

RECEIVED

MAY 02 2013

HEALTH FACILITIES &
SERVICES REVIEW BOARD

HAND DELIVERED

April 23, 2013

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

Re: HFSRB Project Number 11-060, Naperville
Fertility Center.

Dear Ms. Avery:

Please accept this correspondence as notification of permit Obligation in accordance with the 77 Illinois Administrative Code, Chapter II, Subchapter b, Part 1130, section 1130.720 "Obligation".

Specifically, on March 25, 2013, the Applicant's executed the final lease for the project which implicates obligation as the total project costs were based upon the fair market value of said lease. Please find the first page and the signature executing the lease appended as Exhibit I which verify that the Applicant is now committed to "funding" the project.

The lease amount has been reduced due to cost saving measures implemented during the landlord's construction process. Therefore, the total project cost will be under the total amount approved in this permit.

It should be known that the project is in the Illinois Department of Public Health licensure review process and therefore, is expected to be completed within the approved time for said completion. As the construction is complete and IDPH licensure is surveying, the project is in compliance with the scope, design, square footage and number of operating rooms as stipulated by the HFSRB through this permit.

If you should have any questions or concerns, please do not hesitate to contact me or the project's CON consultant John Kniery of Foley and Associates or our legal counsel, Mark Silberman, Esquire of Duane Morris, LP.

Sincerely,

Randy Morris 5/1/13

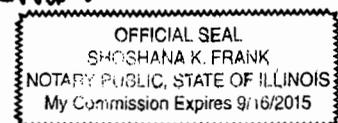
Randy Morris, MD

RM/jk

ENCLOSURE

C: Alexis Kendrick, HFSRB Legal Counsel
Mark Silberman, Attorney at Law
John Kniery, Foley and Associates

Shoshana K. Frank 5/1/2013



**3 NORTH WASHINGTON, NAPERVILLE, ILLINOIS
AMBULATORY SURGICAL CENTER LEASE**

TABLE OF CONTENTS

	Page
1. LEASE OF PREMISES	1
2. DEFINITIONS.....	1
3. EXHIBITS AND ADDENDA.....	2
4. COMMENCEMENT; RENEWAL OPTIONS.....	2
5. RENT	3
6. INTEREST AND LATE CHARGES	7
7. SECURITY DEPOSIT.....	8
8. TENANT’S USE OF THE PREMISES	8
9. SERVICES AND UTILITIES	9
10. PREPARATION AND CONDITION OF THE PREMISES	10
11. CONSTRUCTION, REPAIRS AND MAINTENANCE	11
12. ALTERATIONS AND ADDITIONS.....	12
13. LEASEHOLD IMPROVEMENTS; TENANT’S PROPERTY	13
14. CERTAIN RIGHTS RESERVED BY LANDLORD.....	13
15. ASSIGNMENT AND SUBLETTING	14
16. HOLDING OVER	16
17. SURRENDER OF PREMISES.....	16
18. DESTRUCTION OR DAMAGE.....	16
19. EMINENT DOMAIN	17
20. INDEMNIFICATION.....	18
21. TENANT’S INSURANCE	18
22. WAIVER OF SUBROGATION.....	20
23. SUBORDINATION AND ATTORNMENT	20
24. ESTOPPEL CERTIFICATES	21
25. TRANSFER OF LANDLORD’S INTEREST.....	22
26. DEFAULT	22
27. BROKERAGE FEES.....	25
28. NOTICES.....	25
29. Intentionally Omitted.....	25
30. Intentionally Omitted.....	25

31.	QUIET ENJOYMENT.....	25
32.	OBSERVANCE OF LAW.....	25
33.	FORCE MAJEURE.....	26
34.	SIGN CONTROL.....	26
35.	RULES AND REGULATIONS.....	26
36.	MISCELLANEOUS.....	30

**3 NORTH WASHINGTON
NAPERVILLE, ILLINOIS
AMBULATORY SURGICAL CENTER LEASE**

This Lease between MEDICAL PROPERTIES, LLC, an Illinois limited liability company ("Landlord"), and NAPERVILLE FERTILITY CENTER, INC., ("Tenant"), is dated March 25, 2013.

1. LEASE OF PREMISES.

In consideration of the Rent (as defined at Section 5(c)) and the provisions of this Lease, Landlord leases to Tenant and Tenant leases from Landlord the Premises shown by diagonal lines on the floor plan attached hereto as Exhibit "A," and further described at Section 2(h). The Premises are located within the Building and Project described in Section 2(i). Tenant shall have the non-exclusive right (unless otherwise provided herein) in common with Landlord, other tenants, subtenants and invitees, to use of the Common Areas (as defined at Section 2(d)).

2. DEFINITIONS.

As used in this Lease, the following terms shall have the following meanings:

- (a) Base Rent: See Base Rent Schedule attached hereto as Exhibit "C".
- (b) Broker(s): N/A
Landlord's: None
Tenant's: None
- (c) Commencement Date: March 25, 2013
- (d) Common Areas: The building lobbies, common corridors and hallways, restrooms, stairways, elevators and other generally understood public or common areas. Landlord shall have the right to regulate or restrict the use of the Common Areas.
- (e) Expiration Date: That date determined in accordance with Section 4(a) below unless otherwise sooner terminated in accordance with the provisions of this Lease.
- (f) Landlord's Mailing Address: Medical Properties, LLC, c/o HSA Commercial Real Estate, 233 South Wacker Drive, Suite 350, Chicago, IL 60606.

Tenant's Mailing Address: At the Premises.
- (g) Monthly Installments of Base Rent: See Base Rent Schedule.
- (h) Premises: That portion of the Building containing approximately 6,838 square feet of Rentable Area, shown on Exhibit "A," located on the first floor of the Building.
- (i) Project: The building of which the Premises are a part (the "Building") and the real property on which the Building is located (the "Property"), with an address of 3 North

Washington, Naperville, Illinois 60540 and further described on Exhibit "B". The parties acknowledge that the property on which the Building is to be built will be the subject of a two lot consolidation and a PUD and that therefore the address of the Building may change.

(j) **Rentable Area:** As to both the Premises and the Project, the respective measurements of floor area as may from time to time be subject to lease by Tenant and all tenants of the Project, respectively, as determined by Landlord and applied on a consistent basis throughout the Project.

(k) **Security Deposit (Section 7):** \$26,000.00.

(l) **State:** The State of Illinois.

(m) **Tenant's Proportionate Share:** 55%. Such share is a fraction, the numerator of which is the Rentable Area of the Premises, and the denominator of which is the Rentable Area of the Project, as determined by Landlord from time to time. The Project consists of one building(s) containing a total Rentable Area of 12,333 square feet.

(n) **Tenant's Use Clause (Section 8):** Ambulatory surgical treatment center and laboratory.

(o) **Term:** The period commencing on the Commencement Date and expiring at 11:59 p.m. on the Expiration Date.

(p) **Lease Year:** A period of 12 calendar months commencing on the Commencement Date or on any anniversary thereof; provided, however, that if the Commencement Date is not the first day of a calendar month, "Lease Year" shall mean a period of 12 calendar months commencing on the first day of the first calendar month after the Commencement Date or any anniversary thereof and in such case, the first Lease Year shall also include the period from the Commencement Date through the last day of the calendar month in which the Commencement Date occurs.

3. EXHIBITS AND ADDENDA.

The exhibits listed below are incorporated by reference in this Lease:

- (a) Exhibit "A" – Floor Plan showing the Premises.
- (b) Exhibit "B" – Legal Description of Project.
- (c) Exhibit "C" – Base Rent Schedule.
- (d) Exhibit "D" – Site Plan

4. COMMENCEMENT; RENEWAL OPTIONS.

(a) **Commencement Date:** The term of this Lease shall be for ten (10) Lease Years (hereinafter referred to as the "Term") and shall commence on March 25, 2013 (hereinafter

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Lease as of the day and year first above written.

LANDLORD:

MEDICAL PROPERTIES, LLC

By: Jody L. Morris, manager
Jody L. Morris, Manager

TENANT:

NAPERVILLE FERTILITY CENTER, INC.

By: Randy Morris
Randy Morris, M.D., President