16-008

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT

RECEIVED
1 6 2016
HEALTH FACILITIES & SERVICES REVIEW BOARD

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name:	The University of Chicago Medical Center - Bed Expansion, ED, Trauma		
Street Address:	5841 S. Maryland Avenue		
City and Zip Code:	Chicago, IL 60637		
County: Cook	Health Service Area HSA 6	Health Planning Area: A-03	

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

Exact Legal Name:	The University of Chicago Medical Center
Address:	5841 S. Maryland Avenue
Name of Registered Agent:	John Satalic
Name of Chief Executive Officer:	Sharon O'Keefe
CEO Address:	5841 S. Maryland Avenue, Chicago, IL 60637
Telephone Number:	(773) 702-6240

Type of Ownership of Applicant/Co-Applicant

- [X] Non-profit Corporation
- [ ] For-profit Corporation
- [ ] Limited Liability Company
- [ ] Partnership
- [ ] Governmental
- [ ] Sole Proprietorship
- [ ] Other

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

APPEND DOCUMENTATION AS ATTACHMENT-1 IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Primary Contact
[Person to receive ALL correspondence or inquiries)

Name:	John Beberman
Title:	Director, Capital Budget and Control
Company Name:	The University of Chicago Medical Center
Address:	5814 S. Maryland Avenue, Chicago, IL 60637
Telephone Number:	(312) 876-7815
E-mail Address:	John.beberman@uchospitals.edu
Fax Number:	(312) 876-6215

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

Name:	Joe Ourth
Title:	Attorney
Company Name:	Arnstein & Lehr LLP
Address:	120 South Riverside Plaza, Suite 1200, Chicago, IL 60606
Telephone Number:	(312) 876-7815
E-mail Address:	jourth@arnstein.com
Fax Number:	(312) 876-6215

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.

On August 13, 2013, the Review Board granted UCMC a permit for project #13-025 to recommission 38 medical-surgical beds in Mitchell Hospital ("Mitchell Hospital"). Reactivating these beds in Mitchell was an intermediate step and provided a low-cost means to address UCMC's immediate capacity constraints while developing the long-term solution that UCMC now proposes.

The purpose of the Project is to expand access to essential health care services in Chicago's under served South Side overall and, particularly, in three important clinical areas – Specialty Care, Emergency Care, and Adult Level I Trauma Care – for which the demand is strong, but UCMC lacks sufficient capacity.

This Project has three related and interdependent components, each of which is necessary for the success of the other two: 1) the addition of inpatient beds in Mitchell; 2) the relocation of UCMC's Adult ED from its current location in Mitchell to space adjacent to the Center for Care & Discovery ("CCD"), and (3) a commitment to establish a Level I Adult Trauma Center on its Hyde Park Campus (the "Project").

While trauma is not a regulated category of service under the Review Board's regulations, the Emergency Medical Services ("EMS") Systems Act and implementing regulations require facility expansion and improvement at UCMC to meet the trauma standards, especially as UCMC continues to experience unprecedented growth in inpatient admissions. As a result, trauma is an integral part of the Project and, together, with the other components, forms an indivisible whole.

Specifically, UCMC proposes to increase the number of its medical-surgical beds by 168 (from 338 to 506) and to increase the number of its ICU beds by 20 (from 126 to 146) to accommodate excessively high rates of utilization. The increase in inpatient beds would expand UCMC's ability to meet the needs of the community in trauma and emergency care, as well as expand access to care for patients with serious conditions such as cancer and heart disease. UCMC also proposes a comprehensive renovation of Mitchell that will essentially gut and replace patient rooms and common areas, upgrade the mechanical systems, and replace the exterior. At the same time, UCMC proposes to repurpose Mitchell as a hospital primarily dedicated to a broad spectrum of clinical cancer care, which will include a bone marrow transplant service and cellular therapy lab.

Second, UCMC proposes to relocate and reconfigure the Adult ED, which will consist of 41 treatment stations, including four trauma resuscitation bays, two radiographic imaging rooms, and one CT room. The Project also includes separate entrances for EMS providers and patients, a rapid assessment unit for lower acuity patients, and an on-site bio containment unit for highly infectious disease. The location and floorplan of the redesigned Adult ED will be clinically superior and more efficient than the current space, providing ED and trauma patients more immediate access to the operating rooms in the CCD.

Third, UCMC propose to open a Level I Adult Trauma Center on its Hyde Park campus. This Trauma Center would also be the only one in the City to offer a comprehensive line of trauma services, with Level I Adult Trauma joining UCMC's existing Level I Pediatric Trauma and Complex Burn & Wound Care.

The Project will be undertaken in two phases. The first phases calls for expediting construction that will allow the new Adult ED and Trauma Center to open for services at the earliest possible time, consistent with patient safety, which is expected to be approximately two years from the Review Board's approval. Additional elements of the Project, such as substantial redevelopment of Mitchell, will take longer.
The build out would consist of 259,617 building gross square feet (bgsf) for both clinical and non-clinical space. The utilization of the inpatient beds and the Adult ED treatment stations will exceed State's standard target occupancy by the second full year after project completion.

The Project has robust community support. The total project cost is expected to be $268,842,147 and will be funded by a combination of cash and tax exempt bonds.

The project is classified as "substantive" based upon definitions in the Planning Act and is expected to be complete by June 30, 2022.

THE UNIVERSITY OF
CHICAGO
MEDICINE

Sharon O'Keefe
President

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February 15, 2016

Ms. Kathy J. Olson, Chair
Illinois Health Facilities and Services Review Board
525 West Jefferson, 2nd Floor
Springfield, Illinois 62761

Re: University of Chicago Medical Center ("UCMC", the "Medical Center")
ED Relocation, Re-Opening of Mitchell Beds & Trauma Center (the "Project")
Application for Permit

Dear Chairwoman Olson:

We are pleased to submit our application to the Review Board for a project that will increase access to health care services on the South Side of Chicago in the areas our community needs most.

This Project consists of three related and interdependent components – a large-scale re-activation in the number of inpatient beds, a new and expanded emergency room in close proximity to UCMC's Center for Care and Discovery ("CCD"), and a Level I Adult Trauma Center on its Hyde Park Campus, near some of the highest incidence of trauma injury and gun violence in the city.

Patients on the South Side have unique health care needs and fewer resources available to them. With additional bed capacity for the sickest patients, alongside expanded emergency services and an Adult Level I Trauma Center, this Project can reduce disparities in access to essential medical services that have long troubled our region and can transform the way life-saving medical care is provided in the community.

I. Background

Last December, UCMC submitted an application for the relocation and expansion of its Adult Emergency Department ("Adult ED" or "ED"), but we withdrew it when we realized that an expanded ED alone would not allow us to meet the community's needs for highly specialized services without significantly increasing our inpatient capacity. Over the past year, we undertook a comprehensive analysis of our capacity in relation to the continued growth in our overall patient volumes, giving careful consideration to the growing specialty care needs of the South Side, the increased patient volumes associated with an expanded, more efficient ED, and the addition of an Adult Level I Trauma Center. We also weighed input from community partners and civic and faith leaders, among whom there has been strong support for a South Side Trauma Center. In short, we concluded that the South Side's need for specialty health care services greatly exceeds

the needs of our community for specialty, emergency and adult trauma services and would ensure that residents of the South Side of Chicago have greater access to essential medical care.

II. Description of Project

First, we propose to re-open 168 medical-surgical beds and 20 ICU beds in our Mitchell Hospital building ("Mitchell") and to undertake a comprehensive renovation of Mitchell. (These beds had been slated for de-activation when we completed construction of our CCD building, including the build out of shelled space underway). The comprehensive renovation will gut and replace patient rooms and common areas, upgrade the mechanical systems and replace the exterior. *See Figure 1.* With this additional capacity, UCMC would return to roughly the same number of beds operated in 1979. With this Project, we also propose to reconfigure the delivery of inpatient care by moving patients requiring high-technology and procedure-driven care into the CCD, such as the trauma, cardiac surgery, stroke, and heart failure patients who frequently arrive through the Adult ED. Additionally, we propose to repurpose Mitchell as a hospital primarily dedicated to a broad spectrum of cancer care.

Second, we propose to relocate and expand our comprehensive Adult ED from its current location in Mitchell to space adjacent to the CCD. Specifically, we propose to increase the number of Adult ED treatment stations from 36 to 41, which includes four specialized trauma resuscitation bays, and to equip the Adult ED with an imaging facility dedicated to emergency room and trauma patients. The location and floorplan of the redesigned Adult ED will be clinically superior and more efficient than the current space, allowing shorter wait times and faster medical care, and providing our most critical patients immediate access to the operating rooms and other life-saving technologies located in the CCD. *See Figure 2.*

Third, we propose to open a Level I Adult Trauma Center on our Hyde Park campus.[1] The City of Chicago has four adult trauma centers at Northwestern Memorial Hospital, Stroger, Advocate Illinois Masonic and Mt. Sinai hospitals, but none of them are located on the City's South Side. *See Figure 3.* This Trauma Center would be in the heart of the most underserved part of Chicago where approximately one-half (1/2) of the trauma cases originate. With a Level I Adult Trauma Center joining UCMC's existing Level I Pediatric Trauma and Complex Burn & Wound Centers, UCMC would be

[1] As a Trauma Center, UCMC will need to comply with rigorous requirements established by the Illinois Department of Public Health that differentiate trauma centers from regular hospitals, including 24-hour availability of specialty resources, such as an operating room dedicated exclusively to trauma, trauma resuscitation bays, and imaging. Trauma designation also requires the 24-hour availability of teams of specially trained providers with expertise in the care of severely injured patients, such as trauma surgeons, neurosurgeons, orthopedic surgeons, cardiothoracic surgeons, anesthesiologists, radiologists and nurses.

prepared to offer lifesaving care to the South Side community regardless of age or mechanism of injury.

While trauma is not a regulated category of service under the Review Board's regulations, the Emergency Medical Services ("EMS") Systems Act and implementing regulations require facility expansion and improvement at UCMC to meet the trauma standards. As a result, capacity for trauma is an integral part of the Project and, together, with the other components, forms an indivisible whole.

III. Utilization Growth Continues to Far Exceed Projections

Since October 31, 2009, UCMC's medical-surgical bed days have grown by an average of 6.7% per year, far surpassing the annual utilization growth rate of 1.2% we forecasted in 2008 for the CCD. Similarly, UCMC's adult ICU bed days have grown by an average of 1.4% per year over the same period, and we project that these rates of growth will continue for the next six years. With advances in medical care, many procedures and services have moved from the inpatient to outpatient setting. This trend has not impacted our growth trajectories as there is no substitute for tertiary and quaternary hospital services for patients needing advanced, technology-driven care. As an academic medical center, UCMC is uniquely positioned to provide these services to the community.

During 2014, UCMC's adult medical-surgical beds had an average utilization rate of 89%, the highest among large hospitals in the State of Illinois. *See Figure 4.* We frequently reached full occupancy at a time when the combined average medical-surgical occupancy of Illinois's hospitals was 54%. During 2015, our average utilization reached 94% and continues to grow. *See Figure 5.* Despite aggressive efforts that reduced average lengths of stay by 12 hours over the past year, occupancy remains high. In fact, for 2015, we exceeded the State's utilization standards on 310 days, and we reached 100% of our licensed capacity for medical-surgical beds on 172 days of the year. Such utilization levels not only surpass the State's utilization standards, but they exceed optimal clinical efficiency and are operationally problematic and unsustainable.

Our Adult ED remains one of the busiest in Chicago, with more than 57,000 visits per year. UCMC's current Adult ED is frequently at capacity, with long wait times and high occupancy. The trend over the past six years shows an annual increase in demand for Adult ED visits of 6.5%, which we project to continue through 2021. This means that UCMC's Adult ED visits will have more than doubled from 39,178 visits in 2009 to 86,220 visits projected for 2021, including 2,700 annual trauma visits after the Trauma Center opens. Given these projections, UCMC's Project is necessary to eliminate dangerous overcrowding and to ensure patient safety.

Approximately half of the patients that present to our Adult ED either are covered by Medicaid or are uninsured. UCMC's emergency medicine service routinely incurs large losses, and in FY15, services to Adult ED patients produced a financial loss of $32 million. These losses will likely grow with the addition of trauma services. UCMC remains committed to subsidizing the cost of high-quality emergency medical care and trauma services. To ensure the sustainability of these services, UCMC must have bed capacity to accommodate the growing demand for specialty services in addition to the demand for emergency and trauma care.

IV. High rates of utilization reduce community's access to care

Operating at utilization rates greater than 90% affects our ability to accept transfers of acutely ill patients from other area hospitals, and we frequently have to turn down transfers because of bed shortages. Accounting for approximately 30% of all transfer requests, the hospitals within our planning area, including Jackson Park, St. Bernard, and Holy Cross, depend on UCMC to be able to accept patients in need of a higher level of care. UCMC is currently unable to accommodate hundreds of transfer requests each year because of capacity constraints.

High occupancy also has a direct effect on ED diversion. With the opening of the CCD in 2013 and an additional 38 medical-surgical beds operational in 2014, we had been able to bring our diversion rate down from 20% to about 6%, including three months without diversion in 2014. This improvement was important to our community, to the regional EMS System and to IDPH. Unfortunately, this trend has now reversed. Our ED was on diversion approximately 11% of the time in FY2015 – a number that is increasing – and our need to go on diversion is almost wholly attributable to bed capacity constraints. *See Figures 4 & 5*. Over 81% of the Adult ED's patients are from the South Side, and diversion means reduced access to the patients we care for and the communities we serve.

UCMC's capacity constraints come at a time when specialty care on the South Side is already strained and the resources available to South Side residents greatly diminished. Over the past 25 years, the planning area has seen 7 of 16 hospitals close and inpatient capacity decrease by more 54%. Additionally, a net of 36% of adult patients from the South Side of the City currently *leave* our planning area (A-3) to get inpatient care.[2]

[2] In comparison, a net of 28% and 54% of adult patients come into the other two planning areas for the City of Chicago (A-1 and A-2).

V. Beds Are Needed to Treat the Sickest Patients in our Community

UCMC requires additional inpatient capacity to meet the robust and sustained growth in key, specialty services with critical significance to our community, including cardiology and cardiac surgery, orthopedic medicine and cancer. From FY13 – FY15, cardiology and cardiac surgery's growth rate in inpatient days was 14.6% and orthopedics growth rate was 14.9%. During this same time, the inpatient days attributable to UCMC's cancer program grew by almost 8.0%. Population demographics indicate that these growth trends will continue, if not accelerate.

UCMC also requires inpatient capacity to support the delivery of expanded emergency services, including trauma. During FY15, UCMC admitted 23.3% of its adult ED patients to the hospital. Additionally, of the patients admitted to UCMC through the Adult ED, 69% are from the South Side. ED admissions represent some of the sickest patients cared for at UCMC. The addition of trauma services will add to the overall acuity of admissions and increase demand for both medical-surgical and ICU beds.

Overall, the patients coming to UCMC, either as transfers to an inpatient unit from neighboring community hospitals or as admissions through the emergency department, are more acutely ill than patients occupying medical surgical beds elsewhere in the planning area. Data shows that our complexity of care index for adult patients is 62% higher than the average case mix index of the other hospitals in our planning area.

VI. The Project Elevates the Level of Cancer Care on the South Side

UCMC is a world renowned cancer center with international reach and one of 69 hospitals within the U.S. designated by the National Cancer Institute (NCI) as delivering cutting-edge cancer care to patients in its communities. While UCMC is a destination for cancer patients from all over the globe, it is an essential provider of services for patients from the South Side of Chicago and throughout Illinois. For example, 80% of breast cancer patients on the South Side of Chicago receive care at UCMC. However, an imbalance in resources still exists on the South & South West regions of Chicago, where women have the highest breast cancer mortality rate in the City but the fewest resources. Additionally, the overall incidence of cancer within UCMC's Community Benefit Area is higher by 11% for Illinois and 25% for the U.S. and highest among minorities, with a similar trend for mortality.

UCMC researchers have long tackled the issue of cancer disparities and discovering better methods for providing cancer care to underserved populations. As part of this Project, we seek to address this imbalance by proposing greater access to, and a dedicated space for, the treatment and management of cancer. In a rebuilt Mitchell, cancer patients will be able to receive a spectrum of services, including chemotherapy, blood transfusions, bone marrow transplants, antibiotic therapy, and nutritional support,

as well as urgent care, pain and symptom management, postoperative care and palliative care, all in an environment designed for the unique needs of this patient population.

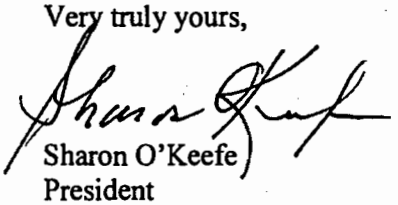
The CCD, by itself, does not have room for the projected growth in our cancer program. A dedicated cancer hospital in Mitchell presents an optimal solution to accommodate the large and growing cancer service that cannot be accommodated in the CCD alone.

VII. The Project Anchors the Delivery of Health Care on the South Side of Chicago

With this Project, UCMC commits to making a $269 million investment in the South Side. This Project will foster more timely and efficient delivery of emergency, trauma and specialty care at UCMC and will better integrate the resources of both UCMC and community hospitals into the local health care delivery system. Within this delivery system each institution plays an important and distinct role. UCMC as the only academic medical center in the planning area is severely undersized to fulfill its role as an emergency and specialty referral center. The need for ED and bed expansion is well supported by our growth and utilization trends. We propose to expand not just the number of medical-surgical beds at UCMC but also to expand collaboration with other hospitals and health care resources in our planning area and, together, to strengthen overall access to care while stemming the tide of outmigration

This Project is a carefully considered response to a growing need in our community for increased access to high quality inpatient specialty services, emergency medical care and trauma services. This Project demonstrates our commitment to addressing the unique health care needs of Chicago's South Side. We request your approval of our Project to bring this essential care to our patients and community.

Very truly yours,



Sharon O'Keefe
President

Figure 1

Aerial Rendering of Mitchell – Post Construction

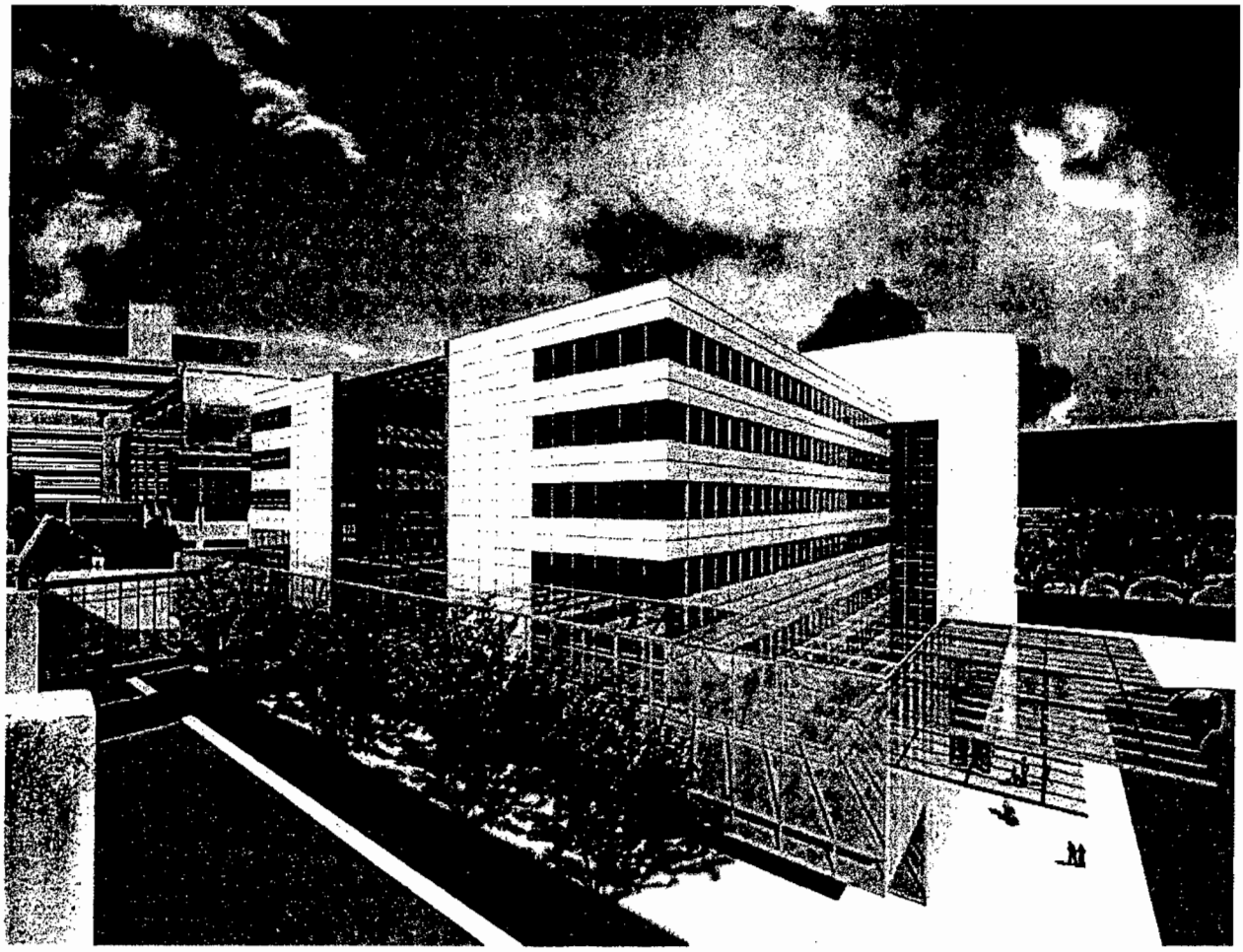


Figure 2

Location of New Adult ED

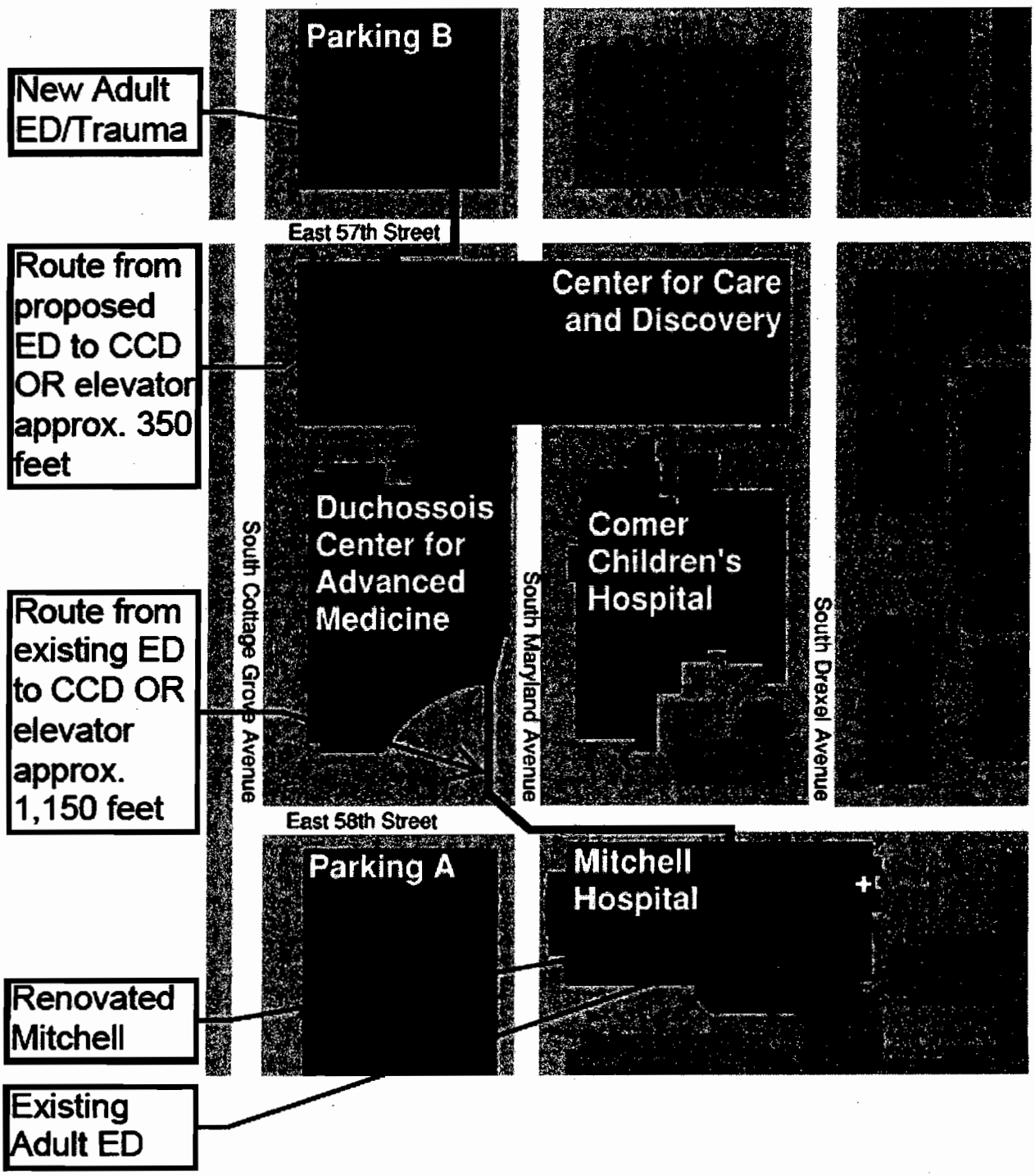


Figure 3

Chicago Area Level I Adult Trauma Centers

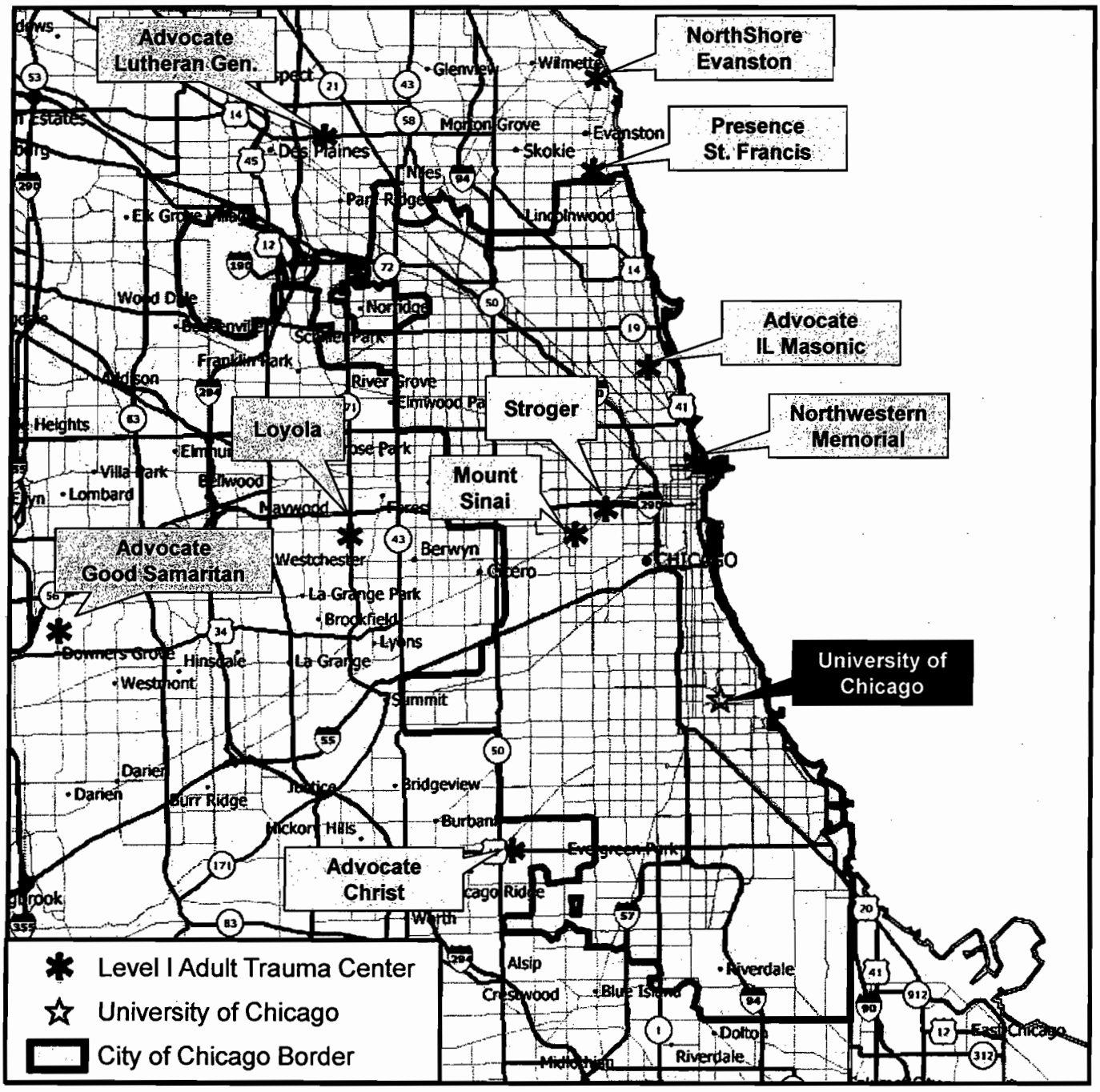
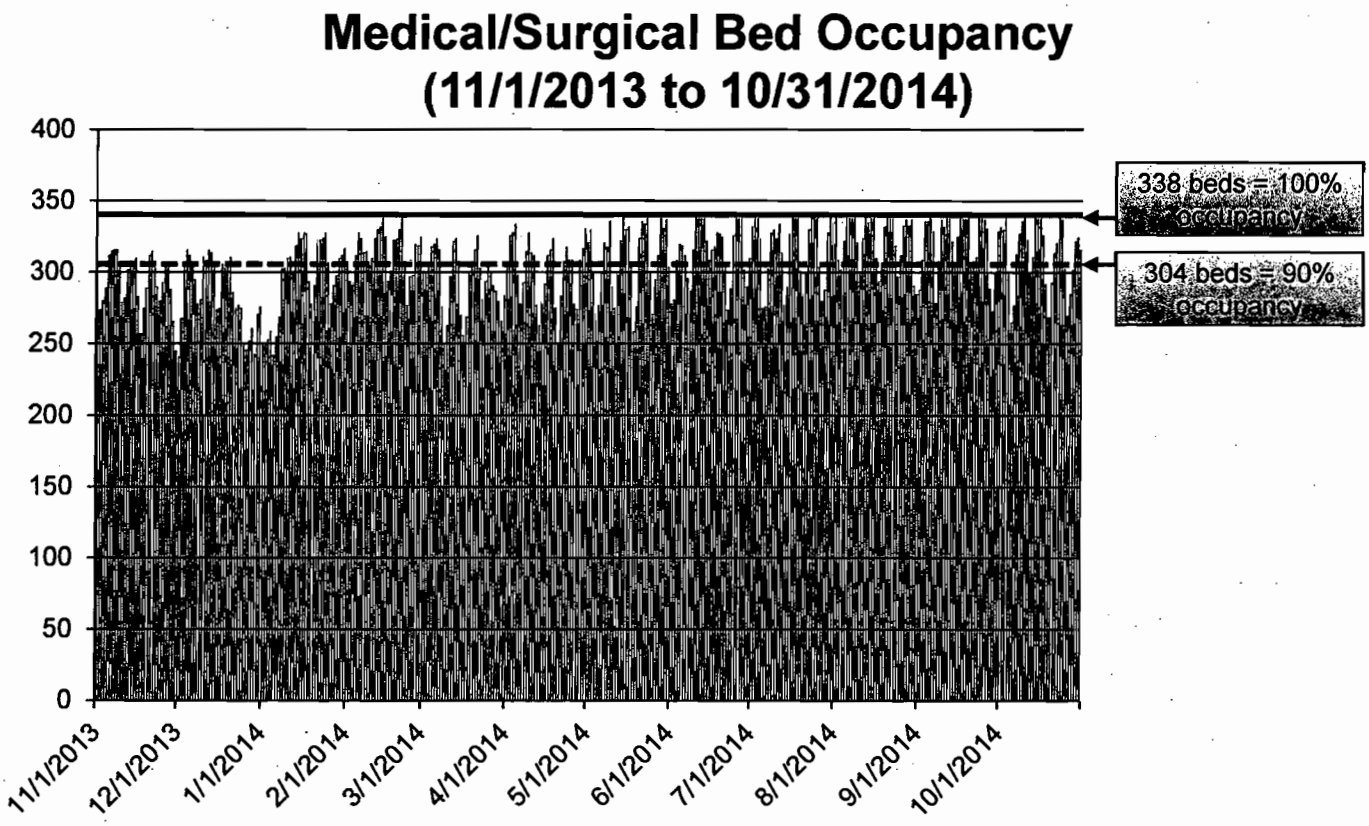


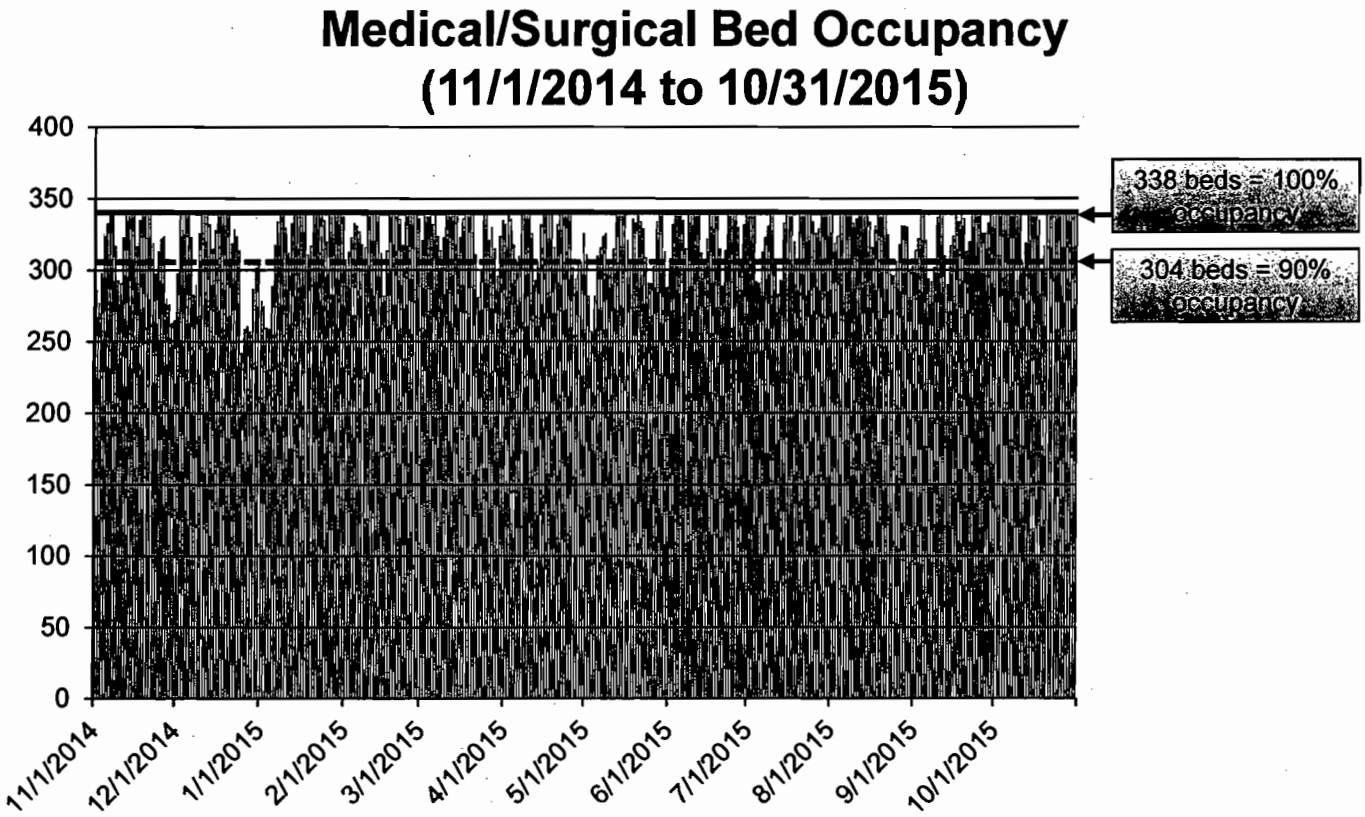
Figure 4



Source: 6:00 am daily bed census

Days over 90% utilization	217
Days at 100% utilization	47
% of time Adult ED on diversion	6.1%

Figure 5



Source: 6:00 am daily bed census

Days over 90% utilization	310
Days at 100% utilization	175
% of time Adult ED on diversion	11.1%

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	$ 466,267	$ 304,061	$ 770,328
Site Survey and Soil Investigation	17,694	4,451	22,145
Site Preparation	493,934	322,104	816,038
Off Site Work			
New Construction Contracts	90,479,752	59,003,477	149,483,229
Modernization Contracts			
Contingencies	9,047,975	5,900,348	14,948,323
Architectural/Engineering Fees	5,354,592	3,491,826	8,846,418
Consulting and Other Fees	2,796,774	1,823,826	4,620,600
Movable or Other Equipment (not in construction contracts)	47,891,801	1,003,809	48,895,610
Bond Issuance Expense (project related)	2,044,352	955,648	3,000,000
Net Interest Expense During Construction (project related)	17,428,962	8,147,295	25,576,257
Fair Market Value of Leased Space or Equipment			
Other Costs To Be Capitalized	7,180,601	4,682,599	11,863,200
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	$183,202,703	$85,639,444	$268,842,147
SOURCE OF FUNDS	**CLINICAL**	**NONCLINICAL**	**TOTAL**
Cash and Securities	$46,912,538	$21,929,609	$68,8421,147
Pledges			
Gifts and Bequests			
Bond Issues (project related)	136,290,165	63,709,835	200,000,000
Mortgages			
Leases (fair market value)			
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	$183,202,703	$85,639,444	$268,842,147

NOTE: ITEMIZATION OF EACH LINE ITEM MUST BE PROVIDED AT ATTACHMENT-7, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Related Project Costs

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

Land acquisition is related to project ☐ Yes ☒ No
Purchase Price: $ N/A
Fair Market Value: $ N/A

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 $ N/A.

Project Status and Completion Schedules

For facilities in which prior permits have been issued please provide the permit numbers.

Indicate the stage of the project's architectural drawings:

☐ None or not applicable ☐ Preliminary
☒ Schematics ☐ Final Working

Anticipated project completion date (refer to Part 1130.140): June 30, 2022

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

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

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

State Agency Submittals

Are the following submittals up to date as applicable:
☒ Cancer Registry
☒ APORS
☒ All formal document requests such as IDPH Questionnaires and Annual Bed Reports been submitted
☒ All reports regarding outstanding permits
Failure to be up to date with these requirements will result in the application for permit being deemed incomplete.

Cost Space Requirements

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

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

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

Facility Bed Capacity and Utilization

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

FACILITY NAME: The University of Chicago Medical Center			**CITY:** Chicago		
REPORTING PERIOD DATES:	**From:** November 1, 2014		**to:** October 31, 2015		
Category of Service	**Authorized Beds**	**Admissions**	**Patient Days**	**Bed Changes**	**Proposed Beds**
Medical/Surgical	338	17,917	110,527	168	506
Obstetrics	46	2,219	6,514	0	46
Pediatrics	60	3,361	15,726	0	60
Intensive Care	126	5,064	30,816	20	146
Comprehensive Physical Rehabilitation					
Acute/Chronic Mental Illness					
Neonatal Intensive Care	47	840	14,366	0	47
General Long Term Care					
Specialized Long Term Care					
Long Term Acute Care					
Other ((identify) Dedicated Observation					
TOTALS:	617	29,401	177,949	188	805

CERTIFICATION

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

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

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

SIGNATURE	SIGNATURE
Sharon O'Keefe	Jennifer Hill
PRINTED NAME	PRINTED NAME
President	Secretary
PRINTED TITLE	PRINTED TITLE
Notarization: Subscribed and sworn to before me this 11th day of February	Notarization: Subscribed and sworn to before me this 11th day of February
Signature of Notary	Signature of Notary
Seal "OFFICIAL SEAL" CASSANDRA COLE NOTARY PUBLIC, STATE OF ILLINOIS MY COMMISSION EXPIRES 8/3/2017	Seal "OFFICIAL SEAL" CASSANDRA COLE NOTARY PUBLIC, STATE OF ILLINOIS MY COMMISSION EXPIRES 8/3/2017

*Insert EXACT legal name of the applicant

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

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

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

READ THE REVIEW CRITERION and provide the following required information:

BACKGROUND OF APPLICANT

1. A listing of all health care facilities owned or operated by the applicant, including licensing, and certification if applicable.
2. A certified listing of any adverse action taken against any facility owned and/or operated by the applicant during the three years prior to the filing of the application.
3. Authorization permitting HFSRB and DPH access to any documents necessary to verify the information submitted, including, but not limited to: official records of DPH or other State agencies; the licensing or certification records of other states, when applicable; and the records of nationally recognized accreditation organizations. **Failure to provide such authorization shall constitute an abandonment or withdrawal of the application without any further action by HFSRB.**
4. If, during a given calendar year, an applicant submits more than one application for permit, the documentation provided with the prior applications may be utilized to fulfill the information requirements of this criterion. In such instances, the applicant shall attest the information has been previously provided, cite the project number of the prior application, and certify that no changes have occurred regarding the information that has been previously provided. The applicant is able to submit amendments to previously submitted information, as needed, to update and/or clarify data.

APPEND DOCUMENTATION AS ATTACHMENT-11, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM. EACH ITEM (1-4) MUST BE IDENTIFIED IN ATTACHMENT 11.

PURPOSE OF PROJECT

1. Document that the project will provide health services that improve the health care or well-being of the market area population to be served.
2. Define the planning area or market area, or other, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed, as applicable and appropriate for the project. [See 1110.230(b) for examples of documentation.]
4. Cite the sources of the information provided as documentation.
5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.
6. Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals **as appropriate**.

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

NOTE: Information regarding the "Purpose of the Project" will be included in the State 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 tot 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.

SECTION VII - SERVICE SPECIFIC REVIEW CRITERIA

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

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

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

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

Category of Service	# Existing Beds	# Proposed Beds
☒ **Medical/Surgical**	338	506
☐ **Obstetric**		
☐ **Pediatric**		
☒ **Intensive Care**	126	146

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

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

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

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

O. Criterion 1110.3030 - Clinical Service Areas Other than Categories of Service

1. Applicants proposing to establish, expand and/or modernize Clinical Service Areas Other than Categories of Service must submit the following information:
2. Indicate changes by Service: Indicate # of key room changes by action(s):

Service	# Existing Key Rooms	# Proposed Key Rooms
☒ Adult Emergency	36	41
☒ Radiology	28	27
☒ Cancer Ancillaries	2	2

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

:

PROJECT TYPE	REQUIRED REVIEW CRITERIA	
New Services or Facility or Equipment	(b) –	Need Determination – Establishment
Service Modernization	(c)(1) –	Deteriorated Facilities
		and/or
	(c)(2) –	Necessary Expansion
		PLUS
	(c)(3)(A) –	Utilization – Major Medical Equipment
		Or
	(c)(3)(B) –	Utilization – Service or Facility

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

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

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

VIII. - 1120.120 - Availability of Funds - Not Applicable - "A" Bond Rating

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

$68,842,147	a) Cash and Securities – statements (e.g., audited financial statements, letters from financial institutions, board resolutions) as to: 1) the amount of cash and securities available for the project, including the identification of any security, its value and availability of such funds; and 2) interest to be earned on depreciation account funds or to be earned on any asset from the date of applicant's submission through project completion;
_____	b) Pledges – for anticipated pledges, a summary of the anticipated pledges showing anticipated receipts and discounted value, estimated time table of gross receipts and related fundraising expenses, and a discussion of past fundraising experience.
_____	c) Gifts and Bequests – verification of the dollar amount, identification of any conditions of use, and the estimated time table of receipts;
$200,000,000	d) Debt – a statement of the estimated terms and conditions (including the debt time period, variable or permanent interest rates over the debt time period, and the anticipated repayment schedule) for any interim and for the permanent financing proposed to fund the project, including: 1) For general obligation bonds, proof of passage of the required referendum or evidence that the governmental unit has the authority to issue the bonds and evidence of the dollar amount of the issue, including any discounting anticipated; 2) For revenue bonds, proof of the feasibility of securing the specified amount and interest rate; 3) For mortgages, a letter from the prospective lender attesting to the expectation of making the loan in the amount and time indicated, including the anticipated interest rate and any conditions associated with the mortgage, such as, but not limited to, adjustable interest rates, balloon payments, etc.; 4) For any lease, a copy of the lease, including all the terms and conditions, including any purchase options, any capital improvements to the property and provision of capital equipment; 5) For any option to lease, a copy of the option, including all terms and conditions.
_____	e) Governmental Appropriations – a copy of the appropriation Act or ordinance accompanied by a statement of funding availability from an official of the governmental unit. If funds are to be made available from subsequent fiscal years, a copy of a resolution or other action of the governmental unit attesting to this intent;
_____	f) Grants – a letter from the granting agency as to the availability of funds in terms of the amount and time of receipt;
_____	g) All Other Funds and Sources – verification of the amount and type of any other funds that will be used for the project.
$268,842,147	**TOTAL FUNDS AVAILABLE**

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

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	Cost/Square Foot Mod.	Gross Sq. Ft. New	Gross Sq. Ft. Circ.*	Gross Sq. Ft. Mod.	Gross Sq. Ft. Circ.*	Const. $ (A x C)	Mod. $ (B x E)	
Contingency									
TOTALS									

* Include the percentage (%) of space for circulation

D. Projected Operating Costs

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

E. Total Effect of the Project on Capital Costs

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

APPEND DOCUMENTATION AS ATTACHMENT-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)			
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.

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

INDEX OF ATTACHMENTS

ATTACHMENT NO.		PAGES
1	Applicant/Coapplicant Identification including Certificate of Good Standing	
2	Site Ownership	
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	
5	Flood Plain Requirements	
6	Historic Preservation Act Requirements	
7	Project and Sources of Funds Itemization	
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30	Subacute Care Hospital Model	
31	Children's Community-Based Health Care Center	
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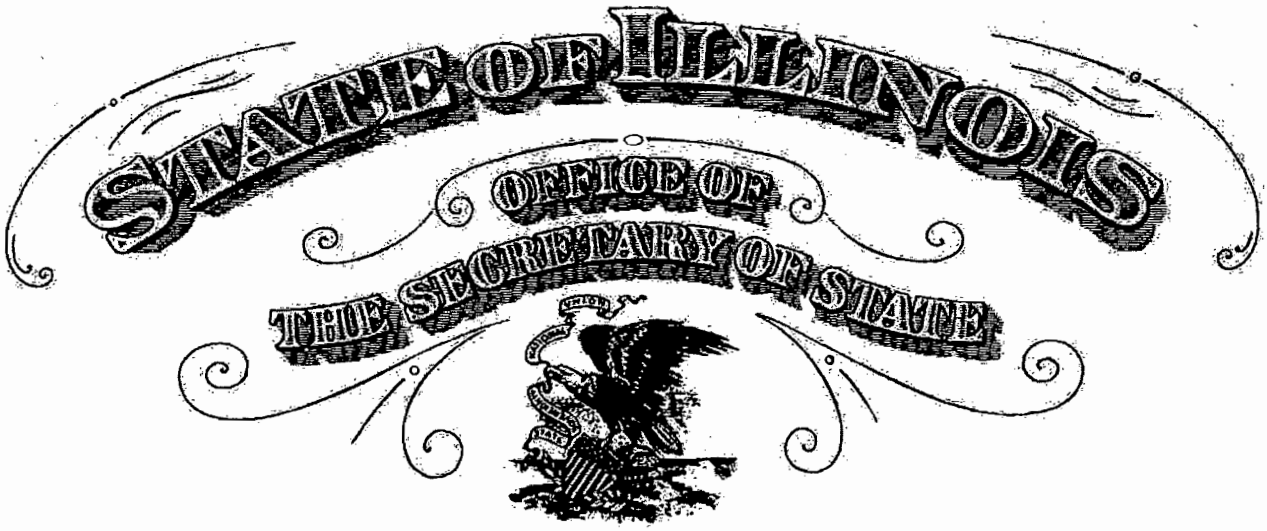
Section I, Type of Ownership of Applicant/Co-Applicant

Attachment 1

The University of Chicago Medical Center ("UCMC") is an Illinois not-for-profit corporation, incorporated on October 1, 1986. A copy of UCMC's Good Standing Certificate, dated February 8, 2016, is attached.

ATTACHMENT 1

File Number 5439-757-7



To all to whom these Presents Shall Come, Greeting:

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

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

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 8TH *day of* FEBRUARY *A.D.* 2016 .

Authentication #: 1603901866 verifiable until 02/08/2017
Authenticate at: http://www.cyberdriveillinois.com

Jesse White
SECRETARY OF STATE

ATTACHMENT 1

Section I, Site Ownership

Attachment 2

A copy of the Lease Agreement between The University of Chicago ("Lessor") and The University of Chicago Hospitals ("Lessee"), dated as of June 30, 1987, related to the property commonly known as Mitchell Hospital ("Mitchell") showing that UCMC has control of this site is attached.

A copy of the New Hospital Pavilion Lease Agreement between The University of Chicago ("Lessor) and The University of Chicago Medical Center ("Lessee'), dated as of August 20, 2009, related to the property commonly known as the Center for Care and Discovery ("CCD"), showing that UCMC has control of this site is attached.

A copy of the New Hospital Pavilion Garage Lease Agreement between The University of Chicago ("Lessor") and The University of Chicago Medical Center ("Lessee"), dated as of January 23, 2013, related to the property commonly known as UCMC's Adult Emergency Department, showing that UCMC has control of this site is attached.

ATTACHMENT 2

87182015

LEASE AGREEMENT

Dated as of June 30, 1987

BETWEEN

THE UNIVERSITY OF CHICAGO
as Lessor

and

THE UNIVERSITY OF CHICAGO HOSPITALS
as Lessee

87182015

ATTACHMENT 2

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LEASE AGREEMENT

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

ARTICLE I

DEFINITIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE II

DEMISE

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

ARTICLE III

TITLE, CONDITION AND USE OF LEASED PREMISES

3.1 Title and Condition.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE IV

TERM

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

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

ARTICLE V

RENT

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

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

5.2 Additional Rent.

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

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

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

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

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

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

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

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

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

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

ARTICLE VI

ADJUSTMENT OF PHASE III PREMISES

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

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

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

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

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

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

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

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

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

ARTICLE VII

IMPOSITIONS AND OTHER LIENS

7.1 Payment by Lessee.

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

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

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

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

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

7.2 Alternative Taxes.

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

ATTACHMENT 2

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

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

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

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

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

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

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

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

ARTICLE VIII

INSURANCE

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

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

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

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

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

ARTICLE IX

DAMAGE OR DESTRUCTION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE X

CONDEMNATION

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

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

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

ARTICLE XI

MAINTENANCE AND ALTERATIONS

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

11.2 Alterations.

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

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

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

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

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

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

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

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

ARTICLE XII

ASSIGNMENT AND SUBLETTING

12.1 Consent Required.

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

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

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

ARTICLE XIII

UTILITIES

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

ARTICLE XIV

INDEMNITY AND WAIVER

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

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

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

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

ARTICLE XV

INSPECTION

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

ARTICLE XVI

LESSEE'S COVENANTS

16.1 Covenants. Lessee hereby covenants and agrees that:

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

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

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

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

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

ARTICLE XVII

SURRENDER

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

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

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

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

ARTICLE XVIII

DEFAULTS AND REMEDIES

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

for all purposes of this Lease:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ATTACHMENT 2

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

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

ARTICLE XIX

MISCELLANEOUS

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

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

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

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

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

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

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

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

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

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

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

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

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

ATTACHMENT 2

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

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

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

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

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

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

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

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

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

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

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

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

Lessor:

THE UNIVERSITY OF CHICAGO, an Illinois corporation

Attest:

F. Gregory Campbell
Secretary

By Hanna H. Gray
Its President

Lessee:

THE UNIVERSITY OF CHICAGO HOSPITALS, an Illinois corporation

Attest:

Secretary

By Ralph W. Muller
Its President

ATTACHMENT 2

EXHIBIT A-1

PHASE I PREMISES

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

- First and second floors of Arthur Rubloff Intensive Care Tower

- Goldblatt Pavilion

ATTACHMENT 2

EXHIBIT A-2

PHASE II PREMISES

- Remaining floors of Bernard Mitchell Hospital

- Remaining floors of Arthur Rubloff Intensive Care Tower

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

- Third floor of the Goldblatt Magnetic Resonance Imaging Facility

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

ATTACHMENT 2

EXHIBIT A-3

PHASE III PREMISES

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

ATTACHMENT 2

EXHIBIT B

LEGAL DESCRIPTION

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

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

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

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

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

WHICH BUILDINGS ARE LOCATED ON THE FOLLOWING DESCRIBED LAND:

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

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

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

ATTACHMENT 2

WEST 11.10 FEET; SOUTH 4.45 FEET; WEST 19.80 FEET; NORTH 4.45 FEET; WEST 11.10 FEET; NORTH 2.34 FEET; WEST 49.02 FEET; SOUTH 4.37 FEET; WEST 19.50 FEET; NORTH 4.37 FEET; WEST 49.02 FEET; SOUTH 2.34 FEET; WEST 44.99 FEET TO THE SOUTH WEST CORNER OF A 3-STORY STONE BUILDING, AT A POINT WHICH IS 7.24 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 16; THENCE NORTH 2.34 FEET; WEST 0.67 OF A FOOT; NORTH 108.50 FEET; WEST 15.00 FEET; SOUTH 1.87 FEET; WEST 6.33 FEET; NORTH 1.87 FEET; WEST 48.62 FEET; SOUTH 8.20 FEET; EAST 11.40 FEET; SOUTH 20.60 FEET; WEST 45.60 FEET; NORTH 20.60 FEET; EAST 11.40 FEET; NORTH 8.20 FEET; WEST 45.62 FEET; SOUTH 1.87 FEET; WEST 6.33 FEET; NORTH 1.87 FEET; WEST 15.00 FEET; SOUTH 32.60 FEET; EAST 8.80 FEET; NORTH 1.47 FEET; EAST 4.75 FEET; SOUTH 2.38 FEET; EAST 5.88 FEET; SOUTH 19.18 FEET; WEST 5.88 FEET; SOUTH 2.38 FEET; WEST 4.75 FEET; NORTH 1.47 FEET; WEST 8.80 FEET; SOUTH 55.20 FEET; WEST 0.67 OF A FOOT; SOUTH 2.34 FEET TO THE SOUTH EAST CORNER OF A 3-STORY STONE BUILDING AT A POINT WHICH IS 7.27 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 15; THENCE WEST 45.00 FEET; NORTH 2.34 FEET; WEST 48.48 FEET; SOUTH 7.00 FEET; WEST 15.56 FEET; NORTH 7.00 FEET; WEST 45.48 FEET; SOUTH 2.34 FEET; WEST 42.00 FEET TO THE SOUTH WEST CORNER OF A 5-STORY STONE BUILDING AT A POINT WHICH IS 7.32 FEET NORTH OF SAID SOUTH LINE OF BLOCK 15; THENCE NORTH 18.32 FEET; WEST 0.67 OF A FOOT; NORTH 34.35 FEET; WEST 9.06 FEET; SOUTH 9.84 FEET; WEST 30.47 FEET; SOUTH 7.75 FEET; WEST 16.20 FEET; NORTH 7.75 FEET; WEST 30.50 FEET; NORTH 14.34 FEET; WEST 9.28 FEET; SOUTH 63.64 FEET; EAST 5.74 FEET; SOUTH 12.70 FEET; WEST 5.76 FEET; SOUTH 20.29 FEET; EAST 3.00 FEET; SOUTH 3.00 FEET; WEST 7.79 FEET; SOUTH 4.50 FEET TO THE SOUTH EAST CORNER OF A 3-STORY STONE BUILDING, AT A POINT WHICH IS 10.20 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 14; THENCE WEST 27.19 FEET; NORTH 2.00 FEET; WEST 70.51 FEET; SOUTH 3.70 FEET; WEST 4.74 FEET; SOUTH 2.00 FEET; WEST 13.52 FEET; NORTH 2.00 FEET; WEST 44.95 FEET; SOUTH 2.70 FEET; WEST 20.75 FEET TO A POINT WHICH IS 5.24 FEET NORTH AND 0.81 OF A FOOT EAST OF THE SOUTH AND WEST LINES OF BLOCK 14 AFORESAID; THENCE NORTH 26.36 FEET; EAST 9.00 FEET; NORTH 28.96 FEET; WEST 4.62 FEET; NORTH 6.02 FEET; EAST 3.01 FEET; NORTH 67.70 FEET; WEST 3.50 FEET; NORTH 15.50 FEET; WEST 5.64 FEET; NORTH 16.50 FEET; EAST 5.64 FEET; NORTH 15.50 FEET; EAST 3.50 FEET; NORTH 70.70 FEET; WEST 3.00 FEET; NORTH 6.00 FEET; EAST 3.00 FEET; NORTH 35.28 FEET; WEST 1.47 FEET; NORTH 3.00 FEET; EAST 9.39 FEET; NORTH 13.07 FEET; NORTHWARDLY 13.20 FEET; WESTWARDLY 18.41 FEET; NORTH 44.20 FEET TO A POINT WHICH IS 3.41 FEET WEST OF THE WEST LINE OF BLOCK 14; THENCE EASTWARDLY 18.41 FEET; THENCE NORTHWARDLY 15.80 FEET; THENCE EAST 214.90 FEET; SOUTHWARDLY 15.82 FEET; EAST 18.45 FEET; SOUTH 22.96 FEET; EAST 23.94 FEET; NORTH 58.60 FEET; WEST 105.04 FEET; NORTHWESTWARDLY 28.34 FEET; NORTH 15.00 FEET; WEST 150.08 FEET TO THE SOUTH WEST CORNER OF A 5-STORY STONE BUILDING AT A POINT WHICH IS 0.74 OF A FOOT WEST OF THE WEST LINE OF BLOCK 14; THENCE NORTH 34.09 FEET; WEST 20.42 FEET; NORTH 24.92 FEET; WEST 4.72 FEET; NORTH 40.02 FEET; EAST 4.72 FEET; NORTH

ATTACHMENT 2

24.92 FEET; EAST 20.42 FEET; NORTH 34.11 FEET TO A POINT ON THE SOUTH LINE OF E. 58TH STREET, 0.47 OF A FOOT WEST OF THE NW CORNER OF SAID BLOCK 14; THENCE EAST ALONG SAID SOUTH LINE OF E. 58TH STREET, A DISTANCE OF 353.04 FEET; THENCE SOUTH 247.60 FEET; EAST 100.42 FEET; NORTH 16.98 FEET; EAST 46.65 FEET; NORTH 4.00 FEET; EAST 45.48 FEET; SOUTH 4.00 FEET; EAST 16.66 FEET; NORTH 5.20 FEET; EAST 36.61 FEET; NORTH 32.57 FEET; WEST 23.00 FEET; NORTH 52.00 FEET; EAST 23.00 FEET; NORTH 24.00 FEET; EAST 54.00 FEET; SOUTH 24.00 FEET; EAST 25.00 FEET; SOUTH 52.00 FEET; WEST 25.00 FEET; SOUTH 32.56 FEET; EAST 43.95 FEET; NORTH 170.03 FEET; EAST 26.05 FEET; SOUTHEASTWARDLY 6.52 FEET; EAST 25.64 FEET; NORTHEASTWARDLY 6.52 FEET; EAST 6.87 FEET; NORTH 35.76 FEET; EAST 12.73 FEET; NORTH 3.51 FEET; WEST 2.19 FEET; NORTH 8.76 FEET TO A POINT AT THE NORTHWEST CORNER OF A 6-STORY STONE BUILDING, WHICH IS 7.31 FEET SOUTH OF THE NORTH LINE OF SAID BLOCK 16; THENCE EAST 45.64 FEET TO A POINT AT THE NORTH EAST CORNER OF SAID BUILDING, 7.36 FEET SOUTH OF THE NORTH LINE OF SAID BLOCK 16; THENCE SOUTH 8.76 FEET; WEST 2.19 FEET; SOUTH 3.51 FEET; EAST 25.38 FEET; SOUTH 173.05 FEET; WEST 85.20 FEET; SOUTH 34.04 FEET; EAST 1.92 FEET; SOUTH 2.60 FEET; EAST 6.00 FEET; NORTH 4.75 FEET; EAST 94.00 FEET; SOUTH 5.46 FEET; EAST 59.55 FEET TO A POINT AT THE NORTH EAST CORNER OF A 7-STORY STONE BUILDING, WHICH IS 5.00 FEET WEST OF THE EAST LINE OF SDBLOCK 16; THENCE SOUTH 46.00 FEET; WEST 3.50 FEET; SOUTH 157.45 FEET; EAST 3.50 FEET; SOUTH 11.50 FEET; EAST 3.65 FEET; SOUTH 22.00 FEET; WEST 3.65 FEET; SOUTH 11.50 FEET; WEST 5.07 FEET; SOUTH 9.75 FEET; EAST 0.67 OF A FOOT; SOUTH 84.36 FEET; WEST 0.67 OF A FOOT; AND SOUTH 18.17 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

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

THAT PART OF BLOCK 13 IN MCKICHAN'S SUBDIVISION OF THE WEST 1/2 OF THE NORTH WEST 1/4 OF SECTION 14, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH THE VACATED ALLEY LYING WITHIN SAID BLOCK, SAID PART (ENCOMPASSING A CERTAIN STRUCTURE LYING WITHIN THE BOUNDARIES OF SAID BLOCK AND VACATED ALLEY) BEING DESCRIBED AS FOLLOWS:
BEGINNING AT A POINT WHICH IS 9.00 FEET NORTH AND 7.79 FEET EAST OF THE SOUTH AND WEST LINES, RESPECTIVELY, OF SAID BLOCK 13, AND RUNNING THENCE NORTH, A DISTANCE OF 243.44 FEET TO A POINT WHICH IS 7.82 FEET EAST OF SAID WEST LINE OF BLOCK 13; THENCE ALONG LINES WHICH ARE PERPENDICULAR TO OR PARALLEL WITH THE DESCRIBED LINE, RESPECTIVELY, THE FOLLOWING COURSES AND DISTANCES: EAST 224.30 FEET; SOUTH 221.85 FEET; EAST 0.38 OF A FOOT; SOUTH 21.59 FEET TO A POINT WHICH IS 9.51 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 13, AND THENCE WEST 224.68 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

ATTACHMENT 2

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

THENCE EAST 150.07 FEET;

SOUTH 15.00 FEET;

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

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

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

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

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

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

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

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

PROPERTY ADDRESS:

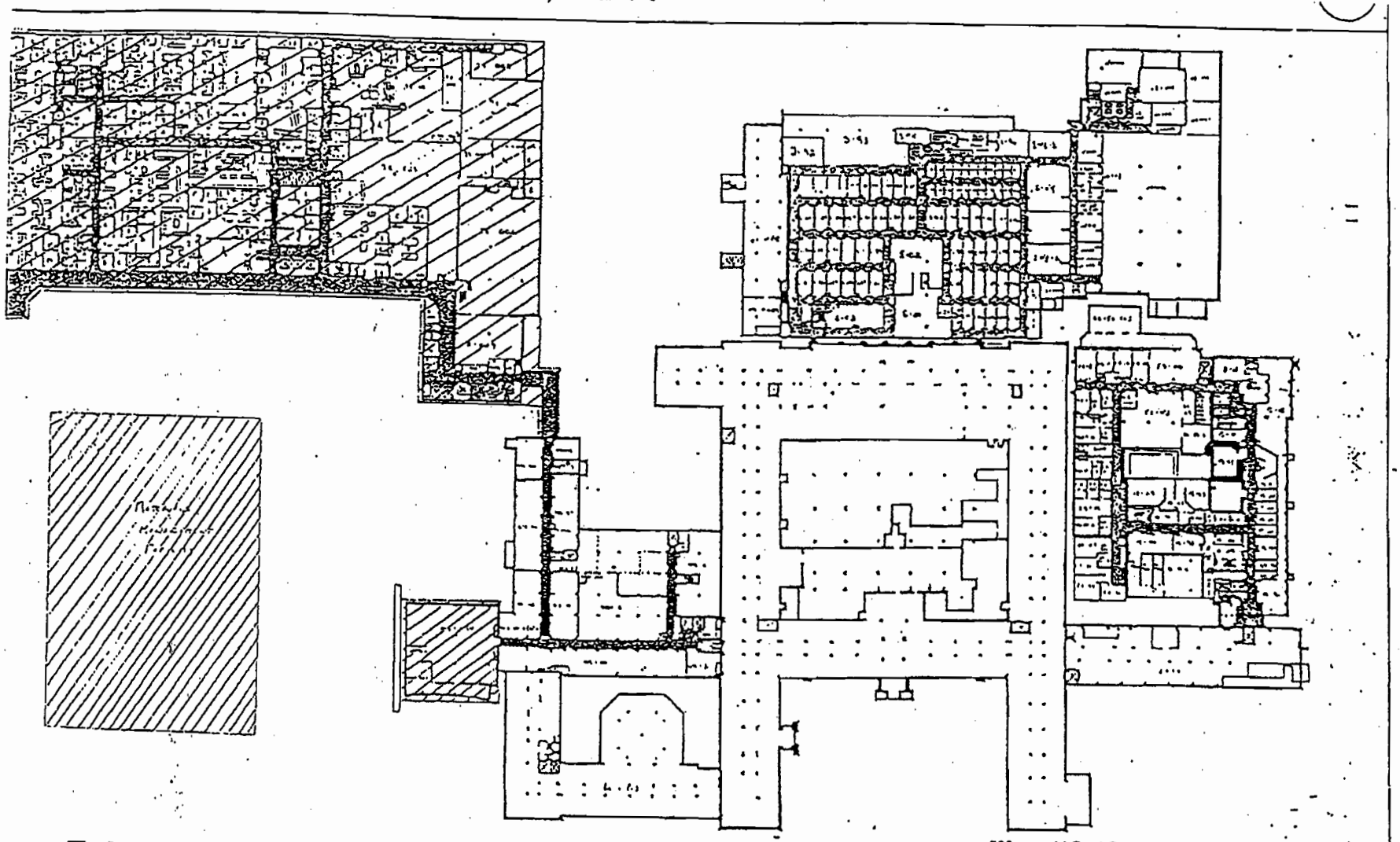
5841 SOUTH MARYLAND AVENUE, CHICAGO, ILLINOIS

PROPERTY INDEX NUMBERS:

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

ATTACHMENT 2

EXHIBIT C

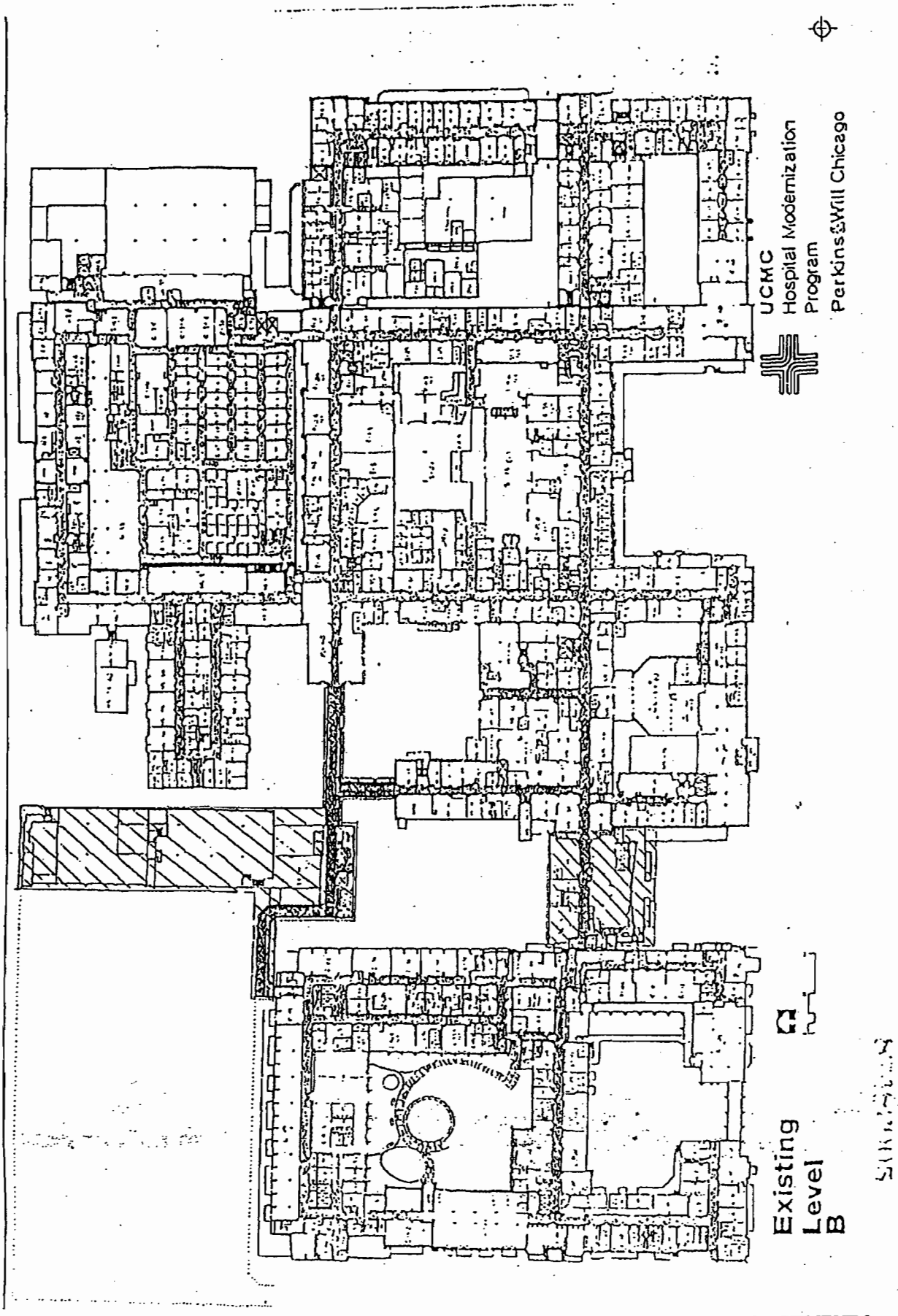


Existing
Level
SB

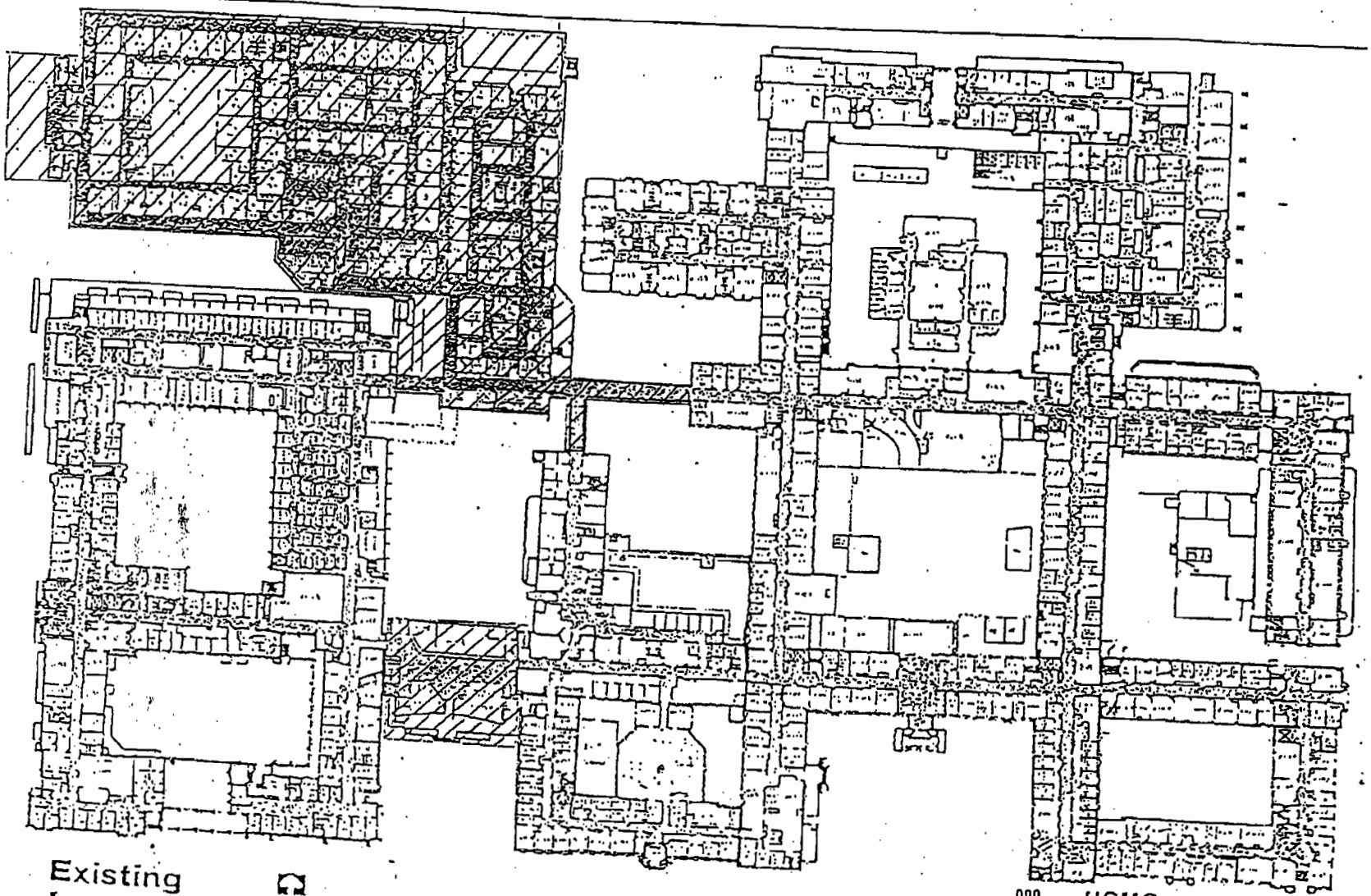
Phase I and Phase II Premises are shown as cross-hatched areas

UCMC
Hospital Modernization
Program
Perkins&Will Chicago

ATTACHMENT 2

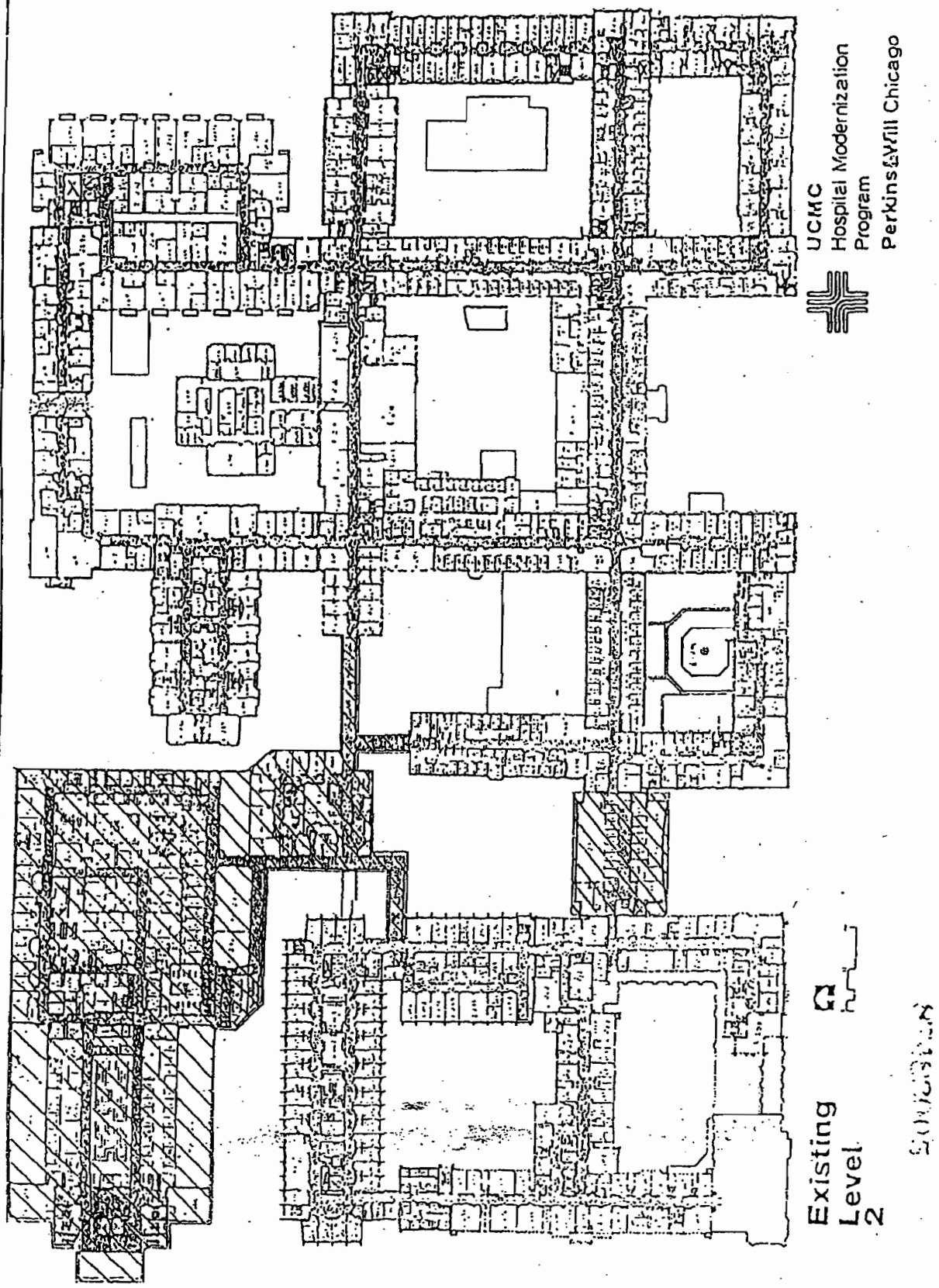


ATTACHMENT 2



Existing
Level
1

UCMC
Hospital Modernization
Program
Perkins&Will Chicago



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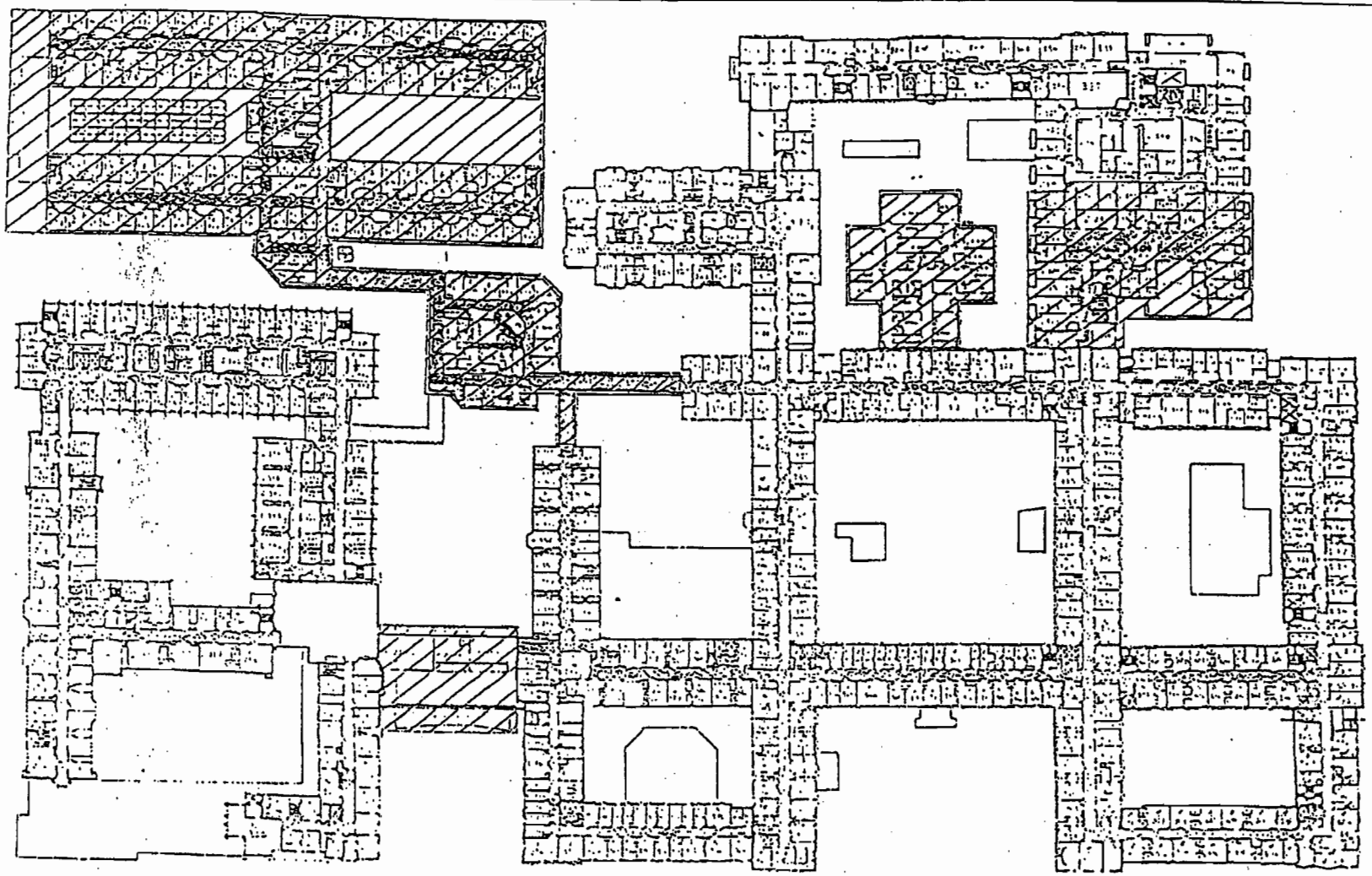
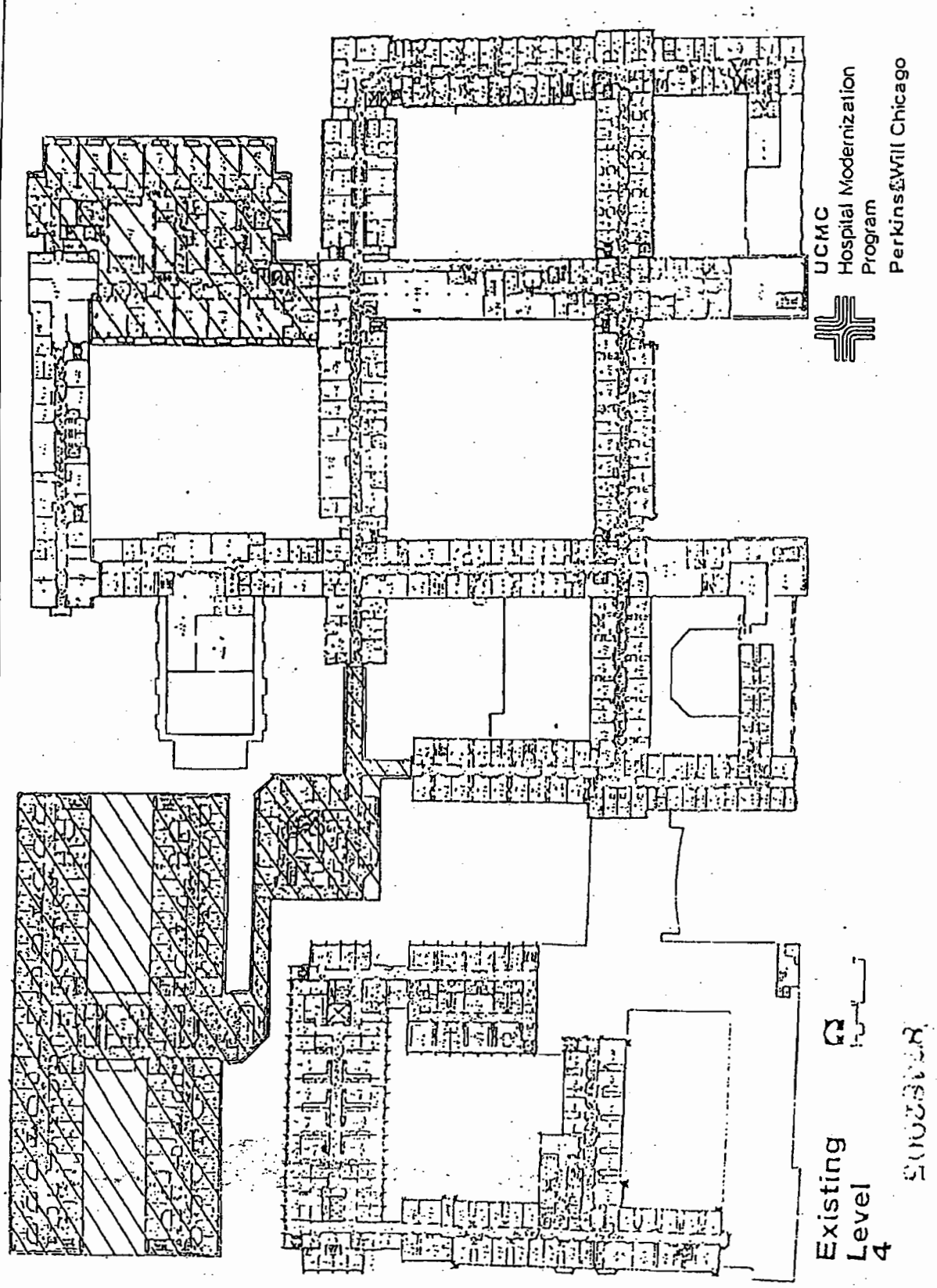


Existing
Level
3

UCMC
Hospital Modernization
Program
Perkins&Will Chicago

ATTACHMENT 2



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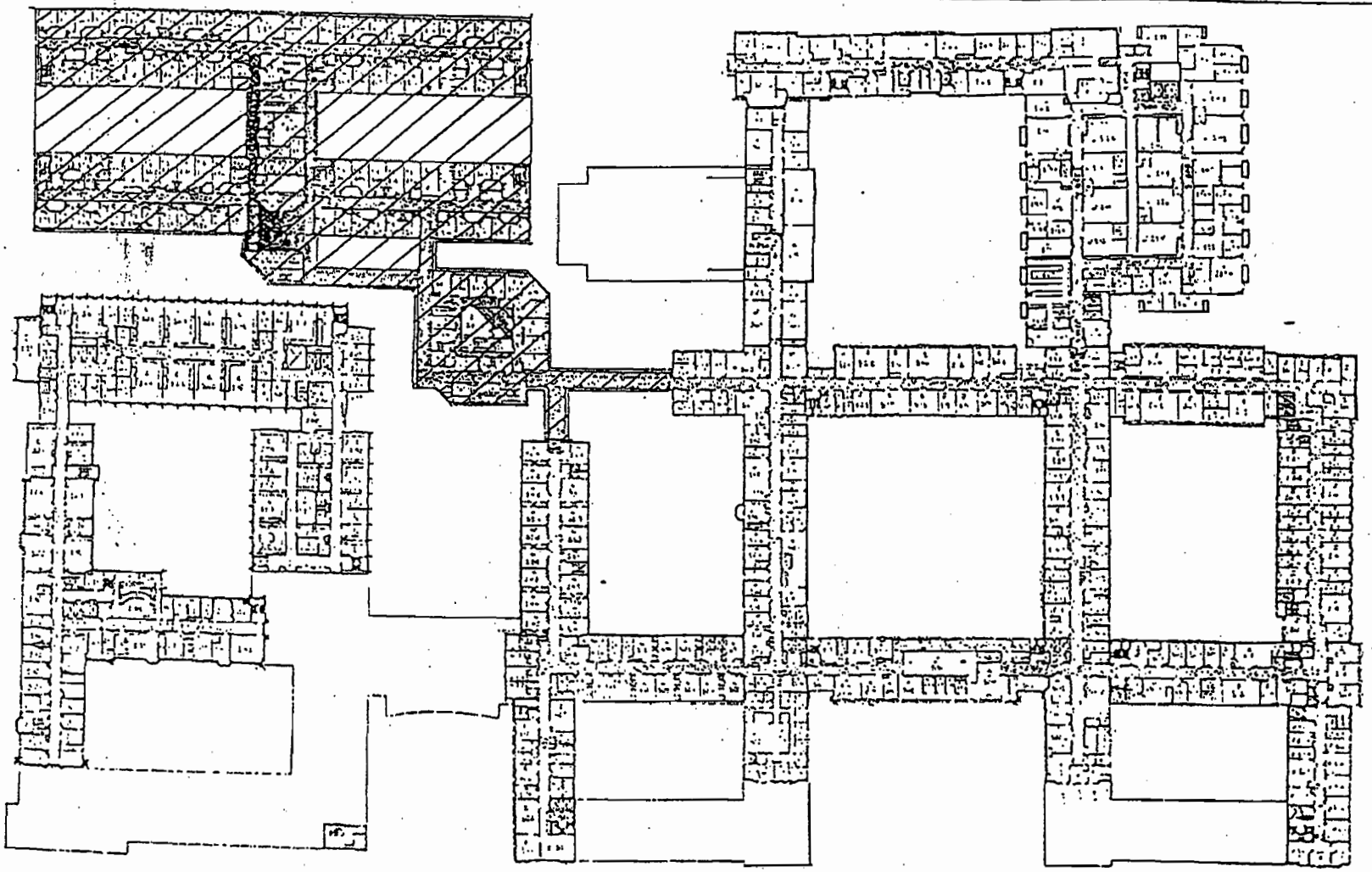

Existing
Level
5

UCMC
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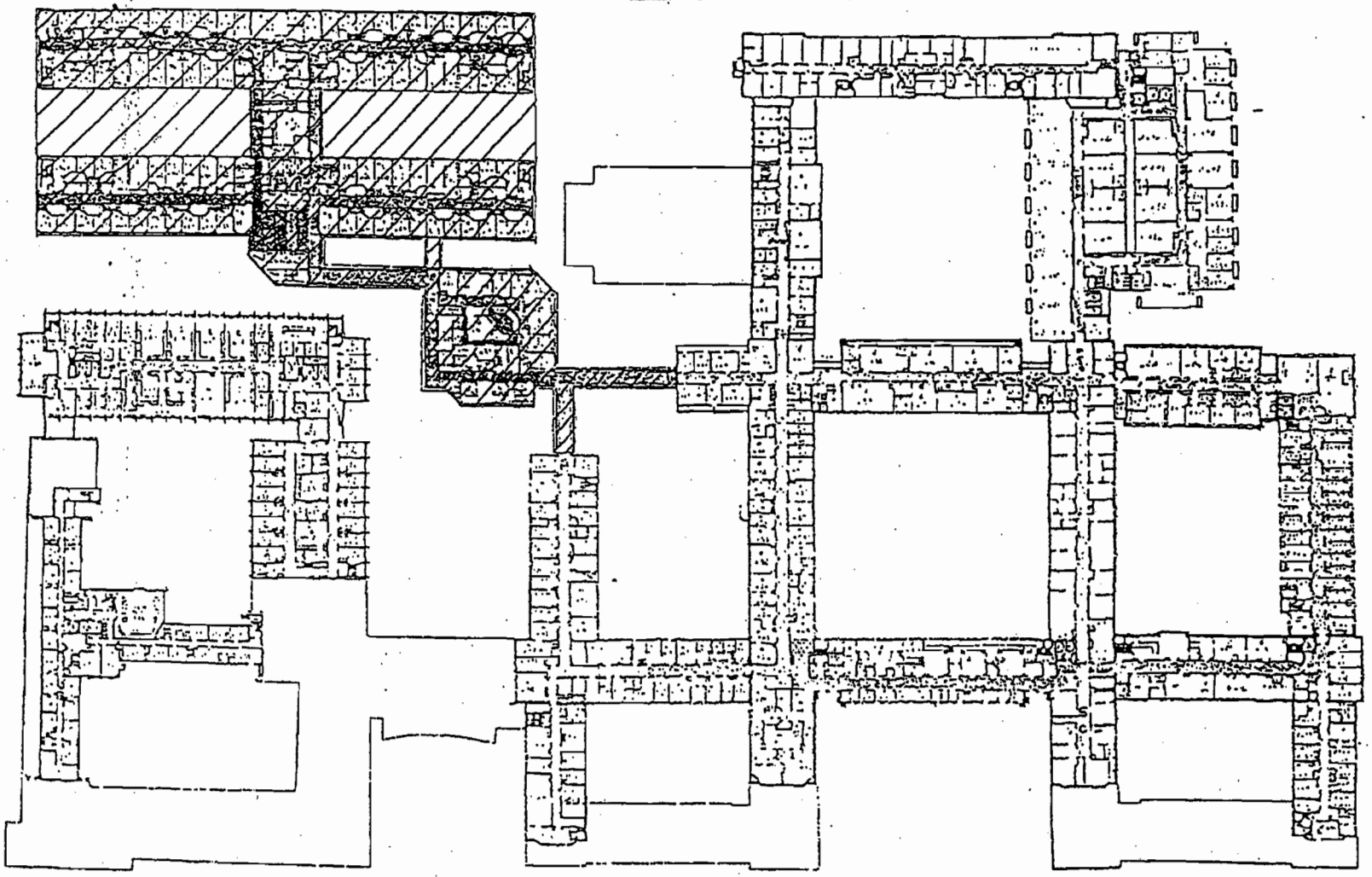
ATTACHMENT 2



Existing
Level
6

UCMC
Hospital Modernization
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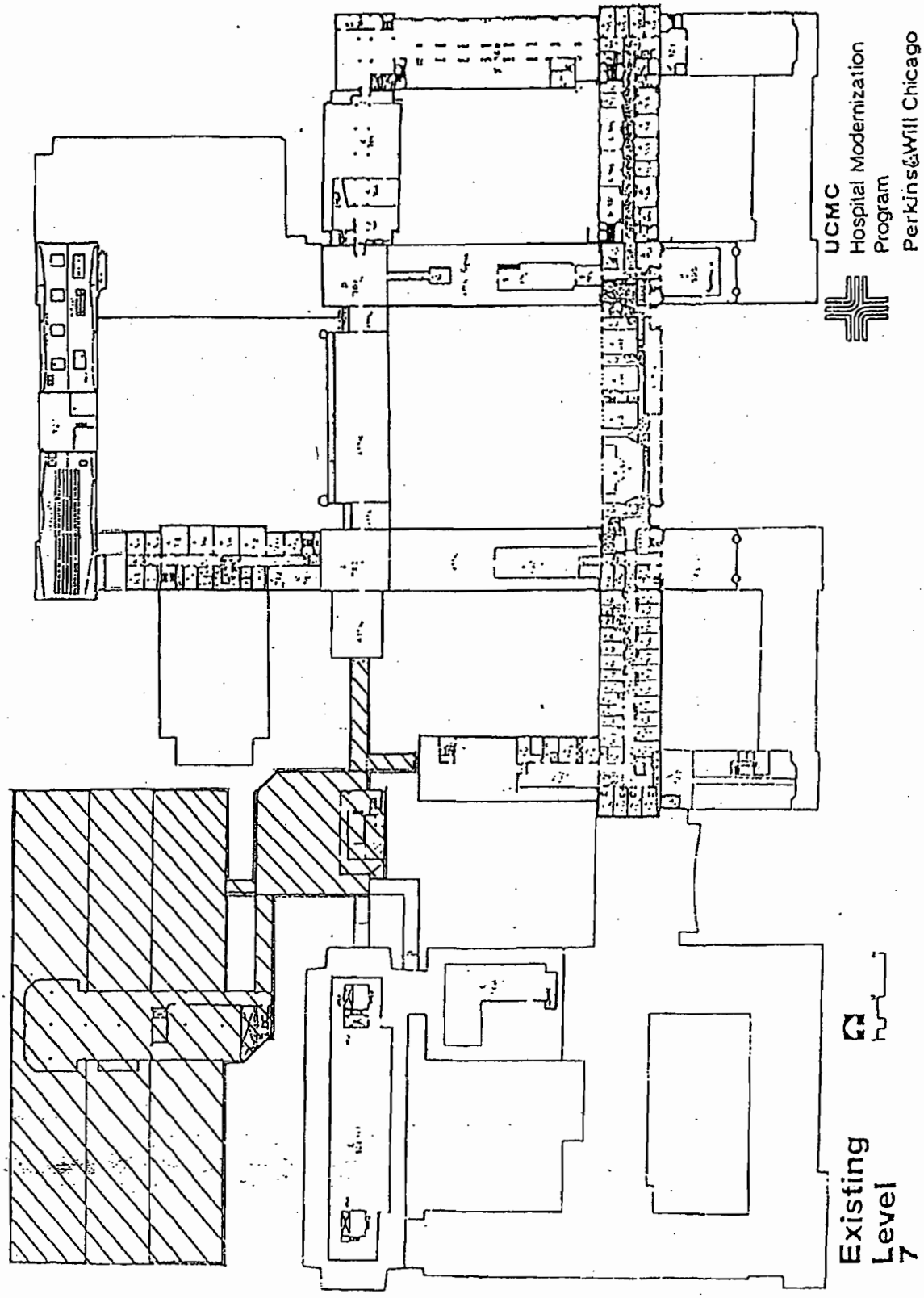
ATTACHMENT 2



ATTACHMENT 2

EXHIBIT D

BASIC RENT CALCULATION

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

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

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

PLUS: 3. $12,238,650.00

As used herein:

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

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

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

ATTACHMENT 2

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

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

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

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

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

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

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

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

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

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

ATTACHMENT 2

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

Lessor:
THE UNIVERSITY OF CHICAGO

Attest:

Asst. Secretary

By: Hanna H. Gray
Its: PRESIDENT

Lessee:
THE UNIVERSITY OF CHICAGO HOSPITALS

Attest:

Secretary

By:
Its: President

ATTACHMENT 2

DESCRIPTION OF PHASE III PREMISES

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

Gilman Smith Hospital ("Gilman Smith")
Bobs Roberts Hospital ("Bobs Roberts")
Billings Hospital ("Billings")
- "M" Corridor - West wing of Billings
- "P" Corridor - North wing of Billings
- "S" Corridor - East wing of Billings
- "A" Corridor - South wing of Billings

Nathan Goldblatt Memorial Hospital ("Goldblatt Hospital")
Mothers Aid Research Pavilion ("MARP")
Wyler Children's Hospital ("Wyler")
Chicago Lying-In Hospital ("CLI")
Hick-McElwee Hospital ("Hicks-McElwee")
Armour Clinical Research Building ("Armour")
Goldblatt Magnetic Resonance Imaging Facility ("MRI")
Franklin McLean Memorial Research Institute ("FMI")
Surgery Brain Research Pavilion ("SBRI")
Clarissa Peck Pavilion ("Peck")
Bernard Mitchell Hospital ("Mitchell")

Phase III Premises:

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

SUB-BASEMENT LEVEL

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

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

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

LEVEL B

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

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

The entire basement level of Wyler.

The entire basement level of Gilman Smith.

ATTACHMENT 2

The entire basement level of Bobs Roberts.

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

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

LEVEL 1

The entire first floor of Wyler.

The entire first floor of CLI.

The entire first floor of MARP

The entire first floor of Gilman Smith.

The entire first floor of Bobs Roberts.

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

LEVEL 2

The entire second floor of Gilman Smith.

The entire second floor of Bobs Roberts.

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

LEVEL 3

The entire third floor of Gilman Smith.

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

ATTACHMENT 2

LEVEL 4

The entire fourth floor of CLI.

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

The entire fourth floor of Bobs Roberts.

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

LEVEL 5

The entire fifth floor of CLI.

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

The entire fifth floor of Gilman Smith Hospital.

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

LEVEL 6

The entire sixth floor of CLI.

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

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

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

ATTACHMENT 2

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

LEVEL 2

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

LEVEL 3

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

ATTACHMENT 2

SCHEDULE I

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

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

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

WEST 11.10 FEET; SOUTH 4.45 FEET; WEST 19.80 FEET; NORTH 4.45 FEET; WEST 11.10 FEET; NORTH 2.34 FEET; WEST 49.02 FEET; SOUTH 4.37 FEET; WEST 19.50 FEET; NORTH 4.37 FEET; WEST 48.02 FEET; SOUTH 2.34 FEET; WEST 44.99 FEET TO THE SOUTH WEST CORNER OF A 3-STORY STONE BUILDING, AT A POINT WHICH IS 7.24 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 16; THENCE NORTH 2.34 FEET; WEST 0.67 OF A FOOT; NORTH 108.50 FEET; WEST 15.00 FEET; SOUTH 1.67 FEET; WEST 6.33 FEET; NORTH 1.67 FEET; WEST 48.62 FEET; SOUTH 8.20 FEET; EAST 11.40 FEET; SOUTH 20.60 FEET; WEST 45.60 FEET; NORTH 20.60 FEET; EAST 11.40 FEET; NORTH 6.20 FEET; WEST 45.62 FEET; SOUTH 1.67 FEET; WEST 6.33 FEET; NORTH 1.67 FEET; WEST 15.00 FEET; SOUTH 32.60 FEET; EAST 8.80 FEET; NORTH 1.47 FEET; EAST 4.75 FEET; SOUTH 2.38 FEET; EAST 5.88 FEET; SOUTH 19.18 FEET; WEST 5.88 FEET; SOUTH 2.38 FEET; WEST 4.75 FEET; NORTH 1.47 FEET; WEST 8.80 FEET; SOUTH 55.20 FEET; WEST 0.67 OF A FOOT; SOUTH 2.34 FEET TO THE SOUTH EAST CORNER OF A 3-STORY STONE BUILDING AT A POINT WHICH IS 7.27 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 15; THENCE WEST 45.00 FEET; NORTH 2.34 FEET; WEST 48.48 FEET; SOUTH 7.00 FEET; WEST 18.56 FEET; NORTH 7.00 FEET; WEST 46.48 FEET; SOUTH 2.34 FEET; WEST 42.00 FEET TO THE SOUTH WEST CORNER OF A 5-STORY STONE BUILDING AT A POINT WHICH IS 7.32 FEET NORTH OF SAID SOUTH LINE OF BLOCK 15; THENCE NORTH 18.32 FEET; WEST 0.67 OF A FOOT; NORTH 34.35 FEET; WEST 9.06 FEET; SOUTH 9.24 FEET; WEST 30.47 FEET; SOUTH 7.75 FEET; WEST 16.20 FEET; NORTH 7.75 FEET; WEST 30.50 FEET; NORTH 14.34 FEET; WEST 9.28 FEET; SOUTH 63.64 FEET; EAST 5.74 FEET; SOUTH 12.70 FEET; WEST 5.76 FEET; SOUTH 20.28 FEET; EAST 3.00 FEET; SOUTH 3.00 FEET; WEST 7.79 FEET; SOUTH 4.50 FEET TO THE SOUTH EAST CORNER OF A 3-STORY STONE BUILDING, AT A POINT WHICH IS 10.20 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 14; THENCE WEST 87.19 FEET; NORTH 2.00 FEET; WEST 70.51 FEET; SOUTH 3.70 FEET; WEST 4.74 FEET; SOUTH 2.00 FEET; WEST 13.52 FEET; NORTH 2.00 FEET; WEST 44.95 FEET; SOUTH 2.70 FEET; WEST 20.75 FEET TO A POINT WHICH IS 5.24 FEET NORTH AND 0.91 OF A FOOT EAST OF THE SOUTH AND WEST LINES OF BLOCK 14 AFORESAID; THENCE NORTH 26.36 FEET; EAST 9.00 FEET; NORTH 28.95 FEET; WEST 4.62 FEET; NORTH 5.02 FEET; EAST 3.01 FEET; NORTH 67.70 FEET; WEST 3.50 FEET; NORTH 15.50 FEET; WEST 5.64 FEET; NORTH 16.50 FEET; EAST 5.64 FEET; NORTH 15.50 FEET; EAST 3.50 FEET; NORTH 70.70 FEET; WEST 3.00 FEET; NORTH 6.00 FEET; EAST 3.00 FEET; NORTH 35.28 FEET; WEST 1.47 FEET; NORTH 3.00 FEET; EAST 9.39 FEET; NORTH 13.07 FEET; NORTHWARDLY 13.20 FEET; WESTWARDLY 18.41 FEET; NORTH 44.20 FEET TO A POINT WHICH IS 3.41 FEET WEST OF THE WEST LINE OF BLOCK 14; THENCE EASTWARDLY 18.41 FEET; THENCE NORTHWARDLY 15.90 FEET; THENCE EAST 214.90 FEET; SOUTHWARDLY 15.82 FEET; EAST 18.45 FEET; SOUTH 22.96 FEET; EAST 73.94

ATTACHMENT 2

FEET; NORTH 58.00 FEET; WEST 105.04 FEET; NORTHWESTWARDLY 28.34 FEET; NORTH 15.00 FEET; WEST 150.09 FEET TO THE SOUTH WEST CORNER OF A 6-STORY STONE BUILDING AT A POINT WHICH IS 0.74 OF A FOOT WEST OF THE WEST LINE OF BLOCK 14; THENCE NORTH 34.09 FEET; WEST 20.42 FEET; NORTH 24.92 FEET; WEST 4.72 FEET; NORTH 40.02 FEET; EAST 4.72 FEET; NORTH 24.92 FEET; EAST 20.42 FEET; NORTH 34.11 FEET TO A POINT ON THE SOUTH LINE OF E. 58TH STREET, 0.47 OF A FOOT WEST OF THE NW CORNER OF SAID BLOCK 14; THENCE EAST ALONG SAID SOUTH LINE OF E. 58TH STREET, A DISTANCE OF 353.04 FEET; THENCE SOUTH 247.60 FEET; EAST 100.42 FEET; NORTH 15.98 FEET; EAST 48.65 FEET; NORTH 4.00 FEET; EAST 45.48 FEET; SOUTH 4.00 FEET; EAST 16.66 FEET; NORTH 5.20 FEET; EAST 36.61 FEET; NORTH 32.57 FEET; WEST 23.00 FEET; NORTH 52.00 FEET; EAST 23.00 FEET; NORTH 24.00 FEET; EAST 54.00 FEET; SOUTH 24.00 FEET; EAST 25.00 FEET; SOUTH 52.00 FEET; WEST 25.00 FEET; SOUTH 32.56 FEET; EAST 43.95 FEET; NORTH 170.03 FEET; EAST 26.05 FEET; SOUTHEASTWARDLY 6.52 FEET; EAST 25.64 FEET; NORTHEASTWARDLY 6.52 FEET; EAST 6.37 FEET; NORTH 35.76 FEET; EAST 12.73 FEET; NORTH 3.51 FEET; WEST 2.19 FEET; NORTH 8.76 FEET TO A POINT AT THE NORTHWEST CORNER OF A 6-STORY STONE BUILDING, WHICH IS 7.31 FEET SOUTH OF THE NORTH LINE OF SAID BLOCK 16; THENCE EAST 45.64 FEET TO A POINT AT THE NORTH EAST CORNER OF SAID BUILDING, 7.36 FEET SOUTH OF THE NORTH LINE OF SAID BLOCK 16; THENCE SOUTH 8.76 FEET; WEST 2.19 FEET; SOUTH 3.51 FEET; EAST 25.38 FEET; SOUTH 173.05 FEET; WEST 85.20 FEET; SOUTH 34.04 FEET; EAST 1.92 FEET; SOUTH 2.60 FEET; EAST 6.00 FEET; NORTH 4.75 FEET; EAST 94.00 FEET; SOUTH 5.46 FEET; EAST 59.55 FEET TO A POINT AT THE NORTH EAST CORNER OF A 7-STORY STONE BUILDING, WHICH IS 5.00 FEET WEST OF THE EAST LINE OF SOBLOCK 16; THENCE SOUTH 46.00 FEET; WEST 3.50 FEET; SOUTH 157.45 FEET; EAST 3.50 FEET; SOUTH 11.50 FEET; EAST 3.65 FEET; SOUTH 22.00 FEET; WEST 3.65 FEET; SOUTH 11.50 FEET; WEST 5.07 FEET; SOUTH 9.75 FEET; EAST 0.67 OF A FOOT; SOUTH 84.36 FEET; WEST 0.67 OF A FOOT; AND SOUTH 18.17 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

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

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

ATTACHMENT 2

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

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

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

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

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

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

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

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

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

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

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

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

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

ATTACHMENT 2

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

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

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

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

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

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

THENCE EAST 150.07 FEET;

SOUTH 15.00 FEET;

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

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

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

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

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

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

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

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

PROPERTY ADDRESS:

5841 SOUTH MARYLAND AVENUE, CHICAGO, ILLINOIS

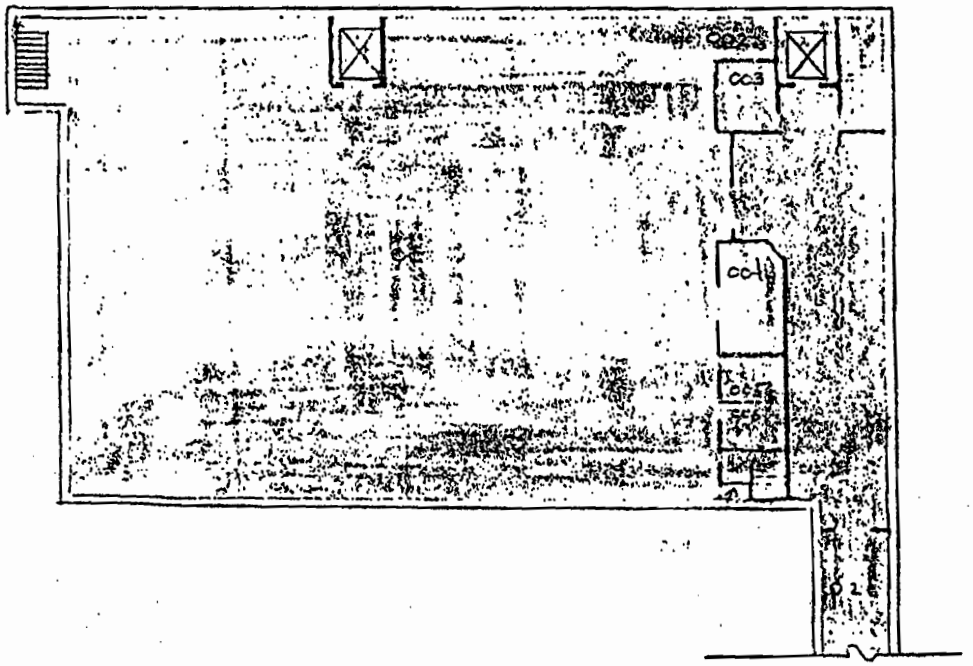
PROPERTY INDEX NUMBERS:

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

ATTACHMENT 2

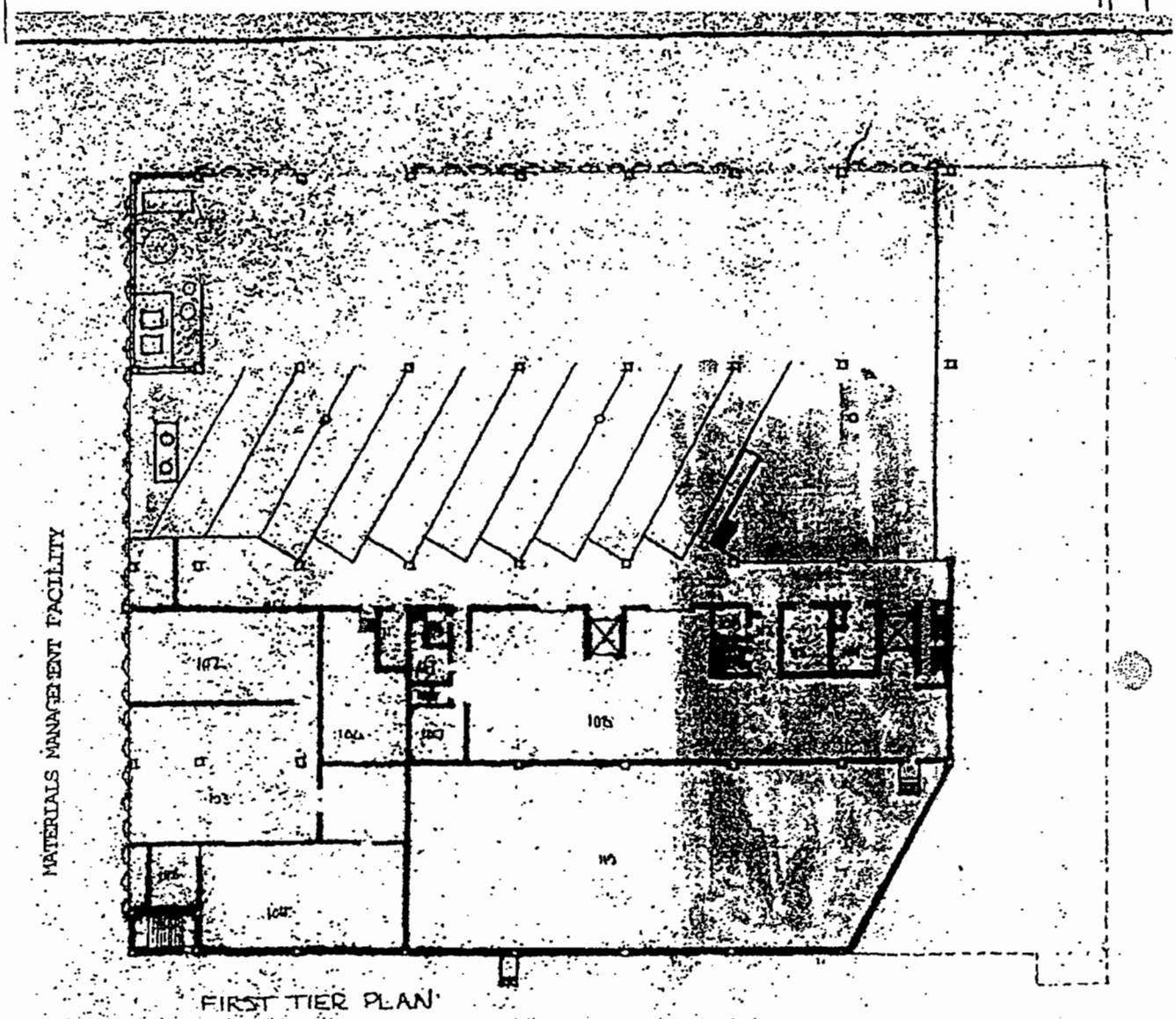
EXHIBIT C

MATERIALS MANAGEMENT FACILITY



BASEMENT

ATTACHMENT 2



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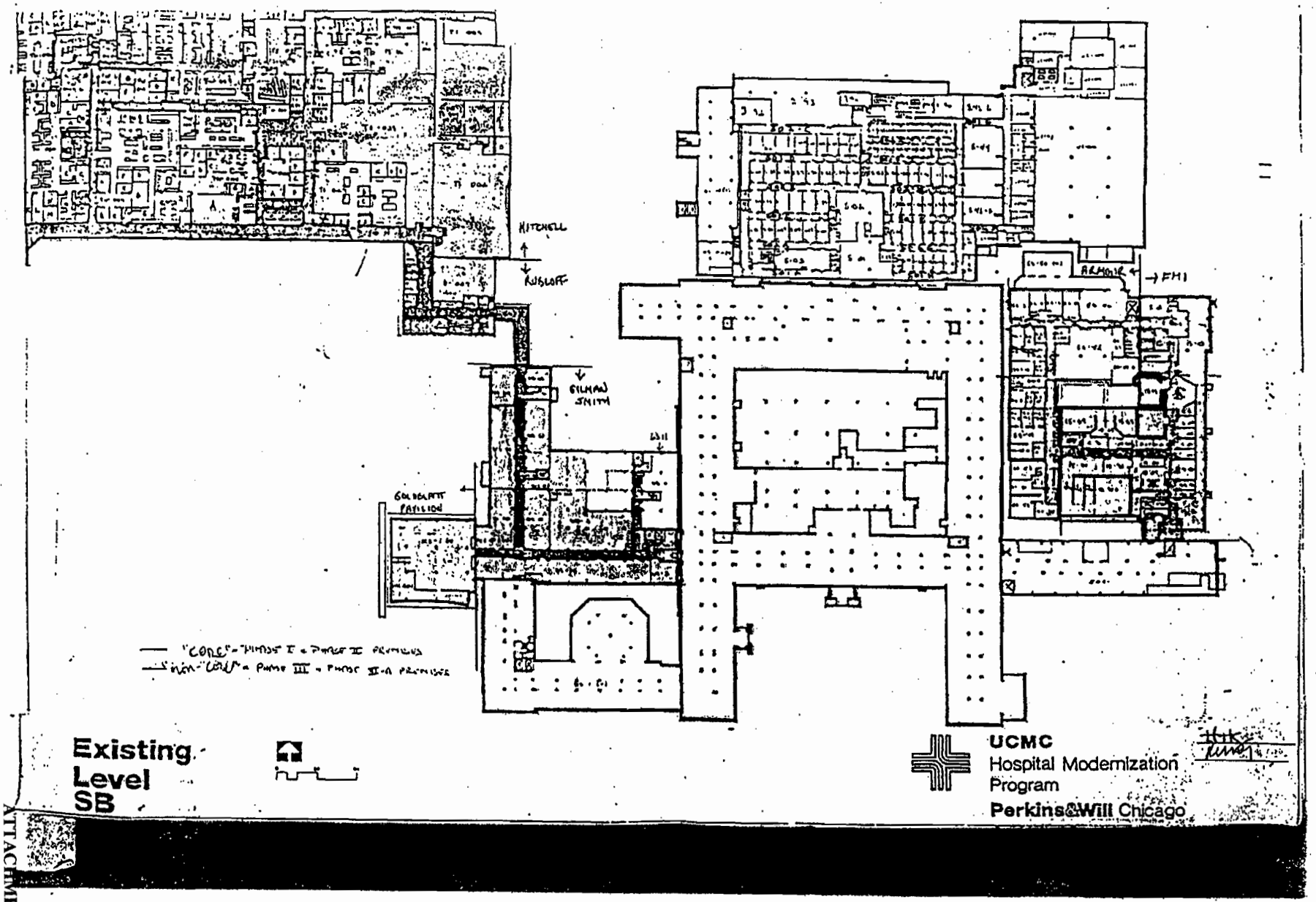

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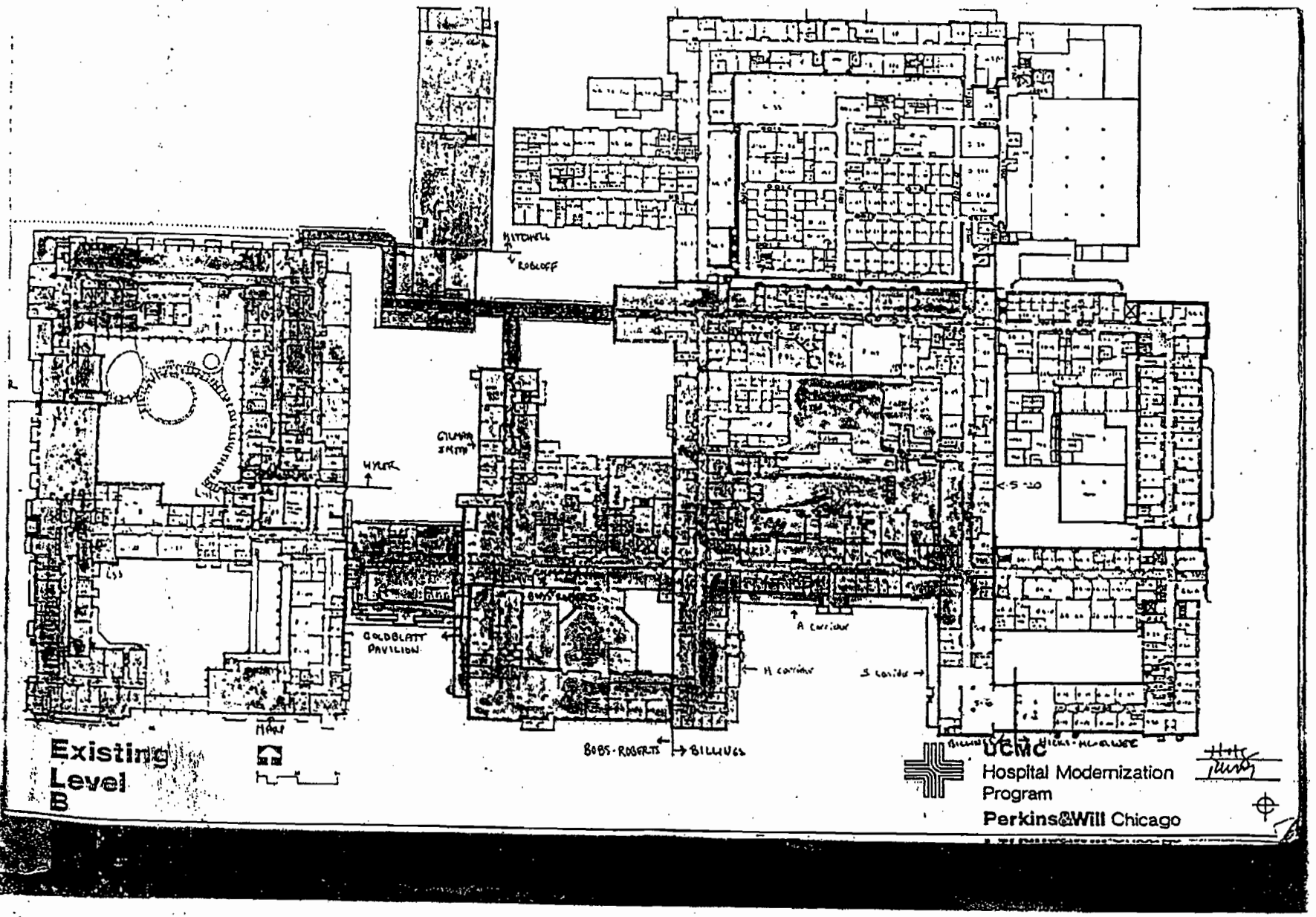

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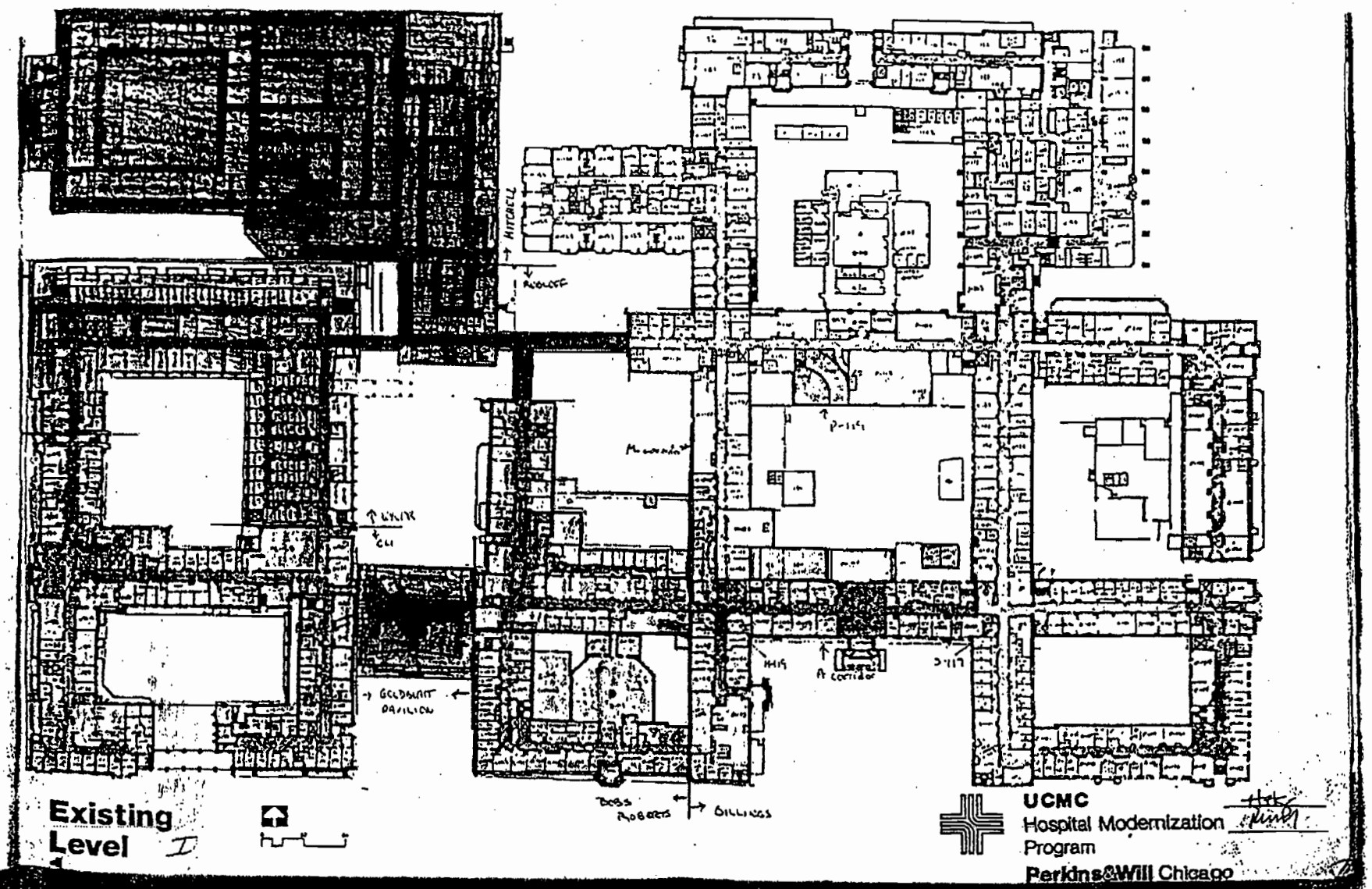
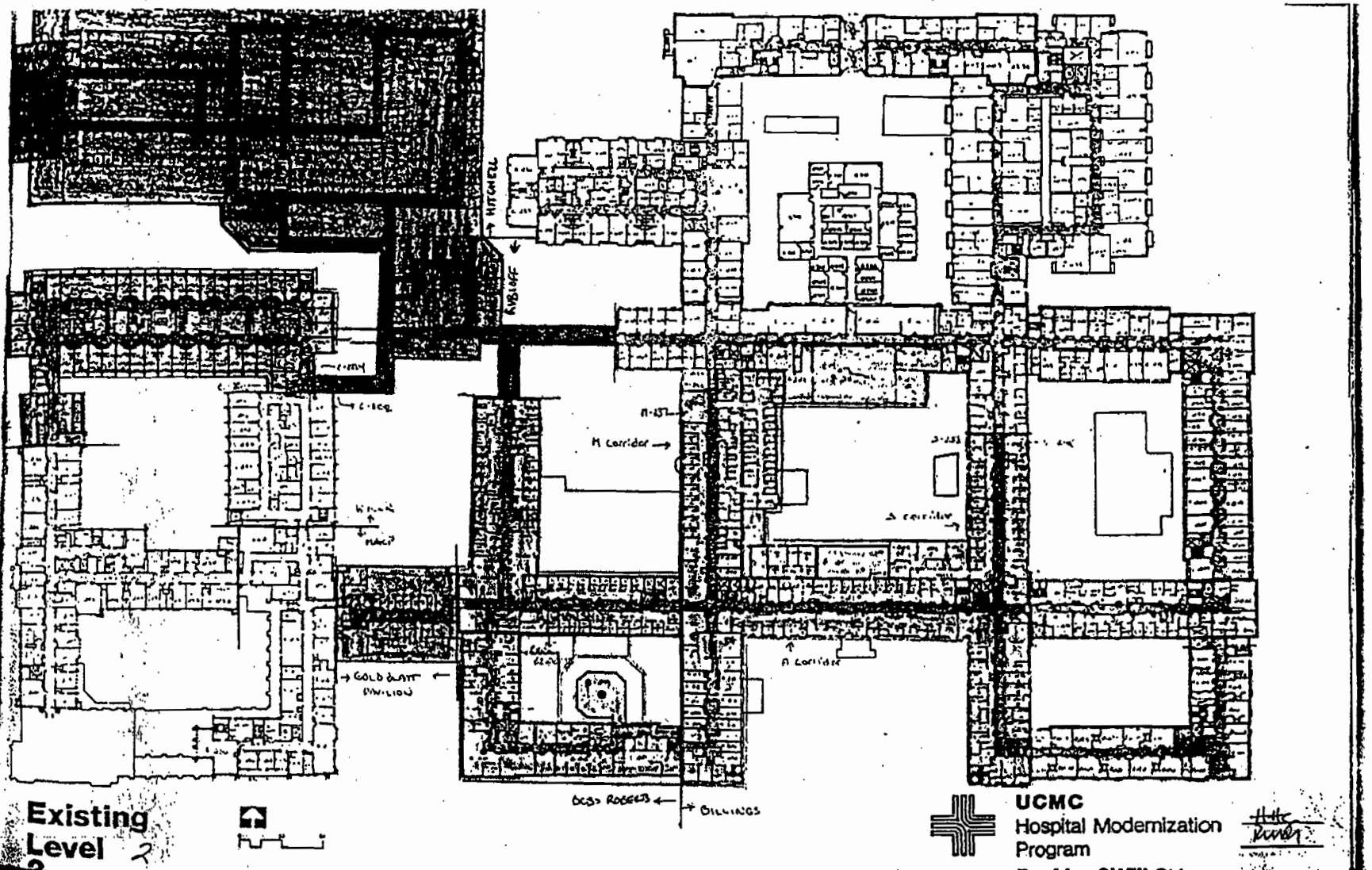

Existing
Level
UCMC
Hospital Modernization
Program
Perkins&Will Chicago



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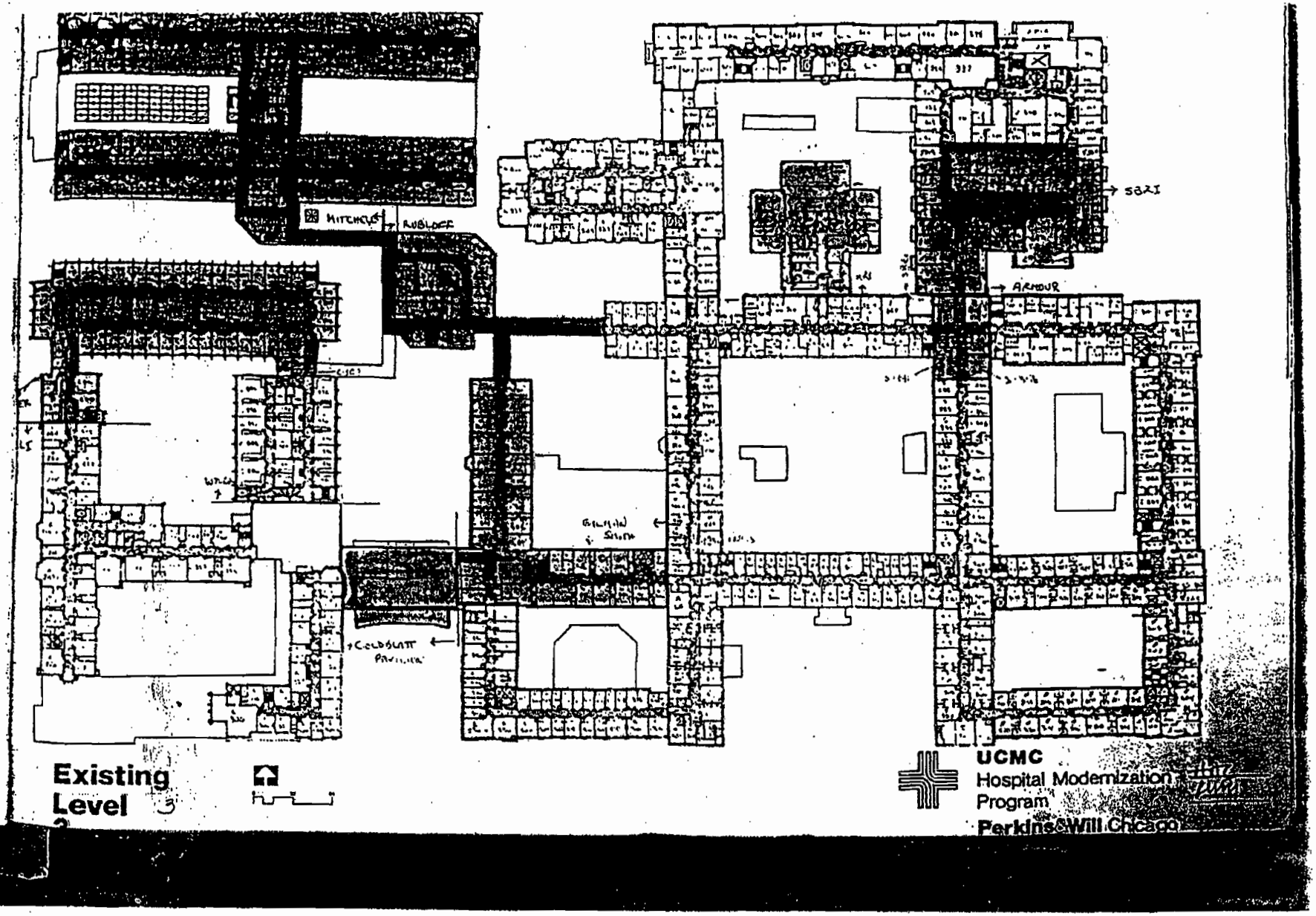

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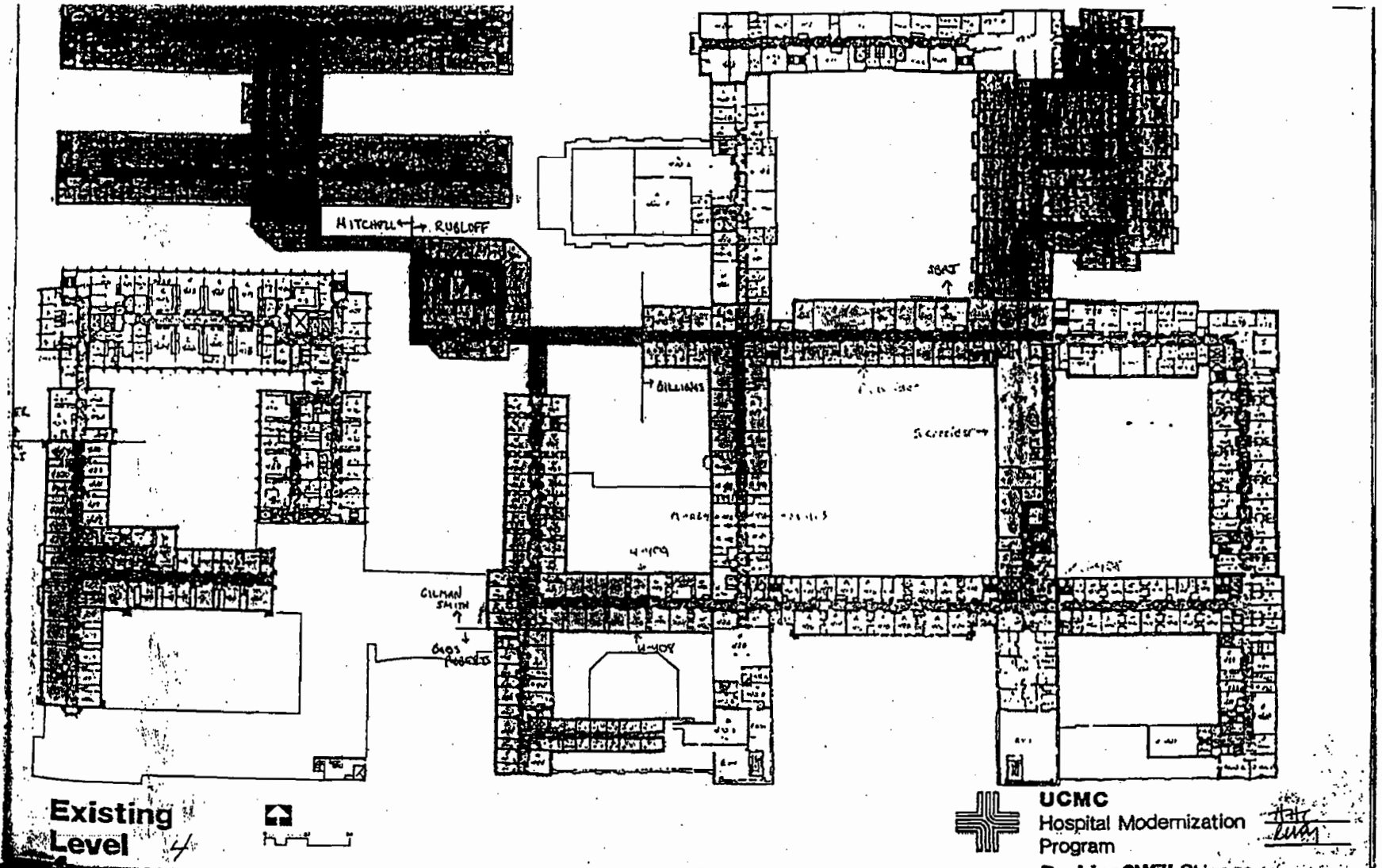
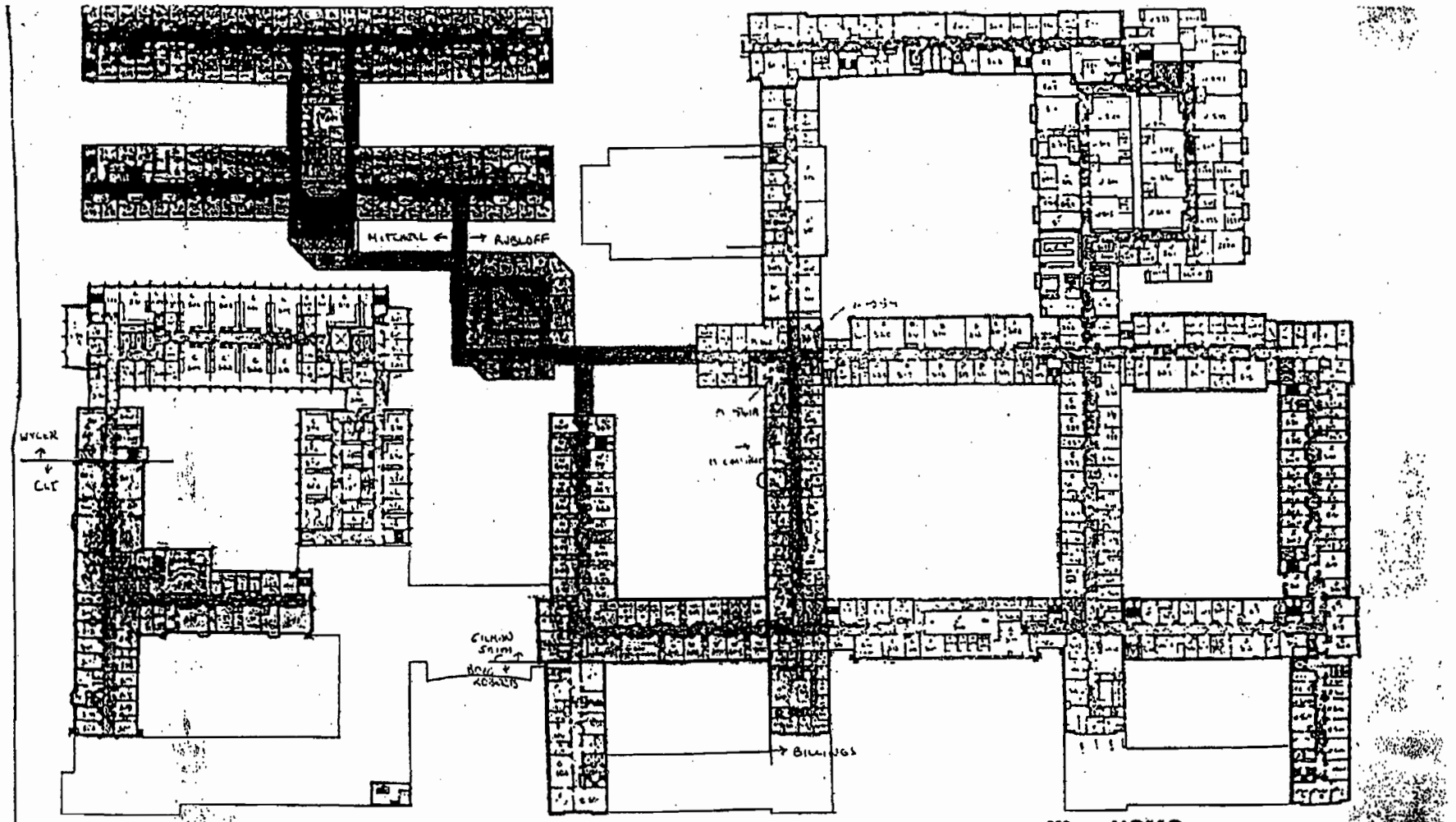

HITCHELL
RUBLOFF
BILLINGS
GILMAN
SMITH
Existing
Level 4
UCMC
Hospital Modernization
Program
Perkins&Will Chicago



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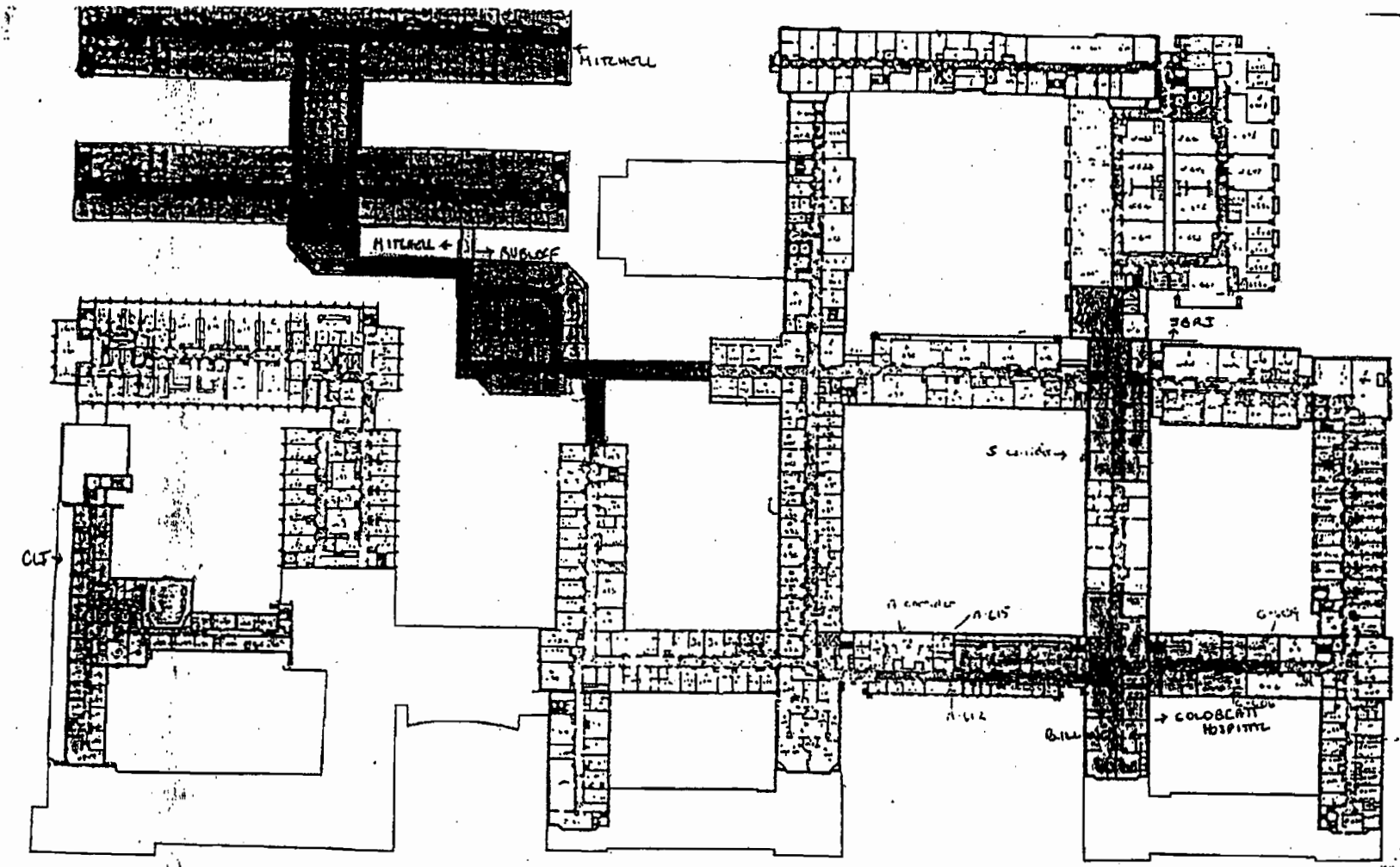
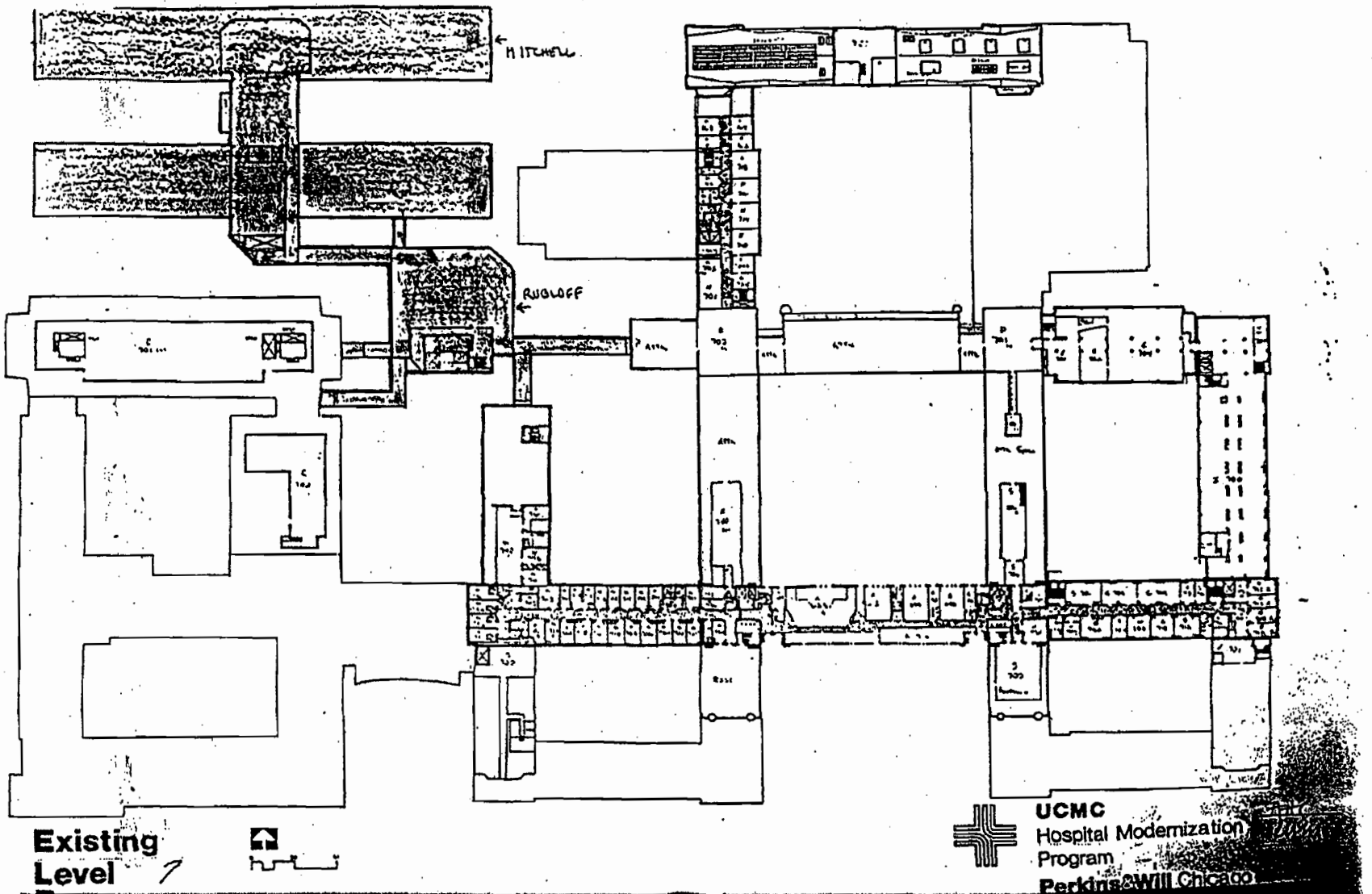


Existing Level 6

UCMC
Hospital Modernization Program
Perkins&Will Chicago

ATTACHMENT 2



ATTACHMENT 2

89167251

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

72-00-104 D4

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

$18.00

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

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

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

89167251

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

A-15

ATTACHMENT 2

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

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

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

Lessor:

THE UNIVERSITY OF CHICAGO

By: [signature]

Its: Vice President for Business and Finance

ATTEST:

[signature]

Assistant Secretary to the Board of Trustees

Lessee:

THE UNIVERSITY OF CHICAGO HOSPITALS

By: [signature]

Its: President

ATTEST:

[signature]

Secretary

89107251

-2- 17 10 07 89 6 7251

ATTACHMENT 2

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

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

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

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

My Commission

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

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

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

Mary Lou Trepac
Notary Public in and for
Cook County, Illinois

My Commission Expires: 2/23/91

89107251

ATTACHMENT 2

SCHEDULE I

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

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

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

WEST 11.10 FEET; SOUTH 4.45 FEET; WEST 19.50 FEET; NORTH 4.45 FEET; WEST 11.10 FEET; NORTH 2.34 FEET; WEST 49.02 FEET; SOUTH 4.37 FEET; WEST 19.50 FEET; NORTH 4.37 FEET; WEST 49.02 FEET; SOUTH 2.34 FEET; WEST 44.99 FEET TO THE SOUTH WEST CORNER OF A 3-STORY STONE BUILDING, AT A POINT WHICH IS 7.24 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 16; THENCE NORTH 2.34 FEET; WEST 0.67 OF A FOOT; NORTH 108.50 FEET; WEST 15.00 FEET; SOUTH 1.47 FEET; WEST 6.33 FEET; NORTH 1.47 FEET; WEST 48.62 FEET; SOUTH 8.20 FEET; EAST 11.40 FEET; SOUTH 20.60 FEET; WEST 45.00 FEET; NORTH 20.60 FEET; EAST 11.40 FEET; NORTH 8.20 FEET; WEST 45.62 FEET; SOUTH 1.47 FEET; WEST 6.33 FEET; NORTH 1.47 FEET; WEST 15.00 FEET; SOUTH 32.60 FEET; EAST 8.80 FEET; NORTH 1.47 FEET; EAST 4.75 FEET; SOUTH 2.39 FEET; EAST 5.33 FEET; SOUTH 19.18 FEET; WEST 5.33 FEET; SOUTH 2.38 FEET; WEST 4.75 FEET; NORTH 1.47 FEET; WEST 8.80 FEET; SOUTH 55.20 FEET; WEST 0.67 OF A FOOT; SOUTH 2.34 FEET TO THE SOUTH EAST CORNER OF A 3-STORY STONE BUILDING AT A POINT WHICH IS 7.27 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 15; THENCE WEST 45.00 FEET; NORTH 2.34 FEET; WEST 48.48 FEET; SOUTH 7.00 FEET; WEST 13.56 FEET; NORTH 7.00 FEET; WEST 45.48 FEET; SOUTH 2.34 FEET; WEST 42.00 FEET TO THE SOUTH WEST CORNER OF A 5-STORY STONE BUILDING AT A POINT WHICH IS 7.32 FEET NORTH OF SAID SOUTH LINE OF BLOCK 15; THENCE NORTH 15.32 FEET; WEST 0.67 OF A FOOT; NORTH 84.35 FEET; WEST 6.06 FEET; SOUTH 9.24 FEET; WEST 30.47 FEET; SOUTH 7.75 FEET; WEST 16.20 FEET; NORTH 7.75 FEET; WEST 30.50 FEET; NORTH 14.24 FEET; WEST 9.23 FEET; SOUTH 63.64 FEET; EAST 5.74 FEET; SOUTH 12.70 FEET; WEST 5.76 FEET; SOUTH 20.29 FEET; EAST 3.00 FEET; SOUTH 3.00 FEET; WEST 7.74 FEET; SOUTH 4.50 FEET TO THE SOUTH EAST CORNER OF A 3-STORY STONE BUILDING, AT A POINT WHICH IS 10.20 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 14; THENCE WEST 87.1[illegible] FEET; NORTH 2.00 FEET; WEST 70.51 FEET; SOUTH 3.70 FEET; WEST 4.74 FEET; SOUTH 2.00 FEET; WEST 13.52 FEET; NORTH 2.00 FEET; WEST 44.95 FEET; SOUTH 2.70 FEET; WEST 30.75 FEET TO A POINT WHICH IS 5.24 FEET NORTH AND 0.91 OF A FOOT EAST OF THE SOUTH AND WEST LINES OF BLOCK 14 AFORESAID; THENCE NORTH 26.35 FEET; EAST 9.00 FEET; NORTH 28.55 FEET; WEST 4.62 FEET; NORTH 6.02 FEET; EAST 3.01 FEET; NORTH 67.70 FEET; EAST 3.50 FEET; NORTH 15.50 FEET; WEST 5.64 FEET; NORTH 16.50 FEET; EAST 5.64 FEET; NORTH 15.50 FEET; EAST 3.50 FEET; NORTH 70.70 FEET; WEST 3.00 FEET; NORTH 6.00 FEET; EAST 3.00 FEET; NORTH 35.28 FEET; WEST 1.47 FEET; NORTH 3.00 FEET; EAST 9.39 FEET; NORTH 13.07 FEET; NORTHWARDLY 13.20 FEET; WESTWARDLY 18.41 FEET; NORTH 44.20 FEET TO A POINT WHICH IS 3.41 FEET WEST OF THE WEST LINE OF BLOCK 14; THENCE EASTWARDLY 15.41 FEET; THENCE NORTHWARDLY 15.90 FEET; THENCE EAST 214.93 FEET; SOUTHWARDLY 15.82 FEET; EAST 18.45 FEET; SOUTH 22.96 FEET; EAST 23.96

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ATTACHMENT 2

FEET; NORTH 58.00 FEET; WEST 105.04 FEET; NORTHWEST-ARCLY 28.34 FEET; NORTH 15.00 FEET; WEST 150.39 FEET TO THE SOUTH WEST CORNER OF A 6-STORY STONE BUILDING AT A POINT WHICH IS 0.74 OF A FOOT WEST OF THE WEST LINE OF BLOCK 14; THENCE NORTH 34.09 FEET; WEST 20.42 FEET; NORTH 24.92 FEET; WEST 4.72 FEET; NORTH 40.02 FEET; EAST 4.72 FEET; NORTH 24.92 FEET; EAST 20.42 FEET; NORTH 34.11 FEET TO A POINT ON THE SOUTH LINE OF E. 58TH STREET, 0.47 OF A FOOT WEST OF THE SOUTH CORNER OF SAID BLOCK 14; THENCE EAST ALONG SAID SOUTH LINE OF E. 55TH STREET, A DISTANCE OF 353.04 FEET; THENCE SOUTH 247.60 FEET; EAST 107.42 FEET; NORTH 16.98 FEET; EAST 46.65 FEET; NORTH 4.00 FEET; EAST 45.48 FEET; SOUTH 4.00 FEET; EAST 16.66 FEET; NORTH 5.20 FEET; EAST 36.61 FEET; NORTH 32.57 FEET; WEST 23.00 FEET; NORTH 52.00 FEET; EAST 23.00 FEET; NORTH 24.00 FEET; EAST 54.00 FEET; SOUTH 24.00 FEET; EAST 25.00 FEET; SOUTH 52.00 FEET; WEST 25.00 FEET; SOUTH 32.56 FEET; EAST 43.75 FEET; NORTH 170.03 FEET; EAST 26.05 FEET; SOUTHEASTWARDLY 6.52 FEET; EAST 25.64 FEET; NORTHEASTWARDLY 6.52 FEET; EAST 6.87 FEET; NORTH 35.76 FEET; EAST 12.73 FEET; NORTH 3.51 FEET; WEST 2.19 FEET; NORTH 8.76 FEET TO A POINT AT THE NORTHWEST CORNER OF A 6-STORY STONE BUILDING, WHICH IS 7.31 FEET SOUTH OF THE NORTH LINE OF SAID BLOCK 16; THENCE EAST 45.64 FEET TO A POINT AT THE NORTH EAST CORNER OF SAID BUILDING, 7.36 FEET SOUTH OF THE NORTH LINE OF SAID BLOCK 16; THENCE SOUTH 8.76 FEET; WEST 2.19 FEET; SOUTH 3.51 FEET; EAST 25.38 FEET; SOUTH 173.05 FEET; WEST 85.20 FEET; SOUTH 34.04 FEET; EAST 1.92 FEET; SOUTH 2.60 FEET; EAST 6.00 FEET; NORTH 4.75 FEET; EAST 94.00 FEET; SOUTH 5.46 FEET; EAST 59.55 FEET TO A POINT AT THE NORTH EAST CORNER OF A 7-STORY STONE BUILDING, WHICH IS 5.00 FEET WEST OF THE EAST LINE OF SOBLOCK 15; THENCE SOUTH 46.00 FEET; WEST 3.50 FEET; SOUTH 157.45 FEET; EAST 3.50 FEET; SOUTH 11.50 FEET; EAST 3.65 FEET; SOUTH 22.00 FEET; WEST 3.65 FEET; SOUTH 11.50 FEET; WEST 5.07 FEET; SOUTH 9.75 FEET; EAST 0.47 OF A FOOT; SOUTH 84.36 FEET; WEST 0.87 OF A FOOT; AND SOUTH 18.17 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

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

THAT PART OF BLOCK 13 IN MORICHAN'S SUBDIVISION OF THE WEST 1/2 OF THE NORTH WEST 1/4 OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH THE VACATED ALLEY LYING WITHIN SAID BLOCK, SAID PART (ENCOMPASSING A CERTAIN STRUCTURE LYING WITHIN THE BOUNDARIES OF SAID BLOCK AND VACATED ALLEY) BEING DESCRIBED AS FOLLOWS:
BEGINNING AT A POINT WHICH IS 9.00 FEET NORTH AND 7.79 FEET EAST OF THE SOUTH AND WEST LINES, RESPECTIVELY, OF SAID BLOCK 13, AND RUNNING THENCE NORTH, A DISTANCE OF 243.44 FEET TO A POINT WHICH IS 7.32 FEET EAST OF SAID WEST LINE OF BLOCK 13; THENCE ALONG LINES WHICH ARE PERPENDICULAR TO OR PARALLEL WITH THE DESCRIBED LINE, RESPECTIVELY, THE FOLLOWING COURSES AND DISTANCES: EAST 224.30 FEET; SOUTH 221.85 FEET; EAST 0.38 OF A FOOT; SOUTH 21.59 FEET TO A POINT WHICH IS 9.51 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 13, AND THENCE WEST 224.68 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

ATTACHMENT 2

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

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

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

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

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

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

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

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

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

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

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

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

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

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ATTACHMENT 2

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

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

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

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

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

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

THENCE EAST 150.07 FEET;

SOUTH 15.00 FEET;

THENCE SOUTHEASTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 10.20 FEET, TO AN INTERSECTION WITH A LINE WHICH IS 194.42 FEET SOUTH OF AND PARALLEL WITH SAID SOUTH LINE OF E. 58TH STREET;

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

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

ATTACHMENT 2

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

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

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

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

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

PROPERTY ADDRESS:

5841 SOUTH MARYLAND AVENUE, CHICAGO, ILLINOIS

PROPERTY INDEX NUMBERS:

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

Mail to:
The University of Chicago Hospitals
Office of Medical Legal Affairs
5841 South Maryland Avenue
Room S 114 Box 277
Chicago, Illinois 60637

Attention: Bill A. Harris

Box 333

89167251

ATTACHMENT 2

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

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

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

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

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

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

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

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

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

Lessor:
THE UNIVERSITY OF CHICAGO

Attest:
Asst. Secretary of the Board of Trustees

By: Its: Vice President for Business & Finance

Lessee:
THE UNIVERSITY OF CHICAGO HOSPITALS

Attest:
Secretary

By:
Its: President

ATTACHMENT 2

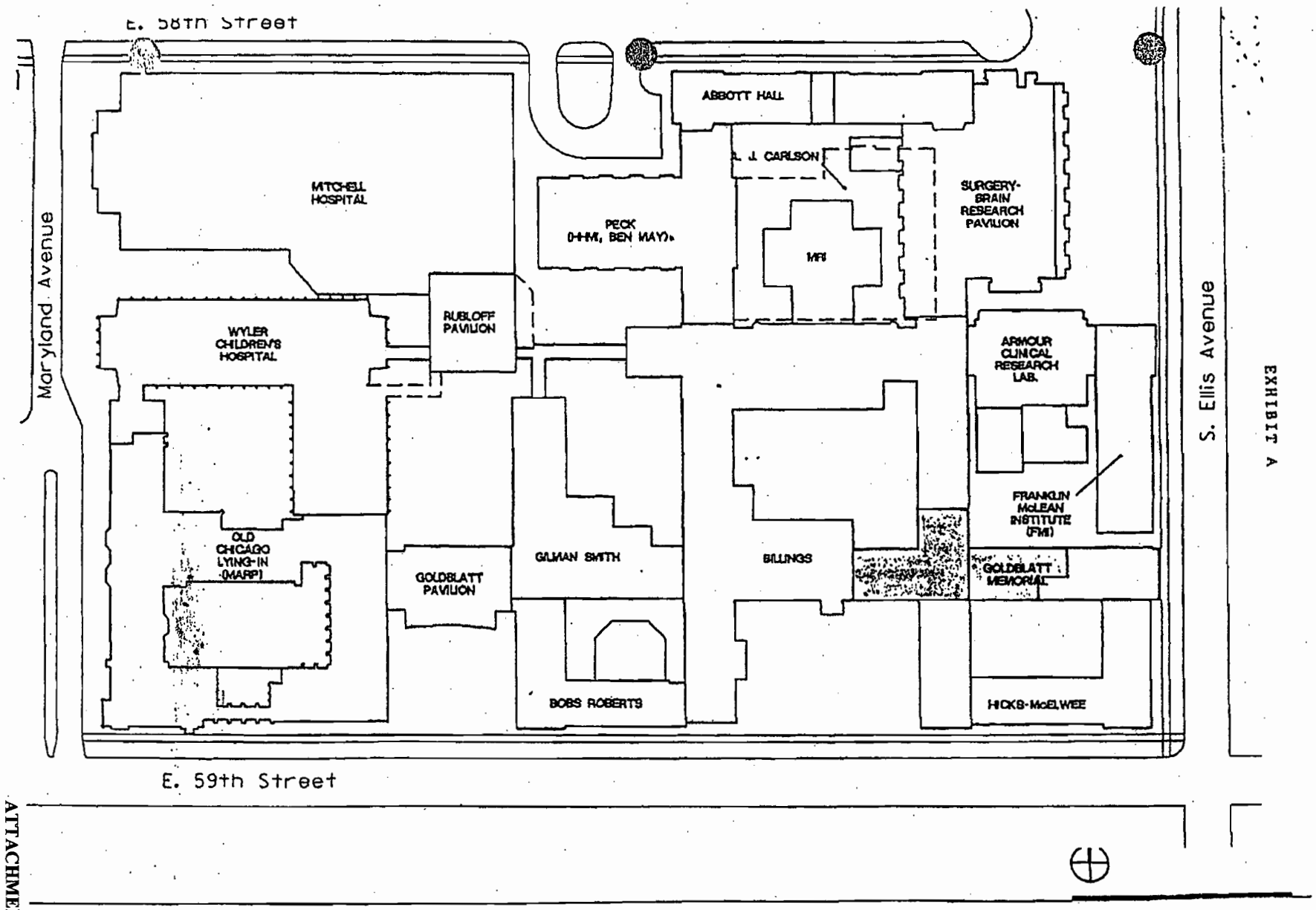

EXHIBIT A

ATTACHMENT 2

Medical Center Buildings

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

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

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

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

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

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

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

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

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

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

ATTACHMENT 2

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

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

Lessor:

THE UNIVERSITY OF CHICAGO

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

ATTEST:

[signature]
Assistant Secretary of the Board of Trustees

Lessee:

THE UNIVERSITY OF CHICAGO HOSPITALS

By: [signature]
Its: President

ATTEST:

[signature]

ATTACHMENT 2

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

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

(SEAL)

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

Notary Public in and for Cook County, Illinois

My Commission Expires:
1/3/94

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

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

(SEAL)

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

Notary Public in and for Cook County, Illinois

My Commission Expires:
5/17/93

ATTACHMENT 2

LEGAL DESCRIPTION

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

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

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

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

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

WHICH BUILDINGS ARE LOCATED ON THE FOLLOWING DESCRIBED LAND:

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

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

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

ATTACHMENT 2

WEST 11.10 FEET; SOUTH 4.45 FEET; WEST 19.80 FEET; NORTH 4.45 FEET; WEST 11.10 FEET; NORTH 2.34 FEET; WEST 49.02 FEET; SOUTH 4.37 FEET; WEST 19.50 FEET; NORTH 4.37 FEET; WEST 49.02 FEET; SOUTH 2.34 FEET; WEST 44.99 FEET TO THE SOUTH WEST CORNER OF A 3-STORY STONE BUILDING, AT A POINT WHICH IS 7.24 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 16; THENCE NORTH 2.34 FEET; WEST 0.67 OF A FOOT; NORTH 108.50 FEET; WEST 15.00 FEET; SOUTH 1.87 FEET; WEST 6.33 FEET; NORTH 1.87 FEET; WEST 48.62 FEET; SOUTH 8.20 FEET; EAST 11.40 FEET; SOUTH 20.60 FEET; WEST 45.60 FEET; NORTH 20.60 FEET; EAST 11.40 FEET; NORTH 8.20 FEET; WEST 45.62 FEET; SOUTH 1.87 FEET; WEST 6.33 FEET; NORTH 1.87 FEET; WEST 15.00 FEET; SOUTH 32.60 FEET; EAST 8.80 FEET; NORTH 1.47 FEET; EAST 4.75 FEET; SOUTH 2.38 FEET; EAST 5.88 FEET; SOUTH 19.18 FEET; WEST 5.88 FEET; SOUTH 2.38 FEET; WEST 4.75 FEET; NORTH 1.47 FEET; WEST 8.80 FEET; SOUTH 55.20 FEET; WEST 0.67 OF A FOOT; SOUTH 2.34 FEET TO THE SOUTH EAST CORNER OF A 3-STORY STONE BUILDING AT A POINT WHICH IS 7.27 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 15; THENCE WEST 45.00 FEET; NORTH 2.34 FEET; WEST 48.48 FEET; SOUTH 7.00 FEET; WEST 18.56 FEET; NORTH 7.00 FEET; WEST 45.48 FEET; SOUTH 2.34 FEET; WEST 42.00 FEET TO THE SOUTH WEST CORNER OF A 5-STORY STONE BUILDING AT A POINT WHICH IS 7.32 FEET NORTH OF SAID SOUTH LINE OF BLOCK 15; THENCE NORTH 18.32 FEET; WEST 0.67 OF A FOOT; NORTH 84.35 FEET; WEST 5.06 FEET; SOUTH 9.84 FEET; WEST 30.47 FEET; SOUTH 7.75 FEET; WEST 16.20 FEET; NORTH 7.75 FEET; WEST 30.50 FEET; NORTH 14.34 FEET; WEST 9.28 FEET; SOUTH 63.64 FEET; EAST 5.76 FEET; SOUTH 12.70 FEET; WEST 5.76 FEET; SOUTH 20.29 FEET; EAST 3.00 FEET; SOUTH 3.00 FEET; WEST 7.79 FEET; SOUTH 4.50 FEET TO THE SOUTH EAST CORNER OF A 3-STORY STONE BUILDING, AT A POINT WHICH IS 10.20 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 14; THENCE WEST 27.19 FEET; NORTH 2.00 FEET; WEST 70.51 FEET; SOUTH 3.70 FEET; WEST 4.74 FEET; SOUTH 2.00 FEET; WEST 13.52 FEET; NORTH 2.00 FEET; WEST 44.95 FEET; SOUTH 2.70 FEET; WEST 20.75 FEET TO A POINT WHICH IS 5.24 FEET NORTH AND 0.81 OF A FOOT EAST OF THE SOUTH AND WEST LINES OF BLOCK 14 AFORESAID; THENCE NORTH 26.86 FEET; EAST 9.00 FEET; NORTH 23.96 FEET; WEST 4.62 FEET; NORTH 6.02 FEET; EAST 3.01 FEET; NORTH 67.70 FEET; WEST 3.50 FEET; NORTH 15.50 FEET; WEST 5.64 FEET; NORTH 16.50 FEET; EAST 5.64 FEET; NORTH 15.50 FEET; EAST 3.50 FEET; NORTH 70.70 FEET; WEST 3.00 FEET; NORTH 6.00 FEET; EAST 3.00 FEET; NORTH 35.28 FEET; WEST 1.47 FEET; NORTH 3.00 FEET; EAST 9.39 FEET; NORTH 13.07 FEET; NORTHWARDLY 13.20 FEET; WESTWARDLY 18.41 FEET; NORTH 44.20 FEET TO A POINT WHICH IS 3.41 FEET WEST OF THE WEST LINE OF BLOCK 14; THENCE EASTWARDLY 18.41 FEET; THENCE NORTHWARDLY 15.80 FEET; THENCE EAST 214.90 FEET; SOUTHWARDLY 15.82 FEET; EAST 18.45 FEET; SOUTH 22.96 FEET; EAST 23.94 FEET; NORTH 58.60 FEET; WEST 105.04 FEET; NORTHWESTWARDLY 28.34 FEET; NORTH 15.00 FEET; WEST 150.08 FEET TO THE SOUTH WEST CORNER OF A 6-STORY STONE BUILDING AT A POINT WHICH IS 0.74 OF A FOOT WEST OF THE WEST LINE OF BLOCK 14; THENCE NORTH 34.09 FEET; WEST 20.42 FEET; NORTH 24.92 FEET; WEST 4.72 FEET; NORTH 40.02 FEET; EAST 4.72 FEET; NORTH

24.92 FEET; EAST 20.42 FEET; NORTH 34.11 FEET TO A POINT ON THE SOUTH LINE OF E. 58TH STREET, 0.47 OF A FOOT WEST OF THE NW CORNER OF SAID BLOCK 14; THENCE EAST ALONG SAID SOUTH LINE OF E. 58TH STREET, A DISTANCE OF 353.04 FEET; THENCE SOUTH 247.60 FEET; EAST 100.42 FEET; NORTH 16.98 FEET; EAST 46.65 FEET; NORTH 4.00 FEET; EAST 45.48 FEET; SOUTH 4.00 FEET; EAST 16.66 FEET; NORTH 5.20 FEET; EAST 36.61 FEET; NORTH 32.57 FEET; WEST 23.00 FEET; NORTH 52.00 FEET; EAST 23.00 FEET; NORTH 24.00 FEET; EAST 54.00 FEET; SOUTH 24.00 FEET; EAST 25.00 FEET; SOUTH 52.00 FEET; WEST 25.00 FEET; SOUTH 32.56 FEET; EAST 43.95 FEET; NORTH 170.03 FEET; EAST 26.05 FEET; SOUTHEASTWARDLY 6.52 FEET; EAST 25.84 FEET; NORTHEASTWARDLY 6.52 FEET; EAST 6.37 FEET; NORTH 35.76 FEET; EAST 12.73 FEET; NORTH 3.51 FEET; WEST 2.19 FEET; NORTH 8.76 FEET TO A POINT AT THE NORTHWEST CORNER OF A 6-STORY STONE BUILDING, WHICH IS 7.31 FEET SOUTH OF THE NORTH LINE OF SAID BLOCK 16; THENCE EAST 45.64 FEET TO A POINT AT THE NORTH EAST CORNER OF SAID BUILDING, 7.36 FEET SOUTH OF THE NORTH LINE OF SAID BLOCK 16; THENCE SOUTH 8.76 FEET; WEST 2.19 FEET; SOUTH 3.51 FEET; EAST 25.38 FEET; SOUTH 173.05 FEET; WEST 85.20 FEET; SOUTH 34.04 FEET; EAST 1.92 FEET; SOUTH 2.60 FEET; EAST 6.00 FEET; NORTH 4.75 FEET; EAST 94.00 FEET; SOUTH 5.46 FEET; EAS 59.55 FEET TO A POINT AT THE NORTH EAST CORNER OF A 7-STORY STONE BUILDING, WHICH IS 5.00 FEET WEST OF THE EAST LINE OF SDBLOCK 16; THENCE SOUTH 46.00 FEET; WEST 3.50 FEET; SOUTH 157.45 FEET; EAST 3.50 FEET; SOUTH 11.50 FEET; EAST 3.65 FEET; SOUTH 22.00 FEET; WEST 3.65 FEET; SOUTH 11.50 FEET; WEST 5.07 FEET; SOUTH 9.75 FEET; EAST 0.67 OF FOOT; SOUTH 84.36 FEET; WEST 0.67 OF A FOOT; AND SOUTH 18.17 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

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

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

ATTACHMENT 2

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

THENCE EAST 150.07 FEET;

SOUTH 15.00 FEET;

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

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

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

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

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

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

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

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

PROPERTY ADDRESS:

5841 SOUTH MARYLAND AVENUE, CHICAGO, ILLINOIS

PROPERTY INDEX NUMBERS:

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

ATTACHMENT 2

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

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

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

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

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

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

ATTACHMENT 2

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

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

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

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

Lessor:

THE UNIVERSITY OF CHICAGO

By: _____

Its: VICE PRESIDENT & CHIEF FINANCIAL OFFICER

ATTEST:

_____

Lessee:

THE UNIVERSITY OF CHICAGO HOSPITALS

By: _____

Its: President

ATTEST:

_____

ATTACHMENT 2

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

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

(SEAL)

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

My Commission Expires:

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

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

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

(SEAL)

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

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

My Commission Expires: 8/23/97

ATTACHMENT 2

This instrument was prepared by
and after recording return to:

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

SPACE ABOVE THIS LINE
FOR RECORDER'S USE.

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

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

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

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

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

ATTACHMENT 2

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

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

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

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

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

Lessor:

ATTEST:

THE UNIVERSITY OF CHICAGO

Assistant Secretary of the Board of Trustees

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

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO HOSPITALS

By:
Its: Vice President and Treasurer

ATTACHMENT 2

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

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

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

Notary Public in and for Cook County, Illinois

My Commission Expires:

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

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

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

Notary Public in and for Cook County, Illinois

My Commission Expires:

This instrument was prepared by
and after recording return to:

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

SPACE ABOVE THIS LINE
FOR RECORDER'S USE

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

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

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

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

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

ATTACHMENT 2

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

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

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

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

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

ATTACHMENT 2

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

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

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

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

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

Lessor:

ATTEST: Kenneth S. Jeffe

THE UNIVERSITY OF CHICAGO

By: P. Woodworth

Its: Vice President and Chief Financial Officer

ATTACHMENT 2

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO HOSPITALS

By: _____

Its: President

ATTACHMENT 2

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

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

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

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

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

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

Gregoria Velazquez
Notary Public in and for Cook County, Illinois

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

ATTACHMENT 2

This instrument was prepared by
and after recording return to:

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

SPACE ABOVE THIS LINE FOR RECORDER'S USE.

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

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

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

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

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

ATTACHMENT 2

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

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

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

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

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

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

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

ATTACHMENT 2

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

Lessor:

ATTEST:

THE UNIVERSITY OF CHICAGO

By: _____
Its: Assistant Secretary

By: _____
Its: VP FOR ADMINISTRATION & CFO

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO MEDICAL CENTER

By: _____
Its: _____

By: _____
Its: _____

ATTACHMENT 2

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

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

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

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

My Commission Expires: 7/30/2010

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

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

(SEAL)

_____
Notary Public in and for Cook County, Illinois

My Commission Expires:

60680917_283330-00002

ATTACHMENT 2

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

Lessor:

ATTEST:

THE UNIVERSITY OF CHICAGO

By: _____
Its: _____

By: _____
Its: _____

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO MEDICAL CENTER

By: _____
Its: Secretary

By: _____
Its: Chief Financial and Strategy Officer

ATTACHMENT 2

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

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

(SEAL)

_____
Notary Public in and for Cook County, Illinois

My Commission Expires:

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

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

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

(SEAL)

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

My Commission Expires: 8-4-2010

60680917_283330-00002

ATTACHMENT 2

LEGAL DESCRIPTION

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

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

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

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

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

WHICH BUILDINGS ARE LOCATED ON THE FOLLOWING DESCRIBED LAND:

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

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

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

ATTACHMENT 2

WEST 11.10 FEET; SOUTH 4.45 FEET; WEST 19.80 FEET; NORTH 4.45 FEET; WEST 11.10 FEET; NORTH 2.34 FEET; WEST 49.02 FEET; SOUTH 4.37 FEET; WEST 19.50 FEET; NORTH 4.37 FEET; WEST 49.02 FEET; SOUTH 2.34 FEET; WEST 44.99 FEET TO THE SOUTH WEST CORNER OF A 3-STORY STONE BUILDING, AT A POINT WHICH IS 7.24 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 16; THENCE NORTH 2.34 FEET; WEST 0.67 OF A FOOT; NORTH 108.50 FEET; WEST 15.00 FEET; SOUTH 1.87 FEET; WEST 6.33 FEET; NORTH 1.87 FEET; WEST 48.62 FEET; SOUTH 8.20 FEET; EAST 11.40 FEET; SOUTH 20.60 FEET; WEST 45.60 FEET; NORTH 20.60 FEET; EAST 11.40 FEET; NORTH 6.20 FEET; WEST 45.62 FEET; SOUTH 1.87 FEET; WEST 6.33 FEET; NORTH 1.87 FEET; WEST 15.00 FEET; SOUTH 32.60 FEET; EAST 8.80 FEET; NORTH 1.47 FEET; EAST 4.75 FEET; SOUTH 2.39 FEET; EAST 5.88 FEET; SOUTH 19.18 FEET; WEST 5.88 FEET; SOUTH 2.38 FEET; WEST 4.75 FEET; NORTH 1.47 FEET; WEST 8.80 FEET; SOUTH 55.20 FEET; WEST 0.67 OF A FOOT; SOUTH 2.34 FEET TO THE SOUTH EAST CORNER OF A 3-STORY STONE BUILDING AT A POINT WHICH IS 7.27 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 15; THENCE WEST 45.00 FEET; NORTH 2.34 FEET; WEST 48.48 FEET; SOUTH 7.00 FEET; WEST 18.56 FEET; NORTH 7.00 FEET; WEST 48.48 FEET; SOUTH 2.34 FEET; WEST 42.00 FEET TO THE SOUTH WEST CORNER OF A 5-STORY STONE BUILDING AT A POINT WHICH IS 7.32 FEET NORTH OF SAID SOUTH LINE OF BLOCK 15; THENCE NORTH 18.32 FEET; WEST 0.67 OF A FOOT; NORTH 84.35 FEET; WEST 9.06 FEET; SOUTH 9.24 FEET; WEST 30.47 FEET; SOUTH 7.75 FEET; WEST 16.20 FEET; NORTH 7.75 FEET; WEST 30.50 FEET; NORTH 14.34 FEET; WEST 9.28 FEET; SOUTH 63.64 FEET; EAST 5.76 FEET; SOUTH 12.70 FEET; WEST 5.76 FEET; SOUTH 20.28 FEET; EAST 3.00 FEET; SOUTH 3.00 FEET; WEST 7.79 FEET; SOUTH 4.50 FEET TO THE SOUTH EAST CORNER OF A 3-STORY STONE BUILDING, AT A POINT WHICH IS 10.20 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 14; THENCE WEST 27.19 FEET; NORTH 2.00 FEET; WEST 70.51 FEET; SOUTH 3.70 FEET; WEST 4.74 FEET; SOUTH 2.00 FEET; WEST 13.52 FEET; NORTH 2.00 FEET; WEST 44.95 FEET; SOUTH 2.70 FEET; WEST 20.75 FEET TO A POINT WHICH IS 5.24 FEET NORTH AND 0.81 OF A FOOT EAST OF THE SOUTH AND WEST LINES OF BLOCK 14 AFORESAID; THENCE NORTH 26.86 FEET; EAST 9.00 FEET; NORTH 28.96 FEET; WEST 4.82 FEET; NORTH 6.02 FEET; EAST 3.01 FEET; NORTH 67.70 FEET; WEST 3.50 FEET; NORTH 15.50 FEET; WEST 5.64 FEET; NORTH 16.50 FEET; EAST 5.64 FEET; NORTH 15.50 FEET; EAST 3.50 FEET; NORTH 70.70 FEET; WEST 3.00 FEET; NORTH 6.00 FEET; EAST 3.00 FEET; NORTH 35.28 FEET; WEST 1.47 FEET; NORTH 3.00 FEET; EAST 9.39 FEET; NORTH 13.07 FEET; NORTHWARDLY 13.20 FEET; WESTWARDLY 18.41 FEET; NORTH 44.20 FEET TO A POINT WHICH IS 3.41 FEET WEST OF THE WEST LINE OF BLOCK 14; THENCE EASTWARDLY 18.41 FEET; THENCE NORTHWARDLY 15.80 FEET; THENCE EAST 214.90 FEET; SOUTHWARDLY 15.82 FEET; EAST 18.45 FEET; SOUTH 22.96 FEET; EAST 73.94 FEET; NORTH 58.60 FEET; WEST 105.04 FEET; NORTHWESTWARDLY 28.34 FEET; NORTH 15.00 FEET; WEST 150.08 FEET TO THE SOUTH WEST CORNER OF A 6-STORY STONE BUILDING AT A POINT WHICH IS 0.74 OF A FOOT WEST OF THE WEST LINE OF BLOCK 14; THENCE NORTH 34.09 FEET; WEST 20.42 FEET; NORTH 24.92 FEET; WEST 4.72 FEET; NORTH 40.02 FEET; EAST 4.72 FEET; NORTH

ATTACHMENT 2

24.92 FEET; EAST 20.42 FEET; NORTH 34.11 FEET TO A POINT ON THE SOUTH LINE OF E. 58TH STREET, 0.47 OF A FOOT WEST OF THE NW CORNER OF SAID BLOCK 14; THENCE EAST ALONG SAID SOUTH LINE OF E. 55TH STREET, A DISTANCE OF 353.04 FEET; THENCE SOUTH 247.60 FEET; EAST 100.42 FEET; NORTH 16.98 FEET; EAST 46.65 FEET; NORTH 4.00 FEET; EAST 45.48 FEET; SOUTH 4.00 FEET; EAST 16.66 FEET; NORTH 5.20 FEET; EAST 36.61 FEET; NORTH 32.57 FEET; WEST 23.00 FEET; NORTH 52.00 FEET; EAST 23.00 FEET; NORTH 24.00 FEET; EAST 54.00 FEET; SOUTH 24.00 FEET; EAST 25.00 FEET; SOUTH 52.00 FEET; WEST 25.00 FEET; SOUTH 32.56 FEET; EAST 43.95 FEET; NORTH 170.03 FEET; EAST 26.05 FEET; SOUTHEASTWARDLY 6.52 FEET; EAST 25.64 FEET; NORTHEASTWARDLY 6.52 FEET; EAST 6.37 FEET; NORTH 35.76 FEET; EAST 12.73 FEET; NORTH 3.51 FEET; WEST 2.19 FEET; NORTH 8.76 FEET TO A POINT AT THE NORTHWEST CORNER OF A 6-STORY STONE BUILDING, WHICH IS 7.31 FEET SOUTH OF THE NORTH LINE OF SAID BLOCK 16; THENCE EAST 45.64 FEET TO A POINT AT THE NORTH EAST CORNER OF SAID BUILDING, 7.36 FEET SOUTH OF THE NORTH LINE OF SAID BLOCK 16; THENCE SOUTH 8.76 FEET; WEST 2.19 FEET; SOUTH 3.51 FEET; EAST 25.38 FEET; SOUTH 173.05 FEET; WEST 85.20 FEET; SOUTH 34.04 FEET; EAST 1.92 FEET; SOUTH 2.60 FEET; EAST 6.00 FEET; NORTH 4.75 FEET; EAST 94.00 FEET; SOUTH 5.46 FEET; EAS 59.55 FEET TO A POINT AT THE NORTH EAST CORNER OF A 7-STORY STONE BUILDING, WHICH IS 5.00 FEET WEST OF THE EAST LINE OF SOBLOCK 16; THENCE SOUTH 46.00 FEET; WEST 3.50 FEET; SOUTH 157.45 FEET; EAST 3.50 FEET; SOUTH 11.50 FEET; EAST 3.65 FEET; SOUTH 22.00 FEET; WEST 3.65 FEET; SOUTH 11.50 FEET; WEST 5.07 FEET; SOUTH 8.75 FEET; EAST 0.67 OF FOOT; SOUTH 84.36 FEET; WEST 0.67 OF A FOOT; AND SOUTH 18.17 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

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

THAT PART OF BLOCK 13 IN MCKICHAN'S SUBDIVISION OF THE WEST 1/2 OF TH NORTH WEST 1/4 OF SECTION 14, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH THE VACATED ALLEY LYING WITHI SAID BLOCK, SAID PART (ENCOMPASSING A CERTAIN STRUCTURE LYING WITHIN THE BOUNDARIES OF SAID BLOCK AND VACATED ALLEY) BEING DESCRIBED AS FOLLOWS:
BEGINNING AT A POINT WHICH IS 9.00 FEET NORTH AND 7.79 FEET EAST OF T SOUTH AND WEST LINES, RESPECTIVELY, OF SAID BLOCK 13, AND RUNNING THENCE NORTH, A DISTANCE OF 243.44 FEET TO A POINT WHICH IS 7.82 FEET EAST OF SAID WEST LINE OF BLOCK 13; THENCE ALONG LINES WHICH ARE PERPENDICULAR TO OR PARALLEL WITH THE DESCRIBED LINE, RESPECTIVELY, T FOLLOWING COURSES AND DISTANCES: EAST 224.30 FEET; SOUTH 221.85 FEET; EAST 0.38 OF A FOOT; SOUTH 21.59 FEET TO A POINT WHICH IS 9.51 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 13, AND THENCE WEST 224.68 FEE TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

ATTACHMENT 2

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

THENCE EAST 150.07 FEET;

SOUTH 15.00 FEET;

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

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

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

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

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

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

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

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

PROPERTY ADDRESS:

5841 SOUTH MARYLAND AVENUE, CHICAGO, ILLINOIS

PROPERTY INDEX NUMBERS:

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

ATTACHMENT 2

MBIA CONSENT

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

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

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

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

MBIA INSURANCE CORPORATION

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

60705002_1_283330_00011

ATTACHMENT 2

This instrument was prepared by
and after recording return to:

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

SPACE ABOVE THIS LINE FOR RECORDER'S USE.

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

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

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

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

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

ATTACHMENT 2

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

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

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

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

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

Lessor:

ATTEST:

THE UNIVERSITY OF CHICAGO

By: _____

By: Nimalan Chinniah

Its: Assistant Secretary

Its: Vice President and Chief Financial Officer

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO MEDICAL CENTER

By: _____

Its: Associate General Counsel

By: Carolyn S Wilson 8/20/09

Its: COO & Associate Dean

ATTEST:

By: _____

Its: Secretary

ATTACHMENT 2

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

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

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

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

My Commission Expires: July 30, 2010

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

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

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

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

My Commission Expires: 8/4/2010

ATTACHMENT 2

This instrument was prepared by
and after recording return to:

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

SPACE ABOVE THIS LINE FOR RECORDER'S USE.

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

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

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

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

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

ATTACHMENT 2

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

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

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

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

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

Lessor:

ATTEST:

THE UNIVERSITY OF CHICAGO

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

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

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO MEDICAL CENTER

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

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

ATTACHMENT 2

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

Lessor:

ATTEST:

THE UNIVERSITY OF CHICAGO

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

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

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO MEDICAL CENTER

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

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

ATTACHMENT 2

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

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

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

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

My Commission Expires: 7/30/14

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

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

(SEAL) _____
Notary Public in and for Cook County, Illinois

My Commission Expires:

ATTACHMENT 2

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

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

(SEAL)

_____
Notary Public in and for Cook County, Illinois

My Commission Expires:

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

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

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

(SEAL)

Cassandra Cole
Notary Public in and for Cook County, Illinois

My Commission Expires: 8/3/2013

60840604v3

ATTACHMENT 2

This instrument was prepared by
and after recording return to:

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

SPACE ABOVE THIS LINE FOR RECORDER'S USE.

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

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

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

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

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

ATTACHMENT 2

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

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

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

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

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

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

Lessor:

ATTEST:

THE UNIVERSITY OF CHICAGO

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

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

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO MEDICAL CENTER

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

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

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

Lessor:

ATTEST:

THE UNIVERSITY OF CHICAGO

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

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

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO MEDICAL CENTER

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

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

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

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

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

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

My Commission Expires: 7/30/2014

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

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

(SEAL)

_____
Notary Public in and for Cook County, Illinois

My Commission Expires:

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

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

(SEAL)

_____
Notary Public in and for Cook County, Illinois

My Commission Expires:

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

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

(SEAL)

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

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

My Commission Expires:

Exhibit A

LEGAL DESCRIPTION

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

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

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

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

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

WHICH BUILDINGS ARE LOCATED ON THE FOLLOWING DESCRIBED LAND:

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

THOSE PARTS OF BLOCKS 24, 15 AND 16 IN MASON AND MCKICHAN'S SUBDIVISION OF THE WEST HALF OF THE NORTH WEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH THE VACATED STREETS AND ALLEYS LYING WITHIN AND ADJOINING SAID BLOCKS, SAID PARTS (ENCOMPASSING CERTAIN BUILDINGS LYING WITHIN THE BOUNDARIES OF SAID BLOCKS, VACATED STREETS AND ALLEYS) BEING DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHICH IS 10.11 FEET WEST AND 7.21 FEET NORTH OF THE EAST AND SOUTH LINES, RESPECTIVELY, OF BLOCK 16 AFORESAID, WHICH POINT IS AT THE SOUTH EAST CORNER OF A SIX-STORY AND BASEMENT STONE BUILDING, AND RUNNING THENCE ALONG LINES ENCOMPASSING THE AFOREMENTIONED BUILDINGS THE FOLLOWING COURSES AND DISTANCES:

-1-

WEST 11.10 FEET; SOUTH 4.45 FEET; WEST 19.80 FEET; NORTH 4.45 FEET; WEST 11.10 FEET; NORTH 2.34 FEET; WEST 49.02 FEET; SOUTH 4.37 FEET; WEST 19.50 FEET; NORTH 4.37 FEET; WEST 49.02 FEET; SOUTH 2.34 FEET; WEST 44.99 FEET TO THE SOUTH WEST CORNER OF A 3-STORY STONE BUILDING, AT A POINT WHICH IS 7.24 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 14; THENCE NORTH 2.34 FEET; WEST 0.67 OF A FOOT; NORTH 108.50 FEET; WEST 15.00 FEET; SOUTH 1.87 FEET; WEST 6.33 FEET; NORTH 1.87 FEET; WEST 48.62 FEET; SOUTH 8.70 FEET; EAST 11.60 FEET; SOUTH 20.60 FEET; WEST 45.60 FEET; NORTH 20.60 FEET; EAST 11.60 FEET; NORTH 8.70 FEET; WEST 48.62 FEET; SOUTH 1.87 FEET; WEST 6.33 FEET; NORTH 1.87 FEET; WEST 15.00 FEET; SOUTH 32.60 FEET; EAST 8.80 FEET; NORTH 1.47 FEET; EAST 4.75 FEET; SOUTH 2.38 FEET; EAST 5.88 FEET; SOUTH 19.12 FEET; WEST 5.83 FEET; SOUTH 2.38 FEET; WEST 4.75 FEET; NORTH 1.47 FEET; WEST 8.80 FEET; SOUTH 56.20 FEET; WEST 0.47 OF A FOOT; SOUTH 2.34 FEET TO THE SOUTH EAST CORNER OF A 3-STORY STONE BUILDING AT A POINT WHICH IS 7.27 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 15; THENCE WEST 45.00 FEET; NORTH 2.34 FEET; WEST 48.48 FEET; SOUTH 7.00 FEET; WEST 13.56 FEET; NORTH 2.00 FEET; WEST 48.48 FEET; SOUTH 2.34 FEET; WEST 42.00 FEET TO THE SOUTH WEST CORNER OF A 5-STORY STONE BUILDING AT A POINT WHICH IS 7.32 FEET NORTH OF SAID SOUTH LINE OF BLOCK 15; THENCE NORTH 12.32 FEET; WEST 0.67 OF A FOOT; NORTH 34.35 FEET; WEST 9.06 FEET; SOUTH 9.24 FEET; WEST 20.47 FEET; SOUTH 7.75 FEET; WEST 16.20 FEET; NORTH 7.75 FEET; WEST 30.50 FEET; NORTH 14.34 FEET; WEST 9.22 FEET; SOUTH 63.66 FEET; EAST 5.74 FEET; SOUTH 12.70 FEET; WEST 5.76 FEET; SOUTH 20.27 FEET; EAST 3.00 FEET; SOUTH 3.00 FEET; WEST 7.75 FEET; SOUTH 4.50 FEET TO THE SOUTH EAST CORNER OF A 3-STORY STONE BUILDING, AT A POINT WHICH IS 10.20 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 14; THENCE WEST 27.12 FEET; NORTH 2.00 FEET; WEST 70.51 FEET; SOUTH 3.70 FEET; WEST 4.74 FEET; SOUTH 2.00 FEET; WEST 13.52 FEET; NORTH 2.00 FEET; WEST 46.95 FEET; SOUTH 2.70 FEET; WEST 20.75 FEET TO A POINT WHICH IS 5.24 FEET NORTH AND 0.81 OF A FOOT EAST OF THE SOUTH AND WEST LINES OF BLOCK 14 AFORESAID; THENCE NORTH 26.86 FEET; EAST 9.00 FEET; NORTH 28.96 FEET; WEST 4.82 FEET; NORTH 5.02 FEET; EAST 3.01 FEET; NORTH 67.70 FEET; WEST 3.50 FEET; NORTH 15.50 FEET; WEST 5.64 FEET; NORTH 16.50 FEET; EAST 5.64 FEET; NORTH 15.50 FEET; EAST 3.50 FEET; NORTH 70.70 FEET; WEST 3.00 FEET; NORTH 6.00 FEET; EAST 3.00 FEET; NORTH 15.28 FEET; WEST 1.47 FEET; NORTH 3.00 FEET; EAST 9.39 FEET; NORTH 13.07 FEET; NORTHWARDLY 15.20 FEET; WESTWARDLY 18.41 FEET; NORTH 44.20 FEET TO A POINT WHICH IS 3.61 FEET WEST OF THE WEST LINE OF BLOCK 14; THENCE EASTWARDLY 18.41 FEET; THENCE NORTHWARDLY 15.80 FEET; THENCE EAST 214.93 FEET; SOUTHWARDLY 15.82 FEET; EAST 18.45 FEET; SOUTH 22.96 FEET; EAST 73.94 FEET; NORTH 58.60 FEET; WEST 105.04 FEET; NORTHWESTWARDLY 28.34 FEET; NORTH 15.00 FEET; WEST 150.39 FEET TO THE SOUTH WEST CORNER OF A 5-STORY STONE BUILDING AT A POINT WHICH IS 0.74 OF A FOOT WEST OF THE WEST LINE OF BLOCK 14; THENCE NORTH 34.09 FEET; WEST 20.42 FEET; NORTH 24.92 FEET; WEST 4.72 FEET; NORTH 40.02 FEET; EAST 4.72 FEET; NORTH

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24.92 FEET; EAST 20.42 FEET; NORTH 34.11 FEET TO A POINT ON THE SOUTH LINE OF E. 58TH STREET, 0.47 OF A FOOT WEST OF THE SOUTH CORNER OF SAID BLOCK 16; THENCE EAST ALONG SAID SOUTH LINE OF E. 58TH STREET, A DISTANCE OF 353.74 FEET; THENCE SOUTH 247.60 FEET; EAST 100.42 FEET; NORTH 19.98 FEET; EAST 46.65 FEET; NORTH 4.00 FEET; EAST 45.58 FEET; SOUTH 4.00 FEET; EAST 16.66 FEET; NORTH 5.20 FEET; EAST 38.61 FEET; NORTH 22.57 FEET; WEST 23.00 FEET; NORTH 52.00 FEET; EAST 23.00 FEET; NORTH 24.00 FEET; EAST 54.00 FEET; SOUTH 24.00 FEET; EAST 23.00 FEET; SOUTH 52.00 FEET; WEST 23.00 FEET; SOUTH 32.56 FEET; EAST 43.95 FEET; NORTH 170.03 FEET; EAST 26.09 FEET; SOUTHEASTWARDLY 6.52 FEET; EAST 25.84 FEET; NORTHEASTWARDLY 6.52 FEET; EAST 6.87 FEET; NORTH 35.76 FEET; EAST 12.73 FEET; NORTH 3.51 FEET; WEST 2.19 FEET; NORTH 8.76 FEET TO A POINT AT THE NORTHWEST CORNER OF A 6-STORY STONE BUILDING, WHICH IS 7.31 FEET SOUTH OF THE NORTH LINE OF SAID BLOCK 16; THENCE EAST 45.64 FEET TO A POINT AT THE NORTH EAST CORNER OF SAID BUILDING, 7.36 FEET SOUTH OF THE NORTH LINE OF SAID BLOCK 16; THENCE SOUTH 8.76 FEET; WEST 2.19 FEET; SOUTH 3.51 FEET; EAST 25.38 FEET; SOUTH 173.05 FEET; WEST 25.20 FEET; SOUTH 34.04 FEET; EAST 1.92 FEET; SOUTH 2.60 FEET; EAST 6.00 FEET; NORTH 4.75 FEET; EAST 94.09 FEET; SOUTH 5.48 FEET; EAST 59.55 FEET TO A POINT AT THE NORTH EAST CORNER OF A 7-STORY STONE BUILDING, WHICH IS 5.00 FEET WEST OF THE EAST LINE OF SUBLOCK 15; THENCE SOUTH 46.00 FEET; WEST 2.60 FEET; SOUTH 187.45 FEET; EAST 3.52 FEET; SOUTH 11.50 FEET; EAST 3.55 FEET; SOUTH 22.00 FEET; WEST 3.65 FEET; SOUTH 11.50 FEET; WEST 5.97 FEET; SOUTH 9.75 FEET; EAST 0.67 OF FOOT; SOUTH 28.36 FEET; WEST 0.67 OF A FOOT; AND SOUTH 18.17 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

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

THAT PART OF BLOCK 13 IN KOKEMAN'S SUBDIVISION OF THE WEST 1/2 OF THE NORTH WEST 1/4 OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH THE VACATED ALLEY LYING WITHIN SAID BLOCK, SAID PART EMBRACING A CERTAIN STRUCTURE LYING WITHIN THE BOUNDARIES OF SAID BLOCK AND VACATED ALLEY BEING DESCRIBED AS FOLLOWS:
BEGINNING AT A POINT WHICH IS 9.03 FEET NORTH AND 7.79 FEET EAST OF THE SOUTH AND WEST LINES, RESPECTIVELY, OF SAID BLOCK 13, AND RUNNING THENCE NORTH, A DISTANCE OF 243.44 FEET TO A POINT WHICH IS 7.82 FEET EAST OF SAID WEST LINE OF BLOCK 13; THENCE ALONG LINES WHICH ARE PERPENDICULAR TO OR PARALLEL WITH THE DESCRIBED LINES, RESPECTIVELY, THE FOLLOWING COURSES AND DISTANCES: EAST 224.30 FEET; SOUTH 221.85 FEET; EAST 0.38 OF A FOOT; SOUTH 21.59 FEET TO A POINT WHICH IS 9.51 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 13, AND THENCE WEST 224.68 FEET TO THE POINT OF BEGINNING; IN COOK COUNTY, ILLINOIS.

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ATTACHMENT 2

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

THENCE EAST 190.07 FEET;

SOUTH 15.00 FEET;

THENCE SOUTHEASTWARDLY ALONG A LINE WHICH FORMS AN ANGLE OF 45 DEGREES 00 MINUTES 00 SECONDS WITH THE PROLONGATION OF LAST DESCRIBED COURSE, A DISTANCE OF 30.70 FEET, TO AN INTERSECTION WITH A LINE WHICH IS 194.42 FEET SOUTH OF AND PARALLEL WITH SAID SOUTH LINE OF E. 58TH STREET;

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

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

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

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

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

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

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

PROPERTY ADDRESS:

5841 SOUTH MARYLAND AVENUE, CHICAGO, ILLINOIS

PROPERTY INDEX NUMBERS:

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

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This instrument was prepared by
and after recording return to:

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

SPACE ABOVE THIS LINE FOR RECORDER'S USE.

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

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

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

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

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

ATTACHMENT 2

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

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

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

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

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

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

Lessor:

ATTEST:

THE UNIVERSITY OF CHICAGO

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

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

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO MEDICAL CENTER

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

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

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

Lessor:

ATTEST:

THE UNIVERSITY OF CHICAGO

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

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

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO MEDICAL CENTER

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

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

ATTACHMENT 2

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

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

(SEAL)

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

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

My Commission Expires: July 30, 2014

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

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

(SEAL)

_____
Notary Public in and for Cook County, Illinois

My Commission Expires:

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

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

(SEAL)

_____
Notary Public in and for Cook County, Illinois

My Commission Expires:

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

GIVEN under my hand and notarial seal this 26 day of June, 2012.

"OFFICIAL SEAL"
WANDA H. WIDEMAN
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 8/4/2014

(SEAL)

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

My Commission Expires: 8-4-2014

Exhibit A

LEGAL DESCRIPTION

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

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

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

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

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

WHICH BUILDINGS ARE LOCATED ON THE FOLLOWING DESCRIBED LANDS:

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

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

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

-1-

WEST 11.10 FEET; SOUTH 4.45 FEET; WEST 19.80 FEET; NORTH 4.45 FEET; WEST 11.10 FEET; NORTH 2.34 FEET; WEST 49.02 FEET; SOUTH 4.37 FEET; WEST 19.50 FEET; NORTH 4.37 FEET; WEST 45.02 FEET; SOUTH 2.34 FEET; WEST 44.99 FEET TO THE SOUTH WEST CORNER OF A 3-STORY STONE BUILDING, AT A POINT WHICH IS 7.24 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 36; THENCE NORTH 2.34 FEET; WEST 0.67 OF A FOOT; NORTH 108.50 FEET; WEST 15.00 FEET; SOUTH 1.67 FEET; WEST 6.33 FEET; NORTH 1.67 FEET; WEST 48.62 FEET; SOUTH 8.70 FEET; EAST 11.65 FEET; SOUTH 20.60 FEET; WEST 45.60 FEET; NORTH 20.60 FEET; EAST 11.40 FEET; NORTH 6.20 FEET; WEST 48.62 FEET; SOUTH 1.67 FEET; WEST 6.33 FEET; NORTH 1.67 FEET; WEST 15.00 FEET; SOUTH 32.60 FEET; EAST 8.60 FEET; NORTH 1.67 FEET; EAST 4.75 FEET; SOUTH 2.38 FEET; EAST 5.80 FEET; SOUTH 19.12 FEET; WEST 5.88 FEET; SOUTH 2.38 FEET; WEST 4.75 FEET; NORTH 1.67 FEET; WEST 8.80 FEET; SOUTH 55.20 FEET; WEST 0.67 OF A FOOT; SOUTH 2.34 FEET TO THE SOUTH EAST CORNER OF A 3-STORY STONE BUILDING AT A POINT WHICH IS 7.27 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 15; THENCE WEST 45.00 FEET; NORTH 2.34 FEET; WEST 48.48 FEET; SOUTH 7.80 FEET; WEST 15.58 FEET; NORTH 7.80 FEET; WEST 48.48 FEET; SOUTH 2.34 FEET; WEST 42.00 FEET TO THE SOUTH WEST CORNER OF A 5-STORY STONE BUILDING AT A POINT WHICH IS 7.32 FEET NORTH OF SAID SOUTH LINE OF BLOCK 16; THENCE NORTH 13.32 FEET; WEST 0.67 OF A FOOT; NORTH 84.35 FEET; WEST 4.06 FEET; SOUTH 8.84 FEET; WEST 20.47 FEET; SOUTH 7.75 FEET; WEST 16.20 FEET; NORTH 7.75 FEET; WEST 30.50 FEET; NORTH 14.34 FEET; WEST 9.22 FEET; SOUTH 63.46 FEET; EAST 5.76 FEET; SOUTH 12.70 FEET; WEST 5.76 FEET; SOUTH 20.27 FEET; EAST 5.00 FEET; SOUTH 9.00 FEET; WEST 7.79 FEET; SOUTH 5.50 FEET TO THE SOUTH EAST CORNER OF A 3-STORY STONE BUILDING, AT A POINT WHICH IS 10.20 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 16; THENCE WEST 87.19 FEET; NORTH 2.00 FEET; WEST 70.51 FEET; SOUTH 3.70 FEET; WEST 4.74 FEET; SOUTH 2.00 FEET; WEST 13.58 FEET; NORTH 2.00 FEET; WEST 46.65 FEET; SOUTH 2.70 FEET; WEST 20.75 FEET TO A POINT WHICH IS 5.24 FEET NORTH AND 0.81 OF A FOOT EAST OF THE SOUTH AND WEST LINES OF BLOCK 14 AFORESAID; THENCE NORTH 28.35 FEET; EAST 9.30 FEET; NORTH 29.95 FEET; WEST 4.82 FEET; NORTH 6.02 FEET; EAST 3.01 FEET; NORTH 67.70 FEET; WEST 3.50 FEET; NORTH 15.50 FEET; WEST 9.04 FEET; NORTH 16.50 FEET; EAST 5.64 FEET; NORTH 15.50 FEET; EAST 3.50 FEET; NORTH 78.75 FEET; WEST 3.00 FEET; NORTH 6.00 FEET; EAST 3.00 FEET; NORTH 35.28 FEET; WEST 1.47 FEET; NORTH 3.00 FEET; EAST 9.39 FEET; NORTH 13.07 FEET; NORTHWARDLY 13.20 FEET; WESTWARDLY 18.41 FEET; NORTH 44.20 FEET TO A POINT WHICH IS 3.41 FEET WEST OF THE WEST LINE OF BLOCK 14; THENCE EASTWARDLY 18.41 FEET; THENCE NORTHWARDLY 15.80 FEET; THENCE EAST 214.92 FEET; SOUTHWARDLY 15.82 FEET; EAST 18.45 FEET; SOUTH 22.96 FEET; EAST 73.94 FEET; NORTH 58.60 FEET; WEST 105.04 FEET; NORTHWESTWARDLY 28.34 FEET; NORTH 15.00 FEET; WEST 150.39 FEET TO THE SOUTH WEST CORNER OF A 8-STORY STONE BUILDING AT A POINT WHICH IS 0.74 OF A FOOT WEST OF THE WEST LINE OF BLOCK 14; THENCE NORTH 34.99 FEET; WEST 20.42 FEET; NORTH 24.92 FEET; WEST 4.32 FEET; NORTH 40.02 FEET; EAST 4.72 FEET; NORTH

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24.92 FEET; EAST 20.92 FEET; NORTH 34.11 FEET TO A POINT ON THE SOUTH LINE OF E. 58TH STREET, 0.47 OF A FOOT WEST OF THE SE CORNER OF SAID BLOCK 16; THENCE EAST ALONG SAID SOUTH LINE OF E. 58TH STREET, A DISTANCE OF 363.24 FEET; THENCE SOUTH 247.60 FEET; EAST 103.42 FEET; NORTH 14.98 FEET; EAST 46.65 FEET; NORTH 4.02 FEET; EAST 45.58 FEET; SOUTH 6.00 FEET; EAST 16.66 FEET; NORTH 5.20 FEET; EAST 36.61 FEET; NORTH 22.57 FEET; WEST 23.00 FEET; NORTH 52.60 FEET; EAST 23.00 FEET; NORTH 24.00 FEET; EAST 54.00 FEET; SOUTH 24.00 FEET; EAST 23.00 FEET; SOUTH 52.00 FEET; WEST 25.00 FEET; SOUTH 32.56 FEET; EAST 43.75 FEET; NORTH 170.03 FEET; EAST 26.05 FEET; SOUTHEASTWARDLY 6.52 FEET; EAST 25.84 FEET; NORTHEASTWARDLY 6.42 FEET; EAST 6.37 FEET; NORTH 35.76 FEET; EAST 12.73 FEET; NORTH 3.51 FEET; WEST 2.10 FEET; NORTH 6.76 FEET TO A POINT AT THE NORTHWEST CORNER OF A 5-STORY STONE BUILDING, WHICH IS 7.31 FEET SOUTH OF THE NORTH LINE OF SAID BLOCK 16; THENCE EAST 45.64 FEET TO A POINT AT THE NORTH EAST CORNER OF SAID BUILDING, 7.36 FEET SOUTH OF THE NORTH LINE OF SAID BLOCK 16; THENCE SOUTH 8.76 FEET; WEST 2.19 FEET; SOUTH 3.51 FEET; EAST 29.38 FEET; SOUTH 173.05 FEET; WEST 69.20 FEET; SOUTH 34.04 FEET; EAST 1.92 FEET; SOUTH 2.60 FEET; EAST 6.00 FEET; NORTH 4.75 FEET; EAST 94.00 FEET; SOUTH 5.58 FEET; EAST 49.55 FEET TO A POINT AT THE NORTH EAST CORNER OF A 7-STORY STONE BUILDING, WHICH IS 3.00 FEET WEST OF THE EAST LINE OF SAID BLOCK 16; THENCE SOUTH 46.00 FEET; WEST 3.50 FEET; SOUTH 157.45 FEET; EAST 3.50 FEET; SOUTH 11.50 FEET; EAST 3.35 FEET; SOUTH 22.00 FEET; WEST 3.05 FEET; SOUTH 11.50 FEET; WEST 5.37 FEET; SOUTH 9.75 FEET; EAST 6.67 OF FOOT; SOUTH 84.36 FEET; WEST 0.67 OF A FOOT; AND SOUTH 18.11 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 2 (BEING THE PERIMETER OF THE BUILDING KNOWN AS "WATER/SEWER MANAGEMENT FACILITIES"):

THAT PART OF BLOCK 13 IN ROCKEFELLER'S SUBDIVISION OF THE WEST 1/2 OF THE NORTH WEST 1/4 OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH THE VACATED ALLEY LYING WITHIN SAID BLOCK, SAID PART HEREINAFTER DESCRIBED A CERTAIN STRUCTURE LYING WITHIN THE BOUNDARIES OF SAID BLOCK AND VACATED ALLEY BEING DESCRIBED AS FOLLOWS:
BEGINNING AT A POINT WHICH IS 9.00 FEET NORTH AND 7.79 FEET EAST OF THE SOUTH AND WEST LINES, RESPECTIVELY, OF SAID BLOCK 13, AND RUNNING THENCE NORTH, A DISTANCE OF 243.64 FEET TO A POINT WHICH IS 7.92 FEET EAST OF SAID WEST LINE OF BLOCK 13; THENCE ALONG LINES WHICH ARE PERPENDICULAR TO OR PARALLEL WITH THE DESCRIBED LINES, RESPECTIVELY, THE FOLLOWING COURSES AND DISTANCES: EAST 224.30 FEET; SOUTH 221.85 FEET; EAST 0.38 OF A FOOT; SOUTH 21.59 FEET TO A POINT WHICH IS 9.51 FEET NORTH OF THE SOUTH LINE OF SAID BLOCK 13, AND THENCE WEST 224.68 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

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ATTACHMENT 2

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

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

BEGINNING AT A POINT WHICH IS 110.25 FEET NORTH AND 1.00 FEET EAST OF THE SOUTH AND WEST LINES, RESPECTIVELY, OF SAID BLOCK 14, AND RUNNING

THENCE WEST ALONG A LINE WHICH IS PERPENDICULAR TO SAID WEST LINE OF BLOCK 14 A DISTANCE OF 29.49 FEET;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SOUTH 34.13 FEET;
WEST 30.42 FEET;
SOUTH 24.52 FEET;
WEST 4.72 FEET;
SOUTH 40.02 FEET;
EAST 4.72 FEET;
SOUTH 24.92 FEET;
EAST 20.42 FEET;
SOUTH 34.09 FEET TO A POINT WHICH IS 0.74 OF A FOOT WEST OF SAID WEST LINE OF BLOCK 14;

THENCE EAST 150.07 FEET;

SOUTH 15.00 FEET;

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

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

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

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

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

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

THENCE SOUTH A DISTANCE OF 19.80 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

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

PROPERTY ADDRESS:

5841 SOUTH MARYLAND AVENUE, CHICAGO, ILLINOIS

PROPERTY INDEX NUMBERS:

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

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This instrument was prepared by
and after recording return to:

Robert Rush
University of Chicago
Office of Legal Counsel
5801 S. Ellis Avenue, Suite 619
Chicago, Illinois 60637

SPACE ABOVE THIS LINE FOR RECORDER'S USE.

NEW HOSPITAL PAVILION LEASE AGREEMENT

THIS LEASE AGREEMENT dated as of August 20, 2009 (herein, together with all supplements and amendments hereto made or entered into at any time hereafter, referred to as this "Lease") is made by and between THE UNIVERSITY OF CHICAGO (the "Lessor"), an Illinois not-for-profit corporation, and THE UNIVERSITY OF CHICAGO MEDICAL CENTER (the "Lessee"), an Illinois not-for-profit corporation, who hereby mutually covenant and agree as follows:

ARTICLE I

DEFINITIONS

1.1 "Affiliation Agreement." Affiliation Agreement shall mean the Affiliation Agreement dated October 1, 1986 entered into between Lessor and Lessee, as the same may be amended, modified or supplemented from time to time.

1.2 "Default Interest Rate." Default Interest Rate shall mean the Corporate Base Rate as posted by JPMorgan Chase Bank, N.A., or its successor, each day.

1.3 "Improvements." Improvements shall mean, at any time, all buildings and any other improvements comprising or located on the premises.

1.4 "Loan Agreement." Loan Agreement shall mean, collectively: (i) the Loan Agreement dated as of August 1, 2009 between the Lessee and the Illinois Finance Authority, as successor to the Illinois Health Facilities Authority or its successor, if any (the "Authority") related to the Illinois Finance Authority Revenue Bonds, Series 2009C (The University of Chicago Medical Center), (ii) the Loan Agreement dated as of August 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2009D (The University of Chicago Medical Center) (the "Series 2009D Bonds") and any Credit Facility Agreement (as defined in the Loan Agreement) for the Series 2009D Bonds or any subseries thereof, which is initially the Reimbursement Agreement dated as of August 1, 2009 between the Lessee and Bank of America, N.A., and (iii) the Loan Agreement dated as of August 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2009E (The University of Chicago Medical Center) (the "Series 2009E Bonds") and any

Credit Facility Agreement (as defined in such Loan Agreement) for the Series 2009E Bonds or any subseries thereof, which is initially the Reimbursement Agreement dated as of August 1, 2009 between the Lessee and JPMorgan Chase Bank, National Association, and, in the case of each of the foregoing clauses, as such agreements may from time to time be amended in accordance with the terms thereof.

1.5 "Premises." Premises shall mean the real property set forth in the legal description contained in EXHIBIT A, together with all buildings, appurtenances and fixtures located thereon.

ARTICLE II

DEMISE

2.1 Lease of Property. Upon the terms and conditions hereinafter set forth and in consideration of the payment of the rent hereinafter set forth and of the performance by Lessor and Lessee of each and every one of the covenants and agreements hereinafter contained to be kept and performed by each of them, Lessor does hereby lease, let and demise unto Lessee, and Lessee does hereby lease of and from Lessor the Premises.

ARTICLE III

TITLE, CONDITION AND USE OF THE LEASED PREMISES

3.1 Title and Condition.

(a) Except for the express warranty set out in Section 3.1 (b), the Premises are demised and let in their condition as in effect at the commencement of the lease term relating thereto, "as is," and without any representation or warranty by Lessor of any kind as to any matter whatsoever express or implied (including, without limitation, the physical condition thereof).

(b) Lessor represents and warrants that, as of the date of this Lease, Lessor is the fee owner of the Premises and holds title to such land and Improvements as, and subject to the qualifications and exceptions, shown on the Commitments for Title Insurance (the "Title Reports") prepared by Chicago Title Insurance Company, copies of which have been furnished to Lessor and Lessee, as they may be subsequently revised with the agreement of the parties.

(c) LESSOR HAS NOT MADE AN INSPECTION OF THE PREMISES OR OF ANY PROPERTY, FIXTURE, EQUIPMENT OR OTHER ITEM CONSTITUTING A PORTION THEREOF, AND LESSOR MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED OR OTHERWISE, WITH RESPECT TO THE SAME OR THE LOCATION, USE, DESCRIPTION, DESIGN, MERCHANTABILITY, FITNESS FOR USE FOR ANY PARTICULAR PURPOSE, CONDITION OR DURABILITY THEREOF, OR AS TO THE QUALITY OF THE MATERIAL OR WORKMANSHIP THEREIN, OR OTHERWISE. THE PREMISES ARE BEING LEASED "AS IS." ALL WARRANTIES ARE EXPRESSLY WAIVED BY LESSEE. THE PROVISIONS

OF THIS SECTION 3.1 ARE INTENDED TO BE A COMPLETE EXCLUSION AND NEGATION OF ANY AND ALL WARRANTIES (EXCEPT ONLY THE EXPRESS WARRANTY CONTAINED IN SECTION 3.1.(b)) BY LESSOR, EXPRESS OR IMPLIED, WITH RESPECT TO THE PREMISES AND ALL PROPERTY, FIXTURES, EQUIPMENT AND OTHER ITEMS CONSTITUTING A PORTION THEREOF.

3.2 Use of Premises. Lessee shall manage and operate the facilities on the Premises in a manner consistent with the Affiliation Agreement. The Premises, and every part thereof, shall be used and occupied only for the purpose of building and operating a not-for-profit hospital and related outpatient clinics which is supportive of the Lessor's academic and research mission. Lessee may operate certain facilities incidental to the operation of the health care facility such as a cafeteria and a hospital gift shop, unless prohibited from so doing pursuant to Sections 3.3 and 3.4 below.

3.3 Certain Uses Prohibited. Except to the extent that such violation will not materially adversely affect the business or financial position or ability to operate of either Lessee or Lessor, Lessee shall not use or occupy the Premises, or any part thereof, or permit the Premises, or any part thereof, to be used or occupied: contrary to any statute, law, rule, order, ordinance, requirement, regulation, covenant, condition or restriction of record applicable thereto; or in any manner which would violate any certificate of occupancy affecting the same, or which would cause major damage to the improvements. Lessee shall not use or occupy the Premises for any unlawful purpose, or in any manner which would cause, maintain or permit any nuisance or anything against public policy in or about the Premises or any part thereof. Except as necessary for Lessee to conduct its ordinary business as contemplated under this Lease, Lessee will not keep or use on the Premises or any part thereof any inflammable or explosive liquids or materials. Lessee will not commit or suffer to be committed any waste in, upon or about the Premises, or any part thereof. Lessee shall not permit persons under its control to engage in any unlawful activity in or about the Premises, and shall endeavor to prohibit any activity from being conducted on the Premises which is prohibited by the Affiliation Agreement.

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

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

3.6 Agreements Affecting the Premises. Lessee shall keep, observe, perform and comply with all covenants, conditions and restrictions in any endowments or instruments of gift or bequest which affect the Premises.

3.7 Lessor's Right to Terminate Lessee's Occupancy Upon Abandonment. If Lessee should, for any reason other than a major renovation of the Premises or other than any of the reasons set out in the last sentence of Section 3.5, at any time cease to occupy or use for the uses permitted by Section 3.2 hereof for any period exceeding 90 consecutive days (or for any 90 days within any 120-day period) all or substantially all of any building which comprises part of the Premises, then Lessor has the right (but no obligation), upon written notice to Lessee, to terminate this Lease with respect to such Abandoned Premises (the "Abandoned Premises"), and by such notice to Lessee, such Abandoned Premises shall automatically cease to be a part of the Premises and shall permanently revert to the Lessor, and thereafter, Lessee shall have no rights or obligations with respect to the Abandoned Premises; provided, however, that until receipt of Lessor's notice pursuant to this Section 3.7, Lessee shall have full liability for all obligations under this Lease with respect to the Abandoned Premises.

Further, should Lessee fail to substantially complete construction (so as to permit building occupancy) of the NHP (as defined in Article VII hereof) within forty-eight (48) months of signing this Lease, this Lease shall be terminated and possession of the premises, including all improvements located thereon shall be surrendered by Lessee and delivered to Lessor.

ARTICLE IV

TERM

4.1 Lease Term. The term of this Lease (the "Lease Term") shall commence on date hereof. The Lease Term shall end upon the earliest of the following events: (a) the termination of the Affiliation Agreement or any extensions thereof; (b) the expiration of the Affiliation Agreement as a result of an exercise of the election not to renew for additional 10 year terms; (c) Lessor's assumption of Lessee's obligations under Lessee's loan agreements with the Authority pursuant to Section 18.2 of the Lease between the Lessor and Lessee dated as of June 30, 1987, as may be amended from time to time (the "1987 Lease"), Section 16.3 of the Center for Advanced Medicine and Pritzker Building Lease Agreement between Lessor and Lessee dated as of June 21, 1993, as may be amended from time to time (the "DCAM Lease"), or Section 16.3 of the Comer Children's Hospital Lease Agreement dated as of June 29, 2001, between Lessor and Lessee dated as of June 21, 1993, as may be amended from time to time (the "Comer Lease"); (d) termination of this Lease otherwise in accordance with its terms.

4.2 Possession. At any time during the Lease Term, Lessee shall have the right (subject to the terms and conditions of this Lease) to enter upon, occupy, possess and peaceably and quietly have, hold and enjoy the Premises, provided that (a) Lessor shall retain the right to enter upon the Premises at any time in order to make inspections or to exercise any other rights of Lessor hereunder and further provided that except in the case of emergency, any entry by Lessor pursuant to this Section 4.2 shall not unreasonably interfere with Lessee's use of the Premises; and (b) Lessor shall retain the right to enter upon and occupy certain portions of Parcel 3 of the Premises in order to install and maintain conduits for utility services (including but not limited to gas, water, sewer, electricity and telecommunications services) through and under the Premises, provided that no such access, use or occupancy shall materially interfere with or materially impair the Lessee's operation of the Premises.

ARTICLE V

RENT

5.1 Basic Rent. Lessee covenants to pay Lessor rent ("Basic Rent") for the Premises for the entire Lease Term in the amount of $10.00, all due and payable on August 20, 2009.

5.2 Additional Rent.

(a) Lessee covenants to pay and discharge when the same shall become due or payable, as additional rent hereunder, all of the following (collectively, "Impositions"): each and every cost, tax, assessment and other expense on or with respect to the Premises or any part thereof, or for the payment of which Lessor or Lessee is liable pursuant to any provision of this Lease or by reason of any rights or interest of Lessor or Lessee in this Lease, or any portion thereof or relating to the Premises or any portion thereof, or the operation, maintenance, insurance, alteration, repair, rebuilding, possession, use or occupancy of the Premises or any portion thereof, or by reason of or in any manner connected with or relating to this Lease, or for any other reason whether similar or dissimilar to the foregoing, foreseen or unforeseen, together with every fine, penalty, interest and cost which may be added for nonpayment or late payment thereof; provided, however, that nothing herein shall require Lessee to pay any franchise, transfer, Federal net income, Federal profits, single business or other taxes of Lessor determined on the basis of Lessor's income or revenue, unless such tax is in lieu of or a substitute for any other tax or assessment upon or with respect to the Premises, which if such other tax or assessment were in effect, would be payable by Lessee hereunder.

(b) Lessee covenants to pay, as additional rent hereunder, all amounts, charges or costs required to be paid by Lessee under this Lease, all in accordance with the provisions of this Lease. All such additional rent, together with all Impositions are sometimes referred to collectively herein as "Additional Rent" and all Additional Rent and Basic Rent are sometimes referred to collectively herein as "Rent."

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

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

ARTICLE VI

IMPOSITIONS AND OTHER LIENS

6.1 Payment by Lessee.

(a) At Lessee's request, Lessor will apply for real estate tax exemptions for those portions of the Premises which are not exempt from such taxes and will charge the expenses of obtaining the exemption to the Lessee.

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

(c) Lessee shall also be responsible for and shall pay prior to delinquency any and all taxes, whether or not customary or now within the contemplation of the parties hereto and regardless of whether imposed upon Lessor or Lessee: (i) levied against, upon, measured by or reasonably attributable to any and all equipment, furniture, fixtures and other personal property located in or upon the Premises; (ii) upon or with respect to the possession, leasing, operation, management, maintenance, alteration, repair, use or occupancy by Lessee of the Premises or any portion thereof; or (iii) upon this transaction. If, at any time during the term, any of the foregoing taxes are included with any tax bills to Lessor or upon or relating to the Premises, then Lessee shall promptly upon notice by Lessor reimburse Lessor for any and all such taxes and such tax or assessment shall for purposes of this Lease be deemed to be taxes or assessments under this Section 6.1 payable by Lessee; provided, however, that if such taxes are included in a bill which also covers property owned by Lessor or property other than the Premises or property other than that within or upon the Premises, Lessee shall pay its share of such tax or assessment based on a reasonable allocation proposed by Lessor and acceptable to Lessee, but if the parties cannot agree, the amount allocated to Lessee shall be based on Lessee's proportionate share of the square footage of the premises covered by such tax or assessment; and provided further, that if the activity of one of the parties alone has resulted in the imposition of the tax or assessment, then that party shall pay the full cost of such tax or assessment.

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

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

6.2 Alternative Taxes.

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

(b) Without limiting the generality of the preceding Section 6.2(a), if at any time during the Lease Term a tax, excise, assessment or imposition on rents or income or the privilege of leasing (as lessor or as lessee) real or personal property or other tax however described (a "Rent Tax") is levied or assessed by any governmental unit or taxing authority, on account of the rents payable or receivable hereunder or the interest of Lessor under this Lease or the privilege of leasing (as lessor or as lessee) real or personal property or otherwise, then Lessee agrees to reimburse Lessor on account thereof for the full amount thereof reasonably allocated by Lessor to this Lease or the Premises.

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

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

6.5 Encumbering Title. Lessee shall not do or suffer to be done any act or omission which shall in any way encumber (or result in the encumbrance of) the title of Lessor in and to the Premises, nor shall the interest or estate of Lessor in the Premises be in any way subject to

any mortgage, claim by way of lien or encumbrance, whether by operation of law or by virtue of any express or implied contract by or of Lessee.

6.6 Liens. Lessee shall not permit the Premises to remain subject to any mechanics', laborers', materialmen's or similar lien on account of labor, service or material furnished to, or claimed to have been furnished to, or for the benefit of Lessee or the Premises, except if payment for such labor, service or material is not yet due under the contract in question and except to the extent such lien is being contested in accordance with the terms of Section 6.7 hereof.

6.7 Permitted Contests. Lessee shall not be required to pay any Imposition, or to remove any lien, charge or encumbrance required to be removed under Sections 6.5 and 6.6 hereof, or to comply with any law, ordinance, rule, order, decree, decision, regulation or requirement referred to in Section 3.3 hereof, so long as Lessee shall, in good faith and at its sole cost and expense, be actively contesting the amount or validity thereof, in an appropriate manner and by appropriate legal proceedings which shall operate during the pendency thereof to prevent the sale, estate or interest therein, and provided, that no such contest shall subject Lessor to the risk of any loss or liability. Lessee will indemnify, defend and save Lessor harmless from and against any and all losses, judgments, decrees, liabilities, claims and costs (including, without limitation, attorneys' fees and expenses in connection therewith) which may relate to or result from any such contest.

6.8 Notice. Lessor shall promptly deliver to Lessee any notice, bill, assessment or other documentation received by Lessor requiring payment of any tax, imposition or other payment required by this Article VI.

ARTICLE VII

CONSTRUCTION OF NEW HOSPITAL PAVILION

Lessor and Lessee understand that Lessee anticipates building the New Hospital Pavilion (the "NHP") on the Premises. The NHP will be a 10 floor, approximately 1,200,000 square foot medical pavilion for specialty care, with 52 operating rooms and 240 inpatient beds, as well as diagnostic imaging and procedure suites.

ARTICLE VIII

INSURANCE

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

Any insurance procured and maintained pursuant to this Article VIII may be obtained jointly by Lessor and Lessee or separately by either party. To the extent insurance is obtained

jointly or by Lessor, Lessor shall allocate, on an equitable basis consistent with past practice or acceptable to Lessee, the cost of such policies or self-insurance as between Lessor and Lessee, and Lessee shall pay to Lessor, as Additional Rent, the portion of the cost of such policies or self-insurance so allocated to Lessee by Lessor. To the extent Lessee procures and maintains insurance policies covering the Premises, the entire cost and expense of such policies shall be paid by Lessee and considered to be Additional Rent.

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

8.2 Mutual Waiver of Subrogation Rights. Whenever (a) any loss, cost, damage or expense resulting from fire, explosion or any other casualty or occurrence is incurred by either of the parties to this Lease in connection with the Premises, and (b) such party is then covered in whole or in part by insurance with respect to such loss, cost, damage or expense, then the party so insured (or hereby required so to insure) hereby releases the other party from any liability it may have on account of such loss, cost, damage or expense to the extent of any amount recovered by reason of such insurance (or which could have been recovered had such insurance been carried as so required) and waives any right of subrogation which might otherwise exist in or accrue to any person on account thereof, provided that such release of liability and waiver of the right of subrogation shall not be operative in any case where the effect thereof is to invalidate such insurance coverage or increase the costs thereof (provided that in the case of increased cost the other party shall have the right, within thirty days following written notice, to pay such increased cost, thereupon keeping such release and waiver in full force and effect).

ARTICLE IX

MAINTENANCE AND ALTERATIONS

9.1 Maintenance. Lessee shall, at its sole cost and expense, at all times keep and maintain the entire Premises (specifically including, without limitation, for each building, the exterior, the interior, the heating, ventilating and air conditioning equipment and system, the building systems, the structure and the roof) in good condition and repair, and in a safe, secure, clean and sanitary condition and, except to the extent that failure to do so will not materially adversely affect Lessee's financial position or its ability to operate its business, in full compliance with all building, fire, health and other applicable laws, codes, ordinances, rules and regulations and conforming to all requirements of any governmental authority having jurisdiction over the Premises. As used herein, each and every obligation of Lessee to keep, maintain and repair shall include, without limitation, all ordinary and extraordinary structural and nonstructural repairs and replacements. Notwithstanding the foregoing, if unanticipated major structural repairs are required within the last five years of the lease

term, the parties will attempt to negotiate a reasonable sharing of the cost of such repairs. All repairs, replacements and restoration to any exterior portion of any building, or to any structural portion of any building, shall be done in a manner that has been approved in advance by Lessor. If Lessee does not promptly make such repairs and replacements, Lessor may, but need not, make such repairs and replacements and the amount paid by Lessor for such repairs and replacements shall be deemed Additional Rent reserved under this Lease due and payable upon demand. Lessor may (but shall not be required to) enter the Premises at all reasonable times to make such repairs or alterations as Lessor shall reasonably deem necessary or appropriate for the preservation of the Premises.

9.2 Alterations.

(a) Lessee shall consult with Lessor's Facilities Services department from time to time and apprise them of modifications, alterations, or additions to space or demolishing facilities within the Premises ("Alterations"), and Lessee shall not make any major alterations that have a substantial effect on the nature of activities on the Premises, without the consent of Lessor, which shall not be unreasonably withheld. Lessee shall review plans for such alterations with the Lessor's Facilities Services department to confirm that they conform to reasonable, established architectural criteria for the University campus.

(b) Lessee shall, subject to the right to contest as set forth in Section 6.7 hereof, at Lessee's expense, make such repairs and alterations, if any, on the Premises as are expressly required by any governmental authority or which may be made necessary by the act or neglect of Lessee, its employee's agents or contractors, or any persons, firm or corporation, claiming by, through or under Lessee; provided, however, that to the fullest extent permitted by applicable law or governmental order, all such work shall be done pursuant to the notice, review and approval provisions set forth in Section 9.2 (a).

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

(d) Upon completion of any such work by or on behalf of Lessee, Lessee shall provide Lessor with access to such documents as Lessor may reasonably require (including, without limitation, a certificate of occupancy, if such certificates are then issued by the appropriate governmental agency or agencies with respect to projects or work of the type so performed by or on behalf of Lessee, an architect's certificate of completion, and sworn contractors' and subcontractors' statements and supporting final lien waivers) evidencing completion of the work in compliance with applicable laws (and, if relevant, with plans and specifications approved by Lessor) and payment in full for such work, and "as built" working drawings.

9.3 Title to Alterations. All improvements and Alterations installed pursuant to this Lease shall be deemed part of the Premises and the property of Lessor (subject only to Lessee's rights hereunder during the Lease Term); provided, however, that upon expiration of this Lease, Lessee may remove from the Premises, in accordance with the provisions of Section 15.2 hereof, any trade fixtures and personal property which are owned by Lessee.

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

ARTICLE X

ASSIGNMENT AND SUBLETTING

10.1 Consent Required.

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

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

ARTICLE XI

UTILITIES

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

ARTICLE XII

INDEMNITY AND WAIVER

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

12.2 Waiver of Certain Claims. Lessee waives all claims it may have against Lessor and Lessor's trustees, officers, agents, or employees for damage or injury to person or property sustained by Lessee or any persons claiming through Lessee or by any occupant, patient, visitor, invitee or licensee of Lessee or the Premises, or any part thereof, or by any other person, occurring at, upon, within or about, or resulting from the condition of, any part of the Premises or resulting directly or indirectly from any act or omission of Lessee to the fullest extent permitted by law; provided, however, that nothing contained herein shall relieve Lessor from liability for its own negligence or willful misconduct. The foregoing waiver shall include, without limitation, damage or injury caused by water, snow, frost, steam, excessive heat or cold, sewage, gas, odors or noise, or caused by bursting or leaking of pipes or plumbing fixtures or unsafe conditions, and shall apply equally whether any such damage or injury results from the act or omission of Lessee or of any other person and whether such damage be caused by or result from any thing or circumstance whether of a like nature or of

a wholly different nature. All personal property belonging to Lessee or any other person other than Lessor that is in or on any part of the Premises shall be there at the risk of Lessee or of such other person only, and Lessor shall not be liable for any damage thereto or for the theft or misappropriation thereof.

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

ARTICLE XIII

INSPECTION

13.1 Inspection. Lessor and Lessor's agents may enter the Premises at any time for the purpose of inspecting the same, or of making repairs which Lessee has failed for any reason to make in accordance with the covenants and agreements of this Lease, and also for the purpose of showing the Premises to persons interested in the programs and activities carried on thereat; provided, however, that except in the case of emergency or if necessary to correct any unsafe or unsound condition, any entry by Lessor pursuant to this Section 13.1 shall not unreasonably interfere with Lessee's use of the Premises.

ARTICLE XIV

LESSEE'S COVENANTS

14.1 Covenants. Lessee hereby covenants and agrees that:

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

(b) Lessee shall not enter into any agreement containing any provision which would be violated or breached by the performance of any of its obligations hereunder or under any instrument or document delivered or to be delivered by it hereunder or in connection herewith.

ARTICLE XV

SURRENDER

15.1 Surrender. Upon termination of this Lease for any reason, Lessee will at once surrender and deliver up the Premises to Lessor in good condition and repair, reasonable wear and tear excepted. Lessee shall deliver to Lessor keys to all doors on the Premises. All hardware, fixtures (other than trade fixtures), and improvements, in or upon the Premises, shall become Lessor's property and shall remain upon the Premises upon any termination of this Lease, without compensation, allowance or credit to Lessee.

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

15.3 Holding Over. Any holding over of the Premises by Lessee after the expiration of this Lease shall operate and be construed to be a tenancy from month to month only. During any such extended term of this Lease, all of the provisions hereof (including without limitation, those obligating Lessee to pay all Additional Rent) shall govern and apply, except that Lessee shall pay Base Rent to Lessor for such period at the rate of $100,000.00 per month. Nothing contained in this Section 15.3 shall be construed to give Lessee the right to hold over after the expiration of this Lease, and Lessor may exercise any and all remedies at law or in equity to recover possession of the Premises.

ARTICLE XVI

DEFAULTS AND REMEDIES

16.1 Defaults. Lessee agrees that the occurrence of any one or more of the following events shall constitute an Event of Default for all purposes of this Lease:

(i) Lessee fails to pay, within 30 days after written notice to Lessee that the same is due and payable, any amount of Rent (including, without limitation, Additional Rent) due hereunder;

(ii) Lessee fails to pay, within 30 days after written notice to Lessee that the same is due and payable, any other amount or charge required to be paid by Lessee hereunder;

(iii) Lessee fails in any material respect to keep, observe or perform any of the other covenants or agreements herein contained to be kept, observed and performed by Lessee, and Lessee fails to completely and fully cure such default within 30 days after notice thereof in writing to Lessee; provided, however, that if such matter

cannot be cured within 30 days, then no Event of Default shall be deemed to have occurred with respect thereto so long as cure is commenced immediately and Lessee diligently proceeds to complete cure within a reasonable period of time, and provided further, that no cure period whatsoever shall apply with respect to a hazardous or emergency condition;

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

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

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

(vii) Any case, proceeding or other action against the Lessee or any of its property shall be filed, instituted or commenced seeking to have an order for relief entered against it as debtor, or seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, or seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its property, and such case, proceeding or other action results in the entry of an order for relief against it which is not fully stayed within 30 days after the entry thereof or remains undismissed for a period of 60 days;

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

(ix) An Event of Default shall have occurred under the 1987 Lease, the DCAM Lease or the Comer Lease.

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

the effective date of such termination, plus interest at the Default Interest Rate, plus the cost of performing any other covenants or obligations Lessee should have performed on or before the effective date of such termination. Lessor may relet all or any part of the Premises and none of the rents or other amounts received by Lessor as a result of any such reletting shall reduce, or be a credit or offset against, the damages and other amounts required to be paid by Lessee to Lessor hereunder with respect to such termination or otherwise, except as required by law.

16.3 Assumption of Loan Agreement Obligations. Notwithstanding anything else contained in this Lease including, without limitation, the provisions of Sections 3.7, 4.1 and 16.2 hereof, the Lessor or the Lessee shall not be entitled to terminate this Lease for any reason or to exercise its option not to renew the Affiliation Agreement for an additional ten year term upon completion of its initial term unless prior to or concurrently with the termination of the Lease or end of the Lease Term under Section 4.1 hereof as a result of such non-renewal, the Lessor shall have assumed and agreed to perform the obligations of the Lessee under the Loan Agreement in the manner and to the extent provided in the Loan Agreement.

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

16.5 Remedies Cumulative. No right or remedy of Lessor shall be considered to exclude or suspend any other remedy. All rights and remedies of the Lessor shall be cumulative and shall be in addition to every other remedy. Every such power, right and remedy may be exercised from time to time, together or successively, and so often as Lessor chooses.

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

ARTICLE XVII

MISCELLANEOUS

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

17.2 Amendments Must Be In Writing. This Lease may not be amended, nor may any obligation, right or remedy hereunder be waived or released, except by and to the extent expressly provided in a written instrument duly signed and delivered by the party against whom the same is sought to be enforced; and no act, omission, or waiver, acquiescence or forgiveness, by Lessor as to any default in or failure of performance, either in whole or in part, by Lessee of any of the covenants, terms or conditions of this Lease shall be deemed to be a waiver by Lessor of the right to performance by Lessee of each and every one of the terms and conditions hereof thereafter to be performed in the same manner and to the same extent as the same are herein covenanted to be performed by Lessee.

17.3 Notices. All notices to or demands upon Lessor or Lessee desired or required to be given under this Lease shall be in writing, and shall be deemed to have been duly and sufficiently given on the first to occur of (i) actual delivery, (ii) the next business day following mailing by U.S. Express Mail or any other overnight delivery service, or (iii) the third business day after a copy thereof has been mailed by United States certified mail in an envelope properly stamped and addressed as follows:

If to Lessor:	The President The University of Chicago 5801 South Ellis Avenue Chicago, Illinois 60637
with a copy to:	The General Counsel The University of Chicago 5801 South Ellis Avenue Chicago, Illinois 60637
If to Lessee:	The President The University of Chicago Medical Center 5841 South Maryland Avenue Chicago, Illinois 60637
with a copy to:	The General Counsel The University of Chicago Medical Center 5841 South Maryland Avenue Chicago, Illinois 60637

or at such address in the City of Chicago as either party may designate, in a notice duly given to the other party, as its address for the receipt of notices hereunder.

17.4 Relationship of Parties. Nothing contained herein shall be deemed or construed by the parties hereto or by any other person as creating the relationship of principal and agent, or of partnership or joint venture, or any other relationship other than that of landlord and tenant, by the parties hereto.

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

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

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

17.7 Entire Agreement. This Lease (including any Exhibits hereto, which are made a part hereof), the agreement concerning the provision of steam described in Section 11.1 hereof, and any other agreement specifically identified or described in this Lease, contains all of the understandings and agreements between the parties hereto with respect to the Premises and the subject matter hereof.

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

17.9 Covenants Binding on Successors; No Third Party Beneficiaries. All of the covenants, agreements, conditions and undertakings contained in this Lease shall extend and inure to the benefit of, and be binding upon, the parties hereto and their respective successors and assigns; provided, however, that this sentence shall not be construed as restricting or limiting in any way the provisions of Article X hereof, which shall govern and control over any inconsistent provisions of this Section 17.9. No person, firm, corporation, entity, or governmental authority other than the parties hereto and their respective successors and assigns shall have or may enforce any right, benefit, claim or privilege under or as a result of this Lease or any covenants, agreement, condition or undertaking in this Lease, it being the express intention of the parties that there not be any third party beneficiaries of this Lease or any provision hereof. Notwithstanding the other provisions of this Section 17.9, the other parties to the Loan Agreement (as that term may be amended from time to time) and their respective successors and assigns, so long as the Loan Agreement is in effect and amounts are payable thereunder, shall be third party beneficiaries solely with respect to the provisions of Section 16.3 hereof.

[*Signature page follows.*]

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

Lessor:

ATTEST:

THE UNIVERSITY OF CHICAGO

By: _____

By: Nimalan Chinniah

Its: Assistant Secretary

Its: Vice President and Chief Financial Officer

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO MEDICAL CENTER

By: _____

Its: Secretary

By: _____

Its: Coo + Assoc Dean

ATTEST:

By: _____

Its: Assistant General Counsel

ATTACHMENT 2

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

GIVEN under my hand and notarial seal this 1st day of August, 2009.

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

(SEAL)

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

My Commission Expires: July 30, 2010

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

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

GIVEN under my hand and notarial seal this 1st day of August, 2009.

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

(SEAL)

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

My Commission Expires: 8/4/2010

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ATTACHMENT 2

NEW HOSPITAL PAVILION LEASE AGREEMENT

EXHIBIT A

THE PREMISES

PARCEL 3

ALL THAT PART OF SOUTH MARYLAND AVENUE LYING WEST OF THE WEST LINE OF LOTS 26 TO 32, BOTH INCLUSIVE, IN BLOCK 11 IN (MC KICHAN AND MASON) SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, LYING WEST OF THE WEST LINE OF LOTS 1 TO 10, BOTH INCLUSIVE, IN HAROLD P. WILBER'S RESUBDIVISION OF LOT 32 (EXCEPT THE SOUTH 6 FEET THEREOF) AND ALL OF LOTS 33 TO 41, BOTH INCLUSIVE, AND LOT 42 (EXCEPT THE NORTH 11 FEET THEREOF) IN BLOCK 11 IN MC KICHAN AND MASON'S SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14 AFORESAID, LYING WEST OF THE WEST LINE OF LOTS 1 TO 8, BOTH INCLUSIVE, IN HAROLD P. WILBER'S RESUBDIVISION OF THE NORTH 11 FEET OF LOT 42 AND ALL OF LOTS 43, 44, 45, 46, 47, 48, 49 AND 50 IN BLOCK 11 IN MASON AND MC KICHAN'S SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14 AFORESAID, LYING EAST OF THE EAST LINE OF LOTS 1 TO 25, BOTH INCLUSIVE, IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID, LYING SOUTH OF A LINE DRAWN FROM THE NORTHWEST CORNER OF LOT 1 IN HAROLD P. WILBER'S RESUBDIVISION OF THE NORTH 11 FEET OF LOT 42 AFORESAID TO THE NORTHEAST CORNER OF LOT 1 IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID AND LYING NORTH OF A LINE DRAWN FROM THE SOUTHWEST CORNER OF LOT 26 IN BLOCK 11 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID TO THE SOUTHEAST CORNER OF LOT 25 IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID,

ALSO

THE WEST 8.00 FEET OF SOUTH MARYLAND AVENUE, AS WIDENED, LYING BETWEEN THE SOUTH LINE OF EAST 57TH STREET AND THE NORTH LINE OF EAST 58TH STREET, BY PLAT OF DEDICATION APPROVED BY THE CITY COUNCIL OF THE CITY OF CHICAGO, APRIL 13, 1994 AND RECORDED MAY 2, 1994 IN THE OFFICE OF THE RECORDER OF DEEDS OF COOK COUNTY, ILLINOIS AS DOCUMENT NUMBER 94393401 AND BEING DESCRIBED ON SAID RECORDED PLAT OF DEDICATION AS: THE EAST 8.00 FEET OF BLOCK 12 IN MC KICHAN AND MASON'S SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, LYING SOUTH OF THE NORTH LINE OF LOT 1 IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID AND LYING NORTH OF THE SOUTH LINE OF LOT 25 IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID, SAID PART OF PUBLIC STREET AS HEREIN VACATED BEING FURTHER DESCRIBED AS SOUTH MARYLAND AVENUE, AS WIDENED, LYING BETWEEN THE SOUTH LINE OF EAST 57TH STREET AND THE NORTH LINE OF EAST 58TH STREET;

EXCEPTING THEREFROM ALL THAT PART LYING NORTH OF A LINE 180.16 FEET SOUTH OF AND PARALLEL WITH THE SOUTH LINE OF EAST 57TH STREET AFORESAID, IN COOK COUNTY, ILLINOIS.

CONTAINING 27,560 SQUARE FEET (0.63277 ACRES) OF LAND, MORE OR LESS.

PARCEL 5

THAT PART OF BLOCK 12 TOGETHER WITH THAT PART OF THE NORTH SOUTH 16.00 FOOT WIDE ALLEY LYING WITHIN SAID BLOCK 12, IN McKICHAN AND MASON'S SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF A LINE DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WEST LINE OF BLOCK 12 AFORESAID, BEING ALSO THE EAST LINE OF SOUTH COTTAGE GROVE AVENUE, WITH A LINE 177.33 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF SAID BLOCK 12;

THENCE EAST ALONG SAID PARALLEL LINE, 151.03 FEET; THENCE SOUTH, PERPENDICULAR TO THE LAST DESCRIBED LINE, 7.91 FEET; THENCE EAST, PERPENDICULAR TO THE LAST DESCRIBED LINE, 30.50 FEET; THENCE NORTH, PERPENDICULAR TO THE LAST DESCRIBED LINE, 3.03 FEET; THENCE EAST, PERPENDICULAR TO THE LAST DESCRIBED LINE, 41.33 FEET; THENCE SOUTH, PERPENDICULAR TO THE LAST DESCRIBED LINE, 0.73 FEET; THENCE EAST, PERPENDICULAR TO THE LAST DESCRIBED LINE, 21.85 FEET; THENCE NORTH, PERPENDICULAR TO THE LAST DESCRIBED LINE, 2.77 FEET TO A LINE 180.16 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF BLOCK 12 AFORESAID; THENCE EAST ALONG SAID PARALLEL LINE, 8.55 FEET TO THE EAST LINE OF SAID BLOCK 12 AND THE POINT OF TERMINOUS OF SAID LINE; IN COOK COUNTY, ILLINOIS.

CONTAINING 45,498 SQUARE FEET (1.0445 ACRES) OF LAND, MORE OR LESS.

PARCEL 6

ALL THAT PART OF SOUTH MARYLAND AVENUE LYING WEST OF THE WEST LINE OF LOTS 26 TO 32, BOTH INCLUSIVE, IN BLOCK 11 IN (MC KICHAN AND MASON) SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, LYING WEST OF THE WEST LINE OF LOTS 1 TO 10, BOTH INCLUSIVE, IN HAROLD P. WILBER'S RESUBDIVISION OF LOT 32 (EXCEPT THE SOUTH 6 FEET THEREOF) AND ALL OF LOTS 33 TO 41, BOTH INCLUSIVE, AND LOT 42 (EXCEPT THE NORTH 11 FEET THEREOF) IN BLOCK 11 IN MC KICHAN AND MASON'S SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14 AFORESAID, LYING WEST OF THE WEST LINE OF LOTS 1 TO 8, BOTH INCLUSIVE, IN HAROLD P. WILBER'S RESUBDIVISION OF THE NORTH 11 FEET OF LOT 42 AND ALL OF LOTS 43, 44, 45, 46, 47, 48, 49 AND 50 IN BLOCK 11 IN MASON AND MC KICHAN'S SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14 AFORESAID, LYING EAST OF THE EAST LINE OF LOTS 1 TO 25, BOTH INCLUSIVE, IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID, LYING SOUTH OF A LINE DRAWN FROM THE NORTHWEST CORNER OF LOT 1 IN HAROLD P. WILBER'S RESUBDIVISION OF THE NORTH 11 FEET OF LOT 42 AFORESAID TO THE NORTHEAST CORNER OF LOT 1 IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID AND LYING NORTH OF A LINE DRAWN FROM THE SOUTHWEST CORNER OF LOT 26 IN BLOCK 11 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID TO THE SOUTHEAST CORNER OF LOT 25 IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID,

ALSO

THE WEST 8.00 FEET OF SOUTH MARYLAND AVENUE, AS WIDENED, LYING BETWEEN THE SOUTH LINE OF EAST 57TH STREET AND THE NORTH LINE OF EAST 58TH STREET, BY PLAT OF DEDICATION APPROVED BY THE CITY COUNCIL OF THE CITY OF CHICAGO, APRIL 13, 1994 AND RECORDED MAY 2, 1994 IN THE OFFICE OF THE RECORDER OF DEEDS OF COOK COUNTY, ILLINOIS AS DOCUMENT NUMBER 94393401 AND BEING DESCRIBED ON SAID RECORDED PLAT OF DEDICATION AS: THE EAST 8.00 FEET OF BLOCK 12 IN MC KICHAN AND MASON'S SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, LYING SOUTH OF THE NORTH LINE OF LOT 1 IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID AND LYING NORTH OF THE SOUTH LINE OF LOT 25 IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID, SAID PART OF PUBLIC STREET AS HEREIN VACATED BEING FURTHER DESCRIBED AS SOUTH MARYLAND AVENUE, AS WIDENED, LYING BETWEEN THE SOUTH LINE OF EAST 57TH STREET AND THE NORTH LINE OF EAST 58TH STREET;

EXCEPTING THEREFROM ALL THAT PART LYING SOUTH OF A LINE 180.16 FEET SOUTH OF AND PARALLEL WITH THE SOUTH LINE OF EAST 57TH STREET AFORESAID, IN COOK COUNTY, ILLINOIS.

CONTAINING 11,891 SQUARE FEET (0.2730 ACRES) OF LAND, MORE OR LESS.

PARCEL 7

LOTS 1 THROUGH 8, BOTH INCLUSIVE, IN HAROLD P. WILBUR'S RESUBDIVISION RECORDED JULY 6TH, 1910 UNDER DOCUMENT NUMBER 4589769 AND LOTS 1 THROUGH 10, BOTH INCLUSIVE, IN HAROLD P. WILBER'S RESUBDIVISION RECORDED JULY 6TH, 1911 UNDER DOCUMENT NUMBER 4788108 AND ALSO LOTS 1 THROUGH 31, BOTH INCLUSIVE, AND THE SOUTH 6.00 FEET OF LOT 32 LYING SOUTH OF THE SOUTH LINE OF SAID HAROLD P. WILBUR'S RESUBDIVISION RECORDED JULY 6TH, 1911 UNDER DOCUMENT NUMBER 4788108 TOGETHER WITH THE NORTH SOUTH 16.00 FOOT WIDE ALLEY ALL LYING WITHIN BLOCK 11 IN McKICHAN AND MASON'S SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN,

EXCEPTING THEREFROM ALL THAT PART LYING SOUTH OF A LINE 180.16 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF BLOCK 11 AFORESAID, BEING ALSO THE SOUTH LINE OF EAST 57TH STREET, IN COOK COUNTY, ILLINOIS.

CONTAINING 45,627 SQUARE FEET (1.0474 ACRES) OF LAND, MORE OR LESS.

This instrument was prepared by
and after recording return to:

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

SPACE ABOVE THIS LINE FOR RECORDER'S USE.

FIRST AMENDMENT
to
NEW HOSPITAL PAVILION LEASE AGREEMENT

This First Amendment (the "First Amendment") supplementing and amending that certain Lease Agreement dated as of August 20, 2009, between The University of Chicago (the "Lessor") and The University of Chicago Medical Center (the "Lessee"), relating to the real property described in the Exhibit attached hereto, shall become effective on the date of issuance of the Series 2010 Bonds (as defined below). The original Lease Agreement as amended is referred to herein as the "Lease".

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

1. Section 1.4 of the Lease is amended in its entirety to read as follows:

1.4 "Loan Agreement." Loan Agreement means, collectively, (i) the Loan Agreement dated as of August 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Revenue Bonds, Series 2009C (The University of Chicago Medical Center) (the "Series 2009C Bonds"), (ii) the Loan Agreement dated as of August 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2009D (The University of Chicago Medical Center) (the "Series 2009D Bonds") and any Credit Facility Agreement (as defined in such Loan Agreement) for the Series 2009D Bonds or any subseries thereof, which is initially the Reimbursement Agreement dated as of August 1, 2009 between the Lessee and Bank of America, N.A., (iii) the Loan Agreement dated as of August 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2009E (The University of Chicago Medical Center) (the "Series 2009E Bonds" and, together with the Series 2009C Bonds and the Series 2009D Bonds, the "Series 2009CDE Bonds") and any Credit Facility Agreement (as defined in such Loan Agreement) for the Series 2009E Bonds or any subseries thereof, which is initially the Reimbursement Agreement dated as of August 1, 2009 between the Lessee and JPMorgan Chase Bank, National Association, (iv) the Loan Agreement dated as of November 1, 2010 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2010A (The University of Chicago Medical Center) (the "Series 2010A Bonds") and any Credit Facility

ATTACHMENT 2

Agreement (as defined in the Loan Agreement) for the Series 2010A Bonds or any subseries thereof, which is initially the Reimbursement Agreement dated as of November 1, 2010 between the Lessee and Bank of America, N.A. and (v) the Loan Agreement dated as of November 1, 2010 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2010B (The University of Chicago Medical Center) (the "Series 2010B Bonds" and, together with the Series 2010A Bonds, the "Series 2010 Bonds") and any Credit Facility Agreement (as defined in the Loan Agreement) for the Series 2010B Bonds or any subseries thereof, which is initially the Letter of Credit Reimbursement Agreement dated as of November 1, 2010 between the Lessee and Wells Fargo Bank, National Association, and, in the case of each of the foregoing clauses, as any of such agreements may from time to time be amended in accordance with the terms thereof."

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

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

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

Lessor:

ATTEST:

THE UNIVERSITY OF CHICAGO

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

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

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO MEDICAL CENTER

By: _____
Name: Jennifer A. Hill
Its: Secretary

By: _____
Name: Lawrence J. Furnstahl
Its: Chief Financial and Strategy Officer

IN WITNESS WHEREOF, Lessor and Lessee have executed and delivered this First Amendment to Lease Agreement as of November 9, 2010 pursuant to proper authority duly granted.

Lessor:

ATTEST:

THE UNIVERSITY OF CHICAGO

By: _____
Name: Russell J. Herron
Its: Assistant Secretary

By: _____
Name: Nimalan Chinniah
Its: Vice President and Chief Financial Officer

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO MEDICAL CENTER

By: _____
Name: Jennifer A. Hill
Its: Secretary

By: _____
Name: Lawrence J. Furnstahl
Its: Chief Financial and Strategy Officer

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Tambra A. Black, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Nimalan Chinniah and Russell J. Herron, personally known to me to be the same persons whose names are, respectively, Vice President and CFO and Assistant Secretary of THE UNIVERSITY OF CHICAGO, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 5th day of November, 2010.

OFFICIAL SEAL
TAMBRA A BLACK
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:07/30/14

(SEAL)

Tambra A. Black
Notary Public in and for Cook County, Illinois

My Commission Expires: 7/30/14

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Lawrence J. Furnstahl and Jennifer A. Hill, personally known to me to be the same persons whose names are, respectively, Chief Financial and Strategy Officer and Secretary of THE UNIVERSITY OF CHICAGO MEDICAL CENTER, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this ____ day of November, 2010.

(SEAL)

_____
Notary Public in and for Cook County, Illinois

My Commission Expires:

60835009v3

ATTACHMENT 2

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Nimalan Chinniah and Russell J. Herron, personally known to me to be the same persons whose names are, respectively, Vice President and CFO and Assistant Secretary of THE UNIVERSITY OF CHICAGO, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this ____ day of November, 2010.

(SEAL)

_____
Notary Public in and for Cook County, Illinois

My Commission Expires:

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Cathy A. Zorba, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Lawrence J. Furnstahl and Jennifer A. Hill, personally known to me to be the same persons whose names are, respectively, Chief Financial and Strategy Officer and Secretary of THE UNIVERSITY OF CHICAGO MEDICAL CENTER, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 5 day of November, 2010.

"OFFICIAL SEAL"
CATHY A. ZORBA
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 8/3/2013

Cathy A. Zorba
Notary Public in and for Cook County, Illinois

My Commission Expires: 8/3/2013

60835009v3

ATTACHMENT 2

This instrument was prepared by
and after recording return to:

Elizabeth F. Weber
Katten Muchin Rosenman LLP
525 West Monroe Street
Chicago, Illinois 60661-3693

SPACE ABOVE THIS LINE FOR RECORDER'S USE.

SECOND AMENDMENT
to
NEW HOSPITAL PAVILION LEASE AGREEMENT

This Second Amendment (the "Second Amendment") supplementing and amending that certain Lease Agreement dated as of August 20, 2009, between The University of Chicago (the "Lessor") and The University of Chicago Medical Center (the "Lessee"), relating to the real property described in the Exhibit attached hereto, as heretofore amended by the First Amendment dated as of November 9, 2010, shall become effective on the date of issuance of the Series 2011 Bonds (as defined below). The original Lease Agreement as amended is referred to herein as the "Lease".

The parties recognize that it is necessary to amend the Lease in order to enable Lessee to borrow funds from the Illinois Finance Authority (which will obtain such funds through the issuance of the Series 2011 Bonds) in order to finance certain borrowings of the Lessee and pay related costs. The parties therefore agree as follows:

1. Section 1.4 of the Lease is amended in its entirety to read as follows:

1.4 "Loan Agreement." Loan Agreement means, collectively, (i) the Loan Agreement dated as of August 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Revenue Bonds, Series 2009C (The University of Chicago Medical Center) (the "Series 2009C Bonds"), (ii) the Loan Agreement dated as of August 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2009D (The University of Chicago Medical Center) (the "Series 2009D Bonds") and any Credit Facility Agreement (as defined in such Loan Agreement) for the Series 2009D Bonds or any subseries thereof, which is initially the Reimbursement Agreement dated as of August 1, 2009 between the Lessee and Bank of America, N.A., (iii) the Loan Agreement dated as of August 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2009E (The University of Chicago Medical Center) (the "Series 2009E Bonds" and, together with the Series 2009C Bonds and the Series 2009D Bonds, the "Series 2009CDE Bonds") and any Credit Facility Agreement (as defined in such Loan Agreement) for the Series 2009E Bonds or any subseries thereof, which is initially the Reimbursement Agreement dated as of August 1, 2009 between the Lessee and JPMorgan Chase Bank, National Association, (iv) the Loan Agreement dated as of November 1, 2010 between the Lessee and the Authority related to the Illinois

Finance Authority Variable Rate Demand Revenue Bonds, Series 2010A (The University of Chicago Medical Center) (the "Series 2010A Bonds") and any Credit Facility Agreement (as defined in the Loan Agreement) for the Series 2010A Bonds or any subseries thereof, which is initially the Reimbursement Agreement dated as of November 1, 2010 between the Lessee and Bank of America, N.A., (v) the Loan Agreement dated as of November 1, 2010 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2010B (The University of Chicago Medical Center) (the "Series 2010B Bonds" and, together with the Series 2010A Bonds, the "Series 2010 Bonds") and any Credit Facility Agreement (as defined in the Loan Agreement) for the Series 2010B Bonds or any subseries thereof, which is initially the Letter of Credit Reimbursement Agreement dated as of November 1, 2010 between the Lessee and Wells Fargo Bank, National Association, (vi) the Loan Agreement dated as of May 1, 2011 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2011A (The University of Chicago Medical Center) (the "Series 2011A Bonds") and any Credit Facility Agreement (as defined in the Loan Agreement) for the Series 2011A Bonds or any subseries thereof, which is initially the Reimbursement Agreement dated as of May 1, 2011 between the Lessee and Bank of America, N.A., (vii) the Loan Agreement dated as of May 1, 2011 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2011B (The University of Chicago Medical Center) (the "Series 2011B Bonds") and any Credit Facility Agreement (as defined in the Loan Agreement) for the Series 2011B Bonds or any subseries thereof, which is initially the Letter of Credit Reimbursement Agreement dated as of May 1, 2011 between the Lessee and Wells Fargo Bank, National Association, and, (viii) the Loan Agreement dated as of May 1, 2011 between the Lessee and the Authority related to the Illinois Finance Authority Revenue Bonds, Series 2011C (The University of Chicago Medical Center) (the "Series 2011C Bonds" and, together with the Series 2011A Bonds and the Series 2011B Bonds, the "Series 2011 Bonds," and, in the case of each of the foregoing clauses, as any of such agreements may from time to time be amended in accordance with the terms thereof."

2. All other provisions of the Lease shall remain in full force and effect.

3. This Second Amendment may be executed in two or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute and be taken as one and the same instrument.

IN WITNESS WHEREOF, Lessor and Lessee have executed and delivered this Second Amendment to Lease Agreement as of May 20, 2011 pursuant to proper authority duly granted.

Lessor:

ATTEST:

THE UNIVERSITY OF CHICAGO

By: _____
Name: Russell J. Herron
Its: Assistant Secretary

By: _____
Name: Nimalan Chinniah
Its: Vice President for Administration and Chief Financial Officer

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO MEDICAL CENTER

By: _____
Name: Jennifer A. Hill
Its: Secretary

By: _____
Name: Kenneth J. Sharigian
Its: Interim Chief Financial Officer

IN WITNESS WHEREOF, Lessor and Lessee have executed and delivered this Second Amendment to Lease Agreement as of May 20, 2011 pursuant to proper authority duly granted.

Lessor:

ATTEST:

THE UNIVERSITY OF CHICAGO

By: _____
Name: Russell J. Herron
Its: Assistant Secretary

By: _____
Name: Nimalan Chinniah
Its: Vice President for Administration and Chief Financial Officer

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO MEDICAL CENTER

By: _____
Name: Jennifer A. Hill
Its: Secretary

By: _____
Name: Kenneth J. Sharigian
Its: Interim Chief Financial Officer

ATTACHMENT 2

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Tambra A Black, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Nimalan Chinniah and Russell J. Herron, personally known to me to be the same persons whose names are, respectively, Vice President for Administration and CFO and Assistant Secretary of THE UNIVERSITY OF CHICAGO, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 17th day of May, 2011.

(SEAL) OFFICIAL SEAL
TAMBRA A BLACK
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:07/30/14

Tambra A Black
Notary Public in and for Cook County, Illinois

My Commission Expires: 7/30/2014

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Kenneth J. Sharigian and Jennifer A. Hill, personally known to me to be the same persons whose names are, respectively, Interim Chief Financial Officer and Secretary of THE UNIVERSITY OF CHICAGO MEDICAL CENTER, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this ____ day of May, 2011.

(SEAL)

_____
Notary Public in and for Cook County, Illinois

My Commission Expires:

ATTACHMENT 2

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Nimalan Chinniah and Russell J. Herron, personally known to me to be the same persons whose names are, respectively, Vice President for Administration and CFO and Assistant Secretary of THE UNIVERSITY OF CHICAGO, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this ____ day of May, 2011.

(SEAL)

_____
Notary Public in and for Cook County, Illinois

My Commission Expires:

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, COLETTE LOUISE GURIN, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Kenneth J. Sharigian and Jennifer A. Hill, personally known to me to be the same persons whose names are, respectively, Interim Chief Financial Officer and Secretary of THE UNIVERSITY OF CHICAGO MEDICAL CENTER, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 17th day of May, 2011.

(SEAL)

OFFICIAL SEAL
COLETTE LOUISE GURIN
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 9-17-2012

Colette Louise Gurin
Notary Public in and for Cook County, Illinois

My Commission Expires:

ATTACHMENT 2

NEW HOSPITAL PAVILION LEASE AGREEMENT

EXHIBIT A

THE PREMISES

PARCEL 3

ALL THAT PART OF SOUTH MARYLAND AVENUE LYING WEST OF THE WEST LINE OF LOTS 26 TO 32, BOTH INCLUSIVE, IN BLOCK 11 IN (MC KICHAN AND MASON) SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, LYING WEST OF THE WEST LINE OF LOTS 1 TO 10, BOTH INCLUSIVE, IN HAROLD P. WILBER'S RESUBDIVISION OF LOT 32 (EXCEPT THE SOUTH 6 FEET THEREOF) AND ALL OF LOTS 33 TO 41, BOTH INCLUSIVE, AND LOT 42 (EXCEPT THE NORTH 11 FEET THEREOF) IN BLOCK 11 IN MC KICHAN AND MASON'S SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14 AFORESAID, LYING WEST OF THE WEST LINE OF LOTS 1 TO 8, BOTH INCLUSIVE, IN HAROLD P. WILBER'S RESUBDIVISION OF THE NORTH 11 FEET OF LOT 42 AND ALL OF LOTS 43, 44, 45, 46, 47, 48, 49 AND 50 IN BLOCK 11 IN MASON AND MC KICHAN'S SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14 AFORESAID, LYING EAST OF THE EAST LINE OF LOTS 1 TO 28, BOTH INCLUSIVE, IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID, LYING SOUTH OF A LINE DRAWN FROM THE NORTHWEST CORNER OF LOT 1 IN HAROLD P. WILBER'S RESUBDIVISION OF THE NORTH 11 FEET OF LOT 42 AFORESAID TO THE NORTHEAST CORNER OF LOT 1 IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID AND LYING NORTH OF A LINE DRAWN FROM THE SOUTHWEST CORNER OF LOT 26 IN BLOCK 11 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID TO THE SOUTHEAST CORNER OF LOT 25 IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID.

ALSO

THE WEST 8.00 FEET OF SOUTH MARYLAND AVENUE, AS WIDENED, LYING BETWEEN THE SOUTH LINE OF EAST 57TH STREET AND THE NORTH LINE OF EAST 58TH STREET, BY PLAT OF DEDICATION APPROVED BY THE CITY COUNCIL OF THE CITY OF CHICAGO, APRIL 13, 1994 AND RECORDED MAY 2, 1994 IN THE OFFICE OF THE RECORDER OF DEEDS OF COOK COUNTY, ILLINOIS AS DOCUMENT NUMBER 94393401 AND BEING DESCRIBED ON SAID RECORDED PLAT OF DEDICATION AS: THE EAST 8.00 FEET OF BLOCK 12 IN MC KICHAN AND MASON'S SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, LYING SOUTH OF THE NORTH LINE OF LOT 1 IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID AND LYING NORTH OF THE SOUTH LINE OF LOT 25 IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID, SAID PART OF PUBLIC STREET AS HEREIN VACATED BEING FURTHER DESCRIBED AS SOUTH MARYLAND AVENUE, AS WIDENED, LYING BETWEEN THE SOUTH LINE OF EAST 57TH STREET AND THE NORTH LINE OF EAST 58TH STREET;

EXCEPTING THEREFROM ALL THAT PART LYING NORTH OF A LINE 180.16 FEET SOUTH OF AND PARALLEL WITH THE SOUTH LINE OF EAST 57TH STREET AFORESAID, IN COOK COUNTY, ILLINOIS.

CONTAINING 27,560 SQUARE FEET (0.63277 ACRES) OF LAND, MORE OR LESS.

A-2

ATTACHMENT 2

PARCEL 2

THAT PART OF BLOCK 12 TOGETHER WITH THAT PART OF THE NORTH SOUTH 16.00 FOOT WIDE ALLEY LYING WITHIN SAID BLOCK 12, IN McKICHAN AND MASON'S SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF A LINE DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WEST LINE OF BLOCK 12 AFORESAID, BEING ALSO THE EAST LINE OF SOUTH COTTAGE GROVE AVENUE, WITH A LINE 177.33 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF SAID BLOCK 12;

THENCE EAST ALONG SAID PARALLEL LINE, 151.03 FEET; THENCE SOUTH, PERPENDICULAR TO THE LAST DESCRIBED LINE, 7.91 FEET; THENCE EAST, PERPENDICULAR TO THE LAST DESCRIBED LINE, 30.50 FEET; THENCE NORTH, PERPENDICULAR TO THE LAST DESCRIBED LINE, 3.03 FEET; THENCE EAST, PERPENDICULAR TO THE LAST DESCRIBED LINE, 41.33 FEET; THENCE SOUTH, PERPENDICULAR TO THE LAST DESCRIBED LINE, 0.73 FEET; THENCE EAST, PERPENDICULAR TO THE LAST DESCRIBED LINE, 21.85 FEET; THENCE NORTH, PERPENDICULAR TO THE LAST DESCRIBED LINE, 2.77 FEET TO A LINE 180.16 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF BLOCK 12 AFORESAID; THENCE EAST ALONG SAID PARALLEL LINE, 8.35 FEET TO THE EAST LINE OF SAID BLOCK 12 AND THE POINT OF TERMINOUS OF SAID LINE, IN COOK COUNTY, ILLINOIS.

CONTAINING 45,498 SQUARE FEET (1.0445 ACRES) OF LAND, MORE OR LESS.

PARCEL 6

ALL THAT PART OF SOUTH MARYLAND AVENUE LYING WEST OF THE WEST LINE OF LOTS 26 TO 32, BOTH INCLUSIVE, IN BLOCK 11 IN (MC KICHAN AND MASON) SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, LYING WEST OF THE WEST LINE OF LOTS 1 TO 10, BOTH INCLUSIVE, IN HAROLD P. WILBER'S RESUBDIVISION OF LOT 32 (EXCEPT THE SOUTH 6 FEET THEREOF) AND ALL OF LOTS 33 TO 41, BOTH INCLUSIVE, AND LOT 42 (EXCEPT THE NORTH 11 FEET THEREOF) IN BLOCK 11 IN MC KICHAN AND MASON'S SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14 AFORESAID, LYING WEST OF THE WEST LINE OF LOTS 1 TO 8, BOTH INCLUSIVE, IN HAROLD P. WILBER'S RESUBDIVISION OF THE NORTH 11 FEET OF LOT 42 AND ALL OF LOTS 43, 44, 45, 46, 47, 48, 49 AND 50 IN BLOCK 11 IN MASON AND MC KICHAN'S SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14 AFORESAID, LYING EAST OF THE EAST LINE OF LOTS 1 TO 25, BOTH INCLUSIVE, IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID, LYING SOUTH OF A LINE DRAWN FROM THE NORTHWEST CORNER OF LOT 1 IN HAROLD P. WILBER'S RESUBDIVISION OF THE NORTH 11 FEET OF LOT 42 AFORESAID TO THE NORTHEAST CORNER OF LOT 1 IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID AND LYING NORTH OF A LINE DRAWN FROM THE SOUTHWEST CORNER OF LOT 26 IN BLOCK 11 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID TO THE SOUTHEAST CORNER OF LOT 25 IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID,

ALSO

THE WEST 8.00 FEET OF SOUTH MARYLAND AVENUE, AS WIDENED, LYING BETWEEN THE SOUTH LINE OF EAST 57TH STREET AND THE NORTH LINE OF EAST 58TH STREET, BY PLAT OF DEDICATION APPROVED BY THE CITY COUNCIL OF THE CITY OF CHICAGO, APRIL 13, 1994 AND RECORDED MAY 2, 1994 IN THE OFFICE OF THE RECORDER OF DEEDS OF COOK COUNTY, ILLINOIS AS DOCUMENT NUMBER 94393401 AND BEING DESCRIBED ON SAID RECORDED PLAT OF DEDICATION AS: THE EAST 8.00 FEET OF BLOCK 12 IN MC KICHAN AND MASON'S SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, LYING SOUTH OF THE NORTH LINE OF LOT 1 IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID AND LYING NORTH OF THE SOUTH LINE OF LOT 25 IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID. SAID PART OF PUBLIC STREET AS HEREIN VACATED BEING FURTHER DESCRIBED AS SOUTH MARYLAND AVENUE, AS WIDENED, LYING BETWEEN THE SOUTH LINE OF EAST 57TH STREET AND THE NORTH LINE OF EAST 58TH STREET.

EXCEPTING THEREFROM ALL THAT PART LYING SOUTH OF A LINE 180.16 FEET SOUTH OF AND PARALLEL WITH THE SOUTH LINE OF EAST 57TH STREET AFORESAID, IN COOK COUNTY, ILLINOIS.

CONTAINING 11,891 SQUARE FEET (0.2730 ACRES) OF LAND, MORE OR LESS.

PARCEL 7

LOTS 1 THROUGH 8, BOTH INCLUSIVE, IN HAROLD P. WILBUR'S RESUBDIVISION RECORDED JULY 6TH, 1910 UNDER DOCUMENT NUMBER 4589769 AND LOTS 1 THROUGH 10, BOTH INCLUSIVE, IN HAROLD P. WILBER'S RESUBDIVISION RECORDED JULY 6TH, 1911 UNDER DOCUMENT NUMBER 4788108 AND ALSO LOTS 1 THROUGH 31, BOTH INCLUSIVE, AND THE SOUTH 6.00 FEET OF LOT 32 LYING SOUTH OF THE SOUTH LINE OF SAID HAROLD P. WILBUR'S RESUBDIVISION RECORDED JULY 8TH, 1911 UNDER DOCUMENT NUMBER 4788108 TOGETHER WITH THE NORTH SOUTH 16.00 FOOT WIDE ALLEY ALL LYING WITHIN BLOCK 11 IN McKICHAN AND MASON'S SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN.

EXCEPTING THEREFROM ALL THAT PART LYING SOUTH OF A LINE 180.16 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF BLOCK 11 AFORESAID, BEING ALSO THE SOUTH LINE OF EAST 57TH STREET, IN COOK COUNTY, ILLINOIS.

CONTAINING 43,577 SQUARE FEET (1.0474 ACRES) OF LAND, MORE OR LESS.

This instrument was prepared by
and after recording return to:

Elizabeth F. Weber
Katten Muchin Rosenman LLP
525 West Monroe Street
Chicago, Illinois 60661-3693

SPACE ABOVE THIS LINE FOR RECORDER'S USE.

THIRD AMENDMENT
to
NEW HOSPITAL PAVILION LEASE AGREEMENT

This Third Amendment (the "Third Amendment") supplementing and amending that certain Lease Agreement dated as of August 20, 2009, between The University of Chicago (the "Lessor") and The University of Chicago Medical Center (the "Lessee"), relating to the real property described in the Exhibit attached hereto, as heretofore amended by the First Amendment dated as of November 9, 2010 and the Second Amendment dated as of May 20, 2011, shall become effective on the date of issuance of the Series 2013A Bonds (as defined below). The original Lease Agreement as amended is referred to herein as the "Lease".

The parties recognize that it is necessary to amend the Lease in order to enable Lessee to borrow funds from the Illinois Finance Authority (which will obtain such funds through the issuance of the Series 2013A Bonds) in order to pay or reimburse the Lessee for certain capital expenditures and related costs. The parties therefore agree as follows:

1. Section 1.4 of the Lease is amended in its entirety to read as follows:

1.4 "Loan Agreement." Loan Agreement means, collectively, (i) the Loan Agreement dated as of August 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Revenue Bonds, Series 2009C (The University of Chicago Medical Center) (the "Series 2009C Bonds"), (ii) the Loan Agreement dated as of August 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2009D (The University of Chicago Medical Center) (the "Series 2009D Bonds") and any Credit Facility Agreement (as defined in such Loan Agreement) for the Series 2009D Bonds or any subseries thereof, which is initially the Reimbursement Agreement dated as of August 1, 2009 between the Lessee and Bank of America, N.A., (iii) the Loan Agreement dated as of August 1, 2009 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2009E (The University of Chicago Medical Center) (the "Series 2009E Bonds" and, together with the Series 2009C Bonds and the Series 2009D Bonds, the "Series 2009CDE Bonds") and any Credit Facility Agreement (as defined in such Loan Agreement) for the Series 2009E Bonds or any subseries thereof, which is initially the Reimbursement Agreement dated as of August 1, 2009 between the Lessee and JPMorgan Chase Bank, National Association, (iv) the Loan Agreement dated as of November 1, 2010 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2010A (The University

of Chicago Medical Center) (the "Series 2010A Bonds") and any Credit Facility Agreement (as defined in such Loan Agreement) for the Series 2010A Bonds or any subseries thereof, which is initially the Reimbursement Agreement dated as of November 1, 2010 between the Lessee and Bank of America, N.A., (v) the Loan Agreement dated as of November 1, 2010 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2010B (The University of Chicago Medical Center) (the "Series 2010B Bonds" and, together with the Series 2010A Bonds, the "Series 2010 Bonds") and any Credit Facility Agreement (as defined in such Loan Agreement) for the Series 2010B Bonds or any subseries thereof, which is initially the Letter of Credit Reimbursement Agreement dated as of November 1, 2010 between the Lessee and Wells Fargo Bank, National Association, (vi) the Loan Agreement dated as of May 1, 2011 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2011A (The University of Chicago Medical Center) (the "Series 2011A Bonds") and any Credit Facility Agreement (as defined in such Loan Agreement) for the Series 2011A Bonds or any subseries thereof, which is initially the Reimbursement Agreement dated as of May 1, 2011 between the Lessee and Bank of America, N.A., (vii) the Loan Agreement dated as of May 1, 2011 between the Lessee and the Authority related to the Illinois Finance Authority Variable Rate Demand Revenue Bonds, Series 2011B (The University of Chicago Medical Center) (the "Series 2011B Bonds") and any Credit Facility Agreement (as defined in such Loan Agreement) for the Series 2011B Bonds or any subseries thereof, which is initially the Letter of Credit Reimbursement Agreement dated as of May 1, 2011 between the Lessee and Wells Fargo Bank, National Association, (viii) the Loan Agreement dated as of May 1, 2011 between the Lessee and the Authority related to the Illinois Finance Authority Revenue Bonds, Series 2011C (The University of Chicago Medical Center) (the "Series 2011C Bonds" and, together with the Series 2011A Bonds and the Series 2011B Bonds, the "Series 2011 Bonds") and (ix) the Bond Purchase and Loan Agreement dated as of January 1, 2013 among the Lessee, the Authority and Bank of America, N.A. related to the Illinois Finance Authority Revenue Bonds, Series 2013A (The University of Chicago Medical Center) (the "Series 2013A Bonds") and any Continuing Covenant Agreement (as defined in such Bond Purchase and Loan Agreement) for the Series 2013A Bonds or any subseries thereof, which is initially the Continuing Covenant Agreement dated as of January 1, 2013 between the Lessee and Bank of America, N.A., or its successors and assignees, and, in the case of each of the foregoing clauses, as any of such agreements may from time to time be amended in accordance with the terms thereof."

2. All other provisions of the Lease shall remain in full force and effect.

3. This Third Amendment may be executed in two or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute and be taken as one and the same instrument.

IN WITNESS WHEREOF, Lessor and Lessee have executed and delivered this Third Amendment to Lease Agreement as of January 24, 2013 pursuant to proper authority duly granted.

Lessor:

ATTEST:

THE UNIVERSITY OF CHICAGO

By: _____
Name: Russell J. Herron
Its: Assistant Secretary

By: _____
Name: Nimalan Chinniah
Its: Executive Vice President for Administration and Chief Financial Officer

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO MEDICAL CENTER

By: _____
Name: Jennifer A. Hill
Its: Secretary

By: _____
Name: James M. Watson
Its: Chief Financial Officer

ATTACHMENT 2

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Tambra A Black, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Nimalan Chinniah and Russell J. Herron, personally known to me to be the same persons whose names are, respectively, Executive Vice President for Administration and Chief Financial Officer and Assistant Secretary of THE UNIVERSITY OF CHICAGO, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 23rd day of January, 2013.

(SEAL) OFFICIAL SEAL
TAMBRA A BLACK
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:07/30/14

Tambra A Black
Notary Public in and for Cook County, Illinois

My Commission Expires: 7/30/14

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a Notary Public in and for the said County in the State aforesaid, do hereby certify that James M. Watson and Jennifer A. Hill, personally known to me to be the same persons whose names are, respectively, Chief Financial Officer and Secretary of THE UNIVERSITY OF CHICAGO MEDICAL CENTER, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this ____ day of January, 2013.

(SEAL)

_____
Notary Public in and for Cook County, Illinois

My Commission Expires:

IN WITNESS WHEREOF, Lessor and Lessee have executed and delivered this Third Amendment to Lease Agreement as of January 24, 2013 pursuant to proper authority duly granted.

Lessor:

ATTEST:

THE UNIVERSITY OF CHICAGO

By: _____
Name: Russell J. Herron
Its: Assistant Secretary

By: _____
Name: Nimalan Chinniah
Its: Executive Vice President for Administration and Chief Financial Officer

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO MEDICAL CENTER

By: Jennifer A Hill
Name: Jennifer A Hill
Its: Secretary

By: _____
Name: James M. Watson
Its: Chief Financial Officer

ATTACHMENT 2

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Nimalan Chinniah and Russell J. Herron, personally known to me to be the same persons whose names are, respectively, Executive Vice President for Administration and Chief Financial Officer and Assistant Secretary of THE UNIVERSITY OF CHICAGO, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this ____ day of January, 2013.

(SEAL)

_____
Notary Public in and for Cook County, Illinois

My Commission Expires:

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Wanda H. Wideman, a Notary Public in and for the said County in the State aforesaid, do hereby certify that James M. Watson and Jennifer A. Hill, personally known to me to be the same persons whose names are, respectively, Chief Financial Officer and Secretary of THE UNIVERSITY OF CHICAGO MEDICAL CENTER, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 23rd day of January, 2013.

"OFFICIAL SEAL"
WANDA H. WIDEMAN
(SEAL) NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 8/4/2014

Wanda H. Wideman
Notary Public in and for Cook County, Illinois

My Commission Expires: August 4, 2014

ATTACHMENT 2

NEW HOSPITAL PAVILION LEASE AGREEMENT

EXHIBIT A

THE PREMISES

PARCEL 3

ALL THAT PART OF SOUTH MARYLAND AVENUE LYING WEST OF THE WEST LINE OF LOTS 26 TO 32, BOTH INCLUSIVE, IN BLOCK 11 IN (MC KICHAN AND MASON) SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, LYING WEST OF THE WEST LINE OF LOTS 1 TO 10, BOTH INCLUSIVE, IN HAROLD P. WILBER'S RESUBDIVISION OF LOT 32 (EXCEPT THE SOUTH 6 FEET THEREOF) AND ALL OF LOTS 33 TO 41, BOTH INCLUSIVE, AND LOT 42 (EXCEPT THE NORTH 11 FEET THEREOF) IN BLOCK 11 IN MC KICHAN AND MASON'S SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14 AFORESAID, LYING WEST OF THE WEST LINE OF LOTS 1 TO 8, BOTH INCLUSIVE, IN HAROLD P. WILBER'S RESUBDIVISION OF THE NORTH 11 FEET OF LOT 42 AND ALL OF LOTS 43, 44, 45, 46, 47, 48, 49 AND 50 IN BLOCK 11 IN MASON AND MC KICHAN'S SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14 AFORESAID, LYING EAST OF THE EAST LINE OF LOTS 1 TO 25, BOTH INCLUSIVE, IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID, LYING SOUTH OF A LINE DRAWN FROM THE NORTHWEST CORNER OF LOT 1 IN HAROLD P. WILBER'S RESUBDIVISION OF THE NORTH 11 FEET OF LOT 42 AFORESAID TO THE NORTHEAST CORNER OF LOT 1 IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID AND LYING NORTH OF A LINE DRAWN FROM THE SOUTHWEST CORNER OF LOT 26 IN BLOCK 11 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID TO THE SOUTHEAST CORNER OF LOT 25 IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID.

ALSO

THE WEST 8.00 FEET OF SOUTH MARYLAND AVENUE, AS WIDENED, LYING BETWEEN THE SOUTH LINE OF EAST 57TH STREET AND THE NORTH LINE OF EAST 58TH STREET, BY PLAT OF DEDICATION APPROVED BY THE CITY COUNCIL OF THE CITY OF CHICAGO, APRIL 13, 1994 AND RECORDED MAY 2, 1994 IN THE OFFICE OF THE RECORDER OF DEEDS OF COOK COUNTY, ILLINOIS AS DOCUMENT NUMBER 94393401 AND BEING DESCRIBED ON SAID RECORDED PLAT OF DEDICATION AS: THE EAST 8.00 FEET OF BLOCK 12 IN MC KICHAN AND MASON'S SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, LYING SOUTH OF THE NORTH LINE OF LOT 1 IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID AND LYING NORTH OF THE SOUTH LINE OF LOT 25 IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID, SAID PART OF PUBLIC STREET AS HEREIN VACATED BEING FURTHER DESCRIBED AS SOUTH MARYLAND AVENUE, AS WIDENED, LYING BETWEEN THE SOUTH LINE OF EAST 57TH STREET AND THE NORTH LINE OF EAST 58TH STREET;

EXCEPTING THEREFROM ALL THAT PART LYING NORTH OF A LINE 180.16 FEET SOUTH OF AND PARALLEL WITH THE SOUTH LINE OF EAST 57TH STREET AFORESAID, IN COOK COUNTY, ILLINOIS.

CONTAINING 27,569 SQUARE FEET (0.63277 ACRES) OF LAND, MORE OR LESS.

PARCEL 5

THAT PART OF BLOCK 12 TOGETHER WITH THAT PART OF THE NORTH SOUTH 16.00 FOOT WIDE ALLEY LYING WITHIN SAID BLOCK 12, IN McKICHAN AND MASON'S SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF A LINE DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WEST LINE OF BLOCK 12 AFORESAID, BEING ALSO THE EAST LINE OF SOUTH COTTAGE GROVE AVENUE, WITH A LINE 177.33 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF SAID BLOCK 12;

THENCE EAST ALONG SAID PARALLEL LINE, 151.03 FEET; THENCE SOUTH, PERPENDICULAR TO THE LAST DESCRIBED LINE, 7.91 FEET; THENCE EAST, PERPENDICULAR TO THE LAST DESCRIBED LINE, 30.50 FEET; THENCE NORTH, PERPENDICULAR TO THE LAST DESCRIBED LINE, 3.03 FEET; THENCE EAST, PERPENDICULAR TO THE LAST DESCRIBED LINE, 41.33 FEET; THENCE SOUTH, PERPENDICULAR TO THE LAST DESCRIBED LINE, 0.73 FEET; THENCE EAST, PERPENDICULAR TO THE LAST DESCRIBED LINE, 21.85 FEET; THENCE NORTH, PERPENDICULAR TO THE LAST DESCRIBED LINE, 2.77 FEET TO A LINE 180.16 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF BLOCK 12 AFORESAID; THENCE EAST ALONG SAID PARALLEL LINE, 8.55 FEET TO THE EAST LINE OF SAID BLOCK 12 AND THE POINT OF TERMINOUS OF SAID LINE; IN COOK COUNTY, ILLINOIS.

CONTAINING 45,498 SQUARE FEET (1.0445 ACRES) OF LAND, MORE OR LESS.

PARCEL 6

ALL THAT PART OF SOUTH MARYLAND AVENUE LYING WEST OF THE WEST LINE OF LOTS 26 TO 32, BOTH INCLUSIVE, IN BLOCK 11 IN (MC KICHAN AND MASON) SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, LYING WEST OF THE WEST LINE OF LOTS 1 TO 10, BOTH INCLUSIVE, IN HAROLD P. WILBER'S RESUBDIVISION OF LOT 32 (EXCEPT THE SOUTH 6 FEET THEREOF) AND ALL OF LOTS 33 TO 41, BOTH INCLUSIVE, AND LOT 42 (EXCEPT THE NORTH 11 FEET THEREOF) IN BLOCK 11 IN MC KICHAN AND MASON'S SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14 AFORESAID, LYING WEST OF THE WEST LINE OF LOTS 1 TO 8, BOTH INCLUSIVE, IN HAROLD P. WILBER'S RESUBDIVISION OF THE NORTH 11 FEET OF LOT 42 AND ALL OF LOTS 43, 44, 45, 46, 47, 48, 49 AND 50 IN BLOCK 11 IN MASON AND MC KICHAN'S SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14 AFORESAID, LYING EAST OF THE EAST LINE OF LOTS 1 TO 25, BOTH INCLUSIVE, IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID, LYING SOUTH OF A LINE DRAWN FROM THE NORTHWEST CORNER OF LOT 1 IN HAROLD P. WILBER'S RESUBDIVISION OF THE NORTH 11 FEET OF LOT 42 AFORESAID TO THE NORTHEAST CORNER OF LOT 1 IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID AND LYING NORTH OF A LINE DRAWN FROM THE SOUTHWEST CORNER OF LOT 26 IN BLOCK 11 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID TO THE SOUTHEAST CORNER OF LOT 25 IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID,

ALSO

THE WEST 8.00 FEET OF SOUTH MARYLAND AVENUE, AS WIDENED, LYING BETWEEN THE SOUTH LINE OF EAST 57TH STREET AND THE NORTH LINE OF EAST 58TH STREET, BY PLAT OF DEDICATION APPROVED BY THE CITY COUNCIL OF THE CITY OF CHICAGO, APRIL 13, 1994 AND RECORDED MAY 2, 1994 IN THE OFFICE OF THE RECORDER OF DEEDS OF COOK COUNTY, ILLINOIS AS DOCUMENT NUMBER 94393401 AND BEING DESCRIBED ON SAID RECORDED PLAT OF DEDICATION AS: THE EAST 8.00 FEET OF BLOCK 12 IN MC KICHAN AND MASON'S SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, LYING SOUTH OF THE NORTH LINE OF LOT 1 IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID AND LYING NORTH OF THE SOUTH LINE OF LOT 25 IN BLOCK 12 IN (MC KICHAN AND MASON) SUBDIVISION AFORESAID, SAID PART OF PUBLIC STREET AS HEREIN VACATED BEING FURTHER DESCRIBED AS SOUTH MARYLAND AVENUE, AS WIDENED, LYING BETWEEN THE SOUTH LINE OF EAST 57TH STREET AND THE NORTH LINE OF EAST 58TH STREET;

EXCEPTING THEREFROM ALL THAT PART LYING SOUTH OF A LINE 180.16 FEET SOUTH OF AND PARALLEL WITH THE SOUTH LINE OF EAST 57TH STREET AFORESAID, IN COOK COUNTY, ILLINOIS.

CONTAINING 11,891 SQUARE FEET (0.2730 ACRES) OF LAND, MORE OR LESS.

PARCEL 7

LOTS 1 THROUGH 8, BOTH INCLUSIVE, IN HAROLD P. WILBUR'S RESUBDIVISION RECORDED JULY 6TH, 1910 UNDER DOCUMENT NUMBER 4589769 AND LOTS 1 THROUGH 10, BOTH INCLUSIVE, IN HAROLD P. WILBER'S RESUBDIVISION RECORDED JULY 6TH, 1911 UNDER DOCUMENT NUMBER 4788108 AND ALSO LOTS 1 THROUGH 31, BOTH INCLUSIVE, AND THE SOUTH 6.00 FEET OF LOT 32 LYING SOUTH OF THE SOUTH LINE OF SAID HAROLD P. WILBUR'S RESUBDIVISION RECORDED JULY 6TH, 1911 UNDER DOCUMENT NUMBER 4788108 TOGETHER WITH THE NORTH SOUTH 16.00 FOOT WIDE ALLEY ALL LYING WITHIN BLOCK 11 IN McKICHAN AND MASON'S SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN.

EXCEPTING THEREFROM ALL THAT PART LYING SOUTH OF A LINE 180.16 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF BLOCK 11 AFORESAID, BEING ALSO THE SOUTH LINE OF EAST 57TH STREET, IN COOK COUNTY, ILLINOIS.

CONTAINING 45,627 SQUARE FEET (1.0474 ACRES) OF LAND, MORE OR LESS.

This instrument was prepared by
And after recording return to:

Robert Rush
University of Chicago
Office of Legal Counsel
5801 S. Ellis Avenue, Suite 619
Chicago, Illinois 60637

SPACE ABOVE THIS LINE
FOR RECORDER'S USE

NEW HOSPITAL PAVILION GARAGE LEASE AGREEMENT

THIS LEASE AGREEMENT dated as of January 23, 2013 (herein, together with all supplements and amendments hereto made or entered into at any time hereafter, referred to as this "Lease") is made by and between THE UNIVERSITY OF CHICAGO (the "Lessor"), an Illinois not-for-profit corporation, and THE UNIVERSITY OF CHICAGO MEDICAL CENTER (the "Lessee"), an Illinois not-for-profit corporation, who hereby mutually covenant and agree as follows:

ARTICLE I

DEFINITIONS

1.1 "Affiliation Agreement." Affiliation Agreement shall mean the Affiliation Agreement dated October 1, 1986 entered into between Lessor and Lessee, as the same may be amended, modified or supplemented from time to time.

1.2 "Default Interest Rate." Default Interest Rate shall mean the Corporate Base Rate as posted by JPMorgan Chase Bank, N.A., or its successor, each day.

1.3 "Improvements." Improvements shall mean, at any time, all buildings and any other improvements comprising or located on the premises.

1.4 "Loan Agreements." Loan Agreements shall mean collectively (i) the Bond Purchase and Loan Agreement dated as of January 1, 2013 among the Lessee, the Authority and Bank of America, N.A. related to the Illinois Finance Authority Revenue Bonds, Series 2013A (The University of Chicago Medical Center) (the "Series 2013A Bonds") and (ii) any Continuing Covenant Agreement (as defined in such Bond Purchase and Loan Agreement) for the Series 2013A Bonds or any subseries thereof, which is initially the Continuing Covenant Agreement dated as of January 1, 2013 between the Lessee and Bank of America, N.A., or its successors and assignees.

1.5 "Premises." Premises shall mean the real property set forth in the legal description contained in EXHIBIT A-1 and depicted as the Leased Premises in EXHIBIT A-2, together with all buildings, appurtenances and fixtures located thereon.

1.6 "Affiliated Leases." Affiliated Leases shall mean each of:

(i) the Lease Agreement, between Lessor and Lessee and dated as of June 30, 1987, as heretofore amended and as may be amended from time to time (the "1987 Lease");

(ii) the Center For Advanced Medicine and Pritzker Building Lease Agreement, between Lessor and Lessee and dated as of June 21, 1993, as heretofore amended and as may be amended from time to time (the "DCAM Lease");

(iii) the Comer Children's Hospital Lease Agreement, between Lessor and Lessee and dated as of June 29, 2001, as heretofore amended and as may be amended from time to time ("Comer Lease"); and

(iv) the New Hospital Pavilion Lease Agreement, between Lessor and Lessee and dated as of August 20, 2009, as heretofore amended and as may be amended from time to time ("NHP Lease").

ARTICLE II

DEMISE

2.1 Lease of Property. Upon the terms and conditions hereinafter set forth and in consideration of the payment of the rent hereinafter set forth and of the performance by Lessor and Lessee of each and every one of the covenants and agreements hereinafter contained to be kept and performed by each of them, Lessor does hereby lease, let and demise unto Lessee, and Lessee does hereby lease of and from Lessor the Premises.

ARTICLE III

TITLE, CONDITION AND USE OF THE LEASED PREMISES

3.1 Title and Condition.

(a) Except for the express warranty set out in Section 3.1 (b), the Premises are demised and let in their condition as in effect at the commencement of the lease term relating thereto, "as is," and without any representation or warranty by Lessor of any kind as to any matter whatsoever express or implied (including, without limitation, the physical condition thereof).

(b) Lessor represents and warrants that, as of the date of this Lease, Lessor is the fee owner of the Premises and holds title to such land and Improvements as, and subject to the qualifications and exceptions, shown on the Commitments for Title Insurance (the "Title Reports") prepared by Chicago Title Insurance Company, copies of which have been furnished to Lessor and Lessee, as they may be subsequently revised with the agreement of the parties.

(c) LESSOR HAS NOT MADE AN INSPECTION OF THE PREMISES OR OF ANY PROPERTY, FIXTURE, EQUIPMENT OR OTHER ITEM CONSTITUTING A PORTION THEREOF, AND LESSOR MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED OR OTHERWISE, WITH RESPECT TO THE SAME OR THE LOCATION, USE, DESCRIPTION, DESIGN, MERCHANTABILITY, FITNESS FOR USE FOR ANY PARTICULAR PURPOSE, CONDITION OR DURABILITY THEREOF, OR AS TO THE QUALITY OF THE MATERIAL OR WORKMANSHIP THEREIN, OR OTHERWISE. THE PREMISES ARE BEING LEASED "AS IS." ALL WARRANTIES ARE EXPRESSLY WAIVED BY LESSEE. THE PROVISIONS OF THIS SECTION 3.1 ARE INTENDED TO BE A COMPLETE EXCLUSION AND NEGATION OF ANY AND ALL WARRANTIES (EXCEPT ONLY THE EXPRESS WARRANTY CONTAINED IN SECTION 3.1.(b)) BY LESSOR, EXPRESS OR IMPLIED, WITH RESPECT TO THE PREMISES AND ALL PROPERTY, FIXTURES, EQUIPMENT AND OTHER ITEMS CONSTITUTING A PORTION THEREOF.

3.2 Use of Premises. Lessee shall manage and operate the facilities on the Premises in a manner consistent with the Affiliation Agreement. The Premises, and every part thereof, shall be used and occupied only for the purpose of building and operating a parking garage, not-for-profit hospital and related outpatient clinics, each of which is supportive of the Lessor's academic and research mission. Lessee may operate certain facilities incidental to the operation of these facilities, unless prohibited from so doing pursuant to Sections 3.3 and 3.4 below.

3.3 Certain Uses Prohibited. Except to the extent that such violation will not materially adversely affect the business or financial position or ability to operate of either Lessee or Lessor, Lessee shall not use or occupy the Premises, or any part thereof, or permit the Premises, or any part thereof, to be used or occupied: contrary to any statute, law, rule, order, ordinance, requirement, regulation, covenant, condition or restriction of record applicable thereto; or in any manner which would violate any certificate of occupancy affecting the same, or which would cause major damage to the improvements. Lessee shall not use or occupy the Premises for any unlawful purpose, or in any manner which would cause, maintain or permit any nuisance or anything against public policy in or about the Premises or any part thereof. Except as necessary for Lessee to conduct its ordinary business as contemplated under this Lease, Lessee will not keep or use on the Premises or any part thereof any inflammable or explosive liquids or materials. Lessee will not commit or suffer to be committed any waste in, upon or about the Premises, or any part thereof. Lessee shall not permit persons under its control to engage in any unlawful activity in or about the Premises, and shall endeavor to prohibit any activity from being conducted on the Premises which is prohibited by the Affiliation Agreement.

3.4 Prohibition of Use. If the use or occupancy of the Premises, or any part thereof, should at any time during the term of this Lease be prohibited by law or by ordinance or other governmental regulation, or prevented by injunction, this Lease shall not be thereby terminated, nor shall Lessee be entitled by reason thereof to surrender the premises, nor shall the respective obligations of the parties hereto be otherwise affected.

3.5 Requirement of Continued Use. Lessee shall continuously during all of the Lease Term conduct and carry on the uses permitted by Section 3.2 hereof in the Premises in a first class, high quality, reputable manner. The provisions of this Section 3.5 obligating the Lessee to occupy and use the Premises at all times shall not apply when Lessee is prevented from doing so by strikes, lockouts or other causes and acts of God beyond the reasonable control of Lessee.

3.6 Agreements Affecting the Premises. Lessee shall keep, observe, perform and comply with all covenants, conditions and restrictions in any endowments or instruments of gift or bequest which affect the Premises.

3.7 Lessor's Right to Terminate Lessee's Occupancy Upon Abandonment. If Lessee should, for any reason other than a major renovation of the Premises or other than any of the reasons set out in the last sentence of Section 3.5, at any time cease to occupy or use for the uses permitted by Section 3.2 hereof for any period exceeding 90 consecutive days (or for any 90 days within any 120-day period) all or substantially all of any building which comprises part of the Premises, then Lessor has the right (but no obligation), upon written notice to Lessee, to terminate this Lease with respect to such Abandoned Premises (the "Abandoned Premises"), and by such notice to Lessee, such Abandoned Premises shall automatically cease to be a part of the Premises and shall permanently revert to the Lessor, and thereafter, Lessee shall have no rights or obligations with respect to the Abandoned Premises; provided, however, that until receipt of Lessor's notice pursuant to this Section 3.7, Lessee shall have full liability for all obligations under this Lease with respect to the Abandoned Premises.

Further, should Lessee fail to substantially complete construction (so as to permit building occupancy) of the NHP Garage (as defined in Article VII hereof) within 48 months of signing this Lease, this Lease shall be terminated and possession of the premises, including all improvements located thereon shall be surrendered by Lessee and delivered to Lessor.

ARTICLE IV

TERM

4.1 Lease Term. The term of this Lease (the "Lease Term") shall commence on January 23, 2013. The Lease Term shall end upon the earliest of the following events: (a) the termination of the Affiliation Agreement or any extensions thereof; (b) the expiration of the Affiliation Agreement as a result of an exercise of the election not to renew for additional 10 year terms; (c) Lessor's assumption of Lessee's obligations under the Loan Agreements and any of Lessee's loan agreements with the Illinois Finance Authority and related documents referred to in the definition of "loan agreements" in any of the Affiliated Leases; (d) termination of this Lease otherwise in accordance with its terms.

4.2 Possession. At any time during the Lease Term, Lessee shall have the right (subject to the terms and conditions of this Lease) to enter upon, occupy, possess and peaceably and quietly have, hold and enjoy the Premises, provided that Lessor shall retain the right to enter upon the Premises at any time in order to make inspections or to exercise any other rights of Lessor hereunder and further provided that except in the case of emergency, any entry by

Lessor pursuant to this Section 4.2 shall not unreasonably interfere with Lessee's use of the Premises.

ARTICLE V

RENT

5.1 Basic Rent. Lessee covenants to pay Lessor rent ("Basic Rent") for the Premises for the entire Lease Term in the amount of $10.00, due and payable on the date hereof.

5.2 Additional Rent.

(a) Lessee covenants to pay and discharge when the same shall become due or payable, as additional rent hereunder, all of the following (collectively, "Impositions"): each and every cost, tax, assessment and other expense on or with respect to the Premises or any part thereof, or for the payment of which Lessor or Lessee is liable pursuant to any provision of this Lease or by reason of any rights or interest of Lessor or Lessee in this Lease, or any portion thereof or relating to the Premises or any portion thereof, or the operation, maintenance, insurance, alteration, repair, rebuilding, possession, use or occupancy of the Premises or any portion thereof, or by reason of or in any manner connected with or relating to this Lease, or for any other reason whether similar or dissimilar to the foregoing, foreseen or unforeseen, together with every fine, penalty, interest and cost which may be added for nonpayment or late payment thereof; provided, however, that nothing herein shall require Lessee to pay any franchise, transfer, Federal net income, Federal profits, single business or other taxes of Lessor determined on the basis of Lessor's income or revenue, unless such tax is in lieu of or a substitute for any other tax or assessment upon or with respect to the Premises, which if such other tax or assessment were in effect, would be payable by Lessee hereunder.

(b) Lessee covenants to pay, as additional rent hereunder, all amounts, charges or costs required to be paid by Lessee under this Lease, all in accordance with the provisions of this Lease. All such additional rent, together with all Impositions are sometimes referred to collectively herein as "Additional Rent" and all Additional Rent and Basic Rent are sometimes referred to collectively herein as "Rent."

(c) In the event of any failure by Lessee timely and fully to pay any Rent when due or to discharge any of the foregoing, Lessor shall have all rights, powers and remedies provided herein, by law, or otherwise, and in addition thereto the right (but without any obligation) to pay and to perform any and all of Lessee's obligations and covenants under this Lease and to receive on demand from Lessee repayment thereof, with interest at the Default Interest Rate.

5.3 Net Lease. This is intended to be a completely "net" lease to Lessor, and the Rent and all other sums payable hereunder by Lessee shall be paid without demand, and without set-off, counterclaim, abatement, suspension, credit, deduction, deferment, defense, diminution or reduction of any kind or for any reason.

ARTICLE VI

IMPOSITIONS AND OTHER LIENS

6.1 Payment by Lessee.

(a) At Lessee's request, Lessor will apply for real estate tax exemptions for those portions of the Premises which are not exempt from such taxes and will charge the expenses of obtaining the exemption to the Lessee.

(b) Lessee shall cooperate with Lessor in filing or causing to be filed any documentation required to retain the Premises' status as exempt from real estate taxes and shall pay prior to delinquency, as additional rent for the Premises, its share (based on a reasonable allocation thereof determined by Lessor and acceptable to Lessee as between the Premises and any other property on which such taxes or impositions were levied, assessed, or charged, but if the parties cannot agree, the amount allocated to Lessee shall be based on Lessee's proportionate share of the square footage of the premises covered by such taxes or Impositions) of any and all taxes and assessments (general and special), and water rates and other Impositions (ordinary and extraordinary), of every kind and nature whatsoever, which are levied, assessed, charged or imposed upon or with respect to the Premises, or any part thereof, or which become payable during the Lease Term, or any ad valorem taxes assessed thereon or on or in connection with any personal property used in connection therewith which Lessor shall be required to pay, becoming due and payable during or with respect to the term of this Lease.

(c) Lessee shall also be responsible for and shall pay prior to delinquency any and all taxes, whether or not customary or now within the contemplation of the parties hereto and regardless of whether imposed upon Lessor or Lessee: (i) levied against, upon, measured by or reasonably attributable to any and all equipment, furniture, fixtures and other personal property located in or upon the Premises; (ii) upon or with respect to the possession, leasing, operation, management, maintenance, alteration, repair, use or occupancy by Lessee of the Premises or any portion thereof; or (iii) upon this transaction. If, at any time during the term, any of the foregoing taxes are included with any tax bills to Lessor or upon or relating to the Premises, then Lessee shall promptly upon notice by Lessor reimburse Lessor for any and all such taxes and such tax or assessment shall for purposes of this Lease be deemed to be taxes or assessments under this Section 6.1 payable by Lessee; provided, however, that if such taxes are included in a bill which also covers property owned by Lessor or property other than the Premises or property other than that within or upon the Premises, Lessee shall pay its share of such tax or assessment based on a reasonable allocation proposed by Lessor and acceptable to Lessee, but if the parties cannot agree, the amount allocated to Lessee shall be based on Lessee's proportionate share of the square footage of the premises covered by such tax or assessment; and provided further, that if the activity of one of the parties alone has resulted in the imposition of the tax or assessment, then that party shall pay the full cost of such tax or assessment.

(d) If under applicable law any Imposition may at the option of the taxpayer be paid in installments, Lessee may exercise such option, as long as Lessee pays all finance charges, installment payment fees or charges, and similar amounts.

(e) There shall be excluded from Impositions all Federal or state income taxes, Federal or state excess profit taxes, franchise, capital stock and Federal or state estate or inheritance taxes imposed upon Lessor except insofar as the same may be included within the definition of Additional Rent under Section 5.2.

6.2 Alternative Taxes.

(a) If at any time during the term of this Lease the method of taxation prevailing at the commencement of the Lease Term hereof shall be altered so that any new tax, assessment, levy, imposition or charge, or any part thereof, shall be measured or be based in whole or in part upon the Lease or Premises, or the Rent, or other income therefrom and shall be imposed upon the Lessor, then all such taxes, assessments, levies, impositions or charges, or the part thereof reasonably allocated by Lessor to this Lease or the Premises, to the extent that they are so measured or based, shall be deemed to be included within the term Impositions for the purposes hereof, to the extent that such Impositions would be payable if the Premises were the only property of Lessor subject to such Impositions, and Lessee shall pay and discharge the same as herein provided in respect of the payment of Impositions.

(b) Without limiting the generality of the preceding Section 6.2(a), if at any time during the Lease Term a tax, excise, assessment or imposition on rents or income or the privilege of leasing (as lessor or as lessee) real or personal property or other tax however described (a "Rent Tax") is levied or assessed by any governmental unit or taxing authority, on account of the rents payable or receivable hereunder or the interest of Lessor under this Lease or the privilege of leasing (as lessor or as lessee) real or personal property or otherwise, then Lessee agrees to reimburse Lessor on account thereof for the full amount thereof reasonably allocated by Lessor to this Lease or the Premises.

6.3 Evidence of Payment. Lessee shall deliver to Lessor receipts showing the payments of all Impositions and other taxes payable by Lessee hereunder, within thirty days after the earlier to occur of the payment or due date thereof.

6.4 Lessor's Right to Pay Impositions on Behalf of Lessee. In the event Lessee shall fail for any reason to make any of the payments required by this Article VI before the same become past due, then Lessor may, at its option, pay the same. The amounts so paid, including reasonable attorneys fees and expenses which are reasonably incurred because of, or in connection with, such payments, together with interest on all of such amounts from the respective dates of payment at the Default Interest Rate, shall be deemed Additional Rent hereunder and shall be paid promptly by Lessee to Lessor. The election of Lessor to make such payments shall not waive the default thus committed by Lessee.

6.5 Encumbering Title. Lessee shall not do or suffer to be done any act or omission which shall in any way encumber (or result in the encumbrance of) the title of Lessor in and to the Premises, nor shall the interest or estate of Lessor in the Premises be in any way subject to

any mortgage, claim by way of lien or encumbrance, whether by operation of law or by virtue of any express or implied contract by or of Lessee.

6.6 Liens. Lessee shall not permit the Premises to remain subject to any mechanics', laborers', materialmen's or similar lien on account of labor, service or material furnished to, or claimed to have been furnished to, or for the benefit of Lessee or the Premises, except if payment for such labor, service or material is not yet due under the contract in question and except to the extent such lien is being contested in accordance with the terms of Section 6.7 hereof.

6.7 Permitted Contests. Lessee shall not be required to pay any Imposition, or to remove any lien, charge or encumbrance required to be removed under Sections 6.5 and 6.6 hereof, or to comply with any law, ordinance, rule, order, decree, decision, regulation or requirement referred to in Section 3.3 hereof, so long as Lessee shall, in good faith and at its sole cost and expense, be actively contesting the amount or validity thereof, in an appropriate manner and by appropriate legal proceedings which shall operate during the pendency thereof to prevent the sale, estate or interest therein, and further provided, that no such contest shall subject Lessor to the risk of any loss or liability. Lessee will indemnify, defend and save Lessor harmless from and against any and all losses, judgments, decrees, liabilities, claims and costs (including, without limitation, attorneys' fees and expenses in connection therewith) which may relate to or result from any such contest.

6.8 Notice. Lessor shall promptly deliver to Lessee any notice, bill, assessment or other documentation received by Lessor requiring payment of any tax, imposition or other payment required by this Article VI.

ARTICLE VII

CONSTRUCTION OF NEW HOSPITAL PAVILION GARAGE

Lessor and Lessee understand that Lessee anticipates building the New Hospital Pavilion Garage (the "NHP Garage") on the Premises. The NHP Garage will include: an eight (8) story, approximately 875,000 square foot parking structure with approximately 1800 parking stalls, lower level loading docks, a ground level oxygen tank farm, and approximately 60,000 square feet of empty shelled space for future development.

ARTICLE VIII

INSURANCE

8.1 Maintenance of Insurance. The parties shall procure, and maintain in effect at all times, insurance policies or self-insurance covering the Premises, and the operations conducted thereon, against casualties, contingencies and risks (including but not limited to public liability and employee dishonesty) in amounts not less than customary in the case of corporations engaged in the same or similar activities and similarly situated and adequate to protect the Premises and operations.

Any insurance procured and maintained pursuant to this Article VIII may be obtained jointly by Lessor and Lessee or separately by either party. To the extent insurance is obtained jointly or by Lessor, Lessor shall allocate, on an equitable basis consistent with past practice or acceptable to Lessee, the cost of such policies or self-insurance as between Lessor and Lessee, and Lessee shall pay to Lessor, as Additional Rent, the portion of the cost of such policies or self-insurance so allocated to Lessee by Lessor. To the extent Lessee procures and maintains insurance policies covering the Premises, the entire cost and expense of such policies shall be paid by Lessee and considered to be Additional Rent.

All policies of insurance carried pursuant to this Section shall be maintained in such form and with such companies as shall be approved by Lessor. For those policies procured and maintained by Lessee individually, Lessee agrees to deliver to and keep deposited with Lessor all such policies and renewals thereof, with premiums prepaid, and with loss payable clauses satisfactory to Lessor, and non-cancellation clauses providing for not less than 30 days' written notice to Lessor attached thereto. For those policies procured and maintained by Lessor individually, Lessor agrees to furnish certificates or other documents reasonably required to show such insurance to Lessee or to other interested parties as requested by Lessee.

8.2 Mutual Waiver of Subrogation Rights. Whenever (a) any loss, cost, damage or expense resulting from fire, explosion or any other casualty or occurrence is incurred by either of the parties to this Lease in connection with the Premises, and (b) such party is then covered in whole or in part by insurance with respect to such loss, cost, damage or expense, then the party so insured (or hereby required so to insure) hereby releases the other party from any liability it may have on account of such loss, cost, damage or expense to the extent of any amount recovered by reason of such insurance (or which could have been recovered had such insurance been carried as so required) and waives any right of subrogation which might otherwise exist in or accrue to any person on account thereof, provided that such release of liability and waiver of the right of subrogation shall not be operative in any case where the effect thereof is to invalidate such insurance coverage or increase the costs thereof (provided that in the case of increased cost the other party shall have the right, within thirty days following written notice, to pay such increased cost, thereupon keeping such release and waiver in full force and effect).

ARTICLE IX

MAINTENANCE AND ALTERATIONS

9.1 Maintenance. Lessee shall, at its sole cost and expense, at all times keep and maintain the entire Premises (specifically including, without limitation, for each building, the exterior, the interior, the heating, ventilating and air conditioning equipment and system, the building systems, the structure and the roof) in good condition and repair, and in a safe, secure, clean and sanitary condition and, except to the extent that failure to do so will not materially adversely affect Lessee's financial position or its ability to operate its business, in full compliance with all building, fire, health and other applicable laws, codes, ordinances, rules and regulations and conforming to all requirements of any governmental authority having jurisdiction over the Premises. As used herein, each and every obligation of Lessee to keep, maintain and repair shall include, without limitation, all ordinary and extraordinary

structural and nonstructural repairs and replacements. Notwithstanding the foregoing, if unanticipated major structural repairs are required within the last five years of the lease term, the parties will attempt to negotiate a reasonable sharing of the cost of such repairs. All repairs, replacements and restoration to any exterior portion of any building, or to any structural portion of any building, shall be done in a manner that has been approved in advance by Lessor. If Lessee does not promptly make such repairs and replacements, Lessor may, but need not, make such repairs and replacements and the amount paid by Lessor for such repairs and replacements shall be deemed Additional Rent reserved under this Lease due and payable upon demand. Lessor may (but shall not be required to) enter the Premises at all reasonable times to make such repairs or alterations as Lessor shall reasonably deem necessary or appropriate for the preservation of the Premises.

9.2 Alterations.

(a) Lessee shall consult with Lessor's Facilities Services department from time to time and apprise them of modifications, alterations, or additions to space or demolishing facilities within the Premises, other than the demolition and construction involved in building the NHP Garage ("Alterations"), and Lessee shall not make any major alterations that have a substantial effect on the nature of activities on the Premises, without the consent of Lessor, which shall not be unreasonably withheld. Lessee shall review plans for such alterations with the Lessor's Facilities Services department to confirm that they conform to reasonable, established architectural criteria for the University campus.

(b) Lessee shall, subject to the right to contest as set forth in Section 6.7 hereof, at Lessee's expense, make such repairs and alterations, if any, on the Premises as are expressly required by any governmental authority or which may be made necessary by the act or neglect of Lessee, its employee's agents or contractors, or any persons, firm or corporation, claiming by, through or under Lessee; provided, however, that to the fullest extent permitted by applicable law or governmental order, all such work shall be done pursuant to the notice, review and approval provisions set forth in Section 9.2 (a).

(c) Any Alterations, repairs and replacements performed or made by Lessee shall be performed or made in a good, workmanlike manner with good quality, new materials, in accordance with all applicable laws and ordinances, and lien-free.

(d) Upon completion of any such work by or on behalf of Lessee, Lessee shall provide Lessor with access to such documents as Lessor may reasonably require (including, without limitation, a certificate of occupancy, if such certificates are then issued by the appropriate governmental agency or agencies with respect to projects or work of the type so performed by or on behalf of Lessee, an architect's certificate of completion, and sworn contractors' and subcontractors' statements and supporting final lien waivers) evidencing completion of the work in compliance with applicable laws (and, if relevant, with plans and specifications approved by Lessor) and payment in full for such work, and "as built" working drawings.

9.3 Title to Alterations. All improvements and Alterations installed pursuant to this Lease shall be deemed part of the Premises and the property of Lessor (subject only to Lessee's rights

hereunder during the Lease Term); provided, however, that upon expiration of this Lease, Lessee may remove from the Premises, in accordance with the provisions of Section 15.2 hereof, any trade fixtures and personal property which are owned by Lessee.

9.4 Signs. The parties shall agree upon the detailed plans and specifications for any exterior signs on or about the Premises.

ARTICLE X

ASSIGNMENT AND SUBLETTING

10.1 Consent Required.

(a) Lessee shall not, without Lessor's prior written consent (which Lessor may withhold in Lessor's sole discretion): (i) assign, sell, transfer, convey, pledge, encumber or mortgage this Lease or any interest herein or hereunder; (ii) allow or permit to occur or exist any assignment, sale, transfer, conveyance, pledge, encumbrance or mortgage of, or lien upon or security interest in, this Lease or any part of Lessee's interest herein or hereunder, whether by operation of law or otherwise; (iii) sublet, or cause or permit to occur or exist any subletting of, the Premises or any part thereof; or (iv) permit the use or occupancy of the Premises or any part thereof by anyone other than Lessee, provided however, that if this Lease is assigned to any person or entity pursuant to the provisions of the United States Bankruptcy Code, 11 U.S.C. 101 et seq. (the "Bankruptcy Code"), any and all monies and other consideration of any kind whatsoever payable or otherwise to be delivered in connection with such assignment shall be paid or delivered to Lessor, shall be and remain the exclusive property of Lessor and shall not constitute property of Lessee or of the estate of Lessee within the meaning of the Bankruptcy Code. Any and all monies or other consideration constituting Lessor's property under the preceding sentence not paid or delivered to Lessor shall be received and held in trust for the benefit of Lessor and shall be promptly paid to or turned over to the Lessor. It is understood that, by sublease or other agreement between the parties, Lessee may make available for occupancy by Lessor certain portions of the Premises for specified periods of time under arrangements for payment of maintenance costs and other services furnished by Lessee to Lessor.

(b) No assignment or subletting, whether or not permitted hereunder, shall relieve Lessee of any of Lessee's obligations, covenants, or agreements hereunder and Lessee shall continue to be liable as a principal and not as a guarantor or surety, to the same extent as though no assignment or subletting had been made. Any person or entity to whom this Lease is assigned or to whom a sublease is made pursuant to the provisions of the United States Bankruptcy Code shall be deemed without further act or deed to have personally assumed, and agreed personally to be liable for, all of the obligations of the Lessee arising under this Lease on and after the date of such assignment or sublease. Any such assignee or sublessee shall, upon demand, execute and deliver to Lessor an instrument expressly confirming such assumption.

ARTICLE XI

UTILITIES

11.1 Utilities. The cost of all utility services to the Premises, including but not limited to gas, water, sewer, electricity and telephone, shall be paid or reimbursed by Lessee; provided, however, that Lessor shall provide (and Lessee agrees to accept and pay for), steam heat and telecommunications and paging services to Lessee in accordance with and on the terms and conditions set out in a separate agreement between Lessor and Lessee. Whenever and wherever reasonably requested by Lessor, Lessee shall, at its expense, install and maintain separate meters for utilities servicing the Improvements. Where utilities are not separately metered, and any utility bill relates to both the Premises and to space which is not part of the Premises, Lessee shall pay its share of such utilities based upon the share thereof reasonably allocated to Lessee by Lessor and acceptable to Lessee, but if the parties cannot agree, the amount allocated to Lessee shall be based on Lessee's proportionate share of the premises served by such utilities. Provided, however, that to the extent, if any, that the Operating Agreement provides for the amount or number of payments by Lessee for or with respect to utility services, those provisions shall govern and control over any inconsistent provisions in this section.

ARTICLE XII

INDEMNITY AND WAIVER

12.1 Indemnity. Lessee will protect, indemnify and save harmless Lessor and Lessor's agents from and against all liabilities, obligations, claims, damages, penalties, causes of action, judgments, costs and expenses (including without limitation, attorneys' fees and expenses) imposed upon or incurred by or asserted against Lessor by reason of: (a) any failure on the part of the Lessee to perform or comply with any of the terms or provisions of this Lease to be performed by Lessee; or (b) performance of any labor or services or the furnishing of any materials or other property at the request of and on behalf of Lessee or any other person (except only Lessor) in respect of the Premises or any part thereof. In case any action, suit or proceeding is brought against Lessor or Lessor's trustees, officers, agents, or employees by reason of any such occurrence, Lessee will, at Lessor's election and Lessee's expense, resist and defend such action, suit or proceeding, or cause the same to be resisted and defended, and Lessor shall also have the right to defend and resist the same by its own attorneys. Lessee will not settle or compromise any such matter without Lessor's written consent. Upon demand, Lessee shall reimburse Lessor for any cost incurred as a result of or in connection with any such action, suit or proceeding.

12.2 Waiver of Certain Claims. Lessee waives all claims it may have against Lessor and Lessor's trustees, officers, agents, or employees for damage or injury to person or property sustained by Lessee or any persons claiming through Lessee or by any occupant, patient, visitor, invitee or licensee of Lessee or the Premises, or any part thereof, or by any other person, occurring at, upon, within or about, or resulting from the condition of, any part of the Premises or resulting directly or indirectly from any act or omission of Lessee to the fullest extent permitted by law; provided, however, that nothing contained herein shall relieve Lessor from liability for its own negligence or willful misconduct. The foregoing waiver shall include, without limitation, damage or injury caused by water, snow, frost, steam,

excessive heat or cold, sewage, gas, odors or noise, or caused by bursting or leaking of pipes or plumbing fixtures or unsafe conditions, and shall apply equally whether any such damage or injury results from the act or omission of Lessee or of any other person and whether such damage be caused by or result from any thing or circumstance whether of a like nature or of a wholly different nature. All personal property belonging to Lessee or any other person other than Lessor that is in or on any part of the Premises shall be there at the risk of Lessee or of such other person only, and Lessor shall not be liable for any damage thereto or for the theft or misappropriation thereof.

12.3 Lessor's Indemnity. Lessor will protect, indemnify and save harmless Lessee's agents from and against all liabilities, obligations, claims, damages, penalties, causes of action, judgments, costs and expenses (including without limitation, attorneys' fees and expenses) imposed upon or incurred by or asserted against Lessee by reason of any failure on the part of Lessor to perform or comply with any of the terms or provisions of this Lease to be performed by Lessor. In case any action, suit or proceeding is brought against Lessee or Lessee's trustees, officers, agents, or employees by reason of any such occurrence, Lessor will, at Lessee's election and Lessor's expense, resist and defend such action, suit or proceeding, or cause the same to be resisted and defended, and Lessee shall also have the right to defend and resist the same by its own attorneys. Lessor will not settle or compromise any such matter without Lessee's written consent. Upon demand, Lessor shall reimburse Lessee for any cost incurred as a result of or in connection with any such action, suit or proceeding.

ARTICLE XIII

INSPECTION

13.1 Inspection. Lessor and Lessor's agents may enter the Premises at any time for the purpose of inspecting the same, or of making repairs which Lessee has failed for any reason to make in accordance with the covenants and agreements of this Lease, and also for the purpose of showing the Premises to persons interested in the programs and activities carried on thereat; provided, however, that except in the case of emergency or if necessary to correct any unsafe or unsound condition, any entry by Lessor pursuant to this Section 13.1 shall not unreasonably interfere with Lessee's use of the Premises.

ARTICLE XIV

LESSEE'S COVENANTS

14.1 Covenants. Lessee hereby covenants and agrees that:

(a) Lessee shall: permit access by the Lessor to, and allow the Lessor to copy and make extracts from, the books and records of the Lessee at any time; and permit the Lessor to inspect the properties and operations of the Lessee at any time.

(b) Lessee shall not enter into any agreement containing any provision which would be violated or breached by the performance of any of its obligations hereunder or under any instrument or document delivered or to be delivered by it hereunder or in connection herewith.

ARTICLE XV

SURRENDER

15.1 Surrender. Upon termination of this Lease for any reason, Lessee will at once surrender and deliver up the Premises to Lessor in good condition and repair, reasonable wear and tear excepted. Lessee shall deliver to Lessor keys to all doors on the Premises. All hardware, fixtures (other than trade fixtures), and improvements, in or upon the Premises, shall become Lessor's property and shall remain upon the Premises upon any termination of this Lease, without compensation, allowance or credit to Lessee.

15.2 Removal of Lessee's Property. Upon the termination of this Lease, if Lessee is not in default hereunder, Lessee may remove Lessee's trade fixtures, personal property and equipment; provided, however, that Lessee shall repair any injury or damage to the Premises which may result from such removal. Any of Lessee's furniture, machinery, trade fixtures and other items of personal property which Lessee fails to remove from the Premises by the end of the Lease Term may, at Lessor's option, be removed by Lessor and delivered to any other place of business of Lessee or any warehouse, and Lessee shall pay the reasonable cost of such removal (including the repair of any injury or damage to the Premises resulting from such removal), delivery and warehousing to Lessor on demand, with interest at the Default Interest Rate from the tenth day after the demand until paid in full; or Lessor may treat such property as having been conveyed to Lessor with the Lease as a Bill of Sale, without further payment or credit by Lessor to Lessee.

15.3 Holding Over. Any holding over of the Premises by Lessee after the expiration of this Lease shall operate and be construed to be a tenancy from month to month only. During any such extended term of this Lease, all of the provisions hereof (including without limitation, those obligating Lessee to pay all Additional Rent) shall govern and apply, except that Lessee shall pay Base Rent to Lessor for such period at the rate of $100,000.00 per month. Nothing contained in this Section 15.3 shall be construed to give Lessee the right to hold over after the expiration of this Lease, and Lessor may exercise any and all remedies at law or in equity to recover possession of the Premises.

ARTICLE XVI

DEFAULTS AND REMEDIES

16.1 Defaults. Lessee agrees that the occurrence of any one or more of the following events shall constitute an Event of Default for all purposes of this Lease:

(i) Lessee fails to pay, within 30 days after written notice to Lessee that the same is due and payable, any amount of Rent (including, without limitation, Additional Rent) due hereunder;

(ii) Lessee fails to pay, within 30 days after written notice to Lessee that the same is due and payable, any other amount or charge required to be paid by Lessee hereunder;

(iii) Lessee fails in any material respect to keep, observe or perform any of the other covenants or agreements herein contained to be kept, observed and performed by Lessee, and Lessee fails to completely and fully cure such default within 30 days after notice thereof in writing to Lessee; provided, however, that if such matter cannot be cured within 30 days, then no Event of Default shall be deemed to have occurred with respect thereto so long as cure is commenced immediately and Lessee diligently proceeds to complete cure within a reasonable period of time, and provided further, that no cure period whatsoever shall apply with respect to a hazardous or emergency condition;

(iv) Lessee shall become insolvent or shall admit in writing its inability to pay its debts, or shall make a general assignment for the benefit of creditors;

(v) Lessee shall file, institute or commence any case, proceeding or other action seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, or seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its property;

(vi) Lessee shall take any corporate or other action to authorize any of the actions set forth above in either of the preceding paragraphs (iv) or (v);

(vii) Any case, proceeding or other action against the Lessee or any of its property shall be filed, instituted or commenced seeking to have an order for relief entered against it as debtor, or seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, or seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its property, and such case, proceeding or other action results in the entry of an order for relief against it which is not fully stayed within 30 days after the entry thereof or remains undismissed for a period of 60 days;

(viii) All or any material part of the interest or estate of Lessee under this Lease is levied upon under execution or is attached under process of law;

(ix) An Event of Default shall have occurred under any of the Affiliated Leases.

16.2 Remedies. Upon the occurrence of any one or more Events of Default, Lessor may, in its discretion, pursue any and all rights and remedies specified in this Lease or available at law or in equity (including, without limitation, an action for damages and for injunctive relief) and may also, in Lessor's discretion, terminate this Lease. Upon termination of this Lease, Lessee shall surrender possession, vacate the Premises immediately and deliver possession thereof to Lessor, and hereby grants to Lessor the full and free right, without demand or notice of any kind to Lessee, to enter into and upon the Premises in such event with or without process of law and to repossess the Premises as the Lessor's former estate and to expel or remove the Lessee and any others who may be occupying or may be within the Premises without being deemed in any manner guilty of trespass, eviction, or forcible entry or detainer, without incurring any liability for any damage resulting therefrom and without relinquishing the Lessor's rights to rent or any other right given to the Lessor hereunder or

by operation of law. Upon termination of this Lease, Lessor shall be entitled to recover as damages all Rent (including, without limitation, Additional Rent) and other sums due and payable by Lessee on the date of termination or for or with respect to the period ending on the effective date of such termination, plus interest at the Default Interest Rate, plus the cost of performing any other covenants or obligations Lessee should have performed on or before the effective date of such termination. Lessor may relet all or any part of the Premises and none of the rents or other amounts received by Lessor as a result of any such reletting shall reduce, or be a credit or offset against, the damages and other amounts required to be paid by Lessee to Lessor hereunder with respect to such termination or otherwise, except as required by law.

16.3 Assumption of Loan Agreement Obligations. Notwithstanding anything else contained in this Lease including, without limitation, the provisions of Sections 3.7, 4.1 and 16.2 hereof, the Lessor or the Lessee shall not be entitled to terminate this Lease for any reason or to exercise its option not to renew the Affiliation Agreement for an additional ten year term upon completion of its initial term unless prior to or concurrently with the termination of the Lease or end of the Lease Term under Section 4.1 hereof as a result of such non-renewal, the Lessor shall have assumed and agreed to perform the obligations of the Lessee under the Loan Agreements in the manner and to the extent provided in the Loan Agreements.

16.4 Lessee's Waiver of Statutory Rights. In the event of any termination of the term of this Lease or any repossession of the Premises pursuant to this Article XVI, Lessee, to the fullest extent permitted by law, waives (a) any notice of re-entry, (b) any right of redemption, re-entry or repossession, and (c) the benefits of any laws now or hereafter in force exempting property from liability for rent or for debt.

16.5 Remedies Cumulative. No right or remedy of Lessor shall be considered to exclude or suspend any other remedy. All rights and remedies of the Lessor shall be cumulative and shall be in addition to every other remedy. Every such power, right and remedy may be exercised from time to time, together or successively, and so often as Lessor chooses.

16.6 No Waiver. No delay or omission of Lessor to exercise any right, remedy or power shall impair any such right, remedy or power or be construed to be a waiver thereof or of any default or any acquiescence therein. No waiver of any breach of any of the covenants of this Lease shall be a waiver of any other breach or waiver, acquiescence in or consent to any further or succeeding breach of the same covenant. The acceptance by Lessor of any payment of Rent or other charges hereunder after the termination of this Lease shall not restore this Lease or Lessee's right to possession hereunder, but rather shall be construed only as a payment on account, and not in satisfaction, of damages due from Lessee to Lessor.

ARTICLE XVII

MISCELLANEOUS

17.1 Lessor's Right to Cure. Lessor may, but shall not be obligated to, cure any default by Lessee or failure of Lessee to perform any of its obligations hereunder, including Lessee's failure to pay Impositions, obtain or maintain appropriate insurance, make repairs or satisfy lien claims; and whenever Lessor so elects, all costs and expenses paid by Lessor in curing such

default or failure, including (without limitation) reasonable attorneys' fees and interest at the Default Interest Rate from the date expended by Lessor until Lessor is repaid in full, shall be so much Additional Rent due on demand.

17.2 Amendments Must Be In Writing. This Lease may not be amended, nor may any obligation, right or remedy hereunder be waived or released, except by and to the extent expressly provided in a written instrument duly signed and delivered by the party against whom the same is sought to be enforced; and no act, omission, or waiver, acquiescence or forgiveness, by Lessor as to any default in or failure of performance, either in whole or in part, by Lessee of any of the covenants, terms or conditions of this Lease shall be deemed to be a waiver by Lessor of the right to performance by Lessee of each and every one of the terms and conditions hereof thereafter to be performed in the same manner and to the same extent as the same are herein covenanted to be performed by Lessee.

17.3 Notices. All notices to or demands upon Lessor or Lessee desired or required to be given under this Lease shall be in writing, and shall be deemed to have been duly and sufficiently given on the first to occur of (i) actual delivery, (ii) the next business day following mailing by U.S. Express Mail or any other overnight delivery service, or (iii) the third business day after a copy thereof has been mailed by United States certified mail in an envelope properly stamped and addressed as follows:

If to Lessor:	The President The University of Chicago 5801 South Ellis Avenue Chicago, Illinois 60637
with a copy to:	The General Counsel The University of Chicago 5801 South Ellis Avenue Chicago, Illinois 60637
If to Lessee:	The President The University of Chicago Medical Center 5841 South Maryland Avenue Chicago, Illinois 60637
with a copy to:	The General Counsel The University of Chicago Medical Center 5841 South Maryland Avenue Chicago, Illinois 60637

or at such address in the City of Chicago as either party may designate, in a notice duly given to the other party, as its address for the receipt of notices hereunder.

17.4 Relationship of Parties. Nothing contained herein shall be deemed or construed by the parties hereto or by any other person as creating the relationship of principal and agent, or of partnership or joint venture, or any other relationship other than that of landlord and tenant, by the parties hereto.

17.5 Attorneys' Fees. In the event that either party retains an attorney to enforce this Lease or any term, covenant or condition hereunder or to collect any Rent or any other amount due or payable under this Lease or to recover possession of the Premises, or files any action or proceeding under or relating to this Lease, the non-prevailing party shall pay the prevailing party's reasonable attorneys' fees and court costs incurred in connection therewith.

17.6 No Brokers. Lessor and Lessee each represents and warrants to the other that it has dealt with no broker in connection with this transaction. Each party hereto agrees to indemnify and hold the other harmless from and against any and all damage, liability, loss, expense and claims arising from the incorrectness of this warranty.

17.7 Entire Agreement. This Lease (including any Exhibits hereto, which are made a part hereof), the agreement concerning the provision of steam described in Section 11.1 hereof, and any other agreement specifically identified or described in this Lease, contains all of the understandings and agreements between the parties hereto with respect to the Premises and the subject matter hereof.

17.8 Applicable Law. This Lease shall be governed by, and construed and enforced in accordance with, the laws of the State of Illinois.

17.9 Covenants Binding on Successors; No Third Party Beneficiaries. All of the covenants, agreements, conditions and undertakings contained in this Lease shall extend and inure to the benefit of, and be binding upon, the parties hereto and their respective successors and assigns; provided, however, that this sentence shall not be construed as restricting or limiting in any way the provisions of Article X hereof, which shall govern and control over any inconsistent provisions of this Section 17.9. No person, firm, corporation, entity, or governmental authority other than the parties hereto and their respective successors and assigns shall have or may enforce any right, benefit, claim or privilege under or as a result of this Lease or any covenants, agreement, condition or undertaking in this Lease, it being the express intention of the parties that there not be any third party beneficiaries of this Lease or any provision hereof. Notwithstanding the other provisions of this Section 17.9, the other parties to the Loan Agreements (as that term may be amended from time to time) and their respective successors and assigns, so long as either of the Loan Agreements is in effect and amounts are payable thereunder, shall be third party beneficiaries solely with respect to the provisions of Section 16.3 hereof.

[*Signature page follows.*]

IN WITNESS WHEREOF, Lessor and Lessee have executed and delivered this Lease as of the day and year first above written, pursuant to proper authority duly granted.

Lessor:

ATTEST:

THE UNIVERSITY OF CHICAGO

By: _____
Name: Russell J. Herron
Its: Assistant Secretary

By: _____
Name: Nima~~lan Chinnian~~
Its: Executive Vice President for Administration and Chief Financial Officer

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO MEDICAL CENTER

By: _____
Name: Jennifer A. Hill
Its: Secretary

By: _____
Name: James M. Watson
Its: Chief Financial Officer

ATTACHMENT 2

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Tambra A. Black, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Nimalan Chinniah and Russell J. Herron, personally known to me to be the same persons whose names are, respectively, Executive Vice President for Administration and Chief Financial Officer and Assistant Secretary of THE UNIVERSITY OF CHICAGO, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 23rd day of January, 2013.

(SEAL) OFFICIAL SEAL
TAMBRA A BLACK
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:07/30/14

Tambra A. Black
Notary Public in and for Cook County, Illinois

My Commission Expires: 7/30/14

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a Notary Public in and for the said County in the State aforesaid, do hereby certify that James M. Watson and Jennifer A. Hill, personally known to me to be the same persons whose names are, respectively, Chief Financial Officer and Secretary of THE UNIVERSITY OF CHICAGO MEDICAL CENTER, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this ____ day of January, 2013.

(SEAL)

_____
Notary Public in and for Cook County, Illinois

My Commission Expires:

ATTACHMENT 2

IN WITNESS WHEREOF, Lessor and Lessee have executed and delivered this Lease as of the day and year first above written, pursuant to proper authority duly granted.

Lessor:

ATTEST:

THE UNIVERSITY OF CHICAGO

By: _____
Name: Russell J. Herron
Its: Assistant Secretary

By: _____
Name: Nimalan Chinniah
Its: Executive Vice President for Administration and Chief Financial Officer

Lessee:

ATTEST:

THE UNIVERSITY OF CHICAGO MEDICAL CENTER

By: Jennifer A Hill
Name: Jennifer A. Hill
Its: Secretary

By: J M Watson
Name: James M. Watson
Its: Chief Financial Officer

ATTACHMENT 2

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a Notary Public in and for the said County in the State aforesaid, do hereby certify that Nimalan Chinniah and Russell J. Herron, personally known to me to be the same persons whose names are, respectively, Executive Vice President for Administration and Chief Financial Officer and Assistant Secretary of THE UNIVERSITY OF CHICAGO, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this ____ day of January, 2013.

(SEAL)

_____
Notary Public in and for Cook County, Illinois

My Commission Expires:

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, Wanda H. Wideman, a Notary Public in and for the said County in the State aforesaid, do hereby certify that James M. Watson and Jennifer A. Hill, personally known to me to be the same persons whose names are, respectively, Chief Financial Officer and Secretary of THE UNIVERSITY OF CHICAGO MEDICAL CENTER, an Illinois not for profit corporation, subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they, being thereunto duly authorized, signed, sealed with the seal of said corporation, and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 23rd day of January, 2013.

"OFFICIAL SEAL"
WANDA H. WIDEMAN
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 8/4/2014

(SEAL)

Wanda H. Wideman
Notary Public in and for Cook County, Illinois

My Commission Expires: August 4, 2014

NEW HOSPITAL PAVILION GARAGE LEASE AGREEMENT

EXHIBIT A-1

LOTS 9 THROUGH 20, BOTH INCLUSIVE, AND THE SOUTH HALF OF LOT 8, AND LOTS 26 THROUGH 42, BOTH INCLUSIVE, AND THAT PART OF LOT 43 LYING SOUTH OF THE NORTH 13.00 FEET THEREOF IN BLOCK 5 IN MCKICHAN AND MASON'S SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, TOGETHER WITH LOTS 1, 2, AND 3 IN THE RESUBDIVISION OF LOTS 21 THROUGH 25, BOTH INCLUSIVE, IN BLOCK 5 OF MCKICHAN AND MASON'S SUBDIVISION AFORESAID, TOGETHER WITH THAT PART OF THE 16 FOOT WIDE ALLEY LYING NORTH OF THE NORTH LINE OF EAST 57TH STREET, AND LYING SOUTH OF THE SOUTH LINE, EXTENDED EAST, OF THE NORTH 13.00 FEET OF LOT 43 IN BLOCK 5 IN MCKICHAN AND MASON'S SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST, OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE ANTE-FIRE PLAT THEREOF RECORDED OCTOBER 22, 1868, ALL IN COOK COUNTY, ILLINOIS.

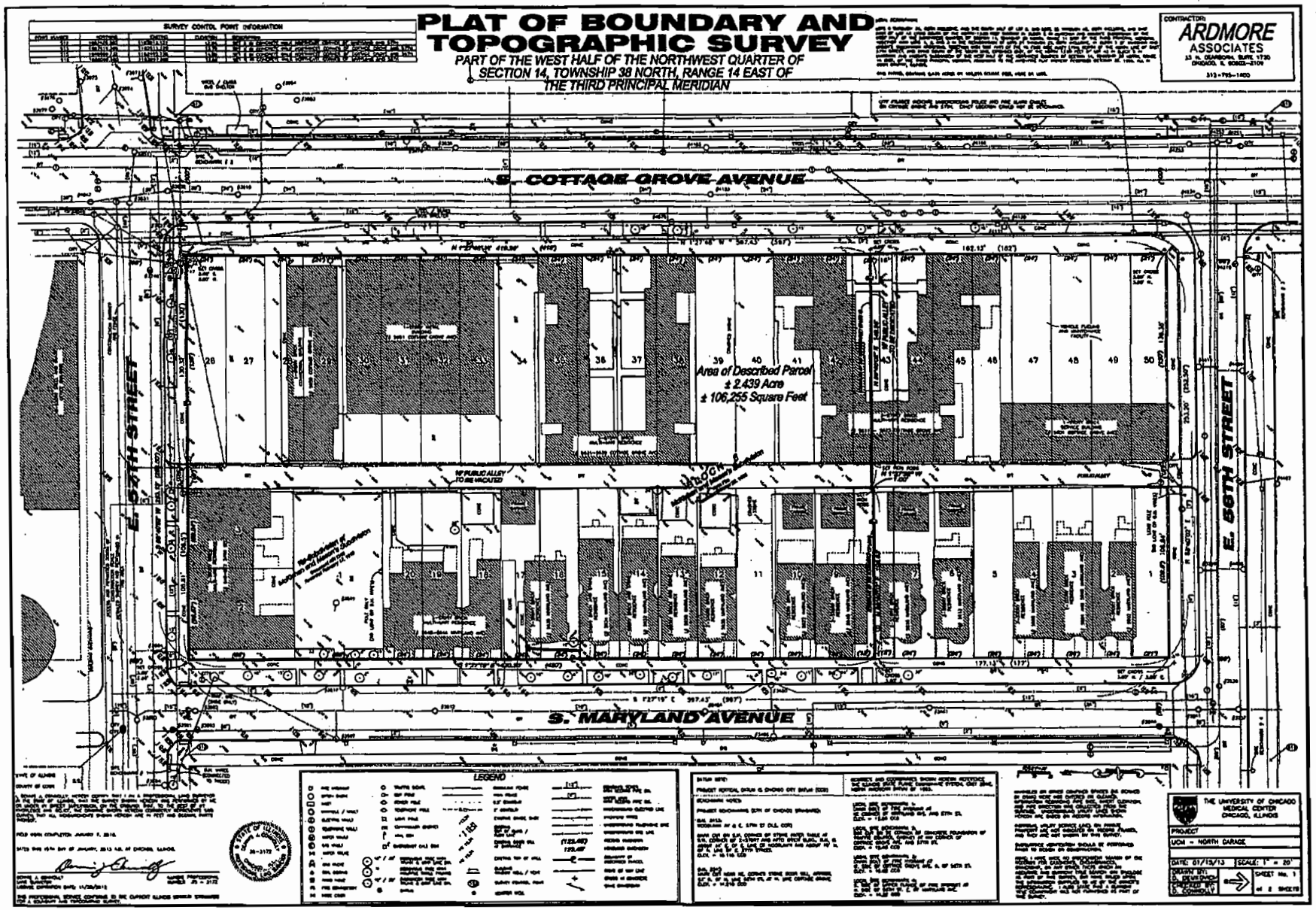
SAID PARCEL CONTAINS 2.439 ACRES OF 106,255 SQUARE FEET, MORE OR LESS.

CITY ATLASES INDICATE UNDERGROUND POLICE AND FIRE ALARM CABLES ON COTTAGE GROVE AND 57TH. EXACT LOCATION COULD NOT BE DETERMINED.

NEW HOSPITAL PAVILION GARAGE LEASE AGREEMENT

EXHIBIT A-2

ATTACHMENT 2



ATTACHMENT 2

PLAT OF BOUNDARY AND TOPOGRAPHIC SURVEY

PART OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 14, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN

CONTRACTOR:
ARDMORE ASSOCIATES
33 N. DEARBORN, SUITE 1720
CHICAGO, IL 60602-3189
312-795-1400

UTILITY STRUCTURE DATA TABLE

WATER VAULTS

THE UNIVERSITY OF CHICAGO
MEDICAL CENTER
CHICAGO, ILLINOIS

PROJECT
UCM - NORTH GARAGE

DATE: 01/15/13 | SCALE: 1" = 20'

DRAWN BY: G. DEMKOVICH
CHECKED BY: G. CONNOLLY

SHEET No. 2 of 2 SHEETS

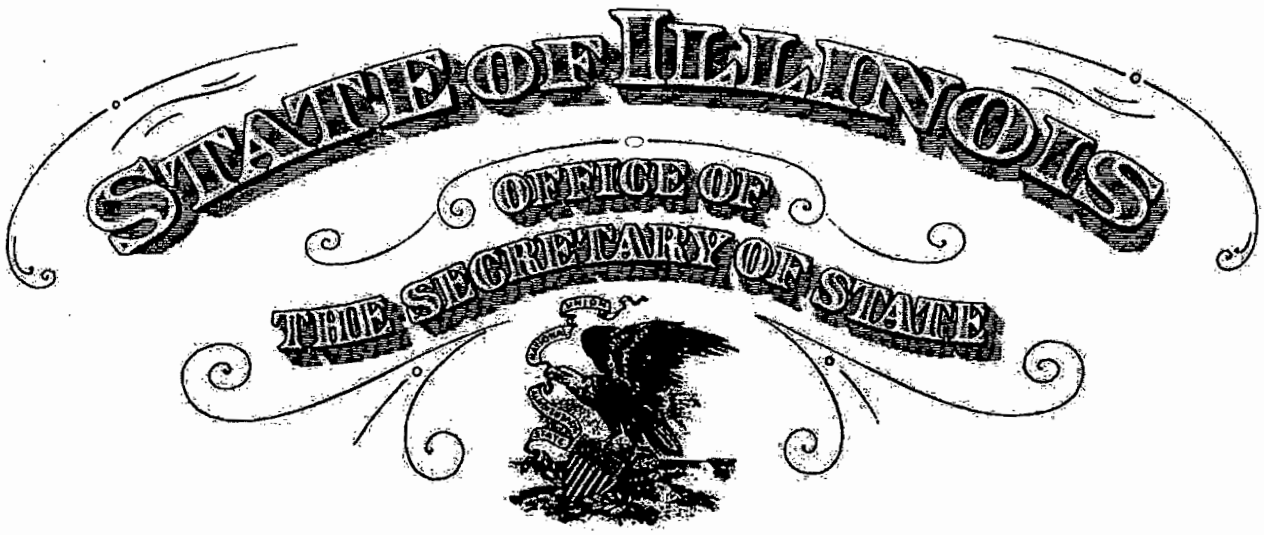
ATTACHMENT 2

Section I, Operating Identity/Licensee

Attachment 3

The University of Chicago Medical Center ("UCMC") is an Illinois not-for-profit corporation, incorporated on October 1, 1986. A copy of UCMC's Good Standing Certificate, dated February 8, 2016, is attached.

File Number 5439-757-7



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

THE UNIVERSITY OF CHICAGO MEDICAL CENTER, A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON OCTOBER 01, 1986, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE GENERAL NOT FOR PROFIT CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 8TH *day of* FEBRUARY *A.D.* 2016 .

Authentication #: 1603901866 verifiable until 02/08/2017
Authenticate at: http://www.cyberdriveillinois.com

Jesse White
SECRETARY OF STATE

ATTACHMENT 3

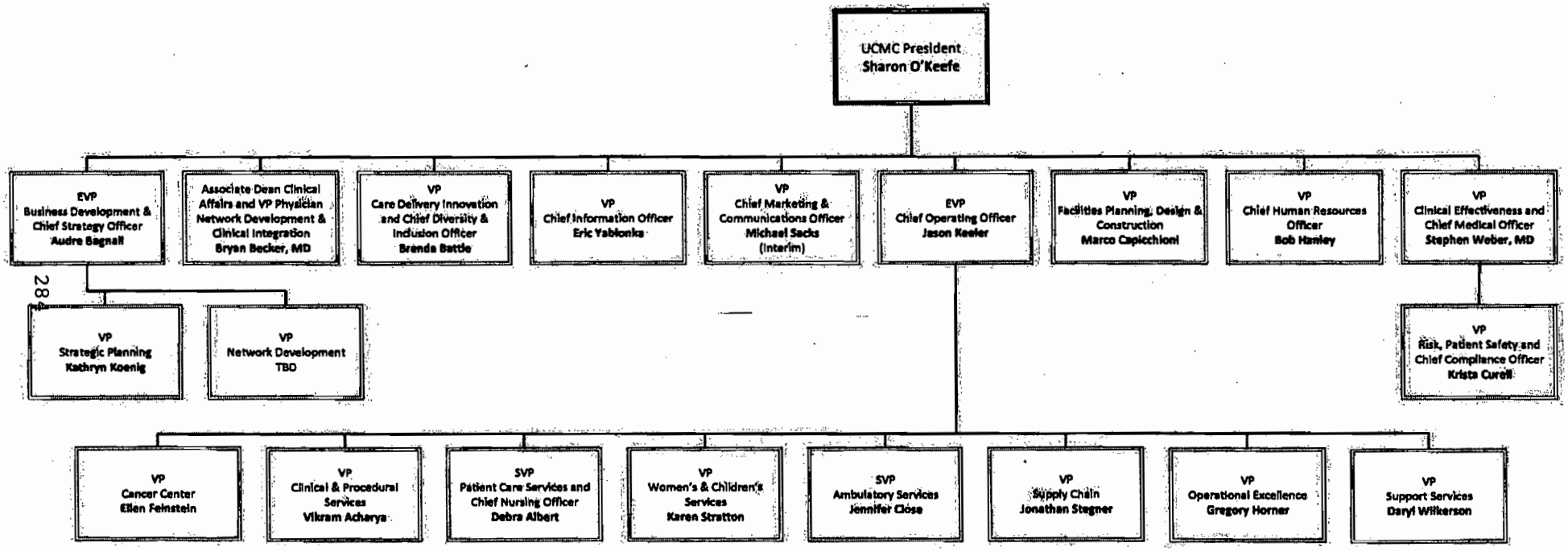
Section I, Organizational Relationships

Attachment 4

A copy of UCMC's Senior Management Team organizational chart is attached. UCMC does not have any subsidiary corporate entities.

THE UNIVERSITY OF CHICAGO MEDICINE
AT THE FOREFRONT OF MEDICINE®

University of Chicago Medical Center Administration



Revised 1/27/16

ATTACHMENT 4

Section I, Flood Plain Requirement

Attachment 5

A letter attesting to the fact that the site of the Project is not located in a flood plain and that the Project complies with the Flood Plain Rules under Illinois Executive Order #2005-5 is attached.

ATTACHMENT 5

THE UNIVERSITY OF
CHICAGO
MEDICINE

Sharon O'Keefe
President

MC 1000 S-115
5841 South Maryland Avenue
Chicago, Illinois 60637-1470
phone (773) 702-8908
fax (773) 702-1897
sharon.okeefe@uchospitals.edu

February 8, 2016

Ms. Courtney R. Avery
Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: Flood Plain Requirements

Dear Ms. Avery:

We hereby attest that our proposed project complies with the requirements of Illinois Executive Order #2005-5 pertaining to construction activities in special flood hazard areas. The accompanying map from www.illinoisfloodmaps.org indicates that the site of our project is judged an "Area of Minimal Flood Hazard".

Sincerely,

The University of Chicago Medical Center

Sharon O'Keefe
President

Notarization:
Subscribed and sworn to before me
this 8th day of February, 2016

Signature of Notary Public

Seal

"OFFICIAL SEAL"
CASSANDRA COLE
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 8/3/2017

ATTACHMENT 5

HOME FEMA's National Flood Hazard Layer (Official)

Details Basemap Share Print Measure

Legend

NFHL (click to expand)

LOMRs

Effective

LOMAs

FIRM Panels

Cross-Sections

Base Flood Elevations

Flood Hazard Boundaries

Limit Lines

SFHA / Flood Zone Boundary

Other Boundaries

Flood Hazard Zones

1% Annual Chance Flood Hazard

Regulatory Floodway

Special Floodway

Area of Undetermined Flood Hazard

0.2% Annual Chance Flood Hazard

Future Conditions 1%

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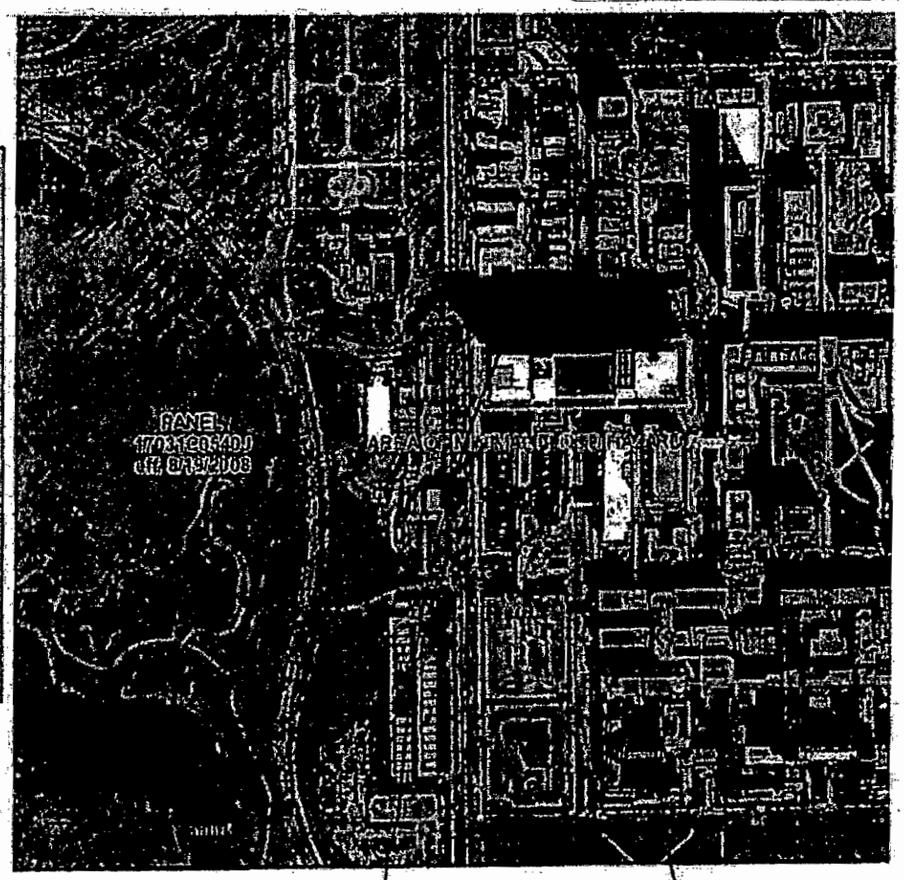

The University of Chicago Medical Center

Project site:
Mitchell Hospital
Adult ED Proposed Location

HOME FEMA's National Flood Hazard Layer (Official) Modif

Details Basemap Share Print Measure

Legend

NFHL (click to expand)

LOMRs

Effective

LOMAs

FIRM Panels

Cross-Sections

Base Flood Elevations

Flood Hazard Boundaries

Limit Lines

SFHA / Flood Zone Boundary

Other Boundaries

Flood Hazard Zones

1% Annual Chance Flood Hazard

Regulatory Floodway

Special Floodway

Area of Undetermined Flood Hazard

0.2% Annual Chance Flood Hazard

Future Conditions 1%

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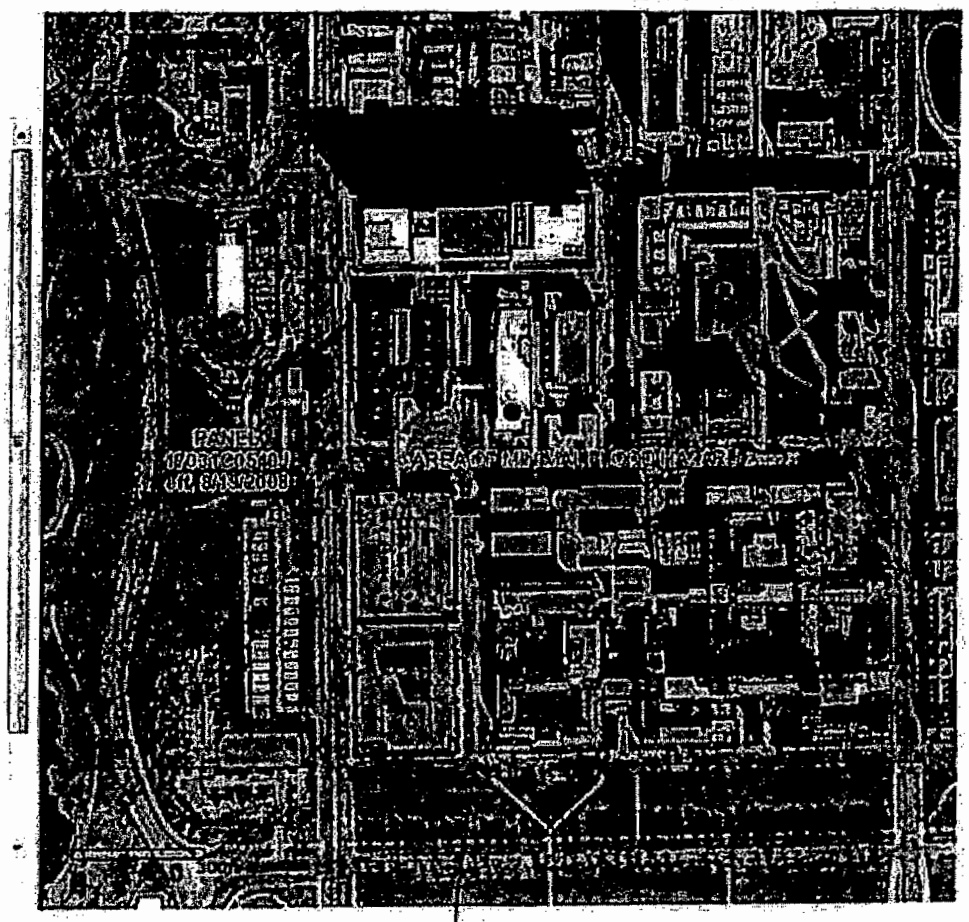

The University of Chicago Medical Center

59th St.

Maryland Ave.

ATTACHMENT 5

Section I, Historic Resources Preservation Act Requirements

Attachment 6

Attached is a letter from the Illinois Historic Preservation Agency, dated August 19, 2015, noting that the Project meets the Secretary of the Interior's "Standard for Rehabilitation and Guidelines for Rehabilitation of Historic Buildings" and will not result in any adverse effect.

ATTACHMENT 6

Illinois Historic Preservation Agency

1 Old State Capitol Plaza, Springfield, IL 62701-1512

FAX (217) 524-7525
www.illinoishistory.gov

Cook County
Chicago
Relocation of Adult Emergency Department and Renovation of Patient Bed Units
Existing - 5815 S. Maryland Ave., Proposed - 5656 S. Maryland Ave.; Mitchell Hospital - 5841 S. Maryland Ave.
IHPA Log #014080515

August 19, 2015

John R. Beberman
The University of Chicago Hospitals
Capital Budget and Control
MC 0953
850 E. 58th St.
Chicago, IL 60637-1459

Dear Mr. Beberman:

This letter is to inform you that we have reviewed the information provided concerning the referenced project.

Our review of the records indicates that no historic, architectural or archaeological sites exist within the project area.

Please retain this letter in your files as evidence of compliance with Section 4 of the Illinois State Agency Historic Resources Preservation Act (20 ILCS 3420/1 et. seq.). This clearance remains in effect for two years from date of issuance. It does not pertain to any discovery during construction, nor is it a clearance for purposes of the Illinois Human Skeletal Remains Protection Act (20 ILCS 3440).

If you have any further questions, please contact me at 217/785-5031.

Sincerely,

Rachel Leibowitz, Ph.D.
Deputy State Historic
Preservation Officer

Section I, Project Costs and Source of Funds

Attachment 7

Section 1120.110, Project Costs and Sources of Funds

	Total	Clinical	Non-Clinical
Preplanning Costs			
Kaizan Activities	354,877		
Mockups	415,451		
	770,328	466,267	304,061
Site Survey and Soil Investigation	22,145	17,694	4,451
Site Preparation			
Earthwork	126,032		
Paving	355,474		
Demolition	81,532		
Landscaping	201,500		
Other	51,500		
	816,038	493,934	322,104
New Construction			
Construction	146,998,579		
Material Testing	241,850		
Security	904,700		
Pneumatic Tube	484,200		
Signage	525,000		
Keys, Locksets	253,900		
Com Ed Vault Relocation	75,000		
	149,483,229	90,479,752	59,003,477
Contingencies	14,948,323	9,047,975	5,900,348
Architectural/Engineering Fees	8,846,418	5,354,592	3,491,826
Consulting and Other Fees			
Legal	88,000		
Program Manager	763,250		
IT Project Management	1,067,350		

Equipment Planner	506,000		
CON Consultant	109,000		
CON Fee	110,000		
Scheduling Consultant	150,000		
Traffic Consultant	40,000		
Technology, Security Consult.	175,000		
Vibration Consultant	70,000		
Code Consultant	105,000		
Fire Stop Inspection	75,000		
Commissioning Consultant	810,000		
Other Consultants	210,000		
Developer Manager	62,000		
City Permit Fees	135,000		
IDPH Review Fees	115,000		
Builders Risk Insurance	30,000		
	4,620,600	2,796,774	1,823,826
Movable and Other Equipment			
Adult Emergency	8,531,558		
Radiology	3,423,264		
Med-Surg	27,386,086		
ICU	6,423,834		
Cancer Ancillaries	2,127,059		
Public	375,000		
Staff/Support	628,809		
	48,895,610	47,891,801	1,003,809
Bond Issuance Expense	3,000,000	2,044,352	955,648
Net Interest Expense During Construct.	25,576,257	17,428,962	8,147,295
Other Costs to be Capitalized			
Environmental Services	360,680		
Movers	255,000		
Warehousing	553,250		
IT Systems (cabling, etc.)	8,109,441		
Plant Shutdowns	204,400		
Asbestos Remediation	922,000		
Art Work	248,400		
Capitalized Staff Salaries	1,210,029		
	11,863,200	7,180,601	4,682,599

ATTACHMENT 7

Total Costs	$268,842,147	$183,202,703	$85,639,444

ATTACHMENT 7

	Adult ED	Radiology	Med/Surg	ICU	Cancer Ancil.	Staff Support	Public	Bldg. Syst.	Total
Medical									
Patient monitors	$2,214,371		$6,437,500	$1,000,000	$10,866				$9,662,737
Nurse call	567,788		1,919,167	550,000					3,036,955
Mobile Medical									
Portable x-ray			785,133	799,694					1,584,827
Portable vascular imaging			206,113	35,988					242,101
Extremity compression			513,968						513,968
Patient beds	246,582		1,611,458	575,362	25,970				2,459,372
Infusion pumps	196,540		575,898	28,868	5,044				806,350
Ventilators			146,652	62,324					208,976
Vital signs, glucose monit.	16,223		113,850	78,652	6,464				215,189
Defibrillator, monitor	64,890		185,850	53,100	13,275				317,115
Blanket warmers	97,335								97,335
Glidescopes	48,668								48,668
Exam lights	253,601		120,624	73,786	3,383				451,394
Stem Cell Lab					749,000				749,000
Blood cell separator					60,189				60,189
Flow cytometer					169,060				169,060
Hyper/hypothermia unit			278,643	48,652	24,326				351,621
Ultraviolet room disinfector				152,600					152,600
Electrosurgical unit					15,065				15,065
Wheelchair	58,650		145,473	6,632					210,755
Carts, procedure, supply	218,715		197,782	80,755	25,621				522,873
Other Fixed Medical									
CT scanner		2,054,850							2,054,850
Radiographic units (2)		1,155,042							1,155,042
CT injector		48,668							48,668
Patient lifts	43,260		1,445,641	10,527	10,527				1,509,955

Equipment boom	259,560			252,480					512,040
Headwall	1,081,500		712,345	80,608					1,874,453
Bed pan washer			241,905						241,905
Blood gas analyzer				133,210					133,210
Meds dispenser	297,413		680,932	130,356	48,638				1,157,339
Hand dryer	38,255		110,373						148,628
Ice machine	68,271		161,000	23,000					252,271
Instrument tracking system	165,000		356,000	178,000	89,000				788,000
Ultra-low freezer					11,332				11,332
PACS monitor				50,116					50,116
Small Equipment	736,285		583,153	97,768	209,543				1,626,749
Medical Total	$6,672,907	$3,258,560	$17,529,460	$4,502,478	$1,477,303	$0	$0	$0	$33,440,708
Furnishings									
Furniture	$503,871		$3,057,333	$400,000	$500,000	$534,248	$375,000		$5,370,452
Cubicle curtains			401,000	40,000	0	0			441,000
Window treatments			266,000	10,000	10,000	33,000			319,000
IT									0
PCs, R2s,Thin Clients	192,723	45,877	831,356	131,240	31,840	34,403			1,267,439
Printers, Copiers	38,256	8,227	132,648	24,600	11,916	17,158			232,805
Lattice Printing	37,500		151,250	24,000					212,750
Nurse Call	567,788		1,919,167	550,000					3,036,955
Applications, Licenses	518,513	110,600	3,097,872	741,516	96,000	10,000			4,574,501
Total Equipment	$8,531,558	$3,423,264	$27,386,086	$6,423,834	$2,127,059	$628,809	$375,000	$0	$48,895,610

ATTACHMENT 7

Section I, Cost Space Requirements

Attachment 9

Cost Space Requirements

Department/Area	Cost	Gross Square Feet Existing	Gross Square Feet Proposed	Amount of Proposed Total BGSF That Is: New Constr.	Modern.	As Is	Vacated Space	Re-assign
Reviewable:								
Adult Emergency	$30,374,985	16,517	29,017	29,017			16,517	0
Radiology	5,159,547	117,306	116,977	1,671			2,000	
Medical/Surgical	122,729,291	236,012	345,334	109,322		236,012	0	0
ICU	12,810,399	77,446	87,709	10,263		77,446		
Cancer Ancillaries	12,128,483	2,991	10,697	10,697			2,991	0
Total Reviewable	$183,202,705	450,272	589,734	160,970	0	313,458	21,508	
Nonreviewable:								
Staff/Support	$6,247,571	1,093,742	1,111,962	18,220	0	1,093,742		
Public	37,862,380	598,546	663,550	65,004	0	598,546		
Bldg. Systems	41,529,491	961,201	976,624	15,423	0	961,201		
Total Nonreviewable	$85,639,442	2,653,489	2,752,136	98,647	0	2,653,489		
Grand Total	$268,842,147	3,103,761	3,341,870	259,617	0	2,966,947	21,508	0

Construction would occur in existing structures but would be extensive and involve new infrastructure and thus is presented here as New Construction.

Section III, Background of Applicant

Attachment 11

Section 1110.230, Background, Purpose of the Project and Alternatives

1. **A listing of all health care facilities owned by the applicant, including licensing, and certification if applicable.**

   UCMC's full general hospital license #0003897, effective July 1, 2015, issued by the Illinois Department of Public Health, is attached. UCMC's most recent accreditation letter from the Joint Commission dated July 12, 2013, is attached.

2. **A certified listing of any adverse action taken against any facility owned and/or operated by applicant during the three years prior to the filing of the application.**

   By signing this application UCMC attests that there have been no adverse actions taken against UCMC within the prior three years.

3. **Authorization permitting HFSRB and DPH access to 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.**

   A letter granting the Review Board and the Illinois Department of Public Health access to information to verify information in the application is attached.

HF108296

Illinois Department of PUBLIC HEALTH

LICENSE, PERMIT, CERTIFICATION, REGISTRATION

The person, firm or corporation whose name appears on this certificate has complied with the provisions of the Illinois statutes and/or rules and regulations and is hereby authorized to engage in the activity as indicated below.

Nirav D. Shah, M.D., J.D.
Director

Issued under the authority of the Illinois Department of Public Health

EXPIRATION DATE	CATEGORY	I.D. NUMBER
06/30/2016	A	0003897

General Hospital

Effective: 07/01/2015

The University of Chicago Medical Center
5841 South Maryland
MC 1112
MC 1112
Chicago, IL 60637

The face of this license has a colored background. Printed by Authority of the State of Illinois • P.O. #4012320 10M 3/12

← DISPLAY THIS PART IN A CONSPICUOUS PLACE

Exp. Date 06/30/2016

Lic Number 0003897

Date Printed 05/12/2015

The University of Chicago Medical Cen

5841 South Maryland
MC 1112
Chicago, IL 60637

FEE RECEIPT NO.

The Joint Commission

July 12, 2013

Sharon O'keefe
President
University of Chicago Medical Center
5841 South Maryland Avenue
Chicago, IL 60637

Joint Commission ID #: 7315
Program: Hospital Accreditation
Accreditation Activity: 60-day Evidence of Standards Compliance
Accreditation Activity Completed: 07/11/2013

Dear Ms. O'keefe:

The Joint Commission would like to thank your organization for participating in the accreditation process. This process is designed to help your organization continuously provide safe, high-quality care, treatment, and services by identifying opportunities for improvement in your processes and helping you follow through on and implement these improvements. We encourage you to use the accreditation process as a continuous standards compliance and operational improvement tool.

The Joint Commission is granting your organization an accreditation decision of Accredited for all services surveyed under the applicable manual(s) noted below:

- Comprehensive Accreditation Manual for Hospitals

This accreditation cycle is effective beginning March 23, 2013. The Joint Commission reserves the right to shorten or lengthen the duration of the cycle; however, the certificate and cycle are customarily valid for up to 36 months.

Please visit Quality Check® on The Joint Commission web site for updated information related to your accreditation decision.

We encourage you to share this accreditation decision with your organization's appropriate staff, leadership, and governing body. You may also want to inform the Centers for Medicare and Medicaid Services (CMS), state or regional regulatory services, and the public you serve of your organization's accreditation decision.

Please be assured that The Joint Commission will keep the report confidential, except as required by law. To ensure that The Joint Commission's information about your organization is always accurate and current, our policy requires that you inform us of any changes in the name or ownership of your organization or the health care services you provide.

Sincerely,

Mark Pelletier

Mark G.Pelletier, RN, MS

Chief Operating Officer

Division of Accreditation and Certification Operations

THE UNIVERSITY OF
CHICAGO
MEDICINE

Sharon O'Keefe
President

MC 1000 S-115
5841 South Maryland Avenue
Chicago, Illinois 60637-1470
phone (773) 702-8908
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sharon.okeefe@uchospitals.edu

February 8, 2016

Ms. Courtney R. Avery
Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: The University of Chicago Permit Application – Access to Information

Dear Ms. Avery:

I hereby authorize the State Board and State Agency access to information from any licensing/certification agency in order to verify any and all documentation or information submitted in relation to this permit application. I further authorize the Illinois Department of Public Health to obtain any additional documentation or information that said agency deems necessary for the review of the application as it pertains to Section 1110.230(a)(3)(C) of the Review Board Rules.

Sincerely,

The University of Chicago Medical Center

Sharon O'Keefe
President

Notarization:
Subscribed and sworn to before me
this 8th day of February, 2016

Signature of Notary Public

Seal

"OFFICIAL SEAL"
CASSANDRA COLE
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 8/3/2017

ATTACHMENT 11

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112758060.1

Section III, Purpose of Project

Attachment 12

Section 1110.230(b), Purpose of Project

Overview of Purpose

The University of Chicago Medical Center ("UCMC") proposes a project with three related and interdependent components, each of which is necessary for the success of the other two: (1) the addition of a substantial number of inpatient beds in Mitchell Hospital ("Mitchell"), (2) the relocation of UCMC's Adult Emergency Department ("Adult ED") from its current location in Mitchell to new construction adjacent to the Center for Care & Discovery ("CCD"), and (3) a commitment to establish a Level I Adult Trauma Center on its Hyde Park Campus (the "Project").

The purpose of Project is to expand access to essential health care services in Chicago's underserved South Side overall and, particularly, in three important clinical areas – Specialty Care, Emergency Care, and Adult Level I Trauma Care – for which the demand is strong, but UCMC is undersized.

Specifically, UCMC proposes to increase the number of its medical-surgical beds by 168 (from 338 to 506) and to increase the number of its ICU beds by 20 (from 126 to 146) in Mitchell. These beds had been slated for de-activation when UCMC completed construction of the CCD, including the build out of shelled space underway. UCMC also proposes a comprehensive renovation of Mitchell that will essentially gut and replace patient rooms, common areas, upgrade the mechanical systems and replace the exterior. At the same time, UCMC proposes to reconfigure the delivery of inpatient care by moving patients requiring high-technology and procedure-driven care into the CCD, such as the trauma, cardiac surgery, stroke, and heart failure patients who come through the Adult ED. UCMC also proposes to repurpose Mitchell as a hospital primarily dedicated to a broad spectrum of clinical cancer care.

Additionally, UCMC would relocate and reconfigure the Adult ED, which would consist of 41 treatment stations, including, four trauma resuscitation bays, two radiographic imaging rooms and one CT room. The Project also includes separate entrances for EMS providers and patients, a rapid assessment unit for lower acuity patients, and an on-site bio containment unit for infectious disease. The new location is more readily accessible for a busy Adult ED for arriving patients and will reduce transport times to the CCD by half.

Third, UCMC proposes to open a Level I Adult Trauma Center on its Hyde Park campus.[1] This Trauma Center would also be the only one in the City to offer a comprehensive line of trauma services, with Level I Adult Trauma joining UCMC's existing Level I Pediatric Trauma and Complex Burn & Wound Care.

Patients on the South Side have unique health care needs and fewer resources available to them. With additional bed capacity for the sickest patients, alongside expanded emergency services and an Adult Level I Trauma Center, this Project has the potential to reduce disparities in access to essential medical services that have long troubled the region and to transform the way life-saving medical care is provided in the community.

1. Document that the project will provide health care services that improve the health care or well-being of the market area population to be served.

UCMC is the sole academic medical center on the South Side of Chicago (and one of the smaller in Chicago). It is the closest support for the surrounding community hospitals, offering a full array of tertiary and quaternary patient services otherwise not available in the planning area. Its mission is to provide superior health care in a compassionate manner, ever mindful of each patient's dignity and individuality. To accomplish this mission, UCMC relies upon the skills and expertise of all who work together to advance medical innovation, service the health needs of the community and further the knowledge of those dedicated to caring for patients.

UCMC is a nationally recognized leader in patient care, research and medical education and is the primary teaching hospital for the University of Chicago Pritzker School of Medicine. Renowned for treating some of the most complex medical cases, UCMC brings the very latest medical treatments to patients in Chicago's South Side community and continues to invest in the capital resources necessary to maintain this effort. Moreover, UCMC routinely ranks among the top providers of Medicaid services in Illinois.

Over the past several years, UCMC has experienced sustained, high demand for its adult inpatient beds – both medical-surgical and ICU – and adult emergency medical services. Throughout this time, UCMC has consistently and consciously worked to optimize efficiency within the current footprint and by making incremental changes. For example, UCMC has been able to achieve its lowest diversion rates in history and to reduce the amount of time that patients spend in its Adult ED waiting for treatment with a modest increase of 38 beds that opened in 2014. However, the rate of diversion is rising. Despite aggressive efforts that reduced average lengths of stay by 12 hours over the past year, occupancy remains high, and UCMC is unable to fully address capacity constraints within the current physical space. Throughout this time, UCMC has also pursued several other process improvement projects, including the use of "Lean" tools. While the initiatives provided modest improvements in operational throughput, they are

[1] As a Trauma Center, UCMC will need to comply with rigorous requirements established by the Illinois Department of Public Health that differentiate trauma centers from regular hospitals, including 24-hour availability of specialty resources, such as an operating room dedicated exclusively to trauma, trauma resuscitation bays, and imaging. Trauma designation also requires the 24-hour availability of teams of specially trained providers with expertise in the care of severely injured patients, such as trauma surgeons, neurosurgeons, orthopedic surgeons, cardiothoracic surgeons, anesthesiologists, radiologists and nurses.

not sufficient to attain adequate capacity to treat the high volume of patients seeking care at UCMC, and UCMC remains severely undersized.

The capacity constraints and need for modern facilities come at a precarious time in health care delivery on the South Side of Chicago, which has seen its hospital inventory contract by more than half over the past 29 years and other hospitals reduce their medical services. UCMC is a valuable resource for specialized care on the South Side of Chicago for both community hospitals and patients, and UCMC's Adult ED is an important point of entry to the health care system.

Through this Project, UCMC wants to improve overall access to a spectrum of high-quality, essential medical services that are currently in short-supply within the planning area and, thereby, to reduce disparities in access to care that currently exist in the City. The Project offers a long-term solution to improve the delivery of health care to residents of the South Side of Chicago and overall well-being of the neighborhood.

2. Define the planning area or market area, or other, per the applicant's definition.

As a major national academic medical center, UCMC essentially has two market areas. First, it serves much of the South Side of the City of Chicago, primarily in Planning Area A-03. In addition, for its highly specialized tertiary and quaternary services, UCMC serves much of the metropolitan area, the state and the Midwest, and even includes international patients. These service areas are more precisely delineated in Attachment 20.

3. Identify the existing problems or issues that need to be addressed, as applicable and appropriate for the project.

A. UCMC is severely undersized to meet current and anticipated inpatient needs

UCMC proposes to increase the number of its medical-surgical beds by 168 (from 338 to 506) and to increase the number of its ICU beds by 20 (from 126 to 146).

- Since October 31, 2009, UCMC's medical-surgical bed days have grown by 48% (an average of 6.7% per year), far surpassing the annual utilization growth rate of 1.2% UCMC forecast in 2008 for the CCD. Similarly, UCMC's adult ICU bed days have grown by an average of 1.4% per year for the same period.

- During 2014, UCMC's adult medical-surgical beds had an average utilization rate of 89%, the highest among Illinois hospitals of 200 or more medical-surgical beds. UCMC frequently reached full occupancy at a time when the combined average medical-surgical occupancy of Illinois's hospitals was only 54%. During 2015, UCMC's average utilization reached 94% -- the highest in the State – and continues to grow. By the year ending 10/31/15, UCMC was over 90% occupancy on 85% of the days.[2] In fact, for 2015, UCMC exceeded the State's utilization

[2] All utilization statistics in this paragraph include observation patients in medical-surgical beds.

standards on 310 days, and its medical-surgical beds were completely full on 172 days – or almost half – of the year.

- UCMC requires additional inpatient capacity to meet the robust and sustained growth in key, specialty services with critical significance to its community, including cardiology and cardiac surgery, orthopedic medicine, and cancer. From FY13 – FY15, cardiology and cardiac surgery's growth rate in inpatient days was 14.6% and orthopedics' growth rate was 14.9%. Orthopedics also anticipates a 75% increase in inpatient admissions and a 47% increase in OR cases by FY19 from FY14. During this same time, the inpatient days attributable to UCMC's cancer program grew by almost 8.0%.

- UCMC also requires inpatient capacity to support the delivery of expanded emergency services, including trauma. During FY15, UCMC admitted 23.3% of its adult ED patients to the hospital (69% of whom are from the South Side). In fact, by FY21, we anticipate using one out of every four of the additional medical-surgical beds we wish to add to accommodate Adult ED admissions, and trauma services will require substantial additional inpatient capacity.

- Capacity constraints currently affect UCMC's ability to accept transfers form other area hospitals. The majority of patients coming to UCMC, either as transfers to an inpatient unit from neighboring community hospitals or as admissions through the emergency department, are more acutely ill than patients occupying medical-surgical beds elsewhere in the planning area, but UCMC frequently has to turn down transfers because of bed shortages. UCMC's data shows that its complexity of care index of 2.1229 is 62% higher than the average case mix of 1.31 for the other hospitals in the planning area. The demand for such complex medical-surgical care within our community is strong, with approximately 30% of all transfer requests originating from hospitals within the planning area, including Jackson Park, St. Bernard, and Holy Cross. In fact, transfers from these hospitals increased 13.5% from FY14 to FY15. However, UCMC is currently unable to accommodate hundreds of transfer requests each year because of capacity constraints, and many more patients endure long waits for admission. Since the beginning of 2016, UCMC's transfer declines are up 30% for a variety of reasons, including a shortage of inpatient beds.

B. UCMC's Rate of Diversion is Increasing

High occupancy also has a direct effect on ED diversion. Based upon recent analysis, UCMC's Adult ED is three times more likely to go on diversion when medical-surgical beds start the day at 88% utilization or higher. With the opening of the CCD in 2013 and an additional 38 medical-surgical beds operational in 2014, UCMC had been able to bring its diversion rate down from 20% to about 6%, including three months without diversion in 2014. While this level of diversion was still the second highest in the State, the improvement was important to the community, to the regional EMS System and to IDPH. Unfortunately, this trend has now reversed. UCMC's ED

was on diversion approximately 10% of the time in FY2015 – a number that is increasing. UCMC's need to go on diversion is almost wholly attributable to bed capacity constraints. Over 81% of UCMC's Adult ED's patients are from the South Side community and diversion means reduced access to the patients UCMC serves. In January 2016, UCMC has already been on bypass over 110 hours, the highest it has been in FY2016.

C. Current floorplan for cancer treatment is undersized and inefficient

UCMC proposes to dedicate Mitchell primarily to cancer care.

- Currently, UCMC's cancer beds are located in both the CCD and Mitchell, which creates operational difficulties for physicians and nurses who are dispersed between two hospitals. Cancer is a complex constellation of diagnoses requiring interdisciplinary care, but ancillary treatments for cancer patients are now scattered throughout UCMC's campus. The CCD, by itself, is not able to accommodate the growth in UCMC's cancer program.

- Cancer is recognized as a signature brand of UCMC. While UCMC is a destination for cancer patients from all over the globe, it is an important portal for care for patients from the South Side of Chicago and throughout Illinois. For example, 80% of breast cancer patients on the South Side of Chicago receive care at UCMC. However, an imbalance in resources on the South and South West regions of Chicago still exists, where women have the highest breast cancer mortality rate in the City, but the fewest resources. Additionally, the overall incidence of lung, prostate and colon cancer is higher within UCMC's South Side community compared to both Illinois and the U.S., and highest for minority groups, with a similar trend for mortality. UCMC needs additional inpatient capacity to support the demand for these important services.

D. Current location of Adult ED is remote from the CCD, which has diagnostic and treatment facilities for most acute and emergent patients

UCMC proposes to enhance patient safety and to maximize the full potential of its modern facilities by relocating its Adult ED from Mitchell to a building adjacent to the CCD

- The current Adult ED is located remotely from the CCD in Mitchell, UCMC's main adult, acute care hospital prior to the construction of the CCD, and prevents the full integration of patient care for patients requiring high intensity clinical resources. The Adult ED and the CCD are separated by 1500 feet and two elevator rides, which means long travel times for physicians and long transport times for patients who need critical access to the operating rooms, invasive cardiology laboratories, and Neuro ICU. This fragments key assets and spreads highly skilled resources across locations that affect clinical efficiencies.

- The location of the current Adult ED is not only remote from the CCD, but also the providers who frequently are asked to consult on Adult ED patients. The time spent by physicians, nurses, and technicians accompanying the patient, along with multiple items of equipment to support the patient, is costly and reduces treatment capacity. It is also remote from the inpatient beds in the CCD, where many patients are hospitalized following their ED admission.

E. Current ED Has Insufficient Treatment Capacity and Cannot Support the Addition of Trauma Services

UCMC proposes to expand its Adult ED treatment stations to 41 from 36 and to add four trauma resuscitation bays.

- UCMC's current Adult ED is frequently at capacity, with long wait times and high occupancy. Given these projections, the Project is necessary for patient safety to eliminate dangerous overcrowding. The trend over the past six years shows an annual increase in demand for Adult ED visits of 6.1%, which UCMC projects to continue through 2021. UCMC's Adult ED would be unable to safely accommodate Adult Trauma patients without additional resources.

- Approximately 5,100 patients leave UCMC's Adult ED without being seen annually because of long wait times.

- UCMC anticipates increased emergency department utilization from the Affordable Care Act and the expansion of Medicaid and projects a separate and substantial surge in utilization that routinely follows the construction of a new emergency department. Additionally, UCMC anticipates 2,700 adult trauma activations within the first year after its trauma designation.

- UCMC's average daily volume of patients has grown from 131 in FY12 to an average daily volume of 154 patients in FY15. UCMC's projection for FY16 is an average daily volume of 162 patients.

- The majority of UCMC's treatment stations were created by partitioning a larger space into curtained cubicles, which are smaller than the state standard and do not offer as much patient privacy as separate rooms.

F. Current ED has inefficient floor plan

UCMC proposes to move UCMC's Adult ED from Mitchell to a building adjacent to the CCD with a more efficient and patient-friendly floor plan, designed to reduce wait times and to treat patients in a setting according to the nature and severity of their illness.

- Even if UCMC did not have this Project, UCMC would need to modernize the Mitchell facilities, and the Adult ED has already been renovated substantially three times. The current space is undersized and not laid out to efficiently support general emergency activity. The Project would resolve these suboptimal design issues. Additionally, in the current location, trauma patients are far from the ORs and other life-saving procedure rooms.

- There are three separate treatment zones in UCMC's Adult ED, which are difficult to operate effectively, since attending physicians and the charge nurse who direct the physicians and nurses do not have visual contact between the zones. As more treatment stations have been added over the years, one way to gain space has been to reduce support space. Thus, storage for supplies and equipment has been sacrificed. As a result, more time is spent gathering supplies.

- Despite significant improvements in operational efficiency in the current ED, UCMC's average lengths of stay for both patients treated and discharged and treated and admitted exceed the 50th percentile for CMS benchmarks.

- Patients and EMS providers enter the Adult ED through one doorway, mixing the most acute patients with the least urgent patient, both in the waiting rooms and treatment areas.

4. Cite the sources of the information provided as documentation.

UCMC undertakes ongoing internal utilization studies and the source of this information includes those reports and other information reported to EMS, IDFPR and IDPH.

5. Detail how the project will address or improve the previously referenced issues, as well as the population's health status and well-being.

The Project will address the previously referenced issues as well as the population's health status and well-being as follows:

A. **Project Provides Sufficient Inpatient Treatment Capacity for Current Patients and Growing Demand**

- The Project would add 168 medical-surgical beds and 20 ICU beds in Mitchell hospital, and UCMC would be able to support the growing number of patients seeking specialized care at UCMC, as well as admissions from expanded emergency and trauma services. With this Project, UCMC would return to roughly the size it was in 1979.

- UCMC projects that its rate of medical surgical growth rate will continue to increase at 6.7% per year for the next six years, which means that it could justify 509 medical surgical beds by 2021. Instead, UCMC only requests 506 medical-surgical beds. Similarly, UCMC projects that its growth in ICU beds will

continue to increase for the next six years, which means that it could justify 153 ICU beds according to the State's 60% occupancy standard. Instead, UCMC only requests 146 ICU beds. UCMC expects to meet target utilization for all of its inpatient beds within two years of Project completion.

B. **Project Provides Sufficient ED Treatment Capacity for Patients and Growing Demand, As Well as Ability to Support Trauma Services for Our Community**

- The new Adult ED will have five more treatment rooms for a total of 41 rooms, including two rooms for isolation, four psychiatric rooms, one bariatric room) and four trauma resuscitation bays. The treatment stations will be separate rooms and will offer more privacy and noise control than the curtained cubicles that they would be replacing. Patients needing psychiatric attention can be a challenge for emergency departments, particularly for hospitals such as UCMC that do not operate inpatient psychiatric beds.

- UCMC expects to meet target utilization for all 41 treatment stations within two years of Project completion, which means that UCMC's Adult ED visits will have increased from 40,137 visits in 2009 to 84,854 visits projected for 2019.

- The City of Chicago has four premier adult trauma centers at Northwestern Memorial Hospital, Stroger, Advocate Illinois Masonic and Mt. Sinai hospitals, but none of them are located on the City's South Side. UCMC's Trauma Center would be in the heart of the most underserved part of Chicago where approximately one-half (1/2) of the trauma cases originate and would be able to accommodate the anticipated 2,700 trauma activations per year.

The Project is designed to better meet the growing clinical needs of UCMC's community, which relies heavily on emergency departments for the provision of care. In fact, UCMC's ED remains an important point of entry for those without other means of access to medical care.

C. **Proposed Location of Adult ED and Reallocation of Patients in Existing Services is Clinically Superior Than the Existing Use of Space**

- This Project would enable UCMC to locate its most critical patients – including adult trauma patients – closer to the life-saving care in the CCD that they need. Since time is of the essence to achieve the best clinical outcomes for these patients, locating the Adult Ed closer to the CCD's life-sustaining resources is critical. Specifically, the Project would reduce transport times from the Adult ED and trauma resuscitation bays to the operating rooms or procedure rooms from more than 15 minutes to approximately five minutes, which means that more patients will be in close proximity to the advanced diagnostic, treatment and ancillary services available in the CCD. The Project would thereby obviate long

patient transports from Mitchell to the CCD, and the need for clinical staff to round on their patients over a wide area.

- At the same time, UCMC proposes to reconfigure the delivery of inpatient care by locating patients requiring high-technology and procedure-driven care in the CCD, such as the trauma, cardiac surgery, stroke, and heart failure patients who come through the Adult ED.

- UCMC also proposes to repurpose Mitchell as a hospital dedicated primarily to a broad spectrum of clinical cancer care. In Mitchell, cancer patients would be able to receive a spectrum of services, including chemotherapy, blood transfusions, bone marrow transplants, antibiotic therapy, and nutritional support, as well as urgent care, pain and symptom management, postoperative care and palliative care. A dedicated cancer hospital in Mitchell presents an optimal solution to support the large and growing cancer service that cannot be accommodated in the CCD alone.

D. **Project Streamlines the Delivery of Adult ED Care with Efficient and Patient-Friendly Design**

- The new facility will have separate entrances for ambulatory/walk-in patients and those patients being transported by ambulance, which is better from a patient safety perspective.

- The new facility will have additional treatment stations and a more efficient layout which will further improve throughput. It will be appropriately sized to meet growing demand, designed for efficient use of space and optimally located from a clinical perspective. All of the rooms will be private, which is better for patient privacy and infection control.

- The new Adult ED will contain a rapid assessment unit adjacent to the entrance for patients needing minor stabilizing treatment prior to discharge.

- The new Adult ED has a layout designed to help UCMC to substantially reduce wait times for patients overall and the left without being seen ("LWBS") rate to zero. With this Project, UCMC seeks to decrease the average length of stay ("ALOS") for patients treated and discharged from the ED from seven hours to 4.5 hours, which is the 50th percentile for CMS benchmarks. Similarly, UCMC seeks to decrease the ALOS for patients admitted to UCMC from 13 hours to eight hours.

E. **Provide goals with quantified and measurable objectives, with specific timeframes that relate to achieving the stated goals as appropriate.**

This Project involves the addition of 168 medical-surgical beds and 20 ICU beds, the relocation of UCMC's Adult ED from Mitchell Hospital to new construction adjacent to

the CCD, and the commitment to open an Adult Level I Trauma Center on Chicago's South Side.

UCMC's prevailing objective is to increase access to essential, high-quality medical care – through increased capacity, reduced wait times and operational efficiency – for which there is current and growing demand within the community.

Specifically, the goals of the Project are:

- To provide better and timelier access to care to UCMC's patients awaiting tertiary and quaternary care in community hospitals in response to existing demand. The Project would also enable UCMC to accommodate projected growth in key programs of critical importance to the South Side of Chicago, including trauma, cancer care, and cardiology.

- To alleviate strain on current UCMC resources that arise due to long lengths of stay and unpredictable volume of ED patients and to decrease the number of LWBS patients who leave because of long wait times.

- To enhance local and regional emergency preparedness and trauma response through the addition of a Level I Trauma Center on the South Side of Chicago. The Project will also provide state of the art facilities for isolation and bio containment.

- To concentrate clinical operations for the most acutely ill patients in or near the CCD, alongside the ancillary diagnostic and treatment modalities required for their medical care, and to improve clinical efficiency throughout UCMC's medical campus.

- To reduce disparities in access to specialty care resources, especially in areas of profound importance to Chicago's underserved South Side, where cancer incidence is higher than state and national norms.

- To create clinical efficiencies and capacity for additional growth by modestly expanding UCMC's Adult ED and by streamlining the delivery of emergency medical care to UCMC patients and to the community.

- To strengthen the collective safety net that UCMC and other local, community hospitals comprise and to reduce the level of outmigration in UCMC's planning area.

These goals can be achieved within the timeframe for Project completion.

Section III. Background, Purpose of the Project, and Alternatives

Attachment 13

Section 1110.230(c) Alternatives

I. Adult Emergency Department

1. Project of Greater or Lesser Scope and Cost

The alternative of expanding the current Adult ED in Mitchell Hospital was considered. Due to the inherent difficulties of expanding and renovating in place while continuing to operate an ED service, there are design limitations that make this a project of lesser scope. While the square footage would be similar, the inevitable constraints means the renovated project would not be as good as the proposed project. For example, the present ambulance bay/public drop-off area shares the same lot and entrance. The cost of achieving a significant separation of these types of patients, one set much more emergent than the other, is prohibitive so it was assumed that the current, suboptimal single entrance would remain.

The renovation would add 18,000 departmental gross square feet (dgsf) to the current 16,517 dgsf plus 5,000 dgsf for swing space for a total of 39,517 dgsf. Some of the additional area is currently vacant, but other area is occupied and the cost of relocating those occupants has been included. There is a substantial construction contingency since Mitchell Hospital is 33 years old and it is likely that infrastructure improvements will be required (HVAC, electrical, plumbing, IT systems). In order to maintain present operations, the work will require many phases, which also adds to cost.

Total cost for this alternative would have been $40 million, which exceeds the $39 million for the proposed project. But the most important reason this alternative was rejected is that the ED would remain too far from the key inpatient services such as Operating Rooms, Interventional Radiology, Cardiac Catheterization Labs, Neuroscience Patient Unit, and GI Procedures Unit. This is a 12 to 15 minute trip from the Mitchell ED, as opposed to a five minute trip estimated for the proposed location. This is a critical factor if UCMC is granted Level 1 Trauma status.

2. Joint Venture with Other Providers

A joint venture was explored with Mt. Sinai Health System in which Level 1 Trauma service would be provided at Mt. Sinai's Holy Cross Hospital location. The initial expectation was that UCMC would provide $43 million in capital for facility improvements at Holy Cross to support

the Level 1 Trauma service. UCMC would have also provided specialty physician services, notably in orthopedics and neurosurgery. The cost for this option would have been $43 million. As the parties explored the arrangement in greater depth, it was ultimately concluded that Level 1 Trauma services could best be instituted in A-03 by being located at UCMC. This would consolidate trauma services on one campus, joining the Pediatric Level 1 Trauma service at Comer Hospital. There is also the Burn and Complex Wound Center at UCMC, and an expanded new location is currently under construction in the CCD. In addition, there is a modern operating suite recently opened in CCD along with other interventional procedure areas. Assuming additional patient beds are granted, these represent most of the key capabilities necessary for a comprehensive trauma service and the reason, after extensive due diligence and discussions with the Mt. Sinai Health System the possibility of locating the service at Holy Cross, that UCMC ultimately decided that the UCMC site provides the best solution for the City's South Side community.

3. Utilize Other Available Health Resources

Each of the other eight hospitals in Planning Area A-3 where UCMC is located offers emergency services. The number of stations in each facility ranges from 11 to 33 based on their 2013 IDPH survey. Overall, these facilities average 1,492 visits per station. No single facility could absorb UCMC's annual 52,000 visits, which on average would result in 3,855 visits per station per year, which would be extremely difficult operationally. Capacity would have to be added, which is estimated at $23 million.

Another way to consider using other health resources is to distribute the 52,000 annual visits among all other providers. Mathematically, this would bring each provider up to 1,786 visits per station, within the State's standard of 2,000. The question is whether this approach makes sense. While a good portion of emergency care is of a primary or secondary nature, the patients served by UCMC tend more toward a higher acuity of care. The ESI Triage Research Team, LLC developed a triage algorithm that is commonly used to score patients. There are five categories in this system. For UCMC in a recent 12 month period, there were 45 percent of the patients in the two highest emergency categories. 23 percent of the patients arriving at the UCMC ED are hospitalized. In this respect, UCMC's ED is not simply a destination for care, but a gateway to the tertiary level of services offered at UCMC. Many of these services are not offered, or at least not to the same extent, at the other A-3 hospitals. Thus, the alternative of having UCMC's ED patients cared for at neighboring EDs was not pursued.

4. Proposed Alternative

The Project is the alternative selected. Within UCMC's medical campus, the location in the new parking garage is most proximal to the inpatient services located in the two year-old CCD. The

space is newly constructed and open, making it preferable for achieving the best design since there are few limitations or impingements. Of the locations evaluated at UCMC and among the other arrangements discussed above, the Project achieves the best combination of services to be provided to patients for the cost of the Project. The cost of the Adult ED portion of the Project would be $39 million.

Alternative – Adult ED	**Cost**	**Pros**	**Cons**
Project of Lesser Scope	$40m	Does not use up valuable shell space	More costly
			Lacks critical adjacencies
		Continue to use existing ambulance bays.	
			Combined entrance
Joint Venture	$43m	Shared risk/losses	Critical support facilities suboptimal
		Benefit from expertise of partner	
			Physician staffing inefficiencies
			Greater cost
Utilize Existing Facilities	$23m	No capital cost.	May not be possible to accommodate +50K visits elsewhere on South Side.
		Save operating losses.	
			Not all services available
Proposed Project	$39m	Closer to critical inpatient services.	Uses valuable shell space
		Optimal design	
		Easier access	

II. Mitchell Renovation – Inpatient Beds

1. Project of Greater Scope

Initially, UCMC explored the possibility of constructing a 9-story, 304,000 building gross square feet (bgsf) bed tower to the north of the CCD on 57th Street. There would have been four floors containing med/surg beds for a total of 128, a floor for ICU beds, totaling 22 beds, two lower floors for diagnostic functions and procedures, the ground level to contain an emergency department, and the basement level for storage and support infrastructure. Devoting the upper floors to cancer was also considered. Advantages would have been a blank slate for new construction, abundant space, and excellent adjacencies by way of tunnels and bridges to the CCD and the new parking deck to the west. The cost for such a new building is $300 million. Adjusting the plan to provide the 216 beds proposed rather than 150 beds would require two additional floors and an increase in cost to $367 million.

This alternative was not pursued owing to the substantially greater cost of $367 million. This alternative places a relatively small building on the last easily converted site that is adjacent to the modern clinical center consisting of Comer Children's Hospital, the outpatient Duchossois Center for Advanced Medicine, and the CCD, thus possibly not making the best use of this high value site.

2. Project of Lesser Scope

An approach of lesser scope was also examined, that of renovating Mitchell to house an additional 84 med/surg and 10 ICU beds, as well as a thorough updating of infrastructure and public areas on the ground and second level. An existing 28 med/surg beds in Mitchell would have been included in the project. Much of the infrastructure and public area work would have had to have been done in full since this work is best done completely rather than in proportion to the clinical development. There is the consideration of a consistent appearance of new curtainwall and the entrance and lobbies being developed in full. Infrastructure such as plumbing lines, electrical riser and closets, computer closets, IT cabling and the antenna system, and HVAC central capacity would be best done in total rather than piecemeal given the economies of scale, but more importantly that these systems generally operate as a whole rather than in separate parts. A patchwork of new and old infrastructure lacks the operational efficiencies and reliability of substantially modernized systems. This alternative has an estimated cost of $148 million.

One critical negative aspect of this alternative is an economic imbalance of making the costly improvements in public areas and infrastructure for only a portion of the clinical expansion. The revenue-generating clinical areas pay for the other improvements and there would be just over

half (56%) of the recommended 216 beds provided in this reduced scope option. Thus, this is economically more risky. This risk involves operating income and is not captured by the capital costs reported in this analysis.

There would also be greater cost if the remainder of the 216 beds were eventually built out due to a loss of economies of scale afforded by the larger project. This premium is estimated at $8 million. UCMC is convinced that growth trends of the past six years will continue and that all 216 beds proposed will be well utilized by 2021.

3. Joint Venture

With a joint venture to provide the inpatient services proposed UCMC would be able to lower its risk by sharing it with another provider or providers. It was estimated that the cost of the recommended option, $200 million would be 10% higher or $220 million if spread over one or more partners in a joint venture, due to the loss of economies of scale. It was assumed that thorough renovation of existing or new facilities elsewhere would be required to provide comparable modern facilities.

The justification for the proposed option is a continuation of growing demand for services at UCMC. The majority of the patients reside in UCMC's primary service area, which consists mostly of the A-03 South Chicago planning area. UCMC asserts that patients coming to UCMC are seeking excellent care and in many cases for specialized care for serious and/or complex conditions. This is reflected in the case mix index for UCMC that was 2.1229 for the 12 months ending December 31, 2014, which is 62% greater than the other hospitals in A-03. (See table in Attachment 20 – "Case Mix Index Comparison"). It is fair to assume residents of the planning area would prefer to receive the care they demand closer to home, and those that have increasingly filled UCMC's beds do so because they seek the level of care that can be found at UCMC. Thus, the alternative of joint ventures with neighboring A-03 hospitals was not pursued.

4. Utilize Existing Facilities

The arguments made in the Joint Venture section above also pertain for the alternative of using other existing facilities rather than UCMC. Utilizing other facilities in A-03 would involve more than one such facility given the size of the proposed project. Thus, there is a 10% cost premium for a loss of economies of scale by dividing the work among multiple sites rather than just at UCMC. The cost of this alternative would be $220 million.

5. Proposed Project

The alternative chosen was the proposed project of adding 168 med/surg beds, 20 ICU beds, and renovating an existing 28 med/surg beds, all in Mitchell. It is less costly than all other alternatives discussed here save for a project where just over half the beds were developed initially. UCMC is best able to continue providing specialized services and treatment of complex conditions for the residents of its service area and to expand its capacity to accommodate steadily growing demand. While this Project would disrupt long term plans to convert much of Mitchell to offices for faculty and supporting staff of the Biological Sciences Division, this would be the best use of this valuable clinical building. It has served well since 1983 and with the well planned improvements it will be brought up to contemporary standards at a relatively economical cost for many more years of service. The cost of the Mitchell portion of the Project is $200 million.

Alternative – Mitchell Hospital	Cost	Pros	Cons
Project of Greater Scope	$367m	Abundant space	High cost
		Good proximity to parking and CCD	Uses valuable site
			Blocks CCD downtown view on most levels
Project of Lesser Scope	$148m	Lower cost	Higher ratio of Infrastructure/Public Space to Revenue-Generating Areas
			Need to return for more beds
			More costly long term
Joint Venture	$220m	Shared risk/losses	Higher cost
		Integrated with area providers	Challenge to manage
			Continuity of care would be disrupted.
Utilize Existing Facilities	$220m	Less cost to UCMC	Insufficiency of clinical resources in A-03
		Integrated with area providers	Higher cost spreading improvements over more locations
			Continuity of care would be disrupted.
Proposed Project	$200m	UCMC has clinical resources needed	Disrupts office plan for faculty/staff in Mitchell
		Continuity of care maintained	

Section IV, Project Scope, Utilization, and Unfinished/Shell Space

Attachment 14

SIZE OF PROJECT				
DEPARTMENT/SERVICE	**PROPOSED BGSF/DGSF**	**STATE STANDARD**	**DIFFERENCE**	**MET STANDARD?**
Adult Emergency	28,589	36,900	(8,311)	Yes
Radiology	1,646	4,400	(2,754)	Yes
Med/Surg Beds	106,844	98,000-129,360	8,844	Yes
ICU Beds	10,031	12,000 - 13,700	(1,969)	No
Cancer Ancillary Services		NA	NA	NA
- Bone Marrow Transplant	5,328	NA	NA	NA
- Cellular Therapy Facility	5,127	NA	NA	NA

I. Adult Emergency

SIZE OF PROJECT				
DEPARTMENT/SERVICE	**PROPOSED BGSF/DGSF**	**STATE STANDARD**	**DIFFERENCE**	**MET STANDARD?**
Adult Emergency	28,589	36,900	(8,311)	Yes

Total square footage for Adult Emergency is 28,589 departmental gross square feet (dgsf). This is below the State maximum area of 36,900 (41 stations at 900 dgsf each) by 8,311 dgsf. There will be 41 stations, an increase of five from the current 36.

With the opening of the 13-story Center for Care and Discovery ("CCD") nearly two years ago, many vital inpatient services that were located in Mitchell are now a 12 to 15 minute, two elevator trip away from the Adult ED. The lengthy transport time to such services as Operating Rooms, GI Procedures, Interventional Radiology, Cardiac Catheterization Labs, ICU's and acute care beds, and notably the Neurological Unit for stroke victims is a primary driver for this Project, equal in importance to the insufficiency of the current space. The transport time for the patients is one factor, but the separation from key physicians and caregivers now working in the CCD is a concern. For example, as a comprehensive stroke center, UCMC's Stroke Team must travel from the CCD and for these patients time is of the essence to minimize the effect of a stroke. As the remaining ICU beds in Mitchell and most of the medical/surgical beds are moved to the vacant 3rd and 4th floors of the CCD in the next several years, it becomes imperative for the

Adult ED to be relocated.

A. New Location is Better

The proposed new ED location will be in a parking garage that was completed in the spring of 2015. It is on 57th Street to the north of the CCD and will be connected to the CCD by tunnel and a 2nd floor bridge. This is a better location for a busy Adult ED. Currently, patients arriving by ambulance or a personal vehicle must drive two blocks into the heart of the busy center of UCMC's clinical campus. Street parking is very tight. The new location is directly off Cottage Grove Avenue, a major arterial route, which is the western boundary of the medical center campus. Parking for persons arriving by private vehicle will be improved since the ED will be located inside the large parking garage.

B. New Ambulance Drop-Off is Superior for Infection and Biohazard Containment

Ambulances can pull into a driveway into the structure and unload the patient. There are doors that can be opened automatically as the ambulance approaches. This covered and contained approach is a design improvement over the current outdoor ambulance bay arrangement with increased concern about highly infectious disease, such as Ebola virus disease. If a suspected highly contagious patient is brought in by ambulance, the doors can be closed and the area sealed for disinfecting. There would also be a better arrangement for biohazard containment with the proposed quarantine area. Currently, this general function is located in a trailer situated in the Adult ED parking lot. In the new ED, these functions would be inside the drop-off area. Again, because the two large doors to the drop-off area can be closed, the area can be sealed off for containment and quick decontamination.

The ambulance entrance is just off the drop-off area on the west side. Within 50 feet of the ambulance entrance is an isolation room for the patient, which minimizes exposure to the majority of the ED space. On the east side, off of Maryland Avenue, is the drop off for private vehicles, with an entrance into the reception/waiting area. No more than 15 feet from this area is another isolation room, again minimizing contact with a possibly infectious patient.

C. Public Area

The public waiting area will have 46 seats for friends and family, with the expectation that except in very busy moments the patients will be in treatment rooms, imaging, or a 12-seat Internal Disposition Area for low acuity patients. Just off the public waiting area will be a family room to serve multiple family members in a more private setting. Public rest rooms and a vending area complete the reception area.

D. Treatment of Lower Acuity Patients

The Rapid Assessment Unit is served by seven treatment rooms and a 12 seat Internal Waiting area for patients needing minor treatment just prior to release, for example nebulizer treatment for a patient suffering an asthma attack. To streamline the operation, the less acute patients will be seen in this Rapid Assessment Unit adjacent to the public entrance where such patients are most likely to arrive. Consolidating these low acuity patients helps rationalize staffing.

E. Treatment Rooms for Emergent Patients

The more emergent patients will be served by 32 treatment rooms. The majority of these rooms range from 140 to 162 net square feet (nsf) and will be universal rooms. These rooms would all have the same layout, supply arrangements, exam table, monitors, etc. so that caregivers can be equally familiar with each room. There will be one bariatric room for extremely large-sized patients and a bariatric bathroom. There are four Trauma/Resuscitation rooms of 259 nsf each with special equipment for trauma patients and sufficient room for nurses and physicians to work simultaneously. These will serve the Level 1 trauma patients planned to be treated at this facility. As mentioned earlier, there will be two isolation rooms for infectious patients.

F. Psychiatric Treatment Area

In a separate area in the center of the floor, closed off from the main clinical area, are four psychiatric treatment rooms. Patients needing psychiatric attention can be a challenge for emergency departments, particularly for hospitals such as UCMC that do not operate inpatient psychiatric beds. The patient can be stabilized to the extent possible, but arranging for him to be transported to a hospital with an open psychiatric bed can take some time to accomplish. The stay in the ED can be hours. Often these patients are disruptive, so having this cordoned off area minimizes potential distraction to the rest of the department. An attendant is stationed within this designated area and the patients are confined to the treatment rooms. The entry doors to this psychiatric sub-area will have controlled access. While this specialized area can result in less than optimal utilization of the rooms, it is important to make these special provisions for psychiatric patients.

G. Team Work Stations Ideally Situated

The majority of the treatment rooms are served by three Team Stations, where physicians and nurses share work space. It is important to locate them together to help communication. The treatment rooms are on either side of the Team Stations so caregivers can have good visual and oral communication to these rooms and readily understand where assistance is needed. The Charge Nurse station is located so that there are direct sightlines to 30 of the ED's treatment rooms. Again, this is of critical importance to quickly ascertain where help is needed during the

free flowing and often hectic activity of a busy ED.

H. Support Areas

Support areas include storage rooms for supplies and equipment, storage alcoves for smaller, portable devices such as EKG machines, medication rooms with dispensing machines, clean and soiled utility rooms, a staff conference room, an EMS radio room, administrative offices located just outside the main department, and a break room and small locker room.

I. Efficiency of Design

The architectural firm engaged in the Project is Moody Nolan, which has a 25 person healthcare team. This firm has had recent ED design experience with projects at the Ohio State University, Wexner Medical Center, the University of Illinois Hospital and Health Sciences System, and the Children's Hospital of Philadelphia (planned for a different firm by an architect who is now the Senior Medical Planner on UCMC's ED project). The firm considers the UCMC design highly efficient and compact. Circulation space represents just 15 percent of the clinical area. The proposed project square footage is 23 percent below the State standard for maximum size, another indication of the efficient design.

J. Use of Vacated Space

The present ED in Mitchell hospital occupies 16,517 dgsf. The likely use for this space once vacated is a new home for the Student Care Center, serving students attending the University of Chicago.. This location is readily accessible from the street and only two blocks from the main quadrangle of the University's campus.

II Radiology

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
Radiology	1,646	4,400	(2,754)	Yes

Total square footage in the project space for Radiology is 1,646 dgsf. This is below the State norm of 4,400 dgsf (2 general radiographic rooms at 1,300, plus 1 CT room at 1,800) by 2,754 dgsf and thus the project meets the State standard.

The key rooms for Radiology will be 2 radiographic rooms and 1 CT room located near the middle of the clinical area. When the new ED begins operation, 2 radiographic and one CT room in Mitchell will be decommissioned. Thus, there will be no increase in imaging rooms, just a relocation. There is a 108 nsf waiting area. Located outside of the clinical area is a 240

nsf Reading Room. The design is very efficient, being 37 percent below the State maximum standard.

C. Med/Surg Beds

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
Med/Surg Beds	106,844	98,000-129,360	8,844	Yes

The proposed addition of 168 med/surg beds and renovation of 28 current beds in Mitchell will require an area of 106,844 dgsf. This falls within the standard range of 98,000 to 129,360 dgsf per bed.

The proposal is to perform a substantial rebuilding of much of Mitchell, on the order of new construction versus a light renovation. Med/Surg beds would be increased by 168 and the remaining 28 med/surg beds in Mitchell would occupy four patient units each on Floors 4 through 6 and two on the 3rd floor, all consisting of 14 beds per unit. A major objective that would be achieved is the creation of a Cancer Hospital in Mitchell.

Cancer beds are presently located in the CCD (80 beds) and Mitchell (16 beds) which creates operational difficulties for physicians and nurses who are spread between the two hospitals. There is not the same opportunity in the CCD for this expansion, since many of the beds there support the Operating Rooms and invasive procedures performed in Interventional Radiology, Cardiac Catheterization, Electrophysiology, and GI Special Procedures, all of which are located in the CCD. Further, with the planned change in designation as a Level 1 Trauma Center, trauma patients would, for the most part, undergo procedures in the CCD's ORs and would recover in CCD beds. Thus, to accommodate the large and growing cancer service Mitchell is the best solution for expansion.

Mitchell was completed in 1983 and has served UCMC well for 33 years. Before constructing the CCD, which was opened in 2013, UCMC considered a deep renovation of Mitchell, but it did not have sufficient space for all the invasive procedure areas, operating rooms, 240 patient beds, and support functions. Currently the 3rd and 4th floors of the CCD are being built out to relocate 122 med/surg beds and 32 ICU beds from Mitchell, leaving 46 OB beds and 28 med/surg beds in Mitchell. Because of strong and sustained growth over the past six years and expectation that this growth will continue, the Project proposes a substantial renovation of Mitchell so that beds could be added in a more modern facility.

When opened, Mitchell bed rooms were 154 nsf and double occupancy rooms averaged 120 nsf per bed. Once the CCD opened, most of the Mitchell beds became single occupancy and on

average were 187 nsf each. This compared to 342 nsf for CCD patient rooms on Floors 8 to 10 and 315 nsf for the slightly smaller rooms to be opened in mid-2016 on Floors 3 and 4. Planned for the thoroughly renovated Mitchell are room sizes that will range between 270 nsf and 345 nsf, for an overall average of 294 nsf each. In effect, this is more than double the size of the original Mitchell rooms and is a clear indication of how greatly room sizes have grown in 33 years. This increase in Mitchell is achieved by reducing the number of patient beds per unit from 24 originally, to 19 currently, and 14 beds per unit under this Project.

The more spacious rooms allow the caregivers to attend to the patient on one side and the foot of the bed, with five feet of working room on the side. The other side is thought of as the family zone where a visitor could sit at the bedside or on a couch at the exterior windows. The couch would be convertible for sleeping if the family member choses to spend the night in the room. These accommodations for family and friends have become standard in hospitals over the past several decades.

A key object of the deep renovation of Mitchell will be to bring more natural light inside. Natural light, as well as comforting and inspiring views of the outdoors, has long been understood as an important factor of the healing environment. The present curtainwall has a 3 foot tall row of vision glass, which admittedly is a cramped view of the outdoors. Proposed is a revision of the curtainwall to double the height of the vision glass to six feet. This will let in much more natural light and achieve an airy and expansive feeling. Artist renderings of these renovations are included in this section).

The wall to the interior will be sliding glass breakaway doors that are semi-transparent. This affords some level of privacy for the patient but also allows nursing staff outside the room to observe the patient from outside the room. There would be a clear transom above the sliding doors, making the room feel more expansive and bringing the outside light into the center area. The overall effect will be to make the space feel open and uplifting instead of closed off and confined. There will be charting areas outside of the room for most rooms, allowing the nurses to be close to the patients.

D. <u>ICU Beds</u>

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
ICU Beds	10,031	12,000 – 13,700	(1,969)	No

UCMC proposes to add 20 ICU beds to its current 126. When Mitchell was constructed, a six floor structure called Rubloff Tower was built to house ICU beds on Floors 2 to 6. The beds on some levels have been replaced by ICU beds located in the CCD and the remainder will follow when CCD Floors 3and 4 are finished in 2016. The shape of the tower and layout of the ICU's is

still current design practice, though today such towers are slightly larger to allow for more expansive patient rooms. The tower is ideally situated, being adjacent to Mitchell so that patients and staff can easily move between the two buildings. This is the best location for the 20 ICU beds. However, due to the dimensions of the building, the room sizes do not meet the State's minimum standard of 600 dgsf per room. The proposed rooms will average 502 dgsf or 98 dgsf below the standard. So, because of architectural limitations of Rubloff Tower, the lower end of the standard range is not quite reached.

The ICU's in Rubloff Tower have been in operation since 1983 and have served well. Were there a blank slate, a larger structure would be designed, however, it is felt that the 10 beds proposed will continue to be operated effectively, as they have been in the previous years. Mindful of the cost of alternatives, UCMC will continue to use this building for clinical purposes. Detailed ICU floorplans are included in this Attachment.

E. Cancer Ancillary Services

1. Bone Marrow Transplant

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
Bone Marrow Transplant	5,328	NA	NA	NA

Bone marrow transplant (BMT) has been performed at UCMC for decades on an inpatient basis. An outpatient program is underway and two procedures were performed in FY15 and two so far in FY16. This nascent program is expected to grow and contribute more substantially to 400 annual cases (both inpatient and outpatient) expected by 2021. The plan is to concentrate inpatient cancer patients in Mitchell and also outpatient procedures, such as BMT, to take advantage of the proximity to nurses who specialize in cancer patients as well as the residents and attending cancer physicians practicing in Mitchell and Rubloff. The proposed BMT outpatient unit would be located on the 2nd floor of Rubloff. This presently houses the Burn Unit (ICU), which will be relocated to the CCD as part of an active project.

There would be four procedure rooms, in which adult patients would undergo apheresis to extract stem cells from their blood. These would be banked and there would be a course of chemotherapy to attack the cancer cells, which at the same time will impact remaining stem cells. At the end of the three week, eight hour per day treatments, the patient's (or a donor's) stem cells will be reinfused to restore the immune system.

Also occurring in this space will be a triage function to care for patients undergoing outpatient treatment or former inpatients, either of whom are experiencing problems and need medical

attention. It is preferable that these patients be seen by clinicians specializing in cancer care rather than going to urgent care centers or emergency departments. Most of these patients would be known to UCMC from receiving treatment previously, so the triage service is an important element of care continuity. It is also most helpful to minimize unnecessary readmissions if the patients seek care early when the intervention can be most effective. Two triage rooms are dedicated to this service.

There would be two staff offices, supply and storage rooms, a small lab, a nurses' station, and a reception/waiting area. There would also be a small staff lounge and locker room. There is no State standard for this service. Utilization and justification for the rooms proposed will be discussed in the Utilization portion of Section IV.

F. Cellular Therapy Facility

SIZE OF PROJECT				
DEPARTMENT/SERVICE	PROPOSED BGSF/DGSF	STATE STANDARD	DIFFERENCE	MET STANDARD?
Cellular Therapy Facility	5,127	NA	NA	NA

The clinical bone marrow/progenitor cell therapy program at UCMC performs transplantation of blood/bone marrow/cord blood stem cells for both inpatient and outpatient cancer patients or individuals born with certain genetic conditions. The cells that are infused or transplanted are procured and processed or manufactured at UCMC's facility for the majority of cases. The Cellular Therapy Facility is registered with the Food and Drug Administration (FDA) and accredited by the Foundation for the Accreditation of Cellular Therapy (FACT). The cellular matter (stem cells extracted from blood or bone marrow or from donated umbilical cord blood) was either provided earlier by the patient or a suitable donor was found whose cellular material was a good match for the patient. During chemotherapy or radiation therapy, the unhealthy bone marrow is then destroyed or eliminated. Once this has happened, the immune system of the patient is compromised, so great care must be exercised in ensuring that the treated cellular matter to be infused into the patient is extremely pure. Hence, the environmental requirements in the Cellular Therapy Facility are quite rigorous.

The current facility is located in the Duchossois Center for Ambulatory Medicine outpatient building and occupies 1,567 dgsf. Owing to strong and steady growth of cellular therapy procedures and increasingly demanding regulatory and accreditation requirements, the present space is inadequate. The proposal is to locate the facility in the present area occupied by a 10 bed ICU in the Rubloff Tower. This would afford the necessary room for expansion and would also help achieve the consolidation of services in the cancer hospital located in Mitchell. Being located in a controlled environment space and also close by to patients being infused with its products are critical advantages of the proposed location. Maintaining the potency of the cellular

product after it is prepared or thawed requires quick delivery to the patient, so locating closer is key for many products.

As is shown in the Space Program included in this section, the new location would provide for positive pressured work space for the manufacture of cellular products (566 nsf), a classified air suite (380 nsf), a translational/developmental lab for developing new products (570 nsf), cryostorage to preserve transplant products (1,510 nsf), and support functions of medical supply storage (700 nsf), office and patient charting area (1,060 nsf), and staff lockers/toilets (225 nsf).

The clinicians of this department have been visiting similar facilities in the U.S. to study operational needs of higher output facilities and consider this 5,011 nsf area to meet the needs of this active and growing program. This facility's procedures have increased from 635 in 2009 to 920 in 2015, an annual rate of growth averaging 6.4 percent. Another factor in the need for more space is that regulatory requirements have grown ever more stringent for the protection of the patients in terms of environmental qualities of the production areas, storage of cellular matter, and cleanliness of the production process.

Section IV, Size of Project

Attachment 14

Section 1110.234, Size of Project

	Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
Level 1 - Parking B - Adult Emergency Department									
1200	R.A. TEAMING STATION	163							
1200A	CORRIDOR	743							
1200B	CORRIDOR	850							
1202	P.T.	48							
1203	IWA CHECK-IN	40							
1210	IWA HALLWAY	170							
1211	IWA	53							
1212	IWA	52							
1213	IWA	52							
1214	IWA	52							

	Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
1215	IWA	52							
1216	IWA	53							
1220	IWA HALLWAY	169							
1221	IWA	53							
1222	IWA	52							
1223	IWA	53							
1224	IWA	52							
1225	IWA	51							
1226	IWA	52							
1300	P.T	43							
1300A	CORRIDOR	405							
1301	POC SOILED	100							
1340	CLEAN SUPPLY	397							
1360	P.T.	50							
1400	SOILED	54							
1400C	PSYCH CORRIDOR	329							

	Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
1400A	CORRIDOR	538							
1400B	CORRIDOR	241							
1401	S.T.	55							
1404	RED BAG	44							
1405	EVS	56							
1406	HLD	53							
1407	EMS RADIO	76							
1408	S.T.	57							
1409	R.T.	89							
1410	LINEN	21							
1412	PSYCH STORAGE	81							
1413A	PSYCH TOILET	50							
1414	PSYCH NURSE STATION	176							
1422	REGISTRATION/BILL PAY	237							
1500A	CORRIDOR	516							
1500B	CORRIDOR	1,079							

	Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
1500C	CORRIDOR	566							
1500D	CORRIDOR	2,307							
1500E	CORRIDOR	1,070							
1500F	CORRIDOR	386							
1500H	CORRIDOR	439							
1505	EMS	115							
1506	EMS STO	97							
1519	P.T.	54							
1526	EQUIP.	215							
1527	EVS	88							
1528	RED BAG	51							
1529	SOILED	46							
1531	MEDS.	94							
1532	LINEN	20							
1538	BARIATRIC P.T.	50							
1539	MEDS.	133							

	Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
Emergency Department Key Rooms:									
1230	EXAM RM 1	130							
1231	EXAM RM 2	130							
1232	EXAM RM 3	130							
1233	EXAM RM 4	129							
1234	EXAM RM 5	148							
1235	EXAM RM 6	148							
1204	EXAM RM 7	140							
1533	EXAM RM 8 Iso	170							
1533A	ANTE 8	47							
1533B	P.T.	52							
1534	EXAM RM 9	153							
1535	EXAM RM 10	153							
1536	EXAM RM 11	153							
1537	EXAM RM 12	153							
1541	TRAUMA RM 13	259							

	Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
1542	TRAUMA RM 14	259							
1543	TRAUMA RM 15	259							
1544	TRAUMA RM 16	259							
1501	ALL EXAM 17 ISOLATION	144							
1501A	ANTE	42							
1501B	P.T.	46							
1502	EXAM RM 18	145							
1503	EXAM RM 19	140							
1507	EXAM RM 20	156							
1508	EXAM RM 21	156							
1509	EXAM RM 22	156							
1510	EXAM RM 23	156							
1511	EXAM RM 24	156							
1512	EXAM RM 25	156							
1513	EXAM RM 26	156							
1514	EXAM RM 27	156							

	Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
1516	EXAM ROOM 28	158							
1517	EXAM ROOM 29	162							
1518	EXAM RM 30	163							
1520	EXAM RM 31	162							
1521	EXAM RM 32	162							
1522	EXAM RM 33	162							
1523	EXAM RM 34	162							
1524	EXAM RM 35	162							
1525	SANE EXAM 36	174							
1525A	SANE P.T.	63							
1530	BARIATRIC EXAM 37	208							
1413	PSYCH 38	154							
1415	PSYCH 39	154							
1416	PSYCH 40	154							
1417	PSYCH 41	156							
1506A	DECON	119							

	Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
1413	PSYCH NURSE STATION	176							
1550	TEAM STATION A	109							
1551	TEAM STATION B	125							
1552	TEAM STATION C	94							
1553	TEAM STATION D	128							
1554	TEAM STATION E	95							
1555	TEAM STATION F	108							
1556	CHARGE NURSE STATION G	223							
1557	TEAM STATION H	215							
1558	TEAM STATION I	231							
1559	TEAM STATION J	196							
1560	TEAM STATION K	200							
1561	TEAM STATION L	209							
Level 1 - Radiology									
Radiology Key Rooms:									
1350	C.T.		410						
1310	X-RAY		260						

	Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
1320	X-RAY		260						
1329	IMAGING EQUIPMENT STORAGE		100						
1330	RAD WAITING		108						
1331	CONT.		140						
1350A	EQUIP ROOM		78						
Level 1 - Non-Clinical Staff Support for Emergency									
1504	BREAK ROOM						300		
1504A	STAFF LOCKERS						352		
1504B	S.T.							50	
1504C	S.T.							50	
1500H	CORRIDOR						100		
Level 1 - Emergency Intake/Waiting									
1100	WAITING	895							
1100A	CORRIDOR	144							
1160	FEMALE TOILET	159							
1170	MALE TOILET	160							
1171	GREETER	90							
1172	SECURITY	44							

	Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
1173	W.C.STORAGE	33							
1174	VEND	89							
1201	FAMILY ROOM	94							
1506B	EMS DROP-OFF	3,504							
Level 1 - Non-Clinical Building Support									
1000A	VESTIBULE 4-HR								108
1000B	SERVICE ELEVATOR LOBBY								163
1000C	VESTIBULE 4-HR								90
1000E	VESTIBULE 4-HR								81
1000F	EXIT VESTIBULE								42
1000G	VEST								36
1000H	ENTRY VESTIBULE 1.5								54
1000K	ELEVATOR LOBBY								240
1000L	LIFT								26
1150	VESTIBULE								128
1300B	STAIRS								80

	Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
1361	CHUTE ROOM								41
1361A	CHUTE VEST								39
1361A	COND. PUMP								28
1402	ELEC								93
1403	MECH.								36
1418	ELEC								89
1420	SECURITY PANELS								22
1500H-1	VESTIBULE								61
1504D	4-HR VESTIBULE								40
1E90	ELEVATOR 151								106
1E91	ELEVATOR 150								98
Level 1 - Subtotal		27,721	1,356				852		1,701
Level 1.5 Non-Clinical Building Support									
1601	LEVEL 1.5 ACCESS CORRIDOR								74
1620	IT ROOM								197

	Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
1621	ATS ROOM								457
1622	SWITCHGEAR ROOM								489
1624	MECHANICAL LEVEL 1.5								2,218
1631	BAS CLOSET								65
1669	IT ROOM								199
Level 1.5 Non-Clinical Staff Support for Emergency									
1600A	HALLWAY						215		
1602	CORRIDOR						313		
1603	CORRIDOR						361		
1623	HOTELING WORKSTATIONS						107		
1625	OFFICE						100		
1626	OFFICE							88	
1627	OFFICE						100		
1628	CONFERENCE						237		
1629	OFFICE						100		
1630	OFFICE						100		

	Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
1633	ON-CALL						100		
1632	READING		240						
1634	ON-CALL TOILET						77		
1550	OFFICES						150		
Level 1.5 - Subtotal		-	240				2,048		3,699
Upper Levels - Non-Clinical Building Support									
Level 2 Non-Clinical Building Support									
2000	ELEVATOR LOBBY								417
2000A	4 HOUR VESTIBULE								48
200B	LEVEL 2 BRIDGE								794
200C	HOSPITAL VESTIBULE								150
2000D	PNEUMATIC TUBE								237
2002	ELEVATOR MACHINE ROOM								216
2003	MECHANICAL SHAFT								140
Level 3 Non-Clinical Building Support									
3000	MECHANICAL SHAFT								309
Level 4 Non-Clinical Building Support									
4000	MECHANICAL SHAFT								308
Level 5 Non-Clinical Building Support									

	Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
5000	MECHANICAL SHAFT								308
Level 6 Non-Clinical Building Support									
6000	MECHANICAL SHAFT								308
Upper Levels - Subtotal		-	-				-		3,235
LEVEL 1 - Mitchell Common Core									
	ELEVATORS								250
	ELEVATORS								221
	ELEVATORS								225
	PUBLIC LOBBY							5,467	
	PUBLIC LOBBY							5,082	
	PUBLIC LOBBY							662	
Level 1 - Subtotal				0	0	0	0	11,211	696
LEVEL 2 - Mitchell Common Core									
	ELEVATOR								63
	ELEVATORS								250
	STAIR								219
	STAIR								216
	STAIR								190
	PUBLIC CORRIDOR							1,097	
	PUBLIC CORRIDOR							1,815	
	MISC AMENITY							660	
	MISC AMENITY							2,010	

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
MISC AMENITY							3,521	
PUBLIC CORRIDOR							1,470	
PUBLIC CORRIDOR							927	
PUBLIC CORRIDOR							421	
ATRIUM RENOVATION							2,738	
ATRIUM RENOVATION							3,454	
PUBLIC CORRIDOR							910	
PUBLIC CORRIDOR							990	
PUBLIC CORRIDOR							1,362	
PUBLIC CORRIDOR							520	
LEVEL 2 - Rubloff Common Core								
TELE-DATA								87
PUBLIC CORRIDOR							638	
PUBLIC CORRIDOR							153	
PUBLIC TOILET							43	
PUBLIC CORRIDOR							786	
PUBLIC CORRIDOR							174	
PUBLIC CORRIDOR							758	
LEVEL 2 - Rubloff BMT								
ACCESSIBLE PATIENT TOILET				85				
ACCESSIBLE STAFF TOILET				95				
ANTE-ROOM				77				
TRIAGE 1				124				
TRIAGE 2				189				
OFFICE				193				

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
OFFICE				210				
CLEAN SUPPLY				203				
CORRIDOR				921				
CORRIDOR				111				
EQUIPMENT STORAGE				431				
FAMILY TOILET				60				
LAB				191				
MEDS				123				
NOURISHMENT				51				
PATIENT TOILET				48				
RECEPTION/WAITING				305				
SOILED HOLDING				183				
STAFF LOCKERS				126				
STAFF LOUNGE				94				
STAFF TOILET				52				
TEAM STATION				269				
CHUTES								17
SHAFT								21
LEVEL 2 - Rubloff BMT Key Rooms:								
ACCESSIBLE BMT BAY 1				194				
BMT BAY 2				200				
BMT BAY 3				192				
BMT BAY 4				176				
Level 2 - Subtotal			0	4,903	0	0	24,447	1,063

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
LEVEL 3 - Mitchell Common Core								
ELECTRICAL								231
JANITOR								47
JANITOR								46
TELE-DATA								194
PUBLIC CORRIDOR							741	
PUBLIC CORRIDOR							241	
PUBLIC CORRIDOR							259	
PUBLIC CORRIDOR							352	
PUBLIC CORRIDOR							271	
PUBLIC CORRIDOR							237	
CLUSTER OFFICE						247		
CONFERENCE ROOM						258		
OFFICE						84		
OFFICE						119		
SHARED OFFICE						159		
STORAGE						67		
LEVEL 3 - Mitchell SE Med/Surg								
ANTE-ROOM			58					
CART ALCOVE			24					
CLEAN SUPPLY			144					
CORRIDOR			1,833					
CRASH CART ALCOVE			24					
EQUIPMENT			170					
FAMILY			107					
LINEN			19					

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
LINEN			19					
MEDS			135					
MULTI-DISCIPLINARY ROOM			246					
NOURISHMENT			107					
NURSE STATION			214					
PATIENT TOILET			64					
PATIENT TOILET			66					
PATIENT TOILET			46					
PATIENT TOILET			34					
PATIENT TOILET			34					
PATIENT TOILET			33					
PATIENT TOILET			33					
PATIENT TOILET			45					
PATIENT TOILET			43					
PATIENT TOILET			36					
PATIENT TOILET			36					
PATIENT TOILET			37					
PATIENT TOILET			36					
PATIENT TOILET			36					
SOILED HOLDING			107					
STAFF TOILET						48		
LEVEL 3 - Mitchell SE Med/Surg Key Rooms:								
PRIVATE PATIENT ROOM 169			265					
PRIVATE PATIENT ROOM 170			265					
PRIVATE PATIENT ROOM 171			265					
PRIVATE PATIENT ROOM 172			265					

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
PRIVATE PATIENT ROOM 173			265					
PRIVATE PATIENT ROOM 174			263					
PRIVATE PATIENT ROOM 175			235					
PRIVATE PATIENT ROOM 176			245					
PRIVATE PATIENT ROOM 177			246					
PRIVATE PATIENT ROOM 178			246					
PRIVATE PATIENT ROOM 179			246					
ACCESSIBLE PATIENT ROOM 180			210					
ACCESSIBLE PATIENT ROOM 181			210					
ISOLATION PATIENT ROOM 182			241					
LEVEL 3 - Mitchell SW Med/Surg								
ANTE-ROOM			58					
CART ALCOVE			24					
CLEAN HOLDING			142					
CLEAN/MEDS			107					
CLEAN/MEDS			107					
CORRIDOR			1,833					
CRASH CART ALCOVE			24					
EQUIPMENT			159					
FAMILY			110					
LINEN			19					
LINEN			19					
MEDS			135					
MULTI-DISCIPLINARY ROOM			246					
PATIENT TOILET			64					
PATIENT TOILET			66					

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
PATIENT TOILET			46					
PATIENT TOILET			36					
PATIENT TOILET			36					
PATIENT TOILET			37					
PATIENT TOILET			36					
PATIENT TOILET			36					
PATIENT TOILET			43					
PATIENT TOILET			34					
PATIENT TOILET			33					
PATIENT TOILET			33					
PATIENT TOILET			34					
PATIENT TOILET			45					
PPE			6					
PPE			6					
TEAM STATION			214					
STAFF TOILET						48		
LEVEL 3 - Mitchell SW Med/Surg Key Rooms:								
PRIVATE PATIENT ROOM 155			265					
PRIVATE PATIENT ROOM 156			265					
PRIVATE PATIENT ROOM 157			265					
PRIVATE PATIENT ROOM 158			265					
PRIVATE PATIENT ROOM 159			265					
PRIVATE PATIENT ROOM 160			263					
PRIVATE PATIENT ROOM 161			241					
PRIVATE PATIENT ROOM 162			245					
PRIVATE PATIENT ROOM 163			246					

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
PRIVATE PATIENT ROOM 164			246					
PRIVATE PATIENT ROOM 165			246					
ACCESSIBLE PATIENT ROOM 166			210					
ACCESSIBLE PATIENT ROOM 167			210					
ISOLATION PATIENT ROOM 168			241					
LEVEL 3 - Rubloff Office/Support								
COATS						44		
CONFERENCE ROOM						119		
CONFERENCE ROOM						164		
COPY						100		
OFFICE						99		
OFFICE						111		
OFFICE						99		
OFFICE						99		
OFFICE						111		
OFFICE						99		
OFFICE						99		
OFFICE						111		
OFFICE						99		
OFFICE						99		
OFFICE						78		
OFFICE						80		
OFFICE						80		
OPEN OFFICE PLAN						2,642		
PANTRY						132		
PHONE ROOM						71		

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
PHONE ROOM						71		
STORAGE						45		
SUPPLY						59		
TOILET - MEN						52		
TOILET - WOMEN						54		
CHUTES								15
SHAFT								10
SHAFT								3
LEVEL 3 - Rubloff Common Core								
TELE-DATA								88
CORRIDOR							703	
CORRIDOR							831	
CORRIDOR							151	
CORRIDOR							883	
PUBLIC TOILET							47	
Level 3 - Subtotal			14,514	0	0	5,847	4,716	634
LEVEL 4 - Mitchell Common Core								
ELECTRICAL								191
ELECTRICAL								139
ELECTRICAL								28
JANITOR								44
JANITOR								59
JANITOR								44
LINEN CHUTE								16

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
STAIR								27
TELE-DATA								180
TELE-DATA								232
TRASH CHUTE								25
UTILITY ROOM								114
CORRIDOR							148	
CORRIDOR							365	
PUBLIC CORRIDOR							2,304	
PUBLIC CORRIDOR							318	
PUBLIC CORRIDOR							848	
PUBLIC TOILET							43	
OFFICE						96		
OFFICE						81		
OFFICE						84		
OFFICE						82		
ON-CALL						87		
ON-CALL						274		
ON-CALL						97		
ON-CALL						69		
ON-CALL						69		
ON-CALL						70		
ON-CALL SHOWER						13		
ON-CALL SHOWER						20		
ON-CALL TOILET						42		
ON-CALL TOILET						12		
ON-CALL TOILET						27		
RESIDENT WORK						82		

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
STAFF LOCKERS						272		
STAFF LOCKERS						94		
STAFF LOUNGE						522		
STAFF TOILET						62		
STAFF TOILET						64		
STAFF WORK						265		
TRASH ROOM						49		
WORK AREA						104		
LEVEL 4 - Mitchell NE Med/Surg								
ANTE-ROOM			58					
CART ALCOVE			24					
CLEAN SUPPLY			158					
CORRIDOR			1,813					
CRASH CART ALCOVE			24					
EQUIPMENT			122					
FAMILY			110					
LINEN			19					
LINEN			19					
MEDS			150					
MULTI-DISCIPLINARY ROOM			246					
NOURISHMENT			107					
NURSE STATION			214					
PATIENT TOILET			43					
PATIENT TOILET			36					
PATIENT TOILET			36					
PATIENT TOILET			37					

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
PATIENT TOILET			36					
PATIENT TOILET			36					
PATIENT TOILET			64					
PATIENT TOILET			66					
PATIENT TOILET			46					
PATIENT TOILET			34					
PATIENT TOILET			34					
PATIENT TOILET			33					
PATIENT TOILET			33					
PATIENT TOILET			53					
SOILED HOLDING			107					
LEVEL 4 - Mitchell NE Med/Surg Key Rooms:								
PRIVATE PATIENT ROOM 15			265					
PRIVATE PATIENT ROOM 16			265					
PRIVATE PATIENT ROOM 17			265					
PRIVATE PATIENT ROOM 18			265					
PRIVATE PATIENT ROOM 19			265					
PRIVATE PATIENT ROOM 20			264					
PRIVATE PATIENT ROOM 21			232					
PRIVATE PATIENT ROOM 22			246					
PRIVATE PATIENT ROOM 23			246					
PRIVATE PATIENT ROOM 24			246					
PRIVATE PATIENT ROOM 25			246					
ACCESSIBLE PATIENT ROOM 26			208					
ACCESSIBLE PATIENT ROOM 27			210					
ISOLATION PATIENT ROOM 28			241					

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
LEVEL 4 - Mitchell NW Med/Surg								
ACCESSIBLE PATIENT TOILET			66					
ACCESSIBLE PATIENT TOILET			64					
ANTE-ROOM			58					
CART ALCOVE			24					
CLEAN SUPPLY			154					
CORRIDOR			1,817					
CRASH CART ALCOVE			24					
EQUIPMENT			122					
FAMILY			110					
HW			6					
LINEN			19					
LINEN			19					
MEDS			135					
MULTI-DISCIPLINARY ROOM			246					
NOURISHMENT			107					
PATIENT TOILET			46					
PATIENT TOILET			36					
PATIENT TOILET			37					
PATIENT TOILET			36					
PATIENT TOILET			36					
PATIENT TOILET			42					
PATIENT TOILET			46					
PATIENT TOILET			34					
PATIENT TOILET			37					
PATIENT TOILET			37					

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
PATIENT TOILET			37					
PATIENT TOILET			37					
PNEUMATIC TUBE			9					
PPE			6					
SOILED HOLDING			107					
TEAM STATION			214					
LEVEL 4 - Mitchell NW Med/Surg Key Rooms:								
PRIVATE PATIENT RM 1			264					
PRIVATE PATIENT RM 2			265					
PRIVATE PATIENT RM 3			265					
PRIVATE PATIENT RM 4			265					
PRIVATE PATIENT RM 5			265					
PRIVATE PATIENT RM 6			264					
PRIVATE PATIENT RM 7			233					
PRIVATE PATIENT RM 8			242					
PRIVATE PATIENT RM 9			242					
PRIVATE PATIENT RM 10			242					
PRIVATE PATIENT RM 11			246					
ACCESSIBLE PATIENT RM 12			210					
ACCESSIBLE PATIENT RM 13			210					
ISOLATION PATIENT RM 14			241					
LEVEL 4 - Mitchell SE Med/Surg								
ACCESSIBLE PATIENT TOILET			66					
ACCESSIBLE PATIENT TOILET			64					
ANTE-ROOM			58					

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
CART ALCOVE			24					
CLEAN SUPPLY			139					
CORRIDOR			1,822					
CRASH CART ALCOVE			24					
EQUIPMENT			166					
FAMILY			110					
LINEN			19					
LINEN			19					
MEDS			135					
MULTI-DISCIPLINARY ROOM			246					
NOURISHMENT			107					
PATIENT TOILET			43					
PATIENT TOILET			46					
PATIENT TOILET			34					
PATIENT TOILET			34					
PATIENT TOILET			33					
PATIENT TOILET			33					
PATIENT TOILET			53					
PATIENT TOILET			36					
PATIENT TOILET			36					
PATIENT TOILET			37					
PATIENT TOILET			36					
PATIENT TOILET			36					
SOILED HOLDING			107					
TEAM STATION			178					
STAFF TOILET						46		

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
LEVEL 4 - Mitchell SE Med/Surg Key Rooms:								
PRIVATE PATIENT RM 183			265					
PRIVATE PATIENT RM 184			265					
PRIVATE PATIENT RM 185			267					
PRIVATE PATIENT RM 186			265					
PRIVATE PATIENT RM 187			265					
PRIVATE PATIENT RM 188			263					
PRIVATE PATIENT RM 189			235					
PRIVATE PATIENT RM 190			246					
PRIVATE PATIENT RM 191			246					
PRIVATE PATIENT RM 192			246					
PRIVATE PATIENT RM 193			246					
ACCESSIBLE PATIENT RM 194			210					
ACCESSIBLE PATIENT RM 195			210					
ISOLATION PATIENT RM 196			241					
LEVEL 4 - Mitchell SW Med/Surg								
ANTE-ROOM			58					
CART ALCOVE			24					
CLEAN HOLDING			138					
CLEAN/MEDS			107					
CLEAN/MEDS			107					
CORRIDOR			1,834					
CRASH CART ALCOVE			24					
EQUIPMENT			155					
FAMILY			110					
LINEN			19					

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
LINEN			19					
MEDS			135					
MULTI-DISCIPLINARY ROOM			246					
PATIENT TOILET			64					
PATIENT TOILET			66					
PATIENT TOILET			46					
PATIENT TOILET			36					
PATIENT TOILET			36					
PATIENT TOILET			37					
PATIENT TOILET			36					
PATIENT TOILET			36					
PATIENT TOILET			42					
PATIENT TOILET			34					
PATIENT TOILET			33					
PATIENT TOILET			33					
PATIENT TOILET			34					
PATIENT TOILET			29					
PPE			6					
PPE			6					
TEAM STATION			214					
STAFF TOILET						45		
LEVEL 4 - Mitchell SW Med/Surg Key Rooms:								
PRIVATE PATIENT ROOM 29			265					
PRIVATE PATIENT ROOM 30			265					
PRIVATE PATIENT ROOM 31			265					
PRIVATE PATIENT ROOM 32			265					

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
PRIVATE PATIENT ROOM 33			265					
PRIVATE PATIENT ROOM 34			263					
PRIVATE PATIENT ROOM 35			241					
PRIVATE PATIENT ROOM 36			245					
PRIVATE PATIENT ROOM 37			246					
PRIVATE PATIENT ROOM 38			246					
PRIVATE PATIENT ROOM 39			246					
ACCESSIBLE PATIENT ROOM 40			210					
ACCESSIBLE PATIENT ROOM 41			210					
ISOLATION PATIENT ROOM 42			241					
LEVEL 4 - Rubloff Cellular Therapy Facility								
POSITIVE PRESSURED WORK SP				566				
CLASSIFIED AIR SUITE				380				
TRANSLATIONAL/DEVEL. LAB				570				
MEDICAL SUPPLY STORAGE				700				
OFFICE/PATIENT CHARTING				1,060				
LOCKERS/TOILETS				225				
CRYOSTORAGE				1,510				
CHUTES								15
SHAFT								10
SHAFT								3
LEVEL 4 - Rubloff Common Core								
TELE-DATA								88
PUBLIC CORRIDOR							702	
PUBLIC CORRIDOR							674	

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
PUBLIC CORRIDOR							150	
PUBLIC CORRIDOR							156	
PUBLIC CORRIDOR							875	
PUBLIC TOILET							47	
Level 4 - Subtotal			28,892	5,011	0	2,728	6,630	1,215
LEVEL 5 - Mitchell Common Core								
ELECTRICAL								139
ELECTRICAL								186
ELECTRICAL								28
JANITOR								44
JANITOR								59
JANITOR								43
LINEN CHUTE								16
TELE-DATA								182
TELE-DATA								233
UTILITY ROOM								106
CORRIDOR							148	
CORRIDOR							334	
CORRIDOR							853	
PUBLIC CORRIDOR							2,305	
PUBLIC CORRIDOR							314	
PUBLIC TOILET							43	
LOCKERS						94		
OFFICE						81		
OFFICE						84		

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
OFFICE						96		
ON-CALL						87		
ON-CALL						151		
ON-CALL						97		
ON-CALL						69		
ON-CALL						69		
ON-CALL						70		
ON-CALL						188		
ON-CALL SHOWER						13		
ON-CALL SHOWER						20		
ON-CALL SHOWER						17		
ON-CALL TOILET						42		
ON-CALL TOILET						12		
ON-CALL TOILET						27		
RESIDENT WORK						82		
STAFF LOCKERS						379		
STAFF LOCKERS						301		
STAFF LOUNGE						522		
STAFF TOILET						46		
STAFF TOILET						45		
STAFF TOILET						64		
STAFF TOILET						66		
TRASH ROOM						49		
LEVEL 5 - Mitchell NE Med/Surg								
ANTE-ROOM			58					
CART ALCOVE			24					

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
CLEAN SUPPLY			158					
CORRIDOR			1,844					
CRASH CART ALCOVE			24					
EQUIPMENT			122					
FAMILY			110					
LINEN			19					
LINEN			19					
MEDS			150					
MULTI-DISCIPLINARY ROOM			246					
NOURISHMENT			107					
NURSE STATION			214					
PATIENT TOILET			43					
PATIENT TOILET			36					
PATIENT TOILET			36					
PATIENT TOILET			37					
PATIENT TOILET			36					
PATIENT TOILET			36					
PATIENT TOILET			64					
PATIENT TOILET			66					
PATIENT TOILET			46					
PATIENT TOILET			34					
PATIENT TOILET			34					
PATIENT TOILET			33					
PATIENT TOILET			33					
PATIENT TOILET			53					
SOILED HOLDING			107					

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
LEVEL 5 - Mitchell NE Med/Surg Kep Rooms:								
PRIVATE PATIENT ROOM 57			265					
PRIVATE PATIENT ROOM 58			265					
PRIVATE PATIENT ROOM 59			265					
PRIVATE PATIENT ROOM 60			265					
PRIVATE PATIENT ROOM 61			265					
PRIVATE PATIENT ROOM 62			264					
PRIVATE PATIENT ROOM 63			232					
PRIVATE PATIENT ROOM 64			246					
PRIVATE PATIENT ROOM 65			246					
PRIVATE PATIENT ROOM 66			246					
PRIVATE PATIENT ROOM 67			246					
ACCESSIBLE PATIENT ROOM 68			208					
ACCESSIBLE PATIENT ROOM 69			210					
ISOLATION PATIENT ROOM 70			241					
LEVEL 5 - Mitchell NW Med/Surg								
ACCESSIBLE PATIENT TOILET			66					
ACCESSIBLE PATIENT TOILET			64					
ANTE-ROOM			58					
CART ALCOVE			24					
CLEAN SUPPLY			154					
CORRIDOR			1,817					
CRASH CART ALCOVE			24					
EQUIPMENT			122					
FAMILY			110					
HW			6					

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
LINEN			19					
LINEN			19					
MEDS			135					
MULTI-DISCIPLINARY ROOM			246					
NOURISHMENT			107					
PATIENT TOILET			46					
PATIENT TOILET			36					
PATIENT TOILET			37					
PATIENT TOILET			36					
PATIENT TOILET			36					
PATIENT TOILET			42					
PATIENT TOILET			46					
PATIENT TOILET			34					
PATIENT TOILET			37					
PATIENT TOILET			37					
PATIENT TOILET			37					
PATIENT TOILET			37					
PNEUMATIC TUBE			9					
PPE			6					
SOILED HOLDING			107					
TEAM STATION			214					
LEVEL 5 - Mitchell NW Med/Surg Key Rooms:								
PRIVATE PATIENT RM 43			264					
PRIVATE PATIENT RM 44			265					
PRIVATE PATIENT ROOM 45			265					
PRIVATE PATIENT RM 46			265					

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
PRIVATE PATIENT RM 47			265					
PRIVATE PATIENT RM 48			264					
PRIVATE PATIENT RM 49			233					
PRIVATE PATIENT RM 50			242					
PRIVATE PATIENT RM 51			242					
PRIVATE PATIENT RM 52			242					
PRIVATE PATIENT RM 53			246					
ACCESSIBLE PATIENT RM 54			210					
ACCESSIBLE PATIENT RM 55			210					
ISOLATION PATIENT RM 56			241					
LEVEL 5 - Mitchell SE Med/Surg								
ANTE-ROOM			58					
CART ALCOVE			24					
CLEAN SUPPLY			139					
CORRIDOR			1,822					
CRASH CART ALCOVE			24					
EQUIPMENT			166					
FAMILY			110					
LINEN			19					
LINEN			19					
MEDS			135					
MULTI-DISCIPLINARY ROOM			246					
NOURISHMENT			107					
NURSE STATION			214					
PATIENT TOILET			42					
PATIENT TOILET			64					

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
PATIENT TOILET			66					
PATIENT TOILET			46					
PATIENT TOILET			34					
PATIENT TOILET			34					
PATIENT TOILET			33					
PATIENT TOILET			33					
PATIENT TOILET			53					
PATIENT TOILET			36					
PATIENT TOILET			36					
PATIENT TOILET			37					
PATIENT TOILET			36					
PATIENT TOILET			36					
SOILED HOLDING			107					
LEVEL 5 - Mitchell SE Med/Surg Key Rooms:								
PRIVATE PATIENT ROOM 85			265					
PRIVATE PATIENT ROOM 86			265					
PRIVATE PATIENT ROOM 87			267					
PRIVATE PATIENT ROOM 88			265					
PRIVATE PATIENT ROOM 89			265					
PRIVATE PATIENT ROOM 90			263					
PRIVATE PATIENT ROOM 91			235					
PRIVATE PATIENT ROOM 92			246					
PRIVATE PATIENT ROOM 93			246					
PRIVATE PATIENT ROOM 94			246					
PRIVATE PATIENT ROOM 95			246					
ACCESSIBLE PATIENT ROOM 96			210					

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
ACCESSIBLE PATIENT ROOM 97			210					
ISOLATION PATIENT ROOM 98			241					
LEVEL 5 - Mitchell SW Med/Surg								
ANTE-ROOM			58					
CART ALCOVE			24					
CLEAN SUPPLY			138					
CLEAN/MEDS			107					
CLEAN/MEDS			107					
CORRIDOR			1,834					
CRASH CART ALCOVE			24					
EQUIPMENT			155					
FAMILY			110					
LINEN			19					
LINEN			19					
MEDS			135					
MULTI-DISCIPLINARY ROOM			246					
PATIENT TOILET			64					
PATIENT TOILET			66					
PATIENT TOILET			46					
PATIENT TOILET			36					
PATIENT TOILET			36					
PATIENT TOILET			37					
PATIENT TOILET			36					
PATIENT TOILET			36					
PATIENT TOILET			42					
PATIENT TOILET			34					

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
PATIENT TOILET			33					
PATIENT TOILET			33					
PATIENT TOILET			34					
PATIENT TOILET			37					
PPE			6					
PPE			6					
TEAM STATION			214					
LEVEL 5 - Mitchell SW Med/Surg Key Rooms:								
PRIVATE PATIENT ROOM 71			265					
PRIVATE PATIENT ROOM 72			265					
PRIVATE PATIENT ROOM 73			265					
PRIVATE PATIENT ROOM 74			265					
PRIVATE PATIENT ROOM 75			265					
PRIVATE PATIENT ROOM 76			263					
PRIVATE PATIENT ROOM 77			243					
PRIVATE PATIENT ROOM 78			246					
PRIVATE PATIENT ROOM 79			246					
PRIVATE PATIENT ROOM 80			246					
PRIVATE PATIENT ROOM 81			246					
ACCESSIBLE PATIENT ROOM 82			210					
ACCESSIBLE PATIENT ROOM 83			210					
ISOLATION PATIENT ROOM 84			241					
LEVEL 5 - Rubloff Intensive Care Unit								
ANTE-RM					47			
CENTRAL SUPPLIES					114			

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
CORRIDOR					861			
CORRIDOR					274			
EQUIP- MENT					126			
FAMILY AMENITY					520			
LOCKER ROOM					103			
LOCKER ROOM					75			
NOURISHMENT					56			
SOILED WORK RM					83			
STAFF LOCKERS					60			
STAFF TOILET					18			
STAFF TOILET					15			
TEAM STATION					370			
WORK AREA					256			
CHUTES								14
LEVEL 5 - Rubloff Intensive Care Unit Intensive Care Key Rooms:								
ICU PATIENT ROOM 11					190			
ICU PATIENT ROOM 12					176			
ICU PATIENT ROOM 13					176			
ICU PATIENT ROOM 14					176			
ICU PATIENT ROOM 15					163			
ISOLATION ICU PATIENT ROOM 16					194			
ICU PATIENT ROOM 17					164			
ICU PATIENT ROOM 18					176			
ICU PATIENT ROOM 19					176			
ICU PATIENT ROOM 20					187			

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
LEVEL 5 - Rubloff Common Core								
TELE-DATA								85
CORRIDOR							890	
CORRIDOR							700	
CORRIDOR							821	
CORRIDOR							185	
PUBLIC TOILET							43	
Level 5 - Subtotal			28,969	0	4,756	2,771	6,636	1,135
LEVEL 6 - Mitchell Common Core								
ELECTRICAL								139
ELECTRICAL								186
ELECTRICAL								28
JANITOR								59
JANITOR								44
JANITOR								43
LINEN CHUTE								16
STAIR								27
TELE-DATA								233
TELE-DATA								186
UTILITY ROOM								114
CORRIDOR							148	
CORRIDOR							336	
CORRIDOR							848	
PUBLIC CORRIDOR							2,304	
PUBLIC CORRIDOR							330	

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
PUBLIC TOILET							43	
OFFICE						81		
OFFICE						84		
OFFICE						64		
ON-CALL						87		
ON-CALL						341		
ON-CALL						97		
ON-CALL						69		
ON-CALL						69		
ON-CALL						70		
ON-CALL SHOWER						13		
ON-CALL SHOWER						20		
ON-CALL SHOWER						17		
ON-CALL TOILET						42		
ON-CALL TOILET						12		
ON-CALL TOILET						27		
RESIDENT WORK						82		
STAFF LOCKERS						258		
STAFF LOCKERS						272		
STAFF LOUNGE						525		
STAFF TOILET						64		
STAFF TOILET						68		
STAFF TOILET						46		
STAFF TOILET						45		
STORAGE						94		
TRASH ROOM						49		
WORK AREA						131		

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
LEVEL 6 - Mitchell NE Med/Surg								
ANTE-ROOM			58					
CART ALCOVE			24					
CLEAN SUPPLY			158					
CORRIDOR			1,843					
CRASH CART ALCOVE			24					
EQUIPMENT			122					
FAMILY			110					
LINEN			19					
LINEN			19					
MEDS			135					
MULTI-DISCIPLINARY ROOM			246					
NOURISHMENT			107					
NURSE STATION			214					
PATIENT TOILET			43					
PATIENT TOILET			36					
PATIENT TOILET			36					
PATIENT TOILET			37					
PATIENT TOILET			36					
PATIENT TOILET			36					
PATIENT TOILET			64					
PATIENT TOILET			66					
PATIENT TOILET			46					
PATIENT TOILET			34					
PATIENT TOILET			34					
PATIENT TOILET			33					

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
PATIENT TOILET			33					
PATIENT TOILET			53					
SOILED HOLDING			107					
LEVEL 6 - Mitchell NE Med/Surg Key Rooms:								
PRIVATE PATIENT ROOM 113			265					
PRIVATE PATIENT ROOM 114			265					
PRIVATE PATIENT ROOM 115			264					
PRIVATE PATIENT ROOM 116			265					
PRIVATE PATIENT ROOM 117			265					
PRIVATE PATIENT ROOM 118			263					
PRIVATE PATIENT ROOM 119			233					
PRIVATE PATIENT ROOM 120			246					
PRIVATE PATIENT ROOM 121			246					
PRIVATE PATIENT ROOM 122			246					
PRIVATE PATIENT ROOM 123			246					
ACCESSIBLE PATIENT ROOM 124			210					
ACCESSIBLE PATIENT ROOM 125			210					
ISOLATION PATIENT ROOM 126			241					
LEVEL 6 - Mitchell NW Med/Surg								
ACCESSIBLE PATIENT TOILET			66					
ACCESSIBLE PATIENT TOILET			64					
ANTE-ROOM			58					
CART ALCOVE			24					
CLEAN SUPPLY			154					
CORRIDOR			1,793					

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
CRASH CART ALCOVE			24					
EQUIPMENT			122					
FAMILY			110					
HW			6					
LINEN			19					
LINEN			19					
MEDS			135					
MULTI-DISCIPLINARY ROOM			246					
NOURISHMENT			107					
PATIENT TOILET			36					
PATIENT TOILET			36					
PATIENT TOILET			37					
PATIENT TOILET			36					
PATIENT TOILET			36					
PATIENT TOILET			42					
PATIENT TOILET			46					
PATIENT TOILET			34					
PATIENT TOILET			37					
PATIENT TOILET			37					
PATIENT TOILET			37					
PATIENT TOILET			37					
PNEUMATIC TUBE			9					
PPE			6					
PPE			5					
PPE			5					
PPE/HW			13					
SOILED HOLDING			107					

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
TEAM STATION			214					
LEVEL 6 - Mitchell NW Med/Surg Key Rooms:								
PRIVATE PATIENT RM 99			265					
PRIVATE PATIENT RM 100			265					
PRIVATE PATIENT ROOM 101			265					
PRIVATE PATIENT RM 102			265					
PRIVATE PATIENT RM 103			264					
PRIVATE PATIENT RM 104			263					
PRIVATE PATIENT RM 105			233					
PRIVATE PATIENT RM 106			242					
PRIVATE PATIENT RM 107			242					
PRIVATE PATIENT RM 108			242					
PRIVATE PATIENT RM 109			246					
ACCESSIBLE PATIENT RM 110			210					
ACCESSIBLE PATIENT RM 111			210					
ISOLATION PATIENT RM 112			241					
LEVEL 6 - Mitchell SE Med/Surg								
ANTE-ROOM			58					
CART ALCOVE			24					
CLEAN SUPPLY			141					
CORRIDOR			1,828					
CRASH CART ALCOVE			24					
EQUIPMENT			166					
FAMILY			110					
LINEN			19					

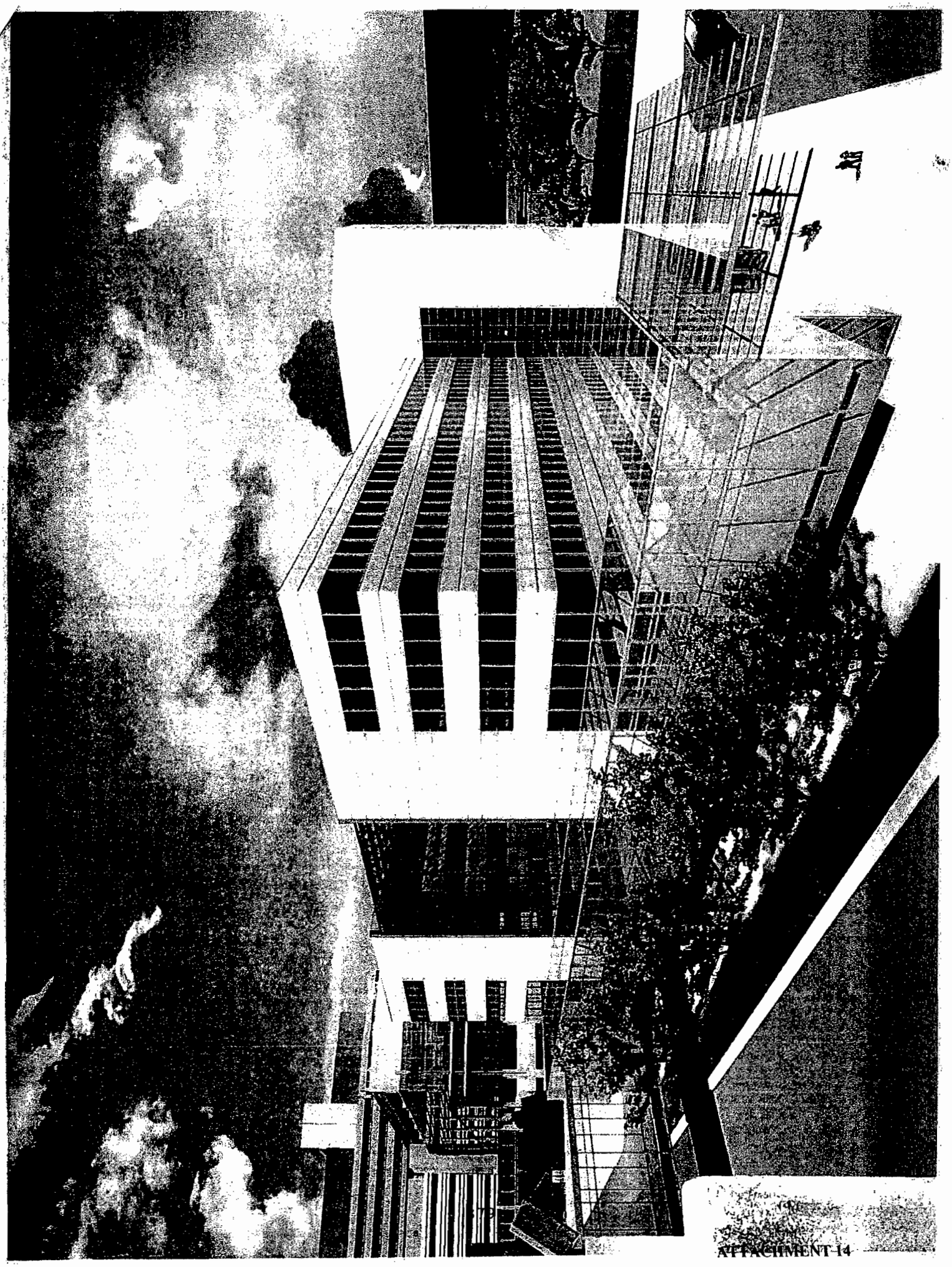
Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
LINEN			19					
MEDS			135					
MULTI-DISCIPLINARY ROOM			246					
NOURISHMENT			107					
NURSE STATION			214					
PATIENT TOILET			64					
PATIENT TOILET			66					
PATIENT TOILET			46					
PATIENT TOILET			34					
PATIENT TOILET			34					
PATIENT TOILET			33					
PATIENT TOILET			33					
PATIENT TOILET			53					
PATIENT TOILET			43					
PATIENT TOILET			36					
PATIENT TOILET			36					
PATIENT TOILET			37					
PATIENT TOILET			36					
PATIENT TOILET			36					
SOILED HOLDING			107					
LEVEL 6 - Mitchell SE Med/Surg Key Rooms:								
PRIVATE PATIENT ROOM 141			264					
PRIVATE PATIENT ROOM 142			264					
PRIVATE PATIENT ROOM 143			264					
PRIVATE PATIENT ROOM 144			265					
PRIVATE PATIENT ROOM 145			265					

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
PRIVATE PATIENT ROOM 146			263					
PRIVATE PATIENT ROOM 147			235					
PRIVATE PATIENT ROOM 148			246					
PRIVATE PATIENT ROOM 149			246					
PRIVATE PATIENT ROOM 150			246					
PRIVATE PATIENT ROOM 151			246					
ACCESSIBLE PATIENT ROOM 152			210					
ACCESSIBLE PATIENT ROOM 153			210					
ISOLATION PATIENT ROOM 154			241					
LEVEL 6 - Mitchell SW Med/Surg								
ANTE-ROOM			58					
CART ALCOVE			24					
CLEAN SUPPLY			138					
CLEAN/MEDS			107					
CLEAN/MEDS			107					
CORRIDOR			1,828					
CRASH CART ALCOVE			24					
EQUIPMENT			155					
FAMILY			110					
LINEN			19					
LINEN			19					
MEDS			135					
MULTI-DISCIPLINARY ROOM			246					
PATIENT TOILET			64					
PATIENT TOILET			66					
PATIENT TOILET			46					

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
PATIENT TOILET			36					
PATIENT TOILET			36					
PATIENT TOILET			37					
PATIENT TOILET			36					
PATIENT TOILET			36					
PATIENT TOILET			42					
PATIENT TOILET			34					
PATIENT TOILET			33					
PATIENT TOILET			33					
PATIENT TOILET			34					
PATIENT TOILET			44					
PPE			6					
PPE			6					
TEAM STATION			214					
LEVEL 6 - Mitchell SW Med/Surg Key Rooms:								
PRIVATE PATIENT ROOM 127			265					
PRIVATE PATIENT ROOM 128			265					
PRIVATE PATIENT ROOM 129			264					
PRIVATE PATIENT ROOM 130			265					
PRIVATE PATIENT ROOM 131			265					
PRIVATE PATIENT ROOM 132			263					
PRIVATE PATIENT ROOM 133			242					
PRIVATE PATIENT ROOM 134			246					
PRIVATE PATIENT ROOM 135			246					
PRIVATE PATIENT ROOM 136			246					
PRIVATE PATIENT ROOM 137			246					

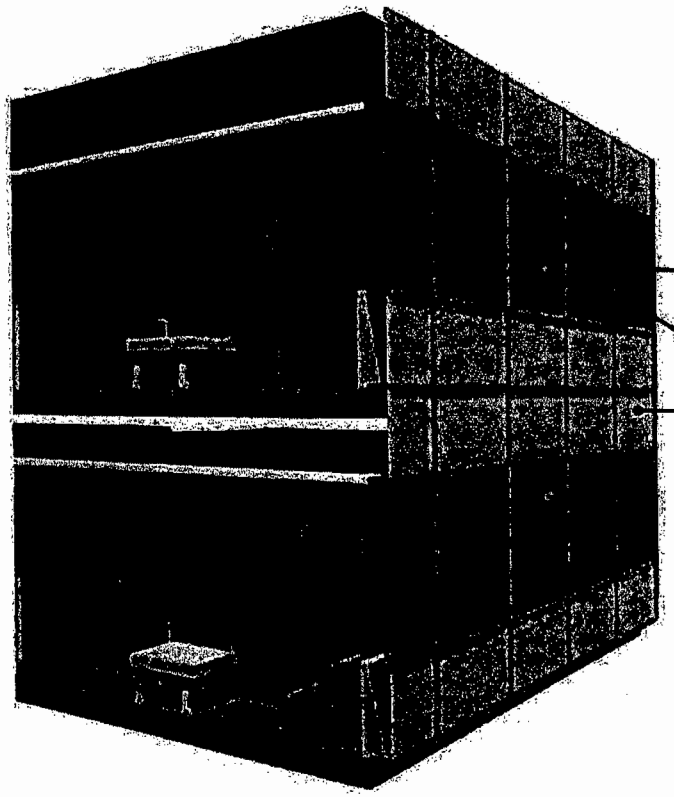
Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
ACCESSIBLE PATIENT ROOM 138			210					
ACCESSIBLE PATIENT ROOM 139			210					
ISOLATION PATIENT ROOM 140			241					
LEVEL 6 - Rubloff Common Core								
TELE-DATA								85
CORRIDOR							730	
CORRIDOR							634	
CORRIDOR							153	
CORRIDOR							154	
PUBLIC CORRIDOR							883	
PUBLIC TOILET							43	
LEVEL 6 - Rubloff Intensive Care Unit								
ANTE-RM					47			
CENTRAL SUPPLIES					114			
CORRIDOR					861			
CORRIDOR					274			
EQUIP- MENT					126			
FAMILY AMENITY					520			
LOCKER ROOM					103			
LOCKER ROOM					75			
NOURISHMENT					56			
SOILED WORK RM					83			
STAFF LOCKERS					60			
STAFF TOILET					18			
STAFF TOILET					15			

Room Description	Adult ED Clinical	Radiology Clinical	Med/Surg Clinical	Cancer Ancillaries Clinical	ICU Clinical	Staff Support Non-Clinical	Public Non-Clinical	Building Support Non-Clinical
TEAM STATION					370			
WORK AREA					256			
CHUTES								14
LEVEL 6 - Rubloff Intensive Care Unit Intensive Care Key Rooms:								
ICU PATIENT ROOM 1					190			
ICU PATIENT ROOM 2					176			
ICU PATIENT ROOM 3					176			
ICU PATIENT ROOM 4					176			
ICU PATIENT ROOM 5					163			
ISOLATION ICU PATIENT ROOM 6					194			
ICU PATIENT ROOM 7					164			
ICU PATIENT ROOM 8					176			
ICU PATIENT ROOM 9					176			
ICU PATIENT ROOM 10					187			
Level 6 - Subtotal			28,945	0	4,756	2,727	6,606	1,174
						14,073	60,246	5,917
NSF Sub-totals	27,721	1,596	101,320	9,914	9,512	16,973	60,246	14,552
TOTAL (NSF)								**241,834**
DGSF Sub-totals	28,589	1,646	106,844	10,455	10,031	17,831	63,531	15,145



ATTACHMENT 14

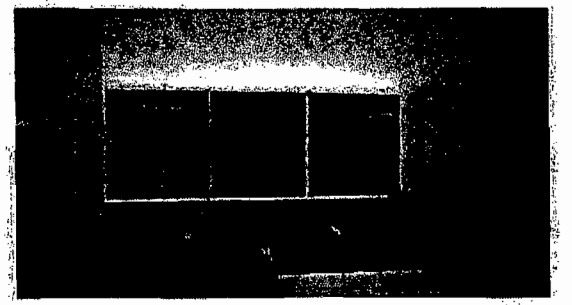
Mitchell Patient Room – Modify Exterior



Expand Vision Glass

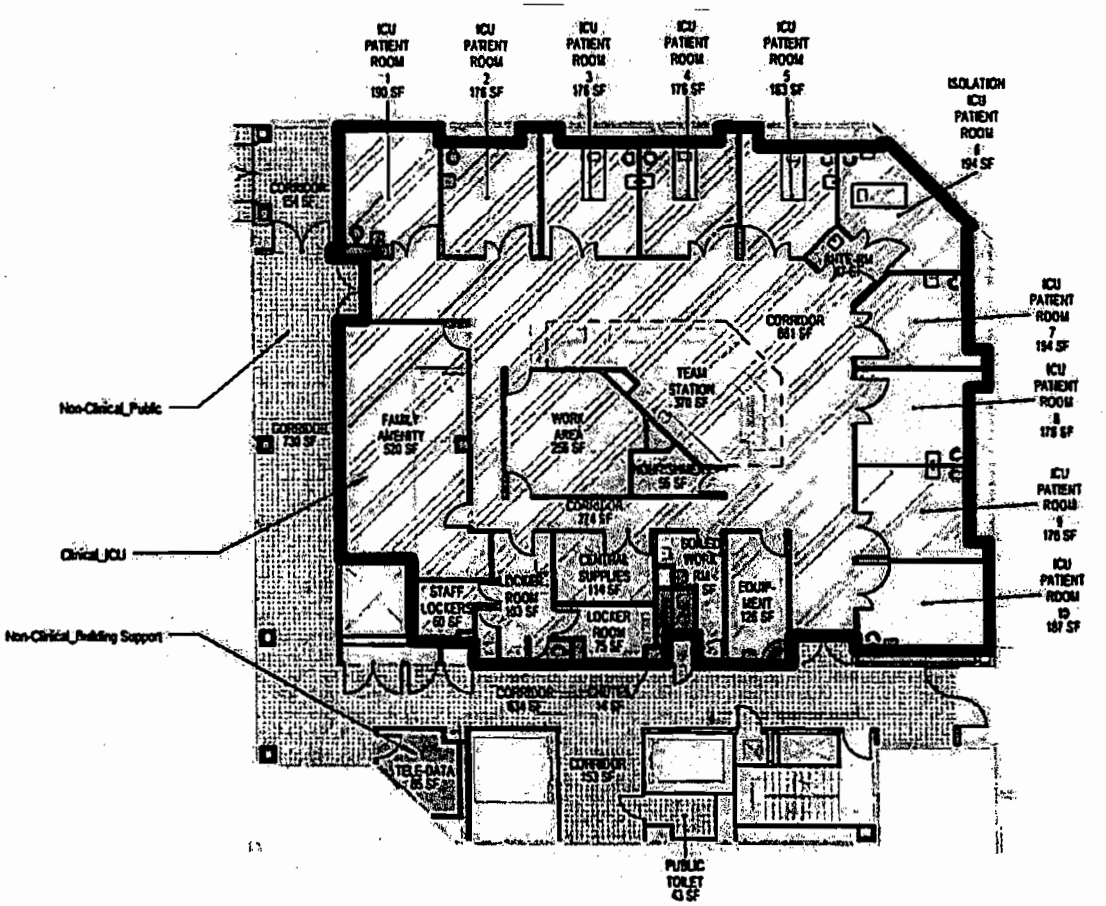
Remove Intermediate Mullion:

Remove intermediate horizontal
Update insulated glazing units
6'-0" tall vision zone
Insulated spandrel glass



MITCHELL REFURBISHMENT
SKIDMORE OWINGS & MERRILL LLP

Section 1110.234 a)2) Size of Project



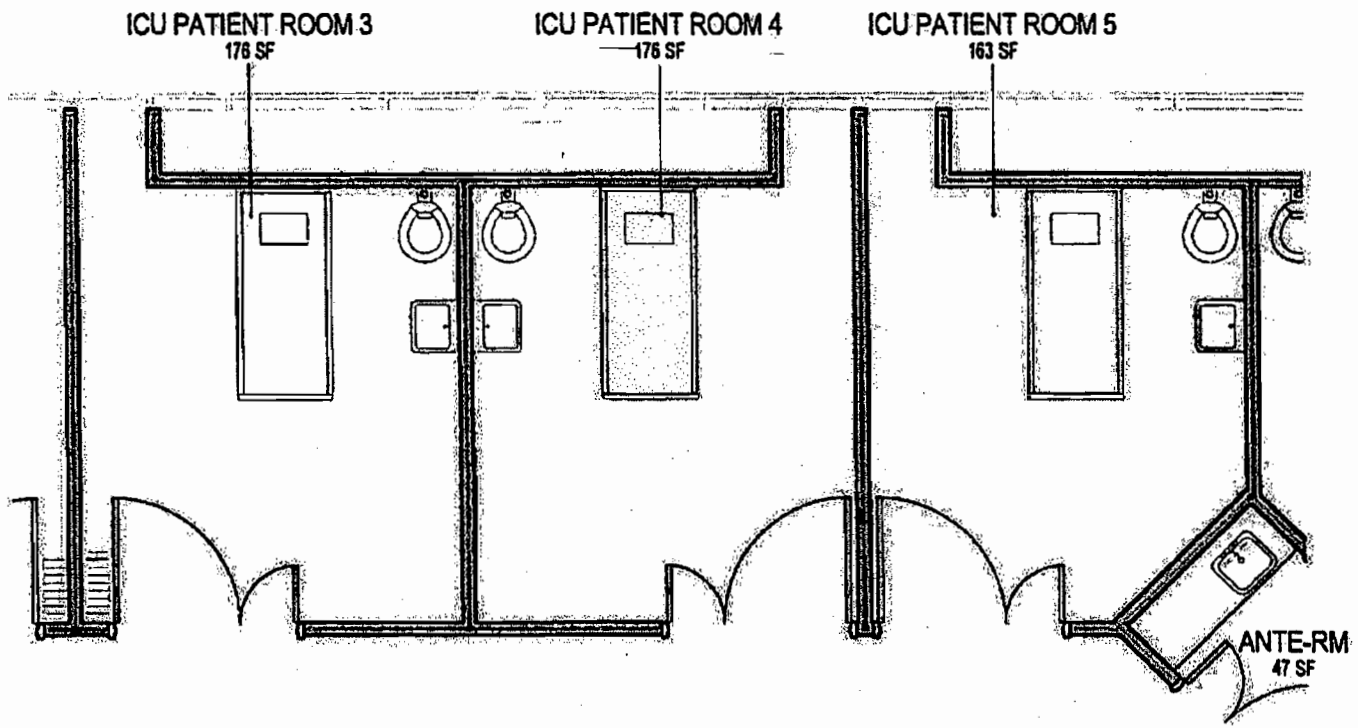
Clinical_ICU
Clinical_Cancer Ancilaries
Non-Clinical_Public
Non-Clinical_Building Support

NOTES:
1. HATCHED REGION INDICATE AREAS "IN SCOPE" OF THIS PROJECT.
2. HEAVY BOUNDARY LINES INDICATE CLINICAL DEPARTMENTAL, OFFICE SUITES, AND LAB BOUNDARIES

THE UNIVERSITY OF CHICAGO MEDICINE

ENLARGED REPRESENTATIVE LEVEL 5-6 RUBLOFF RENOVATED ICU UNIT PLAN

Section 1110.234 a)2) Size of Project



THE UNIVERSITY OF CHICAGO MEDICINE

TYPICAL RENOVATED PATIENT ROOM - INTENSIVE CARE

Section IV, Project Services Utilization

Attachment 15

Section 1110.Appendix B, Project Services Utilization

I. Adult Emergency Department

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION (VISITS)	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
	Adult ED			2000/station	
2009		39,178			
2010		42,738			
2011		46,422			
2012		46,644			
2013	36 stations	48,457			
2014	36 stations	52,322			No
2015	36 stations	57,207			No
2016	36 stations		60,931		
2017	36 stations		64,898		
2018	41 stations		69,123		
2019	41 stations		76,323		
2020	41 stations		81,115		Yes
2021	41 stations		86,220		Yes

Note: Year end 10/31

In the year ending October 31, 2015, UCMC's Adult ED provided care through 57,207 visits. During this same period, 5,011 patients who came to the Adult ED for care were seen by the intake staff, but left before receiving treatment. The long waits experienced by these patients are

the most likely cause for them leaving. Although this is a problem experienced in many emergency departments in urban and suburban areas, it is nonetheless unacceptable that patients seeking care choose to leave before obtaining it. One of the goals of the Project is to relocate and reconfigure the Adult ED in a manner that reduces the number of these disappointed and inconvenienced patients to zero.

A. Ongoing Effort to Increase Adult ED Capacity

UCMC's Adult ED was opened in 1983 as part of the construction of Mitchell. Throughout the years there has been a concerted effort to improve the efficiency of operations and reduce the long waiting times and lessen bottlenecks. Initially there were 18 stations, six of which were located in a single large room and cordoned off by cubicle curtains. In subsequent years, three stations were added by sacrificing support space such as supply storage and the staff break room. The space was slightly expanded in 2005 by filling in the ambulance pull-in area and using the former patient parking lot for five ambulance bays. This captured area allowed UCMC to increase stations to 30. In 2012, some space from the adjacent Radiology department was used to expand the Adult ED to its current 36 stations. This gradual growth over the past 32 years has expanded capacity, but has done so at a cost to the original efficient layout.

The main area housing the 32 stations is bifurcated by a set of fire doors, which must be closed at all times. The third area is across a public corridor to the west and has four stations. This creates operating difficulties since the caregivers cannot see from one area to the next. This diminished sightline makes it difficult to determine where staff is most needed.

B. Six Year Growth of 6.51% Per Year

Despite the shortcomings of UCMC's present Adult ED space, it has nonetheless accommodated an increasing number of visits. As indicated in the chart above and also in the table later in this section entitled Adult Emergency Visit Forecast, visits have increased steadily from 39,178 in 2009 to 57,207 in 2015. This is an average annual rate of increase of 6.51 percent. Based on this historic rate of growth, UCMC projects that over the next six years visits will reach 83,520 in 2021. In addition, assuming UCMC is successful in its effort to be designated a Level 1 Trauma Center, it expects to have 2,700 Level 1 Trauma visits per year. Though it is not certain when this designation might be granted, for the sake of this application it is assumed that these visits would start in the year ending October 31, 2019. With these additional visits, the total in 2021 is expected to reach 86,220. This justifies 43.1 stations at the State standard of 2,000 annual visits per station, however, UCMC is only requesting 41 stations.

C. Additional Inpatient Beds Support Visit Growth

In August 2013 the Review Board approved UCMC's application for an additional 38 medical/surgical beds. One of the reasons UCMC cited for the need for additional beds was that

a shortage of beds was causing backups in its Adult ED which frequently necessitated diversion of ambulances. Between 2011 and 2013, annual diversion hours averaged 1,720. Once the additional beds were opened this was reduced to 547 hours, a 68 percent improvement. In fact, during the spring of 2014 there was nearly a three consecutive month period with no ambulance diversion. The Review Board's support of the bed addition was crucial to this achievement. However, as these additional beds became full and Adult ED visits continued to increase, diversion hours also grew through July, 2015 at a rate that would produce 1,032 hours for all of 2015. More beds are needed.

D. Reduced Waiting Time Will Eliminate LWBS

In 2013, the average time a patient spent in UCMC's Adult ED was seven hours. This is unacceptable and UCMC's goal is to reduce this to 4.5 hours, an industry accepted benchmark for a well-run academic medical center emergency department. As of July 2015, this seven hour wait was reduced to 5.6 hours, so progress is being made. But more can be done. Similarly in 2013, for patients who were ultimately admitted from UCMC's Adult ED to an inpatient bed, the length of time in the ED averaged 13.2 hours. In July 2015 this was improved to 10.4 hours. UCMC's goal is eight hours. Again, eight hours is an industry benchmark of good performance that UCMC is intent on reaching in the next several years as the Adult ED moves into new and better space.

The new facility in many ways will enable this to happen, but operations can be improved and this is also being addressed. This includes establishing up-to-date treatment protocols both for nurses and physicians that are evidence-based to result in better patient outcomes. This will streamline patient treatment and make sure every caregiver is following rigorous methods that have been proven to improve quality and reduce errors and cost. Cleaning methods are also being studied. Specifically, UCMC is timing how long it takes the cleaning staff to reach a just-vacated room, how long it takes to finish the cleaning, and then how long until a nurse places a new patient in the cleaned room. Another operational efficiency being implemented is to bring a patient immediately to a treatment station to be triaged by a nurse and then to a clerk to be registered. The expectation is that these and other processes will help reduce waiting times.

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Adult ED Visits Projection					
Year End					
10/31		Visits			
2009		39,178			
2010		42,738			
2011		46,422			
2012		46,644			
2013		48,457			
2014		52,322			
2015		57,207	Annual avg. increase = 6.51%		
			Trauma	Total Visits	Stations
2016		60,931			
2017		64,898			
2018		69,123			
2019		73,623	2,700	76,323	
2020		78,415	2,700	81,115	
2021		83,520	2,700	86,220	43.1
		83,520 / 2,000 visits = 44 stations			
		Requesting 41 stations			

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II. Radiology

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION (EXAM)	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
	Radiology				
	Radiographic			8,000/unit	
2013	20 units	114,111			No
2014	20 units	120,333			No
2015	20 units		129,382		
2016	20 units		133,092		
2017	20 units		137,136		
2018	20 units		141,288		
2019	20 units		147,856		
2020	20 units		152,162		Yes
2021	20 units		157,398		Yes
	CT			7,000/unit	
2013	8 units	49,760			Yes
2014	8 units	51,032			
2015	8 units		52,752		
2016	8 units		53,931		
2017	8 units		55,231		
2018	8 units		56,528		
2019	8 units		59,121		
2020	8 units		60,390		Yes
2021	8 units		62,143		Yes

Note: Year end 7/31

A. Dedicated Imaging Facilities Within Proposed ED

The proposed relocated and reconfigured Adult ED will include two radiographic imaging rooms and one CT room. UCMC's current Adult ED is adjacent to radiology facilities in Mitchell so patients can be quickly transported for imaging. While this proposed location is advantageous in that patients will be twice as close to the lifesaving resources in the CCD, the present imaging services will not be as conveniently located. To ensure that patients' access to radiology services

remains efficient, UCMC is proposing to build and equip imaging rooms within the Adult ED space. Thus, patients will benefit not only from quick transports and greater access to the CCD's many resources, but also will maintain the fast turnaround of imaging studies. However, this also contributes to lower efficiency in how imaging services can be provided.

B. Maximizing Imaging Efficiency Versus Convenience and Safety

Hypothetically, to maximize the use of imaging assets, they would be placed in one central location for maximum use. Unfortunately, UCMC, similar to most other large medical centers, have patients in multiple buildings, so the patients would be inconvenienced by having to walk or be transported to a central imaging center. At UCMC, the patients might be in Mitchell, Gilman-Smith Hospital, Duchossois Center for Advanced Medicine, Comer Children's Hospital, Comer Center for Pediatric and Specialty Care, and the CCD. To reduce waiting times and the inconvenience to say nothing of the risks of lengthy transports over the long distances between these buildings and imaging facilities, most of these buildings have imaging located within them. In some cases, particularly departments that use imaging frequently, such as Orthopedics, Surgery, and Women's Care, the imaging equipment is within the department. The fact that multiple imaging devices are located in multiple buildings means that each piece of equipment is used less intensely. This is the trade-off between efficient operations and safety, convenience, and privacy for the patients.

C. General Radiology

UCMC's General Radiology department operates 20 rooms presently and does not meet the Review Board's historic use rate standard of 8,000 procedures per room per year. It will meet the standard, by 2021, justifying 20 rooms.

1. CT

Owing to their large size and high cost, CT scanners are less dispersed than most other imaging equipment. CT scanners are located in four buildings at UCMC. Consequently, the State standard of 7,000 exams per room per year is met historically, using the CON convention of rounding up to the next highest integer, as well as met, based on projections through 2021.

III. Medical/Surgical Beds

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION (DAYS)	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
	Med/Surg beds			90% Occupancy	
2009	300	74,710			
2010	300	75,080			
2011	300	78,227			
2012	300	83,529			
2013	338	91,410			
2014	338	109,468		88.7%	No
2015	338	115,666		93.8%	Yes
2016	506		117,978		
2017	506		125,928		
2018	506		134,416		
2019	506		152,714		
2020	506		159,771		
2021	506		167,181	90.5%	Yes

Note: Year end 10/31

2014 includes 6,750 observation days, 2015 includes 5,139 observation days, no other years do.

UCMC proposes to increase med/surg beds from 338 currently to 506.

A. Continued General Growth of Medical/Surgical Category of Service Days

Med/Surg patient days have grown from 74,710 in 2009 (year ending 10/31) to 110,527 in 2015. (Note that chart above shows 115,818 days for 2015, but as explained below the chart this includes 5,139 observation days. Similarly, for 2014 in the chart there are 109,468 days which includes 6,750 observation days. Observation days are included for these two years for the calculation of bed utilization for the historic utilization standard. For the 12 months ending October 31, 2015, based on the 6 a.m. census, utilization was at or over 90% 310 days of the year, or 85% the time. (See chart at the end of this Attachment.) It is the experience at UCMC that beyond 85% occupancy difficulties in finding available beds throughout the day begin to be encountered as patients leave surgery, are admitted through the ED, or are transferred from community or other hospitals.

Projecting forward, observation days are not included since there will be 37 observation beds built out in the CCD 3rd and 4th floors (Project #14-013) and for the sake of conservative

forecasting it is assumed that many observation patients will be placed in these beds rather than in licensed med/surg beds. The forecasted rate of growth is 6.7% per year, a continuation of the rate of growth experienced over the six year period between 2009 and 2015. The projection is also for a six year period, to 2021, consistent with the requirement that projecting forward must be supported by a historical period at least of the number of years projecting forward. (See Calculation of Beds Justified Two Years After Project Completion at the end of this Attachment.)

The significant and steady growth in med/surg days is occurring in a broad range of clinical services and reflects UCMC's strong presence in the A-03 South Chicago HAS and across the metropolitan Chicago area, notably in the south and southwest suburbs and northwest Indiana. As befitting an academic medical center, UCMC offers a wide range of specialty services that attract patients each year from every state and approximately 45 to 50 foreign countries. UCMC's services include:

Adoption Center	Movement Disorders
Brain Tumor Center	Multiple Sclerosis
Burn Center	Neurointensive Care
Cancer Center	Neurosciences
Celiac Disease	Obesity Surgery
Chiari Malformation	Obstetrics
Children's Hospital	Ophthalmology
Cold Hands Syndrome	Orthopaedic Surgery
Colon and Rectal Surgery	Osteoporosis
Crainiosynostosis	Ovarian Cancer
Dermatology	Pain Management
Diabetes	Pancreatic Disease
Digestive Diseases	Parkinson's Disease
Ear, Nose, and Throat	Pediatrics
Endocrinology	Pelvic Health
Epilepsy	Personalized Health and Prevention

Esophageal Diseases	Plastic Surgery
Family Medicine	Polycystic Ovary Syndrome
General Surgery	Primary Care
Genetics	Radiology
Geriatrics	Respiratory Diseases
Gynecology	Rheumatology
Heart and Vascular Center	Sleep Disorders
Hyperhidrosis	Spina Bifida
Hypertension	Spine Care (Neurosurgery)
Infectious Diseases	Spine Care (Orthopaedic Surgery)
Inflammatory Bowel Disease	Sports Medicine
Internal Medicine	Stem Cell Transplant
International Patients	Stroke
Interventional Endoscopy	Surgery
Kidney Disease	Thoracic Surgery
Kidney Stone Center	Transplant Care
Liver Diseases	Travel Clinic
Lung Diseases	Urology
Mental Health	Weight Loss Surgery
Minimally Invasive Surgery	Weight Management
Women's Health	

B. <u>Recent Addition of Med/Surg Beds</u>

In 2013 UCMC requested an addition of 38 med/surg beds (Project #13-025). For 2011 through 2013 med/surg beds were utilized at a rate of 77%, below the standard of 90%. UCMC

presented a convincing argument that these beds were in short supply and were causing problems such as a backed up Adult ED and difficulty accepting patient transfers from neighboring hospitals quickly. The Review Board approved the request and the beds became operational in November 2013 (19 beds) and March 2014 (19 beds). These quickly filled, to the point that for the last two years occupancy has averaged 90.5%, growing from 85% in 2014 to 93% in 2015. UCMC does meet the 90 percent utilization standard for two historic years combined at 90.5 percent. It bears mentioning that of the 32 Illinois hospitals with 200 or more med/surg beds, none meet the 90% standard for 2014, however, UCMC had the highest occupancy rate of this group, for calendar year 2014. (See accompanying chart at the end of the Attachment.)

C. Adult Emergency Department Backing up Again

Symptoms of a recurring med/surg bed shortage are beginning to appear. UCMC's Adult ED diversion rate was highlighted in our request for the 38 additional beds made in 2013. (ED diversion is when the Emergency Medical System dispatcher is told to divert ambulances because there are no available monitored beds for incoming patients.) There are other reasons for calling a bypass, but at UCMC a lack of available beds is the reason 95% of the time. Between 2011 and 2013, the diversion rate averaged 1,720 hours, or 20% of all hours. This was the second highest in Illinois. Due largely to the 38 bed increase, the diversion hours in 2014 dropped to 547, or 6% of all hours, and for nearly three consecutive months was at 0. This proud accomplishment could not be sustained, as beds have become ever tighter. For 2015, UCMC is on pace for 1,031 annual diversion hours, or 12% of all hours. Some pressure will be relieved with the new ED proposed in this application with additional stations and other improvements, but beds is clearly a key factor in making sure that UCMC's Adult ED is available to all who need it.

D. Patient Transfers Are Growing and Denied or Delayed Transfers Are Increasing

One important source of growth is transfers from other hospitals. These increased 13% from FY14 to FY15 (year ending 6/30). The approximately 80% acceptance rate of requested transfers has been maintained in recent years. Northwest Indiana and South Bend were the largest source of growth in the past year. Transfers from South side Hospitals account for 28% of all transfers and grew by 13.5%. Seventy percent of all transfers come from the Greater Chicago area and a sharp increase has occurred from downstate Illinois, notably the Peoria area. Among services, transfers are broadly based and include Cardiology, General Medicine, General Surgery, Neurology, Neurosurgery, and Orthopedics.

The reasons for transfer, in order of size are:

1. Higher level of care;

2. Care continuity;

3. ER Admission (EMTALA);

4. Family request;

5. Just Say Yes program, that facilitates ease of effecting transfers for certain services (Neurosurgery, Cardiac Thoracic, Liver Failure, Pediatrics);.

Transfers listed in order of number are:

1. LaRabida (A-03);

2. St. Bernard (A-03;)

3. Munster Community;

4. Holy Cross (A-03);

5. Jackson Park (A-03);

6. Franciscan St. Anthony, Crown Point;

7. Ingalls (A-04);

8. Advocate trinity (A-03);

9. South Shore (A-03);

10. Franciscan St. Margaret, Hammond;

11. Franciscan St. James, Olympia Fields (A-04);

UCMC offers many specialized services not found in the Primary Service Area (PSA) and, as the only academic medical center in A-03, is a vital resource for community hospitals finding the right place for some of their more acutely ill patients and those with uncommon medical conditions.

UCMC had a case mix index (CMI) of 1.891 for the year ending March 31, 2015 compared to a weighted (by discharges) CMI of 1.177 for the other A-03 hospitals. UCMC's CMI is 61% higher than the average for the other hospitals as evidence of treating more demanding and

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complex conditions. It is essential that UCMC has an adequate number of inpatient beds to continue to accept transfers from hospitals in its PSA. (See accompanying table at the end of this Attachment.)

As bed utilization has grown and available beds are fewer, transfer requests can be difficult to accommodate. In the last two years, cancelled requests have increased by 23.4%. Cancellations come from the requesting party and can be for a number of reasons. For instance, requests were made to a number of hospitals and another one was selected, or the patient's condition improved and the transfer was no longer needed, just to name two. However, declined requests were reduced by 17.5%, reflecting UCMC's determination to make its services available, especially to providers in its South Chicago area.

E. Historic Growth Will be Sustained by Strengthening Programs

As impressive as the 42 percent increase in med/surg days has been in the past six years, UCMC has been bolstering and expanding programs in key areas to sustain the strong and steady growth.

1. Heart and Vascular

In the past three years, Heart and Vascular have averaged 8.6% annual growth in admissions and 14.6% in days. Current areas of strength driving this growth are Congestive Heart Failure, Transplant, Structural Heart, Arrhythmia, and Vascular. To be nurtured for development are Coronary Heart Disease, Aortic Disease, Pulmonary, and other heart disease. The following centers of excellence are led by:

- Congestive Heart Failure - Dr. Jeevenandam and Dr. Uriel
- Hypertrophic Obstructive Cardiomyopathy – Dr. Adatya
- Amelyoid – Dr. Sarswat
- Robotic Procedures – Dr. Balky. We are exploring the acquisition of technology that will allow mitral valve repair and replacement through a catheter.
- Ablation Center with Comprehensive Robotic Capabilities – Dr. Tung
- Lead Extraction – Dr. Burke and Dr. Nyak
- Center for Aortic Diseases – Dr. Milner and Dr. Ota

Some noteworthy accomplishments in Heart and Vascular include:

- TECAB/PCI Program (totally endoscopic coronary artery bypass/percutaneous coronary intervention – formerly known as angioplasty with a stent) – only hybrid program in the Midwest. UCMC is the first program in the United States to complete a joint TECAB/PCI. It is the only program in the United States that has performed multi-vessel beating heart TECABs.

- UCMC was the first hospital to create an adult Heart and Vascular patient Family Advisory Council to gather input from patients on how to improve care.

- UCMC is the destination institution of Jehova's Witness heart candidates due to its excellence in completing complex surgeries with minimal blood loss.

- UCMC is developing a comprehensive vein center that will complete preventative screenings for a variety of patients in order to assess other co-morbidities.

2. <u>Cancer</u>

UCMC has long been very prominent in groundbreaking research and innovative clinical care for cancer. Some noteworthy accomplishments include:

- In 1941, Charles Huggins, M.D., published the results of a series of experiments on the relationship of testosterone to prostate cancer. His research changed forever the way scientists regarded the behavior of all cancer cells and for the first time brought hope to the prospect of treating advanced cancers. The concept of hormonal treatment of cancer has since become the mainstay of care of several types of cancer, including breast and gynecological cancers. Dr. Huggins was awarded the Nobel Prize in 1966.

- The early work of Leon Jacobsen, M.D. with the effects of radiation on the spleens of mice was a precursor to the practice of bone marrow transplantation. Dr. Jacobsen was the first to successfully treat Hodgkin's disease with nitrogen mustard, which marked the beginning of modern cancer chemotherapy.

- Research by Leon Jacobsen, M.D., Walter Fried, M.D., Louis Plzak, M.D., and Eugene Goldwasser led to the discovery of erythropoietin, a hormone that signals the spleen to make blood cells after the marrow has been destroyed. Efforts in this area have contributed to the production of hematopoietic growth factors, which have greatly advanced cancer treatment and are one of the cornerstones of the multi-billion-dollar biotechnology drug industry. The first bone marrow transplant was performed at the University of Chicago in the late 1940s.

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- University of Chicago researchers led by Elwood Jensen, PhD, discovered in the late 1950s that hormones act through steroid receptors on their target cells. This discovery led directly to hormone therapies for breast cancer, a practice credited with savings the lives of thousands of women each year. Dr. Jensen won the Lasker Award for this work in 2004.

- Janet Rowley, M.D., discovered the first consistent chromosome translocations associated with cancer, a finding that helped to demonstrate that cancer was a genetic disease. Before Dr. Rowley, few scientists suspected that chromosomal aberrations caused tumors. The established view was that abnormal chromosomes were manifestations of generalized chaos within leukemia and lymphoma cells. But Dr. Rowley wondered if something else might be going on with those damaged pieces of DNA, and continued to examine thousands of chromosomes from patients. In 1972, Dr. Rowley made a number or remarkable discoveries, including the landmark finding that an abnormally short chromosome associated with myelogenous leukemia (CML) was not a chromosome deletion, as many scientists had thought, but an exchange (known as a translocation) of segments between two chromosomes. Dr. Rowley's contributions to identifying chromosomal abnormalities in leukemia and lymphoma changed the way these diseases are diagnosed and treated. In 2009, she was awarded the Presidential Medal of Freedom.

- In 2014, UCMC began a four year, $36 million partnership with the National Cancer Institute (NCI) to develop the nation's most comprehensive computational facility for research of cancer genes. The NCI Genomic Data Commons will collect, standardize, store, and disseminate genomic information gathered by NCI about a variety of tumor types that has previously been scattered and incompatible. This will expand access for scientists around the country, speed research on projects at all scales, and lead to faster discoveries that have the power to transform the study of cancer. Part of this work will be to develop cloud-based technologies that allow scientists to analyze large-scale datasets and perform experiments remotely. Robert Grossman, Professor in the Department of Medicine, will be the Director of the genomic Data Commons project.

Efforts to strengthen and expand current clinical practices include:

- Lung Screening clinic to open by January, 2016;

- Exploring the development of a Survivorship Clinic;

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- Currently expanding IV therapy from 30 to 55 chairs;
- Building the Supportive Oncology Center in the Duchossois Center for Advanced Medicine;
- Creating a Supportive Oncology inpatient unit that brings Palliative Care and Oncology together;
- Increasing the number of clinical trials for new treatments;
- Increasing efforts around cellular therapy for Bone Marrow Transplant;
- Increasing allogeneic transplant cases;
- Recruiting an additional breast surgeon;
- Recruiting an additional GI cancer surgeon. Added a Clinical Associate in August 2015;
- Adding a Lymphoma specialist and a Leukemia specialist; and
- Recently recruited from John Hopkins University a physician specializing in Head and Neck Cancer Surgery.

In the past 3 years, cancer and blood diseases have grown in Adult inpatient days by 7.9% per year. Bone marrow transplants have increased 58% in the past 3 years.

3. **Orthopedics**

Projected for Orthopedics between 2013 and 2019 is a 75% increase in admissions. After the first two years of operations admissions will be on track to achieve state utilization rates. Patient days for orthopedics patients have increased by 11.4% per year since 2013. When the current Chairman joined this department in 2013, there were 10 other faculty members. This number is expected to double to 22 by summer 2016.

Activities to boost this department's capacity and accomplishments include:

- Two minimally invasive spine surgeons were hired in 2014. An additional spine surgeon is being hired to handle a five month backlog of cases.

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- A fourth and fifth surgeon will join those specializing in Hand and Upper Extremities soon. One is a hand and shoulder expert and the other a hand specialist, trained at the Mayo Clinic.

- A new recruit arrives in half a year for total joints surgery. Another will be added in two years.

- Sports Medicine surgeons will be increased by 50% over the next four years.

- UCMC is the first academic medical center in the Chicago area and one of three training centers in the nation in the Makoplasty Robotic-Assisted Total Hip Replacement technology.

4. Neurosciences

UCMC is an important center of excellence in South Chicago for Neurosciences. Growth has occurred in Epilepsy and Stroke. Many patients treated in this area of care have primary or secondary diagnoses of stroke due to history and/or co-morbidities. UCMC was certified as a Comprehensive Stroke Center in 2013, the first hospital in Chicago to earn this distinction.

Another area of notable strength is deep brain stimulation (DBS) treatments, performed by the internationally renowned Peter Warnke, M.D., who has performed over 3,000 such cases. DBS is a complex stereotactic procedure in which the neurosurgeon uses a numbered brain mapping system to precisely access and treat areas of the brain that are difficult to reach. This is a minimally invasive approach in which a very small hole is made in the skull through which tiny, specialized instruments can be deployed. This approach enjoys many benefits and much less risk compared to traditional brain surgery. DBS surgery is approved for Parkinson's disease, essential tremor, and dystonia (involuntary, sustained muscle contractions).

Special efforts are made to avail Neurosciences treatments to area residents through the Just Say Yes Program. This program streamlines the acceptance of transfers for conditions such as brain tumors, certain types of strokes, and traumatic brain injuries and has been the source of strong growth in volume.

Calculation of Beds Justified Two years After Project Completion		
Year	**Med/Surg Days**	
Historical, year ending 7/31:		
2009	74,710	
2010	75,080	
2011	78,227	
2012	83,529	
2013	91,410	
2014	102,718	
2015	110,527	
avg. annual growth rate = 6.7%		
Projected:		At 6.74% increase per year
2016	117,978	
2017	125,928	
2018	134,416	
2019	152,714	Occupy all new beds
2020	159,771	
2021	167,181	Two years after operations begin

Beds justified at 90% occupancy = 167,181/365/0.90 = 509
Beds requested = 168 new + 338 existing = 506
This table does not include Observation days

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II. ICU Beds

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION (DAYS)	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
	ICU beds			60% Occupancy	
2009	114	28,437			
2010	114	26,296			
2011	114	25,953			
2012	114	26,559			
2013	114	27,006			
2014	126	30,407		66.1%	Yes
2015	126	31,014		67.4%	Yes
2016	146		31,247		
2017	146		31,685		
2018	146		32,128		
2019	146		32,578		
2020	146		33,034		
2021	146		33,497	62.9%	Yes

Note: Year end 10/31
2014 includes 265 observation days, 2015 includes 198 observation days, no other years do.

ICU bed utilization had been stable between 2009 and 2013, but has surged the last two years. Growth in ICU days has averaged 1.4% per year between 2009 and 2015. Staying with the same planning timeline as for the clinical departments in this application, 2009 through 2021 and forecasting that the growth rate experienced since 2009 will continue through 2021, ICU days would reach 33,497 in 2021. Daily occupancy at the 6 a.m. census was studied for the year ending October 31, 2015 and showed that for 326 of the days (89% of the year) the 60% occupancy standard was reached or exceeded. Included were Observation patients occupying these beds. (See chart at the end of this Attachment.)

20 additional ICU beds are proposed, which would bring UCMC's total of ICU beds to 146. Historic activity over the past two years justifies 140 beds at 60% occupancy, the standard for ICU beds.

In 1979, UCMC received approval to construct Mitchell (Project #79-255) with 448 med/surg beds and 71 ICU beds. This is a ratio of 16% ICU beds to med/surg beds, which was appropriate 33 years ago. Over time, UCMC has increased ICU beds to 126 presently, and seeks an

additional 20 for a total of 146. Assuming approval of this application, UCMC would reach 506 med/surg beds and the 146 ICU beds would represent 29% of med/surg beds. This compares to an average for the other Chicago area academic medical centers of 31% (see table below). Since 1983 there is greater scrutiny of admission and re-admission of patients, more focus by insurance companies and, therefore, hospitals in minimizing length of stay. These trends lead one to observe that inpatients in 2016 are more acutely ill on average than in 1983. Med/surg and adult ICU services work in tandem, with patients transferring between them as intensity of care changes during the stay. Thus, the generally sicker patients seen in 2016 will require a higher proportion of ICU beds to Med/Surg beds.

Ratio of ICU to Med/Surg Beds - 2014 Chicago Area AMC's				
		Med/Surg	ICU	ICU %
Northwestern Memorial		530	115	22%
Rush Univ. Medical Center		342	132	39%
Foster G. McGaw-Loyola		292	121	41%
U of I at Chicago		240	65	27%
	Average			31%
UCMC (if bed increases are approved)		506	146	29%

Assuming that growth in ICU days experienced between 2009 and 2015 continues through two years after opening all beds, there would be 33,497 ICU days in 2021. At the 60% occupancy standard, this would justify 153 ICU beds, however, UCMC is only requesting 146 ICU beds. The justification for continued growth of ICU patients is the same as that presented in the Medical/Surgical Beds section above, again as these services operate in tandem.

ATTACHMENT 15

Calculation of Beds Justified Two years After Project Completion			
Year	**ICU Days**		
Historical, year ending 10/31:			
2009	28,437		
2010	26,296		
2011	25,953		
2012	26,559		
2013	27,006		
2014	30,142		
2015	30,816		
avg. annual growth rate = 1.4%			
Projected:		At 1.4% increase per year	
2016	31,247		
2017	31,685		
2018	32,128		
2019	32,578	Occupy all new beds	
2020	33,034		
2021	33,497	Two years after operations begin	
Beds justified at 60% occupancy = 33,497/365/0.60 = 153 Beds requested = 20 new + 126 existing = 146 This table does not include Observation days			

ATTACHMENT 15

III. Cancer Ancillary Departments

A. Bone Marrow Transplant

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION (Transplants)	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
	BMT*			NA	
2010		123			
2011		122			
2012		118			
2013		142			
2014		171			NA
2015	3 stations	187			NA
2016	3 stations		212		
2017	3 stations		241		
2018	3 stations		273		
2019	3 stations		310		
2020	3 stations		352		NA
2021	3 stations		400		NA

Note: Year end 7/31

* Bone marrow transplant

Since 2010, Bone Marrow transplants have increased from 123 to 187 in 2015, a rate of increase averaging 8.9 percent per year. However, the growth rate between 2012 and 2015 has been much greater, at 16.8 percent per year. UCMC has recruited new researchers and clinicians and expects continued growth at approximately the midpoint of these two rates, 13.5 percent per year. New therapies are being studied and more treatments that are personalized to the individual patient are being realized. This approach shows promise of targeting more specifically the patient's disease and is likely to support more effective treatments and further growth in this area.

By 2021, it is expected that outpatients will constitute 20 percent of the 400 cases, or 80 cases. A typical treatment regimen is three weeks and eight hours a day. Eighty patients would require 13,440 hours of station time, which, at an 80 percent use rate and assuming the facility is available 12 hours a day and 365 days per year, results in a need for 3.8 stations, rounded up to

four. (The calculation is 80 x 3 weeks x 8 hrs per session at 80% use rate = 16,800 hours. 16,800 hours / 365 days/12 hours/day = 3.8 stations needed at 80%.) UCMC is planning four treatment stations.

Also planned are two triage rooms in the BMT space. These would be a convenience to cancer patients who are discharged or are receiving outpatient care. If they are experiencing problems, they would come to this area to be checked by the specialty cancer nurses there, perhaps to be administered IV fluids, perhaps IV antibiotics, depending on their needs. This convenient setting with expert clinicians is far better than the patient waiting in the ED or trying to be seen in heavily scheduled outpatient clinics. The ready access to this care should reduce readmission rates if problems can be addressed earlier and faster. Of the 400 annual patients expected by 2021, it was assumed 80 percent would be inpatients and 20 percent outpatients. The inpatients are assumed to average two visits each and the outpatients five visits each, producing a total of 1,040 visits. While one triage station might be sufficient to handle this number, it is preferable to have two so that there is limited waiting if several patients come at once.

B. <u>Cellular Therapy Facility</u>

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION Lab Procedures	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
	Cell Facility*			NA	
2009		635			
2010		560			
2011		629			
2012		542			
2013		650			
2014		801			NA
2015	1	920			NA
2016	1		979		
2017	1		1,042		
2018	1		1,108		
2019	1		1,179		
2020	1		1,255		NA
2021	1		1,335		NA

Note: Year end 6/30

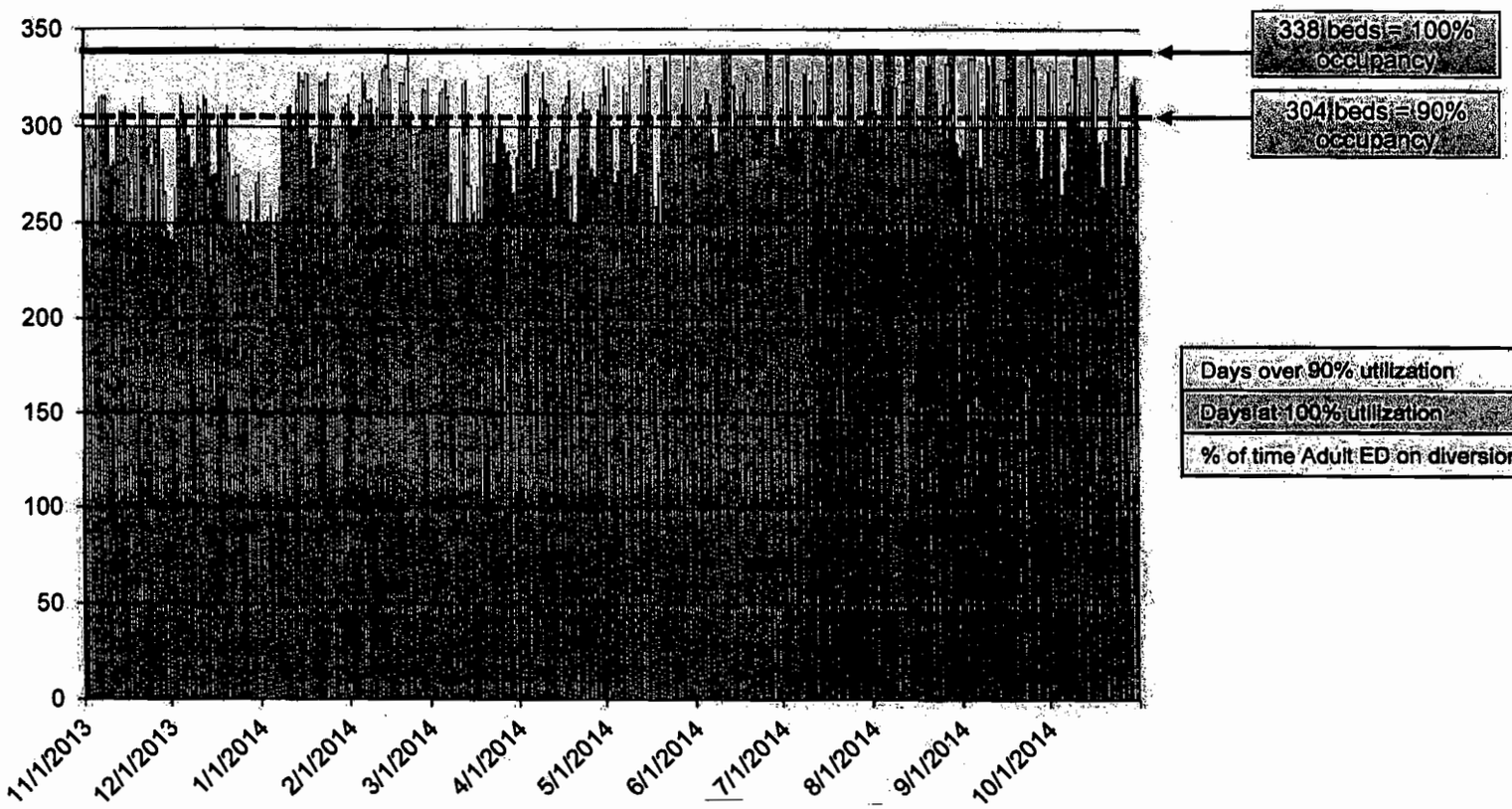
* Cellular Therapy Facility

Based on consultation with experts at other cell processing facilities and the experience over the

years at UCMC, the growing workload and need for strict environmental conditions and scrupulous cleanliness in the manufacturing process, it was concluded that a larger area was needed to safely and effectively produce the products used in stem cell transplant. The current facility is 1,591 bgsf and is insufficient for current needs. Moreover, continued growth in workload at the 6.4 percent annual increase seen since 2009 will necessitate much more production capability. The proposed 5,276 bgsf facility should be adequate to handle the 400 expected transplants in 2021 and the 1,335 facility procedures that will support the transplants.

ATTACHMENT 15

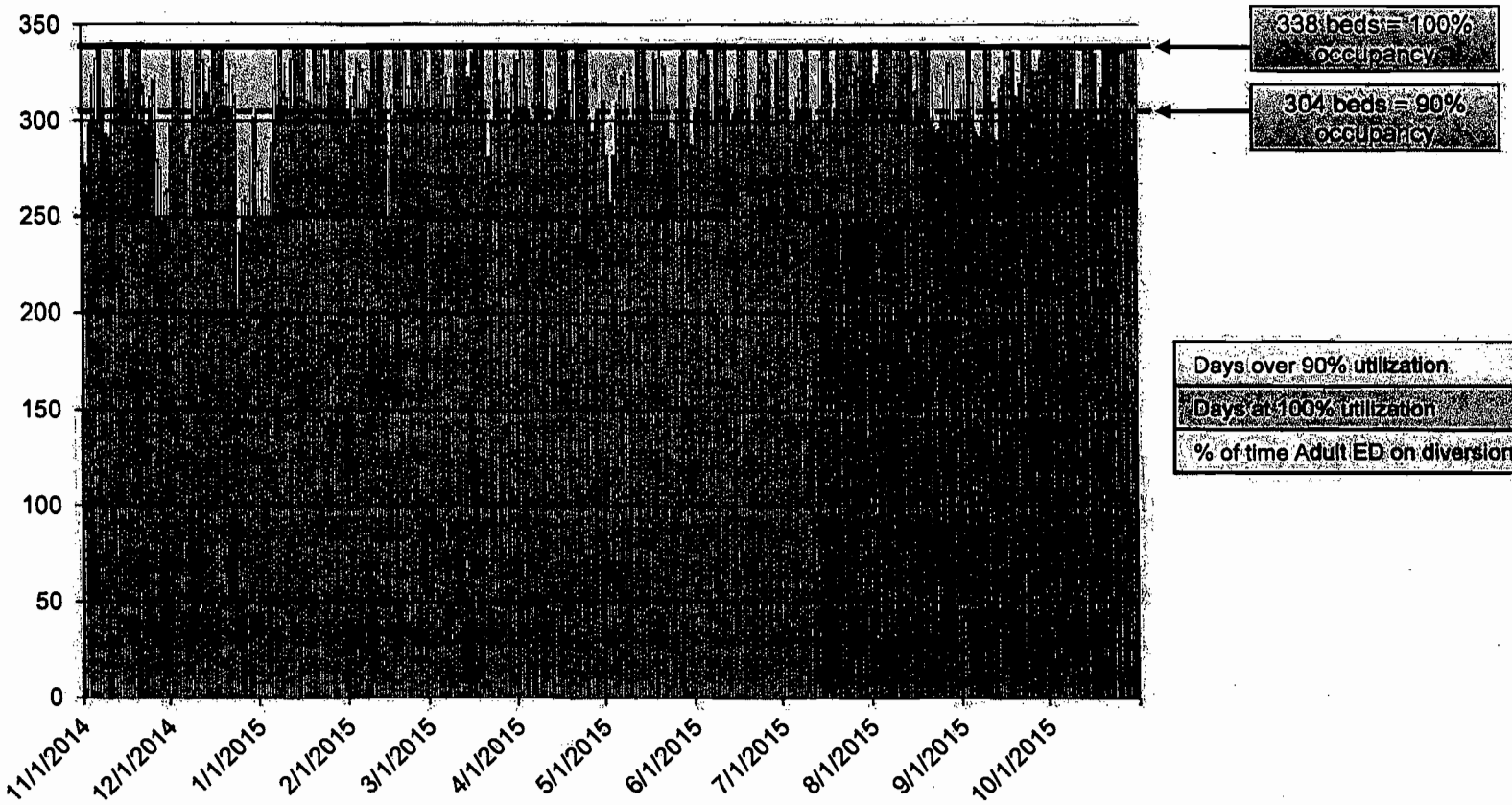
Medical/Surgical Bed Occupancy
(11/1/2013 to 10/31/2014)



Days over 90% utilization	217
Days at 100% utilization	47
% of time Adult ED on diversion	6.1%

Source: 6:00 am daily bed census

Medical/Surgical Bed Occupancy
(11/1/2014 to 10/31/2015)



Days over 90% utilization	310
Days at 100% utilization	175
% of time Adult ED on diversion	11.1%

Source: 6:00 am daily bed census

MED/SURG OCCUPANCY RATES FOR ILLINOIS HOSPITALS 200 BEDS AND LARGER

Year	Hospital	City	Hospital Planning Area	Medical-Surgical CON Beds	Patient Days Total	>=200 beds	Occupancy
2014	University Of Chicago Medical Center	Chicago	A-03	338	104,146	Y	84%
2014	OSF Saint Francis Medical Center	Peoria	C-01	306	93,193	Y	83%
2014	Carle Foundation Hospital	Urbana	D-01	260	77,261	Y	81%
2014	Advocate Christ Medical Center	Oak Lawn	A-04	394	115,704	Y	80%
2014	Loyola University Medical Center	Maywood	A-06	292	85,287	Y	80%
2014	Central DuPage Hospital	Winfield	A-05	233	66,703	Y	78%
2014	Northwestern Memorial Hospital	Chicago	A-01	530	141,650	Y	73%
2014	Rush University Medical Center	Chicago	A-02	342	91,403	Y	73%
2014	John H. Stroger Hospital of Cook County	Chicago	A-02	240	63,650	Y	73%
2014	Alexian Brothers Medical Center	Elk Grove Village	A-07	224	58,558	Y	72%
2014	Edward Hospital	Naperville	A-05	235	58,554	Y	68%
2014	Memorial Medical Center	Springfield	E-01	349	84,768	Y	67%
2014	Advocate Lutheran General Hospital	Park Ridge	A-07	313	75,605	Y	66%
2014	Advocate Condell Medical Center	Libertyville	A-09	214	51,167	Y	66%
2014	St. John's Hospital	Springfield	E-01	204	48,710	Y	65%
2014	St. Alexius Medical Center	Hoffman Estates	A-07	212	50,165	Y	65%
2014	Palos Community Hospital	Palos Heights	A-04	306	70,131	Y	63%
2014	Presence Saint Joseph Medical Center	Joliet	A-13	319	71,852	Y	62%
2014	University of Illinois Hospital at Chicago	Chicago	A-02	240	53,728	Y	61%
2014	MacNeal Hospital	Berwyn	A-06	248	50,860	Y	56%
2014	SwedishAmerican Hospital	Rockford	B-01	209	39,985	Y	52%
2014	Presence Saint Joseph Hospital Chicago	Chicago	A-01	208	37,377	Y	49%
2014	Rockford Memorial Hospital	Rockford	B-01	223	37,199	Y	46%
2014	Advocate Illinois Masonic Medical Center	Chicago	A-01	225	30,429	Y	37%
2014	Mercy Hospital & Medical Center	Chicago	A-03	289	37,760	Y	36%
2014	Community First Medical Center	Chicago	A-01	210	26,554	Y	35%
2014	Northwest Community Hospital	Arlington Heights	A-07	312	39,024	Y	34%
2014	Ingalls Memorial Hospital	Harvey	A-04	298	36,034	Y	33%
2014	Decatur Memorial Hospital	Decatur	D-04	224	26,968	Y	33%
2014	St. Elizabeth's Hospital	Belleville	F-01	202	23,315	Y	32%
2014	MetroSouth Medical Center	Blue Island	A-04	242	23,116	Y	26%
2014	Franciscan St. James Health - Chicago Heights	Chicago Heights	A-04	230	21,184	Y	25%

Section VII A. Criterion 1110.530

Attachment 20

Section 1110.530 Medical/Surgical, Obstetric, Pediatric and Intensive Care

I. 11110.530(b)(2) Planning Area Need -Service to Planning Area Residents

The primary purpose of this Project is to serve the needs of UCMC's community. The attached map shows the primary service area ("PSA") which essentially includes all of Health Planning Area A-03, and extends south as far as 1-80/294 (town of Harvey), as far west as Argo (town just west of Midway Airport), and as far north as the South Loop. To the east, the PSA is bordered by Lake Michigan and the Indiana/Illinois state line.

UCMC is one of the nine hospitals in A-03 providing med/surg patient services. It is licensed for 338 beds, representing 23 percent of all A-03 med/surg beds, but provided 33 percent of the days of care. For ICU services, these statistics are more balanced with UCMC having 51 percent of the beds and providing 53 percent of the days of care. The difference reflects the much higher rate of utilization of med/surg beds: 84 percent in calendar 2014 versus an average for the other A-03 hospitals of 44 percent (see accompanying table).

UCMC is the only academic medical center in A-03 and is a vital hospital in providing specialized services and care for patients with complex illnesses. This is shown in a comparison of case mix index ("CMI"), which represents the overall complexity of treatments provided. UCMC studied CMIs for A-03 hospital discharges for the year ending December 31, 2014 and found a CMI at UCMC of 2.1229, which is 62% higher than the weighted average CMI for the other A-03 hospitals of 1.3121.

Twenty-eight percent of patient transfers in two recent years came from South Chicago Hospitals and 6 of the top ten hospitals transferring patients to UCMC are A-03 hospitals. (Three of the top ten are Northwest Indiana hospitals in Hammond, Munster, and Crown Point.) One fifth of transfer requests cannot be accepted due to the unavailability of beds at the time. UCMC med/surg beds have been highly utilized in the past two years, reaching occupancies of 85 percent in 2014 and 93 percent in 2015. A major element of this application is the addition of 126 med/surg beds to ensure that the high level, specialized services provided at UCMC are available to residents of UCMC's PSA.

It should be noted that of the three Chicago HSAs, A-03 South Chicago has a net out-migration of 22,504 patients versus a net in-migration for A-01 North Chicago of 23,669 patients and for A-02 West Chicago a net in-migration of 42,279 patients. It is hoped that the approval of this request for the addition of beds this imbalance can be redressed and residents of South Chicago can receive treatment closer to their homes.

There have been significant bed losses in A-03 since 1985. In that year there were 16 hospitals and 5,382 beds. By 2014, seven of these hospitals closed and there was a bed reduction to 2,402

beds. Of the losses, 1,971 beds were in hospitals that closed and 1,009 were beds reduced by current hospitals. In total there has been a 55% bed reduction over this 30 year period. Much can be attributed to a 34 percent decline in population. Some of the remainder may have occurred due to flagging demand or reductions owing to changes in health insurance practices. However, this large bed loss in A-03 and substantial out-migration of the residents of this area to hospitals in A-01 and A-02 for their inpatient care is concerning from a health planning perspective.

The PSA by zip code for UCMC is shown in a table at the end of this Attachment, listing med/surg and ICU discharges for each. For med/surg patients, 57.3 percent reside in the PSA and for ICU patients 62.4 percent reside in the PSA.

II. 1110.530(b)(2) Planning Area Need -Service Demand -Expansion of Existing Category of Service

A. Med/Surg Beds

UTILIZATION					
	DEPT.	HISTORICAL	PROJECTED	STATE	MET
	SERVICE	UTILIZATION (DAYS)	UTILIZATIO N	STANDARD	STANDARD?
	Med/Surg beds			90% Occupancy	
2009	300	74,710			
2010	300	75,080			
2011	300	78,227			
2012	300	83,529			
2013	338	91 ,410			
2014	338	109,468		88.7%	No
2015	338	115,666		93.8%	Yes
2016	506		117,978		
2017	506		125,928		
2018	506		134,416		
2019	506		152,714		
2020	506		159,771		
2021	506		167,181	90.5%	Yes

Note: Year end 10/31
2014 includes 6,750 observation days, 2015 includes 5,139 observation days, no other years do.

1. Historical Service Demand

During the past two years (ending 10/31), med/surg days plus observation days in licensed med/surg beds have resulted in occupancy of these beds of 88.7% in 2014, 93.8% in 2015. The overall occupancy is 91.2% for the two year period, exceeding the standard of 90% for historical occupancy for expansion. The 90% standard is very high- so high that no Illinois hospitals with 200 or more med/surg beds reached this level in 2014. UCMC was at the top of the list with 84% (note that this does not include Observation days). (See table at the end of this Attachment.)

2. Projected Service Demand

Calculation of Beds Justified Two years After Project Completion		
Year	**Med/Surg Days**	
Historical, year ending 7/31:		
2009	74,710	
2010	75,080	
2011	78,227	
2012	83,529	
2013	91,410	
2014	102,718	
2015	110,527	
avg. annual growth rate =6.7%		
Projected:		At 6.74% increase per year
2016	117,978	
2017	125,928	
2018	134,416	
2019	152,714	Occupy all new beds
2020	159,771	
		Two years after operations
2021	167,181	begin

Beds justified at 90% occupancy = 167,181 /365/0.90 = 509
Beds requested = 168 new + 338 existing = 506
This table does not include Observation days

The table above shows historical med/surg days and a projection going forward to the second year of operation after these beds are opened. As opposed to the table earlier in this section, 2014 and 2015 do not include observation days. With the inclusion of 37 observation beds within the med/surg units being built in CCD 3rd and 4th floors, observation patients will be cared for predominantly in these beds so they were not included in this table as a basis for projecting future utilization of med/surg beds.

(a) Admissions from the Emergency Department Have Grown

The increase in days between 2009 and 2015 is remarkable during a period in greater Chicago of 4% annual decline in inpatient activity. At UCMC, med/surg days have increased by an average annual rate of 6.7% per year. There are a number of factors that have led to this increase. One is a steady increase in Adult ED visits. Since 2009, these visits have increased by 6.5% per year. For FY15, 23.3% of ED visits result in inpatient admissions, so the growth in this service has contributed 3,373 admissions by itself. The majority of these would be to med/surg or ICU.

(b) Improving Bed Use Efficiency

Steps have been taken to make licensed beds more available to increase the efficiency of their use. Prior to 2013, many med/surg beds were grouped according to clinical program. While this allayed fears of the faculty that there would be beds available when they wanted to admit a patient, it proved to be deleterious overall. This "balkanization" of beds caused inefficiencies in which some services had beds that were full whereas others might be in a slow period and would have empty beds. This system was abandoned for one where the beds were used much more interchangeably, with the priority on accommodating admission requests to the greatest extent possible. For each service there are identified primary units for patients and then secondary units if the primary beds are full. There is some mixing of patients, say, among surgical patients, but any inconveniences to staff are worth the more efficient use of the costly and scarce resource of patient beds at UCMC.

Another method to improve bed efficiency was streamlining the admission/discharges processes. Concerted efforts were made to follow standard practices with a goal of discharging patients by noon to increase the number of open beds as ED activity picks up during the day and patients leave the surgical operating rooms. LEAN practices employed by the Operations Excellence department were followed. Briefly, LEAN principles concentrate on increasing value to patients while eliminating waste. LEAN standard work tools were developed for use by case workers, nurse managers, and social workers to discharge patients by noon each day.

Particular attention has been paid to reducing length of stay. This too will improve efficient bed use. Presently four groups have been established - Cancer, Neurology, Orthopedics, and General Surgery. Each group reviews ORG's (diagnosis-related groups) to find variances between observed length of stay versus expected length of stay for a particular ORG. A large negative variance presents an opportunity for improvement. Each group carefully studies how the patients are cared for now and looks for ways to streamline the inpatient stay, such as seeing if there are suitable outpatient options for some of the services. To date, these groups have worked on 2 ORG's a piece and have been able to achieve a 0.5 day reduction in risk-adjusted length of stay in the past year.

It is incumbent on a hospital to make sure that all efforts have been made to use its existing beds as efficiently as possible before requesting additional beds. While this effort is never finished, UCMC has made substantial progress in improving bed use efficiency. This has been key to achieving increased patient days since 2009.

(c) Adding 38 Med/Surg Beds in 2013, 2014

In 2013, the Review Board approved a 38 med/surg bed increase to UCMC (Project # 13-025). Existing but vacated units in Mitchell were renovated, with one being opened in November 2013 and the other in March 2014. These beds were quickly filled. At the time of this writing, October 7, 2015, for the previous 30 days, the average occupancy of the two new 19-bed units is 93.2%. Moreover, the utilization of all med/surg beds in the year ending October 31, 2015 was 93.8%. Despite the improvements in bed use efficiency creating more capacity, there was still pent-up demand for additional beds. Two years later these beds are full.

(d) Strengthening of Key Programs Will Support Continued Growth

Key clinical programs at UCMC include Heart and Vascular, Cancer, Orthopedics, and Neurosciences. Efforts to expand and improve these services began in 2013 in terms of adding physicians and service offerings within these categories. In the past 2 years Heart and Vascular patient days have grown by 14.6% per year based on areas of programmatic excellence such as Congestive Heart Failure, Transplant, Structural Heart, Arrythmia, and Vascular. Efforts have been underway to further develop Coronary Heart Disease, Aortic Disease, Pulmonary, and other heart disease.

Cancer has long been a program of great distinction at UCMC, one that is enjoying healthy growth of 8% per year in patient days. This should continue due to initiatives such as opening a lung screening clinic in early 2016, developing a survivorship clinic, expanding IV therapy from 30 to 55 chairs in completely renovated quarters, creating a Supportive Oncology Center, increasing the number of clinical trials for new treatments, increasing efforts around cellular therapy for Bone Marrow Transplant, increasing allogenic transplant cases, recruiting an additional breast surgeon, GI cancer surgeon, lymphoma specialist, leukemia specialist, and a surgeon specializing in head and neck cancer surgery. Bone marrow transplants have increased 58% since FY 12.

Orthopedics and Rehabilitative Medicine have seen an increase in patient days of 11.4% per year since 2013. Faculty size will increase from 11 in 2013 to 22 by summer 2016 with increases seen in Spine Surgery, Hand and Upper Extremities, Hand and Shoulder, Total Joints, and Sports Medicine.

Neuroscience patient days have averaged 14.9% annual growth in the past two years and this is expected to continue going forward as physicians are added to this service.

(e) High Quality and Safety Drives Growth

Health care consumers are increasingly focusing on quality and safety of the hospitals where they might seek care. Intelligent consumers are resourceful in working through the Internet in search of information about hospitals and physicians delivering the best care. Insurance companies and the State and Federal governments are also attuned to these factors and are doing much to impact the behavior of providers in concentrating on these vital concerns. For example,

the landmark Affordable Care Act through the Centers for Medicare and Medicaid Services (CMS) have devised payment mechanisms in which hospitals are rewarded or penalized based on how they measure up in quality and safety.

UCMC has devoted considerable attention to quality and safety as these are essential parts of delivering excellent care. Its efforts have borne fruit, as evidenced by the following recent accomplishments. This is not an exhaustive list of UCMC's endeavors to improve and maintain quality and safety, but gives a good sense of how it is faring.

- **Quality and Safety Ranking** - The Leapfrog Group is the most prominent hospital safety organization in the U.S. Of the approximately 5,000 hospitals in the country, UCMC is one of only 133 to receive the highest possible grade in all 8 semi-annual surveys.

- **Medicare (CMS) Patient Safety Index** - Medicare analyzes a number of patient safety indicators such as pressure ulcers, accidental punctures and laceration, and others to compare hospitals on safety. In the most recent Value-Based Purchasing program report, UCMC ranked in the top 10% nationally for this measure. This is a 56% improvement from the baseline period.

- **Medicare Hospital-Acquired Conditions** - This program evaluates how often patients get infected or injured during their hospital stay. For 2015, this program ranked UCMC as the safest academic medical center in the Chicago area, and better than the vast majority of academic medical centers in the country.

- **Medicare Value-Based Purchasing Program (VBP)** – This program determines hold back of reimbursement depending on meeting increasingly stringent measures in Patient Experience, Process of Care, Outcomes, and Efficiency. UCMC has steadily improved its performance in the first three years and for FY16 has earned its first bonus in reimbursement.

- **CMS Patient Satisfaction Rating** - UCMC has consistently improved its patient satisfaction with care rating, improving HCAPS' overall rating of care 58% Highly Satisfied in 2012-13 to 75% in 2014-15.

- **CMS Technical Expert Panel** - UCM faculty constitutes 2 of the 16 members of CMS's technical Expert Panel for the development of process and structural clinical quality measures for hospital quality reporting programs.

- **Center for Disease Control (CDC) Senior Advisory Panel**- Two UCMC faculty members participate on the CDC's senior advisory panel for prevention of

healthcare associated infections.

- **Hand Hygiene** - In February 2015 we installed an electronic monitoring system that would identify persons who entered a patient room and determined whether that person cleaned their hands. UCMC is the first academic medical center to install this system and the largest hospital to do so. Three months after inception, there were 981,400 more clean hands than before the system was installed.

- **Sepsis** - In the U.S., there are 750,000 cases of sepsis each year resulting in 215,000 deaths. UCMC set a goal of preventing 15% of excess deaths from sepsis. Through work by our analytics department, we estimated that in 2014 there were 49 more patients alive compared with 2013 and for FY 15 52 more patients alive.

- **Prevent Blood Clots** -Two years ago UCMC was 74% compliant in treating patients to avoid venous thromboembolism. Today, it was 100%. This is reflected in the fact that UCMC had 0 potentially preventable venous thromboembolism events in more than a year, based on the standard Core Measure VTE-6.

- **Compelling Evidence of Improved Safety** - UCMC has the lowest number of open malpractice suits in its history.

Patients, both current and prospective, are cognizant of these achievements to varying degrees and this helps to inform their decision of where to go for treatment. UCMC's success in attracting patients, both in the last several years and going forward is surely enhanced by its performance in attaining high quality clinical results.

B. ICU Beds

UTILIZATION					
	DEPT	HISTORICAL	PROJECTED	STATE	MET
	SERVICE	UTILIZATION	UTILIZATION	STANDARD	STANDARD
		(DAYS)			
	ICU beds			60% Occupancy	
2009	114	28,437			
2010	114	26,296			
201 I	114	25,953			
2012	114	26,559			
2013	114	27,006			
2014	126	30,407		66.1%	Yes
2015	126	31,014		67.4%	Yes
2016	146		31 ,247		
2017	146		31,685		
2018	146		32,128		
2019	146		32,578		
2020	146		33,034		
2021	146		33,497	62.9%	Yes

Note: Year end 10/31

2014 includes 265 observation days, 2015 includes 198 observation days, no other years do.

1. Historical Service Demand

During the past two years (ending 10/31), ICU beds have been occupied at a rate of 66.1% in 2014 and 67.4% in 2015. The overall occupancy is 66.8% for the two year period, which is better than the standard of 60% for historical occupancy for expansion. Using the average annual days historically for the 20 bed addition requested would result in an occupancy rate of 57.2%, which is below the standard.

2. Projected Service Demand

Med/surg and ICU are bed types that are complementary, with patients moving between them as their condition changes in intensity. The factors discussed above supporting continued med/surg growth pertain as well for ICU. It is expected that the 1.4% average annual rate of growth between 2009 and 2015 will continue for the next 6 years. ICU occupancy will reach 63% in 2021, which is the second year after the beds are operational. The computation is shown in the following table.

Calculation of Beds Justified Two years After Project Completion		
Year	**ICU Days**	
Historical, year ending 10/31:		
2009	28,437	
2010	26,296	
2011	25,953	
2012	26,559	
2013	27,006	
2014	30,142	
2015	30,816	
avg. annual growth rate = 1.4%		
Projected:		At 1.4% increase per year
2016	31,247	
2017	31,685	
2018	32,128	
2019	32,578	Occupy all new beds
2020	33,034	
2021	33,497	Two years after operations begin

Beds justified at 60% occupancy = 33,497/365/0.60 =153
Beds requested = 20 new + 126 existing = 146
This table does not include Observation days

III. 1110.530(f) Staffing Availability

The significant addition of patient beds will require filling many new position, most notably staff nurses, who are the backbone of inpatient care. Staffing our current 617 beds are 1,368 nurses, so the addition of 188 new beds would roughly require a 30% increase, or just over 410 nurses. UCMC's nurse recruiting office is highly effective, helped considerably by the standing of UCMC as a top tier academic medical center. This is appealing to most nurses, who find considerable room for growth and learning in this setting through close interaction with residents and fellows. Finally, nurse candidates can find ample opportunities to team with physicians in researching how to achieve quality/safety improvements in a multitude of clinical services and publish their research findings. It has been found that this combined team approach produces better results. This opportunity is of critical importance to BSN's and PhD's in advancing their career.

While nurse recruitment appraisal of the hiring market indicates an overall nurse shortage, UCMC receives over 200 resumes/applications each week for staff nurse positions. On average it requires one month to fill a position, including time for interviewing and testing. As an indicator of the desirability of working at UCMC, annual RN turnover is just 1.6%, versus a national level

of 3.7%. Finally and not of small consequence, the salary and benefits offered are at the high end of the Chicago area pay scale.

The hiring period will span 3 to 5 years as beds are opened in phases to meet growing demand, so there is not a need to fill every position immediately. In other words, this Project would not create a dislocation in the Chicago hospital labor market. It should also be noted that UCMC attracts nurse candidates on a national level.

IV. 1110.530(g) Performance Requirements

1) Medical-Surgical beds would total 506, which exceeds the required 100 beds within a Metropolitan Statistical Area ('MSA').

2) Medical-Surgical - The 168 med/surg bed addition and overall number of med/surg beds at UCMC would be 506, which meets the 100 bed minimum standard within a MSA.

3) Intensive Care - The 2 ICU's of 10 beds each comprising the additional proposed ICU beds meets the bed minimum standard of 4 beds for an ICU.

V. 1110.530(h) Assurances

A letter signed by Sharon O'Keefe, UCMC's President, is included in this Attachment attesting to meeting and sustaining occupancy standards for the requested additional med/surg and ICU beds by the second year of operation after Project completion.

111530 (c)(2) Patient Origin Med/Surg and ICU Discharges

Zip Code	Med/Surg	ICU
Primary Service Area		
60637	1,723	545
60619	1,135	333
60615	1,133	287
60649	848	261
60617	765	226
60621	561	195
60653	562	174
60628	540	172
60636	350	121
60609	256	78
60629	161	71
60616	159	34
60632	67	28
60638	52	21
60605	64	8
60409	156	63
60426	77	53
60419	69	29
60453	97	23
60805	56	23
60456	15	2
60620	559	185
60643	264	72
60827	136	34
60652	100	31
60633	68	24
60455	22	12
60459	23	6
60501	3	0

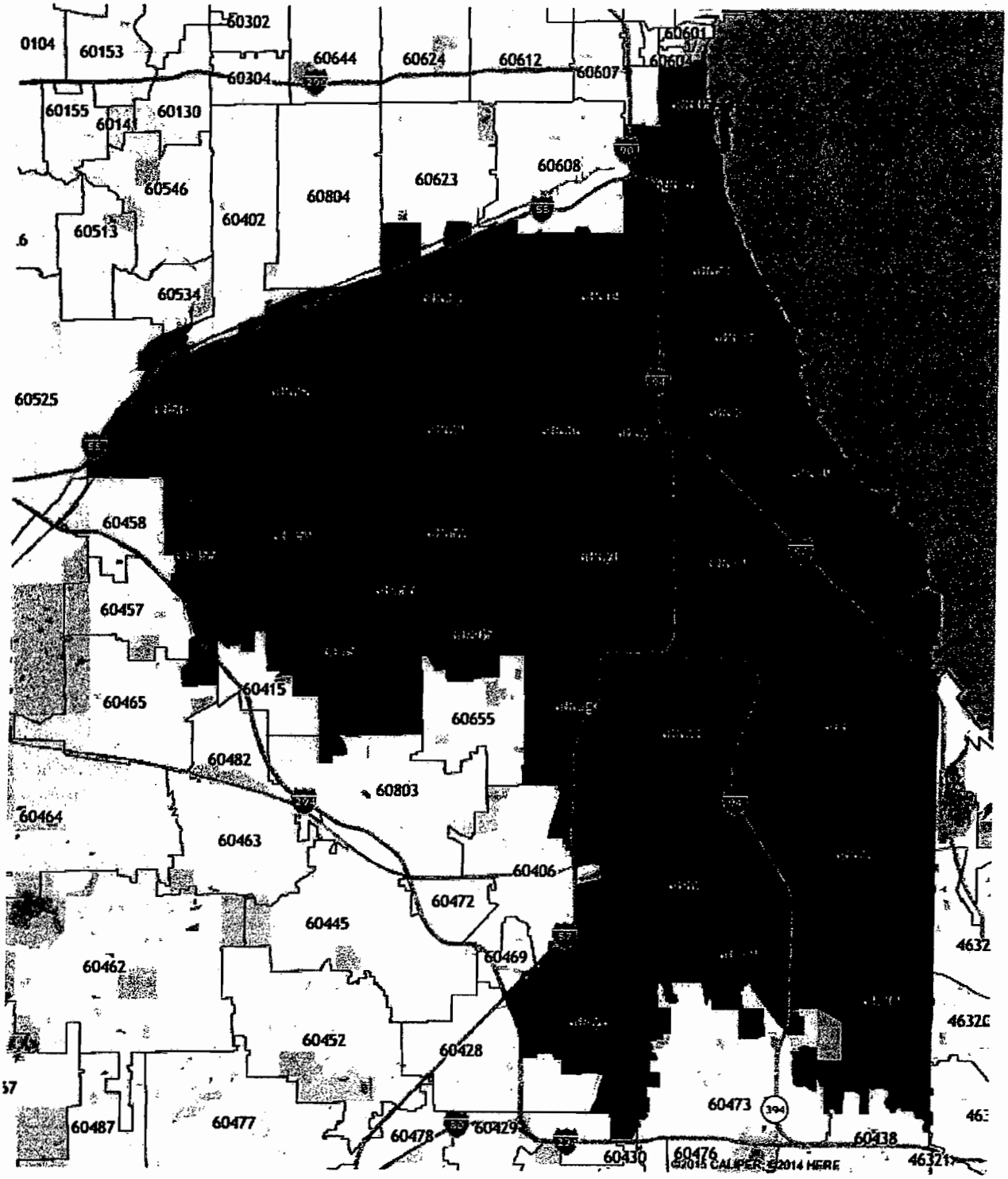
Total PSA	10,021	3,111
Beyond PSA	7,460	1,872
Total Discharges	17,481	4,983
Percent in PSA	57.3%	62.4%

12 months ending 7/31115

• 57.4% of *MIS* IP discharges in FY15 are captured within UCM's PSA

Source: ADT & eSIMON Notes: Excludes Ambulatory and Observation patients;

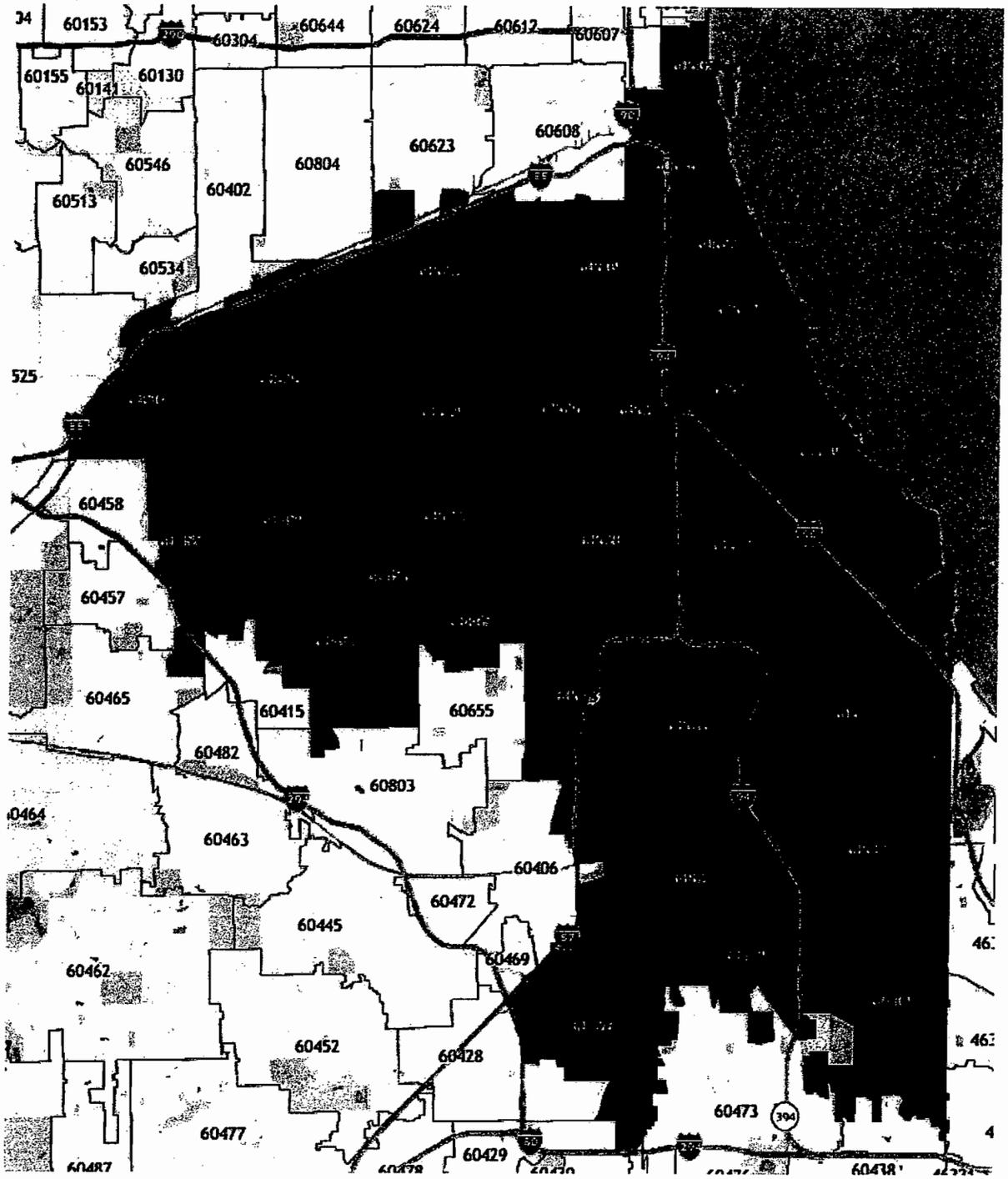
Based on 338 MIS Beds and 109 leu Beds



ATTACHMENT 20

• 62.4% of ICU IP discharges in FY15 are captured within UCM's PSA

Source: ADT & eSIMON Notes: Excludes Ambulatory and Observation patients; Based on 338 *MIS* Beds and 109 ICU Beds



ATTACHMENT 20

A-03 SOUTH CHICAGO MED/SURG OCCUPANCY
2014

Hospital	Beds	Admissions	ICU Days	Occupancy %
Advocate Trinity	158	7,952	31,745	55%
Holy Cross	166	10,199	40,664	67%
Jackson Park	144	4,307	17,176	33%
Mercy	289	8,141	37,760	36%
Provident	79	1,234	4,644	16%
Roseland	77	2,136	10,979	39%
South Shore	114	3,133	20,833	50%
St. Bernard	126	4,586	20,211	44%
Non-UCMC Total	1,153		184,012	44%
UCMC	338	16,821	104,146	84%
UCMC YE 7/31/15	338	17,481	109,033	88%

Source: IHFSRB website 2014 Hospital Profiles

A-03 SOUTH CHICAGO ICU OCCUPANCY
2014

Hospital	Beds	Admissions	ICU Days	Occupancy %
Advocate Trinity	24	1,027	3,039	35%
Holy Cross	20	0	0	0%
Jackson Park	8	523	2,363	81%
Mercy	30	1,390	5,745	52%
Provident	11	0	0	0%
Roseland	10	0	0	0%
South Shore	8	281	2,257	77%
St. Bernard	10	230	1,831	50%
Non-UCMC Total	121		15,235	34%
UCMC	126	6,253	30,070	65%
UCMC YE 7/31/15	126	7,454	31,242	68%

Source: IHFSRB website 2014 Hospital Profiles

MED/SURG OCCUPANCY RATES FOR ILLINOIS HOSPITALS 200 BEDS AND LARGER

Year	Hospital	City	Hospital Planning Area	Medical Surgical CON Beds	Patient Days Total	>=200 beds	Occupancy
2014	University Of Chicago Medical Center	Chicago	A-03	338	104,146	Y	84%
2014	OSF Saint Francis Medical Center	Peoria	C-01	306	93,193	Y	83%
2014	Carle Foundation Hospital	Urbana	D-01	260	77,261	Y	81%
2014	Advocate Christ Medical Center	Oak Lawn	A-04	394	115,704	Y	80%
2014	Loyola University Medical Center	Maywood	A-06	292	85,287	Y	80%
2014	Central DuPage Hospital	Winfield	A-05	233	66,703	Y	78%
2014	Northwestern Memorial Hospital	Chicago	A-01	530	141,650	Y	73%
2014	Rush University Medical Center	Chicago	A-02	342	91,403	Y	73%
2014	John H. Stroger Hospital of Cook County	Chicago	A-02	240	63,650	Y	73%
2014	Alexian Brothers Medical Center	Elk Grove Village	A-07	224	58,558	Y	72%
2014	Edward Hospital	Naperville	A-05	235	58,554	Y	68%
2014	Memorial Medical Center	Springfield	E-01	349	84,768	Y	67%
2014	Advocate Lutheran General Hospital	Park Ridge	A-07	313	75,605	Y	66%
2014	Advocate Condell Medical Center	Libertyville	A-09	214	51,167	Y	66%
2014	St. John's Hospital	Springfield	E-01	204	48,710	Y	65%
2014	St. Alexius Medical Center	Hoffman Estates	A-07	212	50,165	Y	65%
2014	Palos Community Hospital	Palos Heights	A-04	306	70,131	Y	63%
2014	Presence Saint Joseph Medical Center	Joliet	A-13	319	71,852	Y	62%
2014	University of Illinois Hospital at Chicago	Chicago	A-02	240	53,728	Y	61%
2014	MacNeal Hospital	Berwyn	A-06	248	50,860	Y	56%
2014	SwedishAmerican Hospital	Rockford	B-01	209	39,985	Y	52%
2014	Presence Saint Joseph Hospital Chicago	Chicago	A-01	208	37,377	Y	49%
2014	Rockford Memorial Hospital	Rockford	B-01	223	37,199	Y	46%
2014	Advocate Illinois Masonic Medical Center	Chicago	A-01	225	30,429	Y	37%
2014	Mercy Hospital & Medical Center	Chicago	A-03	289	37,760	Y	36%
2014	Community First Medical Center	Chicago	A-01	210	26,554	Y	35%
2014	Northwest Community Hospital	Arlington Heights	A-07	312	39,024	Y	34%
2014	Ingalls Memorial Hospital	Harvey	A-04	298	36,034	Y	33%
2014	Decatur Memorial Hospital	Decatur	D-04	224	26,968	Y	33%
2014	St. Elizabeth's Hospital	Belleville	F-01	202	23,315	Y	32%
2014	MetroSouth Medical Center	Blue Island	A-04	242	23,116	Y	26%
2014	Franciscan St. James Health - Chicago Heights	Chicago Heights	A-04	230	21,184	Y	25%

ATTACHMENT 20

Health Service Area A-3 Licensed Beds
1985 Versus 2014

A-3 Health Service Area Licensed Beds	Med/Surg	Peds	OB	ICU	NICU	Psych	Rehab	Total		Med/Surg	Peds	OB	ICU	NICU	Psych	Rehab	Total
Central Community Hospital	100			7				107	1990	----------	----------	----------	----------	----------	----------	----------	0
Chicago Osteopathic	211	27	24	13	10	18		303	1996	----------	----------	----------	----------	----------	----------	----------	0
Holy Cross Hospital	327	40	32	33			34	466		166		16	20		24	34	260
Hyde Park Community Hospital	200			6				206	2000	----------	----------	----------	----------	----------	----------	----------	0
Jackson Park Hospital Foundation	313	21	21	28	8	36		427		144	1	17	8		86		256
Louise Burg Hospital	79	21		12				112	1991	----------	----------	----------	----------	----------	----------	----------	0
Mercy Hospital and Medical Center	324	49	39	30	12	43	24	521		289	37	30	30	15	39	24	464
Michael Reese Hospital and Medical Center	572	91	82	41	33	120	16	955	2009	----------	----------	----------	----------	----------	----------	----------	0
Provident Medical Center	236	30	16	18				300		79		23	11				113
Roseland Community Hospital	132		27	10	6			175		77		17	10		30		134
South Shore Hospital	161	6		11				178		114	6		8		15		143
St. Bernard Hospital	192	28	22	10				252		126	12	22	10		40		210
The Hospital of Englewood	95	23	17	5				140	1988	----------	----------	----------	----------	----------	----------	----------	0
Trinity Hospital (South Chicago Community Hosp.)	304	35	34	22				395		158		23	24				205
University of Chicago Medical Center	413	91	68	63	36	26		697		338	60	46	126	47			617
Woodlawn Hospital	120	4	20	4				148	1986	----------	----------	----------	----------	----------	----------	----------	0
Totals	3,779	466	402	313	105	243	74	5,382		1,491	116	194	247	62	234	58	2,402
Closed beds 1985 to 2015											2014 IDPH #s						
Closed hospitals											1,971						
Existing hospitals reduced bed capacity											1,009						
Total closed beds											2,980		55% decline in beds				

ATTACHMENT 20

CASE MIX INDEX COMPARISON
UCMC VERSUS OTHER A-03, STATE

Hospital	Discharges	CMI	UCM vs. Other A-03, State	Discharges*CMI
UCM	19,746	2.1229		41,919
Mercy	6,791	1.4401		9,780
South Shore	2,694	1.4012		3,775
Advocate Trinity	8,326	1.3479		11,223
Holy Cross	7,647	1.3058		9,985
St. Bernard	3,171	1.2105		3,838
Jackson Park	2,219	1.1887		2,638
Roseland	1,143	1.1583		1,324
Provident	1,214	0.8279		1,005
A-03 Total	52,951	1.6144		
A-03 Total without UCM	33,205	1.3121	62%	
State of Illinois Total	985,381	1.43	48%	

Conclusion: UCMC CMI is 62% higher than other A-03 hospitals, 48% higher than Illinois

Excludes patients age <18
Excludes MS-DRGs for Psych, Rehab, OB, and Substance Abuse (765-770, 774-782, 880-887, 894-897, 945-946)
Discharges from 1/1/14 to 12/31/14

THE UNIVERSITY OF
CHICAGO
MEDICINE

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February 8, 2016

Ms. Courtney R. Avery
Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

Re: University of Chicago Medical Center Permit Application – Assurance of Occupancy

Dear Ms. Avery:

This letter attests to the fact that if this Project is approved by the Illinois Health Facilities and Services Review Board, The University of Chicago Medical Center understands that it is expected to achieve and maintain the occupancy specified in §1110.234(e)(l) by the second year of operation after project completion. The University of Chicago Medical Center reasonably expects to meet this occupancy.

Sharon O'Keefe
President

Notarization:
Subscribed and sworn to before me
This 8th day of February, 2016

Signature of Notary Public

Seal

"OFFICIAL SEAL"
CASSANDRA COLE
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 8/3/2017

ATTACHMENT 20

Section VII, Clinical Service Areas Other Than Categories of Service

Attachment 34

I. Section 1110.3030

Service	# Existing Key Rooms	# Proposed Key Rooms
Adult Emergency	36	41
Radiology	3	3
Bone Marrow Transplant	1	1
Cellular Therapy Facility	1	1

A. Background of Applicant

Please refer to documentation received for this criterion for Projects 14-013 and 14-023. Previously submitted to the Review Board. The information previously provided is correct and no changes have occurred regarding such information.

B. Necessary Expansion

1. Adult Emergency

(a) Problems with Existing Adult ED

1. Physical Deficiencies of Current Department

The existing Mitchell Adult ED was opened in 1983 with 18 adult stations. Of these, six were located in one room and divided by cubicle curtains. Three stations were added in 2004 by using support space such as supply rooms and staff support space. In 2005, an ambulance back-in area was filled in to permit an expansion to 30 stations and the public parking area was reduced substantially to create parking bays for six ambulances. In more recent years two areas in adjoining space to the west have allowed an increase to the present 36 stations. Existing area totals 16,891 dgsf, or 459 per station, which is half of the State standard and inadequate in many ways. The gradual addition of stations over three decades has helped serve visit growth, but has resulted in a floor plan that is a challenge to operate effectively.

During the 33 years in Mitchell, the station capacity was doubled but the construction had to take place while allowing the operation to continue. The various projects have resulted in the present layout in which there are three separate clinical zones. The main space is separated by fire doors with 14 stations on the north and 18 on the south. There are four stations to the west, behind two sets of doors. These three separate treatment zones are difficult to operate effectively, since attending physicians and the charge nurse who direct the physicians and nurses do not have visual contact between the zones. In well-designed space, these people could easily see where

additional help is needed very quickly. The nature of emergency services is that patients come unexpectedly, the atmosphere can be chaotic and staffing needs ever-changing, so it is important that there be a few key vantage points where oral and visual communication can happen readily to adjust to the changing needs.

Patients enter the ED through one doorway, mixing the most acute and emergent patients with the least urgent/ambulatory patients. Ideally there would be separate entrances depending on severity which would streamline how patients are handled and provide more privacy for patients and family members.

The existing waiting area is in an open area that can be very hectic. During the peak hours of the day, generally between 10:00 a.m. and 10:00 p.m., the waiting area fills up. If the treatment stations are full, patients and accompanying family and friends must wait in this public area. Efforts to improve operations and make the best use of the present facilities have been underway for the past several years, but there is a limit to how much can be done short of addressing the physical facility itself.

As more treatment stations have been added over the years, one way to gain space has been to reduce support space. Thus, storage for supplies and equipment has been sacrificed. As a result, more time is spent resupplying from farther away. The lack of storage space also hampers some steps to streamline operations. For example, point-of-care lab testing could be instituted, but this requires storage space for the supplies and counter space for the instruments. So instead, specimens continue to be collected and sent to the central lab, which adds to processing time.

There are two pneumatic tube stations for transport of lab specimens and medications. Because the clinical area is broken up, these stations are not always convenient to the staff. The tendency is for a staff member to accumulate several orders before taking them to the nearest tube station, to make the best use of their time. But this comes at the expense of quicker handling of the patients. When orders arrive at the tube stations, the staff may not be located where they can see that something has arrived. Again, this contributes to longer wait times for the patients than if the tube stations were more conveniently located.

The majority of treatment stations are separated only by cubicle curtains. A few treatment rooms have pull curtains across the entrance and walls on the other sides. These arrangements result in a lack of privacy and inadequate noise control.

2. Insufficient Treatment Capacity

With 36 stations and visits in the 12 months ending October 31st of 52,322 in 2014 and 57,207 in 2015, UCMC averaged 1,521 visits per station per year. This is less than the State standard of 2,000. However, the State standard does not take into account the peak activity periods that are important to facility operation. Peak periods are between 10:00 a.m. and 10:00 p.m. each day. A recent one month survey showed that the number of patients in the ED during this period ranged

from 43.8 to 75.7, indicating that the 36 stations were insufficient to accommodate this busy half of the day.

Treatment capacity has many determinants, both physical in terms of number of stations, effectiveness of the floor plan, and adequacy of storage, to name a few, but also operational factors. Are staffing levels adequate? Is the staff working at high levels of productivity? Are support departments such as laboratory, imaging, and environmental services handling the ED's work responsively? It is acknowledged that the length of time ED patients spend in the department are higher than benchmarks for well-run academic medical center EDs. For 2013, ambulatory patients who were discharged from the ED averaged seven hours in the ED. The goal is to lower this period of time to 4.5 hours, the benchmark for academic medical centers. For 2013, patients admitted to an inpatient service from the ED spent 13.2 hours in the ED before being admitted. The benchmark is eight hours. In 2013, concerted efforts were begun to improve operations and reduce these lengths of stay. Good progress has been made in the past year, reducing discharged ED patients stay time to 5.6 hours through July 2015, a 20 percent improvement. For patients admitted, the length of time before admission was reduced to 10.4 hours from 13.2, a 21 percent gain. One factor that was crucial in this improvement was an increase of 38 med/surg beds approved by the Review Board in August 2013. If the Review Board approves this Project, the new facility will help reduce patient waiting time. But UCMC will also continue to pursue operating improvements and expects to reach the benchmarks by the time the new ED opens.

The proposed new ED will increase stations from 36 to 41. The additional stations are needed to handle continued growth in ED visits. Since 2009, visits have grown from 39,178 to 57,207 in 2015 (year ending July 31st). This is an average annual increase of 6.51 percent. This rate of growth is forecast to continue over the next six years, reaching 83,520 in 2021. With the plan to serve Level 1 Trauma patients, it is estimated that this will add 2,700 visits per year. Assuming UCMC is able to receive all required approvals to be designated for Level 1 Trauma service, this increase could begin earlier depending on when all approvals are granted. But for this application, the increase is assumed to begin for the year beginning November 1, 2018. UCMC would reach the utilization to justify 41 stations by 2020.

3. Relocation of Majority of Adult Services to CCD Negatively Impacts ED

The relocation of the majority of adult patient units to the new CCD makes the present location of the Adult ED problematic. The Operating Rooms, Interventional Radiology, Cardiac Catheterization Labs, Electrophysiology Labs, and GI Procedure Area are located in the CCD. Transport time ranges from 12 to 15 minutes and necessitates two elevator rides and several blocks in distance. Because 23 percent of the patients seen in the Adult ED are admitted to an inpatient unit, these transports happen frequently. The time spent by physicians, nurses, and technicians accompanying the patient along with multiple items of equipment to support the patient is costly and reduces treatment capacity. There is also the problem of physicians

primarily working in the CCD traveling to see patients in the Adult ED. UCMC is a Comprehensive Stroke Center. Because UCMC's Stroke Team works in the CCD Neurology patient unit, they must quickly come to the ED when a patient suffering from a stroke arrives. Time is of the essence in minimizing damage and achieving the best outcomes. Assuming Level 1 Trauma service is approved for UCMC, the present Adult ED location is also not optimal, given the added distance to the CCD's ORs. The proposed new ED site is much better, attached by a bridge and tunnel directly to the CCD.

4. Parking is Problematic

The existing Adult ED is located in the heart of the UCMC's medical center campus. During the daytime, street parking is extremely tight within a three block radius for people who drop off a patient at the ED. The logistics can also be complicated and trying when the patient needs the help and emotional support of the person who drove them to the ED.

(b) New ED Will Address Facility Deficiencies and Expansion Needs

1. Patient Transport Time for Inpatient Services Will be Reduced by Half

With the opening of the 13-story CCD nearly three years ago, many vital inpatient services that were located in Mitchell are now a 12 to 15 minute, two elevator trip from the Adult ED. The lengthy transport time to such services as Operating Rooms, GI Procedures, Interventional Radiology, Cardiac Catheterization Labs, ICU's and acute care beds, and notably the Neurological Unit for stroke victims is a primary driver for this Project, equal in importance to the insufficiency of the current space. It is expected that transport time to CCD services will be reduced to six to seven minutes from the new location. The new parking garage on 57th street was completed in May 2015. There will be a dedicated elevator to take patients from the ground level Adult ED to the 2nd floor bridge into the CCD. They would then travel to the restricted patient elevators to the 5th and 6th floors for invasive procedures or the inpatient units on the other five clinical floors.

The transport time for the patients is one factor, but the separation from key physicians and caregivers now working in the CCD is also a concern. For example, as a comprehensive stroke center, UCMC's Stroke Team must travel from the CCD and for these patients time is of the essence to minimize the effect of a stroke. As the remaining ICU beds in Mitchell and most of the medical/surgical beds are moved to the vacant 3rd and 4th floors of the CCD in the next several years, it becomes imperative for the Adult ED to be relocated to minimize the distance from the CCD.

2. New Location is Better for Vehicular Access

The proposed new ED location will be in a parking garage recently completed in May 2015. It is across 57th Street to the north of the CCD and will be connected by tunnel and a 2nd floor bridge.

This is a better location for a busy Adult ED. Currently patients arriving by ambulance or a personal vehicle must drive two blocks into the heart of the busy center of UCMC's clinical campus. Parking is very tight. The new location is directly off Cottage Grove Avenue, a major arterial route, which is the western boundary of the medical center campus. Obviously, parking arrangements for persons arriving by private vehicle will be improved since the ED will be located inside a large parking garage.

(3) New Ambulance Drop-Off is Superior for Infection and Biohazard Containment

Ambulances can pull into a driveway into the structure and unload the patient. There are doors that can be opened automatically as the ambulance approaches. This covered and contained approach is a design improvement over the current outdoor ambulance bay arrangement with increased concern about infectious disease, such as Ebola virus disease. If a suspected highly contagious patient is brought in by ambulance, the doors can be closed and the area sealed for disinfecting. There would also be a better arrangement for biohazard containment. Currently this function is located in a trailer situated in the Adult ED parking lot. In the new ED, these functions would be inside the drop-off area. Again, because the two large doors to the drop-off area can be closed, the area can be sealed off for quick decontamination.

The ambulance entrance is just off the drop-off area on the west side. Within 50 feet of the ambulance entrance is an isolation room for the patient, which minimizes exposure to the majority of the ED space. On the east side, off of Maryland Avenue is the drop off for private vehicles, with an entrance into the reception/waiting area. No more than 15 feet from this area is another isolation room, again minimizing contact with a possibly infectious patient.

(4) Public Area is More Accommodating

The public waiting area has 46 seats for friends and family, with the expectation that except in very busy moments the patients will be in treatment rooms, imaging, or a 12-spot Internal Disposition Area for low acuity patients. Just off the public waiting area will be a family room to serve multiple family members in a more private setting. Public restrooms and a vending area complete the reception area.

(5) Treatment of Lower Acuity Patients is Streamlined

The Rapid Assessment Unit is served by seven treatment rooms and a 12 seat Internal Disposition area for patients needing minor treatment just prior to release, for example nebulizer treatment for a patient suffering an asthma attack. To streamline the operation, the less acute patients will be seen in this Rapid Assessment Unit adjacent to the public entrance where such patients are most likely to arrive. Consolidating these low acuity patients helps rationalize staffing.

(6) Treatment Rooms for Emergent Patients More Numerous and Specialized

The more emergent patients will be served by the 41 treatment rooms. The majority of these rooms range from 140 to 167 net square feet (nsf) and will be universal rooms. That is, all having the same layout, supply arrangements, exam table, etc. so that all caregivers will be familiar with each room. There will be two large exam rooms of 249 nsf each for cases when many physicians, nurses, and technicians might need to be involved with the patient. There will be one bariatric room for extremely large-sized patients and a bariatric bathroom. As mentioned earlier, there will be two isolation rooms for infectious patients.

(7) Separated Psychiatric Treatment Area

In a separate area in the center of the floor, closed off from the main clinical area are four psychiatric treatment rooms. Patients needing psychiatric attention can be a challenge for emergency departments, particularly for hospitals such as UCMC that do not operate inpatient psychiatric beds. The patient can be stabilized to the extent possible, but arranging for him to be transported to a hospital with an open psychiatric bed can take considerable time to accomplish. Often these patients are disruptive, so having this cordoned off area will cause less disruption to the rest of the department rather than caring these patients among the general patient population. An attendant is stationed within this designated area and the patients are confined to the treatment rooms. The entry doors to this psychiatric sub-area will have controlled access. While this specialized area can result in less than optimal utilization of the rooms, it is important to make these special provisions for psychiatric patients.

(8) Team Work Stations Ideally Situated

The majority of the treatment rooms are served by three Team Stations, where physicians and nurses share work space. It is important to locate them together to help communication. The treatment rooms are on either side of the Team Stations so caregivers can have good visual and oral communication to these rooms and readily see where assistance is needed. The Charge Nurse station is located so that there are direct sightlines to 30 of the ED's treatment rooms. Again, this is of critical importance to quickly ascertain where help is needed during the free flowing and often hectic activity that occurs in a busy ED.

(9) Support Areas Are Sufficient

Support areas include storage rooms for supplies and equipment, storage alcoves for smaller, portable devices such as EKG machines, medication rooms with dispensing machines, clean and soiled utility rooms, a staff conference room, an EMS radio room, administrative offices located just outside the main department and a break room and small locker room. This will remedy the inadequacies of support space in the current ED.

(10) Radiology

The present ED is well located by being adjacent to the inpatient Radiology area. Patients needing to be imaged can be transported there quickly, however they must be worked into the inpatient Radiology schedule which adds to waiting time. The busiest time of the day for the ED is 10:00 a.m. to 10:00 p.m. and much of the time that Radiology is busy is the prime work hours of 8:00 a.m. to 5:00 p.m. Because the location of the new ED would be a six to seven minute trip from radiology facilities in the CCD and because there is sufficient volume in the ED to support dedicated imaging services, it was decided to locate two radiographic rooms and one CT room in the ED itself. Corresponding rooms in Mitchell Radiology would be discontinued, so there would be no change in room counts. Transport time within the ED should be no more than one or two minutes.

II. Utilization of Service or Facility

A. Adult Emergency

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION (VISITS)	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
	Adult ED			2000/station	
2009		39,178			
2010		42,738			
2011		46,422			
2012		46,644			
2013	36 stations	48,457			
2014	36 stations	52,322			No
2015	36 stations	57,207			No
2016	36 stations		60,931		
2017	36 stations		64,898		
2018	41 stations		69,123		
2019	41 stations		76,323		
2020	41 stations		81,115		Yes
2021	41 stations		86,220		Yes

Note: Year end 10/31

1. Thirty One Year Effort to Increase ED Capacity

The current ED was opened in 1983 as part of the construction of Mitchell. Initially there were 18 stations, six of which were located in a single large room and cordoned off by cubicle curtains. In subsequent years, three stations were added by sacrificing support space such as supply storage and the break room. The space was slightly expanded in 2005, filling in the ambulance pull-in area and using the former patient parking lot for five ambulance bays. This captured area allowed the increase to 30 stations. In 2012, some space from the adjacent Radiology department was used to expand to the present 36 stations. This gradual growth over the past 32 years has expanded capacity, but has done so at a cost to the original efficient layout. The main area housing 32 stations is bifurcated by a set of fire doors, which must be closed at all times. There is an area to the west, separated by a public corridor that houses four treatment stations. This creates operating difficulties since the caregivers cannot see from one of the three separated areas to the next so the free flow of staff to areas where they are most needed is difficult and communication is limited.

2. Six Year Growth of 6.51% Per Year

Despite the shortcomings of the present ED space, it has been able to accommodate an increasing number of visits. As indicated in the chart above and also in the table later in this section entitled Adult Emergency Visit Forecast, visits have increased steadily from 39,178 in 2009 to 57,207 in 2015. This is an average annual rate of increase of 6.51 percent. This factor has been used to project future visits over the next six years, reaching 83,520 in 2021. Should UCMC be designated as a Level 1 Trauma Center, it is estimated that there would be an additional 2,700 annual visits, shown in this application as beginning in 2019. By 2020, visits totaling 81,115 are expected and would justify the 41 stations proposed at 2,000 annual visits per station. Because Level 1 Trauma designation is being sought, it is uncertain how quickly that process will occur. Beside the regional process and ultimate certification by IDPH, the new facility must be completed and the specialty physicians and nurses recruited. Most likely it could be opened in 2018 and by 2020 after the first two years of operation the number of visits per station would justify the 41 stations planned.

3. Additional Inpatient Beds Support Visit Growth

In August 2013 the Review Board approved the addition of 38 medical/surgical beds. One argument for the bed increase was that a shortage of beds was causing backups in the ED which frequently necessitated diversion of ambulances. Between 2011 and 2013, annual diversion hours averaged 1,720. Once the additional beds were opened this was reduced to 547 hours, a 68 percent improvement. At one point in the spring of 2014 there were nearly three consecutive months with no ambulance diversion. The Review Board's support of the bed addition was crucial to this achievement. However, with these new beds now filled and Adult ED visits continuing to grow, the first seven months of 2015 has seen diversion hours increase at a rate that will total 1,032 for the year. More beds are needed.

4. Reduced Waiting Time Will Eliminate LWBS

There are initiatives to further reduce bottlenecks and subsequently waiting time in the ED. In 2013, the average time a patient who would be discharged from the ED spent at UCMC was seven hours. The goal is to reduce this to 4.5 hours, a benchmark for well-run academic medical center EDs. In 2015, the seven hours was reduced to 5.6 hours, so progress is being made. For patients who are ultimately admitted from the ED to an inpatient bed, the length of time in the ED averaged 13.2 hours in 2013. In 2015 this was improved to 10.4 hours, with an eventual goal of eight hours. Again, this is a benchmark of good performance that is a goal to be reached in the next several years as the ED moves into new and better space.

The new facility in many ways will enable this to happen, but operations can also be improved

and this is continuing to be addressed. This includes establishing up-to-date treatment protocols both for nurses and physicians that are evidence-based to result in better patient outcomes. This will streamline patient treatment and make sure every caregiver is following rigorous methods that have been proven to improve quality and reduce errors and cost. The approach to cleaning rooms after each use is being studied. Envisioned is a timing system to record how long it takes the cleaning staff to reach a just-vacated room, how long it takes to finish the cleaning, and then how long until a nurse places a new patient in the cleaned room. Currently being explored is bringing the patient to a treatment room upon arrival, to be visited by a nurse to triage the patient and a clerk to register the patient. The expectation is that this will reduce waiting time.

B. Radiology

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION (EXAM)	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
	Radiology				
	Radiographic			8,000/unit	
2013	20 units	114,111			No
2014	20 units	120,333			No
2015	20 units		129,382		
2016	20 units		133,092		
2017	20 units		137,136		
2018	20 units		141,288		
2019	20 units		147,856		
2020	20 units		152,162		Yes
2021	20 units		157,398		Yes
	CT			7,000/unit	
2013	8 units	49,760			Yes
2014	8 units	51,032			
2015	8 units		52,752		
2016	8 units		53,931		
2017	8 units		55,231		
2018	8 units		56,528		
2019	8 units		59,121		
2020	8 units		60,390		Yes
2021	8 units		62,143		Yes

Note: Year end 7/31

1. Dedicated Imaging Facilities Within Proposed ED

Located in the proposed new ED will be two radiographic imaging rooms and one CT room. The current ED is adjacent to Radiology facilities in Mitchell so patients can be quickly transported for imaging. The new location will be on the ground floor of a parking garage currently under construction to the north of the nearly three year-old CCD. While this location is advantageous in that the ED patients will be twice as close to the critical services in the CCD, the imaging services will no longer be as conveniently located as at present. It was therefore decided to build and equip imaging rooms dedicated to the new ED within the space. The advantage is one of safety from transports minimized and quick turnaround of imaging studies. However, this also contributes to lower efficiency in how imaging services can be provided.

2. Maximizing Imaging Efficiency Versus Convenience and Safety

Hypothetically, to maximize the use of imaging assets, they would be placed in one central location for maximum use. The downside is that UCMC, along with most other large medical centers, serve patients in multiple buildings, so the patients would be inconvenienced by having to walk or be transported to a central imaging center. Specifically for UCMC, the patients are in Mitchell, Gilman-Smith Hospital, Duchossois Center for Advanced Medicine, Comer Children's Hospital, Comer Center for Pediatric and Specialty Care, and the CCD. To reduce waiting times and the inconvenience, to say nothing of the risks of lengthy transports over the long distances between these buildings and imaging facilities, most of these buildings have imaging services located within them. In some cases, particularly departments that use imaging frequently, such as Orthopedics, Surgery, and Women's Care, the imaging equipment is within the department. This factor and the many clinical buildings mean that imaging equipment is less intensively used. This is a trade-off between efficient operations and convenience, privacy, and safety for the patients.

3. General Radiology

General Radiology operates 20 rooms presently and does not meet the State's historic use rate standard of 8,000 procedures per room per year. The standard will, however, be met in 2020 and 2021. For this Project patients in the new ED can be quickly and safely taken to a dedicated imaging area within the department for fast service and reduced waiting time.

4. CT

Owing to their large size and high cost, CT scanners are less dispersed, presently located in four buildings and more concentrated within those buildings. Consequently, the State standard of 7,000 exams per room per year is met both historically, using the CON convention of rounding up to the next highest integer, as well based on projections through 2021.

C. Cancer Ancillary Departments

1. Bone Marrow Transplant

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION (Transplants)	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
	BMT*			NA	
2010		123			
2011		122			
2012		118			
2013		142			
2014		171			NA
2015	3 stations	187			NA
2016	3 stations		212		
2017	3 stations		241		
2018	3 stations		273		
2019	3 stations		310		
2020	3 stations		352		NA
2021	3 stations		400		NA

Note: Year end 7/31

* Bone marrow transplant

Since 2010, Bone Marrow transplants have increased from 123 to 187 in 2015, a rate of increase averaging 8.9 percent per year. However the growth rate between 2012 and 2015 has been much greater, at 16.8 percent per year. UCMC has recruited new researchers and clinicians and expects continued growth at approximately the midpoint of these two rates, 13.5 percent per year. New therapies are being studied and therapies that are personalized to the individual patient are being realized. This approach shows promise of targeting more specifically the patient's disease and is likely to support more effective treatments and further growth in this area.

By 2021, it is expected that outpatients will constitute 20 percent of the 400 cases, or 80 cases. A typical treatment regimen is three weeks and eight hours a day. Eighty patients would require 13,440 hours of station time, which, at an 80 percent use rate and assuming the facility is available 12 hours a day and 365 days per year, results in a need for 3.8 stations, rounded up to four. (The calculation is 80 x 3 weeks x 8 hrs per session at 80% use rate = 16,800 hours. 16,800 hours x 365 days x 12 hours a day = 3.8 stations needed at 80%.) UCMC is planning four treatment stations.

Also planned are two triage rooms in the BMT space. These would be a convenience to cancer patients who are discharged or are receiving outpatient care. If they are experiencing problems, they would come to this area to be checked by the specialty cancer nurses there, perhaps to be administered IV fluids, perhaps IV antibiotics, depending on their needs. This convenient setting with expert clinicians is far better than the patient waiting in the ED or trying to be seen in heavily scheduled outpatient clinics. The ready access to this care should reduce readmission rates if problems can be addressed earlier and faster. Of the 400 annual patients expected by 2021, it was assumed 80 percent would be inpatients and 20 percent outpatients. The inpatients are assumed to average two visits each and the outpatients five visits each, producing a total of 1,040 visits. While one triage station might be sufficient to handle this number, it is preferable to have two so that there is limited waiting if several patients come at once.

2. Cellular Therapy Facility

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION Lab Procedures	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
	Cell Facility*			NA	
2009		635			
2010		560			
2011		629			
2012		542			
2013		650			
2014		801			NA
2015	1	920			NA
2016	1		979		
2017	1		1,042		
2018	1		1,108		
2019	1		1,179		
2020	1		1,255		NA
2021	1		1,335		NA

Note: Year end 6/30

* Cellular Therapy Facility

Based on consultation with experts at other cell processing facilities and the experience over the years at UCMC, the growing workload and need for strict environmental conditions and scrupulous cleanliness in the manufacturing process, it was concluded that a larger area was needed to safely and effectively produce the products used in stem cell transplant. The current facility is 1,591 bgsf and is insufficient for current needs. Moreover, continued growth in workload at the 6.4 percent annual increase seen since 2009 will necessitate much more

production capability. The proposed 5,276 bgsf facility should be adequate to handle the 400 expected transplants in 2021 and the 1,335 facility procedures that will support the transplants.

Section VIII, Availability of Funds

Attachment 36

Section 1120.120, Availability of Funds

UCMC's financial statements for the years June 30, 2013, 2014 and 2015 are attached. UCMC's most recent bond ratings from Standard and Poor's (AA-) Moody's Investor Services (Aa3) are also attached.

a) **Cash and Securities**

The Cash and Securities part of the financing plan would total $73 million. As of June 30, 2015, Cash and Cash Equivalents as reported in our audited financial statements totaled $164 million. Unrestricted Endowments that can be converted easily to this portion of the financing totaled $988 million. In the last four fiscal years the Excess of Revenue Over Expenses has ranged from $110 million to $171 million and averaged $141 million per year. Given these current assets and earnings history, UCMC is confident that it can provide the $73 million equity portion of the financing of this project.

b) **Debt**

The Debt part of the financing plan assumes $200 million in tax-exempt bonds issued under the authority of the Illinois Finance Authority. UCMC and The University of Chicago have a long history of successful borrowings. UCMC is currently rated AA - by Standard & Poor's Ratings Services and Aa3 by Moody's Investors Service. Melio & Company, UCMC's financial advisor, discusses the feasibility of this borrowing in the attached letter and presents various tables showing assumed interest rates (4.76% average coupon), annual debt service, net interest cost during construction, and issuance expense.

STANDARD & POOR'S
RATINGS SERVICES
McGRAW HILL FINANCIAL

130 East Randolph Street
Suite 2900
Chicago, IL 60601
tel 312-233-7009
reference no. 765769

May 3, 2015

The University of Chicago Medical Center
5841 South Maryland Avenue
MC 1111 Room M-117
Chicago, IL 60637--1470
Attention: Mr. Kenneth Sharigian, Executive Vice President/CFO

Re: ***Illinois Finance Authority, Hospital Variable Rate Demand Bonds (University of Chicago Medical Center) Series 2009D1-2 and 2009E-2***

Dear Mr. Sharigian:

Standard & Poor's Ratings Services ("Ratings Services") hereby affirms its rating of "AA-" for the underlying rating (SPUR) on the above-listed obligations and stable outlook. A copy of the rationale supporting the rating and outlook is enclosed.

This letter constitutes Ratings Services' permission for you to disseminate the above rating to interested parties in accordance with applicable laws and regulations. However, permission for such dissemination (other than to professional advisors bound by appropriate confidentiality arrangements) will become effective only after we have released the rating on standardandpoors.com. Any dissemination on any Website by you or your agents shall include the full analysis for the rating, including any updates, where applicable.

To maintain the rating, Standard & Poor's must receive all relevant financial and other information, including notice of material changes to financial and other information provided to us and in relevant documents, as soon as such information is available. Relevant financial and other information includes, but is not limited to, information about direct bank loans and debt and debt-like instruments issued to, or entered into with, financial institutions, insurance companies and/or other entities, whether or not disclosure of such information would be required under S.E.C. Rule 15c2-12. You understand that Ratings Services relies on you and your agents and advisors for the accuracy, timeliness and completeness of the information submitted in connection with the rating and the continued flow of material information as part of the surveillance process. Please send all information via electronic delivery to pubfin_statelocalgovt@standardandpoors.com. If SEC rule 17g-5 is applicable, you may post such information on the appropriate website. For any information not available in electronic format or posted on the applicable website,

Please send hard copies to:
Standard & Poor's Ratings Services
Public Finance Department
55 Water Street

New York, NY 10041-0003

The rating is subject to the Terms and Conditions, if any, attached to the Engagement Letter applicable to the rating. In the absence of such Engagement Letter and Terms and Conditions, the rating is subject to the attached Terms and Conditions. The applicable Terms and Conditions are incorporated herein by reference.

Ratings Services is pleased to have the opportunity to provide its rating opinion. For more information please visit our website at www.standardandpoors.com. If you have any questions, please contact us. Thank you for choosing Ratings Services.

Sincerely yours,

Standard & Poor's Ratings Services

th
enclosure
cc: Ms. Ann M. McColgan, Treasurer
University of Chicago Medical Center

MOODY'S
INVESTORS SERVICE

7 World Trade Center
250 Greenwich Street
New York, NY 10007
www.moodys.com

November 12, 2015

Mr. James Watson
Chief Financial Officer
The University of Chicago Medical Center
5841 S. Maryland Avenue
Chicago, IL 60637

Dear Mr. Watson:

We wish to inform you that on November 12, 2015, Moody's Investors Service reviewed and affirmed The University of Chicago Medical Center's Aa3 rating. The outstanding rated debt is issued through the Illinois Finance Authority. The rating outlook is revised to stable from negative.

Credit ratings issued by Moody's Investors Service, Inc. and its affiliates ("Moody's") are Moody's current opinions of the relative future credit risk of entities, credit commitments, or debt or debt-like securities and are not statements of current or historical fact. Moody's credit ratings address credit risk only and do not address any other risk, including but not limited to: liquidity risk, market value risk, or price volatility.

This letter uses capitalized terms and rating symbols that are defined or referenced either in *Moody's Definitions and Symbols Guide* or *MIS Code of Professional Conduct* as of the date of this letter, both published on www.moodys.com. The Credit Ratings will be publicly disseminated by Moody's through normal print and electronic media as well as in response to verbal requests to Moody's Rating Desk. Moody's related research and analyses will also be published on www.moodys.com and may be further distributed as otherwise agreed in writing with us.

Moody's Credit Ratings or any corresponding outlook, if assigned, will be subject to revision, suspension or withdrawal, or may be placed on review, by Moody's at any time, without notice, in the sole discretion of Moody's. For the most current Credit Rating, please visit www.moodys.com.
Moody's has not consented and will not consent to being named as an expert under applicable securities laws, such as section 7 of the Securities Act of 1933. The assignment of a rating does not create a fiduciary relationship between Moody's and you or between Moody's and other recipients of a Credit Rating. Moody's Credit Ratings are not and do not provide investment advice or recommendations to purchase, sell or hold particular securities. Moody's issues Credit Ratings with the expectation and understanding that each investor will make its own evaluation of each security that is under consideration for purchase, sale or holding.

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information supplied by you or on your behalf to Moody's. Moody's expects that you will, and is relying upon you to, on an ongoing basis, promptly provide Moody's with all information necessary in order for Moody's to accurately and timely monitor the Credit Ratings, including current financial and statistical information.

Under no circumstances shall Moody's have any liability (whether in contract, tort or otherwise) to any person or entity for any loss, injury or damage or cost caused by, resulting from, or relating to, in whole or in part, directly or indirectly, any action or error (negligent or otherwise) on the part of, or other circumstance or contingency within or outside the control of, Moody's or any of its or its affiliates' directors, officers, employees or agents in connection with the Credit Ratings. **ALL INFORMATION, INCLUDING THE CREDIT RATING, ANY FEEDBACK OR OTHER COMMUNICATION RELATING THERETO IS PROVIDED "AS IS" WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND. MOODY'S MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY SUCH INFORMATION.**

Any non-public information discussed with or revealed to you must be kept confidential and only disclosed either (i) to your legal counsel acting in their capacity as such; (ii) to your other authorized agents acting in their capacity as such with a need to know that have entered into non-disclosure agreements with Moody's in the form provided by Moody's and (iii) as required by applicable law or regulation. You agree to cause your employees, affiliates, agents and advisors to keep non-public information confidential.
If there is a conflict between the terms of this rating letter and any related Moody's rating application, the terms of the executed rating application will govern and supercede this rating letter.

Should you have any questions regarding the above, please do not hesitate to contact me.

Sincerely,

Mark Pascaris

Mark Pascaris
Vice President/Senior Analyst
Phone: 312-706-9963
Fax: 212-298-6377
Email: mark.pascaris@moodys.com

MP:rl

The University of Chicago Medical Center

Financial Statements
June 30, 2014 and 2013

ATTACHMENT 36

The University of Chicago Medical Center
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June 30, 2014 and 2013

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ATTACHMENT 36

pwc

Independent Auditor's Report

To the Board of Trustees of
The University of Chicago Medical Center:

We have audited the accompanying financial statements of The University of Chicago Medical Center, which comprise the [consolidated] balance sheets as of June 30, 2014 and 2013, and the related statements of operations, of changes in net assets, and cash flows for the years then ended.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The University of Chicago Medical Center at June 30, 2014 and 2013, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

PricewaterhouseCoopers LLP

October 15, 2014

PricewaterhouseCoopers LLP, One North Wacker, Chicago, IL 60606
T: (312) 298 2000, F: (312) 298 2001, www.pwc.com/us

ATTACHMENT 36

The University of Chicago Medical Center
Balance Sheets
June 30, 2014 and 2013
(in thousands of dollars)

	2014	2013
Assets		
Current assets		
Cash and cash equivalents	$ 79,698	$ 164,504
Patient accounts receivable, less allowance for doubtful accounts for 2014 - $41,874 and 2013 - $29,612	184,765	204,279
Current portion of investments limited to use	11	11
Current portion of malpractice self-insurance receivable	19,305	22,502
Current portion of pledges receivable	2,598	2,243
Prepaids, inventory and other current assets	34,176	35,176
Total current assets	320,553	428,715
Investments limited to use, less current portion	1,021,660	797,305
Property, plant and equipment, net	1,199,907	1,189,623
Pledges receivable, less current portion	1,893	2,465
Malpractice self-insurance receivable, less current portion	96,134	98,821
Other assets, net	16,895	15,722
Total assets	$ 2,657,042	$ 2,532,651
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued expenses	$ 115,093	$ 131,206
Current portion of long-term debt	10,050	10,385
Current portion of other long-term liabilities	311	2,033
Current portion of estimated third-party payor settlements	89,805	51,836
Current portion of malpractice self-insurance liability	19,305	22,502
Due to University of Chicago	15,761	14,799
Total current liabilities	250,325	232,761
Other liabilities		
Worker's compensation self-insurance liabilities, less current portion	8,241	9,528
Malpractice self-insurance liability, less current portion	96,134	98,821
Long-term debt, less current portion	831,035	820,341
Interest rate swap liability	95,810	88,769
Other long-term liabilities, less current portion	33,595	44,741
Total liabilities	1,315,140	1,294,961
Net assets		
Unrestricted	1,245,856	1,149,627
Temporarily restricted	87,954	81,971
Permanently restricted	8,092	6,092
Total net assets	1,341,902	1,237,690
Total liabilities and net assets	$ 2,657,042	$ 2,532,651

The accompanying notes are an integral part of these financial statements.

ATTACHMENT 36

The University of Chicago Medical Center
Statements of Operations
Years Ended June 30, 2014 and 2013
(in thousands of dollars)

	2014	2013
Operating revenues		
Net patient service revenue	$ 1,409,095	$ 1,303,787
Provision for doubtful accounts	55,169	47,812
Net patient service revenue after provision for doubtful accounts	1,353,926	1,255,975
Other operating revenues and net assets released from restrictions	93,577	81,184
Total operating revenues	1,447,503	1,337,159
Operating expenses		
Salaries, wages and benefits	627,588	595,968
Supplies and other	367,633	332,707
Physician services from the University of Chicago	204,586	191,862
Insurance	15,345	18,382
Interest	33,354	19,883
Medicaid provider tax	46,071	26,691
Depreciation and amortization	83,563	70,466
Total operating expenses	1,378,140	1,255,959
Total operating income	69,363	81,200
Nonoperating gains		
Investment income and unrestricted gifts, net	101,159	57,137
Derivative ineffectiveness gain	535	2,993
Excess of revenues over expenses	171,057	141,330
Other changes in net assets		
Transfers to University of Chicago	(72,749)	(74,544)
Net assets released for capital purchases	2,462	14,277
Liability for pension benefits	1,337	3,878
Changes in valuation of derivatives	(5,914)	36,713
Other, net	36	56
Increase in unrestricted net assets	$ 96,229	$ 121,710

The accompanying notes are an integral part of these financial statements.

The University of Chicago Medical Center
Statements of Changes in Net Assets
Years Ended June 30, 2014 and 2013
(in thousands of dollars)

	2014	2013
Unrestricted net assets		
Excess of revenues over expenses	$ 171,057	$ 141,330
Transfers to University of Chicago	(72,749)	(74,544)
Net assets released for capital purchases	2,462	14,277
Liability for pension benefits	1,337	3,878
Changes in valuation of derivatives	(5,914)	36,713
Other, net	36	56
Increase in unrestricted net assets	96,229	121,710
Temporarily restricted net assets		
Contributions	4,007	3,137
Net assets released from restrictions used for operating purposes	(4,860)	(4,621)
Investment Income	9,298	4,604
Net assets released for capital purchases	(2,462)	(14,277)
Other	-	(2,217)
Increase (decrease) in temporarily restricted net assets	5,983	(13,374)
Permanently restricted net assets		
Contributions and other	2,000	-
Increase in net assets	104,212	108,336
Net assets at beginning of year	1,237,690	1,129,354
Net assets at end of year	$ 1,341,902	$ 1,237,690

The accompanying notes are an integral part of these financial statements.

ATTACHMENT 36

The University of Chicago Medical Center
Statements of Cash Flows
Years Ended June 30, 2014 and 2013
(in thousands of dollars)

	2014	2013
Cash flows from operating activities		
Increase in net assets	$ 104,212	$ 108,336
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Net change in unrealized gains on investments	(65,113)	(1,075)
Transfers to University of Chicago	72,749	74,544
Restricted contributions and other changes	(4,008)	(921)
Realized gains on investments	(45,346)	(60,665)
Net change in valuation of derivatives	7,041	(47,103)
Pension and other changes in unrestricted net assets	(36)	(3,934)
Loss on disposal of assets	1,071	935
Depreciation and amortization	83,170	70,329
Increase (decrease) in cash resulting from a change in		
Patient accounts receivable, net	19,514	4,727
Other assets	(862)	26,429
Accounts payable and accrued expenses	(10,582)	11,545
Due to the University of Chicago	962	(794)
Estimated settlements with third-party payors	39,859	24,504
Self-insurance liabilities	(1,287)	1,312
Other liabilities	(3,153)	11,061
Net cash provided from operating activities	198,191	219,230
Cash flows from investing activities		
Purchases of property, plant and equipment	(100,571)	(209,359)
Uses of construction/capitalized interest funds	19	14,730
Purchases of investments	(422,420)	(224,580)
Sales of investments	308,505	371,690
Net cash used in investing activities	(214,467)	(47,519)
Cash flows from financing activities		
Proceeds from issuance of long-term debt	24,020	686
Payments on long-term obligations	(24,026)	(14,343)
Transfers paid to the University of Chicago, net	(72,749)	(74,544)
Restricted contributions	4,225	6,646
Net cash used in financing activities	(68,530)	(81,555)
Net increase (decrease) in cash and cash equivalents	(84,806)	90,156
Cash and cash equivalents		
Beginning of year	164,504	74,348
End of year	$ 79,698	$ 164,504

The accompanying notes are an integral part of these financial statements.

ATTACHMENT 36

1. Organization and Basis of Presentation

The University of Chicago Medical Center ("UCMC" or the "Medical Center") is an Illinois not-for-profit corporation. UCMC operates the Center for Care and Discovery, the Bernard Mitchell Hospital, the Chicago Lying-In Hospital, the University of Chicago Comer Children's Hospital, the Duchossois Center for Advanced Medicine, and various other outpatient clinics and treatment areas.

The University of Chicago (the "University"), as the sole corporate member of UCMC, elects UCMC's Board of Trustees and approves its By-Laws. The UCMC President reports to the University's Executive Vice President for Medical Affairs. The relationship between UCMC and the University is defined in the Medical Center By-Laws, an Affiliation Agreement, an Operating Agreement, and several Leases. See Note 3 for agreements and transactions with the University.

UCMC is a tax-exempt organization under Section 501(c)3 of the Internal Revenue Code. Accordingly, no provision for income taxes related to these entities has been made.

2. Summary of Significant Accounting Policies

New Accounting Pronouncements

During 2013, the Medical Center adopted the provisions of Accounting Standards Update 2011-04, Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRS ("ASU 2011-04"), ASU 2011-04 requires entities to provide additional disclosures related to fair value measurements of assets and liabilities classified as level 3 within the fair value hierarchy. See Note 5 for related fair value disclosures.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The most significant estimates are made in the areas of patient accounts receivable, accruals for settlements with third-party payors, malpractice liability, fair value of investments, goodwill, and accrued compensation and benefits.

Community Benefits

UCMC's policy is to treat patients in immediate need of medical services without regard to their ability to pay for such services, including patients transferred from other hospitals under the provisions of the Emergency Medical Treatment and Active Labor Act (EMTALA). UCMC also accepts patients through the Perinatal and Pediatric Trauma Networks without regard to their ability to pay for services.

UCMC developed a Financial Assistance Policy (the "Policy") under which patients are offered discounts of up to 100% of charges on a sliding scale. The policy is based both on income as a percentage of the Federal Poverty Level guidelines and the charges for services rendered. The policy also contains provisions that are responsive to those patients subject to catastrophic healthcare expenses. Since UCMC does not pursue collection of these amounts, they are not reported as net patient service revenue. The cost of providing care under this policy, along with the unreimbursed cost of government sponsored indigent healthcare programs, unreimbursed cost to

support education, clinical research and other community programs for the years ended June 30, 2014 and 2013, are reported in Note 4.

Fair Value of Financial Instruments
Fair value is defined as the price that the Medical Center would receive upon selling an asset or pay to settle a liability in an orderly transaction between market participants.

The Medical Center uses a framework for measuring fair value that includes a hierarchy that categorizes and prioritizes the sources used to measure and disclose fair value. This hierarchy is broken down into three levels based on inputs that market participants would use in valuing the financial instruments based on market data obtained from sources independent of the Medical Center. Inputs refer broadly to the assumptions that market participants would use in pricing the asset, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset developed based on the best information available. The three tier hierarchy of inputs is summarized in the three broad levels as follows:

Level 1 – quoted market prices in active markets for identical investments.

Level 2 – inputs other than quoted prices for similar investments in active markets, quoted prices for identical or similar investments in markets that are not active, or inputs other than quoted prices that are observable including model-based valuation techniques.

Level 3 – valuation techniques that use significant inputs that are unobservable because they trade infrequently or not at all.

Cash and Cash Equivalents
Cash equivalents include U.S. Treasury notes, commercial paper, and corporate notes with original maturities of three months or less, except that such instruments purchased with endowment assets or funds on deposit with bond trustees are classified as investments. Cash equivalents are considered Level 1 in the fair value hierarchy.

Inventory
UCMC values inventories at the lower of cost or market, using the first-in first-out method.

Investments
Investments are recorded in the consolidated financial statements at estimated fair value. If an investment is held directly by the Medical Center and an active market with quoted prices exists, the market price of an identical security is used as reported fair value. Reported fair values for shares in mutual funds are based on share prices reported by the funds as of the last business day of the fiscal year. The Medical Center's interests in alternative investment funds such as private debt, private equity, real estate, natural resources, and absolute return are generally reported at the net asset value (NAV) reported by the fund managers, which is used as a practical expedient to estimate the fair value, unless it is probable that all or a portion of the investment will be sold for an amount different from NAV. As of June 30, 2014 and 2013, the Medical Center had no plans to sell investments at amounts different from NAV.

A summary of the inputs used in valuing the Medical Center's investments as of June 30, 2014 and 2013 is included in Note 5.

A significant portion of UCMC's investments are part of the University's Total Return Investment Pool (TRIP). UCMC accounts for its investments in TRIP based on its share of the underlying securities and records the investment activity as if UCMC owned the investments directly. The University does not engage directly in unhedged speculative investments; however, the Board of the University of Chicago has authorized the use of derivative investments to adjust market exposure within asset class ranges.

A summary of the inputs used in valuing the Medical Center's investments as of June 30, 2014 and 2013 is included in Note 5.

Endowment Funds with Deficits
From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the value of the initial and subsequent donor gift amounts (deficit). When donor endowment deficits exist, they are classified as a reduction of unrestricted net assets. As of June 30, 2014 and 2013, there were no endowments in a deficit position.

Investments Limited as to Use
Investments limited as to use primarily include assets held by trustees under debt and other agreements and designated assets set aside by the Board of Trustees for future capital improvements and other specific purposes, over which the Board retains control and may at their discretion subsequently use for other purposes.

Derivative Instruments
In August 2006, UCMC entered into a forward starting swap transaction against contemplated variable rate borrowing for the Center for Care and Discovery. This is a cash flow hedge against interest on the variable rate debt. The fair value of these swap agreements is the estimated amount that the Medical Center would have to pay or receive to terminate the agreements as of the consolidated balance sheet date, taking into account current interest rates and the current creditworthiness of the swap counterparty. The swap values are based on the London Interbank Rate ("LIBOR"). The inputs to the fair value estimate are considered Level 2 in the fair value hierarchy. The effective date of the swap was August 2011. In July 2011, UCMC novated the original swap agreement to divide the original notional amount in two equal parts between financial institutions. The fair value of the terminated portion of the hedge on the date of the novation was recorded in net assets in the amount of $35,123 and is being amortized into interest expense over the life of the related debt, commencing on February 23, 2013, the date the Center for Care and Discovery was placed into service. The new agreement is being accounted for as a hedge. The combined notional amount of the swap is $325,000 and the effective start date was August 2011. Management determined that the interest rate swaps are effective, and have qualified for hedge accounting. Management has recognized a net recovery of ineffectiveness of approximately $500 and $3,000 in 2014 and 2013. This movement reflects the spread between tax exempt interest rates and LIBOR during the period. The effective portion of these swaps is included in other changes in unrestricted net assets. The interest rate swaps terminate on February 1, 2044. Cash settlement payments related to the swaps for 2013 were $7,900. These payments were accumulated in net assets while the Center for Care and Discovery was under construction, and are being amortized into depreciation expense over the life of the building. Amortization

commenced on February 23, 2013, the date the Center for Care and Discovery was placed into service. Cash settlement payments after the Center for Care and Discovery was placed into service are recorded in interest expense. These payments were $4,300 and $12,400 for 2013 and 2014, respectively.

UCMC is required to provide collateral on one of the interest rate swap agreements when the liability of that swap exceeds $50,000. At June 30, 2014 and 2013 $0 was held as collateral. If UCMC's credit rating were to be downgraded one level; collateral would need to be provided under the swap with JP Morgan when the liability of that swap exceeds $40,000 and under the Wells Fargo swap when the liability of that swap exceeds $60,000. Upon further downgrade, the collateral requirements increase.

Property, Plant and Equipment
Property, plant and equipment are reported on the basis of cost less accumulated depreciation and amortization. Donated items are recorded at fair market value at the date of contribution. The carrying value of property, plant and equipment is reviewed if the facts and circumstances suggest that it may be impaired. Depreciation of property, plant and equipment is calculated by use of the straight-line method at rates intended to depreciate the cost of assets over their estimated useful lives, which generally range from three to eighty years. Interest costs incurred on borrowed funds during the period of construction of capital assets, net of any interest earned, are capitalized as a component of the cost of acquiring those assets. During 2013, UCMC evaluated the remaining useful lives of the buildings based on their condition by performing detailed assessments of the facilities and modifying estimated useful lives where appropriate to properly reflect the remaining useful lives of the facilities. Based on these changes, depreciation expense recorded was approximately $5,800 less in 2013 than if the estimated useful lives were not modified.

Asset Retirement Obligation
UCMC recognizes a liability for the fair value of a legal obligation to perform asset retirement activities that are conditional on a future event if the amount can be reasonably estimated. Upon recognition of a liability, the asset retirement cost is recorded as an increase in the carrying value of the related long-lived asset and then depreciated over the life of the asset. The UCMC asset retirement obligations arise primarily from regulations that specify how to dispose of asbestos if facilities are demolished or undergo major renovations or repairs. UCMC's obligation to remove asbestos was estimated using site-specific surveys where available and a per square foot estimate where surveys were unavailable. These inputs to the fair value estimate are considered Level 3 in the fair value hierarchy.

Pledges Receivable
Unconditional promises to give are recognized initially at fair value as private gift revenue in the period the promise is made by a donor. Fair value of the pledge is estimated based on anticipated future cash receipts (net of an allowance for uncollectible amounts), discounted using a risk-adjusted rate commensurate with the duration of the payment plan. These inputs to the fair value estimate are considered Level 3 in the fair value hierarchy. In subsequent periods, the discount rate is unchanged and the allowance for uncollectible amounts is reassessed and adjusted if necessary.

Other Assets and Liabilities
Other assets and liabilities, including deferred financing costs, which are amortized over the term of the related obligations, do not differ materially from their estimated fair value and are considered Level 1 in the fair value hierarchy

Net Assets
Permanently restricted net assets include the historical dollar amounts of gifts that are required by donors to be permanently retained. Temporarily restricted net assets include gifts, which can be expended but for which restrictions have not yet been met. Such restrictions include purpose restrictions where donors have specified the purpose for which the net assets are to be spent, or time restrictions imposed by donors or implied by the nature of the gift (such as pledges to be paid in the future) or by interpretations of law. Unrestricted net assets include all the remaining net assets of UCMC. See Note 15 for further information on the composition of restricted net assets.

Realized gains and losses are classified as changes in unrestricted net assets unless they are restricted by the donor or law.

Gifts and Grants
Unconditional promises to give assets other than cash to UCMC are reported at fair value at the date the promise is received. Conditional promises to give are recognized when the conditions are substantially met. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. Donor-restricted contributions whose restrictions are met within the same year received are reported as unrestricted gifts in the accompanying financial statements.

Gifts of cash or other assets that must be used to acquire long-lived assets are reported as additions to temporarily restricted net assets until the assets are placed into service.

Statement of Operations
All activities of UCMC deemed by management to be ongoing, major and central to the provision of healthcare services are reported as operating revenues and expenses. Activities deemed to be nonoperating include certain investment income (including realized gains and losses).

UCMC recognizes changes in accounting estimates related to third-party payor settlements as more experience is acquired. Adjustments to prior year estimates for these items resulted in an increase in net patient service revenues of $10,700 in 2014 and $3,700 in 2013.

In 2013, UCMC recognized a gain of $2,400 related to the unwinding of the Weiss Liquidation Trust and received $16,000 in cash from the liquidation.

In 2014, UCMC recognized a gain of $2.5 million from the sale of its investment in VHS Acquisition Subsidiary No. 3, Inc. and received $2.5 million in cash. The investment had been fully reserved at the time that it was acquired.

The statement of operations includes excess (deficit) of revenues over expenses. Changes in unrestricted net assets that are excluded from excess (deficit) of revenues over expenses include transfers to the University, contributions of long-lived assets released from restrictions (including assets acquired using contributions which by donor restriction were to be used for acquisition of UCMC assets), the effective portion of changes in the valuation of the interest rate swap, and pension benefit liabilities.

Net Patient Service Revenue, Accounts Receivable and Allowance for Doubtful Accounts
UCMC maintains agreements with the Social Security Administration under the Medicare Program, Blue Cross and Blue Shield of Illinois, Inc. (Blue Cross), and the State of Illinois under the Medicaid Program and various managed care payors that govern payment to UCMC for services rendered to

patients covered by these agreements. The agreements generally provide for per case or per diem rates or payments based on allowable costs, subject to certain limitations, for inpatient care and discounted charges or fee schedules for outpatient care.

Net patient service revenue is reported at estimated net realizable amounts from patients, third-party payors, and others for services rendered and include estimated retroactive revenue adjustments due to future audits, reviews, and investigations. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and UCMC estimates are adjusted in future periods as adjustments become known or as years are no longer subject to UCMC audits, reviews and investigations. Contracts, laws and regulations governing Medicare, Medicaid, and Blue Cross are complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. A portion of the accrual for settlements with third-party payors has been classified as long-term because UCMC estimates they will not be paid within one year.

The process for estimating the ultimate collectability of receivables involves significant assumptions and judgment. UCMC has implemented a standardized approach to this estimation based on the payor classification and age of outstanding receivables. Account balances are written off against the allowance when management feels it is probable the receivable will not be recovered. The use of historical collection experience is an integral part of the estimation of the reserve for doubtful accounts. Revisions in the reserve for doubtful accounts are recorded as adjustments to the provision for doubtful accounts.

Hospital Assessment Program/Medicaid Provider Tax
In December 2008, the State of Illinois, after receiving approval by the federal government, implemented a hospital assessment program. The program assessed hospitals a provider tax based on occupied bed days and provided increases in hospitals' Medicaid payments. In 2014, the federal government also approved the enhanced Medicaid Assessment Program retroactive to June 10, 2012. The program, including the enhanced assessment program, results in a net increase of $30,200 in income from operations, which represents $76,300 in additional Medicaid payments offset by $46,100 in Medicaid provider tax for 2014. For 2013, the assessment program resulted in a net increase of $28,300 in operating income, which represents $55,000 in additional Medicaid payments offset by $26,700 in Medicaid provider tax.

Subsequent Events
UCMC has performed an evaluation of subsequent events through October 15, 2014, which is that date the financial statements were issued, and none were identified.

3. Agreements and Transactions with the University

The Affiliation Agreement with the University provides, among other things, that all members of the medical staff will have academic appointments in the University. The Affiliation Agreement has an initial term of 40 years ending October 1, 2026 unless sooner terminated by mutual consent or as a result of a continuing breach of a material obligation therein or in the Operating Agreement. The Affiliation Agreement automatically renews for additional successive 10-year terms following expiration of the initial term, unless either party provides the other with at least two years' prior written notice of its election not to renew.

The Operating Agreement, as amended, provides, among other things, that the University gives UCMC the right to use and operate certain facilities. The Operating Agreement is coterminous with the Affiliation Agreement.

The Lease Agreements provide, among other things, that UCMC will lease from the University certain of the health care facilities and land that UCMC operates and occupies. The Lease Agreements are coterminous with the Affiliation Agreement.

UCMC purchases various services from the University, including certain employee benefits, utilities, security, telecommunications and insurance. In addition, certain UCMC accounting records are maintained by the University. During the years ended June 30, 2014 and 2013, the University charged UCMC approximately $31,100 and $25,200, respectively, for utilities, security, telecommunications, insurance and overhead.

The University's Division of Biological Sciences ("BSD") provides physician services to UCMC. In 2014 and 2013, UCMC recorded approximately $204,600 and $191,900, respectively, in expense related to these services.

UCMC's Board of Trustees adopted a plan of support under which it would provide annual net asset transfers to the University for support of academic programs in biology and medicine. All commitments under this plan are subject to the approval of UCMC's Board of Trustees and do not represent legally binding commitments until that approval. Unpaid portions of commitments approved by the UCMC Board of Trustees are reflected as current liabilities. UCMC recorded net asset transfers of $71,750 in 2014 and 2013 for this support.

4. Community Benefits

The unreimbursed cost of providing care under the Financial Assistance Policy, along with the unreimbursed cost of government sponsored indigent healthcare programs, unreimbursed cost to support education, clinical research and other community programs for the years ended June 30, 2014 and 2013, are as follows:

	Years Ended June 30, 2014	2013
Uncompensated care:		
Medicaid sponsored indigent healthcare	$ 55,371	$ 50,124
Medicare sponsored indigent healthcare - Cost Report	64,671	44,782
Medicare sponsored indigent healthcare - Physician Services	27,365	20,737
Total uncompensated care	147,407	115,643
Provision for doubtful accounts	13,591	12,297
Charity care	25,468	25,731
	186,466	153,671
Unreimbursed education and research:		
Education	78,823	78,917
Research	48,000	48,309
Total unreimbursed education and research	126,823	127,226
Total community benefits	$ 313,289	$ 280,897

The Medical Center determines the costs associated with providing charity care by aggregating the applicable direct and indirect costs, including salaries, wages, and benefits, supplies, and other operating expenses, based on data from its costing system to determine a cost-to-charge ratio. The cost to charge ratio is applied to the charity care charge to calculate the charity care amount reported above.

5. Investments Limited as to Use

The composition of investments limited as to use is as follows at June 30:

	2014				
	Endowments				
	Separately Invested	TRIP	Other	Total	2013
Investments carried at fair value:					
Cash Equivalents	$ 8,492	$ 18,900	$ 295	$ 27,687	$ 32,779
Global Public Equities	130,120	128,945	-	259,065	175,047
Private Debt	-	23,055	-	23,055	21,329
Private Equity					
U.S. Venture Capital	3,834	38,994	-	42,828	32,853
U.S. Corporate Finance	-	35,858	-	35,858	32,022
International	283	44,442	-	44,725	38,120
Real Assets					
Real Estate	-	59,020	-	59,020	56,978
Natural Resources	-	66,979	-	66,979	58,786
Absolute Return					
Equity Oriented	-	55,327	-	55,327	36,154
Global Macro/Relative Value	-	46,685	-	46,685	35,143
Multi-Strategy	-	60,708	-	60,708	50,457
Credit-Oriented	-	21,035	-	21,035	16,377
Protection-Oriented	-	12,287	-	12,287	11,227
Fixed Income					
U.S. Treasuries, including TIPS	77,600	49,502	-	127,102	104,869
Other Fixed Income	32,905	89,274	-	122,179	80,371
Funds in Trust	-	-	17,131	17,131	14,804
Total Investments	$ 253,234	$ 751,011	$ 17,426	$ 1,021,671	$ 797,316

Investments classified as other consist of construction and debt proceeds to pay interest, donor restricted, worker's compensation, self-insurance, and trustee-held funds. Investments are presented in the financial statements as follows:

	2014	2013
Current portion of investments limited to use	$ 11	$ 11
Investments limited to use, less current portion	1,021,660	797,305
Total investments limited to use	$ 1,021,671	$ 797,316

The composition of net investment income is as follows for the years ended June 30:

	2014	2013
Interest and dividend income, net	$ 14,638	$ 13,311
Realized gains on sales of securities	27,097	43,120
Unrealized gains on securities	59,424	706
	$ 101,159	$ 57,137

Outside of TRIP, UCMC also invests in private equity limited partnerships. As of June 30, 2014, UCMC has commitments of $1,700 remaining to fund private equity limited partnerships.

Fair Value of Financial Instruments
The overall investment objective of the Medical Center is to invest its assets in a prudent manner that will achieve a long-term rate of return sufficient to fund a portion of its annual operating activities and increase investment value after inflation. The Medical Center diversifies its investments among various asset classes incorporating multiple strategies and external investment managers, including the University of Chicago Investment Office. Major investment decisions for investments held in TRIP and managed by the University are authorized by the University Board of Trustee's Investment Committee, which oversees the University's investment program in accordance with established guidelines.

Cash equivalent investments include cash equivalents and fixed-income investments, with maturities of less than one year, which are valued based on quoted market prices in active markets. The majority of these investments are held in U.S. money market accounts. Global public equity investments consist of separate accounts, commingled funds with liquidity ranging from daily to monthly, and limited partnerships. Securities held in separate accounts and daily-traded commingled funds are generally valued based on quoted market prices in active markets. Commingled funds with monthly liquidity are valued based on independently determined NAV. Limited partnership interests in equity-oriented funds are valued based upon NAV provided by external fund managers.

Investments in private debt, private equity, real estate, and natural resources are in the form of limited partnership interests, which typically invest in private securities for which there is no readily determinable market value. In these cases, market value is determined by external managers based on a combination of discounted cash flow analysis, industry comparables, and outside appraisals. Where private equity, real estate, and natural resources managers hold publicly traded securities, these securities are generally valued based on market prices. The value of the limited partnership interests are held at the manager's reported NAV, unless information becomes available indicating the reported NAV may require adjustment. The methods used by managers to assess the NAV of these external investments vary by asset class. The University's Investment Office on behalf of the Medical Center monitors the valuation methodologies and practices of managers.

The absolute return portfolio is comprised of investments of limited partnership interests in hedge funds and drawdown private equity style partnerships whose managers have the authority to invest in various asset classes at their discretion, including the ability to invest long and short. The majority of the underlying holdings are marketable securities. The remainder of the underlying holdings is held in marketable securities that trade infrequently or in private investments, which are valued by the manager on the basis of an appraised value, discounted cash flow, industry comparables, or some other method. Most hedge funds that hold illiquid investments designate them in special side pockets, which are subject to special restrictions on redemption.

Fixed-income investments consist of directly held actively traded treasuries, separately managed accounts, commingled funds, and bond mutual funds that hold securities, the majority of which have maturities greater than one year. These are valued based on quoted market prices in active markets.

Funds in trust investments consist primarily of project construction funds, worker's compensation trust funds, and externally managed endowments.

The Medical Center believes that the reported amount of its investments is a reasonable estimate of fair value as of June 30, 2014 and 2013. Because of the inherent uncertainties of valuation, these estimated fair values may differ significantly from values that would have been used had a ready market existed.

	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	2014 Total Fair Value
Assets				
Investments:				
Cash Equivalents	27,687	-	-	27,687
Global Public Equities	149,741	79,272	30,052	259,065
Private Debt	-	-	23,055	23,055
Private Equity				
U.S. Venture Capital	249	-	42,579	42,828
U.S. Corporate Finance	-	-	35,858	35,858
International	-	-	44,725	44,725
Real Assets				
Real Estate	1,164	-	57,856	59,020
Natural Resources	-	-	66,979	66,979
Absolute Return				
Equity Oriented	7,861	13,099	34,367	55,327
Global Macro/Relative Value	5,554	11,547	29,585	46,686
Multi-Strategy	-	6,666	54,042	60,708
Credit-Oriented	-	-	21,035	21,035
Protection-Oriented	-	12,288	-	12,288
Fixed Income				
U.S. Treasuries, including TIPS	59,014	68,087	-	127,101
Other Fixed Income	122,179	-	-	122,179
Funds in Trust	17,130	-	-	17,130
Total investments	390,579	190,959	440,133	1,021,671
Other assets	3,675	-	-	3,675
Total assets at fair value	$ 394,254	$ 190,959	$ 440,133	$ 1,025,346
Liabilities				
Interest rate swap payable	$ -	$ 95,810	$ -	95,810
Total liabilities at fair value	$ -	$ 95,810	$ -	$ 95,810

	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	2013 Total Fair Value
Assets				
Investments:				
Cash Equivalents	32,779	-	-	32,779
Global Public Equities	95,960	50,134	28,953	175,047
Private Debt	-	-	21,329	21,329
Private Equity				
U.S. Venture Capital	-	-	32,853	32,853
U.S. Corporate Finance	-	-	32,022	32,022
International	-	-	38,120	38,120
Real Assets				
Real Estate	-	-	56,978	56,978
Natural Resources	-	-	58,786	58,786
Absolute Return				
Equity Oriented	6,369	6,169	23,617	36,155
Global Macro/Relative Value	6,125	5,740	23,278	35,143
Multi-Strategy	-	2,666	47,791	50,457
Credit-Oriented	-	-	16,376	16,376
Volatility-Oriented	-	11,227	-	11,227
Fixed Income				
U.S. Treasuries, including TIPS	58,129	46,740	-	104,869
Other Fixed Income	9,892	70,479	-	80,371
Funds in Trust	14,804	-	-	14,804
Total investments	224,058	193,155	380,103	797,316
Other assets	3,045	-	-	3,045
Total assets at fair value	$ 227,103	$ 193,155	$ 380,103	$ 800,361
Liabilities				
Interest rate swap payable	$ -	$ 88,769	$ -	88,769
Total liabilities at fair value	$ -	$ 88,769	$ -	$ 88,769

During 2014 there were no transfers between investment Levels 1 and 2. During fiscal year 2014 and 2013, transfers occurred between investment levels 2 and 3 as a result of changes in observable market data and/or redeemability. Changes to the reported amounts of investments measured at fair value using unobservable inputs (Level 3) as of June 30, 2014 and 2013 are as follows:

	Separately Invested	Invested in TRIP	2014 Total
Fair value, July 1, 2013	$ 4,540	$ 375,563	$ 380,103
Realized gains	-	34,920	34,920
Unrealized gains	774	30,467	31,241
Purchases	30	44,344	44,374
Sales	(1,226)	(49,053)	(50,279)
Transfers	-	(225)	(225)
Fair value, June 30, 2014	$ 4,118	$ 436,016	$ 440,134

	Separately Invested	Invested in TRIP	2013 Total
Fair value, July 1, 2012	$ 6,233	$ 386,206	$ 392,439
Realized gains	-	33,429	33,429
Unrealized gains	166	(23,415)	(23,249)
Purchases	-	29,498	29,498
Sales	(1,859)	(50,278)	(52,137)
Transfers	-	123	123
Fair value, June 30, 2013	$ 4,540	$ 375,563	$ 380,103

The interest rate swap arrangement has inputs which can generally be corroborated by market data and is therefore classified within level 2.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while UCMC believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

The significant unobservable inputs used in the fair value measurement of UCMC's long-lived partnership investments include a combination of cost, discounted cash flow analysis, industry comparables and outside appraisals. Significant increases (decreases) in any inputs used by investment managers in determining net asset values in isolation would result in a significantly lower (higher) fair value measurement.

UCMC has made investments in various long-lived partnerships and, in other cases, has entered into contractual agreements that may limit its ability to initiate redemptions due to notice periods, lockups and gates. Details on typical redemption terms by asset class and type of investment are provided below:

	Remaining Life	Redemption Terms	Redemption Restrictions and Terms
Cash	N/A	Daily	None
Global Public Equities:			
Index Funds	NA	Daily	None
Separate Accounts	N/A	Daily with notice periods of 1 to 7 years	Lock-up provisions ranging from 0 to 1 year
Partnerships	N/A	Daily to triennial with notice periods of 2 to 90 days	Lock-up provisions ranging from 0 to 5 years, some investments have a portion of capital held in side pockets with no redemptions permitted
Private Debt:			
Partnerships	N/A	Redemptions not permitted	Capital held in side pockets with no redemption permitted
Drawdown partnerships	1 to 10 years	Redemptions not permitted	N/A
Private Equity	1 to 19 years	Redemptions not permitted	N/A
Real Estate:			
Drawdown partnerships	1 to 18 years	Redemption not permitted	N/A
Separate accounts	N/A	Daily with notice period of 5 days	None
Natural resources	1 to 17 years	Redemptions not permitted	N/A
Absolute Return:			
Partnerships	N/A	Monthly to annually with varying notice periods.	Lock-up provisions ranging from 0 to 5 years, some investments have a portion of capital in side pockets with no redemptions permitted
Drawdown Partnerships	1 to 3 years	Redemptions not permitted	N/A
Fixed Income:			
Separate Accounts	N/A	Daily to monthly with notice periods of 1 to 30 days	None
Commingled Funds	N/A	Daily to monthly with notice periods of 1 to 10 days	None
Partnerships	N/A	Quarterly with notice periods of 10 days	Only one-third capital available in any 12-month period
Funds Held in Trust:	N/A	Daily	None

6. Endowments

UCMC's endowment consists of individual donor restricted endowment funds and board-designated endowment funds for a variety of purposes plus the following where the assets have been designated for endowment: pledges receivable, split interest agreements, and other net assets. The endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments. The net assets associated with endowment funds including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor imposed restrictions.

Illinois is governed by the "Uniform Prudent Management of Institutional Funds Act" (UPMIFA). The Board of Trustees of UCMC has interpreted UPMIFA as sustaining the preservation of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, UCMC classifies as permanently restricted net assets, (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by UCMC in a manner consistent with the standard of prudence prescribed by UPMIFA.

UCMC has the following donor-restricted endowment activities during the years ended June 30, 2014 and 2013 delineated by net asset class:

	Unrestricted Funds Functioning	Temporarily Restricted	Permanently Restricted	2014 Total
Endowment net assets, beginning of year	$ 707,290	$ 68,634	$ 6,082	$ 782,006
Investment return:				
Investment income	37,212	1,207	-	38,419
Net appreciation (realized and unrealized)	63,947	8,092	-	72,039
Total investment return	101,159	9,299	-	110,458
Gifts and other additions	87,500	-	2,000	89,500
Appropriation of endowment assets for expenditure	(40,272)	(3,850)	-	(44,122)
Replenishment of endowment assets for capital	67,215			67,215
Other	(1,196)	385	-	(811)
Endowment net assets, end of year	$ 921,696	$ 74,468	$ 8,082	$ 1,004,246

	Unrestricted Funds Functioning	Temporarily Restricted	Permanently Restricted	2013 Total
Endowment net assets, beginning of year	$ 796,105	$ 67,279	$ 6,072	$ 869,456
Investment return:				
Investment income	38,437	3,518	-	41,955
Net appreciation (realized and unrealized)	18,700	1,086	-	19,786
Total investment return	57,137	4,604	-	61,741
Gifts and other additions	25,000	-	10	25,010
Appropriation of endowment assets for expenditure	(37,037)	(3,610)	-	(40,647)
Appropriation of endowment assets for capital	(132,056)			(132,056)
Other	(1,859)	361	-	(1,498)
Endowment net assets, end of year	$ 707,290	$ 68,634	$ 6,082	$ 782,006

Description of amounts classified as permanently restricted net assets and temporarily restricted net assets (Endowments only) as of June 30, 2014 and 2013:

	Perpetual	Time-Restricted by Donor	Time-Restricted by Law	2014 Total
Restricted for pediatric health care	$ 1,845	$ -	$ 16,918	$ 18,763
Restricted for adult health care	1,925	-	54,780	56,705
Restricted for educational and scientific programs	4,312	-	2,769	7,081
	$ 8,082	$ -	$ 74,467	$ 82,549

	Perpetual	Time-Restricted by Donor	Time-Restricted by Law	2013 Total
Restricted for pediatric health care	$ 1,855	$ -	$ 15,580	$ 17,435
Restricted for adult health care	1,925	-	50,715	52,640
Restricted for educational and scientific programs	2,312	-	2,339	4,651
	$ 6,092	$ -	$ 68,634	$ 74,726

Investment and Spending Policies

UCMC has adopted endowment investment and spending policies that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of endowment assets. UCMC expects its endowment funds over time, to provide an average rate of return of approximately 6% annually. To achieve its long-term rate of return objectives, UCMC relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized gains) and current yield (interest and dividends). Actual returns in any given year may vary from this amount.

For endowments invested in TRIP, the Board of Trustees of UCMC has adopted the University's method to be used to appropriate endowment funds for expenditure, including following the University's payout formula. The University utilizes the total return concept in allocating endowment income. In accordance with the University's total return objective, between 4.5% and 5.5% of a 12-quarter moving average of the fair value of endowment investments, lagged by one year, is available each year for expenditure in the form of endowment payout. The exact payout percentage, which is set each year by the Board of Trustees with the objective of a 5% average payout over time, was 5.5% for the fiscal years ended June 30, 2014 and 2013. If endowment income received is not sufficient to support the total return objective, the balance is provided from capital gains. If income received is in excess of the objective, the balance is reinvested in the endowment.

For endowments invested apart from TRIP, UCMC calculates a payout of 4% annually on a rolling 24-month average market value. In establishing this policy, the Board considered the expected long term rate of return on its endowment.

7. Property, Plant and Equipment

The components of property, plant and equipment as of June 30 are as follows:

	2014	2013
Land and land rights	$ 36,008	$ 36,008
Buildings and improvements	1,288,213	1,255,542
Equipment	515,713	576,374
Construction in progress	58,313	74,688
	1,898,247	1,942,612
Less accumulated depreciation	(698,340)	(752,989)
Total property, plant and equipment, net	$ 1,199,907	$ 1,189,623

UCMC's net property, plant and equipment cost includes $10,600 representing assets under capital leases with the University, which are stated at the UCMC's historical cost. The cost of buildings that are jointly used by the University and UCMC is allocated based on the lease provisions. In addition, land and land rights includes $17,800 and $19,200 for 2014 and 2013, respectively, which represents the unamortized portion of initial lease payments made to the University. UCMC entered into a services agreement in 2013 for the exclusive right to operate certain food service operations at the Medical Center, which included a capital commitment in the amount of $11,800 for equipment and renovations provided by the contractor. In 2014 UCMC terminated this food service operation agreement and settled all outstanding balances, including the capital commitment. The amount outstanding under this commitment as of June 30, 2014 and 2013 was $0 and $11,300, respectively.

The Center for Care and Discovery was placed into service in 2013; approximately $134,800 was spent in 2013 related to the building.

Capitalized interest costs in 2014 and 2013 were $60 and $14,600, respectively.

8. Long-Term Debt

Long-term debt as of June 30 consists of the following:

	Final fiscal year maturity	Interest rate	2014	2013
Fixed rate:				
Illinois Health Facilities Authority:				
Series 2003	2015	5.0	$ 7,410	$ 14,530
Illinois Finance Authority:				
Series 2009A and B	2027	4.9	149,330	150,840
Series 2009C	2037	5.4	85,000	85,000
Series 2009D-1 and 2 (synthetically fixed rate)	2044	3.9	70,000	70,000
Series 2009E-1 and 2 (synthetically fixed rate)	2044	3.9	70,000	70,000
Series 2010 A and B (synthetically fixed rate)	2045	3.9	92,500	92,500
Series 2011 A and B (synthetically fixed rate)	2045	3.9	92,500	92,500
Series 2011C	2042	5.5	90,000	90,000
Series 2012A	2037	4.5	70,325	72,080
Unamortized premium			9,797	11,163
Total fixed rate			736,862	748,613
Variable rate:				
Series 2013A	2020	3.1	24,706	686
Illinois Educational Facilities Authority (IEFA)	2038	0.1	79,517	81,427
Total variable rate			104,223	82,113
Total notes and bonds payable			841,085	830,726
Less current portion of long-term debt			(10,050)	(10,385)
Long-term portion of debt			$ 831,035	$ 820,341

The fair value of long-term debt is based on the pricing of fixed-rate bonds of market participants, including assumptions about the present value of current market interest rates, and loans of comparable quality and maturity. The fair value of long-term debt would be a Level 2 hierarchy. The carrying value of long-term debt is below the estimated fair value of the debt by $37,400 and $10,729 as of June 30, 2014 and June 30, 2013, respectively, based on the quoted market prices for the same or similar issues.

Scheduled annual repayments for the next five years are as follows at June 30:

Year	Amount
2015	$ 10,050
2016	12,778
2017	13,255
2018	13,868
2019	14,513

Under its various indebtedness agreements, the Medical Center is subject to certain financial covenants, including maintaining a minimum debt service coverage ratio, maintaining minimum levels of days cash on hand, maintaining debt to capitalization at certain levels; limitations on selling, leasing, or otherwise disposing of Medical Center property; and certain other nonfinancial covenants. Each of the bond series is collateralized by unrestricted receivables under a Master Trust Indenture and subject to certain restrictions. The Medical Center was in compliance with its debt covenants as of June 30, 2014 and 2013.

Recent Financing Activity

In January 2013, the Medical Center entered into an issuance of a tax-exempt direct purchase loan with a financial institution, issued as $75,000 of Series 2013A bonds allocated to the Medical Center for the purpose of constructing a new parking garage. This bond functions similar to a construction loan with principal being drawn down as construction proceeds. Interest at LIBOR plus 60 basis points is payable each month based on the outstanding principal balance. A mandatory purchase date of repayment is established for January 24, 2020.

Letters of Credit

Payment on each of the variable rate demand revenue bonds is also collateralized by a letter of credit. The letters of credit that support the Series 2009D and the Series 2009E bonds were due to expire in August 2012. The Medical Center replaced the letter of credit that supports the Series 2009D bonds with a new letter of credit in June 2012, which expires in June 2017. The letter of credit that supports the 2009E bonds was extended subsequent to June 30, 2012 and now expires in December 2014. The letters of credit that support the Series 2010A and Series 2010B bonds expire in November 2015 and the letters of credit that support the Series 2011A and Series 2011B bonds expire in May 2016. The letters of credit are subject to certain restrictions, which include financial ratio requirements and consent to future indebtedness. The most restrictive financial ratio is to maintain a debt service coverage ratio of 1.25:1. UCMC was in compliance with all applicable debt covenants at June 30, 2014.

Payment on each of the IEFA bonds is collateralized by a letter of credit maturing November 2017. The letter of credit is subject to certain restrictions, which include financial ratio requirements. The most restrictive financial ratio is to maintain a debt service coverage ratio of 1.75:1. UCMC was in compliance with all applicable debt covenants at June 30, 2014.

Included in UCMC's debt is $79,500 of commercial paper revenue notes and $325,000 of variable rate demand bonds. In the event that UCMC's remarketing agents are unable to remarket the bonds, the trustee of the bonds will tender them under the letters of credit. Scheduled repayments under the letters of credit are between 1 and 3 years, beginning after a grace period of at least one year, and bear interest rates different from those associated with the original bond issue. Any

bonds tendered are still eligible to be remarketed. Bonds subsequently remarketed would be subject to the original bond repayment schedules.

UCMC paid interest, net of capitalized interest, of approximately $33,500 and $18,300 in 2014 and 2013, respectively.

UCMC has a $15,000 line of credit from a commercial bank. As of June 30, 2014 and 2013, no amount was outstanding under this line.

9. Commitments

Leases
UCMC has capital and noncancelable operating leases for certain buildings and equipment. Future minimum payments required under noncancelable operating and capital leases as of June 30 are as follows:

	Operating	Capital
2015	$ 2,074	$ 147
2016	2,102	-
2017	548	-
2018	559	-
2019 and thereafter	6,249	-
Total minimum lease payments	$ 11,532	147
Less - Amount representing interest		2
Present value of net minimum capital lease payments		$ 145

The amount of total assets capitalized under these leases at June 30, 2014 and 2013, is $2,300 and $3,000 with related accumulated depreciation of $2,000 and $2,400, respectively. Rental expense was approximately $5,500 and $5,500 for the years ended June 30, 2014 and 2013, respectively, including a $500 annual rental of a parking garage from the University.

10. Insurance

UCMC is included under certain of the University's insurance programs. Since 1977, UCMC, in conjunction with the University, has maintained a self-insurance program for its medical malpractice liability. This program is supplemented with commercial excess insurance above the University's self-insurance retention, which for the years ended June 30, 2014 and 2013 was $5,000 per claim and unlimited in the aggregate. Claims in excess of $5,000 are subject to an additional self-insurance retention limited to $12,500 per claim and $12,500 in aggregate.

The estimated liability for medical malpractice self-insurance is actuarially determined based upon estimated claim reserves and various assumptions, and represents the estimated present value of self-insurance claims that will be settled in the future. It considers anticipated payout patterns as well as interest to be earned on available assets prior to payment. The discount rate used to value the self-insurance liability is a risk-adjusted rate commensurate with the duration of anticipated payments. These inputs to the fair value estimate of the liability are considered Level 2 in the fair value hierarchy.

A comparison of the estimated liability for incurred malpractice claims (filed and not filed) and net assets for the combined University and UCMC self-insurance program as of June 30, 2014 and 2013, is presented below:

	2014	2013
Actuarial present value of self-insurance liability for medical malpractice	$ 238,552	$ 254,328
Total assets available for claims	$ 332,592	$ 352,414

If the present-value method were not used, the ultimate liability for medical malpractice self-insurance claims would be approximately $43,100 higher at June 30, 2014. The interest rate assumed in determining the present value was 4.25% for 2014 and 4.5% for 2013. The Medical Center has recorded its pro-rata share of the malpractice self-insurance liability as required under ASU 2010-24 in the amount of $115,400 at June 30, 2014 and $121,300 at June 30, 2013 with an offsetting receivable from the malpractice trust to cover any related claims.

The malpractice self-insurance trust assets consist primarily of funds held in TRIP.

UCMC recognizes as malpractice expense its negotiated pro-rata share of the actuarially determined normal contribution, with gains and losses amortized over five years, with no retroactive adjustments, as provided in the operating agreement. For fiscal year 2015, the Medical Center expense will be $16,800 related to malpractice.

UCMC designated $17,100 and $14,800 as of June 30, 2014 and 2013, respectively, as a workers' compensation self-insurance reserve trust fund. The self-insurance program investments consist of approximately 60% bonds and 40% marketable equities. The specifically identified claim requirements and actuarially determined reserve requirements for unreported workers' compensation claims were $8,200 and $9,500 as of June 30, 2014 and 2013, respectively. The University also charges UCMC for its portion of other commercial insurance and self-insurance costs.

11. Pension Plans

Active Plans

A majority of UCMC's personnel participate in the University's defined benefit and contribution pension plan. Under the defined benefit portion of this plan, benefits are based on years of service and the employee's compensation for the five highest paid consecutive years within the last ten years of employment. UCMC and the University make annual contributions to this portion of the plan at a rate necessary to maintain plan funding on an actuarially recommended basis. UCMC recognizes its share of net periodic pension cost as expense and any difference in the contribution amount as a transfer of unrestricted net assets. The reduction to net assets for 2014 and 2013 was $1,000 and $2,800, respectively. Contributions of $32,500 were made in the fiscal years ended June 30, 2014 and 2013. UCMC expects to make contributions of $32,500 for the fiscal year ended June 30, 2015 that will be entirely expensed as net periodic pension costs.

Under the defined contribution portion of the plan, UCMC and plan participants make contributions that accrue to the benefit of the participants at retirement. UCMC's contributions, which are based on a percentage of each covered employee's salary, totaled approximately $6,700 and $6,400 for the years ended June 30, 2014 and 2013, respectively.

Plan Name	EIN	Contributions of UCMC	
		2014	2013
University of Chicago Retirement Income Plan for Employees	36-2177139-002	$ 7,920	$ 6,711
University of Chicago Pension Plan for Staff Employees	36-2177139-003	24,580	25,789
		$ 32,500	$ 32,500

The benefit obligation, fair value of plan assets and funded status for the University's defined benefit plan included in the University's financial statements as of June 30, are shown below:

	2014	2013
Projected benefit obligation	$ 916,791	$ 795,133
Fair value of plan assets	671,793	557,966
Deficit of plan assets over benefit obligation	$ (244,998)	$ (237,167)

The weighted-average assumptions used in the accounting for the plan are shown below:

	2014	2013
Discount rate	4.3 %	4.9 %
Expected return on plan assets	6.5 %	6.5 %
Rate of compensation increase	3.5 %	3.5 %

The weighted average asset allocation for the plan is as follows:

	2014	2013
Domestic equities	28 %	29 %
International equity	16 %	15 %
Fixed income	56 %	56 %
	100 %	100 %

The pension and other postretirement benefit obligation considers anticipated payout patterns as well as investment returns on available assets prior to payment. The discount rate used to value the pension and other postretirement benefit obligation is a risk-adjusted rate commensurate with the duration of anticipated payments. These inputs to the fair value estimate are considered Level 2 in the fair value hierarchy.

Total benefits and plan expenses paid by the plan were $39,300 and $36,200 for the fiscal years ended June 30, 2014 and 2013, respectively.

Expected future benefit payments excluding plan expenses are as follows:

Fiscal Year	
2015	70,010
2016	46,975
2017	48,850
2018	50,719
2019	52,682
2020-2024	306,906

Certain UCMC personnel participate in a contributory pension plan. Under this plan, UCMC and plan participants make annual contributions to purchase annuities equivalent to retirement benefits earned. UCMC's pension expense for this plan was $5,000 and $4,900 for the years ended June 30, 2014 and 2013, respectively.

Curtailed and Frozen Plan
In June 2002, UCMC assumed sponsorship of the Louis A. Weiss Memorial Hospital Pension Plan (Employer Identification Number 36-3488183, Plan Number 003), which covers employees of a former affiliate. Participation and benefit accruals are frozen. All benefit accruals are fully vested.

Components of net periodic pension cost and other amounts recognized in unrestricted net assets include the following:

	Years Ended June 30, 2014	2013
Net periodic pension cost		
Interest cost	$ 2,485	$ 2,340
Expected return on plan assets	(2,794)	(2,860)
Amortization of unrecognized net actuarial loss	675	817
Net periodic pension cost	366	297
Other changes in plan assets and benefit obligations recognized in unrestricted net assets		
Liability for pension benefits	1,337	3,878
Total recognized in net periodic pension cost and unrestricted net assets	$ (971)	$ (3,581)

The following tables set forth additional required pension disclosure information for this plan:

	Years Ended June 30, 2014	2013
Change in projected benefit obligation		
Benefit obligation at beginning of year	$ 54,090	$ 58,098
Interest cost	2,485	2,340
Net actuarial loss (gain)	3,237	(3,029)
Benefits paid	(3,402)	(3,319)
	56,410	54,090
Change in plan assets		
Fair value of plan assets at beginning of year	48,360	47,696
Actual return on plan assets	6,693	2,892
Employer contribution	1,500	1,091
Benefits paid	(3,402)	(3,319)
	53,151	48,360
Funded status at end of year	$ (3,259)	$ (5,730)

Amounts recognized in the balance sheet are included in noncurrent liabilities.

Accumulated plan benefits equal projected plan benefits. Assumptions used in the accounting for the net periodic pension cost were as follows:

	2014	2013
Discount rate	4.2 %	4.8 %
Expected return on plan assets	6.0 %	6.0 %
Rate of compensation increase	N/A	N/A

Weighted average asset allocations for plan assets are as follows:

	2014	2013
Cash	1 %	2 %
Fixed income	56	51
Domestic equities	29	34
International equities	14	13
	100 %	100 %

All plan assets are valued using level 1 inputs. The target asset allocation is 40% equities and 60% fixed income. The expected return on plan assets is based on historical investment returns for similar investment portfolios.

UCMC expects to make contributions of $1,500 to the plan in the fiscal year ending June 30, 2015. Expected future benefit payments are:

Fiscal Year	
2015	$ 3,635
2016	3,611
2017	3,607
2018	3,609
2019	3,637
2020-2024	18,349

12. Concentration of Credit Risk

As a hospital, UCMC is potentially subject to concentration of credit risk from patient accounts receivable and certain investments. Investments, which include government and agency securities, stocks, corporate bonds, real assets, absolute return, and private equities, are not concentrated in any corporation or industry or with any single counter-party. UCMC receives a significant portion of its payments for services rendered from a limited number of government and commercial third-party payors, including Medicare, Medicaid, and Blue Cross. Medicaid approximated 16% of the Medical Center's net revenue for 2014 and 2013. Medicaid represented 21% and 17% of UCMC's net accounts receivable at June 30, 2014 and 2013, respectively. Management does not anticipate any collection risk related to the Medicaid accounts receivable at June 30, 2013. UCMC has not historically incurred any significant credit losses outside the normal course of business.

13. Pledges

Pledges receivable at June 30 are shown below:

	2014	2013
Unconditional promises expected to be collected in:		
Less than one year	$ 2,420	$ 2,272
One year to five years	2,142	2,634
More than five years	-	-
	4,562	4,906
Less unamortized discount (discount rate 5.5%)	(71)	(197)
Total	$ 4,491	$ 4,709

14. Restricted Net Assets

Temporarily restricted net assets are available for the following purposes as of June 30:

	2014	2013
Pediatric health care	$ 19,541	$ 17,943
Adult health care	56,505	51,756
Educational and scientific programs	4,774	4,691
Capital and other purposes	7,134	7,581
Total	$ 87,954	$ 81,971

Income from permanently restricted net assets is restricted for:

	2014	2013
Pediatric health care	$ 1,855	$ 1,855
Adult health care	1,925	1,925
Educational and scientific programs	4,312	2,312
Total	$ 8,092	$ 6,092

15. Functional Expenses

Total operating expenses by function are as follows for the years ended June 30:

	2014	2013
Health care services	$ 1,285,218	$ 1,177,672
General and administrative	92,922	78,287
Total	$ 1,378,140	$ 1,255,959

16. Contingencies

UCMC is subject to complaints, claims and litigation which have risen in the normal course of business. In addition, UCMC is subject to reviews by various federal and state government agencies to assure compliance with applicable laws, some of which are subject to different interpretations. While the outcome of these suits cannot be determined at this time, management, based on advice from legal counsel, believes that any loss which may arise from these actions will not have a material adverse effect on the financial position or results of operations of UCMC.

The University of Chicago Medical Center

Financial Statements
June 30, 2015 and 2014

ATTACHMENT 36

The University of Chicago Medical Center
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June 30, 2015 and 2014

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ATTACHMENT 36

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Independent Auditor's Report

To the Board of Trustees of
The University of Chicago Medical Center:

We have audited the accompanying financial statements of The University of Chicago Medical Center, which comprise the balance sheets as of June 30, 2015 and 2014, and the related statements of operations, of changes in net assets, and of cash flows for the years then ended.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The University of Chicago Medical Center at June 30, 2015 and 2014, and the results of its operations and of its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

PricewaterhouseCoopers LLP

October 29, 2015

PricewaterhouseCoopers LLP, One North Wacker, Chicago, IL 60606
T: (312) 298 2000, F: (312) 298 2001, www.pwc.com/us

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The University of Chicago Medical Center
Balance Sheets
June 30, 2015 and 2014
(in thousands of dollars)

	2015	2014
Assets		
Current assets		
Cash and cash equivalents	$ 163,969	$ 79,698
Patient accounts receivable, less allowance for doubtful accounts for 2015 - $51,737 and 2014 - $41,874	209,736	184,765
Current portion of investments limited to use	5,033	11
Current portion of malpractice self-insurance receivable	20,129	19,305
Current portion of pledges receivable	1,102	2,598
Prepaids, inventory and other current assets	43,148	34,176
Total current assets	443,117	320,553
Investments limited to use, less current portion	1,013,224	1,021,660
Property, plant and equipment, net	1,232,784	1,199,907
Pledges receivable, less current portion	1,522	1,893
Malpractice self-insurance receivable, less current portion	92,571	96,134
Other assets, net	19,350	16,895
Total assets	$ 2,802,568	$ 2,657,042
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued expenses	$ 127,477	$ 115,093
Current portion of long-term debt	11,535	10,050
Current portion of other long-term liabilities	197	311
Current portion of estimated third-party payor settlements	98,975	89,805
Current portion of malpractice self-insurance liability	20,129	19,305
Due to University of Chicago	59,437	15,761
Total current liabilities	317,750	250,325
Other liabilities		
Worker's compensation self-insurance liabilities, less current portion	8,174	8,241
Malpractice self-insurance liability, less current portion	92,571	96,134
Long-term debt, less current portion	868,008	831,035
Interest rate swap liability	110,447	95,810
Other long-term liabilities, less current portion	44,071	33,595
Total liabilities	1,441,021	1,315,140
Net assets		
Unrestricted	1,267,336	1,245,856
Temporarily restricted	86,109	87,954
Permanently restricted	8,102	8,092
Total net assets	1,361,547	1,341,902
Total liabilities and net assets	$ 2,802,568	$ 2,657,042

The accompanying notes are an integral part of these financial statements.

The University of Chicago Medical Center
Statements of Operations
Years Ended June 30, 2015 and 2014
(in thousands of dollars)

	2015	2014
Operating revenues		
Net patient service revenue	$ 1,493,816	$ 1,409,095
Provision for doubtful accounts	52,166	55,169
Net patient service revenue after provision for doubtful accounts	1,441,650	1,353,926
Other operating revenues and net assets released from restrictions	101,643	93,577
Total operating revenues	1,543,293	1,447,503
Operating expenses		
Salaries, wages and benefits	681,909	627,588
Supplies and other	400,536	367,633
Physician services from the University of Chicago	205,461	204,586
Insurance	16,774	15,345
Interest	35,632	33,354
Medicaid provider tax	36,935	46,071
Depreciation and amortization	81,902	83,563
Total operating expenses	1,459,149	1,378,140
Total operating income	84,144	69,363
Nonoperating gains		
Investment income and unrestricted gifts, net	26,788	101,159
Derivative ineffectiveness gain (loss)	(567)	535
Excess of revenues over expenses	110,365	171,057
Other changes in net assets		
Transfers to University of Chicago	(70,501)	(72,749)
Net assets released for capital purchases	2,204	2,462
Liability for pension benefits	(8,192)	1,337
Changes in valuation of derivatives	(12,396)	(5,914)
Other, net	-	36
Increase in unrestricted net assets	$ 21,480	$ 96,229

The accompanying notes are an integral part of these financial statements.

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The University of Chicago Medical Center
Statements of Changes in Net Assets
Years Ended June 30, 2015 and 2014
(in thousands of dollars)

	2015	2014
Unrestricted net assets		
Excess of revenues over expenses	$ 110,365	$ 171,057
Transfers to University of Chicago	(70,501)	(72,749)
Net assets released for capital purchases	2,204	2,462
Liability for pension benefits	(8,192)	1,337
Changes in valuation of derivatives	(12,396)	(5,914)
Other, net	-	36
Increase in unrestricted net assets	21,480	96,229
Temporarily restricted net assets		
Contributions	2,697	4,007
Net assets released from restrictions used for operating purposes	(5,124)	(4,860)
Investment Income	2,786	9,298
Net assets released for capital purchases	(2,204)	(2,462)
Increase (decrease) in temporarily restricted net assets	(1,845)	5,983
Permanently restricted net assets		
Contributions and other	10	2,000
Increase in net assets	19,645	104,212
Net assets at beginning of year	1,341,902	1,237,690
Net assets at end of year	$ 1,361,547	$ 1,341,902

The accompanying notes are an integral part of these financial statements.

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The University of Chicago Medical Center
Statements of Cash Flows
Years Ended June 30, 2015 and 2014
(in thousands of dollars)

	2015	2014
Cash flows from operating activities		
Increase in net assets	$ 19,645	$ 104,212
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Net change in unrealized gains on investments	37,631	(65,113)
Transfers to University of Chicago	70,501	72,749
Restricted contributions and other changes	(2,697)	(4,008)
Realized gains on investments	(58,351)	(45,346)
Net change in valuation of derivatives	14,637	7,041
Pension and other changes in unrestricted net assets	8,192	(1,373)
Loss on disposal of assets	(10)	1,071
Depreciation and amortization	81,902	83,564
Increase (decrease) in cash resulting from a change in		
Patient accounts receivable, net	(24,971)	19,514
Other assets	(12,678)	(1,256)
Accounts payable and accrued expenses	8,398	(10,582)
Due to the University of Chicago	43,676	962
Estimated settlements with third-party payors	15,931	39,859
Self-insurance liabilities	(67)	(1,287)
Other liabilities	(4,943)	(1,816)
Net cash provided from operating activities	196,796	198,191
Cash flows from investing activities		
Purchases of property, plant and equipment	(109,524)	(100,571)
Uses of construction/capitalized interest funds	-	19
Purchases of investments	(346,607)	(422,420)
Sales of investments	370,733	308,505
Net cash used in investing activities	(85,398)	(214,467)
Cash flows from financing activities		
Proceeds from issuance of long-term debt	74,874	24,020
Payments on long-term obligations	(36,064)	(24,026)
Transfers paid to the University of Chicago, net	(70,501)	(72,749)
Restricted contributions	4,564	4,225
Net cash used in financing activities	(27,127)	(68,530)
Net increase (decrease) in cash and cash equivalents	84,271	(84,806)
Cash and cash equivalents		
Beginning of year	79,698	164,504
End of year	$ 163,969	$ 79,698

The accompanying notes are an integral part of these financial statements.

ATTACHMENT 36

1. Organization and Basis of Presentation

The University of Chicago Medical Center ("UCMC" or the "Medical Center") is an Illinois not-for-profit corporation. UCMC operates the Center for Care and Discovery, the Bernard Mitchell Hospital, the Chicago Lying-In Hospital, the University of Chicago Comer Children's Hospital, the Duchossois Center for Advanced Medicine, and various other outpatient clinics and treatment areas.

The University of Chicago (the "University"), as the sole corporate member of UCMC, elects UCMC's Board of Trustees and approves its By-Laws. The UCMC President reports to the University's Executive Vice President for Medical Affairs. The relationship between UCMC and the University is defined in the Medical Center By-Laws, an Affiliation Agreement, an Operating Agreement, and several Leases. See Note 3 for agreements and transactions with the University.

UCMC is a tax-exempt organization under Section 501(c)3 of the Internal Revenue Code. Accordingly, no provision for income taxes related to these entities has been made.

2. Summary of Significant Accounting Policies

New Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update 2014-09, "Revenue From Contracts With Customers." This guidance outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. In August 2015, the FASB issued an amendment to this standard which deferred the effective date of the new guidance by one year. The guidance is effective for UCMC beginning July 1, 2019; however early adoption for annual periods beginning after December 15, 2016 is permitted. UCMC is evaluating the impact this accounting guidance may have on its financial statements.

During 2015, the Medical Center adopted the provisions of Accounting Standards Update 2015-07, Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent). This pronouncement is effective for fiscal years beginning on or after December 15, 2016, and UCMC has elected early adoption. ASU 2015-07 removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. See Note 5 for related fair value disclosures.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The most significant estimates are made in the areas of patient accounts receivable, accruals for settlements with third-party payors, malpractice liability, fair value of investments, goodwill, and accrued compensation and benefits.

Community Benefits

UCMC's policy is to treat patients in immediate need of medical services without regard to their ability to pay for such services, including patients transferred from other hospitals under the provisions of the Emergency Medical Treatment and Active Labor Act (EMTALA). UCMC also

accepts patients through the Perinatal and Pediatric Trauma Networks without regard to their ability to pay for services.

UCMC developed a Financial Assistance Policy (the "Policy") under which patients are offered discounts of up to 100% of charges on a sliding scale. The Policy is based both on income as a percentage of the Federal Poverty Level guidelines and the charges for services rendered. The Policy also contains provisions that are responsive to those patients subject to catastrophic healthcare expenses. Since UCMC does not pursue collection of these amounts, they are not reported as net patient service revenue. The cost of providing care under this Policy, along with the unreimbursed cost of government sponsored indigent healthcare programs, unreimbursed cost to support education, clinical research and other community programs for the years ended June 30, 2015 and 2014, are reported in Note 4.

Fair Value of Financial Instruments
Fair value is defined as the price that the Medical Center would receive upon selling an asset or pay to settle a liability in an orderly transaction between market participants.

The Medical Center uses a framework for measuring fair value that includes a hierarchy that categorizes and prioritizes the sources used to measure and disclose fair value. This hierarchy is broken down into three levels based on inputs that market participants would use in valuing the financial instruments based on market data obtained from sources independent of the Medical Center. Inputs refer broadly to the assumptions that market participants would use in pricing the asset, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset developed based on the best information available. The three tier hierarchy of inputs is summarized in the three broad levels as follows:

Level 1 – quoted market prices in active markets for identical investments.

Level 2 – inputs other than quoted prices for similar investments in active markets, quoted prices for identical or similar investments in markets that are not active, or inputs other than quoted prices that are observable including model-based valuation techniques.

Level 3 – valuation techniques that use significant inputs that are unobservable because they trade infrequently or not at all.

Cash and Cash Equivalents
Cash equivalents include U.S. Treasury notes, commercial paper, and corporate notes with original maturities of three months or less, except that such instruments purchased with endowment assets or funds on deposit with bond trustees are classified as investments. Cash equivalents are considered Level 1 in the fair value hierarchy.

Inventory
UCMC values inventories at the lower of cost or market, using the first-in first-out method.

Investments
Investments are recorded in the financial statements at estimated fair value. If an investment is held directly by the Medical Center and an active market with quoted prices exists, the market price of an identical security is used as reported fair value. Reported fair values for shares in mutual funds are based on share prices reported by the funds as of the last business day of the fiscal year. The Medical Center's interests in alternative investment funds such as private debt, private equity, real estate, natural resources, and absolute return are generally reported at the net asset value (NAV) reported by the fund managers, which is used as a practical expedient to estimate the fair value, unless it is probable that all or a portion of the investment will be sold for an amount different from NAV. As of June 30, 2015 and 2014, the Medical Center had no plans to sell investments at amounts different from NAV.

A summary of the inputs used in valuing the Medical Center's investments as of June 30, 2015 and 2014 is included in Note 5.

A significant portion of UCMC's investments are part of the University's Total Return Investment Pool (TRIP). UCMC accounts for its investments in TRIP based on its share of the underlying securities and records the investment activity as if UCMC owned the investments directly. The University does not engage directly in unhedged speculative investments; however, the Board of the University of Chicago has authorized the use of derivative investments to adjust market exposure within asset class ranges.

A summary of the inputs used in valuing the Medical Center's investments as of June 30, 2015 and 2014 is included in Note 5.

Endowment Funds with Deficits
From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the value of the initial and subsequent donor gift amounts (deficit). When donor endowment deficits exist, they are classified as a reduction of unrestricted net assets. As of June 30, 2015 and 2014, there were no endowments in a deficit position.

Investments Limited as to Use
Investments limited as to use primarily include assets held by trustees under debt and other agreements and designated assets set aside by the Board of Trustees for future capital improvements and other specific purposes, over which the Board retains control and may at their discretion subsequently use for other purposes.

Derivative Instruments
In August 2006, UCMC entered into a forward starting swap transaction against contemplated variable rate borrowing for the Center for Care and Discovery. This is a cash flow hedge against interest on the variable rate debt. The fair value of these swap agreements is the estimated amount that the Medical Center would have to pay or receive to terminate the agreements as of the consolidated balance sheet date, taking into account current interest rates and the current creditworthiness of the swap counterparty. The swap values are based on the London Interbank Rate ("LIBOR"). The inputs to the fair value estimate are considered Level 2 in the fair value hierarchy. The effective date of the swap was August 2011. In July 2011, UCMC novated the original swap agreement to divide the original notional amount in two equal parts between financial institutions. The fair value of the terminated portion of the hedge on the date of the novation was

recorded in net assets in the amount of $35,123 and is being amortized into interest expense over the life of the related debt, commencing on February 23, 2013, the date the Center for Care and Discovery was placed into service. The new agreement is being accounted for as a hedge. The combined notional amount of the swap is $325,000 and the effective start date was August 2011. Management determined that the interest rate swaps are effective, and have qualified for hedge accounting. Management has recognized ineffectiveness of approximately $600 in 2015 and a recovery of ineffectiveness of approximately $500 in 2014. This movement reflects the spread between tax exempt interest rates and LIBOR during the period. The effective portion of these swaps is included in other changes in unrestricted net assets. The interest rate swaps terminate on February 1, 2044. Cash settlement payments related to the swaps were accumulated in net assets while the Center for Care and Discovery was under construction, and are being amortized into depreciation expense over the life of the building. Amortization commenced on February 23, 2013, the date the Center for Care and Discovery was placed into service. Cash settlement payments after the Center for Care and Discovery was placed into service are recorded in interest expense.

UCMC is required to provide collateral on one of the interest rate swap agreements when the liability of that swap exceeds $50,000. At June 30, 2015 and 2014, $5,030 and $0 was held as collateral, respectively, and recorded in current portion of investments limited to use. If UCMC's credit rating were to be downgraded one level; collateral would need to be provided under the swap with JP Morgan when the liability of that swap exceeds $40,000 and under the Wells Fargo swap when the liability of that swap exceeds $60,000. Upon further downgrade, the collateral requirements increase.

Property, Plant and Equipment
Property, plant and equipment are reported on the basis of cost less accumulated depreciation and amortization. Donated items are recorded at fair market value at the date of contribution. The carrying value of property, plant and equipment is reviewed if the facts and circumstances suggest that it may be impaired. Depreciation of property, plant and equipment is calculated by use of the straight-line method at rates intended to depreciate the cost of assets over their estimated useful lives, which generally range from three to eighty years. Interest costs incurred on borrowed funds during the period of construction of capital assets, net of any interest earned, are capitalized as a component of the cost of acquiring those assets.

Asset Retirement Obligation
UCMC recognizes a liability for the fair value of a legal obligation to perform asset retirement activities that are conditional on a future event if the amount can be reasonably estimated. Upon recognition of a liability, the asset retirement cost is recorded as an increase in the carrying value of the related long-lived asset and then depreciated over the life of the asset. The UCMC asset retirement obligations arise primarily from regulations that specify how to dispose of asbestos if facilities are demolished or undergo major renovations or repairs. UCMC's obligation to remove asbestos was estimated using site-specific surveys where available and a per square foot estimate where surveys were unavailable. These inputs to the fair value estimate are considered Level 3 in the fair value hierarchy.

Pledges Receivable
Unconditional promises to give are recognized initially at fair value as private gift revenue in the period the promise is made by a donor. Fair value of the pledge is estimated based on anticipated future cash receipts (net of an allowance for uncollectible amounts), discounted using a risk-adjusted rate commensurate with the duration of the payment plan. These inputs to the fair value

estimate are considered Level 3 in the fair value hierarchy. In subsequent periods, the discount rate is unchanged and the allowance for uncollectible amounts is reassessed and adjusted if necessary.

Other Assets and Liabilities
Other assets and liabilities, including deferred financing costs, which are amortized over the term of the related obligations, do not differ materially from their estimated fair value and are considered Level 1 in the fair value hierarchy

Net Assets
Permanently restricted net assets include the historical dollar amounts of gifts that are required by donors to be permanently retained. Temporarily restricted net assets include gifts, which can be expended but for which restrictions have not yet been met. Such restrictions include purpose restrictions where donors have specified the purpose for which the net assets are to be spent, or time restrictions imposed by donors or implied by the nature of the gift (such as pledges to be paid in the future) or by interpretations of law. Unrestricted net assets include all the remaining net assets of UCMC. See Note 15 for further information on the composition of restricted net assets.

Realized gains and losses are classified as changes in unrestricted net assets unless they are restricted by the donor or law.

Gifts and Grants
Unconditional promises to give assets other than cash to UCMC are reported at fair value at the date the promise is received. Conditional promises to give are recognized when the conditions are substantially met. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. Donor-restricted contributions whose restrictions are met within the same year received are reported as unrestricted gifts in the accompanying financial statements.

Gifts of cash or other assets that must be used to acquire long-lived assets are reported as additions to temporarily restricted net assets until the assets are placed into service.

Statement of Operations
All activities of UCMC deemed by management to be ongoing, major and central to the provision of healthcare services are reported as operating revenues and expenses. Activities deemed to be nonoperating include certain investment income (including realized gains and losses).

UCMC recognizes changes in accounting estimates related to third-party payor settlements as more experience is acquired. Adjustments to prior year estimates for these items resulted in an increase in net patient service revenues of $900 in 2015 and $10,700 in 2014.

In 2014, UCMC recognized a gain of $2.5 million from the sale of its investment in VHS Acquisition Subsidiary No. 3, Inc. and received $2.5 million in cash. The investment had been fully reserved at the time that it was acquired.

The statement of operations includes excess (deficit) of revenues over expenses. Changes in unrestricted net assets that are excluded from excess (deficit) of revenues over expenses include transfers to the University, contributions of long-lived assets released from restrictions (including assets acquired using contributions which by donor restriction were to be used for acquisition of

UCMC assets), the effective portion of changes in the valuation of the interest rate swap, and pension benefit liabilities.

Net Patient Service Revenue, Accounts Receivable and Allowance for Doubtful Accounts
UCMC maintains agreements with the Social Security Administration under the Medicare Program, Blue Cross and Blue Shield of Illinois, Inc. (Blue Cross), and the State of Illinois under the Medicaid Program and various managed care payors that govern payment to UCMC for services rendered to patients covered by these agreements. The agreements generally provide for per case or per diem rates or payments based on allowable costs, subject to certain limitations, for inpatient care and discounted charges or fee schedules for outpatient care.

Net patient service revenue is reported at estimated net realizable amounts from patients, third-party payors, and others for services rendered and include estimated retroactive revenue adjustments due to future audits, reviews, and investigations. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and UCMC estimates are adjusted in future periods as adjustments become known or as years are no longer subject to UCMC audits, reviews and investigations. Contracts, laws and regulations governing Medicare, Medicaid, and Blue Cross are complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. A portion of the accrual for settlements with third-party payors has been classified as long-term because UCMC estimates they will not be paid within one year.

The process for estimating the ultimate collectability of receivables involves significant assumptions and judgment. UCMC has implemented a standardized approach to this estimation based on the payor classification and age of outstanding receivables. Account balances are written off against the allowance when management feels it is probable the receivable will not be recovered. The use of historical collection experience is an integral part of the estimation of the reserve for doubtful accounts. Revisions in the reserve for doubtful accounts are recorded as adjustments to the provision for doubtful accounts.

Hospital Assessment Program/Medicaid Provider Tax
In December 2008, the State of Illinois, after receiving approval by the federal government, implemented a hospital assessment program. The program assessed hospitals a provider tax based on occupied bed days and provided increases in hospitals' Medicaid payments. In 2014, the federal government also approved the enhanced Medicaid Assessment Program retroactive to June 10, 2012. The program, including the enhanced assessment program, results in a net increase of $30,200 in income from operations, which represents $76,300 in additional Medicaid payments offset by $46,100 in Medicaid provider tax for 2014. For 2015, the assessment program resulted in a net increase of $28,400 in operating income, which represents $65,400 in additional Medicaid payments offset by $36,900 in Medicaid provider tax.

Affordable Care Act (ACA)
In March 2010, the federal government passed the Affordable Care Act (ACA) which expanded Medicaid coverage to millions of low-income Americans and made improvements to both the Medicaid and the Children's Health Insurance Program. Beginning in 2014, coverage for newly eligible adults would be funded by the federal government for three years. UCMC recognized $16,800 and $0 of revenue in 2015 and 2014, respectively, under this new law. Due to the timing of actual payments, UCMC recorded a receivable of $5,000 as of June 30, 2015.

Subsequent Events
UCMC has performed an evaluation of subsequent events through October 15, 2015, which is that date the financial statements were issued, and none were identified.

3. Agreements and Transactions with the University

The Affiliation Agreement with the University provides, among other things, that all members of the medical staff will have academic appointments in the University. The Affiliation Agreement has an initial term of 40 years ending October 1, 2026 unless sooner terminated by mutual consent or as a result of a continuing breach of a material obligation therein or in the Operating Agreement. The Affiliation Agreement automatically renews for additional successive 10-year terms following expiration of the initial term, unless either party provides the other with at least two years' prior written notice of its election not to renew.

The Operating Agreement, as amended, provides, among other things, that the University gives UCMC the right to use and operate certain facilities. The Operating Agreement is coterminous with the Affiliation Agreement.

The Lease Agreements provide, among other things, that UCMC will lease from the University certain of the health care facilities and land that UCMC operates and occupies. The Lease Agreements are coterminous with the Affiliation Agreement.

UCMC purchases various services from the University, including certain employee benefits, utilities, security, telecommunications and insurance. In addition, certain UCMC accounting records are maintained by the University. During the years ended June 30, 2015 and 2014, the University charged UCMC approximately $29,000 and $31,100, respectively, for utilities, security, telecommunications, insurance and overhead.

The University's Division of Biological Sciences ("BSD") provides physician services to UCMC. In 2015 and 2014, UCMC recorded approximately $205,500 and $204,600, respectively, in expense related to these services.

UCMC's Board of Trustees adopted a plan of support under which it would provide annual net asset transfers to the University for support of academic programs in biology and medicine. All commitments under this plan are subject to the approval of UCMC's Board of Trustees and do not represent legally binding commitments until that approval. Unpaid portions of commitments approved by the UCMC Board of Trustees are reflected as current liabilities. UCMC recorded net asset transfers of $71,750 in 2015 and 2014 for this support.

4. Community Benefits

The unreimbursed cost of providing care under the Financial Assistance Policy, along with the unreimbursed cost of government sponsored indigent healthcare programs, unreimbursed cost to support education, clinical research and other community programs for the years ended June 30, 2015 and 2014, are as follows:

	Years Ended June 30, 2015	2014
Uncompensated care:		
Medicaid sponsored indigent healthcare	$ 51,834	$ 46,896
Medicare sponsored indigent healthcare - Cost Report	68,802	66,187
Medicare sponsored indigent healthcare - Physician Services	8,476	7,692
Total uncompensated care	129,112	120,775
Provision for doubtful accounts	12,145	13,438
Charity care	15,425	25,181
	156,682	159,394
Unreimbursed education and research:		
Education	87,021	87,161
Research	48,000	48,000
Total unreimbursed education and research	135,021	135,161
Total community benefits	$ 291,703	$ 294,555

The Medical Center determines the costs associated with providing charity care by aggregating the applicable direct and indirect costs, including salaries, wages, and benefits, supplies, and other operating expenses, based on data from its costing system to determine a cost-to-charge ratio. The cost to charge ratio is applied to the charity care charge to calculate the charity care amount reported above.

5. Investments Limited as to Use

The composition of investments limited as to use is as follows at June 30:

	2015				
	Endowments				
	Separately Invested	TRIP	Other	Total	2014
Investments carried at fair value:					
Cash Equivalents	$ 362	$ 22,000	$ 665	$ 23,027	$ 27,687
Global Public Equities	86,192	150,738	-	236,930	259,065
Private Debt	-	31,372	-	31,372	23,055
Private Equity					
U.S. Venture Capital	2,884	40,045	-	42,929	42,828
U.S. Corporate Finance	-	36,875	-	36,875	35,858
International	168	42,189	-	42,357	44,725
Real Assets					
Real Estate	-	50,933	-	50,933	59,020
Natural Resources	-	51,676	-	51,676	66,979
Absolute Return					
Equity Oriented	-	70,046	-	70,046	55,327
Global Macro/Relative Value	-	56,579	-	56,579	46,685
Multi-Strategy	-	58,065	-	58,065	60,708
Credit-Oriented	-	34,386	-	34,386	21,035
Protection-Oriented	-	14,945	-	14,945	12,287
Fixed Income					
U.S. Treasuries, including TIPS	15,605	40,863	-	56,468	127,102
Other Fixed Income	116,557	73,659	-	190,216	122,179
Funds in Trust	-	-	21,453	21,453	17,131
Total Investments	$ 221,768	$ 774,371	$ 22,118	$ 1,018,257	$ 1,021,671

Investments classified as other consist of construction and debt proceeds to pay interest, donor restricted, worker's compensation, self-insurance, and trustee-held funds. Investments are presented in the financial statements as follows:

	2015	2014
Current portion of investments limited to use	$ 5,033	$ 11
Investments limited to use, less current portion	1,013,224	1,021,660
Total investments limited to use	$ 1,018,257	$ 1,021,671

The composition of net investment income is as follows for the years ended June 30:

	2015	2014
Interest and dividend income, net	$ 12,567	$ 14,638
Realized gains on sales of securities	52,460	27,097
Unrealized gains (losses) on securities	(38,239)	59,424
	$ 26,788	$ 101,159

Outside of TRIP, UCMC also invests in private equity limited partnerships. As of June 30, 2015, UCMC has commitments of $1,700 remaining to fund private equity limited partnerships.

Fair Value of Financial Instruments

The overall investment objective of the Medical Center is to invest its assets in a prudent manner that will achieve a long-term rate of return sufficient to fund a portion of its annual operating activities and increase investment value after inflation. The Medical Center diversifies its investments among various asset classes incorporating multiple strategies and external investment managers, including the University of Chicago Investment Office. Major investment decisions for investments held in TRIP and managed by the University are authorized by the University Board of Trustee's Investment Committee, which oversees the University's investment program in accordance with established guidelines.

Cash equivalent investments include cash equivalents and fixed-income investments, with maturities of less than one year, which are valued based on quoted market prices in active markets. The majority of these investments are held in U.S. money market accounts. Global public equity investments consist of separate accounts, commingled funds with liquidity ranging from daily to monthly, and limited partnerships. Securities held in separate accounts and daily-traded commingled funds are generally valued based on quoted market prices in active markets. Commingled funds with monthly liquidity are valued based on independently determined NAV. Limited partnership interests in equity-oriented funds are valued based upon NAV provided by external fund managers.

Investments in private debt, private equity, real estate, and natural resources are in the form of limited partnership interests, which typically invest in private securities for which there is no readily determinable market value. In these cases, market value is determined by external managers based on a combination of discounted cash flow analysis, industry comparables, and outside appraisals. Where private equity, real estate, and natural resources managers hold publicly traded securities, these securities are generally valued based on market prices. The value of the limited partnership interests are held at the manager's reported NAV, unless information becomes available indicating the reported NAV may require adjustment. The methods used by managers to assess the NAV of these external investments vary by asset class. The University's Investment Office on behalf of the Medical Center monitors the valuation methodologies and practices of managers.

The absolute return portfolio is comprised of investments of limited partnership interests in hedge funds and drawdown private equity style partnerships whose managers have the authority to invest in various asset classes at their discretion, including the ability to invest long and short. The majority of the underlying holdings are marketable securities. The remainder of the underlying holdings is held in marketable securities that trade infrequently or in private investments, which are valued by the manager on the basis of an appraised value, discounted cash flow, industry comparables, or some other method. Most hedge funds that hold illiquid investments designate them in special side pockets, which are subject to special restrictions on redemption.

Fixed-income investments consist of directly held actively traded treasuries, separately managed accounts, commingled funds, and bond mutual funds that hold securities, the majority of which have maturities greater than one year. These are valued based on quoted market prices in active markets.

Funds in trust investments consist primarily of project construction funds, worker's compensation trust funds, and externally managed endowments.

The Medical Center believes that the reported amount of its investments is a reasonable estimate of fair value as of June 30, 2015 and 2014. Because of the inherent uncertainties of valuation, these estimated fair values may differ significantly from values that would have been used had a ready market existed. Assets and liabilities recorded at fair value as of June 30, 2015 and 2014 were as follows:

	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	2015 Total Fair Value
Assets				
Investments:				
Cash Equivalents	23,028	-	-	23,028
Global Public Equities	112,814	3,579	-	116,393
Private Debt	-	-	-	-
Private Equity				
U.S. Venture Capital	-	-	-	-
U.S. Corporate Finance	-	-	-	-
International	-	-	-	-
Real Assets				
Real Estate	2,123	-	-	2,123
Natural Resources	3,300	-	-	3,300
Absolute Return				
Equity Oriented	-	-	-	-
Global Macro/Relative Value	10,074	-	-	10,074
Multi-Strategy	-	-	-	-
Credit-Oriented	-	-	-	-
Protection-Oriented	-	-	-	-
Fixed Income				
U.S. Treasuries, including TIPS	56,468	-	-	56,468
Other Fixed Income	176,136	-	-	176,136
Funds in Trust	21,453	-	-	21,453
Investments measured at net asset value	-	-	-	609,282
Total investments at fair value	405,396	3,579	-	1,018,257
Other assets	5,216	-	-	5,216
Total assets at fair value	$ 410,612	$ 3,579	$ -	$ 1,023,473
Liabilities				
Interest rate swap payable	$ -	$ 110,447	$ -	110,447
Total liabilities at fair value	$ -	$ 110,447	$ -	$ 110,447

	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	2014 Total Fair Value
Assets				
Investments:				
Cash Equivalents	27,687	-	-	27,687
Global Public Equities	149,741	79,272	-	229,013
Private Debt	-	-	-	-
Private Equity				
U.S. Venture Capital	249	-	-	249
U.S. Corporate Finance	-	-	-	-
International	-	-	-	-
Real Assets				
Real Estate	1,164	-	-	1,164
Natural Resources	-	-	-	-
Absolute Return				
Equity Oriented	7,861	13,099	-	20,960
Global Macro/Relative Value	5,554	11,547	-	17,101
Multi-Strategy	-	6,666	-	6,666
Credit-Oriented	-	-	-	-
Protection-Oriented	-	12,288	-	12,288
Fixed Income				
U.S. Treasuries, including TIPS	59,014	-	-	59,014
Other Fixed Income	122,179	-	-	122,179
Funds in Trust	17,130	-	-	17,130
Investments measured at net asset value	-	-	-	508,220
Total investments at fair value	390,579	122,872	-	1,021,671
Other assets	3,675	-	-	3,675
Total assets at fair value	$ 394,254	$ 122,872	$ -	$ 1,025,346
Liabilities				
Interest rate swap payable	$ -	$ 95,810	$ -	95,810
Total liabilities at fair value	$ -	$ 95,810	$ -	$ 95,810

During 2015 there were no transfers between investment Levels 1 and 2 or between levels 2 and 3.

The interest rate swap arrangement has inputs which can generally be corroborated by market data and is therefore classified within level 2.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while UCMC believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

The significant unobservable inputs used in the fair value measurement of UCMC's long-lived partnership investments include a combination of cost, discounted cash flow analysis, industry comparables and outside appraisals. Significant increases (decreases) in any inputs used by investment managers in determining net asset values in isolation would result in a significantly lower (higher) fair value measurement.

UCMC has made investments in various long-lived partnerships and, in other cases, has entered into contractual agreements that may limit its ability to initiate redemptions due to notice periods, lockups and gates. Details on typical redemption terms by asset class and type of investment are provided below:

	Remaining Life	Redemption Terms	Redemption Restrictions and Terms
Cash	N/A	Daily	None
Global Public Equities:			
Index Funds	NA	Daily	None
Separate Accounts	N/A	Daily with notice periods of 1 to 7 years	Lock-up provisions ranging from 0 to 1 year
Partnerships	N/A	Daily to triennial with notice periods of 2 to 90 days	Lock-up provisions ranging from 0 to 5 years, some investments have a portion of capital held in side pockets with no redemptions permitted
Private Debt:			
Partnerships	N/A	Redemptions not permitted	Capital held in side pockets with no redemption permitted
Drawdown partnerships	1 to 10 years	Redemptions not permitted	N/A
Private Equity	1 to 19 years	Redemptions not permitted	N/A
Real Estate:			
Drawdown partnerships	1 to 18 years	Redemption not permitted	N/A
Separate accounts	N/A	Daily with notice period of 5 days	None
Natural resources	1 to 17 years	Redemptions not permitted	N/A
Absolute Return:			
Partnerships	N/A	Daily to triennial with notice periods of 1 to 180 days.	Lock-up provisions ranging from 0 to 3 years, some investments have a portion of capital in side pockets with no redemptions permitted
Drawdown Partnerships	1 to 3 years	Redemptions not permitted	N/A
Fixed Income:			
Separate Accounts	N/A	Daily to monthly with notice periods of 1 to 30 days	None
Commingled Funds	N/A	Daily to monthly with notice periods of 1 to 10 days	None
Partnerships	N/A	Quarterly with notice periods of 10 days	Only one-third capital available in any 12-month period
Funds Held in Trust:	N/A	Daily	None

6. Endowments

UCMC's endowment consists of individual donor restricted endowment funds and board-designated endowment funds for a variety of purposes plus the following where the assets have been designated for endowment: pledges receivable, split interest agreements, and other net assets. The endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments. The net assets associated with endowment funds including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor imposed restrictions.

Illinois is governed by the "Uniform Prudent Management of Institutional Funds Act" (UPMIFA). The Board of Trustees of UCMC has interpreted UPMIFA as sustaining the preservation of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, UCMC classifies as permanently restricted net assets, (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by UCMC in a manner consistent with the standard of prudence prescribed by UPMIFA.

UCMC has the following donor-restricted endowment activities during the years ended June 30, 2015 and 2014 delineated by net asset class:

	Unrestricted Funds Functioning	Temporarily Restricted	Permanently Restricted	2015 Total
Endowment net assets, beginning of year	$ 921,696	$ 74,468	$ 8,082	$ 1,004,246
Investment return:				
Investment income	40,491	907	-	41,398
Net appreciation (realized and unrealized)	(13,703)	1,879	-	(11,824)
Total investment return	26,788	2,786	-	29,574
Gifts and other additions	32,000	-	10	32,010
Appropriation of endowment assets for expenditure	(43,486)	(4,095)	-	(47,581)
Replenishment of endowment assets for capital	(21,332)	-	-	(21,332)
Other	(1,187)	409	-	(778)
Endowment net assets, end of year	$ 914,479	$ 73,568	$ 8,092	$ 996,139

	Unrestricted Funds Functioning	Temporarily Restricted	Permanently Restricted	2014 Total
Endowment net assets, beginning of year	$ 707,290	$ 68,634	$ 6,082	$ 782,006
Investment return:				
Investment income	37,212	1,207	-	38,419
Net appreciation (realized and unrealized)	63,947	8,092	-	72,039
Total investment return	101,159	9,299	-	110,458
Gifts and other additions	87,500	-	2,000	89,500
Appropriation of endowment assets for expenditure	(40,272)	(3,850)	-	(44,122)
Replenishment of endowment assets for capital	67,215			67,215
Other	(1,196)	385	-	(811)
Endowment net assets, end of year	$ 921,696	$ 74,468	$ 8,082	$ 1,004,246

Description of amounts classified as permanently restricted net assets and temporarily restricted net assets (Endowments only) as of June 30, 2015 and 2014:

	Perpetual	Time-Restricted by Donor	Time-Restricted by Law	2015 Total
Restricted for pediatric health care	$ 1,855		$ 17,409	$ 19,264
Restricted for adult health care	1,926		53,481	55,407
Restricted for educational and scientific programs	4,311		2,678	6,989
	$ 8,092	$ -	$ 73,568	$ 81,660

	Perpetual	Time-Restricted by Donor	Time-Restricted by Law	2014 Total
Restricted for pediatric health care	$ 1,845	$ -	$ 16,918	$ 18,763
Restricted for adult health care	1,925	-	54,780	56,705
Restricted for educational and scientific programs	4,312	-	2,769	7,081
	$ 8,082	$ -	$ 74,467	$ 82,549

Investment and Spending Policies
UCMC has adopted endowment investment and spending policies that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of endowment assets. UCMC expects its endowment funds over time, to provide an average rate of return of approximately 6% annually. To achieve its long-term rate of return objectives, UCMC relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized gains) and current yield (interest and dividends). Actual returns in any given year may vary from this amount.

For endowments invested in TRIP, the Board of Trustees of UCMC has adopted the University's method to be used to appropriate endowment funds for expenditure, including following the University's payout formula. The University utilizes the total return concept in allocating endowment income. In accordance with the University's total return objective, between 4.5% and 5.5% of a 12-quarter moving average of the fair value of endowment investments, lagged by one year, is available each year for expenditure in the form of endowment payout. The exact payout percentage, which is set each year by the Board of Trustees with the objective of a 5% average payout over time, was 5.5% for the fiscal years ended June 30, 2015 and 2014. If endowment income received is not sufficient to support the total return objective, the balance is provided from capital gains. If income received is in excess of the objective, the balance is reinvested in the endowment.

For endowments invested apart from TRIP, UCMC calculates a payout of 4% annually on a rolling 24-month average market value. In establishing this policy, the Board considered the expected long term rate of return on its endowment.

7. Property, Plant and Equipment

The components of property, plant and equipment as of June 30 are as follows:

	2015	2014
Land and land rights	$ 36,008	$ 36,008
Buildings and improvements	1,385,018	1,288,213
Equipment	512,531	515,713
Construction in progress	55,238	58,313
	1,988,795	1,898,247
Less accumulated depreciation	(756,011)	(698,340)
Total property, plant and equipment, net	$ 1,232,784	$ 1,199,907

UCMC's net property, plant and equipment cost includes $10,000 representing assets under capital leases with the University, which are stated at the UCMC's historical cost. The cost of buildings that are jointly used by the University and UCMC is allocated based on the lease provisions. In addition, land and land rights includes $16,400 and $17,800 for 2015 and 2014, respectively, which represents the unamortized portion of initial lease payments made to the University. UCMC entered into a services agreement in 2013 for the exclusive right to operate certain food service operations at the Medical Center, which included a capital commitment in the amount of $11,800 for equipment and renovations provided by the contractor. In 2014 UCMC terminated this food service operation agreement and settled all outstanding balances, including the capital

commitment. The amount outstanding under this commitment as of June 30, 2015 and 2014 was $0.

A new parking garage was placed into service in 2015 with a total cost of $79,500; approximately $47,200 was spent in 2015 related to the structure.

Capitalized interest costs in 2015 and 2014 were $300 and $60, respectively.

8. Long-Term Debt

Long-term debt as of June 30 consists of the following:

	Final fiscal year maturity	Interest rate	2015	2014
Fixed rate:				
Illinois Health Facilities Authority:				
Series 2003	2015	5.0	$ -	$ 7,410
Illinois Finance Authority:				
Series 2009A and B	2027	4.9	148,480	149,330
Series 2009C	2037	5.4	60,900	85,000
Series 2009D-1 and 2 (synthetically fixed rate)	2044	3.9	70,000	70,000
Series 2009E-1 and 2 (synthetically fixed rate)	2044	3.9	70,000	70,000
Series 2010 A and B (synthetically fixed rate)	2045	3.9	92,500	92,500
Series 2011 A and B (synthetically fixed rate)	2045	3.9	92,500	92,500
Series 2011C	2042	5.5	90,000	90,000
Series 2012A	2037	4.5	68,535	70,325
Series 2015A	2029	5.0	21,895	0
Unamortized premium			12,016	9,797
Total fixed rate			726,826	736,862
Variable rate:				
Series 2013A	2020	3.1	75,000	24,706
Illinois Educational Facilities Authority (IEFA)	2038	0.1	77,717	79,517
Total variable rate			152,717	104,223
Total notes and bonds payable			879,543	841,085
Less current portion of long-term debt			(11,535)	(10,050)
Long-term portion of debt			$ 868,008	$ 831,035

The fair value of long-term debt is based on the pricing of fixed-rate bonds of market participants, including assumptions about the present value of current market interest rates, and loans of comparable quality and maturity. The fair value of long-term debt would be a Level 2 hierarchy. The carrying value of long-term debt is below the estimated fair value of the debt by $27,400 and $37,400 as of June 30, 2015 and June 30, 2014, respectively, based on the quoted market prices for the same or similar issues.

Scheduled annual repayments for the next five years are as follows at June 30:

Year	Amount
2016	$ 12,778
2017	13,255
2018	13,868
2019	14,513
2020	15,208

Under its various indebtedness agreements, the Medical Center is subject to certain financial covenants, including maintaining a minimum debt service coverage ratio, maintaining minimum levels of days cash on hand, maintaining debt to capitalization at certain levels; limitations on selling, leasing, or otherwise disposing of Medical Center property; and certain other nonfinancial covenants. Each of the bond series is collateralized by unrestricted receivables under a Master Trust Indenture and subject to certain restrictions. The Medical Center was in compliance with its debt covenants as of June 30, 2015 and 2014.

Recent Financing Activity

In March 2015, the IFA issued $21,895 of Series 2015A Revenue Refunding Bonds, allocated to the Medical Center for the purpose of refunding a portion of the Illinois Health Facilities Authority Revenue Bonds, Series 2009C. The Series 2015A Bonds are secured by a Direct Note Obligation, Series 2015A of the Medical Center issued pursuant to the Master Trust Indenture. The extinguishment of the Series 2009C bonds resulted in a loss of $700K, the majority of which was recorded to supplies and other expense in 2015.

Letters of Credit

Payment on each of the variable rate demand revenue bonds is also collateralized by a letter of credit. The letter of credit that support the Series 2009D bonds expires in June 2017. The letter of credit that supports the 2009E bonds expires in December 2018. The letters of credit that support the Series 2010A and Series 2010B bonds expire in November 2020 and November 2018, respectively, and the letters of credit that support the Series 2011A and Series 2011B bonds expire in May 2021 and May 2016, respectively. UCMC has received a commitment to renew the Letter of Credit Reimbursement Agreement for the Series 2011B bonds, and expects to renew or replace the letter of credit prior to its expiration. The letters of credit are subject to certain restrictions, which include financial ratio requirements and consent to future indebtedness. The most restrictive financial ratio is to maintain a debt service coverage ratio of 1.25:1. UCMC was in compliance with all applicable debt covenants at June 30, 2015.

Payment on each of the IEFA bonds is collateralized by a letter of credit maturing November 2017. The letter of credit is subject to certain restrictions, which include financial ratio requirements. The most restrictive financial ratio is to maintain a debt service coverage ratio of 1.75:1. UCMC was in compliance with all applicable debt covenants at June 30, 2015.

Included in UCMC's debt is $77,700 of commercial paper revenue notes and $325,000 of variable rate demand bonds. In the event that UCMC's remarketing agents are unable to remarket the bonds, the trustee of the bonds will tender them under the letters of credit. Scheduled repayments under the letters of credit are between 1 and 3 years, beginning after a grace period of at least one year, and bear interest rates different from those associated with the original bond issue. Any bonds tendered are still eligible to be remarketed. Bonds subsequently remarketed would be subject to the original bond repayment schedules.

UCMC paid interest, net of capitalized interest, of approximately $33,600 and $33,500 in 2015 and 2014, respectively.

UCMC has a $40,000 line of credit from a commercial bank. As of June 30, 2015 and 2014, no amount was outstanding under this line.

9. Commitments

Leases
UCMC has capital and noncancelable operating leases for certain buildings and equipment. Future minimum payments required under noncancelable operating and capital leases as of June 30 are as follows:

	Operating	Capital
2016	$ 2,249	$ -
2017	698	-
2018	712	-
2019	727	-
2020 and thereafter	5,678	-
Total minimum lease payments	$ 10,064	-
Less - Amount representing interest		-
Present value of net minimum capital lease payments		$ -

The amount of total assets capitalized under these leases at both June 30, 2015 and June 30, 2014 is $2,300 with related accumulated depreciation of $2,300 and $2,000, respectively. Rental expense was approximately $5,600 and $5,800 for the years ended June 30, 2015 and 2014, respectively, including a $500 annual rental of a parking garage from the University.

10. Insurance

UCMC is included under certain of the University's insurance programs. Since 1977, UCMC, in conjunction with the University, has maintained a self-insurance program for its medical malpractice liability. This program is supplemented with commercial excess insurance above the University's self-insurance retention, which for the years ended June 30, 2015 and 2014 was $5,000 per claim and unlimited in the aggregate. Claims in excess of $5,000 are subject to an additional self-insurance retention limited to $12,500 per claim and $22,500 in aggregate.

The estimated liability for medical malpractice self-insurance is actuarially determined based upon estimated claim reserves and various assumptions, and represents the estimated present value of self-insurance claims that will be settled in the future. It considers anticipated payout patterns as well as interest to be earned on available assets prior to payment. The discount rate used to value the self-insurance liability is a risk-adjusted rate commensurate with the duration of anticipated payments. These inputs to the fair value estimate of the liability are considered Level 2 in the fair value hierarchy.

A comparison of the estimated liability for incurred malpractice claims (filed and not filed) and net assets for the combined University and UCMC self-insurance program as of June 30, 2015 and 2014, is presented below:

	2015	2014
Actuarial present value of self-insurance liability for medical malpractice	$ 250,444	$ 238,552
Total assets available for claims	$ 351,828	$ 332,592

If the present-value method were not used, the ultimate liability for medical malpractice self-insurance claims would be approximately $43,400 higher at June 30, 2015. The interest rate assumed in determining the present value was 4.25% for 2015 and 2014. The Medical Center has recorded its pro-rata share of the malpractice self-insurance liability as required under ASU 2010-24 in the amount of $112,700 and $115,400 at June 30, 2015 and June 30, 2014, respectively, with an offsetting receivable from the malpractice trust to cover any related claims.

The malpractice self-insurance trust assets consist primarily of funds held in TRIP.

UCMC recognizes as malpractice expense its negotiated pro-rata share of the actuarially determined normal contribution, with gains and losses amortized over five years, with no retroactive adjustments, as provided in the operating agreement. For fiscal year 2016, the Medical Center expense will be $12,800 related to malpractice insurance.

UCMC designated $16,400 and $17,100 as of June 30, 2015 and 2014, respectively, as a workers' compensation self-insurance reserve trust fund. The self-insurance program investments consist of approximately 60% bonds and 40% marketable equities. The specifically identified claim requirements and actuarially determined reserve requirements for unreported workers' compensation claims were $8,200 as of June 30, 2015 and 2014. The University also charges UCMC for its portion of other commercial insurance and self-insurance costs.

11. Pension Plans

Active Plans

A majority of UCMC's personnel participate in the University's defined benefit and contribution pension plan. Under the defined benefit portion of this plan, benefits are based on years of service and the employee's compensation for the five highest paid consecutive years within the last ten years of employment. UCMC and the University make annual contributions to this portion of the plan at a rate necessary to maintain plan funding on an actuarially recommended basis. UCMC recognizes its share of net periodic pension cost as expense and any difference in the contribution amount as a transfer of unrestricted net assets. The adjustment to net assets was an increase of $1,000 for 2015 and a decrease of $1,000 for 2014. Contributions of $32,500 were made in the fiscal years ended June 30, 2015 and 2014. UCMC expects to make contributions of $32,500 for the fiscal year ended June 30, 2016 that will be entirely expensed as net periodic pension costs.

Under the defined contribution portion of the plan, UCMC and plan participants make contributions that accrue to the benefit of the participants at retirement. UCMC's contributions, which are based on a percentage of each covered employee's salary, totaled approximately $7,400 and $6,700 for the years ended June 30, 2015 and 2014, respectively.

Plan Name	EIN	Contributions of UCMC	
		2015	2014
University of Chicago Retirement Income Plan for Employees	36-2177139-002	$ -	$ 7,920
University of Chicago Pension Plan for Staff Employees	36-2177139-003	32,500	24,580
		$ 32,500	$ 32,500

The benefit obligation, fair value of plan assets and funded status for the University's defined benefit plan included in the University's financial statements as of June 30, are shown below:

	2015	2014
Projected benefit obligation	$ 954,886	$ 916,791
Fair value of plan assets	695,869	671,793
Deficit of plan assets over benefit obligation	$ (259,017)	$ (244,998)

The weighted-average assumptions used in the accounting for the plan are shown below:

	2015	2014
Discount rate	4.5 %	4.3 %
Expected return on plan assets	6.5 %	6.5 %
Rate of compensation increase	3.5 %	3.5 %

The weighted average asset allocation for the plan is as follows:

	2015	2014
Domestic equities	25 %	28 %
International equity	24 %	16 %
Fixed income	51 %	56 %
	100 %	100 %

The pension and other postretirement benefit obligation considers anticipated payout patterns as well as investment returns on available assets prior to payment. The discount rate used to value the pension and other postretirement benefit obligation is a risk-adjusted rate commensurate with the duration of anticipated payments. These inputs to the fair value estimate are considered Level 2 in the fair value hierarchy.

Total benefits and plan expenses paid by the plan were $40,100 and $39,300 for the fiscal years ended June 30, 2015 and 2014, respectively.

Expected future benefit payments excluding plan expenses are as follows:

Fiscal Year	
2016	74,746
2017	50,099
2018	52,716
2019	54,767
2020	57,246
2021-2025	327,528

Certain UCMC personnel participate in a contributory pension plan. Under this plan, UCMC and plan participants make annual contributions to purchase annuities equivalent to retirement benefits earned. UCMC's pension expense for this plan was $5,200 and $5,000 for the years ended June 30, 2015 and 2014, respectively.

Curtailed and Frozen Plan

In June 2002, UCMC assumed sponsorship of the Louis A. Weiss Memorial Hospital Pension Plan (Employer Identification Number 36-3488183, Plan Number 003), which covers employees of a former affiliate. Participation and benefit accruals are frozen. All benefit accruals are fully vested.

Components of net periodic pension cost and other amounts recognized in unrestricted net assets include the following:

	Years Ended June 30, 2015	2014
Net periodic pension cost		
Interest cost	$ 2,293	$ 2,485
Expected return on plan assets	(3,080)	(2,794)
Amortization of unrecognized net actuarial loss	617	675
Net periodic pension cost	(170)	366
Other changes in plan assets and benefit obligations recognized in unrestricted net assets		
Liability for pension benefits	(8,192)	1,337
Total recognized in net periodic pension cost and unrestricted net assets	$ 8,022	$ (971)

The following tables set forth additional required pension disclosure information for this plan:

	Years Ended June 30, 2015	2014
Change in projected benefit obligation		
Benefit obligation at beginning of year	$ 56,410	$ 54,090
Interest cost	2,293	2,485
Net actuarial loss (gain)	5,382	3,237
Benefits paid	(3,767)	(3,402)
	60,318	56,410
Change in plan assets		
Fair value of plan assets at beginning of year	53,151	48,360
Actual return on plan assets	(347)	6,693
Employer contribution	3,000	1,500
Benefits paid	(3,767)	(3,402)
	52,037	53,151
Funded status at end of year	$ (8,281)	$ (3,259)

Amounts recognized in the balance sheet are included in noncurrent liabilities.

Accumulated plan benefits equal projected plan benefits. Assumptions used in the accounting for the net periodic pension cost were as follows:

	2015	2014
Discount rate	4.3 %	4.2 %
Expected return on plan assets	6.0 %	6.0 %
Rate of compensation increase	N/A	N/A

Weighted average asset allocations for plan assets are as follows:

	2015	2014
Cash	3 %	1 %
Fixed income	58	56
Domestic equities	29	29
International equities	10	14
	100 %	100 %

All plan assets are valued using level 1 inputs. The target asset allocation is 40% equities and 60% fixed income. The expected return on plan assets is based on historical investment returns for similar investment portfolios.

UCMC expects to make contributions of $1,500 to the plan in the fiscal year ending June 30, 2016.

Expected future benefit payments are:

Fiscal Year		
2016	$	3,758
2017		3,767
2018		3,780
2019		3,798
2020		3,863
2021-2025		19,358

12. Concentration of Credit Risk

As a hospital, UCMC is potentially subject to concentration of credit risk from patient accounts receivable and certain investments. Investments, which include government and agency securities, stocks, corporate bonds, real assets, absolute return, and private equities, are not concentrated in any corporation or industry or with any single counter-party. UCMC receives a significant portion of its payments for services rendered from a limited number of government and commercial third-party payors, including Medicare, Medicaid, and Blue Cross. Medicaid approximated 19% and 17% of the Medical Center's net revenue for 2015 and 2014, respectively. Medicaid represented 26% and 21% of UCMC's net accounts receivable at June 30, 2015 and 2014, respectively. Management does not anticipate any collection risk related to the Medicaid accounts receivable at June 30, 2013. UCMC has not historically incurred any significant credit losses outside the normal course of business.

13. Pledges

Pledges receivable at June 30 are shown below:

	2015	2014
Unconditional promises expected to be collected in:		
Less than one year	$ 1,102	$ 2,420
One year to five years	1,522	2,142
More than five years		-
	2,624	4,562
Less unamortized discount (discount rate 5.5%)	-	(71)
Total	$ 2,624	$ 4,491

14. Restricted Net Assets

Temporarily restricted net assets are available for the following purposes as of June 30:

	2015	2014
Pediatric health care	$ 19,414	$ 19,541
Adult health care	55,728	56,505
Educational and scientific programs	5,059	4,774
Capital and other purposes	5,908	7,134
Total	$ 86,109	$ 87,954

Income from permanently restricted net assets is restricted for:

	2015	2014
Pediatric health care	$ 1,855	$ 1,855
Adult health care	1,935	1,925
Educational and scientific programs	4,312	4,312
Total	$ 8,102	$ 8,092

15. Functional Expenses

Total operating expenses by function are as follows for the years ended June 30:

	2015	2014
Health care services	$ 1,359,252	$ 1,285,218
General and administrative	99,897	92,922
Total	$ 1,459,149	$ 1,378,140

16. Contingencies

UCMC is subject to complaints, claims and litigation which have risen in the normal course of business. In addition, UCMC is subject to reviews by various federal and state government agencies to assure compliance with applicable laws, some of which are subject to different interpretations. While the outcome of these suits cannot be determined at this time, management, based on advice from legal counsel, believes that any loss which may arise from these actions will not have a material adverse effect on the financial position or results of operations of UCMC.

MELIO & COMPANY

A trusted, experienced advisor to the healthcare industry

MARK T. MELIO
Managing Director

January 26, 2016

Ann McColgan
Vice President, Chief Treasury Officer
The University of Chicago Medicine
8201 S. Cass Avenue
Darien, Illinois 60561

RE: The University of Chicago Medical Center's Certificate of Need

It is our understanding that The University of Chicago Medical Center ("UCMC") plans to issue tax-exempt bonds to finance or reimburse the costs of acquiring, constructing, remodeling, equipping and improving certain health care facilities. The tax-exempt borrowings are expected to be completed using fixed rate debt with a par amount of approximately $200 million. It is currently anticipated that the additional indebtedness would be issued under UCMC's amended Master Trust Indenture dated March 1, 2015.

We have reviewed the audited financial statements of UCMC for the years ended June 30, 2015 and 2014, and we have calculated historical pro forma debt service coverage ratios.

($000)	FY 2014	FY 2015
Net income excluding unrealized and extraordinary gains (including investment income)	$111,098	$149,171
Depreciation expense	$83,563	$81,902
Interest expense	$33,354	$35,632
Income available for debt service	$222,861	$267,343
Actual debt service on outstanding long term indebtedness	$42,938	$42,695
Historical debt service coverage ratio	5.2x	6.3x
Historical pro forma maximum annual debt service including proposed bonds	3.5x	4.2x
Historical pro forma debt service coverage	4.2x	5.1x

Historical pro forma coverage on the additional borrowing more than exceeds the 1.10x permitted additional indebtedness test as required by the Master Trust Indenture. In addition, based upon our review of UCMC's financial statements and our knowledge as to its fundamental credit strengths, we believe that UCMC has sufficient debt capacity to issue at least $200 million of tax exempt-bonds in the capital markets and to satisfy the debt service payments from this additional borrowing.

Sincerely,

Mark T. Melio
Managing Partner

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Series 2016 Bonds Estimated Sources and Uses of Funds

	UCMC Series 2016	UCMC Series 2017
Sources of Funds:		
Par Amount	$ 40,000,000.00	$ 160,000,000.00
Net Premium	1,867,278.00	6,919,511.75
Total Sources	$ 41,867,278.00	$ 166,919,511.75
Uses of Funds:		
New Money	$ 37,499,640.71	$ 142,710,892.14
Capitalized Interest Fund	3,767,637.29	21,808,619.61
Costs of Issuance	600,000.00	2,400,000.00
Total Uses	$ 41,867,278.00	$ 166,919,511.75
Results & Statistics:		
Dated Date	8/1/2016	3/1/2017
Final Maturity	8/15/2045	8/15/2046
Average Annual Debt Service	$ 2,625,318.24	$ 10,541,884.15
Average Life (years)	19.0	19.8
Average Coupon	4.76%	4.76%
All-In True Interest Cost	4.46%	4.49%

Assumptions:

- Market rates for Aa3/AA-/AA- healthcare credit as of January 25, 2016, plus 100 basis points
- COI equal to 1.5%
- Interest capitalized through 1/1/2019 (Series 2016) and 3/1/2020 (Series 2017)
- Principal payments deferred until 2020 (Series 2016) and 2022 (Series 2017)
- Level debt service for 30 years

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SOURCES AND USES OF FUNDS

University of Chicago Medical Center
Series 2016 Bonds

Sources:	
Bond Proceeds:	
Par Amount	40,000,000.00
Net Premium	1,867,278.00
	41,867,278.00
Uses:	
Other Fund Deposits:	
Capitalized Interest Fund	3,767,637.29
Delivery Date Expenses:	
Cost of Issuance	600,000.00
Other Uses of Funds:	
Additional Proceeds	37,499,640.71
	41,867,278.00

BOND PRICING

University of Chicago Medical Center
Series 2016 Bonds

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Serial Bonds:									
	08/15/2017		5.000%	1.910%	103.162				
	08/15/2018		5.000%	2.030%	105.901				
	08/15/2019		5.000%	2.180%	108.247				
	08/15/2020	855,000	5.000%	2.350%	110.153				86,808.15
	08/15/2021	900,000	5.000%	2.490%	111.816				106,344.00
	08/15/2022	940,000	4.000%	2.750%	106.910				64,954.00
	08/15/2023	985,000	5.000%	2.900%	113.282				130,827.70
	08/15/2024	1,025,000	3.000%	3.150%	98.941				(10,854.75)
	08/15/2025	1,055,000	3.000%	3.310%	97.594				(25,383.30)
	08/15/2026	1,085,000	3.000%	3.460%	96.125				(42,043.75)
	08/15/2027	1,120,000	3.000%	3.620%	94.398				(62,742.40)
	08/15/2028	1,155,000	3.000%	3.800%	92.327				(88,623.15)
	08/15/2029	1,200,000	5.000%	3.670%	111.981 C	3.824%	08/15/2027	100.000	143,772.00
	08/15/2030	1,260,000	5.000%	3.740%	111.308 C	3.943%	08/15/2027	100.000	142,480.80
	08/15/2031	1,325,000	5.000%	3.820%	110.545 C	4.056%	08/15/2027	100.000	139,721.25
	08/15/2032	1,395,000	5.000%	3.880%	109.977 C	4.142%	08/15/2027	100.000	139,179.15
	08/15/2033	1,465,000	5.000%	3.910%	109.694 C	4.198%	08/15/2027	100.000	142,017.10
	08/15/2034	1,540,000	5.000%	3.960%	109.225 C	4.262%	08/15/2027	100.000	142,065.00
	08/15/2035	1,620,000	5.000%	4.030%	108.572 C	4.334%	08/15/2027	100.000	138,866.40
	08/15/2036	1,690,000	3.375%	4.500%	85.247				(249,325.70)
	08/15/2037	1,750,000	3.500%	4.630%	84.909				(264,092.50)
		22,365,000							633,970.00
Term Bond due 2041:									
	08/15/2038	1,825,000	5.250%	4.260%	108.644 C	4.661%	08/15/2027	100.000	157,753.00
	08/15/2039	1,925,000	5.250%	4.260%	108.644 C	4.661%	08/15/2027	100.000	166,397.00
	08/15/2040	2,030,000	5.250%	4.260%	108.644 C	4.661%	08/15/2027	100.000	175,473.20
	08/15/2041	2,140,000	5.250%	4.260%	108.644 C	4.661%	08/15/2027	100.000	184,981.60
		7,920,000							684,604.80
Term Bond due 2045:									
	08/15/2042	2,250,000	5.000%	4.350%	105.648 C	4.644%	08/15/2027	100.000	127,080.00

BOND PRICING

University of Chicago Medical Center
Series 2016 Bonds

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Term Bond due 2045:									
	08/15/2043	2,365,000	5.000%	4.350%	105.648 C	4.644%	08/15/2027	100.000	133,575.20
	08/15/2044	2,485,000	5.000%	4.350%	105.648 C	4.644%	08/15/2027	100.000	140,352.80
	08/15/2045	2,615,000	5.000%	4.350%	105.648 C	4.644%	08/15/2027	100.000	147,695.20
		9,715,000							548,703.20
		40,000,000							1,867,278.00

Dated Date	08/01/2016	
Delivery Date	08/01/2016	
First Coupon	02/15/2017	
Par Amount	40,000,000.00	
Premium	1,867,278.00	
Production	41,867,278.00	104.668195%
Underwriter's Discount		
Purchase Price	41,867,278.00	104.668195%
Accrued Interest		
Net Proceeds	41,867,278.00	

BOND SUMMARY STATISTICS

University of Chicago Medical Center
Series 2016 Bonds

Dated Date	08/01/2016
Delivery Date	08/01/2016
Last Maturity	08/15/2045
Arbitrage Yield	4.042433%
True Interest Cost (TIC)	4.344392%
Net Interest Cost (NIC)	4.519029%
All-In TIC	4.462451%
Average Coupon	4.764549%
Average Life (years)	19.014
Duration of Issue (years)	12.533
Par Amount	40,000,000.00
Bond Proceeds	41,867,278.00
Total Interest	36,236,324.79
Net Interest	34,369,046.79
Total Debt Service	76,236,324.79
Maximum Annual Debt Service	2,682,912.50
Average Annual Debt Service	2,625,318.24
Underwriter's Fees (per $1000)	
Average Takedown	
Other Fee	
Total Underwriter's Discount	
Bid Price	104.668195

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Serial Bonds	22,365,000.00	102.835	4.261%	13.657	19,828.35
Term Bond due 2041	7,920,000.00	108.644	5.250%	23.605	7,286.40
Term Bond due 2045	9,715,000.00	105.648	5.000%	27.601	8,743.50
	40,000,000.00			19.014	35,858.25

	TIC	All-In TIC	Arbitrage Yield
Par Value	40,000,000.00	40,000,000.00	40,000,000.00
+ Accrued Interest			
+ Premium (Discount)	1,867,278.00	1,867,278.00	1,867,278.00
- Underwriter's Discount			
- Cost of Issuance Expense		(600,000.00)	
- Other Amounts			
Target Value	41,867,278.00	41,267,278.00	41,867,278.00
Target Date	08/01/2016	08/01/2016	08/01/2016
Yield	4.344392%	4.462451%	4.042433%

BOND DEBT SERVICE

University of Chicago Medical Center
Series 2016 Bonds

Period Ending	Principal	Coupon	Interest	Debt Service
06/30/2017			995,806.04	995,806.04
06/30/2018			1,847,887.50	1,847,887.50
06/30/2019			1,847,887.50	1,847,887.50
06/30/2020			1,847,887.50	1,847,887.50
06/30/2021	855,000	5.000%	1,826,512.50	2,681,512.50
06/30/2022	900,000	5.000%	1,782,637.50	2,682,637.50
06/30/2023	940,000	4.000%	1,741,337.50	2,681,337.50
06/30/2024	985,000	5.000%	1,697,912.50	2,682,912.50
06/30/2025	1,025,000	3.000%	1,657,912.50	2,682,912.50
06/30/2026	1,055,000	3.000%	1,626,712.50	2,681,712.50
06/30/2027	1,085,000	3.000%	1,594,612.50	2,679,612.50
06/30/2028	1,120,000	3.000%	1,561,537.50	2,681,537.50
06/30/2029	1,155,000	3.000%	1,527,412.50	2,682,412.50
06/30/2030	1,200,000	5.000%	1,480,087.50	2,680,087.50
06/30/2031	1,260,000	5.000%	1,418,587.50	2,678,587.50
06/30/2032	1,325,000	5.000%	1,353,962.50	2,678,962.50
06/30/2033	1,395,000	5.000%	1,285,962.50	2,680,962.50
06/30/2034	1,465,000	5.000%	1,214,462.50	2,679,462.50
06/30/2035	1,540,000	5.000%	1,139,337.50	2,679,337.50
06/30/2036	1,620,000	5.000%	1,060,337.50	2,680,337.50
06/30/2037	1,690,000	3.375%	991,318.75	2,681,318.75
06/30/2038	1,750,000	3.500%	932,175.00	2,682,175.00
06/30/2039	1,825,000	5.250%	853,643.75	2,678,643.75
06/30/2040	1,925,000	5.250%	755,206.25	2,680,206.25
06/30/2041	2,030,000	5.250%	651,387.50	2,681,387.50
06/30/2042	2,140,000	5.250%	541,925.00	2,681,925.00
06/30/2043	2,250,000	5.000%	429,500.00	2,679,500.00
06/30/2044	2,365,000	5.000%	314,125.00	2,679,125.00
06/30/2045	2,485,000	5.000%	192,875.00	2,677,875.00
06/30/2046	2,615,000	5.000%	65,375.00	2,680,375.00
	40,000,000		36,236,324.79	76,236,324.79

NET DEBT SERVICE

University of Chicago Medical Center
Series 2016 Bonds

Period Ending	Principal	Interest	Total Debt Service	General Fund	Capitalized Interest Fund	Net Debt Service
06/30/2017		995,806.04	995,806.04	(82,075.05)	1,077,881.09	
06/30/2018		1,847,887.50	1,847,887.50	(93,374.52)	1,941,262.02	
06/30/2019		1,847,887.50	1,847,887.50	175,449.57	942,618.65	729,819.28
06/30/2020		1,847,887.50	1,847,887.50			1,847,887.50
06/30/2021	855,000	1,826,512.50	2,681,512.50			2,681,512.50
06/30/2022	900,000	1,782,637.50	2,682,637.50			2,682,637.50
06/30/2023	940,000	1,741,337.50	2,681,337.50			2,681,337.50
06/30/2024	985,000	1,697,912.50	2,682,912.50			2,682,912.50
06/30/2025	1,025,000	1,657,912.50	2,682,912.50			2,682,912.50
06/30/2026	1,055,000	1,626,712.50	2,681,712.50			2,681,712.50
06/30/2027	1,085,000	1,594,612.50	2,679,612.50			2,679,612.50
06/30/2028	1,120,000	1,561,537.50	2,681,537.50			2,681,537.50
06/30/2029	1,155,000	1,527,412.50	2,682,412.50			2,682,412.50
06/30/2030	1,200,000	1,480,087.50	2,680,087.50			2,680,087.50
06/30/2031	1,260,000	1,418,587.50	2,678,587.50			2,678,587.50
06/30/2032	1,325,000	1,353,962.50	2,678,962.50			2,678,962.50
06/30/2033	1,395,000	1,285,962.50	2,680,962.50			2,680,962.50
06/30/2034	1,465,000	1,214,462.50	2,679,462.50			2,679,462.50
06/30/2035	1,540,000	1,139,337.50	2,679,337.50			2,679,337.50
06/30/2036	1,620,000	1,060,337.50	2,680,337.50			2,680,337.50
06/30/2037	1,690,000	991,318.75	2,681,318.75			2,681,318.75
06/30/2038	1,750,000	932,175.00	2,682,175.00			2,682,175.00
06/30/2039	1,825,000	853,643.75	2,678,643.75			2,678,643.75
06/30/2040	1,925,000	755,206.25	2,680,206.25			2,680,206.25
06/30/2041	2,030,000	651,387.50	2,681,387.50			2,681,387.50
06/30/2042	2,140,000	541,925.00	2,681,925.00			2,681,925.00
06/30/2043	2,250,000	429,500.00	2,679,500.00			2,679,500.00
06/30/2044	2,365,000	314,125.00	2,679,125.00			2,679,125.00
06/30/2045	2,485,000	192,875.00	2,677,875.00			2,677,875.00
06/30/2046	2,615,000	65,375.00	2,680,375.00			2,680,375.00
	40,000,000	36,236,324.79	76,236,324.79	0.00	3,961,761.76	72,274,563.03

CAPITALIZED INTEREST FUND

University of Chicago Medical Center
Series 2016 Bonds

Date	Deposit	Interest @ 4.042433%	Principal	Debt Service	Scheduled Draws	Balance
06/30/2017	3,767,637.29	82,075.05	995,806.04	(82,075.05)	995,806.04	2,771,831.25
06/30/2018		93,374.52	1,847,887.50	(93,374.52)	1,847,887.50	923,943.75
06/30/2019		18,674.90	923,943.75	(18,674.90)	923,943.75	
	3,767,637.29	194,124.47	3,767,637.29	(194,124.47)	3,767,637.29	

Yield To Receipt Date:	4.0436130%
Arbitrage Yield:	4.0424330%
Value of Positive Arbitrage:	54.41

FORM 8038 STATISTICS

University of Chicago Medical Center
Series 2016 Bonds

Dated Date	08/01/2016
Delivery Date	08/01/2016

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
Serial Bonds:						
	08/15/2017		5.000%	103.162		
	08/15/2018		5.000%	105.901		
	08/15/2019		5.000%	108.247		
	08/15/2020	855,000.00	5.000%	110.153	941,808.15	855,000.00
	08/15/2021	900,000.00	5.000%	111.816	1,006,344.00	900,000.00
	08/15/2022	940,000.00	4.000%	106.910	1,004,954.00	940,000.00
	08/15/2023	985,000.00	5.000%	113.282	1,115,827.70	985,000.00
	08/15/2024	1,025,000.00	3.000%	98.941	1,014,145.25	1,025,000.00
	08/15/2025	1,055,000.00	3.000%	97.594	1,029,616.70	1,055,000.00
	08/15/2026	1,085,000.00	3.000%	96.125	1,042,956.25	1,085,000.00
	08/15/2027	1,120,000.00	3.000%	94.398	1,057,257.60	1,120,000.00
	08/15/2028	1,155,000.00	3.000%	92.327	1,066,376.85	1,155,000.00
	08/15/2029	1,200,000.00	5.000%	111.981	1,343,772.00	1,200,000.00
	08/15/2030	1,260,000.00	5.000%	111.308	1,402,480.80	1,260,000.00
	08/15/2031	1,325,000.00	5.000%	110.545	1,464,721.25	1,325,000.00
	08/15/2032	1,395,000.00	5.000%	109.977	1,534,179.15	1,395,000.00
	08/15/2033	1,465,000.00	5.000%	109.694	1,607,017.10	1,465,000.00
	08/15/2034	1,540,000.00	5.000%	109.225	1,682,065.00	1,540,000.00
	08/15/2035	1,620,000.00	5.000%	108.572	1,758,866.40	1,620,000.00
	08/15/2036	1,690,000.00	3.375%	85.247	1,440,674.30	1,690,000.00
	08/15/2037	1,750,000.00	3.500%	84.909	1,485,907.50	1,750,000.00
Term Bond due 2041:						
	08/15/2038	1,825,000.00	5.250%	108.644	1,982,753.00	1,825,000.00
	08/15/2039	1,925,000.00	5.250%	108.644	2,091,397.00	1,925,000.00
	08/15/2040	2,030,000.00	5.250%	108.644	2,205,473.20	2,030,000.00
	08/15/2041	2,140,000.00	5.250%	108.644	2,324,981.60	2,140,000.00
Term Bond due 2045:						
	08/15/2042	2,250,000.00	5.000%	105.648	2,377,080.00	2,250,000.00
	08/15/2043	2,365,000.00	5.000%	105.648	2,498,575.20	2,365,000.00
	08/15/2044	2,485,000.00	5.000%	105.648	2,625,352.80	2,485,000.00
	08/15/2045	2,615,000.00	5.000%	105.648	2,762,695.20	2,615,000.00
		40,000,000.00			41,867,278.00	40,000,000.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	08/15/2045	5.000%	2,762,695.20	2,615,000.00		
Entire Issue			41,867,278.00	40,000,000.00	19.0323	4.0424%

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	600,000.00
Proceeds used for credit enhancement	0.00
Proceeds allocated to reasonably required reserve or replacement fund	0.00

BOND PRICING

University of Chicago Medical Center
Series 2017 Bonds

Bond Component	Maturity Date	Amount	Rate	Yield	Price		Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Serial Bonds:										
	08/15/2018		5.000%	1.910%	104.414					
	08/15/2019		5.000%	2.030%	107.078					
	08/15/2020		5.000%	2.180%	109.336					
	08/15/2021		5.000%	2.350%	111.146					
	08/15/2022	3,670,000	5.000%	2.490%	112.729					467,154.30
	08/15/2023	3,840,000	4.000%	2.750%	107.346					282,086.40
	08/15/2024	4,015,000	5.000%	2.900%	113.987					561,578.05
	08/15/2025	4,180,000	3.000%	3.150%	98.893					(46,272.60)
	08/15/2026	4,305,000	3.000%	3.310%	97.499					(107,668.05)
	08/15/2027	4,440,000	3.000%	3.460%	95.991					(177,999.60)
	08/15/2028	4,575,000	3.000%	3.620%	94.227					(264,114.75)
	08/15/2029	4,715,000	3.000%	3.800%	92.119					(371,589.15)
	08/15/2030	4,905,000	5.000%	3.670%	111.460	C	3.897%	08/15/2027	100.000	562,113.00
	08/15/2031	5,160,000	5.000%	3.740%	110.819	C	4.007%	08/15/2027	100.000	558,260.40
	08/15/2032	5,420,000	5.000%	3.820%	110.091	C	4.111%	08/15/2027	100.000	546,932.20
	08/15/2033	5,700,000	5.000%	3.880%	109.549	C	4.191%	08/15/2027	100.000	544,293.00
	08/15/2034	5,990,000	5.000%	3.910%	109.279	C	4.242%	08/15/2027	100.000	555,812.10
	08/15/2035	6,300,000	5.000%	3.960%	108.831	C	4.302%	08/15/2027	100.000	556,353.00
	08/15/2036	6,625,000	5.000%	4.030%	108.207	C	4.369%	08/15/2027	100.000	543,713.75
	08/15/2037	6,905,000	3.375%	4.500%	85.058					(1,031,745.10)
	08/15/2038	7,145,000	3.500%	4.630%	84.733					(1,090,827.15)
		87,890,000								2,088,079.80
Term Bond due 2041:										
	08/15/2039	7,470,000	5.250%	4.260%	108.281	C	4.689%	08/15/2027	100.000	618,590.70
	08/15/2040	7,870,000	5.250%	4.260%	108.281	C	4.689%	08/15/2027	100.000	651,714.70
	08/15/2041	8,295,000	5.250%	4.260%	108.281	C	4.689%	08/15/2027	100.000	686,908.95
	08/15/2042	8,740,000	5.250%	4.260%	108.281	C	4.689%	08/15/2027	100.000	723,759.40
		32,375,000								2,680,973.75
Term Bond due 2045:										
	08/15/2043	9,200,000	5.000%	4.350%	105.412	C	4.660%	08/15/2027	100.000	497,904.00

BOND PRICING

University of Chicago Medical Center
Series 2017 Bonds

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Term Bond due 2045:									
	08/15/2044	9,675,000	5.000%	4.350%	105.412 C	4.660%	08/15/2027	100.000	523,611.00
	08/15/2045	10,170,000	5.000%	4.350%	105.412 C	4.660%	08/15/2027	100.000	550,400.40
	08/15/2046	10,690,000	5.000%	4.350%	105.412 C	4.660%	08/15/2027	100.000	578,542.80
		39,735,000							2,150,458.20
		160,000,000							6,919,511.75

Dated Date	03/01/2017	
Delivery Date	03/01/2017	
First Coupon	08/15/2017	
Par Amount	160,000,000.00	
Premium	6,919,511.75	
Production	166,919,511.75	104.324695%
Underwriter's Discount		
Purchase Price	166,919,511.75	104.324695%
Accrued Interest		
Net Proceeds	166,919,511.75	

BOND SUMMARY STATISTICS

University of Chicago Medical Center
Series 2017 Bonds

Dated Date	03/01/2017
Delivery Date	03/01/2017
Last Maturity	08/15/2046
Arbitrage Yield	4.050250%
True Interest Cost (TIC)	4.376752%
Net Interest Cost (NIC)	4.541705%
All-In TIC	4.491931%
Average Coupon	4.760556%
Average Life (years)	19.761
Duration of Issue (years)	12.889
Par Amount	160,000,000.00
Bond Proceeds	166,919,511.75
Total Interest	150,517,054.16
Net Interest	143,597,542.41
Total Debt Service	310,517,054.16
Maximum Annual Debt Service	10,960,350.00
Average Annual Debt Service	10,541,884.15
Underwriter's Fees (per $1000)	
Average Takedown	
Other Fee	
Total Underwriter's Discount	
Bid Price	104.324695

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Serial Bonds	87,890,000.00	102.376	4.251%	14.459	79,150.90
Term Bond due 2041	32,375,000.00	108.281	5.250%	24.021	28,490.00
Term Bond due 2045	39,735,000.00	105.412	5.000%	28.018	34,172.10
	160,000,000.00			19.761	141,813.00

	TIC	All-In TIC	Arbitrage Yield
Par Value	160,000,000.00	160,000,000.00	160,000,000.00
+ Accrued Interest			
+ Premium (Discount)	6,919,511.75	6,919,511.75	6,919,511.75
- Underwriter's Discount			
- Cost of Issuance Expense		(2,400,000.00)	
- Other Amounts			
Target Value	166,919,511.75	164,519,511.75	166,919,511.75
Target Date	03/01/2017	03/01/2017	03/01/2017
Yield	4.376752%	4.491931%	4.050250%

BOND DEBT SERVICE

University of Chicago Medical Center
Series 2017 Bonds

Period Ending	Principal	Coupon	Interest	Debt Service
06/30/2018			7,050,907.09	7,050,907.09
06/30/2019			7,378,856.26	7,378,856.26
06/30/2020			7,378,856.26	7,378,856.26
06/30/2021			7,378,856.26	7,378,856.26
06/30/2022			7,378,856.26	7,378,856.26
06/30/2023	3,670,000	5.000%	7,287,106.26	10,957,106.26
06/30/2024	3,840,000	4.000%	7,118,556.26	10,958,556.26
06/30/2025	4,015,000	5.000%	6,941,381.26	10,956,381.26
06/30/2026	4,180,000	3.000%	6,778,306.26	10,958,306.26
06/30/2027	4,305,000	3.000%	6,651,031.26	10,956,031.26
06/30/2028	4,440,000	3.000%	6,519,856.26	10,959,856.26
06/30/2029	4,575,000	3.000%	6,384,631.26	10,959,631.26
06/30/2030	4,715,000	3.000%	6,245,281.26	10,960,281.26
06/30/2031	4,905,000	5.000%	6,051,931.26	10,956,931.26
06/30/2032	5,160,000	5.000%	5,800,306.26	10,960,306.26
06/30/2033	5,420,000	5.000%	5,535,806.26	10,955,806.26
06/30/2034	5,700,000	5.000%	5,257,806.26	10,957,806.26
06/30/2035	5,990,000	5.000%	4,965,556.26	10,955,556.26
06/30/2036	6,300,000	5.000%	4,658,306.26	10,958,306.26
06/30/2037	6,625,000	5.000%	4,335,181.26	10,960,181.26
06/30/2038	6,905,000	3.375%	4,053,034.38	10,958,034.38
06/30/2039	7,145,000	3.500%	3,811,475.00	10,956,475.00
06/30/2040	7,470,000	5.250%	3,490,350.00	10,960,350.00
06/30/2041	7,870,000	5.250%	3,087,675.00	10,957,675.00
06/30/2042	8,295,000	5.250%	2,663,343.75	10,958,343.75
06/30/2043	8,740,000	5.250%	2,216,175.00	10,956,175.00
06/30/2044	9,200,000	5.000%	1,756,750.00	10,956,750.00
06/30/2045	9,675,000	5.000%	1,284,875.00	10,959,875.00
06/30/2046	10,170,000	5.000%	788,750.00	10,958,750.00
06/30/2047	10,690,000	5.000%	267,250.00	10,957,250.00
	160,000,000		150,517,054.16	310,517,054.16

NET DEBT SERVICE

University of Chicago Medical Center
Series 2017 Bonds

Period Ending	Principal	Interest	Total Debt Service	General Fund	Capitalized Interest Fund	Net Debt Service
06/30/2018		7,050,907.09	7,050,907.09	(775,971.51)	7,826,878.60	
06/30/2019		7,378,856.26	7,378,856.26	(523,008.71)	7,901,864.97	
06/30/2020		7,378,856.26	7,378,856.26	(224,146.59)	7,603,002.85	
06/30/2021		7,378,856.26	7,378,856.26	1,523,126.81		5,855,729.45
06/30/2022		7,378,856.26	7,378,856.26			7,378,856.26
06/30/2023	3,670,000	7,287,106.26	10,957,106.26			10,957,106.26
06/30/2024	3,840,000	7,118,556.26	10,958,556.26			10,958,556.26
06/30/2025	4,015,000	6,941,381.26	10,956,381.26			10,956,381.26
06/30/2026	4,180,000	6,778,306.26	10,958,306.26			10,958,306.26
06/30/2027	4,305,000	6,651,031.26	10,956,031.26			10,956,031.26
06/30/2028	4,440,000	6,519,856.26	10,959,856.26			10,959,856.26
06/30/2029	4,575,000	6,384,631.26	10,959,631.26			10,959,631.26
06/30/2030	4,715,000	6,245,281.26	10,960,281.26			10,960,281.26
06/30/2031	4,905,000	6,051,931.26	10,956,931.26			10,956,931.26
06/30/2032	5,160,000	5,800,306.26	10,960,306.26			10,960,306.26
06/30/2033	5,420,000	5,535,806.26	10,955,806.26			10,955,806.26
06/30/2034	5,700,000	5,257,806.26	10,957,806.26			10,957,806.26
06/30/2035	5,990,000	4,965,556.26	10,955,556.26			10,955,556.26
06/30/2036	6,300,000	4,658,306.26	10,958,306.26			10,958,306.26
06/30/2037	6,625,000	4,335,181.26	10,960,181.26			10,960,181.26
06/30/2038	6,905,000	4,053,034.38	10,958,034.38			10,958,034.38
06/30/2039	7,145,000	3,811,475.00	10,956,475.00			10,956,475.00
06/30/2040	7,470,000	3,490,350.00	10,960,350.00			10,960,350.00
06/30/2041	7,870,000	3,087,675.00	10,957,675.00			10,957,675.00
06/30/2042	8,295,000	2,663,343.75	10,958,343.75			10,958,343.75
06/30/2043	8,740,000	2,216,175.00	10,956,175.00			10,956,175.00
06/30/2044	9,200,000	1,756,750.00	10,956,750.00			10,956,750.00
06/30/2045	9,675,000	1,284,875.00	10,959,875.00			10,959,875.00
06/30/2046	10,170,000	788,750.00	10,958,750.00			10,958,750.00
06/30/2047	10,690,000	267,250.00	10,957,250.00			10,957,250.00
	160,000,000	150,517,054.16	310,517,054.16	0.00	23,331,746.42	287,185,307.74

CAPITALIZED INTEREST FUND

University of Chicago Medical Center
Series 2017 Bonds

Date	Deposit	Interest @ 4.05024999%	Principal	Debt Service	Scheduled Draws	Balance
06/30/2017	21,808,619.61					21,808,619.61
06/30/2018		775,971.51	7,050,907.09	(775,971.51)	7,050,907.09	14,757,712.52
06/30/2019		523,008.71	7,378,856.26	(523,008.71)	7,378,856.26	7,378,856.26
06/30/2020		224,146.59	7,378,856.26	(224,146.59)	7,378,856.26	
	21,808,619.61	1,523,126.81	21,808,619.61	(1,523,126.81)	21,808,619.61	

Yield To Receipt Date:	4.0512395%
Arbitrage Yield:	4.05024999%
Value of Positive Arbitrage:	353.03

FORM 8038 STATISTICS

University of Chicago Medical Center
Series 2017 Bonds

Dated Date	03/01/2017
Delivery Date	03/01/2017

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
Serial Bonds:						
	08/15/2018		5.000%	104.414		
	08/15/2019		5.000%	107.078		
	08/15/2020		5.000%	109.336		
	08/15/2021		5.000%	111.146		
	08/15/2022	3,670,000.00	5.000%	112.729	4,137,154.30	3,670,000.00
	08/15/2023	3,840,000.00	4.000%	107.346	4,122,086.40	3,840,000.00
	08/15/2024	4,015,000.00	5.000%	113.987	4,576,578.05	4,015,000.00
	08/15/2025	4,180,000.00	3.000%	98.893	4,133,727.40	4,180,000.00
	08/15/2026	4,305,000.00	3.000%	97.499	4,197,331.95	4,305,000.00
	08/15/2027	4,440,000.00	3.000%	95.991	4,262,000.40	4,440,000.00
	08/15/2028	4,575,000.00	3.000%	94.227	4,310,885.25	4,575,000.00
	08/15/2029	4,715,000.00	3.000%	92.119	4,343,410.85	4,715,000.00
	08/15/2030	4,905,000.00	5.000%	111.460	5,467,113.00	4,905,000.00
	08/15/2031	5,160,000.00	5.000%	110.819	5,718,260.40	5,160,000.00
	08/15/2032	5,420,000.00	5.000%	110.091	5,966,932.20	5,420,000.00
	08/15/2033	5,700,000.00	5.000%	109.549	6,244,293.00	5,700,000.00
	08/15/2034	5,990,000.00	5.000%	109.279	6,545,812.10	5,990,000.00
	08/15/2035	6,300,000.00	5.000%	108.831	6,856,353.00	6,300,000.00
	08/15/2036	6,625,000.00	5.000%	108.207	7,168,713.75	6,625,000.00
	08/15/2037	6,905,000.00	3.375%	85.058	5,873,254.90	6,905,000.00
	08/15/2038	7,145,000.00	3.500%	84.733	6,054,172.85	7,145,000.00
Term Bond due 2041:						
	08/15/2039	7,470,000.00	5.250%	108.281	8,088,590.70	7,470,000.00
	08/15/2040	7,870,000.00	5.250%	108.281	8,521,714.70	7,870,000.00
	08/15/2041	8,295,000.00	5.250%	108.281	8,981,908.95	8,295,000.00
	08/15/2042	8,740,000.00	5.250%	108.281	9,463,759.40	8,740,000.00
Term Bond due 2045:						
	08/15/2043	9,200,000.00	5.000%	105.412	9,697,904.00	9,200,000.00
	08/15/2044	9,675,000.00	5.000%	105.412	10,198,611.00	9,675,000.00
	08/15/2045	10,170,000.00	5.000%	105.412	10,720,400.40	10,170,000.00
	08/15/2046	10,690,000.00	5.000%	105.412	11,268,542.80	10,690,000.00
		160,000,000.00			166,919,511.75	160,000,000.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	08/15/2046	5.000%	11,268,542.80	10,690,000.00		
Entire Issue			166,919,511.75	160,000,000.00	19.7887	4.0502%

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	2,400,000.00
Proceeds used for credit enhancement	0.00
Proceeds allocated to reasonably required reserve or replacement fund	0.00

Section IX, Financial Viability

Attachment 37

Section 1120.130, Financial Viability

UCMC's most recent bond ratings from Standard & Poor's (AA-) and Moody's (Aa3) are included in Attachment 36.

Section X, Economic Feasibility

Attachment 39

I. Section 1120.140, Economic Feasibility

A. Reasonableness of Financing Arrangements.

The Project will be financed through a combination of debt and cash on hand. A letter attesting to the reasonableness of the financing arrangement is attached.

B. Conditions of Debt Financing.

A letter attesting to the conditions of debt financing is attached.

C. Reasonableness of Project and Related Costs.

1. Construction Should be Considered New, Not Modernization

UCMC considers this Project more akin to new construction rather than modernization. The Adult ED will be located in shell space in the recently completed Parking Garage north of the CCD on Stoney Island Avenue. There is no development within the walls that will contain the ED so all building systems must be constructed and all interior walls erected. It is aptly described as a "gray box."

The remainder of the Project will be located in Mitchell, constructed in the early 1980s and opened in 1983. The building systems have seen scant improvement in the 33 years they have been in use. The construction will cost $130 million of which $26 million will be for building systems. This includes new curtainwall, expanded vision glass on floors 3 through 6, a replacement of all air handlers, exhaust fans, ductwork, and controls, replacement of four floors of plumbing, new heat exchangers, pumps and other heating equipment, new bridge pumps and stations for chilled water (cooling system), new medical gas outlets and piping, substantial improvements of the electrical system, new emergency generators, new main distribution equipment, new elevator cars, software and mechanical equipment, and new pluming and sanitary risers. Floors 3 through 6 will house the clinical departments and will require substantial (50%) demolition of existing walls for a completely revised patient room design. A good deal of the cost of this work is entailed by turning a 1983 building into one that will become a 2016 era hospital with greatly improved layouts and building systems that provide the

correct environment for tertiary level specialty care for many patients who will be immunocompromised. (Mitchell will become a cancer hospital consolidating all cancer beds, Bone Marrow Transplant, and the Cell Therapy Facility). UCMC believes the new construction cost standard is much more applicable to this deep level of construction than would be the modernization standard.

3. Explanation of Why Costs Exceed State Standard

The State standard construction cost per building gross square footage is $509.23 and the Project estimate is $618.30. UCMC enlisted the services of CCS International Inc. ("CCS") to assist in construction cost estimation for the Mitchell portion, which represents 83% of the construction cost of this Project. The Adult ED is the other portion and will be built in newly constructed open space in a structure also housing a parking garage. Construction in this area will be less problematic since fewer accommodations are necessary since the space is open and separated from the parking facility. However, building in Mitchell will present numerous challenges since it will be clinically active the entire duration of the project as UCMC responds to high and growing demand for patient beds by soon opening units when CON approval is granted. The Project will occur in multiple phases and in many small areas and thus at a premium compared to open space without the need to carefully safeguard clinical operations in the same building. While this Project comes at a cost that is $109 greater than the standard or $18 million, the alternative of building an entirely new hospital on site would be $367 million (full costs) versus $202 million for constructing in Mitchell. There are enormous savings constructing in Mitchell, despite the variance to the standard.

The following chart summarizes the findings of CCS in analyzing why the costs to work in Mitchell exceed the standard. A letter from CCS describing variance in more detail is also attached. The cost premium totals $141/square foot. The ED portion of the project is estimated at lower cost, giving a blended rate that is $109/square foot in excess of the standard.

Summary of Construction Cost Premiums	
Category	**Cost Premium**
Demolition	**$20/sf**
Demolition is extensive but not complete so it must be done selectively. There is limited space for dumpsters and restricted time for removal.	
Infection Control	**$15/sf**
Project will be in a clinically active hospital, done in many phases, in many small locations so numerous efforts must be made to contain dust and debris and monitor effectiveness of barriers.	
General Conditions/Design Contingency	**$55/sf**
Higher costs than normal due to premium time working in an active hospital, many phases required, multiple scheduling and mobilizations, and floor to ceiling heights of 12 feet versus modern 16 feet adds MEP installation difficulty.	
Economy of Scale	**$15/sf**
Much of the work will occur in many small areas which requires more labor to install the same amount of material as compared to a project with fewer and much larger areas of work.	
Logistics	**$10/sf**
There are a number of logistical issues that entail cordoning off space, staging, and swing space because of working in an active hospital.	
Smaller Existing Footprint	**$16/sf**
BGSF per bed in Mitchell versus the recently built CCD are 44% smaller which means much of the cost of the materials being installed has a smaller area to be applied against.	

	Total Cost Premiums	**$141/sf**
Projected estimated construction $/sf =	$618.30	
Estimated Standard for this project =	$509.23	
Variance =	$109.07	

COST AND GROSS SQUARE FEET BY DEPARTMENT OR SERVICE									
Department (list below)	A Cost/Sq. Foot	B	C Gross Sq. Ft.	D	E Gross Sq. Ft.	F	G Const. $	H Mod. $	Total Costs
	New	Mod.	New	Circ.	Mod	Circ.	(A x C)	(B x E)	(G + H)
Reviewable:									
Adult Emergency	500.71		29,017	33%			$14,529,053		$14,529,053
Radiology	554.84		1,671	8%			927,136		927,136
Med/Surg	588.10		109,322	23%			64,291,961		64,291,961
ICU	382.49		10,263	22%			3,925,505		3,925,505
Cancer Ancillaries	636.26		10,697	10%			6,806,097		6,806,097
Reviewable Total	$562.09		160,970	17%			90,479,752		90,479,752
Non-reviewable:									
Staff/Support	212.40		18,220	9%			3,869,837		3,869,837
Public	402.15		65,004	44%			26,141,534		26,141,534
Bldg. Systems	1,879.80		15,423	0%			28,992,105		28,992,105
Non-reviewable Total	$598.13		98,647	33%			59,003,476		59,003,476
Contingency	$57.58						14,948,323		14,948,323
TOTALS	$633.36		259,617	24%			$164,431,552		$164,431,552

Note: Building gross square footage is used.

State $/SF Standard -	
State $/sf 1/1/15	$415
Zip code adjustment - 60637	1.0000
Inflation to 5/18/18 midpoint	1.1051
Weighted Intensity	1.1068
Adjusted $/sf standard	**$507.59**
Reviewable $/sf Total	$562.09
Project Clinical+Conting. only	**$618.30**

Clinical Areas:	Factor	BGSF	Example	Weighting
ED	1.1472	29,017	Adult ED	33,288
Radiology	2.071	1,671	Radiology	3,461
Med/Surg	1.0738	109,322	Med/Surg	117,390
ICU	1.27	10,263	ICU	13,034
Cancer Ancillaries - BMT	1.027	5,451	Clinic	5,598
Cancer Ancillaries - Cell Lab	1.027	5,246	High Diag	5,388
	1.1068	160,970		178,159

January 21, 2016

Mr. Clay Goser
University of Chicago Medicine and Biological Sciences
University of Chicago Medical Center
850 E. 58th Street
Chicago, IL. 60637

RE: University of Chicago Mitchell Hospital

Dear Clay,

In pricing the University of Chicago Mitchell Hospital construction; CCS International Inc. looked at all of the logistical issues that would affect the work that a new hospital would not be impacted by but Mitchell Hospital is effected. Below is a list of these items including the cost impact that they would have on the project.

- **Demolition:** This project has existing conditions and an environment that will cause the demolition to be significantly higher than a normal project would be. Due to limited space for dumpsters, time requirements for hauling, and the fact that demolition is extensive but not complete so the demolition has to be done selectively and therefore more costly than a complete gut and the cost of demolition on this project would be $20 per sqft.
- **Infection Control:** Due to the fact that this project will be performed in multiple phases, in so many different small locations and be done in the area that patients would be residing, there will be numerous additional procedures that would have to be followed above and beyond typical procedures. These procedures vary but a typical cost for this would be $15 per sqft.
- **General Conditions/Design Contingency:** General Conditions and Design Contingency for this project were higher than normal due to the following reasons:
  - Premium time due to hospital being active.
  - Phasing due to area's being worked on.
  - Scheduling and multiple mobilizations due to phasing.
  - Floor to floor heights being 12' in lieu of 16'+, and the difficulty of MEP trades installing their material.
  - High dollar items such as Clean Room, which is driving the Stem Cell area over $1,000 a sqft.

  This work would be $55 per sqft.

1815 South Meyers Road
Suite 200
Oakbrook Terrace, IL 60181
630.576.0808
www.CCSdifference.com

- **Economy of Scale:** A lot of this work is being done in small area's spread out through the hospital. This increases the labor it takes to install the same amount of materials and adds about $15 per sqft.
- **Logistics:** There are a number of logistical issues that have to be dealt with such as cordoning off space, staging, swing space, etc. This has driven the price up by $10 per sqft.
- **Smaller Existing Footprint:** The rooms in Mitchell are 44% smaller than typical or new hospitals, this means that the costs of materials being installed has a smaller sqft area to be applied against. This condition causes the cost to be $16 per sqft higher.

In summary, there was $131 per sqft added to the project to cover items that are not typically part of the building cost of a healthcare construction project.

Sincerely,

Bob Svoboda

Bob Svoboda
Director of Technical Services
CCS INTERNATIONAL INC.

BS/rt

1815 South Meyers Road
Suite 200
Oakbrook Terrace, IL 60181

630.678.0808
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THE UNIVERSITY OF
CHICAGO
MEDICINE

Sharon O'Keefe
President

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5841 South Maryland Avenue
Chicago, Illinois 60637-1470
phone (773) 702-8908
fax (773) 702-1897
sharon.okeefe@uchospitals.edu

February 8, 2016

Illinois Health Facilities Planning Board
525 West Jefferson Street 2nd Floor
Springfield, Illinois 62761

In Re: Section 1120.14 A. Reasonableness of Financing Arrangements
Mitchell Hospital/Adult ED/Trauma

We propose to borrow $200 million of the $276 million cost of this project. The remainder is financed by cash and securities. The borrowing can be done at an average coupon rate of 4.76 percent is less costly than the earnings we would forego by selling investments. In the last three fiscal years, our yield on investments averaged 8.1 percent per year. In the event that investments must be liquidated to meet debt obligations, a sufficient amount to do so can be liquidated within a 60 day period.

We the undersigned are officers of the University of Chicago Medical Center, the applicant.

Sincerely,

Sharon O'Keefe
President

James M. Watson
Chief Financial Officer

ATTACHMENT 39

AT THE FOREFRONT OF MEDICINE®

THE UNIVERSITY OF
CHICAGO
MEDICINE

Sharon O'Keefe
President

MC 1000 S-115
5841 South Maryland Avenue
Chicago, Illinois 60637-1470
phone (773) 702-8908
fax (773) 702-1897
sharon.okeefe@uchospitals.edu

February 8, 2016

Illinois Health Facilities and Serices Review Board
525 West Jefferson Street 2nd Floor
Springfield, Illinois 62761

In Re:Section 1120.140 B. Conditions of Debt Financing
Mitchell Hospital/Adult ED/Trauma

The proposed method of debt financing for the Mitchell Hospital/Adult ED/Trauma project is the lowest cost method available. We estimate the cost of the tax-exempt bond issue is 4.76 percent average coupon. Our cash reserves have averaged an investment return of 8.1 percent the past three years, so financing from cash reserves is significantly more costly.

We the undersigned are officers of the University of Chicago Medical Center, the applicant.

Sincerely,

Sharon O'Keefe
President

James M. Watson
Chief Financial Officer

ATTACHMENT 39

AT THE FOREFRONT OF MEDICINE®

Section XI, Safety Net Impact Statement

Attachment 40

1. **<u>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.</u>**

The University of Chicago Medical Center ("UCMC" or the "Medical Center") is an established provider of safety net services, and is, itself, an essential, safety-net resource for the communities that it serves.[3] At a time when many other hospitals have reduced the scope of their medical services or closed entirely, UCMC's intent to invest in its facilities, to create additional inpatient and emergency room capacity, and to establish an Adult Level I Trauma Center is a demonstration of its enduring commitment to low-income and other vulnerable populations and to anchor the South Side communities in which they make their homes. UCMC recognizes that financial and other barriers to healthcare are endemic to its constituency and seeks to remove crowding in its emergency department and strained capacity on its inpatient floors as potential obstacles to their timely receipt of quality health care in the community. UCMC further recognizes the existing maldistribution of healthcare resources within the City of Chicago, including Adult Level I Trauma, and through this Project champions the availability of these essential services for its own community.

The proposed addition of beds and the relocation and expansion of the Adult ED will make more accessible the services that UCMC has historically provided to the communities that comprise its primary service area. The UCMC service area consists of a large, medically underserved, low income population on Chicago's South Side, a community that is among one of the most economically challenged communities in the State of Illinois and that has a critical need for high-quality, specialty healthcare. The population of the South Side is approximately 87 percent African American, six percent White and four percent Hispanic. The South Side is relatively poor compared to the City of Chicago as a whole with 29 percent of community residents reporting family incomes below the poverty level compared with 20 percent for the city as a whole. In addition, just under half of the South Side community lives below 200 percent of the poverty level. (Source: *Serving Chicago's Underserved: Regional Health System Profiles,* Chicago Department of Public Health, Chicago Health and Health Systems Project (Oct. 20, 2005).)

While the City of Chicago has four premier adult trauma centers at Northwestern Memorial Hospital, Stroger, Advocate Illinois Masonic, and Mt. Sinai Hospital, none of them are located on the City's South Side. UCMC's Trauma Center would be the only one on the South Side, in the heart of the most underserved part of Chicago where approximately one-half of the trauma cases originate, and would reduce median travel distance for South Side patients by

[3] UCMC is also the largest provider of Medicaid services (by admissions and patient days) on the South Side of Chicago and one of the largest in the State of Illinois.

almost 30%. This Trauma Center would also be the only one in the City to offer a comprehensive line of trauma services, with Level I Adult Trauma joining UCMC's existing Level I Pediatric Trauma and Complex Burn & Wound Care. As a Trauma Center, UCMC will need to comply with the rigorous requirements established by the Illinois Department of Public Health that differentiate trauma centers from regular hospitals, including 24-hour availability of specialty resources and teams of specially trained providers with expertise in the care of severely injured patients, such as trauma surgeons, neurosurgeons, orthopedic surgeons, cardiothoracic surgeons, anesthesiologists, radiologists and nurses.

The South Side community is one of the unhealthiest in Cook County, with high rates of cancer, diabetes, asthma, hypertension and other chronic conditions. In fact, the target communities in UCMC's service area have some of the highest chronic disease and mortality rates in Chicago. UCMC is one of the few hospitals—and the only academic medical center—located in the South Side of Chicago. At the same time, hospitalization rates in UCMC's service area are much higher than the metropolitan average. The South Side of Chicago has the highest incidence in Chicago of admissions through the emergency room. These high rates of admission through emergency departments may be attributed to the high number of uninsured, underinsured and low income residents in the community which leads to a lack of access for these residents to primary care services.

ED and Trauma care reside at the boundary between hospitals and the community and have the potential to link patients to systems of care. Access to emergency services and the specialty care that often ensues is a public service, and the organized delivery of care can significantly reduce morbidity and mortality. Yet, an overburdened system cannot adequately serve its community. Increased access to high quality emergency medical care and to inpatient specialty services remains a pressing need on the South Side of Chicago, and UCMC is undertaking the Project because its patients and community need the care that UCMC can provide

UCMC is the largest provider of Medicaid services (by admissions and patient days) on the South Side of Chicago and one of the largest in the State of Illinois.

2. <u>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</u>.

UCMC's proposed addition of inpatient beds, the relocation and expansion of its Adult ED, and the establishment of an Adult Level I Trauma Center will not impact the ability of other providers or health care systems to cross-subsidize safety net services.
Rather, this Project will foster more timely and efficient delivery of specialty care at UCMC and can better integrate the resources of both UCMC and community hospitals into the local health care delivery system, each of which plays a role that is important and distinct. UCMC, as an academic medical center, helps to bind together a highly fragmented health care market, to harness clinical strengths in clusters of otherwise lower occupancy hospitals, and to strengthen the collective health care safety net that they comprise. UCMC proposes to expand not just the number of beds at UCMC but also its working relationships with other hospitals and health care resources in its planning area, in part, to stem the significant tide of outmigration.

The Project should not include any increases in market share or market reach; rather the purpose of the Project is an attempt to keep pace with current and increasing demand for specialty care and emergency medical services from the community and to position these patients closer to the ancillary medical services that they will need once at UCMC. Many of the patients that will use the additional beds and the new Adult ED either have been served by UCMC in the past or would have been served but for UCMC's capacity constraints (*e.g.*, patients that left without being seen from UCMC's Adult ED because of long wait times or declined transfers because of high inpatient capacity). Through this Project, UCMC, in tandem with the other local community hospitals, also seeks to bring medical care closer to home for the many patients who currently leave the planning area services. Outmigration reached 41,498 patient days in 2013.

3. **How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.**

Not applicable.

4. **Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other services.**

UCMC provides a substantial amount of care for which it does not receive payment. For fiscal year 2014, UCMC provided $22,628,000 in charity care[4] and incurred losses on government programs of $116,379,000, and incurred uncompensated charges—or bad debt—of $12,326,000. UCMC also incurred $78,916,000 in unreimbursed education expenses during FY 2014, provided research support of $48,309,000 and incurred $1,353,000 for other programs.

However, the community benefit provided by UCMC goes well beyond the number of charity care and Medicaid patients treated at UCMC. For example, UCMC's mission is to provide superior health care in a compassionate manner, ever mindful of each patient's dignity and individuality. To accomplish its mission, the Medical Center calls upon the skills and expertise of all who work together to advance medical innovation (patient care), service the health needs of the community (community service) and to further the knowledge of those dedicated to caring (research and education).

ADULT PATIENT CARE IN THE CENTER FOR CARE AND DISCOVERY ("CCD") AND BERNARD A. MITCHELL HOSPITAL

In February 2013, UCMC opened the Center for Care and Discovery, a new 10-story hospital that serves as the new core of the UCMC campus. The new hospital is 1.2 million square feet and contains 240 single-occupancy inpatient rooms, including 52 intensive care beds, 28 operating rooms with leading-edge technology, and seven advanced imaging suites for interventional procedures. The CCD provides a home for complex specialty care with a focus on cancer, gastrointestinal disease, neuroscience, advanced surgery, and high-technology medical imaging. The facility is designed for family-centered care and improved communication among

[4] Due to a different means of calculating charity care, our audited financials indicate that we provided $25,793,000 in charity care for this time period.

all members of the patients care team.

Bernard A. Mitchell Hospital ("Mitchell"), which was built in 1983, continues to operate 228 inpatient beds and includes the emergency department and Arthur Rubloff Intensive Care Tower. Mitchell also houses the University of Chicago Medical Center Burn and Electrical Trauma Units and intensive care units for transplantation, neurology and neurosurgery, cardiothoracic care, general surgery, and general medicine patients. UCMC houses one of only two burn units in Chicago, at which UCMC provides care to critically-injured adult and pediatric patients, many of whom spend months in this intensive care facility.

The Medical Center offers world-class transplantation programs in several areas, including transplantation of the liver, kidney, pancreas, lung, heart, bone marrow and other tissues, multiple-organ transplantation, and research in transplant immunology. UCMC performed 136 organ transplants in FY 2014 and 189 bone marrow or stem cell transplant procedures for the treatment of various cancers for both adult and pediatric patients.

UCMC admitted more than 21,500 adult patients in fiscal year 2014 with more than 430,000 adult and pediatric visits to the outpatient ambulatory care facility. In addition, UCMC's Mitchell Hospital contains state-of-the-art obstetrical and gynecological facilities and has a leading program in reproductive endocrinology and infertility. The facilities include eight labor rooms, three delivery rooms, and two birthing rooms, as well as a 17-bed gynecology unit and four obstetric operating rooms.

UCMC's Emergency Department is open 24 hours a day, seven days a week and in FY 2014, UCMC provided over 50,000 adult ED visits, making it the busiest emergency room on Chicago's South Side. In addition, UCMC serves as a Resource Hospital for one of the emergency medical system ("EMS") regions in Illinois. UCMC is one of three Resource Hospitals in Chicago and represents Chicago South. As a Resource Hospital, UCMC has authority and responsibility over the entire EMS regional system, including the clinical aspects, operations and educational programs. UCMC provides the entire budget for its participation as a Resource Hospital and spends over $300,000 per year on this service. As a Resource Hospital, UCMC also is responsible for replacing medical supplies and providing for equipment exchange in participating EMS vehicles. UCMC spends approximately $30,000 per year on replacement and restocking.

CHICAGO COMER CHILDREN'S HOSPITAL

As a major tertiary referral center, the University of Chicago Comer Children's Hospital sees children with medical problems that range from some of the most common to some of the most complex in its 137 bed, seven-story facility, which opened in February 2005. Families of these pediatric patients can stay at the 30,000 square-foot Ronald McDonald House on campus, which UCMC built and opened in December 2007, nearly doubling the size of the prior Ronald McDonald House. More than 4,600 children were admitted as patients to Comer Children's Hospital in fiscal year 2014 from the Chicago area, the Midwest, and around the world. In FY 2014, UCMC's outpatient clinics accommodated almost 43,000 general pediatric and specialty visits in its ambulatory care facility and over 27,000 visits were made to the Comer pediatric

emergency room.

Comer Children's Hospital is staffed by more than 100 physicians from the Department of Pediatrics at the University, as well as specialty nurses and caring support staff. The teams of healthcare professionals—including medical students, residents and fellows—work together to provide general and specialty medical care for newborns to young adults. At Comer Children's Hospital and through its outpatient clinics, children and teens receive advanced therapies in virtually all clinical areas.

Comer Children's Hospital is a pediatric Level-I trauma center that treats children with severe injuries for emergency trauma care. UCMC also cares for critically ill and injured children in its technologically advanced Pediatric Intensive Care Unit ("PICU"). The 30-bed PICU is fully equipped to treat children with multiple traumas, complex medical problems, and conditions requiring major surgery, including cardiac, transplant, and neurosurgery.

In addition, 47 designated tertiary care (Level III) beds in the Neonatal Intensive Care Unit and 24 convalescent (Level II) beds in the Transitional Care Unit provide premature and critically ill infants with the most advanced medical care and life support systems.

At the Comer Children's Hospital, infants who spend time in the NICU receive specialized follow-up care after they are discharged at its Center for Healthy Families ("Center"). The Center uses a multidisciplinary care approach that includes general pediatricians, neonatologists, nurse educators, pediatric social workers, registered dietitians, occupational therapists, physical therapists, speech therapists and home health nurses. The Center also draws on the expertise of other pediatric specialists as needed. The team addresses a host of concerns, including medical and physical needs, development, motor skills, speech, growth, nutrition, and the home environment. Team members are available by pager 24 hours a day and also teach parents how to give medications, monitor symptoms, and take other steps to meet their child's special needs. Sometimes, team members even visit the child's home to help parents and caregivers adapt to the physical and emotional environment to support the child's needs.

Comer Children's Hospital serves as the Center of a Regional Perinatal Network that is responsible for the administration and implementation of the Illinois Department of Public Health's ("IDPH") regionalized perinatal health care program. In this role, UCMC provides nine area hospitals with consultation as well as transport services for approximately 16,000 babies born in network hospitals, more than one-third of them considered high-risk. The network is committed to reducing fetal and infant mortality throughout the surrounding urban, suburban, and rural communities. UCMC also provides leadership in the design and implementation of IDPH's Continuous Quality Improvement program and participates in continuing education for other health professionals.

More than 60% of all care provided at Comer Children's Hospital is provided to children covered by the Medicaid program. Comer Children's Hospital has a strong commitment to its community and sponsors a number of programs and services that extend beyond its walls. For example, Comer Children's Hospital takes primary care to children in its surrounding neighborhoods through the Pediatric Mobile Medical Unit (the "Mobile Unit"), which features

two fully equipped exam rooms and a team comprised of a physician, a nurse practitioner and a community health advocate. The 40-foot-long Mobile Unit provides a full array of pediatric primary care services to children ages three to 19 who may not receive healthcare on a regular basis and brings medical resources to the children's school so parents or guardians don't have to work through obstacles, such as transportation.

At schools throughout the community, the Mobile Unit provides such services as immunizations; physicals for school and sports; screenings for vision, hearing, lead poisoning, and anemia; urine tests; and blood draws. At high schools, the Mobile Unit offers health education and treatment for minor injuries. When appropriate, children are referred for follow up care and specialty services to manage conditions such as asthma, diabetes, or mental health problems.

CARE DELIVERY INITIATIVES

UCMC's South Side community lacks needed health care services. Chicago's South Side has lost seven hospitals since 1985 – including most recently, the closure of Michael Reese Hospital in 2009 – and more than 2,000 beds in the past decade alone. This has resulted in a "shortage" of critical medical services and an increased demand for preventative care. Rooted in the firm belief that all patients should have access to the health care services they need, UCMC has partnered with other healthcare providers that serve this community to coordinate resources.

UCMC is committed to building strong and meaningful relationships with the surrounding community and recognizes that these relationships will help improve health outcomes on the South Side of Chicago.

One of UCMC's innovative approaches to addressing the health care shortage in its community is a program called the Urban Health Initiative ("UHI"). Under the UHI, UCMC pursues meaningful partnerships with other providers in the community to improve the long-term health of patients and to conduct important community-based clinical research, including research on the diseases that have the greatest impact in the South Side community (*e.g.*, diabetes, renal failure, asthma, etc.). Some of the key UHI programs, initiatives and partnerships aimed at meeting the health needs of the community are described below.

One of the key components of the UHI is the South Side Healthcare Collaborative (SSHC), under which UCMC supports a network of over 30 community-based health centers, free clinics and local hospitals that provide primary care and specialty care services to patients in the community. The SSHC was established in 2005, with assistance from a two-year Healthy Communities Access Program grant from the United States Department of Health and Human Services, to help emergency room patients who report not having a primary care physician find appropriate care at a medical home where the patient can establish an ongoing relationship with a community clinic or physician. After the government grant ended, UCMC undertook the continued funding of the SSHC operations. This network helps improve the health and well-being of residents across the city.

To help patients connect with community health resources, UCMC staffs its Emergency

Department with patient advocates whose goal is to meet with patients who do not have a primary care provider. Through the Medical Home and Specialty Care Connections Program, UCMC social workers conduct comprehensive social service assessments and referrals in the Emergency Department. UCMC provides information to patients about available SSHC resources and, since 2010, patient advocates have scheduled almost 20,000 primary or specialty care appointments for patients with providers in the community. In FY 2014, patient advocates worked with almost 11,000 patients and scheduled over 7,700 appointments for patients to receive primary and specialty care from community providers.

UCMC also supports several important initiatives to help improve the health of its community. For example, the Chicago Center for HIV Elimination (CCHE), works within some of the most at-risk neighborhoods in Chicago to advance HIV testing and prevention interventions locally, providing tangible results to those most affected and improving the lives of those living with HIV infection. The CCHE works through networks and the community at large to work to reduce (and ultimately eliminate) HIV transmission at the individual level.

In addition, UCMC and the University of Chicago's Comprehensive Cancer Center are focused on addressing the gap between advances in cancer care and patient accessibility. To achieve the desired cancer prevention and control outcomes, the Comprehensive Cancer Center's priority is to identify the parts of Chicago most affected by cancer and provide resources that maximize the impact of its services. This includes improving the quality of life for cancer patients and survivors, reducing risk factors, increasing access to care, reducing tobacco use and increasing participation in cancer research. To this end, UCMC and the University of Chicago initiated the Office of Community Engagement and Cancer Disparities ("OCECD"), with a goal of enhancing public awareness of cancer prevention, early cancer detection and control, and the role of genetics in cancer. The program also strives to provide sustained engagement with the South Side community to increase local awareness of the latest advances in cancer research. OCECD partners with the American Cancer Society in a statewide initiative to increase colorectal cancer screenings. Since 2012, UCMC has provided almost 200 colonoscopies to uninsured residents of its community.

Similarly, UCMC participates in the Illinois Breast and Cervical Cancer Program ("IBCCP"), a state funded program offering mammograms, breast exams, pelvic exams and Pap tests to eligible women. Through UCMC's participation in the IBCCP, UCMC provides mammography and breast cancer screening services through a referral process in partnership with the Illinois Department of Health and Chicago Family Health Center, the lead agency for the IBCCP. Since UCMC's partnership with IBCCP began, UCMC has provided close to 1,500 services to patients, including screening and diagnostic mammograms, and ultrasounds.

The ER Community Portal is a web-based site that gives SSHC physicians the ability to access the medical records of patients referred from UCMC's pediatric and adult emergency rooms. The Portal is aimed at helping to lower medical costs by reducing the need to re-order redundant tests; reducing medical errors by giving community physicians a more comprehensive view of patients' medical histories; and improving outcomes by providing better continuity of care. The Portal is just one of the many steps geared towards creating a seamless network of interconnected health care and social service agencies on the South Side.

INNOVATIVE EFFORTS TO BENEFIT UCMC'S COMMUNITY

As part of the UHI, UCMC has undertaken research initiatives that engage South Side residents in finding innovative, community-based solutions to ongoing health care needs. For example, UHI launched the Center for Community Health and Vitality ("CCHV"), which provides a community base for UHI to offer University data and research resources to the community and to facilitate research and demonstrations done by University investigators in collaboration with South Side residents.

One of the major CCHV initiatives is the South Side Health and Vitality Studies (the "Studies"). The Studies are guided by the fundamental premise that scientific inquiry in service to community priorities and in collaboration with community partners is needed to eliminate the most impenetrable barriers to health and vitality. The South Side Health and Vitality Studies focus on social, environmental and technological determinants of health.

More specifically, the Studies aim to track several thousand South Side households over a generation to discover ways to ensure long-term health and wellness. These discoveries will inform effective health policy and action. The first of these studies is a program called MAPSCorp (Meaningful Active Productive Science in service to the community) which engages community members in observing, collecting, cataloguing, and analyzing data about businesses and organizations, including commercial, healthcare, social and civic resources in all 34 South Side neighborhoods. Thirteen neighborhoods and more than 8,000 assets have been mapped so far. The data collected is shared publicly at SouthSideHealth.org. This interactive website also provides professionals with detailed information about available resources for health and human services in Chicago's South Side.

Another one of the Studies is the HealtheRx program, which uses information collected through the MAPSCorp program to create a personalized list of community programs and services matched to patients' health and wellness needs. HealtheRx also connects patients to a community health information specialist, and other health, social, and wellness resources in the community. A HealtheRx personalized list is provided to patients following their visits to UCMC's adult and pediatric emergency departments, as well as 16 federally qualified health center sites (and SSHC partners). Twenty sites in total are currently using HealtheRx. In FY 2014, more than 40,000 residents leaving a South Side health center, clinic, or emergency department received a personalized HealtheRx printout. Moreover, in FY 2014, more than 67,000 HealtheRx "Prescriptions" were generated, with more than 2,700 being aimed at child obesity, 6,300 for diabetes, and 10,000 for asthma.

The Extension for Community Healthcare Outcomes ("ECHO Chicago") model is an innovate effort by UHI to expand access to specialized care for vulnerable, underserved communities. ECHO Chicago uses advanced communications technology to bring together UCMC's expertise and primary care providers in the community, enabling underserved patients to receive state-of-the-art, evidence-based care for complex chronic conditions within the familiar surroundings of their medical home. In FY 2014, ECHO Chicago worked with 15 health centers across 34 neighborhoods.

UCMC also provides community residents with primary and specialty care through a number of additional programs. For example, in an effort to expand the availability of high quality medical care in the community, under the UHI, UCMC has placed specialty care providers at federally qualified health centers ("FQHC") in the South Side. In this way, UCMC aims to increase the availability of specialty services to patients living in the community, as the absence of specialty care can lead to greater morbidity and perhaps mortality among patients from their underlying medical conditions.

COMMUNITY EDUCATION AND OUTREACH

As a member of a diverse neighborhood, UCMC is involved in a variety of activities with community groups, faith-based organizations, community leaders and residents. To this end, UCMC participates in, and holds community events, to build partnerships with local communities and engage directly in providing information and solutions that enhance healthcare in the neighborhoods surrounding UCMC. At these community events, UCMC clinical and administrative personnel speak directly to members of the community about a variety of issues, including how to manage particular medical issues and the importance of having a medical home, and invites community residents to participate in events on specific diseases and diagnoses.

On a regular basis, UCMC holds a UHI Summit, which brings together UCMC physicians, administrators and staff; public healthcare officials; representatives of various community organizations; and the media to discuss ways to advance health in the community. UCMC physicians also lead a weekly radio broadcast on a local radio station focused on disease-specific health topics impacting the community.

UCMC provides financial incentives to encourage alumni to practice in surrounding, underserved communities through UCMC's funding of a program called Repayment for Education to Alumni in Community Health, or REACH. REACH encourages up to five graduates a year from the Pritzker School of Medicine to practice medicine at a federally qualified health clinic or community hospital on the South Side of Chicago, once they have completed a residency. In exchange, students receive financial help, which can be used for education loan repayment, of $40,000 a year. In FY 2014, there is currently one REACH physician continuing to serve patients in the community clinic setting.

COMMUNITY BENEFIT GRANTS

UCMC provides grants to community organizations under the UHI to help them expand their capabilities to serve more patients with more resources and also provides sponsorships to community organizations and initiatives. UCMC develops partnerships with community hospitals to help make the best use of resources in underutilized hospitals.

In FY 2014, UCMC formalized a community benefit grant program and awarded $847,354 in grants and sponsorships to community organizations, which were used primarily to address the UCMC health priority areas to improve access to care, promote physical exercise and nutrition, asthma education and management, cancer screenings and education, and violence prevention. During this fiscal year, UCMC awarded grant funds to 17 community organizations

seeking to address these issues.

RESEARCH AND EDUCATION

UCMC dedicates resources to a variety of clinical, research and education initiatives that are designed to promote better health results for the communities it serves. UCMC works with the University to conduct a wide array of externally and internally funded biologic research with the aim of finding solutions to some of the country's most critical health problems. Hundreds of clinical research projects are being conducted at UCMC facilities at any one time and are available to nearly every type of patient UCMC treats. As a result, UCMC provides the only comprehensive set of clinical trials to patients in the South Side of Chicago.

For example, the Center for Interdisciplinary Health Disparities Research focuses on achieving a trans-disciplinary approach to understanding population health and health disparities and the elimination of group differences in health. Currently the Center for Interdisciplinary Health Disparities Research is focused on understanding why African American women develop breast cancer at a younger age and have a higher incidence of mortality from breast cancer than do white women.

In addition, in FY 2014, UCMC published a study through the South Side Health and Vitality Studies titled "Population-based Biosocial Demonstration Study: South Side Population Health Study." This study provided data on questions to community residents about their physical and mental health, health-related behaviors, technology ownership and use, and awareness and use of community resources. The data obtained helped to further explore and identify the greatest needs in the UCMC service area.

UCMC also invests in research conducted under a Clinical and Translational Science Award (CTSA) – funded by federal grants to the University with additional investment by UCMC – to provide more effective community health care by helping to translate basic science research into programs that benefit the community. The CTSA initiative is led by the National Center for Research Resources at the National Institutes of Health and is aimed at improving the way biomedical research is conducted across the country, reducing the time it takes for laboratory discoveries to become treatments for patients, engaging communities in clinical research efforts, and training the next generation of clinical and translational researchers. In an effort to marshal available intellectual resources, this research includes the involvement of University social scientists and social workers to help researchers and practitioners better understand how to overcome social and/or cultural hurdles and improve community health.

UCMC is deeply committed to providing health care solutions and services for patients, the community and the region. With a continued focus on its three critical missions – patient care, research and education – UCMC strives be a leader in complex care and to have a lasting impact on the health and vitality of Chicago's South Side.

The community benefit services are described in detail in the FY 2014 Community Benefit Report, included in Attachment 41.

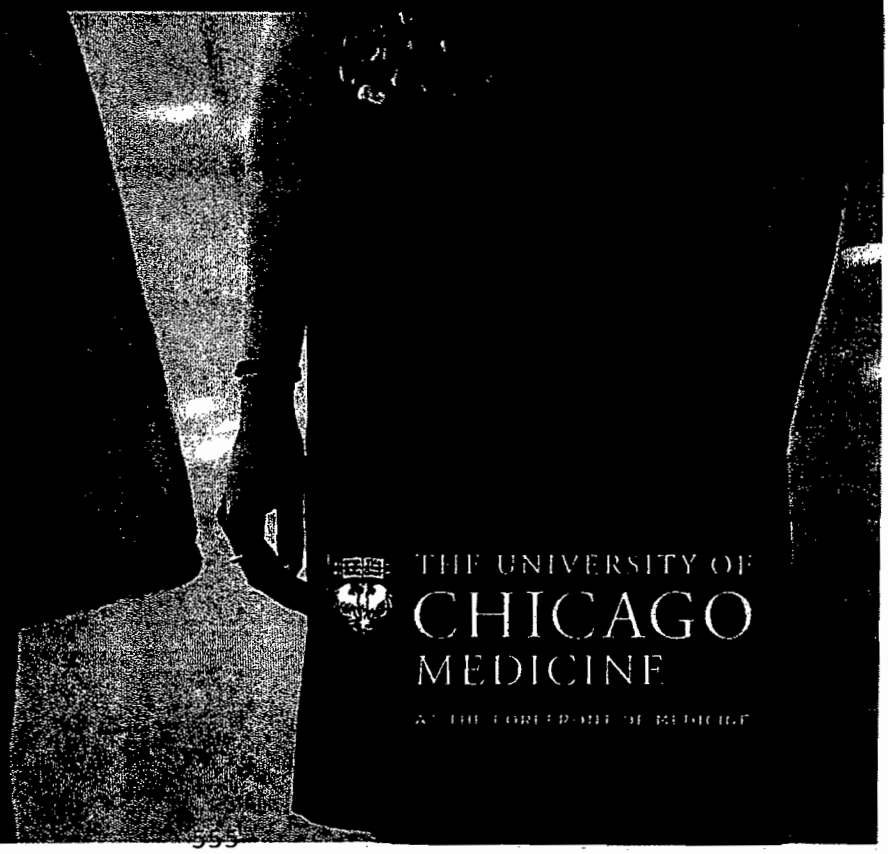
Section XII, Charity Care Information

Attachment 41

CHARITY CARE			
	2012	**2013**	**2014**
Net Patient Revenue	$1,267,102,000	$1,303,794,000	$1,409,093,000
Amount of Charity Care (charges)	$73,064,000	$100,061,000	$103,383,000
Cost of Charity Care	$16,620,000	$22,000,000	$22,628,000
Ratio of Charity Care Cost to Net Patient Rev.	1.31%	1.69%	1.61%

Connected to our Community

THE UNIVERSITY OF CHICAGO MEDICINE'S 2014 REPORT TO THE COMMUNITY



THE UNIVERSITY OF
CHICAGO
MEDICINE

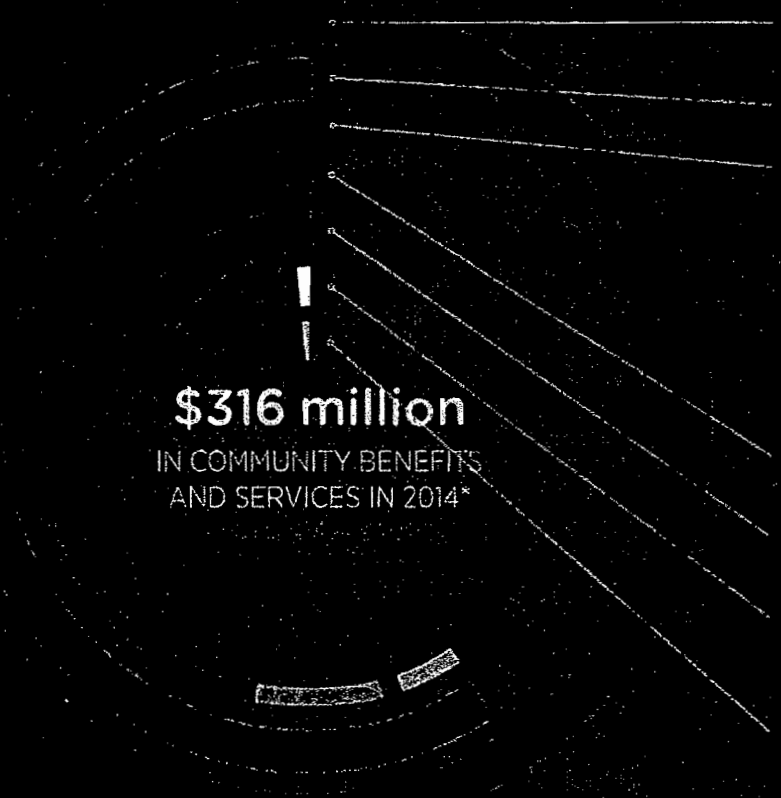
AT THE FOREFRONT OF MEDICINE

To you, our community

The University of Chicago Medicine is proud to be connected to Chicago's South Side communities. We are honored to serve the health needs of our neighbors, we are delighted to employ thousands of South Side residents, and we are committed to research that seeks to improve the quality of life in the community for years to come. This Community Benefit Report offers examples of the community-based programs and positive health outcomes that come as a result of our long-standing partnerships with community organizations, health care providers and advocates. We remain committed to our mission to serve the health needs of our community and further the knowledge of those dedicated to caring.

Kenneth S. Polonsky, MD
Dean and Executive Vice President for Medical Affairs, University of Chicago

Sharon O'Keefe
President, University of Chicago Medical Center



$316 million total in fiscal 2014*

$186.5 million
Uncompensated Care

$92.04 million
Medicare Program Losses

$55.37 million
*Medicaid Program Losses**

$25.47 million
*Charity Care**

$13.59 million
Unrecoverable Patient Debt

$78.82 million
Medical Education

$48 million
Medical Research

$1.63 million
Uncategorized
Community Benefits

$986,631
Cash and In-Kind
Contributions/Donations*

Medicare Program Losses
Support to make up for Medicare reimbursement rates, which do not cover the cost of care. Medicare is a federal health insurance program for people 65 and older and those with certain disabilities.

Medicaid Program Losses*
Medicaid is a federal-state program for those requiring financial assistance. Reimbursement rates do not cover the cost of care.

Charity Care*
Cost of providing free or discounted services to qualified individuals

Unrecoverable Patient Debt
Amount absorbed when a hospital cannot collect expected payment for services.

Medical Education
Cost to teach and train future health care professionals not covered by tuition, grants, or scholarships.

Medical Research
Funding to investigate ways to better prevent, detect and treat disease, as well as advance patient care.

Uncategorized Community Benefits
Includes support for health improvement services, community activities, volunteers and language assistance.

Cash and In-Kind Contributions/Donations*
Gifts to community groups for health-related activities.

*An IRS-defined category of community benefit. Components of community benefit for fiscal 2014 (measured at cost). Data prepared based on Illinois Attorney General and IRS guidelines for fiscal year ending June 30, 2014.

"He gave me courage in my darkest hour."

Timika Rutledge-German on the support she received from Rev. Chris Harris, senior pastor of Bright Star Church, following the murder of her 15-year-old son in 2013

CHALLENGE

Each year, hundreds of Chicago families are impacted by violence.

OPPORTUNITY

Innovative, tailored post-trauma counseling and support fosters resiliency and helps avert behaviors that may lead to further conflict

DETAILS

The University of Chicago Medicine shares our community's concerns about violence and its severe toll. Many of the victims of violence are the children and families we serve. Beyond the medical care we provide to violence victims, particularly children, we invest in proven ways to prevent violence.

Offering a Faithful Hand

A South Side community organization, backed by the University of Chicago Medicine, is combating violence and averting behaviors that lead to conflict by joining two evidence-based models that address the cause and effect of crime and violence.

The Bronzeville Dream Center focuses on strengthening the community and preventing youth delinquency, substance abuse and violence through Communities that Care. Simultaneously, by training faith and community leaders to provide post-trauma counseling and other support, the center will provide emotional and psychological treatment and assistance for those experiencing post-traumatic stress as a result of conflict. This novel community health model is supported by Bright Star Community Outreach, UChicago Medicine, Northwestern Medicine® and United Way of Metropolitan Chicago.

By combining these two evidence-based approaches, the Bronzeville Dream Center aims to prevent violence and build hope, support and resilience for those exposed to trauma and violence—victims as well as perpetrators. The center and its partners have focused on planning and building an infrastructure to achieve its goals. Under the partnership, UChicago Medicine and Northwestern Medicine committed $250,000 each for the first two years of data gathering, implementation, oversight and evaluation.

Healing Children

Comer Children's Hospital Pediatric Mobile Medical Unit is a school-linked program providing comprehensive medical care to South and West Side students. Through preventive care services, the mobile unit staff screens children and adolescents for mental health and emotional concerns, including poor school performance and exposure to violence and more. Then the unit's medical team works with University of Chicago psychology staff to provide follow-up care.

1,772 STUDENTS

and teachers attended discussions on bullying, depression, dating violence, personal hygiene, STIs and other topics.

Care provided at **28 SCHOOLS**

243 MENTAL HEALTH encounters

UChicago Medicine Comer Children's Hospital provides a hospital-based violence intervention program called Healing Hurt People-Chicago. The effort includes special intensive case management and access to trauma-focused counseling for pediatric patients who've been injured by community violence. Bradley Stolbach, PhD, serves as the clinical director of Healing Hurt People-Chicago. The program serves patients at Comer Children's Hospital and John H. Stroger, Jr. Hospital of Cook County.

199 REFERRALS

for children and teens injured by violence

180 CHILDREN TREATED

2–18 YEARS OLD

CHALLENGE

Despite substantial progress, racial disparities in advanced cancer diagnoses and mortality persist.

Cancer screening rates among Asian-American populations: percentage points below the Healthy People 2020 target

BREAST CANCER SCREENING	CERVICAL CANCER SCREENING	COLORECTAL CANCER SCREENING
17 PERCENTAGE POINTS ↓	18 PERCENTAGE POINTS ↓	24 PERCENTAGE POINTS ↓

OPPORTUNITY

The University of Chicago Medicine is supporting several community-level interventions aimed at addressing the unique needs of underserved populations, boosting awareness and access to recommended screenings.

IMPACT

Offered by UChicago Medicine through Metropolitan Chicago Breast Cancer Task Force's Beyond October program.

175 FREE SCREENING MAMMOGRAMS

15 DIAGNOSTIC MAMMOGRAMS

DETAILS

Cancer is still a major killer in the United States, especially among minorities. The University of Chicago Medicine is working to assess and address the community's cancer-related needs and reduce inequities in cancer rates and fatalities.

Reaching Asian Communities

Asian immigrants lined up hours before a free the University of Chicago Medicine health fair in Chinatown in July 2014.

"They didn't want to lose their place in line," said Helen Lam, PhD, RN, who doubled as a nurse and translator. "Many don't know how to speak English. But they know 'University of Chicago Medicine.'"

UChicago Medicine volunteers—including physicians, lab technologists, medical students and clinical chemists—tested the 100 attendees for cholesterol, glucose and hepatitis C. Bilingual staff members explained test results in Mandarin and Cantonese and gave patients information on other recommended tests, including cancer screenings.

The health fair was led by the UChicago Medicine Comprehensive Cancer Center's Office of Community Engagement and Cancer Disparities (OCECD) and the Department of Pathology.

Partnering to End Disparities

Establishing strong partnerships with underserved communities is critical for eliminating cancer disparities.

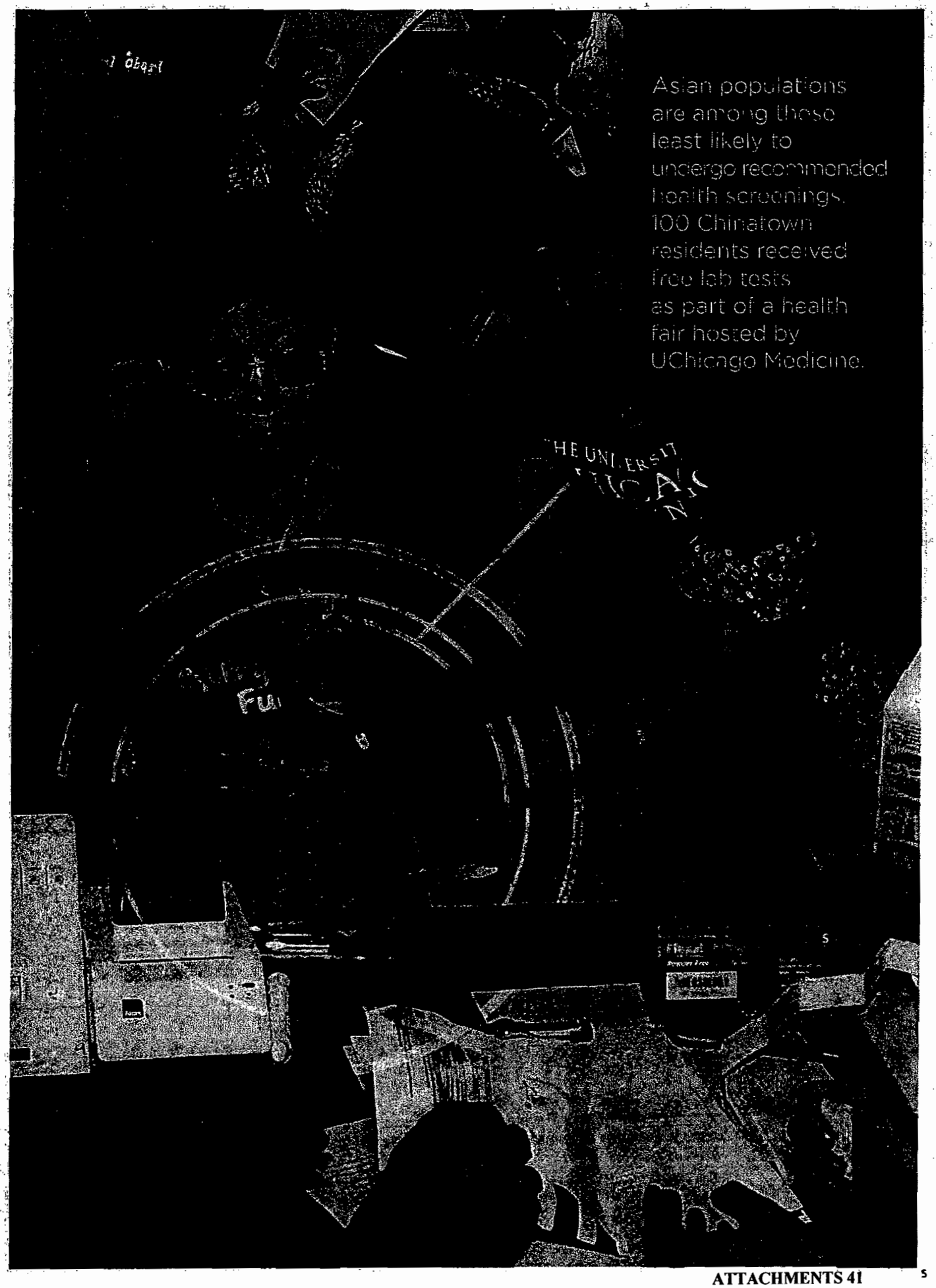
To do just that, the Chicago Southside Cancer Disparities Initiative is creating a specific curriculum for Chicago State University's master of public health students and University of Chicago Pritzker School of Medicine students. The program is funded by a joint University of Chicago/Chicago State University P20 grant from the National Cancer Institute to develop community-based programs that sustain healthy lifestyles and focus on cancer prevention.

Taking the Fear Out of Screening and Care

Colorectal cancer screening rates are low, particularly among certain racial and ethnic groups—precisely the population that's more likely to die from colorectal cancer.

The OCECD is hoping its Walk Through the Cure program will help close that gap. The effort brought nearly two dozen health care providers from community-based organizations to UChicago Medicine to learn about the diagnostic, treatment and survivorship services available to colorectal cancer patients.

Participants visited colonoscopy, robotic surgery, radiation therapy and chemotherapy procedure rooms. And they met with cancer specialists who explained how colorectal cancer is detected, diagnosed and treated.



Asian populations are among those least likely to undergo recommended health screenings. 100 Chinatown residents received free lab tests as part of a health fair hosted by UChicago Medicine.

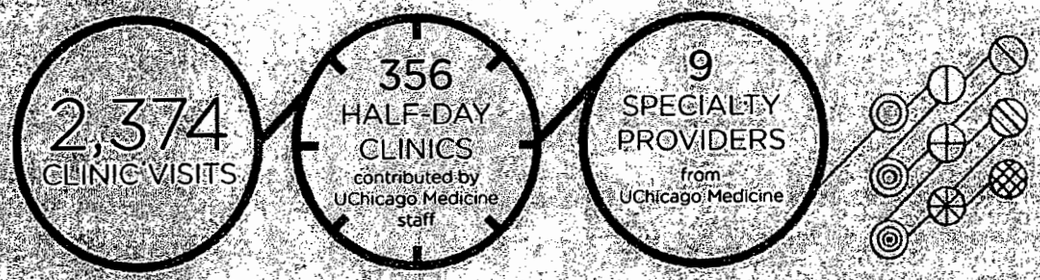
CHALLENGE

Improving outcomes requires improving access to the right care in the right place.

OPPORTUNITY

UChicago Medicine continues its commitment to eliminating barriers to care by linking more people than ever to affordable, high-quality primary and specialty care closer to home.

IMPACT: ACCESS GRAND BOULEVARD IN FISCAL 2014



DETAILS

Specialty Care, Primary Setting

Most neighborhood health clinics don't have a pediatric neurologist—unless you're at Access Community Health Network's Grand Boulevard location.

Since 2008, Access Grand Boulevard has partnered with the University of Chicago Medicine to offer clinical specialties. UChicago Medicine physicians have regular clinic hours at Access Grand Boulevard, and UChicago Medicine subsidizes the care.

An added benefit: patients see the same specialist each time and develop a relationship with them.

Today, children can see a neurologist, cardiologist, gastroenterologist or endocrinologist, while adults can see an endocrinologist or an infectious disease specialist.

"Getting specialty care is a challenge across the country," said Kimberly Hobson, executive director of strategic hospital affiliations and the South Side Healthcare Collaborative. "This lets patients get specialty care in the same place where they get primary care—in the community."

HIV Testing, Linkage to Care

Rebecca Eavou remembers the 16-year-old who'd been diagnosed with HIV—and wasn't receiving medical care.

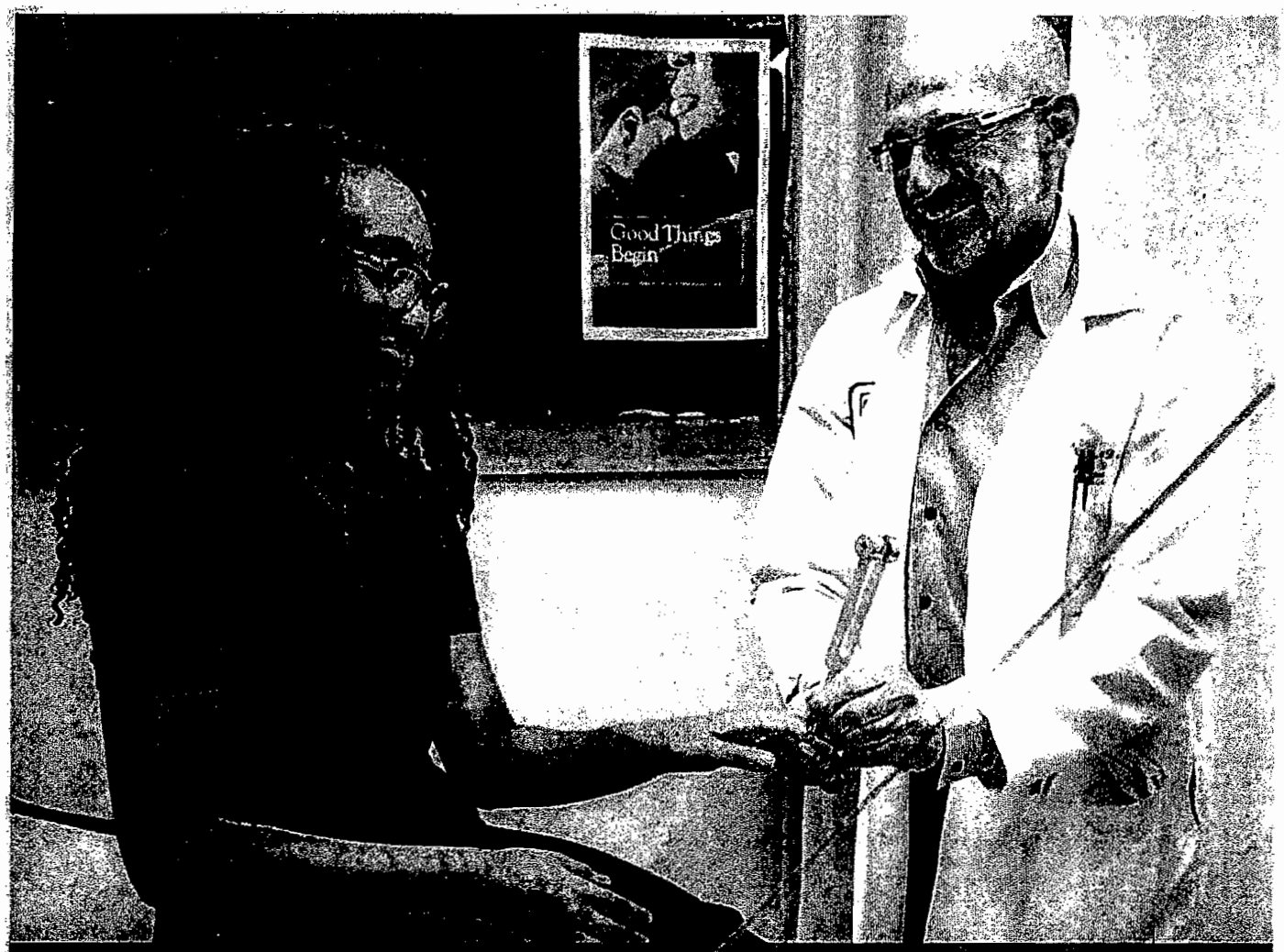
"He had a lot of stuff going on at home that made it hard to fully engage in care," said Eavou, LCSW, program manager for the Chicago Center for HIV Elimination, housed at UChicago Medicine.

"I was able to jump in and say that we have this study testing the effectiveness of a one-pill-a-day regimen for people under 17," she added. The young man agreed to participate and got weekly medical care and regular medication.

The center offers clinical services and conducts research to help Chicagoans prevent HIV or get treatment. The Expanded HIV Testing and Linkage to Care (xTLC) program, which began in 2011, conducts research and links patients to clinical and support services.

xTLC is a partnership between 10 Chicago health care organizations. Two additional sites will be added this year.

"With all of our routine screening efforts, we're doing a good job of identifying people who are HIV positive but may not be aware of it," Eavou said. "We're getting stories of people in their 70s who have been infected for years but never knew."



Above: [illegible] Grand Boulevard [illegible] Medicine [illegible] Kenneth Silver, MD. [illegible] are [illegible] available in a [illegible] setting.

5,375
people connected
TO MEDICAL HOMES

2,414
people connected
TO SPECIALTY CARE

Connections to Follow-up Care

Getting follow-up care is key to preventing future trips to a hospital or an emergency room.

That's what the Medical Home and Specialty Care Connections (MHSCC) program does for patients at UChicago Medicine. The program is part of the South Side Healthcare Collaborative's (SSHC), network of federally qualified health centers that provide care across Chicago's South Side.

Through MHSCC, advocates work with patients in UChicago Medicine's adult and pediatric emergency departments, general pediatric units, adult cardiology unit and general hospitalist unit.

"It's really about education," said Hobson. "The primary [illegible] educating patients about developing and maintaining a primary care home. Then the focus is on scheduling follow-up visits."

MHSCC expands [illegible] focus from scheduling primary care and follow-up visits within the SSHC to scheduling them at locations where the patient already has established care.

"If a patient [illegible] we find out who their primary care physician is and schedule an appointment," Hobson explained.

Patient advocates also answer insurance questions, like how to switch primary care providers.

"This is the direction health care is going," Hobson said. "We have to be ready to connect patients to the next step."

GRANTS TO COMMUNITY ORGANIZATIONS IN FISCAL 2014

ASIAN HEALTH COALITION
The Diabetes Prevention Program for Asians in Chinatown addresses gaps in conventional approaches to diabetes health education and disease management for limited-English-speaking Asian immigrant populations.

NAMASTE SCHOOL
The Healthy Lifestyles Program combats childhood obesity in the school's traditionally underserved student population by recognizing the highly detrimental effects of limited activity and poor eating habits on student academic performance and lifelong health.

HEALTH LEADS
Support for a corps of linguistically diverse, skilled and motivated college student advocates by connecting patients of Chicago Family Health Center's South Chicago and Chicago Lawn locations with basic resources.

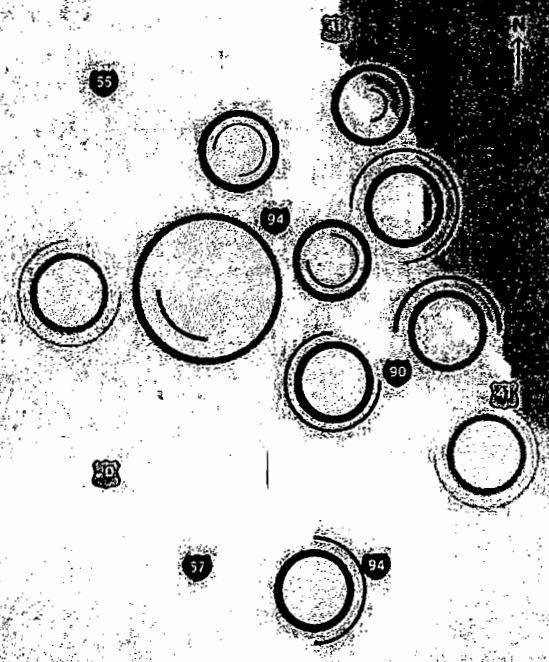
COMMUNITYHEALTH: ENGLEWOOD CLINIC
Support for overall operations at Englewood clinic including staff, supplies, medications, educational materials and more.

COMMUNITYHEALTH: TAKE ACTION!
A diabetes program including case management, education, measurement of clinical outcomes and provision of much-needed specialty services, such as dental, podiatry and ophthalmology.

PUBLIC ALLIES CHICAGO
Placement of an ally on the Metropolitan Chicago Breast Cancer Task Force to work on Screen to Live, a breast cancer outreach program with the goal of educating and providing free or low-cost care to uninsured or publicly insured African-American women.

ST. BERNARD HOSPITAL AND HEALTH CARE CENTER
At the Pediatric Asthma Clinic, a patient advocate educates and assists patients and their caregivers in identifying and mitigating home and environmental asthma triggers in order to control their health and improve outcomes.

CHICAGO ASTHMA CONSORTIUM
A pilot comprehensive asthma program within a charter public school on the South Side of Chicago consisting of screening and referral, education and policy in order to create a model that can be applied in other Chicago schools.



LOUIS' GROCERIES NFP
Support for pilot program aimed at changing the food consumption behavior of adult type 2 diabetics in a food desert community, Greater Grand Crossing, whose current diets fail to meet recommended healthy eating guidelines.

CHICAGO URBAN LEAGUE
Two scholarships for college students in nursing and/or health sciences.

MOBILE CARE FOUNDATION
The Roseland Community Initiative serves Roseland-area children through monthly asthma van visits to 13 school sites for annual asthma screenings.

RESPIRATORY HEALTH ASSOCIATION
Educating children with asthma and their adult caregivers about early recognition of symptoms, common asthma triggers, how to handle an asthma emergency, proper inhaler use and descriptions of various asthma medications.

CHICAGO RUN
A school-based physical activity program that works with teachers and administrators to instill the daily habit of running or walking for children of all fitness levels and physical abilities.

URBAN INITIATIVES
The Work to Play program combats pediatric obesity by increasing participants' engagement in physical activity, improving eating habits and knowledge of health and nutrition topics, using soccer as a tool for learning and engaging parents.

NEW LIFE BAPTIST CHURCH
Outreach to 20 to 30 youth and adults to plant, maintain and harvest a community garden to demonstrate ways to integrate fresh vegetables into participants' diets as well as education about the importance of diet in preventing diabetes and obesity.

EXPERIMENTAL STATION
The LINK Up Illinois program seeks to increase the availability, affordability and accessibility of nutritious foods sold at Illinois farmers markets for low-income Illinoisans, rebuilding linkages between local agricultural producers and consumers.

ACTS OF FAITH
The AOF Health Connection provides monthly programming at eight local churches including ongoing weekly education, linkages to providers and services at UChicago Medicine and assistance in developing ongoing programs at churches on specific health topics.

= MULTIPLE LOCATIONS

Chicago's South Side is battling an epidemic of obesity, and within that, an epidemic of diabetes.

UChicago Medicine is lending its support to community-based, culturally specific self-care and prevention programs, all steeped in proven strategies to help people make healthier choices.

DATA IS

Path to Healthier Lifestyles

It's a crisp fall morning at Louis' Groceries in Chicago's Greater Grand Crossing neighborhood, and vegetarian chef Pamela Phoenix, MD, is busy coaching a participant in her weekly diabetes cooking class to effortlessly chop a zucchini. Minutes later, the savory aroma of chickpea cakes and fresh-from-the-oven zucchini muffins lure several shoppers over to the corner grocery store's community kitchen.

"What smells so good over here?" asks one customer.

For Phoenix, a long-time community advocate, natural health doctor and caterer, the class is an opportunity to meld her love for cooking with her passion for helping people transform their health.

"I truly love doing this work," says Phoenix. "It's wonderful seeing people so excited and open to thinking about food differently. Like many underserved communities, they're grateful to have the opportunity to learn—to have someone take the time to teach them something about their health." Phoenix is one of the chefs lending her time and talents to Louis' Groceries' Shopping for Change program. The University of Chicago Medicine-supported initiative for people with type 2 diabetes pairs discounts on diabetes-friendly foods with personalized, hands-on cooking classes. The program has become a key component of the nonprofit corner store's mission to empower people to make healthier food choices.

Like many of the nation's urban areas, Chicago's South Side is battling an epidemic of obesity, and within that, an epidemic of diabetes. And like most complex problems, there are no simple solutions. Studies indicate "one-size-fits-all" approaches fall short of addressing the array of factors at play. With that in mind, UChicago Medicine is committed to backing community-based interventions with an emphasis on convenient locations, ongoing support and cultural relevance.

Another effort underway is Picture Good Health, a program created by UChicago Medicine Assistant Professor of Medicine Arshiya Baig, MD, MPH, to teach Mexican-Americans with diabetes to better manage the disease and make healthier decisions every day.

About 100 residents of Chicago's South Lawndale and Little Village neighborhoods attended eight group sessions led by community leaders at area churches. Six months after the program ended, attendees said they were eating less high-fat food and exercising more.

"I found that churches are central to many immigrant communities," said Baig. "I felt certain they would be a great place to offer diabetes education. They offer a lot of resources, education and programming in addition to religious services and teaching."

*12 South Chicago [illegible]
Community He[illegible]

African-American and Latino children are still significantly more likely to be overweight or obese than their peers of other races.

The University of Chicago Medicine continues to invest in community- and school-based programs that inspire kids to lead healthy, active lives.

1,000
kids from
[illegible] Schools engage in weekly health and character building activities through the Work to Play program.

4,500
MILES
ACCUMULATED
by Jackie Robinson
Elementary's
Chicago Runners

100%
OF STUDENTS
ENGAGE

in 60 minutes of daily activity
at Namaste Charter School

Healthy Lifestyles Program

In a time when many schools across the nation struggle to meet the minimum recommendations for physical activity, Namaste Charter School in the McKinley Park neighborhood on Chicago's Southwest Side has set a new bar. From yoga-inspired movement breaks throughout each day to 60 minutes daily of physical education to an award-winning nutrition curriculum incorporating a community garden, Namaste has proven the power of its health and wellness culture as a conduit to academic success.

The University of Chicago Medicine is pleased to lend its ongoing support to a key component of Namaste's mission. The medical center funds one full-time physical education teacher. The research-based PE program has helped Namaste head off the obesity trend facing many of its students from disadvantaged communities. Now, founder Allison Slade hopes the school's innovative holistic approach can reverse the trajectory.

"We're grateful for the University of Chicago Medicine's support," said Slade. "In a time of budget cuts, these types of relationships have allowed us to continue a part of our core education program that has made Namaste a model for higher academic achievement across the city and beyond. Physical education provides an outlet for students to get energy out and get focused and ready for school. They also gain valuable knowledge about their bodies and confidence in their abilities that they will take with them throughout their school years."

Chicago Run

For physical education teacher Kristin German, site coordinator for Chicago Run at Jackie Robinson Elementary, the program's impact goes well beyond health and fitness. "The social and emotional benefits become more apparent each year," said German. "Our students and staff encourage each other—they work together toward a goal. They seem to gain confidence in their abilities. These are benefits that will stick with them."

Due to many aggressive efforts over the last decade, the nationwide childhood obesity rate is finally showing signs of leveling off. However, troubling disparities persist in communities of color. African-American and Latino children are still significantly more likely to be overweight or obese than their peers of other races. Experts say ongoing challenges with access to affordable, healthy food and safe places to be physically active are likely contributing factors.

UChicago Medicine continues to invest in community- and school-based programs like Chicago Run that inspire kids to lead healthy, active lives. The nonprofit operates free programs for Chicago Public Schools students that involve running or walking daily along with promoting digital learning, academic performance and self-esteem. It's not a surprise that the formula works. This organization and others like it are proving that the intersection of fitness and fun translates to healthier choices as kids grow.

Work to Play

When it comes to youth activities that build physical fitness, coordination, confidence, character and teamwork, soccer tops the list. Thanks to Urban Initiatives' Work to Play program, more kindergarten through fourth graders across Chicago have a chance to discover the many benefits of the most popular sport among youngsters worldwide. In June 2014, UChicago Medicine lent its support to this unique opportunity to help kids develop healthy behaviors on and off the field.

A Fresh Start for Kids Impacted by Deformities

In June 2014, the University of Chicago Medicine Comer Children's Hospital joined forces with the Fresh Start Caring For Kids Foundation to offer free reconstructive surgeries to kids impacted by congenital deformities, trauma or abuse. A team of more than 50 surgeons, nurses, anesthesiologists and other volunteers—led by Russell R. Reid, MD, PhD, associate professor of surgery and Bernard Samat Scholar of Craniofacial Research—donate their time and talents to give these children the gift of self-esteem, acceptance and improved quality of life.

During its first year as Fresh Start's home base in Chicago, Comer Children's conducted three surgery weekends serving 21 young patients and providing more than $415,500 in donated medical care. Fresh Start hopes to boost these numbers in the coming years, offering more Chicago-area children these life-changing procedures.

17% of children in Chicago's South Side communities have asthma, compared to 12% nationally.

Asthma is among the most common chronic childhood conditions. Recent studies show children living in underserved inner-city communities suffer disproportionately from asthma, with some of the highest rates documented among African-American children. Chicago is among the most severely affected urban areas, with an asthma hospitalization rate nearly twice the national average.

For several years, the University of Chicago Medicine has set its sights on building community partnerships to end pediatric asthma disparities by connecting more families to the clinical and social resources needed to overcome common obstacles.

St. Bernard Hospital and Health Care Center
Pediatric Asthma Clinic
A new patient advocate has improved care coordination, education and assistance for children, families and caregivers. The program bolstered the ability to offer individualized support by identifying and preventing environmental triggers.

Chicago Asthma Consortium
Comprehensive School-Based Approach to Improve Asthma Outcomes
A South Side charter school has utilized a three-pronged approach: referral, education and policy. The goal is to create a model to help schools identify young asthmatics, educate them and support kids with the disease.

Mobile C.A.R.E. Foundation
Roseland Community Initiative
Specially equipped mobile medical clinics visit 13 locations in Roseland to provide free care and education to chronic asthma patients. Data is shared with Roseland-area hospitals and community health workers.

Respiratory Health Association
South Side Asthma Management Project
Fight Asthma Now provides engaging lessons and tools to teach kids about asthma symptoms, avoid common triggers and properly use inhalers and medication. The work helps kids manage asthma episodes and control the disease.

ECONOMIC IMPACT

Job Creation

The University of Chicago Medicine remains committed to working with minority- and women-owned business enterprises (MBE/WBE) on its many high-level construction and development projects. Not only is this collective of business owners vital to achieving long-term goals of growth and sustainability, they provide job opportunities and significantly impact the local economies of communities served by UChicago Medicine.

46 MBE/WBE FIRMS

45% OF ALL WORKERS WERE MINORITY OR FEMALE

308 MINORITY OR FEMALE ON-SITE CONSTRUCTION WORKERS

The new garage, known as Parking B, is an example of one such collaboration. Forty-six minority-owned firms were contracted to work on the $85 million project to create more than 1,000 additional parking spaces on the UChicago Medicine campus. Nearly [illegible] construction workers were employed over the two-year project, 45 percent of whom were minority or female.

PARKING

$29 MILLION IN CONTRACTS

$10.5 MILLION IN IN WAGE to MINORITY AND FEMALE WORKERS

Job Training

[illegible] 2012, 27 Chicago Public Schools students with various cognitive and physical disabilities have received job training at the University of Chicago Medicine through collaboration with the Southside Occupational Academy. Brandon Logan is one of eight graduates of the program to earn a part-time job in food services or environmental services at the medical center.

"I am so proud to have a job at the University of Chicago Medicine. I want to work hard and make my boss and my principal very proud of me."

Brandon Logan
Southside Occupational Academy student

THE UNIVERSITY OF
CHICAGO
MEDICINE

AT THE FOREFRONT OF MEDICINE®

5841 S. Maryland Ave.
Chicago, IL 60637

298
Burn Admissions

26,195
Admissions

78,062
ER Visits

136
Solid Organ Transplants

264
Pediatric Trauma Admissions

Medicaid Acute Care Days for Private Hospitals in Metro Chicago*

	Medicaid Days	Percent of Total Days
1. The University of Chicago Medicine	39,087	27%
2. Rush University Medical Center	37,020	21%
3. Advocate Christ Medical Center	36,487	17%
4. Lurie Children's Hospital	31,876	48%
5. Northwestern Medicine	32,555	12%
6. Loyola University Medical Center	14,304	14%
7. Advocate Lutheran General Hospital	21,065	14%
8. Mount Sinai Hospital	30,371	40%
9. Sts. Mary and Elizabeth Medical Center	22,456	19%
10. Advocate Illinois Masonic Medical Center	17,305	23%

19,056
Inpatient and Outpatient Surgeries

8,446
Employees

624
Average Beds in Service

966
Residents and Fellows

745
NICU Admissions

2,305
Nurses

854
Attending Physicians

*Acute care days provided to patients where Illinois Medicaid is the primary insurer, excluding normal nursery, psychiatry and rehabilitation days

Source: Illinois Department of Healthcare & Family Services Medicaid cost reports filed for the state fiscal year ending June 30, 2014