting the Property or the balance of the Land, (iii) special tax or assessment or back tax due to abatement, exemption deferral or special classification to be levied against the Property or the balance of the Land, (iv) change in the zoning classification of the Property or the balance of the Land, or (v) change in the tax assessment of the Property or the balance of the Land.

(G) **Non-Foreign Status.** Seller is not a "foreign person" within the meaning of Section 1445(f)(3) of the Internal Revenue Code of 1986, as amended.

(H) **Possession.** Except for Seller, there are no persons in possession or occupancy of the Property or any part thereof, nor are there any persons who have possessory rights in respect to the Property or any part thereof.

(I) **Restrictions.** Other than as provided in applicable law and regulations, there are no restrictions, easements or conditions encumbering the Property which do not appear in the public records of the county in which the Property is located.

(J) **Other Agreements.** There are no leases, construction contracts, service contracts or other agreements or contracts or commitments or oral or written understandings in existence affecting the Property or the use thereof.

(K) **Liens.** There are no mechanic's or materialman's liens or similar claims or liens now asserted against the Property for work performed or commenced prior to the date hereof and there has been no work done by or on behalf of Seller with respect to the Property for which any expenses have been incurred for materials, materialmen, laborers, contractors or subcontractors used in connection therewith that have not been paid in full.

(L) **Referral Source.** Seller represents and warrants to Purchaser that Seller is not a "referring physician" or a "referral source" as to Buyer for services paid for by Medicare or a state health care program, as the terms are defined under any federal or state health care anti-referral or anti-kickback regulation, interpretation or opinion (a "Referral Source"). Seller covenants it will not knowingly (a) take any action that would cause it to become a Referral Source as to Purchaser or (b) sell, exchange or transfer its interest in and to the Property or this Agreement to any individual or entity who is a Referral Source as to Purchaser.

7.2 **Seller's Covenant.** Seller shall notify Purchaser immediately if Seller becomes aware of any transaction or occurrence prior to the Closing Date which would make any of the representations or warranties of Seller herein untrue in any material respect.

7.3 **Continuing Validity of Representations and Warranties.** The obligation of Purchaser to close the transaction contemplated hereby is subject to all of the representations and warranties of Seller contained in this Agreement being true, correct and complete in all material respects on the Closing Date. If any representation or warranty of Seller contained in this Agreement is not true, correct or complete in any material respect on the Closing Date, Purchaser may, by notice to Seller, terminate this Agreement, in which event the Deposit any and all interest earned thereon shall forthwith be returned to Purchaser.

ARTICLE 8

REPRESENTATIONS AND WARRANTIES OF PURCHASER

To induce Seller to execute, deliver and perform this Agreement, Purchaser hereby represents and warrants to Seller on and as of the Effective Date and on and as of the Closing Date that Purchaser is a limited liability company duly organized under the laws of the State of Delaware, validly existing, and as of Closing Date will be in good standing under the laws of the State of Illinois, has full capacity, right, power and authority to execute, deliver and perform this Agreement and all documents to be executed by Purchaser pursuant to this Agreement, and all required actions and approvals therefor have been duly taken and obtained. The individuals signing this Agreement and all other documents executed or to be executed pursuant hereto on behalf of Purchaser are and shall be duly authorized to sign the same on Purchaser's behalf and to bind Purchaser thereto. This Agreement and all documents to be executed pursuant hereto by Purchaser

are and shall be binding upon and enforceable against Purchaser in accordance with their respective terms.

ARTICLE 9

COMPLIANCE WITH ENVIRONMENTAL LAWS

9.1 **Environmental Definitions.** The term "Hazardous Materials" shall mean any substance, material, waste, gas or particulate matter which is regulated by the United States or any state or local authority, including, but not limited to, petroleum, asbestos, polychlorinated biphenyl, radioactive material or any material or substance which is (i) defined as a "hazardous waste", "hazardous material", "hazardous substance", "extremely hazardous waste", or "restricted hazardous waste" under federal, state or local law, (ii) designated as a "hazardous substance" pursuant to Section 311 of the Federal Water Pollution Control Act, 33 U.S.C. § 1251 *et seq.*, (iii) defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 *et seq.*, or (iv) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601 *et seq.* ("CERCLA"). The term "Environmental Laws" shall mean all statutes specifically described in the foregoing sentence and all other federal, state and local environmental health and safety statutes, ordinances, codes, rules, regulations, orders and decrees regulating, relating to or imposing liability or standards concerning or in connection with Hazardous Materials.

9.2 **Environmental Representations and Warranties.** Seller represents and warrants that to the best of Seller's knowledge (i) the Property is not in breach of any Environmental Laws; (ii) no part of the Property has ever been used as a landfill, dump, toxic or waste disposal site or storage area; (iii) there are no underground storage tanks in the Property, or, with respect to removed tanks, at the time of removal, all contaminated soil was removed; (iv) the Property is free of any Hazardous Materials that would trigger response or remedial action under any Environmental Laws or any existing common law theory based on nuisance or strict liability; (v) at no time has there been a release (as defined in CERCLA) of any Hazardous Materials in, on, or under the Property and; (vi) Seller has never used the Property for the storage, manufacture, disposal, handling, transportation or use of any Hazardous Materials, nor has the Property ever been used for the storage, manufacture, disposal, handling, transportation or use of any Hazardous Materials.

9.3 **No Notices.** Seller has received no notice that the Property is, and, to the best of its knowledge and belief, no part of the Property is located within an area that has been designated by the Federal Emergency Management Agency, the Army Corps of Engineers or any other governmental body as located in a flood plain area, a "wetlands" area, a conservation area or any other area otherwise subject to special hazards.

9.4 **Environmental Claims.** As of the Closing Date, Seller shall assign to Purchaser, on a non-exclusive basis and related to the Property only, all claims,

counterclaims, defenses and actions, whether at common law or pursuant to any other applicable federal, state or other laws that Seller may have against any third party or parties relating to the existence or presence of any Hazardous Materials in, at, on or about the Property.

ARTICLE 10 **CONDITIONS PRECEDENT**

10.1 **Conditions to Close.** Purchaser's obligations under this Agreement are subject to Purchaser being satisfied, in its sole and absolute discretion, that all of the following conditions precedent have been fulfilled:

(A) Seller shall have delivered to Purchaser or the Title Company, as applicable all documents required hereunder.

(B) Purchaser shall have received the Title Commitment and the Title Company's irrevocable commitment to insure title by means of the Title Policy showing fee title to the Property vested in Purchaser containing no exceptions other than the Permitted Exceptions.

(C) The physical condition of the Property shall be substantially the same on the closing Date as on the Effective Date, except for reasonable wear and tear and any alterations caused by Purchaser.

(D) All representations and warranties of Seller set forth herein shall be true and correct as of the Closing Date, and all covenants, agreements and conditions required to be performed or complied with by Seller prior to or on the Closing Date shall have been duly performed or complied with by Seller or waived in writing by Purchaser.

If Purchaser in its sole discretion determines that any of the conditions precedent set forth in this Article 10 are not satisfied, Purchaser may, at its option, elect to terminate this Agreement by written notice to Seller, in which event the Deposit, and any interest earned thereon, shall be returned to Purchaser.

ARTICLE 11 **CLOSING**

11.1 **Closing.** The closing of the transaction contemplated by this Agreement (the "Closing") shall be the date mutually agreed to by Seller and Purchaser (the "Closing Date"); provided, however, the Closing Date shall not be later than thirty (30) days after the expiration of Due Diligence Period. Purchaser shall have the right to extend the Closing

Date by sixty (60) days upon providing notice (which may be electronic) to Seller and depositing Ten Thousand Dollars (\$10,000.00) (the "Extension Deposit") with the Title Company. The Extension Deposit shall be considered part of the Deposit and shall be applicable to the Purchase Price at Closing. In the event the Closing does not occur by the extended Closing Date for any reason other than Seller's default under this Agreement, the Extension Deposit and any interest earned thereon, shall be paid to Seller.

11.2 **Escrow Closing.** Purchaser and Seller, through their respective attorneys, shall establish a deed and money escrow with Title Company, through which the transaction contemplated hereby shall be closed. The escrow instructions shall be in the form customarily used by Title Company with such special provisions added thereto as may be required to conform such escrow instructions to the provisions of this Agreement. Said escrow shall be auxiliary to this Agreement, and this Agreement shall not be merged into nor in any manner superseded by said escrow.

11.3 **Seller's Deposits.** On or before the Closing Date, Seller shall deliver to Title Company the following documents:

(A) A special warranty deed from Seller conveying to Purchaser or Purchaser's designee fee simple title to the Property, subject only to the Permitted Title Exceptions;

(B) A certificate executed by Seller confirming that the representations and warranties of Seller set forth in this Agreement are true, correct and complete on and as of the Closing Date;

(C) An affidavit in the form required by Title Company to delete or insure over the general exceptions contained in the Title Commitment including without limitation, the exception for rights or claims by parties in possession of the Land not shown by the public records and the exception for any lien, or right of lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records;

(D) The personal undertaking, if any, required by Title Company to remove the exception for recording gaps; and

(E) Such other documents, certifications and confirmations as may be reasonably required and designated by Purchaser or Title Company to fully effect and consummate the transactions contemplated hereby.

11.4 **Purchaser's Deposits.** On or before the Closing Date, Purchaser shall deliver to the Title Company the following:

(A) The balance of the Purchase Price as provided in Section 2.3 hereof by wire transfer of immediately available funds.

(B) A certificate executed by Purchaser confirming that the representations and warranties of Purchaser set forth in this Agreement are true, correct and complete on and as of the Closing Date.

(C) The personal undertaking, if any, required by Title Company of Purchaser to remove the exception for recording gaps; and

(E) Such other documents, certifications and confirmations as may be reasonably required and designated the Title Company to fully effect and consummate the transactions contemplated hereby.

11.5 Approval of Closing Documents. All closing documents to be furnished by Purchaser or Seller pursuant to this Agreement shall be in form and substance reasonably satisfactory to both Purchaser and Seller, and to the extent required, the Title Company.

11.6 Joint Deposits. Purchaser and Seller shall jointly execute and deliver to each other or the Title Company as applicable, the following documents:

(A) An agreed upon closing statement; and

(B) Such transfer tax declarations and returns as may be required under applicable state, county or municipal law.

ARTICLE 12 **DEFAULT**

12.1 Default by Purchaser. In the event this transaction fails to close as a result of a material default by Purchaser of any of Purchaser's obligations under this Agreement and such failure to close continues for a period of 15 days after Seller notifies Purchaser in writing of such event, Seller's sole and exclusive remedy for such failure to close as a result of such material default shall be the right to cancel and terminate this Agreement and to receive the Deposit and the interest earned thereon, if any, from Title Company as liquidated damages, it being understood and agreed that Seller is hereby releasing and waiving any right it might have either to specifically enforce this Agreement or to sue Purchaser or any person or entity affiliated with Purchaser for damages. This liquidated damage provision has been agreed to in view of the difficulty in ascertaining Seller's actual damages because of the uncertainties of the real estate market and fluctuating property values and the difference of opinion with respect to such matters.

12.2 Default by Seller. In the event of a default by Seller of any of Seller's obligations under this Agreement, Purchaser may, at its option, pursue any one of the following remedies either separately or cumulatively:

(i) to terminate this Agreement and received immediate payment of the Deposit and all interest earned thereon;

(ii) maintain this Agreement in full force and effect, and pursue an action for specific performance; or

(iii) to pursue any other legal or equitable remedies available to Purchaser by virtue of Seller's default.

ARTICLE 13
MISCELLANEOUS

13.1 Notices.

(A) All notices, demands, statements and requests required or permitted to be given under this Agreement must be in writing and shall be delivered by one of the following methods of delivery:

(i) personal service, in which event the notice shall be deemed to have been given upon actual receipt;

(ii) Federal Express or another nationally recognized overnight courier service, in which event the notice shall be deemed to have been given on the first business day after the notice is deposited with the courier service (or the next business day thereafter if the notice is deposited with the courier service on a day other than a business day);

(iii) United States registered or certified mail, postage prepaid and return receipt requested, in which event the notice shall be deemed to have been given three business days after the notice is deposited with the United States Postal Service; or

(iv) facsimile or electronic transmission, in which event the notice shall be deemed to have been given upon confirmation of the transmission.

Notwithstanding the foregoing, a notice sent by first class mail shall be effective and deemed to have been given on the date received by the party to whom it was sent.

(B) The initial addresses of the parties shall be:

Purchaser: c/o DaVita HealthCare Partners Inc.
2000 16th Street
Denver, CO 80202
Attention: Mr. Thomas Thoreson
E-Mail: Thomas.Thoreson@davita.com

Subject: Danville, IL (DDP #11289)

with a copy to:

c/o DaVita HealthCare Partners Inc.
2000 16th Street
Denver, CO 80202
Attention: relegal@davita.com
Subject: Danville, IL (DDP #11289)

Seller: Danville Crossing, L.P.
c/o Stonewald Company, Its General Partner
7625 N. University, Suite C
Peoria, IL 61614
Attention: Russell L. Waldschmidt, President
Fax: (309) 676-8119
E-Mail: rwaldschmidt@waldland.com

with a copy to:

John S. Elias
Elias, Meginnes & Seghetti, P.C.
416 Main Street, Suite 1400
Peoria, IL 61602
Fax: (309) 637-6000
E-mail: jelias@emrslaw.com

Each party shall have the right from time to time to change its address for notice purposes to any other address within the United States of America upon at least three days prior written notice to the other party in accordance with the provisions of this Section 13.1.

13.2 Real Estate Commission. Each Party represents that it has not retained any real estate agent or broker who would be entitled to a commission or fee in connection with this Agreement other than Coldwell Banker Commercial Devonshire Realty and Johnson Controls, Inc. (collectively the "Broker"). Seller shall pay Broker a brokerage commission pursuant to a separate agreement. Each Party hereto shall defend and hold harmless the other Party ("Indemnified Party") from any claim for a commission or finder's fee other than as set forth above asserted by any party against the Indemnified Party except for a claim for a commission by reason of an agreement between a third-party and the Indemnified Party.

13.3 Condemnation/Casualty.

(A) Condemnation. If any portion of the Property is condemned or access thereto is taken prior to the Closing Date or if a condemnation proceeding affecting the

Land is initiated or threatened prior to the Closing Date, Purchaser may elect, by written notice to Seller, either (i) to terminate this Agreement, in which event the Deposit and the interest earned thereon, if any, shall be returned to Purchaser, or (ii) to proceed to close the transaction contemplated hereby, in which event (A) the Purchase Price shall not be affected, and (B) the condemnation award insofar as it affects the Property shall belong to Purchaser, and at Closing, Seller shall assign to Purchaser all of Seller's right, title and interest with respect to such award and shall further execute any other instrument requested by Purchaser to assure that such award is paid to Purchaser. If Purchaser does not terminate this Agreement, it shall have the right to contest the condemnation of the Property and the award resulting therefrom.

(B) **Casualty.** Prior to and through the Closing Date and notwithstanding the pendency of this Agreement, the entire risk of loss or damage to the Property by casualty shall be borne by and assumed by Seller. If on or prior to the Closing Date, any portion of the Property is damaged as a result of casualty, Seller shall immediately notify Purchaser of such fact. In such event, Purchaser shall have the option to terminate this Agreement upon written notice to Seller given within ten (10) days after receipt of any such notice from Seller, in which event the Deposit and interest earned thereon, shall be promptly returned to Purchaser. If Purchaser fails to deliver written notice of its election pursuant to this Section within such ten (10) day period, Purchaser shall be deemed to have elected to terminate this Agreement, in which event the Deposit and the interest earned thereon, if any, shall be returned to Purchaser.

13.4 **Entire Agreement.** This Agreement contains the entire agreement and understanding of the parties with respect to the subject matter hereof, and all previous negotiations and understandings between Purchaser and Seller or their respective agents and employees with respect to the transaction set forth herein are merged in this Agreement.

13.5 **Amendments and Waivers.** This Agreement may not be amended, modified or discharged nor may any of its terms be waived except by an instrument in writing signed by the party(ies) to be bound thereby.

13.6 **Further Assurances.** The parties each agree to perform, execute, acknowledge and deliver all such further acts, instruments and assurances and to take all such further action before or after the Closing as shall be necessary or desirable fully to carry out this Agreement and fully to consummate and effect the transactions contemplated hereby.

13.7 **Survival and Benefit.** Each of the covenants, representations, warranties, indemnities and undertakings contained in this Agreement shall survive the Closing of the transaction contemplated hereby and shall inure to the benefit of and be binding upon Purchaser and Seller and their respective successors and assigns for one (1) year at which time they shall be null and void and of no further form and effect. The obligations of Purchaser and Seller to return or deliver or cause to be returned or delivered the Deposit, together with any accrued interest thereon, shall survive any termination of this Agreement.

13.8 **No Third Party Benefits.** All of the parties' rights, duties, benefits, liabilities and obligations under this Agreement shall inure to the benefit of, and be binding upon their respective successors and assigns. This Agreement is for the sole and exclusive benefit of the Purchaser and Seller and their respective successors and assigns, and no third party is intended to or shall have any rights hereunder.

13.9 **Assignment.** Purchaser may assign its rights and delegate its duties under this Agreement without Seller's consent. Seller shall have no right to assign its rights or delegate its duties under this Agreement.

13.10 **Interpretation.**

(A) The headings and captions herein are inserted for convenient reference only and the same shall not limit or construe the paragraphs or sections to which they apply or otherwise affect the interpretation hereof.

(B) This Agreement shall be governed by and construed in accordance with the laws of the State in which the Property is located. The invalidity or unenforceability of any provision of this Agreement shall not affect or impair any other provision.

(C) This Agreement shall not be construed more strictly against one party than against the other merely by virtue of the fact that it may have been prepared primarily by counsel for one of the parties, it being recognized that both Purchaser and Seller have contributed substantially and materially to the preparation of this Agreement.

(D) For the purposes of this Agreement, the phrases "to the best of Seller's knowledge", "to Seller's knowledge" and similar phrases shall imply a reasonable investigation by Seller and its agents.

(E) Time shall be of the essence with respect to all matters contemplated by this Agreement.

13.11 **Confidentiality.** Except as may be required by an action to enforce or interpret this Agreement, neither Purchaser nor Seller shall disclose the existence of this Agreement or any of the terms and provisions hereof without the prior written approval of the other and Purchaser and Seller shall use all reasonable efforts to keep the details of the transaction contemplated hereby strictly confidential.

13.12 **Business Days.** As used herein, the term "business day" shall mean a day that is not a Saturday, Sunday, or legal holiday. In the event that the date for the performance of any covenant or obligation under this Agreement shall fall on a Saturday, Sunday, or legal holiday, the date for performance thereof shall be extended to the next business day.

13.13 **Counterpart; Facsimile Signatures.** This Agreement may be signed manually or electronically, in one or more counterparts, each of which shall be an original, and such counterparts shall together constitute but one and the same instrument. Facsimile or electronic signatures on this Agreement shall be valid

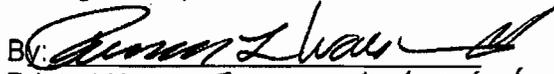
(remainder of page left intentionally blank)

IN WITNESS WHEREOF, Purchaser and Seller have executed this Agreement effective as of the Effective Date.

SELLER:

DANVILLE CROSSING LP, an Illinois limited partnership

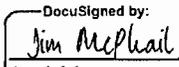
By: Stonewald Company, an Illinois Corporation,
its general partner

By: 
Printed Name: Russell L. Wadschmidt
Title: President

Date: 11/24/2014

PURCHASER:

GENESIS KC DEVELOPMENT, LLC,
a Delaware limited liability company

DocuSigned by:
By: 
Printed Name: Jim McPhail
Title: VP-real estate & center development

Date: December 11, 2014

FOR PURCHASER'S INTERNAL USE ONLY:

Approved as to form only:

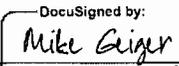
DocuSigned by:
By: 
Printed Name: Mike Geiger
Title: Assistant General Counsel

EXHIBIT A

Legal Description/Depiction of the Property

Lot 9 of Danville Crossings 2 containing 1.160 acres located as part of the NE ¼ Section 17, T-20-N, R-11-W, 2nd PM, City of Danville, County of Vermilion, State of Illinois.

504157.1
Danville, IL (#11289)



JOHNSON CONTROLS REAL ESTATE SERVICES INC.
A JOHNSON CONTROLS COMPANY

November 19, 2014

Genesis KC Development LLC

RE: RFP for a to be constructed building on Lot 9 of Danville Crossings 2 containing 1.160 acres located as part of the NE ¼, Section 17, T-20-N, R-11-W, 2nd PM, City of Danville, Vermilion County, Illinois

Dear Marshall:

Johnson Controls Real Estate Services, Inc., has been authorized by Total Renal Care, Inc – a subsidiary of DaVita Inc. to assist in securing a lease requirement. DaVita Inc. is a Fortune 500 company with more than 2,000 locations across the US and revenues of approximately \$11.5 billion.

Below is a request for proposal outlining the terms and conditions wherein the Tenant is willing to lease the subject premises:

- PREMISES:** To be constructed building on Lot 9 of Danville Crossings 2 containing 1.160 acres located as part of the NE ¼, Section 17, T-20-N, R-11-W, 2nd PM, City of Danville, Vermilion County, Illinois
- TENANT:** “Total Renal Care, Inc. or related entity to be named”
- LANDLORD:** Genesis KC Development LLC
- SPACE REQUIREMENTS:** **Approximately 5,800** contiguous rentable square feet. Tenant shall have the right to measure space based on most recent BOMA standards.
- Please indicate both rentable and useable square footage for Premises.*
- PRIMARY TERM:** 15 years
- BASE RENT:** \$24.71/psf NNN for years 1-5;
\$27.18/psf NNN for years 6-10;
\$29.89/psf NNN for years 11-15.
- ADDITIONAL EXPENSES:** *Please provide an estimated annual cost per square foot for any and all additional operating expenses for which the Tenant will be responsible for paying including Taxes, Insurance and CAM.*
- Please provide Tenant's pro rata share percentage of operating expenses.*
- If operating expenses are based on a Base Year, please indicate the Base Year and expense stop.*
- Please indicate what, if any, utility costs Tenant will be responsible for paying that are not included in operating expenses or Base Rent.*
- Landlord to limit the cumulative operating expense costs to \$4.00/psf in the first full year and no greater than 3% increases annually thereafter.

OPTION TO RENEW:

Tenant desires three, five-year options to renew the lease. Option rent shall be \$32.88/psf, \$36.17/psf, and \$39.79/psf, for the first second and third options, respectively.

LANDLORD'S MAINTENANCE:

Landlord, at its sole cost and expense, shall be responsible for the structural and capitalized items (per GAAP standards) for the Property.

POSSESSION AND RENT COMMENCEMENT:

Landlord shall deliver Possession of the Premises to the Tenant with Landlord's work complete within 90 days from CON permit date. Rent Commencement shall be the earlier of seven (7) months from Possession or the date each of the following conditions have occurred:

- a. Construction improvements within the Premises have been completed in accordance with the final construction documents (except for nominal punch list items); and
- b. A certificate of occupancy for the Premises has been obtained from the city or county; and
- c. Tenant has obtained all necessary licenses and permits to operate its business.

DUE DILLIGENCE:

Tenant shall have the right to obtain Tenant's executive committee approval within 90 days following Lease execution. If Tenant does not receive executive committee approval during such 90 day period, Tenant may elect to terminate the Lease by written notice given not later than the 90th day following lease execution.

LEASE FORM:

Tenant's standard lease form.

USE:

Tenant may operate the Premises for the use as an outpatient renal dialysis clinic, renal dialysis home training, aphaeresis services and similar blood separation and cell collection procedures, general medical offices, clinical laboratory, including all incidental, related and necessary elements and functions of other recognized dialysis disciplines which may be necessary or desirable to render a complete program of treatment to patients of Tenant and related office and administrative uses or for any other lawful purpose.

Please verify that the Use is permitted within the building's zoning.

Please provide a copy of any CCR's or other documents that may impact tenancy.

PARKING:

Tenant shall receive four (4) stalls per 1,000 rsf, and two (2) handicapped stalls or such greater number as is required by applicable law or regulation. Landlord will provide dedicated parking to Tenant.

Please indicate the number and location of parking spaces to be allocated to the Tenant, number of general handicap stalls, total reserved stalls, if there is a patient drop off area, and if the drop off area is covered.

BASE BUILDING:

Landlord shall deliver to the premises, the Base Building improvements included in the attached Schedule A subject to architect and project manager approval.

**RIGHT OF FIRST OPPORTUNITY
ON ADJACENT SPACE:**

Tenant shall have the on-going right of first opportunity on any adjacent space that may become available during the initial term of the lease and any extension thereof, under the same terms and conditions of Tenant's existing lease.

**FAILURE TO DELIVER
PREMISES:**

If Landlord has not delivered the premises to Tenant with all base building items substantially completed within 90 days from CON permit date, Tenant may elect to a) terminate the lease by written notice to Landlord or b) elect to receive two days of rent abatement for every day of delay beyond the 90 day delivery period

HOLDING OVER:

Tenant shall be obligated to pay 110% for the then current rate.

TENANT SIGNAGE:

Tenant shall have the right to install building, monument and pylon signage at the Premises, subject to compliance with all applicable laws and regulations. Landlord, at Landlord's expense, will furnish Tenant with any standard building directory signage.

BUILDING HOURS:

Tenant requires building hours of 24 hours a day, seven days a week.

Please indicate building hours for HVAC and utility services.

SUBLEASE/ASSIGNMENT:

Tenant will have the right at any time to sublease or assign its interest in this Lease to any majority owned subsidiaries or related entities of DaVita, Inc. without the consent of the Landlord, or to unrelated entities with Landlord reasonable approval.

ROOF RIGHTS:

Tenant shall have the right to place a satellite dish on the roof at no additional fee.

NON COMPETE:

Landlord agrees not to lease space to another dialysis provider within a five mile radius of Premise.

HVAC:

As part of Landlord's work, Landlord shall provide HVAC units meeting the specifications set forth in Schedule A attached hereto.

Please provide general description of HVAC systems (i.e. ground units, tonnage, age)

DELIVERIES:

Please indicate manner of deliveries to the Premises (i.e. dock-high door in rear, shared)

OTHER CONCESSIONS:

Please indicate any other concessions the Landlord is willing to offer.

**GOVERNMENTAL
COMPLIANCE:**

Landlord shall represent and warrant to Tenant that Landlord, at Landlord's sole expense, will cause the Premises, common areas, the building and parking facilities to be in full compliance with any governmental laws, ordinances, regulations or orders relating to, but not limited to, compliance with the Americans with Disabilities Act (ADA), and environmental conditions relating to the existence of asbestos and/or other hazardous materials, or soil and ground water conditions, and shall indemnify and hold Tenant harmless from any claims, liabilities and cost arising from environmental conditions not caused by Tenant(s).

CERTIFICATE OF NEED:

Tenant CON Obligation: Landlord and Tenant understand and agree that the establishment of any chronic outpatient dialysis facility in the State of Illinois is subject to the requirements of the Illinois Health Facilities Planning Act, 20 ILCS 3960/1 et seq. and, thus, the Tenant cannot establish a dialysis facility on the Premises or execute a binding real estate lease in connection therewith unless Tenant obtains a Certificate of Need (CON) permit from the Illinois Health Facilities and Services Review Board (HFSRB). Based on the length of the HFSRB review process, Tenant does not expect to receive a CON permit prior to seven (7) months from the latter of an executed LOI or subsequent filing date. In light of the foregoing facts, the parties agree that they shall promptly proceed with due diligence to negotiate the terms of a definitive lease agreement and execute such agreement prior to approval of the CON permit provided, however, the lease shall not be binding on either party prior to approval of the CON permit and the lease agreement shall contain a contingency clause indicating that the lease agreement is not effective prior to CON permit approval. Assuming CON approval is granted, the effective date of the lease agreement shall be the first day of the calendar month following CON permit approval. In the event that the HFSRB does not award Tenant a CON permit to establish a dialysis center on the Premises within seven (7) months from the latter of an executed LOI or subsequent filing date neither party shall have any further obligation to the other party with regard to the negotiations, lease, or Premises contemplated by this Letter of Intent.

BROKERAGE FEE:

Landlord recognizes Johnson Controls Real Estate Services, Inc., as the Tenant's sole representatives and shall pay a brokerage fee equal to 2% of the rental value over the first ten (10) year lease term per separate commission agreement. Tenant shall retain the right to offset rent for failure to pay the brokerage fee.

PLANS:

Please provide copies of site and construction plans or drawings.

It should be understood that this LOI is subject to the terms of Exhibit A attached hereto. The information herein is confidential and may be legally privileged.

Thank you for your time and consideration to partner with DaVita.

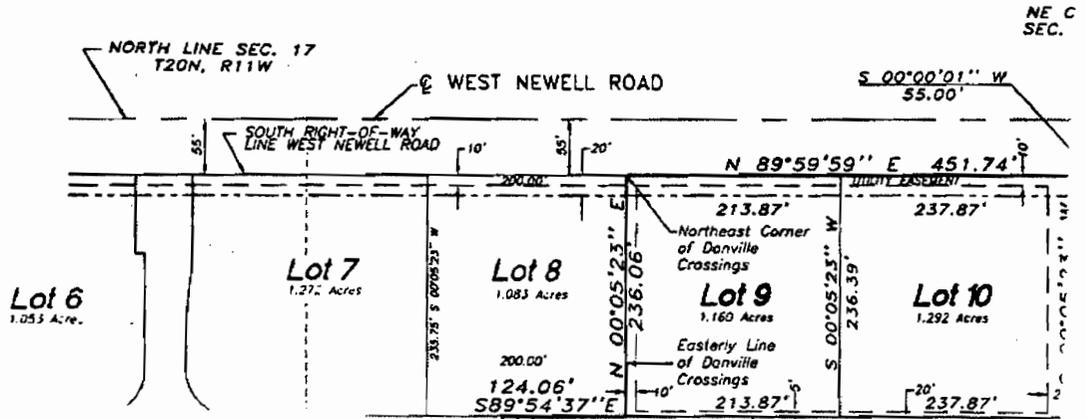
Sincerely,



John Steffens

CC: Matthew J. Gramlich, Johnson Controls Real Estate Services, Inc.
DaVita Regional Operational Leadership
DaVita Team Genesis Real Estate

FINAL PLAT
DANVILLE CROSSINGS 2
 PART OF THE NE 1/4, SECTION 17, T-20-N, R-11-W, 2ND P.M.
 CITY OF DANVILLE, VERMILION COUNTY, ILLINOIS



SIGNATURE PAGE

LETTER OF INTENT:

**TO BE CONSTRUCTED BUILDING ON PART OF LOT 9 OF DANVILLE
CROSSINGS 2 CONTAINING 1.160 ACRES LOCATED AS PART OF THE NE ¼,
SECTION 17, T-20-N, R-11-W, 2ND PM, CITY OF DANVILLE, VERMILION
COUNTY, ILLINOIS**

AGREED TO AND ACCEPTED THIS 12 DAY OF DECEMBER 2014

By: Mary Anderson

**On behalf of Total Renal Care, a wholly owned subsidiary of DaVita Healthcare
Partners, Inc.
("Tenant")**

AGREED TO AND ACCEPTED THIS 13 DAY OF DECEMBER 2014

By: Marshall Stewman 

Genesis KC Development, LLC
("Landlord")

EXHIBIT A

NON-BINDING NOTICE

NOTICE: THE PROVISIONS CONTAINED IN THIS LETTER OF INTENT ARE AN EXPRESSION OF THE PARTIES' INTEREST ONLY. SAID PROVISIONS TAKEN TOGETHER OR SEPARATELY ARE NEITHER AN OFFER WHICH BY AN "ACCEPTANCE" CAN BECOME A CONTRACT, NOR A CONTRACT. BY ISSUING THIS LETTER OF INTENT NEITHER TENANT NOR LANDLORD (OR JCI) SHALL BE BOUND TO ENTER INTO ANY (GOOD FAITH OR OTHERWISE) NEGOTIATIONS OF ANY KIND WHATSOEVER. TENANT RESERVES THE RIGHT TO NEGOTIATE WITH OTHER PARTIES. NEITHER TENANT, LANDLORD OR JCI INTENDS ON THE PROVISIONS CONTAINED IN THIS LETTER OF INTENT TO BE BINDING IN ANY MANNER, AS THE ANALYSIS FOR AN ACCEPTABLE TRANSACTION WILL INVOLVE ADDITIONAL MATTERS NOT ADDRESSED IN THIS LETTER, INCLUDING, WITHOUT LIMITATION, THE TERMS OF ANY COMPETING PROJECTS, OVERALL ECONOMIC AND LIABILITY PROVISIONS CONTAINED IN ANY LEASE DOCUMENT AND INTERNAL APPROVAL PROCESSES AND PROCEDURES. THE PARTIES UNDERSTAND AND AGREE THAT A CONTRACT WITH RESPECT TO THE PROVISIONS IN THIS LETTER OF INTENT WILL NOT EXIST UNLESS AND UNTIL THE PARTIES HAVE EXECUTED A FORMAL, WRITTEN LEASE AGREEMENT APPROVED IN WRITING BY THEIR RESPECTIVE COUNSEL. JCI IS ACTING SOLELY IN THE CAPACITY OF SOLICITING, PROVIDING AND RECEIVING INFORMATION AND PROPOSALS AND NEGOTIATING THE SAME ON BEHALF OF OUR CLIENTS. UNDER NO CIRCUMSTANCES WHATSOEVER DOES JCI HAVE ANY AUTHORITY TO BIND OUR CLIENTS TO ANY ITEM, TERM OR COMBINATION OF TERMS CONTAINED HEREIN. THIS LETTER OF INTENT IS SUBMITTED SUBJECT TO ERRORS, OMISSIONS, CHANGE OF PRICE, RENTAL OR OTHER TERMS; ANY SPECIAL CONDITIONS IMPOSED BY OUR CLIENTS; AND WITHDRAWAL WITHOUT NOTICE. WE RESERVE THE RIGHT TO CONTINUE SIMULTANEOUS NEGOTIATIONS WITH OTHER PARTIES ON BEHALF OF OUR CLIENT. NO PARTY SHALL HAVE ANY LEGAL RIGHTS OR OBLIGATIONS WITH RESPECT TO ANY OTHER PARTY, AND NO PARTY SHOULD TAKE ANY ACTION OR FAIL TO TAKE ANY ACTION IN DETRIMENTAL RELIANCE ON THIS OR ANY OTHER DOCUMENT OR COMMUNICATION UNTIL AND UNLESS A DEFINITIVE WRITTEN LEASE AGREEMENT IS PREPARED AND SIGNED BY TENANT AND LANDLORD.



OPTION 1 FOR NEW BUILDING
[SUBJECT TO MODIFICATION BASED ON INPUT FROM LESSEE'S PROJECT MANAGER WITH RESPECT TO EACH CENTER PROJECT]

SCHEDULE A - TO WORK LETTER

MINIMUM BASE BUILDING IMPROVEMENT REQUIREMENTS

(Note: Sections with an Asterisk (*) have specific requirements for I 1.2 in California and other select States – see end of document for changes to that section)

At a minimum, the Lessor shall provide the following Base Building and Site Development Improvements to meet Lessee's Building and Site Development specifications at Lessor's sole cost:

All MBBI work completed by the Lessor will need to be coordinated and approved by the Lessee and their Consultants prior to any work being completed, including shop drawings and submittal reviews.

1.0 - Building Codes & Design *

All Minimum Base Building Improvements (MBBI) and Site Development are to be performed in accordance with all current local, state, and federal building codes including any related amendments, fire and life safety codes, ADA regulations, State Department of Public Health, and other applicable codes as it pertains to Dialysis. All Lessor's work will have Governmental Authorities Having Jurisdiction ("GAHJ") approved architectural and engineering (Mechanical, Plumbing, Electrical, Structural, Civil, Environmental) plans and specifications prepared by a licensed architect and engineer and must be coordinated with the Lessee Improvement plans and specifications.

2.0 - Zoning & Permitting

Building and premises must be zoned to perform services as a dialysis clinic. Lessor to provide all permitting related to the base building and site improvements.

3.0 - Common Areas

Lessee will have access and use of all common areas i.e. Lobbies Hallways, Corridors, Restrooms, Stairwells, Utility Rooms, Roof Access, Emergency Access Points and Elevators. All common areas must be code and ADA compliant for Life Safety per current federal, state and local code requirements.

4.0 Foundation and Floor

The foundation and floor of the building shall be in accordance with local code requirements. The foundation and concrete slab shall be designed by the Lessor's engineer to accommodate site-specific Climate and soil conditions and recommendations per Lessor's soil engineering and exploration report (To be reviewed and approved by Lessee's engineer).

Foundation to consist of formed concrete spread footing with horizontal reinforcing sized per geotechnical engineering report. Foundation wall, sized according to exterior wall systems used and to consist of formed and poured concrete with reinforcing bars or a running bond masonry block with proper horizontal and vertical reinforcing within courses and cells. Internal masonry cells to be concrete filled full depth entire building perimeter. Foundation wall to receive poly board R-10 insulation on interior side of wall on entire building perimeter (if required by code). Provide proper foundation drainage.

The floor shall be concrete slab on grade and shall be a minimum five-inch (5") thick with minimum concrete strength of 3,000-psi. It will include one of the following, wire mesh or fiber mesh, and/or rebar reinforcement over a vapor barrier and granular fill per Lessor's soils and/or structural engineering team based on soil conditions and report from the Soils Engineer. Finish floor elevation to be a minimum of 8" above finish grade. Include proper

expansion control joints. Floor shall be level (1/8" with 10' of run), smooth, broom clean with no adhesive residues, in a condition that is acceptable to install floor coverings in accordance with the flooring manufacturer's specifications. Concrete floor shall be constructed so that no more than 3-lbs. of moisture per 1,000sf/24 hours is emitted per completed calcium chloride testing results after 28 day cure time. Means and methods to achieve this level will be responsibility of the Lessor. Under slab plumbing shall be installed by Lessee's General Contractor in coordination with Lessor's General Contractor, inspected by municipality and Lessee for approval prior to pouring the building slab.

5.0 - Structural *

Structural systems shall be designed to provide a minimum 13'-0" clearance (for 10'-0" finished ceiling height and 15' clearance for a 12" ceiling height) to the underside of the lowest structural member from finished slab and meet building steel (Type II construction or better) erection requirements, standards and codes. Structural design to allow for ceiling heights (as indicated above) while accommodating all Mechanical, Plumbing, Electrical above ceiling. Structure to include all necessary members including, but not limited to, columns, beams, joists; load bearing walls, and demising walls. Provide necessary bridging, bracing, and reinforcing supports to accommodate all Mechanical systems (Typical for flat roofs - minimum of four (4) HVAC roof top openings, one (1) roof hatch opening, and four (4) exhaust fans openings). Treatment room shall be column free.

The floor and roof structure shall be fireproofed as needed to meet local building code and regulatory requirements.

Roof hatch shall be provided and equipped with ladders meeting all local, state and federal requirements.

6.0 - Exterior walls

Exterior walls to be fire rated if required by local or State code requirements. If no fire rating is required, walls shall be left as exposed on the interior side of the metal studs or masonry/concrete with exterior insulation as required to meet code requirements and for an energy efficient building shell. Lessee shall be responsible for interior gyp board, taping and finish.

7.0 - Demising walls *

All demising walls shall be a 1 or 2hr fire rated wall depending on local, state and/or regulatory (NFPA 101 – 2000) codes requirements whichever is more stringent. Walls will be installed per UL design and taped (Lessee shall be responsible for final finish preparation of gypsum board walls on Lessee side only). At Lessee's option and as agreed upon by Lessor, the interior drywall finish of demising walls shall not be installed until after Lessee's improvements are complete in the wall. Walls to be fire caulked in accordance with UL standards at floor and roof deck. Demising walls will have sound attenuation batts from floor to underside of deck.

8.0 - Roof Covering

The roof system shall have a minimum of a twenty (20) year life span with full (no dollar limit - NDL) manufacturer's warrantee against leakage due to ordinary wear and tear. Roof system to include a minimum of R-30 insulation. Ice control measures mechanically or electrically controlled to be considered in climates subject to these conditions. Downspouts to be connected into controlled underground discharge for the rain leaders into the storm system for the site or as otherwise required meeting local storm water treatment requirements. Storm water will be discharged away from the building, sidewalks, and pavement. Roof and all related systems to be maintained by the Lessor for the duration of the lease. Lessor to provide Lessee copy of material and labor roof warranty for record.

9.0 – Parapet *

Lessor to provide a parapet wall based on building designed/type and wall height should be from the highest roof line. HVAC Rooftop units should be concealed from public view if required by local code.

10.0 - Façade

Lessor to provide specifications for building façade for lessee review and approval. All wall system to be signed off by a Lessor's Structural Engineer. Wall system "R" value must meet current Energy code. Wall system options include, but not limited to:

4" Face brick Veneer on 6" 16 or 18ga metal studs , R- 19 or higher batt wall insulation, on Tyvek (commercial grade) over 5/8" exterior grade gypsum board or Dens-Glass Sheathing.

Or

2" EIFS on 6" 16 or 18ga metal studs, R- 19 or higher batt wall insulation, on ½" cement board or equal.

Or

8" Split faced block with 3-1/2" to 6" 20ga metal stud furring, batt wall insulation to meet energy code and depth of mtl stud used.

11.0 - Canopy *

Covered drop off canopy at Lessee's front entry door. Approximate size to be 16' width by 21' length with 10'-9" minimum clearance to structure with full drive thru capacity. Canopy to accommodate patient drop off with a level grade ADA compliant transition to the finish floor elevation. Canopy roof to be an extension of the main building with blending rooflines. Controlled storm water drainage requirements of gutters with downspouts connected to site storm sewer system or properly discharged away from the building, sidewalks, and pavement. Canopy structural system to consist of a reinforced concrete footing, structural columns and beam frame, joists, decking and matching roof covering. Canopy columns clad with EIFS and masonry veneer piers, matching masonry to main building. Steel bollards at column locations.

12.0 – Waterproofing and Weatherproofing

Lessor shall provide complete water tight building shell inclusive but not limited to, Flashing and/or sealant around windows, doors, parapet walls, Mechanical / Plumbing / Electrical penetrations. Lessor shall properly seal the building's exterior walls, footings, slabs as required in high moisture conditions such as (including but not limited to) finish floor sub-grade, raised planters, and high water table. Lessor shall be responsible for replacing any damaged items and repairing any deficiencies exposed during / after construction of tenant improvement.

13.0 - Windows

Lessor to provide code compliant energy efficient windows and storefront systems to be 1" tinted insulated glass with thermally broken insulated aluminum mullions. Window size and locations to be determined by Lessee's architectural floor plan and shall be coordinate with Lessor's Architect.

14.0 - Thermal Insulation

All exterior walls to have a vapor barrier and insulation that meets or exceeds the local and national energy codes. The R value to be determined by the size of the stud cavity and should extend from finish floor to bottom of floor or ceiling deck. Roof deck to have a minimum R-30 insulation mechanically fastened to the underside of roof deck.

15.0 - Exterior Doors

All doors to have weather-stripping and commercial grade hardware (equal to Schlage L Series or better). Doors shall meet American Disability Act (ADA), and State Department of Health requirements. Lessor shall change the keys (reset tumblers) on all doors with locks after construction, but prior to commencement of the Lease, and shall provide Lessee with three (3) sets of keys. Final location of doors to be determined by Lessee architectural floor plan and shall be coordinate with Lessee's Architect. At a minimum, the following doors, frames and hardware shall be provided by the Lessor:

- Patient Entry Doors: Provide Storefront with insulated glass doors and Aluminum framing to be 42" width including push paddle/panic bar hardware, continuous hinge and lock mechanism. Door to be prepped to accept power assist opener and push button keypad lock provided by Lessee.

- Service Doors: Provide 72" wide double door (Alternates for approval by Lessee's Project Manager to include: 60" Roll up door, or a 48" wide single door or double door with 36" and 24" doors) with 20 gauge insulated hollow metal (double doors), Flush bolts, T astragal, Heavy Duty Aluminum threshold, continuous hinge each leaf, prepped for panic bar hardware (as required by code) painted with rust inhibiting paint and prepped to receive a push button keypad lock provided by Lessee. Door to have a 10" square vision panel cut out with insulated glass installed if requested by Lessee.
- Fire Egress Doors: Provide 36" wide door with 20 gauge insulated hollow metal door or Aluminum frame/glass door with panic bar hardware, lock, hinges, closer and painted with rust inhibiting paint. Door to have a 10" square vision panel cut out with insulated glass installed if requested by Lessee.

16.0 - Utilities

All utilities to be provided at designated utility entrance points into the building at locations approved by the Lessee. Lessor is responsible for all tap/connection and impact fees for all utilities. All Utilities to be coordinated with Lessee's Architect. Lessor shall have contained within the building a common main room to accommodate the utility services which include, but not limited, to electrical, fire alarm, security alarm and fire riser if in a multi tenant building.

17.0 - Plumbing

Lessor to provide a segregated/dedicated potable water supply line that will be sized by Lessee's Engineer based on Lessee's water requirements (not tied-in to any other lessee spaces, fire suppression systems, or irrigation systems unless mandated by Local Building and or Water Dept). Water supply shall be provided with a shut off valve, 2 (two) reduced pressure zone (RPZ) backflow preventors arranged in parallel (with floor drain or open site drain under RPZ's), and meter. Water supply to provide a continuous minimum pressure of 50 psi, maximum 80psi, with a minimum flow rate of 50 gallons per minute to Lessee space. The RPZ's and the Meter will be sized to the incoming line, or per water provider or municipality standards. Lessor to provide Lessee with the most recent site water flow and pressure test results (gallons per minute and psi) for approval. Lessor shall perform water flow and pressure test prior to lease execution. Lessor shall stub the dedicated water line into the building per location coordinated by Lessee.

Provide exterior (anti-freeze when required) hose bibs (minimum of 2) in locations approved by Lessee.

Building sanitary drain size will be determined by Lessee's Mech Engineer based on total combined drainage fixture units (DFU's) for entire building, but not less than 4 inch diameter. The drain shall be stubbed into the building per location coordinated by Lessee at an elevation no higher than 4 feet below finished floor elevation, to a maximum of 10 feet below finished floor elevation. (Coordinate actual depth and location with Lessee's Architect and Engineer.) Provide with a cleanout structure at building entry point. New sanitary building drain shall be properly pitched to accommodate Lessee's sanitary system design per Lessee's plumbing plans, and per applicable Plumbing Code(s). Lift station/sewage ejectors will not be permitted.

Sanitary sampling manhole to be installed by Lessor if required by local municipality.

Lessor to provide and pay for all tap fees related to new sanitary sewer and water services in accordance with local building and regulatory agencies.

18.0 - Fire Suppression System *

Single story stand alone buildings under 10,000sf will not require a Sprinkler System unless requested by Lessee, or if required by code or local authority. Single story stand alone buildings greater than 10,000 will require a sprinkler system. Lessor shall design and install a complete turnkey sprinkler system (less drops and heads in Lessee's space) that meets the requirements of NFPA #13 and all local building and life safety codes per NFPA 101-2000. This system will be on a dedicated water line independent of Lessee's potable water line requirements, or as required by local municipality or water provider. Lessor shall provide all municipal (or code authority) approved shop drawings, service drops and sprinkler heads at heights per Lessee's reflective ceiling plan, flow control switches wired and tested, alarms including wiring and an electrically/telephonically controlled fire alarm control panel connected to a monitoring systems for emergency dispatch.

19.0 - Electrical

Provide underground service with a dedicated meter via a new CT cabinet per utility company standards. Service size to be determined by Lessee's engineer dependant on facility size and gas availability (400amp to 1,000amp service) 120/208 volt, 3 phase, 4 wire to a distribution panelboard in the Lessee's utility room (location to be per Code and coordinated with Lessee and their Architect) for Lessee's exclusive use in powering equipment, appliances, lighting, heating, cooling and miscellaneous use. Lessor's service provisions shall include transformer coordination with utility company, transformer pad, grounding, and underground conduit wire sized for service inclusive of excavation, trenching and restoration, utility metering, distribution panelboard with main and branch circuit breakers, and electrical service and building grounding per NEC. Lessee's engineer shall have the final approval on the electrical service size and location and the size and quantity of circuit breakers to be provided in the distribution panelboard.

If lease space is in a multi-tenant building then Lessor to provide meter center with service disconnecting means, service grounding per NEC, dedicated combination CT cabinet with disconnect for Lessee and distribution panelboard per above.

Lessor will allow Lessee to have installed, at Lessee cost, Transfer Switch for temporary generator hook-up, or permanent generator.

Lessor to provide main Fire Alarm Control panel that serves the Lessee space and will have the capacity to accommodate devices in Lessee space based on Fire Alarm system approved by local authority having jurisdiction. If lease space is in a multi-tenant building then Lessor to provide Fire Alarm panel to accommodate all tenants and locate panel in a common room with conduit stub into lessee space. Lessor's Fire Alarm panel shall include supervision of fire suppression system(s) and connections to emergency dispatch or third party monitoring service in accordance with the local authority having jurisdiction.

Fire Alarm system equipment shall be equipped for double detection activation if required.

20.0 - Gas

Natural gas service, at a minimum, will be rated to have 6" water column pressure and supply 800,000-BTU's. Natural gas pipeline shall be stubbed into the building per location coordinated with Lessee and shall be individually metered and sized per demand. Additional electrical service capacity will be required if natural gas service is not available to the building.

21.0 - Mechanical /Heating Ventilation Air Conditioning *

Lessor to be responsible for all costs for the HVAC system based on the below criteria.

Lessee will be responsible for the design, procurement and installation of the HVAC system.

The criteria is as follows:

- Equipment to be Lennox RTU's
- Supply air shall be provided to the Premises sufficient for cooling and ventilation at the rate of 275 to 325 square feet per ton to meet Lessee's demands for a dialysis facility and the base building Shell loads.
- Ductwork shall be extended 5' into the space for supply and return air.
- System to be a fully ducted return air design
- All ductwork to be externally lined except
- Provide 100% enthalpy economizer
- Units to include Power Exhaust
- Control system must be capable of performing all items outlined in the Sequence of Operations specification section.
- RTU controller shall be compatible with a Building Management System using BACnet communication protocol. Provide 18" curbs, 36" in Northern areas with significant snow fall

for the drops from the units.

- Units to have disconnect and service outlet
- Units will include motorized dampers for OA, RA & EA
- System shall be capable of providing 55deg supply air temperature when it is in the cooling mode
- Provide factory installed UV lights.

Equipment will be new and come with a full warranty on all parts including compressors (minimum of 5yrs) including labor. Work to include, but not limited to, the purchase of the units, installation, roof framing, mechanical curbs, flashings, gas & electrical hook-up, coordination with Building Management System supplier, thermostats start-up and commissioning. Anticipate minimum up to five (5) through a BACnet compatible controller (Note: The 5 zones of conditioning may be provided by individual constant volume RTU's,. Lessee's engineer shall have the final approval on the sizes, tonnages, zoning, location, curb sizes (heights) and number of HVAC units based on Lessee's design criteria and local and state codes. RTU's (or AHU's as needed) to be purchased using DaVita national contract pricing/ Furnish By Owner (FBO) program.

Lessor to furnish steel framing members, roof curbs and flashing to support Lessee exhaust fans (minimum of 4) to be located by Lessee's architect.

22.0 - Telephone

Lessor shall provide a single 2" PVC underground conduit entrance into Lessee's utility room to serve as chase way for new telephone service. Entrance conduit location shall be coordinated with Lessee.

23.0 - Cable TV

Lessor shall provide a single 2" PVC underground conduit entrance into Lessee utility room to serve as chase way for new cable television service. Entrance conduit location shall be coordinated with Lessee.

Lessee shall have the right to place a satellite dish on the roof and run appropriate electrical cabling from the Premises to such satellite dish and/or install cable service to the Premises at no additional fee. Lessor shall reasonably cooperate and grant "right of access" with Lessee's satellite or cable provider to ensure there is no delay in acquiring such services.

24.0 - Handicap Accessibility *

Full compliance with ADA and all local jurisdictions' handicap requirements. Lessor shall comply with all ADA regulations affecting the Building and entrance to Lessee space including, but not limited to, the elevator, exterior and interior doors, concrete curb cuts, ramps and walk approaches to / from the parking lot, parking lot striping for four (4) dedicated handicap stalls for a unit up to 20 station clinic and six (6) HC stalls for units over 20 stations handicap stalls inclusive of pavement markings and stall signs with current local provisions for handicap parking stalls, delivery areas and walkways.

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

25.0 - Exiting

Lessor shall provide at the main entrance and rear doors safety lights, exterior service lights, exit sign with battery backup signs per doorway, in accordance with applicable building codes, local fire codes and other applicable regulations, ordinances and codes. The exiting shall encompass all routes from access points terminating at public right of way.

26.0 - Site Development Scope of Requirements

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

- Utility extensions, service entrance locations, inspection manholes;
- Parking lot design, stall sizes per municipal standard in conformance to zoning requirement;
- Site grading with Storm water management control measures (detention / retention / restrictions);
- Refuse enclosure location & construction details for trash and recycling;
- Handicap stall location to be as close to front entrance as possible;
- Side walk placement for patron access, delivery via service entrance;
- Concrete curbing for greenbelt management;
- Site lighting;
- Conduits for Lessee signage;
- Site and parking to accommodate tractor trailer 18 wheel truck delivery access to service entrance;
- Ramps and curb depressions.
- Landscaping shrub and turf as required per municipality;
- Irrigation system if Lessor so desires and will be designed by landscape architect and approved by planning department;
- Construction details, specifications / standards of installation and legends;
- Final grade will be sloped away from building.

27.0 - Refuse Enclosure *

Lessor to provide a minimum 6" thick reinforced concrete pad approx 100 to 150SF based on Lessee's requirements' and an 8' x 12' apron way to accommodate dumpster and vehicle weight. Enclosure to be provided as required by local codes.

28.0 - Generator

Lessor to allow a generator to be installed onsite if required by code or Lessee chooses to provide one.

29.0 - Site Lighting

Lessor to provide adequate lighting per code and to illuminate all parking, pathways, and building access points readied for connection into Lessee power panel. Location of pole fixtures per Lessor civil plan to maximize illumination coverage across site. Parking lot lighting to include timer (to be programmed per Lessee hours of operation) or a photocell. Parking lot lighting shall be connected to and powered by Lessor house panel (if in a Multi tenant building) and equipped with a code compliant 90 minute battery back up at all access points.

30.0 - Exterior Building Lighting

Lessor to provide adequate lighting and power per code and to illuminate the building main, exit and service entrance, landings and related sidewalks. Lighting shall be connected to and powered by Lessor house panel and equipped with a code compliant 90 minute battery back up at all access points.

31.0 - Parking Lot

Provide adequate amount of handicap and standard parking stalls in accordance with dialysis use and overall building uses. Stalls to receive striping, lot to receive traffic directional arrows and concrete parking bumpers. Bumpers to be firmly spike anchored in place onto the asphalt per stall alignment.

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

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

32.0 - Site Signage

Lessor to allow for an illuminated site and/or façade mounted signs. A monument and/or the pylon structure to be provided by Lessor with power and a receptacle. Final sign layout to be approved by Lessee and the City.

Section IX, Financial Feasibility
Criterion 1120.130 – Financial Viability Waiver

The project will be funded entirely with cash. A copy of DaVita's 2013 10-K Statement evidencing sufficient internal resources to fund the project was previously submitted with the application for Project No. 14-016.

Section X, Economic Feasibility Review Criteria
Criterion 1120.140(a), Reasonableness of Financing Arrangements

Attached at Attachment – 39A is a letter from Arturo Sida, Vice President, Associate General Counsel of DaVita HealthCare Partners, Inc. attesting that the total estimated project costs will be funded entirely with cash.

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

Re: Reasonableness of Financing Arrangements

Dear Chairwoman Olson:

I hereby certify under penalty of perjury as provided in § 1-109 of the Illinois Code of Civil Procedure, 735 ILCS 5/1-109 and pursuant to 77 Ill. Admin. Code § 1120.140(a) that the total estimated project costs and related costs will be funded in total with cash and cash equivalents.

Sincerely,



Print Name: Arturo Sida
Its: Vice President, Associate General Counsel and
Assistant Corporate Secretary
DaVita HealthCare Partners Inc.

Subscribed and sworn to me

This ___ day of _____, 2024

See Attached

Notary Public

State of California
County of Los Angeles

On October 21, 2014 before me, Kimberly Ann K. Burgo, Notary Public
(here insert name and title of the officer)

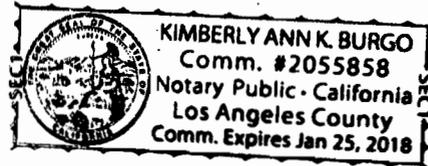
personally appeared Arturo Sida

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature *Kimberly Ann K. Burgo*



(Seal)

OPTIONAL INFORMATION

Law does not require the information below. This information could be of great value to any person(s) relying on this document and could prevent fraudulent and/or the reattachment of this document to an unauthorized document(s)

DESCRIPTION OF ATTACHED DOCUMENT

Title or Type of Document: Secretary's Certificate - Ltr to K. Olson re Reasonableness of Financing Arrangements
Document Date: October 21, 2014 Number of Pages: one (1)
Signer(s) if Different Than Above: No
Other Information: _____

CAPACITY(IES) CLAIMED BY SIGNER(S)

Signer's Name(s): Arturo Sida

- Individual
- Corporate Officer

(Title(s))

- Partner
- Attorney-in-Fact
- Trustee
- Guardian/Conservator
- Other: Vice President, Associate General Counsel and Assistant Corporate Secretary

SIGNER IS REPRESENTING:

Name of Person(s) or Entity(ies): DaVita HealthCare Partners Inc. / Danville Dialysis

Section X, Economic Feasibility Review Criteria
Criterion 1120.140(b), Conditions of Debt Financing

This project will be funded in total with cash and cash equivalents. Accordingly, this criterion is not applicable.

Section X, Economic Feasibility Review Criteria
Criterion 1120.140(c), Reasonableness of Project and Related Costs

1. The Cost and Gross Square Feet by Department is provided in the table below.

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (list below)	A	B	C	D	E	F	G	H	Total Cost (G + H)
	Cost/Square Foot New	Mod.	Gross Sq. Ft. New Circ.*		Gross Sq. Ft. Mod. Circ.*		Const. \$ (A x C)	Mod. \$ (B x E)	
Clinical									
ESRD	\$340.95		4,790				\$1,633,163		\$1,633,163
Contingency - Clinical	\$33.62		4,790				\$161,043		\$161,043
Total Clinical	\$374.57		4,790				\$1,794,206		\$1,794,206
Non-Clinical									
ESRD	\$340.95		1,010				\$344,362		\$344,362
Contingency - Non-Clinical	\$33.62		1,010				\$33,957		\$33,957
Total Non- Clinical	\$374.57		1,010				\$378,319		\$378,319
TOTALS	\$374.57		5,800				\$2,172,525		\$2,172,525

* Include the percentage (%) of space for circulation

2. As shown in Table 1120.310(c) below, the project costs are below the State Standard.

Table 1120.310(c)			
	Proposed Project	State Standard	Above/Below State Standard
New Construction Contracts & Contingencies	\$1,794,206	\$262.22 per gsf x 5,050 gsf = \$262.22 x 4,790 = \$1,324,211	Above State Standard
Contingencies	\$161,043	10% of New Construction Contracts = 10% x \$1,633,163 = \$163,316	Meets State Standard
Architectural/Engineering Fees	\$164,016	6.64% - 9.98% x (New Construction Costs + Contingencies) =	Meets State Standard

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Table 1120.310(c)			
	Proposed Project	State Standard	Above/Below State Standard
		$6.64\% - 9.98\% \times$ $(\$1,633,163 + \$161,043) =$ $6.64\% - 9.98\% \times$ $\$1,794,206 =$ $\$119,135 - \$179,061$	
	Consulting and Other Fees	\$212,659	No State Standard
	Moveable Equipment	\$400,672	Meets State Standard
		$\$50,601.13 \text{ per station} \times 8$ stations $\$50,601.13 \times 8 =$ $\$404,809$	

1. New construction costs and contingencies exceed the Board standard by \$112.35 per GSF (or \$469,995). This is due to the fact the Applicants will develop and construct the facility themselves. Generally, when a dialysis project involves new construction, a third party developer will build the facility and lease it to the dialysis provider. In fact, within the last three years, no dialysis applicant has proposed a project where it will build and own its dialysis facility. As a result, the costs to build the core and shell are the developer's costs and captured in the fair market value of the leased space, which is a non-reviewable cost. In this case, the cost to build the core and shell will be borne by the Applicants and reflected in the new construction contract and contingency costs. Importantly, the overall costs to build the proposed Danville Dialysis (\$3,058,862) is consistent with the project costs of other recently approved dialysis projects, e.g., Tinley Park Dialysis - \$3,665,882, FMC New City - \$5,375,998, Belvidere Dialysis - \$2,776,771.

Section X, Economic Feasibility Review Criteria
Criterion 1120.310(d), Projected Operating Costs

Operating Expenses: \$1,506,393

Treatments: 6,084

Operating Expense per Treatment: \$247.60

Section X, Economic Feasibility Review Criteria
Criterion 1120.310(e), Total Effect of Project on Capital Costs

Capital Costs:

Depreciation: \$116,839

Amortization: \$ 6,167

Total Capital Costs: \$123,006

Treatments: 6,084

Capital Costs per Treatment: \$20.22

Section XI, Safety Net Impact Statement

1. This criterion is required for all substantive and discontinuation projects. DaVita HealthCare Partners Inc. and its affiliates are safety net providers of dialysis services to residents of the State of Illinois. DaVita is a leading provider of dialysis services in the United States and is committed to innovation, improving clinical outcomes, compassionate care, education and Kidney Smarting patients, and community outreach. A copy of DaVita's 2013 Community Care report, which details DaVita's commitment to quality, patient centric focus and community outreach, was previously submitted on April 24, 2014 as part of Applicants' application for Proj. No. 14-016. DaVita has taken on many initiatives to improve the lives of patients suffering from CKD and ESRD. These programs include the Kidney Smart, IMPACT, CathAway, and transplant assistance programs. Furthermore, DaVita is an industry leader in the rate of fistula use and had the lowest day-90 catheter rates among large dialysis providers in 2013. Its commitment to improving clinical outcomes directly translated into 7% reduction in hospitalizations among DaVita patients. DaVita has improved clinical outcomes each year since 2000, generating an estimated \$204 million in net savings to the American healthcare system in 2013.
2. The proposed project will not impact the ability of other health care providers or health care systems to cross-subsidize safety net services. As shown in Table 1110.1430(b), there is currently one existing dialysis facility within 30 minutes of the proposed Danville Dialysis, which was operating at 61.4% for the quarter ending September 30, 2014. Despite the low utilization, access issues exist within the Danville community. Specifically, no existing facility will admit patients without insurance or do not have a permanent access, i.e., AV fistula. These patients must travel 40 minutes to Champaign three times per week for their dialysis treatment. Dialysis is very taxing on the body and frequently leaves patients feeling tired and nauseous. As a result, many patients are reliant on family or friends to transport them to or from their dialysis appointments. Patients are generally at the facility for four to five hours per treatment, which means their caregiver must either wait for them or make two round trips from Danville to Champaign. Additionally, they may have to miss treatments, which results in involuntary non-compliance, when they cannot arrange for transportation.

Additionally, Dr. Attia has identified 196 patients from his practice who are suffering from Stage 3, 4, or 5 CKD, who all reside within an approximate 20 minute commute of the proposed facility. At least 39 of these patients will be referred to the Proposed Facility within 12 to 24 months. This represents an 81.3% utilization rate, which exceeds the State's 80% standard. As such, the proposed facility is necessary to improve access to dialysis for patients residing in Danville and the surrounding area. Accordingly, the proposed dialysis facility will not impact other general health care providers' ability to cross-subsidize safety net services.

3. The proposed project is for the establishment of Danville Dialysis. As such, this criterion is not applicable.

Safety Net Information per PA 96-0031			
CHARITY CARE			
	2011	2012	2013
Charity (# of patients)	96	152	187
Charity (cost In dollars)	\$830,580	\$1,199,657	\$2,175,940
MEDICAID			
	2011	2012	2013
Medicaid (# of patients)	729	651	679
Medicaid (revenue)	\$14,585,645	\$11,387,229	\$10,371,416

Section XII, Charity Care Information

The table below provides charity care information for all dialysis facilities located in the State of Illinois that are owned or operated by the Applicants.

CHARITY CARE			
	2011	2012	2013
Net Patient Revenue	\$219,396,657	\$228,403,979	\$244,115,132
Amount of Charity Care (charges)	\$830,580	\$1,199,657	\$2,175,940
Cost of Charity Care	\$830,580	\$1,199,657	\$2,175,940

Appendix I – Physician Referral Letter

Attached as Appendix 1 is the physician referral letter from Dr. Abdel-Moneim Mohamad Abdou Attia projecting 39 pre-ESRD patients will be referred to Danville Dialysis within the next 12 to 24 months.

Abdel-Moneim Attia, M.D.
Carle Physician Group
611 W. Park Street
Urbana, IL 61801

Kathryn J. Olson
Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Dear Chair Olson:

I am pleased to support DaVita's establishment of Danville Dialysis. The proposed 8-station chronic renal dialysis facility, to be located at 22 West Newell Road, Danville, Illinois 61834 will directly benefit my patients.

DaVita's proposed facility will improve access to necessary dialysis services in the Danville community. DaVita is well-positioned to provide these services, as it delivers life sustaining dialysis for residents of similar communities throughout the country and abroad. It has also invested in many quality initiatives to improve its patients' health and outcomes.

I have identified 196 patients from my practice who are suffering from Stage 3, 4, or 5 CKD, who all reside within an approximate 20 minute commute of the proposed facility. Importantly, 139 of these 196 patients reside in the City of Danville and 59 are at Stage 4 or 5 CKD. Conservatively, I predict at least 39 of these patients will progress to dialysis within the next 12 to 24 months. My large Danville patient base and the lengthy commute some patients are presently making to the Champaign area for treatment demonstrate considerable demand for this facility. The site of the proposed facility is close to Interstate 74 (I-74) and will provide better access to my patients residing in the greater Danville area.

A list of patients who have received care at existing facilities in the area over the past 3 1/2 years is provided at Attachment – 1. A list of new patients my practice has referred for in-center hemodialysis for the past 1 1/2 years is provided at Attachment – 2. The list of zip codes for the 59 pre-ESRD patients previously referenced is provided at Attachment – 3.

These patient referrals have not been used to support another pending or approved certificate of need application. The information in this letter is true and correct to the best of my knowledge.

DaVita is a leading provider of dialysis services in the United States and I support the proposed establishment of Danville Dialysis.

Sincerely,



Abdel-Moneim Attia, M.D.

Nephrologist

Carle Physician Group

611 W. Park Street

Urbana, IL 61801

Subscribed and sworn to me

This 30th day of December, 2014

Notary Public:



Attachment 1
Historical Patient Utilization

Illini Renal Dialysis							
2011		2012		2013		2014 YTD 6/30	
Pt Count	Zip Code	Pt Count	Zip Code	Pt Count	Zip Code	Pt Count	Zip Code
1	60107	1	38105	1	46808	1	60707
1	60406	1	40229	1	60707	3	60957
1	60616	1	50220	1	60957	1	61801
1	60942	1	53132	2	61801	8	61802
1	61605	1	60639	8	61802	5	61820
1	61801	1	60649	1	61813	4	61821
4	61802	1	60957	4	61820	2	61822
1	61816	2	61801	5	61821	3	61832
3	61820	9	61802	2	61822	1	61834
2	61821	5	61820	2	61832	1	61843
3	61822	4	61821	1	61834	1	61844
1	61823	4	61822	1	61843	1	61846
1	61832	2	61834	1	61844	2	61856
1	61853	1	61843	2	61846	2	61858
1	61856	1	61846	1	61856	3	61866
2	61866	2	61853	2	61858	2	61874
1	61874	1	61858	4	61866	1	61876
1	61942	4	61866	1	61873	1	61882
1	62422	1	61878	3	61874	1	61910
1	62901	1	61910	1	61876	1	61956
		1	61920	1	61882	1	62535
		1	61943	2	61883	1	78233
		1	62206	1	61920		
		1	62301	1	62206		
		1	62650	1	63137		
		1	62702	1	72034		
		1	62864	1	72653		
		1	68112	1	75630		
		1	78516	1	93442		

Effingham Dialysis							
2011		2012		2013		2014 YTD 6/30	
Pt Count	Zip Code	Pt Count	Zip Code	Pt Count	Zip Code	Pt Count	Zip Code
2	62401	2	62401	1	62401	1	62401
1	62422	1	62422	1	62422	1	62422
1	62426	1	62461	1	62461	1	62838
1	62461	1	62838	1	62838		

Mattoon Dialysis							
2011		2012		2013		2014 YTD 6/30	
Pt Count	Zip Code	Pt Count	Zip Code	Pt Count	Zip Code	Pt Count	Zip Code
1	62468	1	61611	4	61910	1	60957
1	60957	1	61844	1	61911	5	61910
1	61853	3	61910	1	61917	1	61917
2	61910	2	61911	9	61920	3	61920
3	61911	1	61917	1	61932	1	61932
1	61917	5	61920	17	61938	1	61934
5	61920	17	61938	1	61943	12	61938
2	61933	1	61943	1	61944	1	61951
18	61938	2	61951	3	61951	1	62447
2	61942	1	62401	1	62447	1	62469
2	61943	2	62447	1	62454		
2	61944	1	66030	1	62469		
2	61951			2	63385		
2	61953			1	74464		
2	61957						
2	62401						
3	62447						
1	62454						
1	62465						

FMC Champaign-Urbana Dialysis							
2011		2012		2013		2014 YTD 6/30	
Pt Count	Zip Code	Pt Count	Zip Code	Pt Count	Zip Code	Pt Count	Zip Code
N/A	N/A	2	60942	2	60942	3	60942
		4	60957	3	60957	2	60957
		7	61801	7	61801	7	61801
		4	61802	4	61802	4	61802
		4	61820	5	61820	5	61820
		5	61821	8	61821	6	61821
		1	61822	1	61822	3	61822
		2	61832	1	61832	1	61839
		1	61839	1	61839	4	61866
		1	61854	1	61847	1	61873
		1	61864	3	61866	3	61874
		3	61866	1	61873	1	61875
		1	61873	3	61874	1	61953
		2	61874	1	61875		
		1	61878	1	61953		

Attachment 2
New Patients

Illini Renal Dialysis			
2013		2014 YTD 6/30	
Pt Count	Zip Code	Pt Count	Zip Code
1	51132	2	60957
1	60644	1	61802
1	60707	4	61820
1	60957	1	61821
2	61801	2	61832
1	61802	1	61858
1	61813	1	61866
3	61820	1	61874
3	61821	1	61910
3	61832	1	61956
1	61834	1	62535
1	61843	1	78233
1	61844		
1	61846		
1	61856		
1	61858		
1	61866		
1	61873		
3	61874		
1	61876		
1	61882		
2	61883		
1	61920		
2	62206		
1	63137		
1	72034		
1	72653		
1	93442		

Effingham Dialysis			
2013		2014 YTD 6/30	
Pt Count	Zip Code	Pt Count	Zip Code
0	XXXXXXX	0	XXXXXXX

Mattoon Dialysis			
2013		2014 YTD 6/30	
Pt Count	Zip Code	Pt Count	Zip Code
1	61910	1	60957
2	61920	2	61910
1	61932	3	61938
4	61938	1	61943
1	61944		
1	61951		
1	62454		
1	62469		
2	63385		
1	74464		

FMC Champaign-Urbana Dialysis			
2013		2014 YTD 6/30	
Pt Count	Zip Code	Pt Count	Zip Code
N/A	N/A	N/A	N/A

Attachment 3
Pre-ESRD Patients

Zip Code	Total
60963	4
61811	1
61832	31
61833	1
61834	7
61846	9
61858	3
61883	3
Total	59

Appendix 2 – Time & Distance Determination

Attached as Appendix 2 are the distance and normal travel time from all existing dialysis facilities in the GSA to the proposed facility, as determined by MapQuest.



mapquest

Notes

Danville Dialysis Services LLC to proposed site for DaVita's Danville Dialysis

Trip to:

22 W Newell Rd

Danville, IL 61834-6227

5.69 miles / 11 minutes



910 W Clay St, Danville, IL 61832-4309

Download
Free App



1. Start out going east on **W Clay St** toward **Sherman St.** [Map](#)

0.01 Mi

0.01 Mi Total



2. Take the 1st **left** onto **Sherman St.** [Map](#)

0.2 Mi

If you reach N Grant St you've gone a little too far

0.2 Mi Total



3. Take the 2nd **right** onto **W Fairchild St.** [Map](#)

0.6 Mi

*W Fairchild St is just past W Woodbury St
Bethel Lutheran Church is on the corner*

0.8 Mi Total

If you reach Lincoln Park Ave you've gone a little too far



4. Turn **left** onto **N Vermilion St / US-136 W / IL-1.** Continue to follow **US-136 W / IL-1.** [Map](#)

4.6 Mi

*US-136 W is just past N Walnut St
Hardee's is on the left*

5.4 Mi Total

If you are on E Fairchild St and reach N Hazel St you've gone a little too far



5. Turn **right** onto **E West Newell Rd.** [Map](#)

0.3 Mi

E West Newell Rd is 0.2 miles past Devonshire Dr

5.7 Mi Total

If you are on State Route 1 and reach Heritage Trce you've gone about 0.2 miles too far



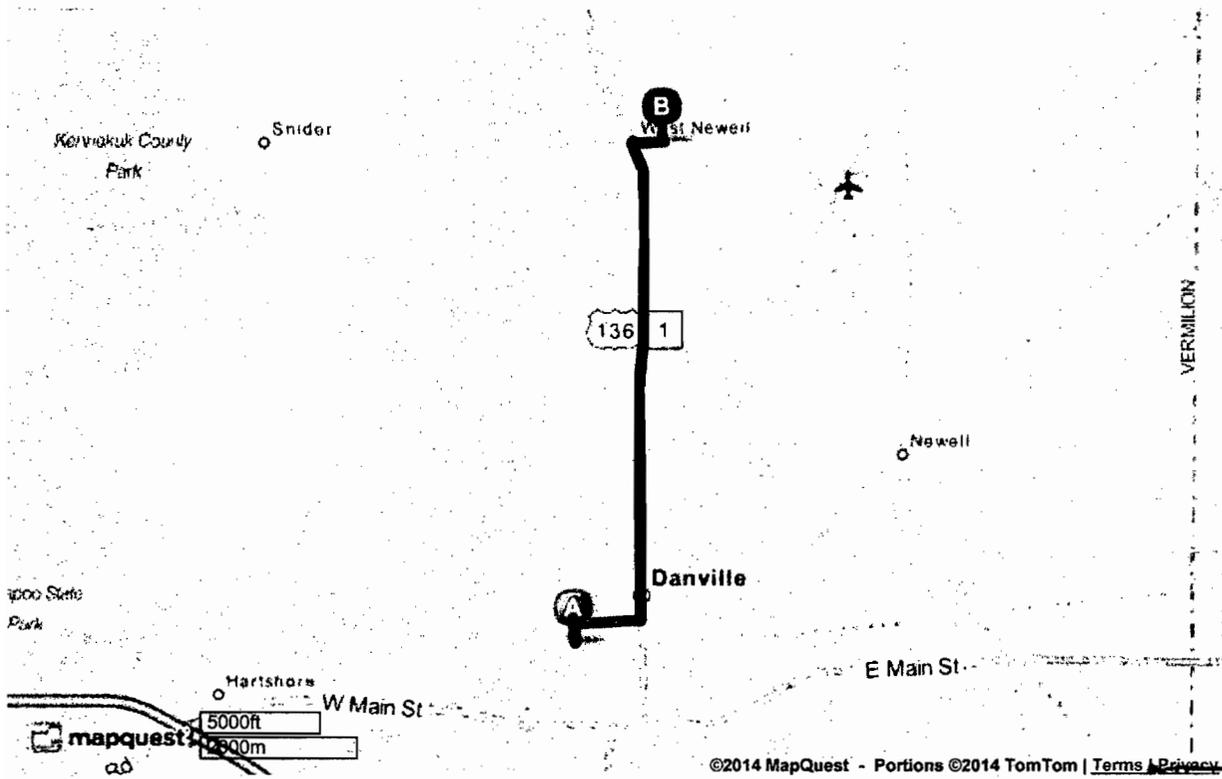
6. **22 W NEWELL RD.** [Map](#)

If you reach Shake Rag Rd you've gone about 0.1 miles too far



22 W Newell Rd, Danville, IL 61834-6227

Total Travel Estimate: **5.69 miles - about 11 minutes**



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