



Fresenius Medical Care

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HEALTH FACILITIES &
SERVICES REVIEW BOARD

September 16, 2013

Ms. Courtney Avery
Administrator
Illinois Health Facilities & Services Review Board
525 West Jefferson, 2nd Floor
Springfield, IL 62761

Re: Second Annual Progress Report. Section 1130.760
Project # 11-054, Fresenius Medical Care Northfield
Permit Holder: Fresenius Medical Care of Illinois, LLC, and Fresenius Medical
Care Holdings, Inc.
Permit Amount: \$3,596,325

Dear Ms. Avery:

Enclosed please find the annual progress report which summarizes the current status of the above-mentioned project.

If you have any questions, please contact me at 708-498-9121.

Sincerely,

Lori Wright
Senior CON Specialist

cc: Clare Ranalli



Fresenius Medical Care

September 16, 2013

Second Annual Progress Report, Section 1130.760

Project # 11-054, Fresenius Medical Care Northfield

Permit Holder: Fresenius Medical Care of Illinois, LLC, and Fresenius Medical Care Holdings, Inc.

Permit Amount: \$3,596,325

This report summarizes the current status of the above-mentioned project. The project is located at 480 Central Avenue, Northfield, IL. There have been no changes to the scope and size of this project. The Permit amount is \$3,596,325.

<u>Key Milestones Completed:</u>	<u>Date Completed</u>
• Project Obligation with Lease Execution	12/01/2011
• Preliminary Plan approved, notice sent to the Architect to proceed.	04/05/2012
• Construction Drawings Completed	07/15/2012
• Scope of Project sent out for bids	07/19/2012
• Permit Renewal	11/26/2012
• Construction Contract Awarded	04/25/2013
• Building permit granted	04/29/2013
• Construction Commencement	04/29/2013
• Misc. Purchase orders placed	05/01/2013
• Certificate of occupancy granted	09/04/2013

- Vendor Installs 08/21/2013
- 1st Patient Dialyzed 09/04/2013

- **Key Actions that need to be completed:** **Target Date**
- ESRD Federal Certification Survey 12/04/2013
- Project Complete 03/31/2014

The project is currently approximately 99% complete and is expected to be completed by March 31, 2014.

Sources and Uses of Funds

All Project financing to date has been funded from available cash and its equivalents as reported on the company's financial statements. The right to occupy the premises is being secured through a leasing arrangement. This leasing arrangement was utilized to obligate the project. None of the project costs have exceeded the approved permit amounts.

Project Costs and Sources of Funds

Line Item	Allowance/CON	Realized Costs
Preplanning Costs	N/A	N/A
Site Survey & Soil Investigation	N/A	N/A
Site Preparation	N/A	N/A
Off-site work	N/A	N/A
New Construction Contracts	N/A	N/A
Modernization	1,044,000	1,010,028
Contingencies	104,400	0
Architectural/Engineering	112,500	65,791
Consulting and other fees	N/A	N/A
Movable & Other Equipment	296,000	157,052
Bond Issuance Expense	N/A	N/A
Net Interest Expense during Construction	N/A	N/A
FMV of Leased Space & Equipment	2,039,425	2,039,425
Other Costs to be Capitalized	N/A	N/A
Acquisition of Building or other Property (excluding land)	N/A	N/A
Total Project Costs	3,596,325	
Realized Total Project Costs To Date		3,272,296
Cash & Securities	1,316,900	982,871
Pledges	N/A	N/A
Gifts & Bequests	N/A	N/A
Bond Issues	N/A	N/A
Mortgages	N/A	N/A
Lease FMV	2,039,425	2,039,425
Gov. Approp	N/A	N/A
Grants	N/A	N/A
Other funds and Sources	240,000*	250,000*
Total funds	3,596,325	
Total Spent to Date		2,079,913

*Total construction cost is \$1,010,028; however \$250,000 of this cost will be paid to the landlord over the term of the lease. Although this amount is paid per the lease term over time, it relates directly to the construction costs and not rent per GSF.

There is no G-702 yet to submit.