ORIGINAL

17-070

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT

RECEIVED
DEC 05 2017
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: Dialysis Care Center Rockford		
Street Address: 657 Highgrove Place		
City and Zip Code: Rockford, IL, 61108-2506		
County: Winnebago County	Health Service Area: 1	Health Planning Area: 1

Applicant(s) [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name: Dialysis Care Center Rockford, LLC
Street Address: 15786 S. Bell Rd
City and Zip Code: Homer Glen, IL, 60491
Name of Registered Agent: Salman Azam, ESQ
Registered Agent Street Address: 333 N. Michigan Ave, Suite 1815
Registered Agent City and Zip Code: Chicago, IL, 60601
Name of Chief Executive Officer: Morufu O. Alausa M.D.
CEO Street Address: 15786 S. Bell Rd
CEO City and Zip Code: Homer Glen, IL, 60491
CEO Telephone Number: (708)645-1000

Type of Ownership of Applicants

- ☐ 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 they are 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: Asim Shazzad
Title: Administrator
Company Name: Dialysis Care Center
Address: 15786 S. Bell Rd, Homer Glen, IL, 60491
Telephone Number: (630) 965-9007
E-mail Address: shazzad@kidneycares.com
Fax Number: (708) 645-1001

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

Name: Morufu Alausa M.D
Title: CEO
Company Name: Dialysis Care Center
Address: 15786 S. Bell Rd , Homer Glen, IL, 60491
Telephone Number: (708) 645-1000
E-mail Address: talausa@kidneycares.com
Fax Number: (708)645-1001

ILLINOIS HEALTH FACILITIES AND SERVICES REVIEW BOARD
APPLICATION FOR PERMIT

SECTION I. IDENTIFICATION, GENERAL INFORMATION, AND CERTIFICATION

This Section must be completed for all projects.

Facility/Project Identification

Facility Name: Dialysis Care Center Rockford		
Street Address: 657 Highgrove Place		
City and Zip Code: Rockford, IL, 61108-2506		
County: Winnebago County	Health Service Area: 1	Health Planning Area:1

CO-Applicant(s) [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name: Dialysis Care Center Holdings, LLC
Street Address: 15786 S. Bell Rd
City and Zip Code: Homer Glen, IL, 60491
Name of Registered Agent: Salman Azam, ESQ
Registered Agent Street Address: 333 N. Michigan Ave, Suite 1815
Registered Agent City and Zip Code: Chicago, IL, 60601
Name of Chief Executive Officer: Morufu O. Alausa M.D.
CEO Street Address: 15786 S. Bell Rd
CEO City and Zip Code: Homer Glen, IL, 60491
CEO Telephone Number: (708) 645-1000

Type of Ownership of Applicants

- ☐ 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 they are 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: Asim Shazzad
Title: Administrator
Company Name: Dialysis Care Center
Address: 15786 S. Bell Rd, Homer Glen, IL, 60491
Telephone Number: (630) 965-9007
E-mail Address: shazzad@kidneycares.com
Fax Number: (708)645-1001

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

Name: Morufu Alausa M.D
Title: CEO
Company Name: Dialysis Care Center
Address: 15786 S. Bell Rd , Homer Glen, IL, 60491
Telephone Number: (708) 645-1000
E-mail Address: talausa@kidneycares.com
Fax Number: (708)645-1001

Post Permit Contact

[Person to receive all correspondence subsequent to permit issuance-**THIS PERSON MUST BE EMPLOYED BY THE LICENSED HEALTH CARE FACILITY AS DEFINED AT 20 ILCS 3960]**

Name: Asim Shazzad
Title: Administrator
Company Name: Dialysis Care Center
Address: 15786 S. Bell Rd, Homer Glen, IL, 60491
Telephone Number: (630) 965-9007
E-mail Address: shazzad@kidneycares.com
Fax Number: (708)645-1001

Site Ownership

[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Perryville Center, LLC.
Address of Site Owner: C/O General Counsel, 6801 Spring Creek Road, Rockford, IL, 61114
Street Address or Legal Description of the Site: 657 Highgrove Place, Rockford, IL, 61108-2506 Legal Description: **See Attachment 2**.
APPEND DOCUMENTATION AS ATTACHMENT 2, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Operating Identity/Licensee

[Provide this information for each applicable facility and insert after this page.]

Exact Legal Name: Dialysis Care Center Rockford, LLC
Address: 15786 S. Bell Rd, Homer Glen, IL 60491
☐ Non-profit Corporation ☐ Partnership ☐ For-profit Corporation ☐ Governmental ☒ Limited Liability Company ☐ Sole Proprietorship ☐ Other o Corporations and limited liability companies must provide an Illinois Certificate of Good Standing. o Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner. o **Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.**
APPEND DOCUMENTATION AS ATTACHMENT 3, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Organizational Relationships

Provide (for each applicant) an organizational chart containing the name and relationship of any person or entity who is related (as defined in Part 1130.140). If the related person or entity is participating in the development or funding of the project, describe the interest and the amount and type of any financial contribution.
APPEND DOCUMENTATION AS ATTACHMENT 4, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Flood Plain Requirements

[Refer to application instructions.]

Provide documentation that the project complies with the requirements of Illinois Executive Order #2006-5 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 #2006-5 **(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

In the space below, provide 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.

Dialysis Care Center Rockford, LLC. ("Applicant") proposes to establish a 12-station in-center hemodialysis (ESRD) facility to be located at 657 Highgrove Place, Rockford, IL, 61108, which is in Health Service Area (HSA) 1.

The proposed facility is to be in a leased space which will include a total of approximately 5,350 contiguous rentable square feet.

The project has been classified as a substantive project since it constitutes the establishment of service as defined by Administrative Code.

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 be equal.

Project Costs and Sources of Funds			
USE OF FUNDS	**CLINICAL**	**NONCLINICAL**	**TOTAL**
Preplanning Costs			
Site Survey and Soil Investigation			
Site Preparation			
Off Site Work			
New Construction Contracts			
Modernization Contracts			
Contingencies	$60,000		$60,000
Architectural/Engineering Fees	$45,000		$45,000
Consulting and Other Fees			
Movable or Other Equipment (not in construction contracts)	$420,000		$420,000
Bond Issuance Expense (project related)			
Net Interest Expense During Construction (project related)			
Fair Market Value of Leased Space or Equipment	$865,266		$865,266
Other Costs To Be Capitalized			
Acquisition of Building or Other Property (excluding land)			
TOTAL USES OF FUNDS	$1,390,266		$1,390,266
SOURCE OF FUNDS	**CLINICAL**	**NONCLINICAL**	**TOTAL**
Cash and Securities	**$556,000**		**$556,000**
Pledges			
Gifts and Bequests			
Bond Issues (project related)			
Mortgages			
Leases (fair market value)	**$865,266**		**$865,266**
Governmental Appropriations			
Grants			
Other Funds and Sources			
TOTAL SOURCES OF FUNDS	**$1,390,266**		**$1,390,266**

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

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

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

The project involves the establishment of a new facility or a new category of service
☒ Yes ☐ No

If yes, provide the dollar amount of all **non-capitalized** operating start-up costs (including operating deficits) through the first full fiscal year when the project achieves or exceeds the target utilization specified in Part 1100.

Estimated start-up costs and operating deficit cost is $ 2,500.00.

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): December, 30,2019

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

☐ Purchase orders, leases or contracts pertaining to the project have been executed. ☐ Financial commitment is contingent upon permit issuance. Provide a copy of the contingent "certification of financial commitment" document, highlighting any language related to CON Contingencies
☒ Financial Commitment 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 [Section 1130.620(c)]

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 **Departmental Gross Square Feet (DGSF)** or the **Building Gross Square Feet (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

Section Not Applicable

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

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

CERTIFICATION

The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives are:

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

This Application is filed on the behalf of Dialysis Care Center Rockford, LLC * in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application 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 fee required for this application is sent herewith or will be paid upon request.

SIGNATURE	SIGNATURE
Morufu O Alausa MD	Mohammad S. Shafi MD
PRINTED NAME	PRINTED NAME
CEO /President	Vice President
PRINTED TITLE	PRINTED TITLE
Notarization: Subscribed and sworn to before me this 1st day of Dec. 2017	Notarization: Subscribed and sworn to before me this 1st day of Dec. 2017
Ashley Koehler Signature of Notary	Ashley Koehler Signature of Notary
Seal	Seal

*Insert the EXACT legal name of the applicant

OFFICIAL SEAL
ASHLEY KOEHLER
Notary Public - State of Illinois
My Commission Expires Aug 11, 2018

OFFICIAL SEAL
ASHLEY KOEHLER
Notary Public - State of Illinois
My Commission Expires Aug 11, 2018

CERTIFICATION

The Application must be signed by the authorized representatives of the applicant entity. Authorized representatives are:

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

This Application is filed on the behalf of Dialysis Care Center Holdings, LLC * in accordance with the requirements and procedures of the Illinois Health Facilities Planning Act. The undersigned certifies that he or she has the authority to execute and file this Application 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 fee required for this application is sent herewith or will be paid upon request.

SIGNATURE	SIGNATURE
Morufu O Alausa MD	Mohammad S. Shafi MD
PRINTED NAME	PRINTED NAME
CEO /President	Vice President
PRINTED TITLE	PRINTED TITLE
Notarization: Subscribed and sworn to before me this 1st day of Dec. 2017	Notarization: Subscribed and sworn to before me this 1st day of Dec. 2017
Ashley Koehler Signature of Notary	Ashley Koehler Signature of Notary
Seal	Seal

*Insert the EXACT legal name of the applicant

OFFICIAL SEAL
ASHLEY KOEHLER
Notary Public - State of Illinois
My Commission Expires Aug 11, 2018

OFFICIAL SEAL
ASHLEY KOEHLER
Notary Public - State of Illinois
My Commission Expires Aug 11, 2018

SECTION II. DISCONTINUATION

This Section is applicable to the discontinuation of a health care facility maintained by a State agency. **NOTE:** If the project is solely for discontinuation and if there is no project cost, the remaining Sections of the application are not applicable.

Criterion 1110.130 – Discontinuation (State-Owned Facilities and Relocation of ESRD's)

READ THE REVIEW CRITERION and provide the following information:

GENERAL INFORMATION REQUIREMENTS

1. Identify the categories of service and the number of beds, if any that is to be discontinued.
2. Identify all of the other clinical services that are to be discontinued.
3. Provide the anticipated date of discontinuation for each identified service or for the entire facility.
4. Provide the anticipated use of the physical plant and equipment after the discontinuation occurs.
5. Provide the anticipated disposition and location of all medical records pertaining to the services being discontinued and the length of time the records will be maintained.
6. For applications involving the discontinuation of an entire facility, certification by an authorized representative that all questionnaires and data required by HFSRB or DPH (e.g., annual questionnaires, capital expenditures surveys, etc.) will be provided through the date of discontinuation, and that the required information will be submitted no later than 90 days following the date of discontinuation.

REASONS FOR DISCONTINUATION

The applicant shall state the reasons for the discontinuation and provide data that verifies the need for the proposed action. See criterion 1110.130(b) for examples.

IMPACT ON ACCESS

1. Document whether or not the discontinuation of each service or of the entire facility will have an adverse effect upon access to care for residents of the facility's market area.
2. Document that a written request for an impact statement was received by all existing or approved health care facilities (that provide the same services as those being discontinued) located within 45 minutes travel time of the applicant facility.

APPEND DDCUMENTATION AS ATTACHMENT 10, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

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.

Background

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 that the information was 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.

Criterion 1110.230 – Purpose of the Project, and Alternatives

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 relevant area, per the applicant's definition.
3. Identify the existing problems or issues that need to be addressed as applicable and appropriate for the project.
4. Cite the sources of the 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 the age and condition of the project site, as well as 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 Staff 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 and it shall include the basis used for determining the space and the methodology applied.**

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 and certified by the facility's Medical Director.

   b. The existing facility's physical configuration has constraints or impediments and requires an architectural design that delineates the constraints or impediments.

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

   d. Additional space is mandated by governmental or certification agency requirements that were not in existence when Appendix B standards were adopted.

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**	**MEET 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 (GSF) of the proposed shell space.

2. The anticipated use of the shell space, specifying the proposed GSF to be allocated to each department, area or function.

3. Evidence that the shell space is being constructed due to:
   a. Requirements of governmental or certification agencies; or
   b. Experienced increases in the historical occupancy or utilization of those areas proposed to occupy the shell space.

4. Provide:
   a. Historical utilization for the area for the latest five-year period for which data is 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 VI. SERVICE SPECIFIC REVIEW CRITERIA

F. Criterion 1110.1430 - In-Center Hemodialysis

1. Applicants proposing to establish, expand and/or modernize the In-Center Hemodialysis category of service must submit the following information:

2. Indicate station capacity changes by Service: Indicate # of stations changed by action(s):

Category of Service	# Existing Stations	# Proposed Stations
☒ In-Center Hemodialysis	0	12

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

APPLICABLE REVIEW CRITERIA	Establish	Expand	Modernize
1110.1430(c)(1) - Planning Area Need - 77 Ill. Adm. Code 1100 (formula calculation)	X		
1110.1430(c)(2) - Planning Area Need - Service to Planning Area Residents	X	X	
1110.1430(c)(3) - Planning Area Need - Service Demand - Establishment of Category of Service	X		
1110.1430(c)(4) - Planning Area Need - Service Demand - Expansion of Existing Category of Service		X	
1110.1430(c)(5) - Planning Area Need - Service Accessibility	X		
1110.1430(d)(1) - Unnecessary Duplication of Services	X		
1110.1430(d)(2) - Maldistribution	X		
1110.1430(d)(3) - Impact of Project on Other Area Providers	X		
1110.1430(e)(1), (2), and (3) - Deteriorated Facilities and Documentation			X
1110.1430(f) - Staffing	X	X	
1110.1430(g) - Support Services	X	X	X
1110.1430(h) - Minimum Number of Stations	X		
1110.1430(i) - Continuity of Care	X		
1110.1430(j) - Relocation (if applicable)	X		
1110.1430(k) - Assurances	X	X	

APPEND DOCUMENTATION AS ATTACHMENT-24, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

4. **Projects for relocation** of a facility from one location in a planning area to another in the same planning area must address the requirements listed in subsection (a)(1) for the "Establishment of Services or Facilities", as well as the requirements in Section 1130.525 – "Requirements for Exemptions Involving the Discontinuation of a Health Care Facility or Category of Service" and subsection 1110.1430(j) - Relocation of an in-center hemodialysis facility.

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)**

VII. 1120.120 - AVAILABILITY OF FUNDS

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]:**

$525,000	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;
$865,266 (FMV OF LEASE)	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.
$1,390,266	**TOTAL FUNDS AVAILABLE**

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

SECTION VIII. 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 35, 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.

	Historical 3 Years			**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.

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

SECTION IX. 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 37, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

SECTION X. SAFETY NET IMPACT STATEMENT

SAFETY NET IMPACT STATEMENT that describes all of the following must be submitted for ALL SUBSTANTIVE PROJECTS AND PROJECTS TO DISCONTINUE STATE-OWNED HEALTH CARE FACILITIES [20 ILCS 3960/5.4]:

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 38.

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

SECTION XI. CHARITY CARE INFORMATION

Charity Care information MUST be furnished for ALL projects [1120.20(c)].

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 39.

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

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

Section 1, Identification, General Information, and certification

Certificates of Good standing for Dialysis Care Center Rockford, LLC.
Dialysis Care Center Rockford will be the operating entity.

Attachment 1

Applicant Identification

Applicant(s) [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name: Dialysis Care Center Rockford, LLC.
Street Address: 15786 S. Bell Rd
City and Zip Code: Homer Glen, IL, 60491
Name of Registered Agent: Salman Azam, ESQ
Registered Agent Street Address: 333 N. Michigan Ave, Suite 1815
Registered Agent City and Zip Code: Chicago, IL, 60601
Name of Chief Executive Officer: Morufu O. Alausa M.D.
CEO Street Address: 15786 S. Bell Rd
CEO City and Zip Code: Homer Glen, IL, 60491
CEO Telephone Number:(708)645-1000

Type of Ownership of Applicants

☐	Non-profit Corporation	☐	Partnership		
☐	For-profit Corporation	☐	Governmental		
☒	Limited Liability Company	☐	Sole Proprietorship	☐	
	Other				

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

File Number 0653665-4

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

DIALYSIS CARE CENTER ROCKFORD LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON OCTOBER 08, 2017, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LIMITED LIABILITY COMPANY 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* 10TH *day of* OCTOBER *A.D.* 2017 .

Authentication #: 1726301672 verifiable until 10/10/2018
Authenticate at: http://www.cyberdriveillinois.com

Jesse White

SECRETARY OF STATE

Attachment 1

Section 1, Identification, General Information, and certification

Certificates of Good standing for Dialysis Care Center Holdings, LLC.
Dialysis Care Center Holdings will be the operator of the dialysis unit.

Attachment 1

CO-Applicant(s) [Provide for each applicant (refer to Part 1130.220)]

Exact Legal Name: Dialysis Care Center Holdings, LLC
Street Address: 15786 S. Bell Rd
City and Zip Code: Homer Glen, IL, 60491
Name of Registered Agent: Salman Azam, ESQ
Registered Agent Street Address: 333 N. Michigan Ave, Suite 1815
Registered Agent City and Zip Code: Chicago, IL, 60601
Name of Chief Executive Officer: Morufu O Alausa M.D.
CEO Street Address: 15786 S. Bell Rd
CEO City and Zip Code: Homer Glen, IL, 60491
CEO Telephone Number:(630)697-1414

Type of Ownership of Applicants

☐	Non-profit Corporation	☐	Partnership		
☐	For-profit Corporation	☐	Governmental		
☒	Limited Liability Company	☐	Sole Proprietorship	☐	Other

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

Attachment 1

File Number 0578210-4

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

DIALYSIS CARE CENTER HOLDINGS LLC, A DELAWARE LIMITED LIABILITY COMPANY HAVING OBTAINED ADMISSION TO TRANSACT BUSINESS IN ILLINOIS ON MAY 03, 2016, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A FOREIGN LIMITED LIABILITY COMPANY ADMITTED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 12TH *day of* SEPTEMBER *A.D.* 2017 .

Authentication #: 1725502952 verifiable until 09/12/2018
Authenticate at: http://www.cyberdriveillinois.com

Jesse White
SECRETARY OF STATE

Attachment 1

Section 1, Identification, General Information, and certification

Site Ownership

Site Ownership
[Provide this information for each applicable site]

Exact Legal Name of Site Owner: Perryville Center, LLC.
Address of Site Owner: C/O General Counsel, 6801 Spring Creek Rd, Rockford, IL, 61114
Street Address or Legal Description of Site: 657 Highgrove Place, Rockford, IL, 61108-2506

Attached:

1. A copy of the Letter of Intent to lease between Perryville Center, LLC. and Dialysis Care Center Rockford, LLC to lease the facility at 657 Highgrove Place, Rockford, IL, 61108-2506 is attached. The letter shows the applicant will control the site of the proposed facility.

2. A copy of the ALTA/ACSM Land Title Survey, the legal description of the site.

3. A copy of the draft lease.

Attachment 2

PERRYVILLE CENTER, L.L.C.
6801 Spring Creek Road
Rockford, Illinois 61114

October 6, 2017

VIA EMAIL
Asim M. Shazzad
Chief Operating Officer – Chief Financial Officer
Kidney Care center – Home Dialysis Service

Re: Nonbinding Letter of Intent
657 Highgrove Place
Rockford, Illinois 61108

Dear Asim:

We are pleased to present the following nonbinding letter of intent ("LOI") for purposes of outlining the current state of discussions concerning a possible lease for space at the above property.

Landlord:	Perryville Center, L.L.C.
Tenant:	Dialysis Care Center Rockford LLC
Guarantor:	Dialysis Care Center Holdings LLC [please provide past two years financials for Landlord's review of Guarantor]
Premises: Plan)	657 Highgrove Place, Rockford, IL 61108 (Property and Premises shown on attached Site
Square Feet of Premises:	Approximately 5,350 SF. Measured from outside face of exterior demising walls to centerline of interior demising walls
Use of Premises:	The Premises shall be used for the operation of a kidney dialysis center and for no other purpose whatsoever, provided, however, that notwithstanding any provision in the lease to the contrary, in no event shall the Premises be used in violation of any exclusive, restricted, and/or prohibited uses applicable to the Property.
Lease Type/NNN:	No common area costs, real estate taxes, or insurance shall be due from Tenant to Landlord except Tenant shall pay its Proportionate Share of the amount by which real estate taxes that are payable during each calendar year wholly or partially within the Term exceed real estate taxes that are payable during the Base Year (to be defined in the lease).
Lease Term:	Ten (10) years commencing on Rent Commencement.
Lease Commencement:	Upon full execution of the lease.
Rent Commencement:	Tenant's obligation to pay Base Rent commences thirty (30) days following the receipt of an occupancy certificate (or such similar certificate) from the applicable municipality.

Attachment 2

Base Rent (Annual):	$23.95 per square foot of Premises for the first year, with 2.5% increases each year thereafter.
Security Deposit:	None subject to review of Tenant's financials.
Utilities/Janitorial:	Tenants utilities shall be separately metered or submetered. Tenant shall be responsible for the following, without limitation: for service and payment of all utilities including but not limited to electric, gas, water, voice, data, or telecommunication services, janitorial for Tenant's Premises and scavenger for bio-hazardous materials. Scavenger services shall be Tenant's responsibly.
Landlord's Work:	Landlord shall construct the Premises pursuant to a mutually agreed space plan and a work scope to be attached to the lease. Tenant's architect (at Tenant's cost) shall be responsible for the space plan and drawings (drawing to be submitted to Landlord for review/comment/approval). Landlord's Work shall exclude the following, which shall be done at Tenant's sole cost and expense: furniture, fixtures, I.T., and RO system and all other specialty water systems (to be further described in the lease).
Delivery Condition:	Landlord shall deliver the Premises with Landlord's Work substantially complete.
Tenant Improvements:	Prior to making initial improvements to the Premises, Tenant shall first obtain Landlord's written consent. Tenant shall provide Landlord with a list of improvements and sketch of floor plans. All improvements shall be subject to municipal approval and requirements. All work shall be completed by licensed and bonded contractors. Landlord will reasonably cooperate with Tenant to assist in timely completion of the Tenant Improvements at Tenant's sole cost and expense.
Tenant Improvement Allowance:	Not Applicable.
Contingency:	The lease shall not be binding on either party prior to approval of the certificate of need (CON) permit and the lease agreement shall contain a contingency clause indicating that the lease agreement is not effective prior to CON permit approval. Upon receipt of the CON permit approval, Tenant shall immediately notify Landlord and Landlord shall thereafter commence Landlord's Work.
Access:	Provided Tenant is not in default and is open and operating as a kidney dialysis center, Tenant and its employees, patients, and customers shall be granted free access to the Property during Tenant's normal operating business hours.
Signage:	Tenant, at Tenant's sole cost and expense, shall be entitled to install one half panel identifying the name of Tenant's business on each side of the existing pylon sign on the Property in a position and size as determined by Landlord. Tenant shall submit such signage to Landlord for Landlord's review and approval. Tenant shall reimburse Landlord for Tenant's pro rata share of the reasonable costs and expenses incurred in maintaining, repairing, insuring, replacing, and operating the pylon, except that the full cost of repair or replacement of Tenant's panels shall be borne by Tenant.
Parking:	Tenant, its employees and customers, shall have non-exclusive access to the parking areas of the building.
Assignment and Sublet:	Tenant shall not assign or sublet the Premises without Landlord's prior written consent which shall not be unreasonably withheld provided Tenant shall have the right to assign or sublet to affiliates or any other successor entity whether by merger or consolidation

Attachment 2

without Landlord consent. Tenant shall remain liable under the Lease in the event of any assignment or sublease.

Broker:	None.
Confidentiality:	Landlord and Tenant agree that the financial terms of this proposed transaction, and the terms of a finalized lease agreement, if any, shall be kept confidential, except as may be required to be disclosed to the party's brokers, attorneys, accountants, advisors, etc., and as may be required by law or a court or governmental entities.

This LOI is intended to serve as a summary of the current state of discussions concerning a possible lease, and this LOI is not a lease or any offer, and does not contain all essential or necessary terms. It is expressly understood and agreed that neither party is under a binding obligation to the other until a formal lease, designated as such, has been prepared, negotiated and executed. Either party may modify, withdraw or terminate this LOI and all negotiations at any time and for any reason, and without liability to the other.

Sincerely,

First Midwest Group
For Perryville Center, L.L.C.

By: _____
Its: _____

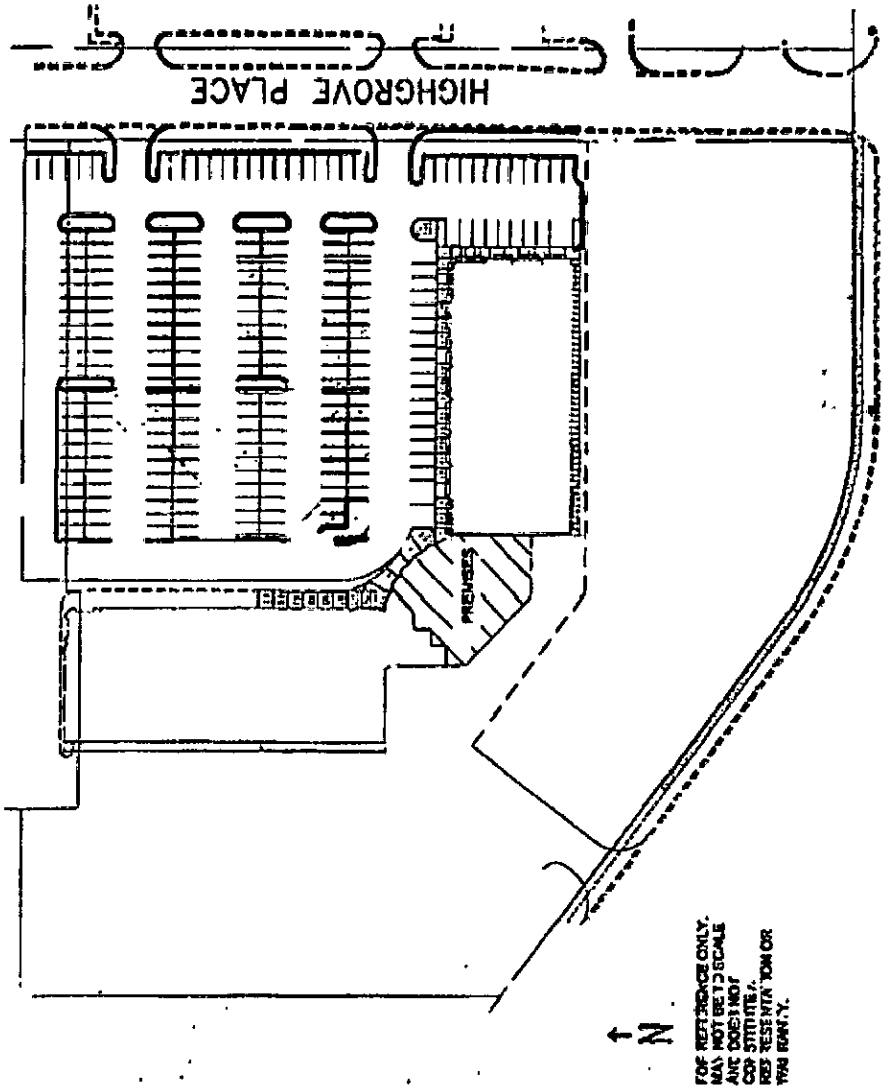
Agreed and Accepted:

Dialysis Care Center Rockford LLC

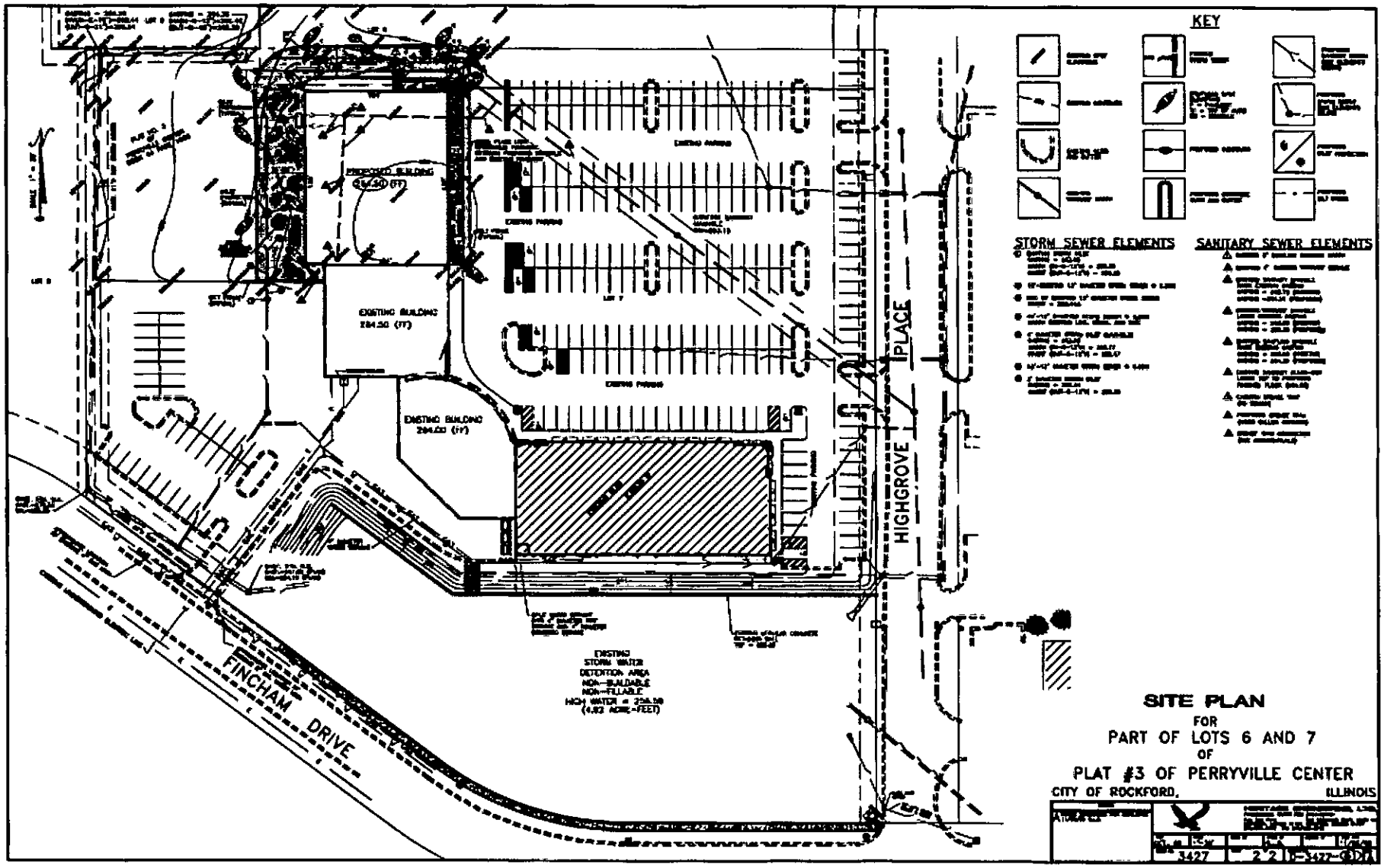
By: _____
Its: Asim Shazzad
10/9/17

Attachment 2

Site Plan



Attachment 2


KEY
STORM SEWER ELEMENTS
SANITARY SEWER ELEMENTS
PROPOSED BUILDING
EXISTING BUILDING
EXISTING BUILDING
EXISTING PARKING
EXISTING PARKING
EXISTING PARKING
EXISTING PARKING
EXISTING STORM WATER DETENTION AREA NON-BUILDABLE NON-FILLABLE
HIGHGROVE PLACE
FINCHAM DRIVE
SITE PLAN
FOR
PART OF LOTS 6 AND 7
OF
PLAT #3 OF PERRYVILLE CENTER
CITY OF ROCKFORD, ILLINOIS
3427

¶

¶

Legal·Description¶

¶

LOT 7 OF PLAT #3 OF PERRYVILLE CENTER, BEING A RESUBDIVISION OF LOTS 4 AND 5 OF PLAT NO. 2 OF PERRYVILLE CENTER, BEING PART OF THE NORTHEAST QUARTER OF SECTION 27, TOWNSHIP 44 NORTH, RANGE 2 EAST OF THE THIRD PRINCIPAL MERIDIAN.

¶

Attachment 2

STANDARD OFFICE LEASE

Perryville Center, LLC.,
an Illinois limited liability company,

(as "LANDLORD")

AND

DIALYSIS CARE CENTER ROCKFORD, LLC,
an Illinois limited liability company,

(as "TENANT")

PROPERTY:

657 HIGHGROVE PLACE, ROCKFORD, IL,61108

Attachment 2

LEASE

THIS LEASE ("LEASE") IS MADE AS OF _____, 2017 (THE "EFFECTIVE DATE"), BY AND BETWEEN PERRYVILLE CENTER, L.L.C., AN ILLINOIS LIMITED LIABILITY COMPANY ("LANDLORD") AND DIALYSIS CARE CENTER ROCKFORD LLC, AN ILLINOIS LIMITED LIABILITY COMPANY ("TENANT").

ARTICLE 1 BASIC LEASE PROVISIONS AND DEFINITIONS

1.1. Landlord's Notice Address:

Perryville Center, L.L.C.
6801 Spring Creek Road
Rockford, IL 61114
Attention: General Counsel

With a copy to:

Perryville Center, L.L.C.
c/o First Midwest Group
6801 Spring Creek Road
Rockford, IL 61114
Attention: General Counsel

1.2. Tenant's Notice Address:

Dialysis Care Center Rockford LLC
15786 S. Bell Road
Homer Glen, Illinois 60491

1.3. Location Information.

Location: 657 Highgrove Place, Rockford, Illinois 61108

1.4. Premises Square Footage: The Premises shall contain approximately 5,350 square feet, and shall be subject to adjustment as provided in Article 2.

1.5. Term: Ten (10) Lease Years.

1.6. Intentionally Omitted.

1.7. Commencement Date:

Thirty (30) days following the receipt of an occupancy permit or other such permit/certificate from the applicable municipality ("Commencement Date").

1.8. Base Rent

Lease Year	Monthly Base Rent	Annual Base Rent	Annual Base Rent per Square Foot of Premises
1	$10,677.71	$128,132.50	$23.95
2	$10,945.21	$131,342.50	$24.55
3	$11,217.17	$134,606.00	$25.16
4	$11,498.04	$137,976.50	$25.79
5	$11,783.38	$141,400.50	$26.43
6	$12,077.63	$144,931.50	$27.09

7	$12,380.79	$148,569.50	$27.77
8	$12,688.42	$152,261.00	$28.46
9	$13,004.96	$156,059.50	$29.17
10	$13,330.42	$159,965.00	$29.90

1.9. Security Deposit.

None.

1.10. Permitted Use.

The Premises shall be used for the operation of a kidney dialysis center and for no other use whatsoever ("Permitted Use"); provided however, notwithstanding any provision in this Lease to the contrary, in no event shall the Premises be used in violation for any existing exclusive, restricted, and/or prohibited uses applicable to the Premises as referenced on **Exhibit E**.

1.11. Substantial Completion Date of Landlord's Work.

Landlord shall deliver the Premises to Tenant with Landlord's Work substantially complete.

In the event of any conflict between the Basic Lease Provisions and Definitions and the other provisions of this Lease, the other provisions of this Lease shall control.

ARTICLE 2 PREMISES

Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, upon the terms and conditions of this Lease, those certain premises depicted as the "Premises" on the site plan attached hereto as **Exhibit A** (the "Site Plan") and containing approximately the number of square feet set out in Section 1.4 (the "Premises") located in the Shopping Center (as defined below). The "Shopping Center" shall mean the real property legally described on **Exhibit B** and all improvements situated thereon from time to time. The square footage of the Premises shall be measured from the outside face of exterior demising walls and to the middle of interior demising walls, and shall include the totality of the area within such boundaries. The certificate of Landlord's architect shall be binding on the parties. If the square footage of the Premises, as determined by Landlord's architect, differs from the square footage set forth in Section 1.4, the Annual Base Rent set forth in Section 1.8 shall be adjusted by multiplying the square footage of the Premises as determined by Landlord's architect by the Annual Base Rent per square foot of Premises as set forth in Section 1.8 (and Monthly Base Rent shall be adjusted based thereon). No rights are conferred on Tenant, and Landlord specifically excepts and reserves to itself all rights to the land and improvements below the floor level of the Premises, the rights above the Premises, and improvements located on and within the Common Areas (as defined below), unless otherwise expressly provided in this Lease. Notwithstanding any provision in this Lease to the contrary, Tenant agrees that water meters, sprinkler controls, electric panels, pipes, wires, lines, service disconnects, and other minor building components for Common Areas and/or other tenants may be located in the Premises, that the presence of same shall not reduce the square footage of the Premises, and Tenant hereby grants Landlord, other tenants, utility employees, and any governmental entity an easement for repairing, replacing and maintaining same.

ARTICLE 3 TERM

This Lease shall be effective on the Effective Date. The Term of this Lease shall commence on the Commencement Date and shall expire on the last day of the Term. "Lease Year" means a period of twelve (12) consecutive full calendar months, and the first Lease Year shall commence on the Commencement Date; provided, however, if the Commencement Date is a day other than the first day of the month, then the first Lease Year shall commence on the Commencement Date and shall end on the last day of the twelfth (12th) full calendar month following the last day of the month in which the Commencement Date occurs. Subsequent Lease Years shall be each consecutive twelve (12) full calendar

month period thereafter. Upon Landlord's written request, Tenant shall enter into a supplemental agreement in the form attached hereto as Exhibit C prepared by Landlord which affirms the Commencement Date, the first and last day of the first Lease Year, and the last day of the Term. If Landlord delivers the Premises to Tenant prior to the Commencement Date, Tenant's use and occupancy of the Premises shall be subject to all of the terms and provisions of this Lease (except Base Rent and Tenant's Proportionate Share of Real Estate Taxes shall commence when provided in Section 1.7 of this Lease).

ARTICLE 4 RENT

4.1 Base Rent.

Commencing on the Commencement Date and continuing during the entire Term, Tenant shall pay to Landlord at the office of Landlord as set forth in Section 1.1 or such other place or places as Landlord may designate in writing from time to time, Annual Base Rent in the amounts set forth in Section 1.8, in twelve (12) equal monthly installments of Monthly Base Rent, each in advance as of the first day of each and every calendar month during the Term. If the Commencement Date is not the first day of a calendar month, then Monthly Base Rent shall be prorated on a daily basis on the basis of a thirty day month. Annual Base Rent shall be payable without demand, deduction, setoff or counterclaim. Annual Base Rent for any Lease Year that is greater or less than three hundred sixty-five (365) days (three hundred sixty six (366) days for a leap year) shall be prorated based on a calendar year of three hundred sixty-five (365) days (three hundred sixty six (366) days for a leap year), and calculated by multiplying the applicable Annual Base Rent by a fraction, the numerator of which is the number of days in such Lease Year and the denominator of which is three hundred sixty-five (365) days (three hundred sixty six (366) days for a leap year).

4.2 Additional Rent.

All amounts due Landlord from Tenant pursuant to this Lease other than Base Rent shall be additional rent ("Additional Rent"). Base Rent and Additional Rent are sometimes referred to herein as "Rent". Additional Rent and shall be payable without demand, deduction, set-off or counterclaim whatsoever.

Commencing on the Commencement Date and continuing during the entire Term, Tenant shall pay to Landlord, as Additional Rent, Tenant's Proportionate Share of the amount ("Tax Increase"), if any, by which Real Estate Taxes that are payable during each calendar year wholly or partially within the Term exceed Real Estate Taxes that are payable during the Base Year (prorated for any partial calendar year within the Term). If Real Estate Taxes for any calendar year are less than the amount of Real Estate Taxes for the Base Year, then Tenant's Proportionate Share of Real Estate Taxes for that calendar year shall be $0.00. The Base Year is calendar year 2017. "Tenant's Proportionate Share" shall mean the fraction, the numerator of which is the square footage of the Premises and the denominator of which is the leasable square footage of the Shopping Center for the applicable billing period.

"Real Estate Taxes" shall include all taxes, assessments and impositions, general and special, ordinary and extraordinary, real and/or personal, foreseen and unforeseen, including assessments for public improvements and betterments, that are payable wholly or partially within the Term with respect to all land and improvements from time to time comprising the Shopping Center and/or imposed in connection with the use, occupancy or possession thereof; water and sewer rents; and other governmental impositions and charges of every kind in nature whatsoever; any tax or surcharge of any kind or nature with respect to the parking areas or the number of parking spaces in the Shopping Center and, if applicable, any tax on rents and receipts. Real Estate Taxes shall also include all reasonable costs and expenses, including without limitation, reasonable attorney's fees, incurred by Landlord in contesting, appealing and/or negotiating with public authorities to reduce the amount of Real Estate Taxes and/or the assessed valuation of the

Shopping Center. If, because of any change in the taxation of real estate, any other tax, imposition or assessment (including without limitation, any franchise, income, profit, sales, use, occupancy, gross receipts or rental tax) is imposed on Landlord as the owner of the Shopping Center, or on the occupancy, rents or income from the foregoing, in substitution for any taxes, such other tax or assessment will be deemed part of Real Estate Taxes.

4.3 Estimated Monthly Payments of Additional Rent.

Commencing on the Commencement Date and continuing during the entire Term, Tenant shall pay Landlord, on or before the first day of each calendar month during the Term, one twelfth (1/12th) of Tenant's Proportionate Share of the Tax Increase for the current calendar year as estimated by Landlord from time to time. Said monthly payments shall be based upon reasonable cost projections of Landlord (a copy of which projections shall be furnished to Tenant upon request therefor), subject to Landlord's absolute right to increase from time to time such monthly payment whenever such payments, in Landlord's reasonable estimation, will be insufficient to cover Tenant's Proportionate Share of the Tax Increase.

Within one hundred twenty (120) days following the end of each calendar year, Landlord shall furnish Tenant with a written reconciliation statement confirming Tenant's Proportionate Share of the Tax Increase. If the estimated payments by Tenant total less than the actual amount of Tenant's Proportionate Share for such calendar year, then Tenant shall pay the amount of such deficiency to Landlord within ten (10) days of Tenant's receipt of such written statement. If the estimated payments by Tenant exceed the actual amount of Tenant's Proportionate Share for such calendar year, such excess shall be credited against the payments of Additional Rent next due hereunder, or if no payments are remaining due as a result of the expiration of the Term, such excess shall be refunded to Tenant by Landlord within thirty (30) days of issuance of Landlord's written statement. Each party's obligations hereunder shall survive the expiration of this Lease. If Tenant does not deliver written notice to Landlord disputing Landlord's reconciliation statement for any calendar year within ninety days of Tenant's receipt of such statement, such reconciliation statement for such calendar year shall be deemed final and accepted by Tenant and Tenant shall be deemed to have waived all right to dispute such statement.

4.4 Sales Reporting.

Intentionally Omitted.

4.6 Continuous Operation.

Tenant agrees that it will keep its place of business in the Premises fully fixtured, stocked, staffed, and open continuously during the Term of this Lease on all days and from at least 10:00 a.m. until 5:00 p.m. Monday through Friday.

ARTICLE 5 CONDITION OF THE PREMISES

5.1 Landlord's Work.

Landlord, at Landlord expense, shall construct the improvements to the Premises described on **Exhibit F** ("Landlord's Work").

EXCEPT AS TO LANDLORD'S WORK, NOTWITHSTANDING ANY PROVISION IN THIS LEASE TO THE CONTRARY, THE PREMISES ARE BEING LEASED "AS IS" AND "WITH ALL FAULTS", AND LANDLORD HAS NOT MADE, DOES NOT MAKE, AND EXPRESSLY DISCLAIMS, ANY REPRESENTATIONS AND WARRANTIES OF ANY KIND, EXPRESS, IMPLIED OR ARISING BY LAW, WITH RESPECT TO THE PREMISES, INCLUDING WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ANY REPRESENTATIONS OR WARRANTIES, EXPRESS, IMPLIED OR

ARISING BY LAW, AS TO THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, OR FITNESS, SUITABILITY OR ADEQUACY OF THE PREMISES FOR ANY INTENDED PURPOSE. EXCEPT AS EXPRESSLY SET FORTH IN THIS LEASE, NO REPRESENTATION, WARRANTY OR AGREEMENT OF LANDLORD TO ALTER, REMODEL, OR DECORATE THE PREMISES OR SHOPPING CENTER, AND NO REPRESENTATION, WARRANTY, OR AGREEMENT REGARDING THE PREMISES OR SHOPPING CENTER HAS BEEN MADE BY OR ON BEHALF OF LANDLORD.

5.2 Tenant's Work.

All work necessary for the purpose of constructing Tenant's leasehold improvements shall be performed by Tenant at Tenant's sole cost and expense ("Tenant's Work"). Prior to commencing Tenant's Work, Tenant shall obtain Landlord's written approval of the plans and specifications for Tenants Work, such approval not to be unreasonably withheld. Tenant warrants that Tenant's Work shall be completed in a good and workmanlike manner in compliance with all laws, regulations, codes, and rules of applicable governmental authorities, including the Americans with Disabilities Act, at Tenant's sole cost and expense, and Tenant shall take, at Tenant's sole cost and expense, any and all actions to keep Tenant's Work in full compliance with all laws, regulations, codes, and rules of applicable governmental authorities. All Tenant's Work and additions and alterations to the Premises made during the Term of this Lease shall be the property of Tenant, but shall become property of Landlord upon the expiration or termination of this Lease, without cost to Landlord. Notwithstanding any provision in this Lease to the contrary, Tenant shall be responsible at its sole cost and expense for all furniture, fixtures, I.T., and RO systems and all other specialty water systems.

ARTICLE 6 ALTERATIONS

Tenant shall not make any interior, nonstructural alterations, installations, improvements or additions to the Premises, other than painting without prior written consent of Landlord. Tenant shall not make any exterior or structural alterations, installations, improvements or additions to the Premises. All work shall be done at Tenant's sole cost and in a good and workmanlike manner. Tenant shall promptly furnish to Landlord satisfactory sworn statements and final lien waivers (all tiers) for all work performed by or on behalf of Tenant. Except as to trade fixtures and removable personal property installed by Tenant, which Tenant shall remove at the expiration or termination of this Lease, and for which Tenant shall repair all improvements damaged thereby, all alterations, installations, improvements and additions (whether temporary or permanent) shall be the property of Tenant, but shall become Landlord's property and shall remain upon the Premises at the termination or expiration of this Lease without compensation to Tenant. All construction work performed at Tenant's request shall be done by contractors and subcontractors who have worker's compensation and employer's liability insurance in statutory amounts; with reputable companies licensed to do business in the State of Illinois; and showing Landlord and Landlord's lender(s) as additional insureds. In addition, all such contractors and subcontractors shall have general public liability insurance coverage consistent with the specifications required of Tenant under this Lease. Evidence of said insurance shall be provided Landlord before construction. No roof penetrations shall be made without the written consent of Landlord, and then only by Landlord's roof contractor at Tenant's expense so there is no violation of any roof warranties.

ARTICLE 7 COVENANT AGAINST LIENS

Nothing contained in this Lease shall authorize Tenant to do any act which shall in any way encumber Landlord's title to the Premises or Shopping Center, nor in any way subject Landlord's title to any claims by way of lien or encumbrance whether claimed by operation of law or by virtue of any expressed or implied contract of Tenant, and any claim to a lien upon the Premises or Shopping Center arising from any act or omission of Tenant shall attach only against Tenant's interest and shall in all respects be subordinate to Landlord's title to the Premises and Shopping Center. If Tenant has not removed any such lien or encumbrance, or furnished Landlord reasonably sufficient bond therefore, within thirty (30) days after

written notice to Tenant by Landlord (or such shorter period as indicated by Landlord if during the pendency of a sale or refinance), Landlord may pay the amount without being responsible for making any investigation as to the validity thereof, and the amount so paid shall be due and payable as Additional Rent.

ARTICLE 8 COMMON AREAS

"Common Areas" means the interior and exterior areas and facilities within the Shopping Center, which are: (i) not leased to a tenant, or (ii) by nature not leasable to a tenant for the purpose of the sale of merchandise or the rendition of services to the general public. Common Areas shall include but shall not be limited to all parking areas and facilities, roadways, driveways, entrances and exits, truck service ways and tunnels, curbs, gutters, utilities, water filtration and treatment facilities, retention ponds, basins and/or facilities located within or outside the Shopping Center, retaining and exterior walls, sidewalks, open and enclosed malls, outside courts, landscaped and planted areas, escalators, stairways, elevators, service corridors, service areas, loading docks, hallways, public restrooms, community rooms or areas, roofs, roof drainage systems, exterior walls, equipment, signs, and any special services provided by Landlord for the common or joint use and benefit of all tenants or other occupants of the Shopping Center, their employees, customers and invitees. Landlord shall maintain the Common Areas in a manner as Landlord, in its sole discretion, shall determine from time to time. Tenant shall have the non-exclusive right to use the portions of the Common Areas consisting of the sidewalks, customer parking areas, the entrance and exit ways designated by Landlord for ingress and egress to and from the Premises from a public street or highway, in common with all others entitled or permitted by Landlord to use the same, at all times subject to the exclusive control and management of Landlord.

ARTICLE 9 DAMAGE OR DESTRUCTION BY FIRE OR CASUALTY

9.1 Restoration.

Except as set out in Section 9.2, if the Premises are damaged or destroyed by fire or other casualty, Landlord shall, at its expense, and subject to Landlord's mortgagee(s) making available insurance proceeds to fund the same, repair and restore the portion of the Premises which originally constituted Landlord's Work so as to be substantially the same as prior to such damage or destruction. Any insurance proceeds remaining following the restoration by Landlord described in this Section shall be paid as directed by Landlord's lender. Landlord shall begin such repairs or restoration within six (6) months from the date of such fire or other casualty and shall complete said repairs or restoration within twelve (12) months from said date. Landlord shall notify Tenant in writing of the date by which repairs to or replacement of the Premises is to commence, and the estimated date of completion and shall diligently pursue such repairs or restoration to final completion. The date by which Landlord is to begin and complete said repairs or restoration shall be deferred for a period equal to any delay caused by reason of labor controversy, act of God, fire, or other casualty, governmental regulations, insurance adjustment, failure of Landlord's mortgagee(s) to authorize the release of insurance proceeds for funding the repairs or restoration, or other cause beyond the reasonable control of Landlord, provided Landlord has from time to time in writing kept Tenant fully advised of such delays and the cause therefore. Promptly following Landlord's restoration, Tenant shall commence and diligently pursue restoration of the work which originally constituted Tenant's Work, as subsequently modified by approved alterations, all of which work shall be subject to Article 6.

9.2 Last Two Years.

If the Premises are damaged or destroyed by fire or other casualty during the last two (2) Lease Years of the Term and the cost of repairing or restoring said Premises as required by Section 9.1 herein will exceed twice the Base Rent per Lease Year, then Landlord shall have the option to terminate this Lease without fault on thirty (30) days' notice to Tenant to be given within sixty (60) days of the casualty.

9.3 Rent Abatement.

If such damage or destruction to the Premises results in the complete suspension of business in the Premises, all rents and other charges payable by Tenant hereunder shall abate from the date of such suspension of business until the completion of said repairs or restoration; and if such damage or destruction or the work of repairing or restoring said improvements results in only a partial suspension of business, the abatement shall be apportioned accordingly on the basis of the floor area rendered untenantable.

9.4 Failure to Restore.

If Landlord fails to begin or complete the repairs or restoration of the Premises, within the times and in the manner provided for in this Article 9, then provided Tenant has given Landlord thirty (30) business days' prior notice and the right to cure said default, Tenant may, as its sole remedy, terminate this Lease by notice in writing to Landlord at any time prior to said beginning or completion, as the case may be.

ARTICLE 10 INSURANCE

10.1 Landlord's Obligations

Landlord agrees to purchase and keep in force and effect property insurance on the buildings in the Shopping Center with coverage for perils covered under a "Causes of Loss-Special Form" policy, as such coverage is from time to time available, in an amount not less than ninety percent (90%) of the full replacement cost. Landlord may, in its sole discretion, purchase business income, rent or rental value insurance, in amounts determined by Landlord, against loss of rent due to fire or other casualties, including an extended coverage endorsement and other endorsements. Such Landlord's insurance shall be subject to reasonable deductible levels as determined by Landlord. Landlord agrees to purchase and keep in force and effect commercial general liability insurance on the Shopping Center with limits of not less than $2,000,000.00 for any one occurrence and $2,000,000.00 aggregate, which may be satisfied by one or more policies, including umbrella or excess policies or otherwise. Landlord may obtain and/or maintain umbrella, excess, and/or business interruption policies, endorsements and/or coverages, and such other policies, endorsements, and/or coverages, as determined by Landlord from time to time. Any increase in the premiums for any insurance maintained by Landlord in connection with the Shopping Center (whether or not required hereunder) which is attributable to Tenant's use of the Premises for unusual purposes or hours may be allocated by Landlord exclusively to Tenant. Landlord's obligation to carry insurance under this Section may be satisfied by coverage under one or more primary, umbrella and/or excess liability policies.

10.2 Tenant's Obligations

Tenant, at Tenant's sole cost and expense, shall obtain and maintain for the Term of this Lease, insurance policies providing the following coverages: (i) commercial general liability insurance with respect to the Premises and Tenant's operations, which policy is to be in the minimum amount of Two Million Dollars ($2,000,000.00) for any one occurrence and in the minimum amount of Two Million Dollars ($2,000,000.00) aggregate, and in the minimum amount of Three Hundred Thousand Dollars ($300,000.00) with respect to property damage, and shall include contractual liability coverage, (ii) Tenant's fixtures, equipment, furnishings, merchandise and other contents in the Premises, with coverage for perils as set forth under a "Causes of Loss - Special Form" policy, for the full replacement cost of said items, (iii) business income insurance with minimum coverage equal to at least one full year of Base Rent, (iv) plate glass insurance, (v) product liability insurance for merchandise offered for sale or rental from the Premises, including (if this Lease covers Premises in which food and/or beverages are sold and/or consumed) liquor liability coverage (if applicable to Tenant's business) and coverage for liability arising out of the consumption of food and/or alcoholic beverages on or obtained at the Premises, of not less than Two Million Dollars ($2,000,000.00) per occurrence; (vi) comprehensive automobile liability

insurance covering all owned, non-owned, and hired vehicles and having a minimum limit of at least $1,000,000.00, and (vii) workers' compensation coverage as required by law. The minimum limits hereinbefore set forth may, at Landlord's option, be increased from time to time. Tenant shall deliver to Landlord certificates of insurance, or certified copies of each such policy prior to occupancy of the Premises. Neither the issuance of any insurance policy required hereunder, nor the minimum limits specified herein with respect to Tenant's insurance coverage, shall be deemed to limit or restrict in any way Tenant's liability arising under or out of this Lease. With respect to each and every one of the insurance policies herein required to be procured by Tenant, on or before the commencement of Tenant's Work and before any such insurance policy shall expire, and from time to time upon Landlord's request, Tenant shall deliver to Landlord a copy of each such policy or a certificate of the insurer, certifying that such policy has been issued, providing the coverage required of Tenant under this Lease and containing provisions specified herein, together with such endorsements and/or copies of such policies evidencing the same, and evidence of payment of all applicable premiums. Landlord shall be notified in writing promptly by Tenant of any non-renewal, cancellation or material changes to any policy. Landlord shall be notified in writing promptly by Tenant of claims against Tenant that might cause a reduction below seventy-five percent of any aggregate limit of any policy. Tenant agrees that if Tenant does not procure and maintain the insurance policies and coverages required under this Lease, Landlord may, but shall not be required to, obtain such insurance on Tenant's behalf and charge Tenant the premiums therefor together with a fifteen percent handling charge, payable upon demand. The failure of Tenant to provide such certificates of insurance, or the failure of Tenant to obtain such policies, shall not be deemed a waiver of Tenant's obligation to provide the insurance required under this Lease.

The policies described in this Section 10.2 shall: (i) be acceptable to Landlord in form and content, (ii) name Landlord, Landlord's Mortgagee, the manager of the Premises, the respective shareholders, members, managers, partners, affiliates and subsidiaries and any directors, officers, employees, agents or contractors of such persons or entities (collectively, "Landlord Parties") as additional insureds, (iii) contain an express waiver and release of any right of subrogation by the insurance company against Landlord and Landlord's parties, (iv) contain a provision that it shall not be canceled and that it shall continue in full force and effect, unless Landlord has received at least thirty (30) days prior written notice of such cancellation or termination, (v) not be materially changed without at least thirty (30) days prior written notice to Landlord, and (vi) shall be primary and noncontributory, and any insurance carried by Landlord shall be excess. All insurance required to be carried by Tenant hereunder shall be issued by responsible insurance companies licensed to do business in the state in which the Premises are located and acceptable to Landlord and the holder of any mortgage or deed of trust secured by any portion of the Premises (hereinafter referred to as a "Mortgagee").

Tenant shall not permit to be done any act which will invalidate or be in conflict with Landlord's insurance policies covering the Shopping Center or any other insurance referred to in this Lease. Tenant will promptly comply with all rules and regulations relating to such policies. If the acts of Tenant or its employees or agents shall increase the rate of insurance referred to in this Lease, such increases shall be promptly paid by Tenant as Additional Rent.

10.3 Waiver of Subrogation.

LANDLORD AND TENANT EACH HEREBY RELEASE AND WAIVE ALL CLAIMS AND RIGHTS (INCLUDING ANY CLAIM OR RIGHT OF SUBROGATION BY ANYONE CLAIMING BY, THROUGH OR UNDER THE RELEASING PARTY) EACH MAY HAVE AGAINST THE OTHER, ITS OFFICERS, DIRECTORS, MEMBERS, MANAGERS, EMPLOYEES AND AGENTS FROM ANY AND ALL LIABILITY OR RESPONSIBILITY FOR ANY LOSS OR DAMAGE TO PROPERTY COVERED, OR REQUIRED TO BE COVERED UNDER THIS LEASE, IN WHOLE OR PART, BY INSURANCE OF A PARTY, EVEN IF SUCH LOSS OR DAMAGE SHALL HAVE BEEN CAUSED BY THE NEGLIGENCE OF THE OTHER PARTY, OR ANYONE FOR WHOM SUCH PARTY MAY BE RESPONSIBLE. Each party agrees to cause

each insurance policy obtained by it to provide that the insurance company releases and waives all rights of recovery by way of subrogation, against either party (and their respective officers, directors, members, managers, employees, and agents) in connection with any loss or damage to property covered by such policy. All insurance policies to be provided under this Article 10 by either Landlord or Tenant shall contain a provision that they are not invalidated by the foregoing waiver.

10.4 Indemnification.

Subject to the provisions of Article 10.3, Tenant hereby agrees to indemnify, defend and hold Landlord harmless from and against any and all claims, demands, liabilities, losses, damages, and expenses, including reasonable attorney fees, arising from the negligence or willful misconduct of Tenant or its agents, employees or contractors in or about the Premises and/or Shopping Center, or arising from Tenant's occupancy or use of same.

Landlord shall not be responsible or liable at any time for any defects, latent or otherwise, in any buildings or improvements in the Shopping Center or any of the equipment, machinery, utilities, appliances or apparatus therein, nor shall Landlord be responsible or liable at any time for loss of life, injury or damage to any person or to any property or business of Tenant, or those claiming by, through or under Tenant, caused by or resulting from the bursting, breaking, leaking, running, seeping, overflowing or backing up of water, steam, gas, sewage, snow or ice in any part of the Shopping Center or caused by or resulting from acts of God or the elements, or resulting from any defect or negligence in the occupancy, construction, operation or use of any buildings or improvements in the Shopping Center, including the Premises, or any of the equipment, fixtures, machinery, appliances or apparatus therein.

ARTICLE 11 USE; QUIET ENJOYMENT

11.1 Permitted Use.

The Premises shall be used solely for the Permitted Use set forth in Section 1.10 and for no other purpose whatsoever. Tenant shall not use or permit upon the Premises anything that will invalidate any policy of insurance now or hereafter carried on the Shopping Center or that will increase the rate of insurance on the Shopping Center. Tenant shall not do anything or permit anything to be done upon the Premises which in any way may tend to create a nuisance, disturb any other tenants in the Shopping Center or the occupants of any neighboring property. Notwithstanding any provision in this Lease to the contrary, Tenant shall comply with all governmental health and safety requirements and regulations respecting the Premises, and shall not conduct or permit to be conducted in the Premises any business which is in violation of any applicable law, statute, regulation, rule or ordinance. This Lease shall be subject to the title exceptions identified on Exhibit D (the "Title Exceptions").

11.2 Use Restrictions.

Tenant, for itself, its employees, agents, servants, clients, customers, invitees, licensees, and guests, agrees to observe and comply at all times with the following provisions as herein set forth.

11.2.1 Loading and Unloading of Goods.

All loading and unloading of goods shall be done only at such times, in the areas and through: (a) the entrances indicated on the floor plans for such purposes, if any; (b) if no entrances are so specified, at such entrances as will not disturb other tenants, their employees and invitees; or (c) as mutually agreed by the parties hereto in writing. Loading and unloading operations shall be conducted so as not to obstruct or hinder the operation of the businesses of the other tenants in the Shopping Center, nor will Tenant unreasonably block or obstruct any street, sidewalk, or right-of-way adjacent to or comprising part of the Shopping Center.

11.2.2 Refuse Disposal.

Unless otherwise specified by Landlord, all refuse shall be prepared for collection by placing same in sealed plastic bags and depositing such bags at the collection site reasonably designated by Landlord, from which site Tenant shall arrange for removal.

11.2.3 External Audio.

No loudspeakers, television sets, radios, strobes, flashing lights or other devices shall be used in a manner as to be heard or seen outside the Premises.

11.2.4 Living Space.

No person shall use the Premises as sleeping quarters, sleeping apartments, or lodging rooms.

11.2.5 Tenant's Permits / Licenses.

Tenant shall obtain and keep in force and effect all permits or licenses necessary or required to conduct its business.

11.2.6 Alcoholic Liquors.

Tenant shall not at any time manufacture, sell, use, or give away, and shall not at any time permit the manufacture, sale, use or distribution of any intoxicating or alcoholic liquors on the Premises.

11.2.7 Live Animals.

No live animals other than fish in an aquarium, and "assistant" dogs, shall be kept or displayed upon the Premises.

11.2.8 Employee Parking.

Tenant and its employees shall park their motor vehicles in such areas as Landlord shall designate from time to time as employee parking area. Upon request of the Landlord, Tenant will furnish to Landlord the licenses numbers of any automobiles belonging to Tenant and its employees and in the event any such vehicles shall be parked in areas other than those designated for employee parking, the Tenant shall pay to Landlord forthwith on demand an amount equal to $10.00 per day of each day that such vehicles shall be parked in such non-designated areas.

11.2.9 Exterior Sales.

Tenant shall not conduct any outdoor selling or display activities.

11.2.10 Access.

Tenant shall not obstruct in any manner access, ingress or egress to any portion of the Shopping Center, or to any public or private road abutting the Shopping Center.

11.2.11 Title Exceptions.

The Premises shall not be used in violation of any of the Title Exceptions as referenced on **Exhibit D**.

11.2.12 Video Gaming.

Tenant shall not permit any video gaming machines or any other form of gambling device to be operated within the Premises.

11.2.13 Wi-Fi

Tenant shall not employ a wireless fidelity network or any technological evolution thereof ("Wi-Fi") in the Premises without Landlord's prior written consent. In the

event consent is granted, Tenant shall not employ Wi-Fi in a manner which: (a) interferes with the technology of other tenants; (b) extends beyond the walls of the Premises; (c) permits other Tenants to use the service.

11.3 Quiet Enjoyment.

The Landlord agrees that the Tenant upon payment of the Rent hereunder and all other payments and charges to be paid by the Tenant under the terms of this Lease and upon observing and keeping the conditions and covenants of this Lease on the part of the Tenant to be observed and kept, shall lawfully and quietly hold, occupy and enjoy the Premises during the Term of this Lease free from any hindrance by Landlord, subject to the provisions of this Lease.

ARTICLE 12 UTILITIES

Commencing on the Commencement Date and continuing during the entire Term, Tenant, at its expense, shall arrange for and pay all costs of the charges for all utilities and services provided or used in or at the Premises. Tenant shall pay directly to the public utility companies the cost of any installation not included in Landlord's Work of any and all such utility services. If Landlord supplies or pays for any such utilities, then as Additional Rent, Tenant shall reimburse Landlord for the same. If, for any reason whatsoever, any particular utility is not separately metered, then, and in that event, Tenant shall be responsible for its share based upon the formula that Landlord, in its reasonable discretion, deems appropriate. Tenant agrees to indemnify and hold harmless Landlord from and against any and all claims arising from the installation and maintenance of such utility services and from all costs and charges for utilities consumed on or by the Premises. Landlord shall not be liable to Tenant for damages or otherwise (i) if any utilities shall become unavailable from any public utility company, public authority or any other person or entity supplying or distributing such utility, or (ii) for any interruption in any utility service (including, but without limitation, any heating, ventilation or air conditioning) caused by the making of any necessary repairs or improvements or by any cause beyond Landlord's reasonable control, and the same shall not constitute a default, termination or an eviction. Tenant agrees to cooperate fully, at all times, with Landlord in abiding by all reasonable regulations and requirements which Landlord may prescribe for the proper functioning and protection of all utilities and services reasonably necessary for the operation of the Premises and the Shopping Center.

ARTICLE 13 MAINTENANCE AND REPAIRS; RIGHTS TO ENTER

13.1 Tenant's Duty.

Tenant shall, at its sole cost and expense, keep in good order, condition and repair the Premises, and make all repairs and replacements thereof, including without limitation, all plumbing and sewage facilities within or serving the Premises, including free flow up to the common sewer line; all heating, air conditioning, ventilation, refrigeration, fire protection, sprinkler, mechanical, electrical and lighting systems, facilities, equipment and/or units within or serving the Premises; all fixtures, ceilings, doors, windows, plate glass, store fronts, skylights, interior walls and interior surfaces of exterior walls; any repairs required due to illegal entry or burglary of the Premises; and all of Tenant's improvements to the exterior of the Premises (including all signs and dryvit areas). Tenant shall maintain in force a maintenance contract requiring at least quarterly maintenance by a company of recognized standing covering the heating, ventilating and air conditioning system serving the Premises. Tenant shall operate heating and cooling equipment to maintain such temperatures as will prevent the freezing or bursting of pipes within the Premises. Tenant shall promptly, and at its sole cost and expense, repair all damage to the Premises and/or Shopping Center caused by the intentional act, gross negligence, or negligence of Tenant, its agents, servants, employees, guests and invitees. Tenant shall, at Tenant's cost, be responsible for janitorial services at the Premises and for regular trash and refuse removal in connection with Tenant's use and occupancy of the Premises in compliance with all applicable laws and regulations. Tenant shall coordinate with any other tenant of the Shopping Center with whom Tenant shares a designated refuse bin to allocate the responsibility for and cost of: refuse removal and refuse bin pad/bin enclosure maintenance and repair.

13.2 Landlord's Right to Enter.

If Tenant does not act promptly as aforesaid, Landlord may, subject to prior notice to Tenant in situations other than emergencies, but shall not be required to, enter the Premises at all reasonable times to make any repairs, alterations, improvements, or additions, as Landlord shall desire or deem necessary for the safety, preservation, or improvement of the Premises, or as Landlord may be required to do by any governmental authority or by the order or decree of any court or by any other proper authority. In the event Landlord or its agents or independent contractors shall elect or be required to make repairs, alterations, improvements, or additions to the Premises, Landlord shall be allowed to take into and upon the Premises, all material that may be required to make such repairs, alterations, improvements, or additions and during the continuance of any of said work, to temporarily close doors, entry ways, public space, and corridors in the Premises and/or Shopping Center and to interrupt or temporarily suspend any services and facilities without being deemed or held guilty of an eviction of Tenant or for damages to any of Tenant's property, business, or person, and the Rent reserved herein shall in no way abate while said repairs, alterations, improvements, or additions are being made. Landlord shall minimize its obstruction of Tenant's business to the extent reasonably practical under the circumstances. Landlord may, at its option, make all such repairs, alterations, improvements, or additions in and about the Premises and/or Shopping Center during ordinary business hours, but if Tenant desires to have the same done at any other time, and the same can be practicably done at any other time, Tenant shall then pay all overtime and additional expenses resulting therefrom. No notice need be provided in the event of an emergency. Landlord will pay for or repair any damage to the Premises caused by any voluntary entry it makes, excluding those precipitated by emergency or Tenant's failure to act. Any amount paid by Landlord for maintenance repairs or replacements which are the obligation of Tenant shall be due immediately as Additional Rent.

Landlord reserves the right at all reasonable times during the term of this Lease for Landlord or Landlord's agents to enter the Premises for the purpose of inspecting and examining the same, and to make such repairs, alterations, improvements, or additions as Landlord may deem necessary or desirable. If Tenant shall not be personally present to open and permit an entry into said Premises, at any time, when for any reason an entry therein shall be necessary or permissible, Landlord or Landlord's agents may enter the same by master key, or may forcibly enter the same, without rendering Landlord or such agents liable therefor, and without in any manner affecting the obligations and covenants of this Lease. Nothing herein contained, however, shall be deemed or construed to impose upon Landlord any obligation, responsibility, or liability whatsoever for the care, maintenance, or repair of the building or any part thereof, except as otherwise herein specifically provided.

13.3 Structural Repairs.

Landlord shall, at its expense, repair, reconstruct, or replace all structural damage or structural defects in the exterior or bearing walls, roof, roof drainage system and floor slab of the Premises excluding any structural damage caused by the intentional act, gross negligence, or negligence of Tenant, its agents, servants employees, guests, and invitees which shall be, in every case, Tenant's expense payable as Additional Rent.

ARTICLE 14 CONDEMNATION

14.1 All or Part of Premises.

If all or any part of the Premises, or one-third or more of the Shopping Center's parking spaces shall be taken or condemned by any competent authority for any public use or purpose, or sold to any such authority which has the power of eminent domain and has threatened to exercise such power with respect to the Premises or Shopping Center, then, unless otherwise agreed to by the parties, the Term shall end sixty (60) days after the earlier of either: (a) the date of any court order or agreement approving such taking or condemnation; (b) the date Landlord receives Tenant's advance written notice that it intends to terminate possession of the Premises, provided Tenant vacates the

Premises within such sixty (60) day period; or (c) the date such authority takes possession of the portion of the Shopping Center so condemned or sold. Landlord shall be entitled to any and all condemnation awards or judgments and Tenant hereby assigns such award or judgment to Landlord (except to extent such award or judgment specifically provides for payment thereof to Tenant for its relocation costs and Tenant improvements paid).

14.2 Rent Apportioned.

Rent shall, in all cases, be apportioned and paid as of the date of any of the above such terminations.

14.3 Partial Taking Without Termination.

In the event any portion of the Premises is taken and this Lease is not terminated in accordance with the provisions of this Article 14, all future Base Rent to become due under this Lease shall be reduced in proportion to the area of the Premises taken. Landlord, to the extent of the condemnation award or judgment, shall make any structural repairs or restoration necessary to make a complete architectural unit of the remainder of the Premises.

ARTICLE 15 DEFAULT AND LANDLORD REMEDIES

15.1 Tenant Default.

The occurrence of any one or more of the following events shall be a "Default": (i) if Tenant fails to pay Base Rent, Additional Rent or any other sums required to be paid by Tenant when the same shall become due and payable, and such failure shall continue for five days; (ii) if Tenant fails to perform or observe any terms and conditions of this Lease (other than those described in (i) above), and such failure shall continue for thirty days after written notice from Landlord; (iii) if any interest of Tenant in this Lease shall be levied upon under execution or other process, or if any petition for bankruptcy, reorganization, insolvency, or liquidation or similar law for the relief of debtors, are instituted by Tenant or against Tenant and are allowed or consented to by it or not dismissed within sixty (60) days; (iv) if Tenant or any guarantor of Tenant's obligations under this Lease dies (if an individual) or dissolves (if any entity); or (v) if Tenant or any guarantor of Tenant's obligations under this Lease becomes insolvent or admits in writing its inability to pay its debts, or if any assignment of Tenant's property shall be made for the benefit of creditors, or if a receiver or trustee is appointed for Tenant or its property. An anticipatory breach or repudiation by Tenant of any of the covenants or provisions of this Lease shall be deemed a Default.

15.2 Remedies.

If a Default occurs, Landlord shall have all of the rights and remedies herein set forth, which shall be distinct, separate, and cumulative, and which shall be in addition to all rights and remedies provided at law or in equity:

(i) Landlord may terminate this Lease by giving five days written notice of such termination to Tenant, whereupon this Lease shall terminate and Tenant shall immediately surrender possession of the Premises to Landlord. In the event of any such termination of this Lease by Landlord, Tenant shall be liable for, and Landlord shall be entitled to recover from Tenant, all damages sustained by Landlord arising from or out of such Default, including, without limitation, the recovery of all Rents through the period that would have otherwise constituted the balance of the Term of this Lease as if this Lease had not been terminated,

(ii) Landlord may terminate Tenant's right to possession of the Premises without terminating this Lease by giving five days written notice of such termination to Tenant, whereupon Tenant shall immediately surrender possession of the Premises to Landlord. In the event of any such termination of Tenant's right to possession of the Premises, Tenant shall be liable for, and Landlord shall be entitled to recover from Tenant, all damages sustained by Landlord arising from or out of such Default, including, without limitation, the recovery of all Rents through the end of the Term of this Lease;

(iii) Landlord may pursue damages arising from or related to such Default without terminating this Lease or Tenant's right to possession of the Premises;

(iv) Landlord may cure such Default on behalf of Tenant, and Tenant shall pay Landlord all costs and expenses incurred by Landlord in connection therewith upon demand;

(v) Landlord may pursue specific performance or injunctive relief and any requirement that Landlord post any bond is waived.

Any damages sustained by Landlord arising from or related to any Default may be recovered by Landlord in one or more separate actions or proceedings, which may be brought by Landlord from time to time, without prejudice to any other right or remedy available to Landlord under this Lease or by law or equity.

In the event Landlord terminates this Lease or Tenant's right to possession of the Premises as provided above, Landlord shall also have the following rights: (i) Landlord shall have the right to enter into the Premises with or without process of law, and to repossess Landlord of the Premises, and to expel or remove Tenant and, at Tenant's expense, any and all property therefrom, using such force as may be necessary, without being deemed in any manner guilty of trespass, eviction, forcible entry or detainer, or conversion of property, and without relinquishing Landlord's right to recover all damages arising from or out of such Default, or any other rights or remedies afforded Landlord under this Lease or by law or equity; and all without releasing Tenant, in whole or part, from Tenant's obligations to pay all Rents and perform all other obligations under this Lease for the full Term of the Lease, and (ii) Landlord shall have the option to relet the Premises for such rent and upon such terms as are not unreasonable under the circumstances, and Tenant shall be liable for all damages sustained by Landlord in reletting or attempting to relet the Premises, including, without limitation, attorneys' fees, brokerage fees and the costs and expenses of placing the Premises in first class rentable condition, and the costs of making such alterations, repairs or replacements in and to the Premises as Landlord, in its sole judgment, considers advisable and necessary for the purpose of reletting the Premises, and the making of such alterations, repairs or replacements shall not operate or be construed to release Tenant from any liabilities under this Lease. Landlord shall in no event be liable in any way whatsoever for failure to relet the Premises, or in the event that the Premises are relet, for failure to collect the rent under such reletting. If the consideration collected by Landlord upon any such reletting, after payment of the all damages sustained by Landlord in reletting or attempting to relet the Premises, is insufficient to pay monthly the full amount of Rent, Tenant shall pay to Landlord the amount of each monthly deficiency as it becomes due. Any excess or residue shall operate only as an off-setting credit to future Rent payable hereunder, but the use of such off-setting credit to reduce the amount of Rent due Landlord, if any, shall not be deemed to give Tenant any right, title, or interest in or to such excess or residue and any such excess or residue shall belong solely to Landlord. Landlord shall neither be required to offer the Premises for lease in preference to other space available from it or its affiliates, nor required, in the exercise of its reasonable judgment, to accept any tenant offered by the Tenant or to observe any instructions given by Tenant relative to such reletting. For the purpose of determining Percentage Rent (if required to be paid under this Lease) in the event of a Default, Percentage Rent for any period shall be the greater of: (a) the pro rata share of actual Percentage Rent for the applicable full Lease Year; or (b) the pro rata share of the Percentage Rent payable for the preceding full Lease Year.

15.3 <u>Bankruptcy.</u>

If Tenant shall be adjudged bankrupt, or any trustee in bankruptcy shall be appointed for Tenant and not dismissed within the period provided herein above, Landlord and Tenant hereby agree, to the extent permitted by law, to request that a trustee in bankruptcy (or debtor in possession, as the case may be) determine within sixty (60) days thereafter whether to accept or reject this Lease, and Tenant hereby agrees not to seek or request any extension or continuation of such time in any

bankruptcy proceeding to assume or reject this Lease. In no event after the assumption of this Lease, shall any then existing Default remain uncured for a period in excess of the earlier of ten (10) days or the time period for curing such Default as set forth herein. Failure to cure such Default within such time shall constitute a Default hereunder. Landlord and Tenant agree that adequate assurance of performance of this Lease, as set forth in Section 365 (b)(i) of the Bankruptcy Code with respect to monetary Default under this Lease shall be in the form of cash or immediately available funds in an amount equal to at least the amount of such monetary Default so as to assure Landlord that it will realize the amount of such Default. If Tenant assumes this Lease and proposes to assign this Lease pursuant to the provisions of the Bankruptcy Code to any person or entity who shall have made a bona fide offer to accept an assignment of this Lease, the notice of such proposed assignment, setting forth (1) The name and address of such person or entity; (2) All of the terms and conditions of such offer; and (3) The adequate assurance to be provided Landlord to assure such person's or entity's future performance under this Lease, shall be given to Landlord by Tenant within twenty (20) calendar days after receipt of such offer by Tenant, and in no event later than ten (10) calendar days prior to the date the Tenant shall make such application to the Bankruptcy Court for authority and approval to enter into such assumption and assignment. In addition, Landlord shall thereby have a right of first refusal to be exercised by notice to Tenant given within ten (10) days prior to the effective date of such proposed assignment, to accept an assignment of this Lease upon the same terms and conditions and for the same consideration, if any, as the bona fide offer made by such a person or entity, less any broker's commissions which may be payable out of any consideration to be paid by such person or entity for the assignment of this Lease.

All money or other consideration payable by Tenant or otherwise to be delivered to or on behalf of Landlord under this Lease, whether or not expressly denominated as rent hereunder, shall constitute rent for purposes of Section 502(b)(vi) of the Bankruptcy Code and shall be the sole property of the Landlord.

15.4 Landlord Default.

Landlord shall in no event be charged with any default under this Lease unless Landlord shall fail to perform or observe any term, condition, covenant or obligation required to be performed or observed by Landlord under this Lease for a period of thirty (30) days after written notice thereof from Tenant; provided, however, that if the term, condition, covenant or obligation to be performed by Landlord is of such nature that more than thirty (30) days are reasonably required for performance then Landlord shall not be in default if Landlord commences performance within such thirty (30) day period and diligently prosecutes the same to completion.

15.5 Waiver of Damages and Limitation of Recourse.

NOTWITHSTANDING ANY PROVISION IN THIS LEASE TO THE CONTRARY, TENANT AGREES THAT LANDLORD SHALL NOT BE LIABLE TO TENANT FOR ANY INDIRECT, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES OR ANY DAMAGES FOR LOST PROFITS AND/OR LOST BUSINESS OPPORTUNITY, REGARDLESS OF THE FORM OF THE ACTION OR THE THEORY OF RECOVERY, EVEN IF LANDLORD HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. Notwithstanding any provision in this Lease to the contrary, any liability of Landlord under this Lease, or any amendments or modifications thereto, shall be limited to the then owner's equity in the Premises, and no personal liability shall be asserted against Landlord, its partners, managers, officers, directors, shareholders, beneficiaries, members, employees, or agents, or any successors or assigns, in connection with this Lease nor shall any recourse be had to any other assets of

Landlord or any assets of the partners, managers, officers, directors, shareholders, beneficiaries, members, employees, or agents of Landlord.

ARTICLE 16 SURRENDER OF POSSESSION

16.1 Tenant's Duty.

On or before the date this Lease and the Term hereby created terminates, or on or before the date Tenant's right of possession terminates, whether by lapse of time or at the option of Landlord (if Landlord has a right to terminate possession), Tenant shall at its sole cost and expense perform the following acts as herein set forth:

16.1.1 Removal of Trade Fixtures.

Remove from the Premises all of Tenant's trade fixtures and personal property (hereinafter "Personal Property").

16.1.2 Surrender of Possession.

Surrender possession of the Premises to Landlord, in the same condition as existed on the Commencement Date as modified by approved alterations and other modifications pursuant to Article 6, ordinary wear and tear and damage required to be repaired by Landlord due to a casualty excepted.

16.2 Landlord's Rights.

If Tenant shall fail or refuse to comply with Tenant's duty to remove all trade fixtures and Personal Property from the Premises on or before the expiration of its right to possession of the Premises whether by expiration of the Term or otherwise, the parties hereto agree and stipulate that Landlord may, at its election after twenty (20) calendar days' prior written notice to Tenant and Landlord's statement of its intention, pursue either of the following remedies as herein set forth.

16.2.1 Transfer of Title to Tenant's Trade Fixtures.

Treat such failure or refusal as an offer by Tenant to transfer title to such Personal Property to Landlord, in which event title thereto shall thereupon pass under this Lease as a bill of sale to and vest in Landlord absolutely without any cost either by set-off, credit allowance or otherwise, and Landlord may remove, sell, donate, destroy, store, discard, or otherwise dispose of all or any part of said Personal Property in any manner that Landlord shall choose.

16.2.2 Disposal of Tenant's Trade Fixtures.

Treat such failure or refusal as conclusive evidence, on which Landlord shall be entitled absolutely to rely and act, that Tenant has forever abandoned such Personal Property, and without accepting title hereto, Landlord may, at Tenant's expense, remove, store, destroy, discard, or otherwise dispose of all or any part thereof in any manner that Landlord shall choose without incurring liability to Tenant or to any other person. In no event shall Landlord ever become or accept or be charged with the duties of a bailee (either voluntary or involuntary) of any such Personal Property, and the failure of Tenant to remove all such Personal Property from the Premises shall forever bar Tenant from bringing any action or from asserting any liability against Landlord with respect to any such Personal Property which Tenant fails to remove.

ARTICLE 17 HOLDING OVER

If Tenant retains possession of all or part of the Premises after termination or expiration of this Lease, such occupancy shall be deemed to be a month-to-month tenancy, subject to all provisions of this Lease that can reasonable be applied to a month-to-month tenancy, except that Base Rent shall be double the amount that

was last in effect immediately preceding such holdover. Either party may terminate such month-to-month tenancy upon delivery of at least thirty days advance written notice of termination to the other party.

ARTICLE 18 NON-DISTURBANCE AND ATTORNMENT

18.1 Non-disturbance.

So long as Tenant is not in default in the payment of Rent or in the performance of any term of the Lease, then, subject to this Article 18, Tenant's possession of the Premises and its rights and privileges under the Lease shall not be diminished or interfered with by a mortgagee.

18.2 Attornment.

If a mortgage is foreclosed for any reason, and a mortgagee succeeds to Landlord's interest under the Lease, Tenant shall be bound to the mortgagee under all of the terms of the Lease for the balance of the remaining Term with the same force and effect as if mortgagee were the landlord under the Lease. Upon presentation of reasonable evidence that title has changed, Tenant hereby attorns to mortgagee as its landlord, such attornment to be effective and self-operative, without the execution of any further instrument by either party, as soon as mortgagee succeeds to the Landlord's interest under the Lease. Notwithstanding any contrary provision herein, Tenant shall not be required to pay rent to the mortgagee until Tenant receives written notice from mortgagee that it has succeeded to Landlord's interest under the Lease. The respective rights and obligations of Tenant and mortgagee upon such attornment shall, to the extent of the then remaining balance of the Lease Term, be the same as now set forth therein.

18.3 Mortgagee's Obligations.

If a mortgage is foreclosed for any reason and a mortgagee succeeds to the Landlord's interest under the Lease, such mortgagee shall be bound to the Tenant under all of the terms of the Lease, and Tenant shall, from time and after such event, have the same remedies against mortgagee for the breach of the Lease that Tenant might have had under the lease against the prior landlord thereunder. In no event shall mortgagee be liable for any act or omission of any prior landlord, be subject to any offsets or defenses which Tenant might have against any prior landlord, be bound by any amendment of this Lease made without the mortgagee's consent, or be bound by any rent which Tenant might have paid to any prior landlord for more than the current month.

18.4 Binding Effect.

The rights and obligations hereunder of Tenant and mortgagee shall bind and inure to the benefit of their respective successors and assigns.

18.5 Subordination.

Upon request of Landlord, Tenant shall subordinate its rights hereunder to the lien of any mortgage or mortgages, or the lien resulting from any other method of financing or refinancing now or hereafter in force against the real estate and/or buildings of which the Premises are a part of or against any building any buildings hereafter placed upon said real estate of which the Premises are a part.

ARTICLE 19 ESTOPPEL

Tenant agrees that from time to time within thirty days of Landlord's request, Tenant will deliver to Landlord a statement in writing certifying: (a) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease as modified is in full force and effect); (b) the date to which the Rent and other charges have been paid; (c) that Landlord is not in default under any provision of this Lease, or, if in default, the nature thereof in detail, and (d) such other information as may be requested by Landlord. Tenant agrees to execute and deliver to Landlord with thirty days of Landlord's request therefore any subordination, non-disturbance, and attornment agreement in favor of any mortgagee in such form as is required by such mortgagee.

ARTICLE 20 COMPLIANCE WITH LAWS

Tenant shall, at its sole cost and expense, promptly comply with, and make all changes, alterations or improvements required by, all present and future laws, statutes, codes, ordinances, regulations, acts, rules, requirements, orders, and directions, concerning or relating to the Premises or any part thereof, or the use thereof, or any operations therein, or relating to all changes, alterations, or improvements made by or on behalf of Tenant, and Tenant shall hold Landlord harmless from any and all costs or expenses on account thereof.

ARTICLE 21 HAZARDOUS SUBSTANCES

Notwithstanding any provision contained in this Lease to the contrary, Tenant shall not cause or permit any Hazardous Substances to be introduced, stored or used at, in, on, under or about the Premises and/or Shopping Center, except de minimis amounts of Hazardous Substances (such as cleaning materials) used in the ordinary course of Tenant's business and in accordance with all applicable environmental laws. Tenant, at Tenant's sole cost and expense, shall promptly remediate all or any portion of the Premises and/or Shopping Center to the extent of any violation of any provision of this Article 21 or any presence, escape leakage, spillage, discharge, emission, release, installation or disposal of any Hazardous Substances and/or any violation of environmental laws caused by Tenant, or Tenant's successors, assigns or subtenants (or any employees, agents, vendors, licensees, invitees or contractors of Tenant or any of the foregoing). Tenant shall provide Landlord with copies of all notices received from any governmental authority regarding environmental matters in respect of the Premises and/or Shopping Center. Tenant hereby indemnifies, defends and holds Landlord harmless from any and all losses, liabilities, damages, injuries, costs, expenses, fines, penalties, and claims of any and every kind whatsoever (including, without limitation, court costs and attorneys' fees) which at any time or from time to time may be paid, incurred or suffered by, or asserted against Landlord for, with respect to, or as a direct or indirect result of a breach by Tenant of any of the provisions of this Article 21. "Hazardous Substances" shall mean any waste, material or substance, which is or is deemed by governmental authority to be a pollutant or a contaminant, or which is or is deemed by governmental authority to be hazardous, toxic, ignitable, reactive, corrosive, dangerous, harmful or injurious, or which presents a risk, to public health or to the environment, or which is or may become regulated by or under the authority of any applicable local, state or federal laws, judgments, ordinances, orders, rules, regulations, codes, including, without limitations: (i) petroleum, including but not limited to crude oil or any fraction thereof; (ii) any asbestos or asbestos containing material; and/or (iii) any radioactive material.

To the extent that any toxic, medical, biohazardous or biomedical waste is created or generated in conjunction with the use of the Premises (collectively "Medical Waste"), Tenant shall cause such wastes to be properly disposed of off-site of Shopping Center, at Tenant's sole cost and expense, and in compliance with all applicable laws. In no event shall any Medical Waste be stored (whether temporarily or permanently) or disposed of in the Common Areas or in any dumpsters located at the Shopping Center. Tenant shall obtain and maintain throughout the Term a service contract with a duly licensed medical or biohazardous waste transportation and disposal company of Tenant's choice. Tenant shall provide copies of such service contract to Landlord upon request. Landlord reserves the right to require Tenant to remove such Medical Wastes from the Premises discretely and at such times as determined by Landlord if Landlord receives any complaints from others regarding same. As used herein, "biohazardous waste" and "biomedical waste" shall include any waste that may contain human pathogens, including without limitation, discarded human blood, blood products and body fluids, waste saturated with blood, blood byproducts or body fluids, pathological waste, discarded sharps used in patient care, discarded clinical specimens or cultures and dishes or devises used in connection therewith.

ARTICLE 22 CERTAIN RIGHTS RESERVED BY LANDLORD

Notwithstanding any provision in this Lease to the contrary, Landlord shall have the following rights as herein set forth, exercisable with notice (except as otherwise provided hereinafter) and without liability to Tenant for damage or injury to property, person, or business and without effecting an eviction, constructive or actual, or disturbance of Tenant's use or possession of the Premises or giving rise to any claim for default

set-off or abatement of rent (i) to change the Shopping Center's name or street address; (ii) to construct additional buildings in the Shopping Center or improvements in the building(s) from time-to-time and to make such alterations and/or additions thereto as Landlord may see fit, (iii) to change the sizes, locations, amounts, shapes and arrangements of parking areas and other Common Areas, including the location and relocation of driveways, entrances, exits, parking spaces, the direction and flow of traffic, installation of prohibited areas, landscaped areas and all other facilities thereof; establish and from time to time change the level or grade of parking surfaces; and do and perform such other acts in and to said areas and improvements as Landlord in its reasonable discretion deems advisable for the use thereof by tenants and their customers; (iv) to install, affix, and maintain any and all signs on the exterior of the building(s) (excluding the exterior of the Premises); (v) to show the Premises to prospective tenants at reasonable hours, after notice to Tenant, and to place "for rent" signs, during the last twelve (12) months of the Term, as well as to post at any time "for sale" signs with respect to the Shopping Center without notice to, or approval by, the Tenant; (vi) to approve the weight, size, and location of safes and other heavy equipment and bulky articles in and about the Premises, and to require all such items, including furniture and other similar items, to be moved into or out of the Premises and Shopping Center only at such times and in such manner as Landlord shall direct in writing; (vii) to install, maintain and operate an automatic teller terminal or similar facility on any portion of the Common Areas; and/or (viii) to remove from the definition of "Shopping Center" one or more outlots or other portions of the Shopping Center. Any damages done to the Premises or Shopping Center by taking in or putting out safes, furniture, or other articles, or from overloading the floor in any way, shall be paid by Tenant. Furniture, boxes, merchandise, or other bulky articles shall be transported only upon or by vehicles equipped with rubber tires. Movements of Tenant's property into or out of the Premises and Shopping Center shall be entirely at the risk and responsibility of Tenant and under the control of Landlord. Landlord may enter upon the Premises and may exercise any or all of the foregoing rights hereby reserved without being deemed guilty of an eviction or disturbance of Tenant's use or possession and without being liable in any manner to Tenant.

ARTICLE 23 RULES AND REGULATIONS

Tenant agrees to observe such rules and reasonable regulations as Landlord, in its continuous or recurring discretion, may from time to time make for the Shopping Center. Any failure by Tenant, its employees, agents, servants, clients, customers, invitees, licensees, and/or guests, to observe and comply with all such reservations, rules, and regulations shall constitute a default under this Lease, subject to the notice and cure provisions of this Lease otherwise applicable to such defaults.

ARTICLE 24 ASSIGNMENT AND SUBLETTING

Tenant may not assign or encumber its interest in this Lease or in the Premises, or sublease all or any part of the Premises, or allow any other person or entity (except Tenant's authorized representatives) to occupy or use all or any part the Premises, without first obtaining Landlord's prior written consent which shall not be unreasonably withheld or delayed. Any assignment or sublease without Landlord's required prior written consent shall be voidable and, at Landlord's election, shall constitute a Default. Notwithstanding any provision of this Lease to the contrary, Tenant shall not be released from any obligations under this Lease and Tenant remain primarily liable for all obligations and Rent in the event of assignment or sublease. In the event that the Premises are sublet, said sublease shall contain a provision that states that any rent received by Tenant, in excess of the Rent due under the Lease, shall also be due the Landlord as Additional Rent. In no event shall any assignment or sublease permit any violation of the terms of this Lease, nor grant any greater rights than afforded Tenant under this Lease.

ARTICLE 25 NOTICE

No notices or other communications given under this Lease shall be effective unless the same is in writing and delivered personally or sent by registered or certified U.S. mail, return receipt requested, first class, postage prepaid, or sent by recognized overnight courier and addressed to the respective party at the respective address set forth in Section 1.1 or 1.2 or to such other address as a party shall designate by giving notice to the other party in accordance with this Section. Notice shall be deemed effective on the date

received or refused by the addressee, except notice of change of address which shall only be effective upon receipt.

ARTICLE 26 CONVEYANCE BY LANDLORD

In the event of any transfer(s) of Landlord's interest in the Premises, the transferor shall be released from all obligations and liabilities under this Lease accruing from and after such transfer, and the transferee shall become liable for all Landlord's obligations and liabilities under this Lease that accrue during the period of such transferee's ownership of the Premises.

ARTICLE 27 RECORDING

This Lease shall not be recorded. However, a lease memorandum shall be entered upon request by either party, the form of which shall be subject to the reasonable approval of the parties. Either party may record the same at its own expense.

ARTICLE 28 SIGNAGE

28.1 Exterior Wall Sign.

Tenant may install a single wall sign on the external front wall of the Premises at Tenant's sole cost. The exact size, color, design, and placement of such sign shall be subject to Landlord's prior written approval, however, under no circumstances may Tenant's exterior building signage exceed the maximum amount permitted under code without variance and/or limit the square footage available to other tenants. Upon vacating the Premises, the Tenant shall restore the external wall of the Premises to its original condition, at Tenant's cost. Except as provided in this Article 28, no other signs shall be installed or maintained at, on, or about the Premises.

28.2 Signs.

Except for customary stickers for credit card acceptance or security that are professionally prepared, Tenant shall not place on any exterior door or window of the Premises any signs or advertising matter.

28.3 Exterior Pylon Sign.

Tenant, at Tenant's sole cost and expense, shall be entitled to install one sign panel (a "Panel") identifying the name of Tenant's business on each side of the existing pylon sign ("Pylon") serving the Shopping Center of a size and in a position as determined by Landlord. Tenant shall submit such signage to Landlord for Landlord's review and approval. Tenant shall reimburse Landlord for Tenant's pro rata share of the reasonable costs and expenses incurred in constructing (including the cost to extend electrical service thereto), maintaining, repairing, insuring, replacing, and operating the Pylon, except that the full cost of repair or replacement of Tenant's Panels shall be borne by Tenant. For purposes of this Section 28.3, Tenant's pro rata share shall equal a fraction, the numerator of which is the square footage of Tenant's Panels, and the denominator of which is the square footage of all tenant panels on the Pylon. Tenant acknowledges that it is responsible for the fabrication and installation of Tenant's Panels, and Tenant, at Tenant's sole cost and expense, shall use the contractor designated by Landlord for this purpose.

ARTICLE 29 MISCELLANEOUS

29.1 Binding Effect.

This Lease shall be binding upon and inure to the benefit of the successors and assigns of Landlord, and shall be binding upon and inure to the benefit of Tenant, its successors, and, to the extent subleasing or assignment may be approved by Landlord hereunder, Tenant's sublessees and assigns.

29.2 Financial Disclosures.

Within thirty days following each calendar year during the Term, Tenant shall submit to Landlord financial statements certified by an officer of Tenant that accurately reflect all aspects of the

Tenant's operation in accordance with generally accepted accounting principles applied on a consistent basis.

29.3 Illinois Law Governs.

This Lease is declared to be an Illinois contract, and all of the terms thereof shall be construed according to the internal laws of the State of Illinois, that is without reference to any conflict provisions. Venue shall only be proper in Winnebago County, Illinois, where the Lease was signed.

29.4 Headings.

Landlord and Tenant mutually agree that the headings and captions contained in this Lease are inserted for convenience of reference only, and are not to be deemed part of or to be used in construing this Lease.

29.5 Severability.

If any term or provision of this Lease or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term of this Lease shall be valid and enforceable to the fullest extent permitted by law.

29.6 Relationship of Parties.

Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto, it being understood and agreed that neither the method of computation of Rent nor any other provision contained herein, nor any acts of the parties hereto, shall be deemed to create any relationship between the parties hereto other than the relationship of Landlord and Tenant.

29.7 Rent.

All amounts due and payable from Tenant under this Lease shall be considered as Rent.

29.8 Shopping Center Lease.

Because the Premises are part of an integrated complex involving other tenants, it is the parties' intention that this Lease be deemed a "Shopping Center Lease" within the meaning of the bankruptcy code.

29.9 Consents and Waivers.

No consent or waiver, by either party expressed or implied, to or of any breach of any covenant, condition, or duty of the other party shall be construed as a consent or waiver to or of any other breach of the same or any other covenant, condition, or duty. The subsequent acceptance by Landlord of any Rent due, Additional Rent or any other monetary obligation of Tenant under this Lease shall not be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease. No term, covenant, or condition of this Lease shall be deemed waived by either party unless such waiver is executed by the party in writing.

29.10 Remedies Cumulative.

No remedy herein or otherwise conferred upon or reserved to Landlord shall be considered to exclude or suspend any other remedy, but the same 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 power and remedy given by this Lease to Landlord may be exercised at any time and from time to time and so often as occasion may arise or as may be deemed expedient.

29.11 Attorneys' Fees.

In the event of any litigation between the parties arising from or related to this Lease, Tenant sball pay all reasonable fees, cost and expenses incurred by Landlord in sucb proceeding, including without limitation, reasonable attorneys' fees and expenses.

29.12 Late Charge; Interest.

If any sums required hereunder to be paid are not received by Landlord on or before the date the same are due, then, Tenant shall immediately pay, as Additional Rent, a service charge equal to the greater of Two Hundred Dollars or ten percent of the past due sum to defray the administrative costs incurred by Landlord in connection with such late payment. In addition, interest shall accrue on all past due sums at an annual rate (the "Default Rate") equal to the greater of one percent per montb, or three percent in excess of tbe prime rate of interest published from time to time by the Wall Street Journal, or if no longer published, by a similar publication selected by Landlord, but not in excess of the maximum legal rate. Such interest sball also be deemed Additional Rent. Notwithstanding this service and interest cbarge, Tenant shall be in default if all payments required to be made by Tenant are not made at or before the times herein stipulated.

29.13 Delay.

Whenever a period of time is provided in this Lease for Landlord to do or perform any act or thing, and except as specifically stated otherwise in this Lease, Landlord shall not be liable or responsible for any delays due to strikes, lockouts, casualties, acts of God, acts of terrorism, environmental releases, embargoes, material unavailability, war or governmental regulation beyond the reasonable control of Landlord and in any sucb event said time period shall be extended for tbe amount of time Landlord is delayed.

29.14 Submission of Lease.

The submission of this document for examination and negotiation does not constitute an offer to lease, or a reservation of, or option for, the Premises, and this document becomes effective and binding only upon the execution and delivery hereof by Tenant and Landlord, and approval by Landlord's mortgagee if applicable. All negotiations, considerations, representations, and understandings between Landlord and Tenant are incorporated herein and may be modified or altered only by agreement in writing between Landlord, and Tenant, and no act or omission of any employee or other agent of Landlord shall alter, change, or modify any of tbe provisions bereof.

29.15 Context.

All terms used in this Lease, regardless of the number or gender in which tbey are used shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine, or neuter as the context or sense of this Lease or any Article, Section or clause herein may require, as if such terms has been fully and properly written in such number or gender.

29.16 Brokerage.

Tenant warrants tbat it has had no dealings with any broker or agent in connection with this Lease. Tenant agrees to fully defend, hold barmless and indemnify Landlord from and against any and all cost, expense or liability from any compensation, commissions and charges claimed by any broker or agent in connection with this Lease or the negotiations tbereof.

29.17 Authorship.

This Lease has been the subject of extensive negotiations between the parties and the interpretation hereof shall not be based upon any presumption that either party has been tbe drafter hereof.

29.18 Survival of Tenant's Obligations.

All of Tenant's obligations arising under this Lease shall survive the expiration or earlier termination of this Lease.

29.19 Accord and Satisfaction.

No payment by Tenant or receipt by Landlord of a lesser amount than any installment or payment of Rent, Additional Rent, or other sum due other than account of the amount due, and no endorsement or statement on any check or any letter accompanying any check or payment of Rent, Additional Rent, shall be deemed an accord and satisfaction, and Landlord may accept such check payment without prejudice to Landlord's right to recover the balance of such installment or payment of Rent, Additional Rent or other sum and pursue any other remedies available to Landlord. No receipt of money by Landlord from Tenant after the termination of this Lease or Tenant's right of possession of the Premises shall reinstate, continue or extend the Term.

29.20 Joint and Several Liability.

In the event Tenant is comprised of two or more individuals or entities, each such party shall be jointly and severally liable for all obligations of Tenant hereunder including, but not limited to, the payment of Rent and Additional Rent.

29.21 Independent Covenants.

The obligations of Landlord and Tenant, respectively, under this Lease are expressly agreed by the parties to be independent covenants. If Landlord fails to perform any obligation under this Lease required to be performed by Landlord, Tenant shall have no right to: (i) terminate this Lease; (ii) avail itself of self-help or to perform any obligation of Landlord; (iii) abatement or withholding of rent or any other charges or sums payable by Tenant under this Lease; or (iv) any right of setoff.

29.22 Specially Designated National.

Tenant certifies, represents and warrants to Landlord on which representation Tenant acknowledges Landlord was justified in relying and did rely and which representation was material to Landlord's decision to enter into this Lease that Tenant: (a) it is not acting, directly or indirectly, for or on behalf of any person, group, entity, or nation named by any Executive Order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or other banned or blocked person, entity, nation, or Transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control; and (b) It has not executed this Lease, directly or indirectly on behalf of, or Instigating or facilitating this Lease, directly or indirectly on behalf of, any such person, group, entity, or nation. Tenant hereby agrees to defend, indemnify, and hold harmless Landlord from and against any and all claims, damages, losses, risks, liabilities, and expenses (including attorney's fees and costs) arising from or related to any breach of the foregoing certification.

29.23 Guaranty.

Contemporaneously with the execution of this Lease by Tenant, Tenant shall cause Dialysis Care Center Holdings LLC, ("Guarantor"), to execute and deliver to Landlord a guaranty of all of Tenant's obligations under this Lease in the form attached hereto as Exhibit G.

29.24 Certificate of Need.

This Lease shall not be binding upon either party until Tenant receives a Certificate of Need from the Illinois Health Facilities Department of Health (the "CON"), and neither the Term nor the accrual of any obligation to pay Base Rent, Additional Rent or other charges shall commence until Tenant has obtained a final unappealable CON. In the event that Tenant has not obtained a final unappealable CON on or before March 1, 2017, either party may terminate this Lease by providing Landlord with written notice and the parties hereto shall be released from all liability under this

Lease. Upon receipt of the final unappealable CON, Tenant shall immediately notify Landlord and Landlord shall thereafter commence Landlord's Work. Landlord shall not have an obligation to commence Landlord's Work prior to Tenant's receipt of the final unappealable CON.

29.25 Exhibits.

The following Exhibits are attached to and incorporated into this Lease by reference:

Exhibit A – Site Plan
Exhibit B – Legal Description of Shopping Center
Exhibit C – Commencement Date Agreement
Exhibit D – Title Exceptions
Exhibit E – Summary of Exclusive, Restricted and/or Prohibited Uses
Exhibit F – Landlord's Work
Exhibit G – Guaranty

IN WITNESS WHEREOF, the parties hereto have executed this Lease under their seal as of the day and year first above written.

LANDLORD:	**TENANT:**
Perryville Center, L.L.C.	Dialysis Care Center Rockford LLC
By: _____	By: _____
Name: _____	Name: _____
Its: _____	Its: _____

Exhibit A

Site Plan

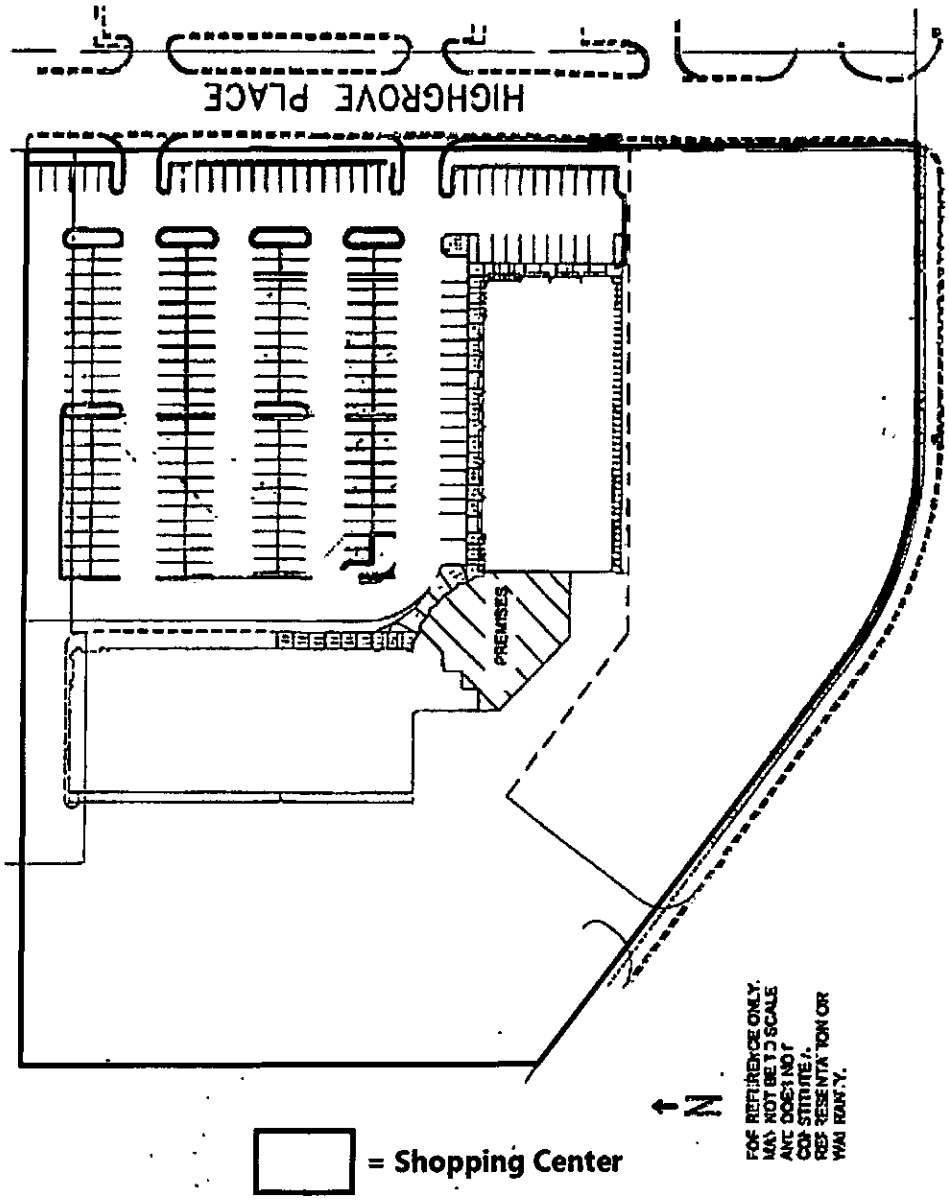


Exhibit B

Legal Description of Shopping Center

LOT 7 OF PLAT #3 OF PERRYVILLE CENTER, BEING A RESUBDIVISION OF LOTS 4 AND 5 OF PLAT NO. 2 OF PERRYVILLE CENTER, BEING PART OF THE NORTHEAST QUARTER OF SECTION 27, TOWNSHIP 44 NORTH, RANGE 2 EAST OF THE THIRD PRINCIPAL MERIDIAN.

Exhibit C

Commencement Date Agreement

This Commencement Date Agreement ("Agreement") is made and entered into between Perryville Center, L.L.C. ("Landlord") and Dialysis Care Center Rockford LLC ("Tenant") as of _____, 2017.

Recitals:

A. The parties entered into a Lease dated _____ ("Lease")

B. The parties agreed to enter into a supplemental agreement confirming the Commencement Date, the first and last day of the first Lease Year, and the last day of the Term.

NOW, THEREFORE, the parties hereby agree as follows:

1. Recitals; Definitions. The Recitals are hereby incorporated, and capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Lease.

2. Commencement Date. The Commencement Date of the Lease is _____.

3. First Lease Year. The First Lease Year commences on _____ and the last day of the first Lease Year is _____.

4. The last day of the Term is _____.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the above date period.

LANDLORD:	**TENANT:**
Perryville Center, L.L.C.	Dialysis Care Center Rockford LLC
By: _____	By: _____
Name: _____	Name: _____
Its: _____	Its: _____

Exhibit D

Title Exceptions

Reservation of access contained in Warranty Deed dated January 11, 1974 and recorded January 18, 1974 in Microfilm Number 74011999 as Document Number 1330235 made by County of Winnebago to American National Bank and Trust Company as Trustee of its Trust No. 73-5758.

Terms and conditions of a Pre-Annexation Agreement made between Amcore Bank, N.A., Rockford as the Owner, First Rockford William Charles I Developer and the City of Rockford as recorded October 18, 1990 in Microfilm 90332244.

Declaration of Sign Easement dated November 13, 1998 by First Rockford William Charles I, an Illinois general partnership

Exhibit E

Summary of Exclusive, Restricted and/or Prohibited Uses

Provisions may be quoted verbatim; if so, references to other exhibits or sections shall be deemed to incorporate those exhibits/sections of the relevant leases or other agreements, and capitalized terms shall have the respective meanings ascribed to such terms in the lease or other agreement containing the exclusive, restricted and/or prohibited use restrictions

1. Athletic and Therapeutic Institute of Naperville, LLC Lease

> Landlord, or its affiliates, shall not lease any space in the Shopping Center or in the additional area shown on Exhibit J and legally described on such Exhibit J for a business which provides Physical Therapy whether as a primary service or incidental to their practice/business. By way of example companies doing business by the tradenames "Athletico" or "Accelerated Rehabilitative Services" as such business are conducting business on the Lease Effective Date would be prohibited as would offices of physicians and chiropractors if the professional practice of physical therapy is being performed in such office. Medical offices or clinics, including chiropractic or acupuncture offices or the like would not be included if physical therapy is performed. Additionally, the exclusive shall not apply to day spas where massages, chair massages and head massages are provided as part of a menu of body treatment and aesthetic services.

03 NOT

2. BAC Rockford, LLC d/b/a Five Guys Lease

For so long as Five Guys is in operation at Perryville Center (excluding reasonable periods for inventory, remodeling and casualty) Perryville Crossings, L.L.C. will not lease to any party a premises at Our Center with a tradename as follows:

Burger King
Carls Jr.
Culvers
Fatburger
Fuddruckers
In and Out Burger
McDonalds
Meatheads
Smashburger
Sonic
Wendys

Subject to any existing lease, Tenant shall have the exclusive right to sell hamburgers, cheeseburgers and French fries for on or off-premises consumption within the Building ("Tenant's Exclusive"). Tenant's Exclusive shall not apply to full-service restaurants, deemed to be restaurants where Tenant takes customers orders at tables and delivers food to their tables. Further, Tenant's Exclusive shall not apply to the Incidental Sale of hamburgers, cheeseburgers and French fries. Incidental Sale means such user's gross sales of hamburgers, cheeseburgers and French fries, collectively, does not exceed twenty (20%) percent.

3. CN Rockford LLC successor to J-1 Nutrition, LLC Lease

Landlord shall not lease any other premises on the Property for the Primary Purpose of a Nutrition Supplement store.

4. Lakeside Anesthesiology, S.C. Lease

Landlord shall not lease any other premises on the Property for the Primary Purpose of a Weight Loss Clinic.

5. Mariner Finance, LLC Lease

Landlord will not hereafter enter into a new lease with a tenant whose principal permitted use (i.e., more than 15% of gross revenues) is that of a consumer loan office, including such tenants commonly known as "One Main Street", "Customer's Bank", or "Spring Leaf" (the "Exclusive Use").

6. Quest Diagnostics, LLC Lease

Landlord shall not lease, permit a sublease, operate, maintain or authorize any person or corporation to operate a reference medical laboratory in the Building in which the Premises are located other than as provided for by this Lease.

7. Visit Pipatpinyopong, Wilairut Kiatathikom and Thai Hut Restaurant, Inc. Lease

Landlord agrees not to lease any other premises in the
Building for a primary use as a Thai themed restaurant. "Primary use" as used in this section shall mean sales exceeding ten (10%) from the premises derived from the sale of Thai food. As used in this Lease, a Thai food or restaurant shall be understood to be separate from Chinese, Mongolian or Indian ethnic foods or restaurants, which are specifically permitted. Distinguishing characteristics of Thai food are understood to include but not be limited to: the addition of pure spices enhanced by herbs such as lemon grass and galangal; curries which burn intensely but with a short palate life; inclusion of coconut milk; and use of the condiments Nam Pla, Prik Pon, vinegar with chili peppers, and sugar.

8. David's Bridal, Inc. Lease

2.5.2.

Tenant shall have the exclusive right to sell and/or rent women's bridal wear and men's and women's formal wear in the Center and any additions thereto.

9. Panera, LLC

Exclusive Uses:
Landlord shall not enter into any lease for space located in the Building with any person or entity that would permit the occupant of such space to operate a business serving primarily bakery goods, bagels, sandwiches, soups, salads and/or coffee, provided that this provision shall not prohibit Landlord from entering into Leases with Tenants whose business includes as an ancillary component the sale of bakery goods, soups, sandwiches, salads and/or coffee (less than 10% in the aggregate) or whose use includes the sale of otherwise prohibited items in an establishment that derives twenty-five (25%) percent or more of its gross revenues from the sale of alcoholic beverages.

10. Preannexation Agreement

Please refer to the Preannexation Agreement by and between Amcore Bank, N.A., as Trustee of Trust No., First Rockford/William Charles I, and the City of Rockford, dated July 23rd, 1975 and recorded at the Winnebago County Recorder's Office, Illinois, as Document Number 90-33-2244 on October 18, 1990, all of which are incorporated by reference, including without limitation, the following:

6) Tract G shall be zoned City "CO". The OWNER across Premises in Tract G shall not be used for auto repair, auto service center, body shop, or gas stations. CITY shall not unreasonably deny OWNER's request for any other use requiring a Special Use Permit on Tract G.

Exhibit F

Landlord's Work

Exhibit G

Guaranty

GUARANTY

For and in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, and in consideration for, and as an inducement to Perryville Center, L.L.C. as "Landlord" to enter into that certain lease (the "Lease") dated _____, with Dialysis Care Center Rockford LLC, as "Tenant", the undersigned guarantor(s) (individually, jointly, and severally), unconditionally guarantee(s) the full, faithful, and complete performance and observance of all of the covenants, conditions, and agreements therein provided to be performed and observed by Tenant, Tenant's successors and assigns, and expressly agree that the validity of this agreement and the obligations of the undersigned guarantor(s) hereunder shall in no way be terminated, affected, or impaired by reason of the granting by Landlord of any indulgences to Tenant or by reason of the assertion by Landlord against Tenant of any of the rights or remedies reserved to Landlord pursuant to the provision of the Lease or by the relief of Tenant from any of Tenant's obligations under the Lease by operation of law or otherwise; the undersigned hereby waiving all suretyship defenses.

The undersigned guarantor(s) further covenant and agree that this Guaranty shall remain and continue in full force and effect as to any renewal(s), modification(s) (including, without limitation, the alteration, enlargement or change of the premises described in the Lease), extension(s) or option term(s) of the Lease (including, without limitation, the alteration, enlargement or change of the premises described in the Lease), extension(s), or option term(s). The undersigned guarantor(s) further agree that the undersigned guarantor(s) liability under this Guaranty shall be primary, and joint and several and that in any right of action(s) which shall accrue to Landlord under the Lease, Landlord may, at Landlord's option, proceed against any or all of the undersigned guarantor(s) and Tenant, jointly or severally, and may proceed against any or all of the undersigned guarantor(s) without having commenced any action against or having obtained any judgment against Tenant. The undersigned guarantor(s) further covenant and agree that Landlord shall be entitled to recover from guarantor(s) reasonable attorneys' fees and costs incurred by Landlord in connection with any litigation between Landlord and guarantor(s) related to or arising out of this Guaranty.

It is agreed that the failure of Landlord to insist in any one or more instances upon a strict performance or observance of any of the terms, provisions, or covenants of the Lease or to exercise any right therein contained shall not be construed or deemed to be a waiver or relinquishment for the future of such term, provisions, covenant or right, but the same shall continue and remain in full force and effect. Receipt by Landlord of rent with knowledge of the breach of any provision of the Lease shall not be deemed waiver of such breach.

No subletting, assignment, or other transfer of the Lease, or any interest therein, shall operate to extinguish or diminish the liability of the undersigned guarantor(s) under this Guaranty. The liability of the undersigned guarantor(s) under this Guaranty shall not be affected by (a) the release or discharge of Tenant from its obligations under the Lease in any creditors', receivership, bankruptcy, or other proceedings, or the commencement or pendency of any such proceedings; (b) the impairment, limitation or modification of the liability of Tenant or the estate of Tenant in bankruptcy, or of any remedy for the enforcement of Tenant's liability under the Lease, or resulting from the operation of any present or future bankruptcy code or other statute, or from a decision in any court; (c) the rejection or disaffirmance of this Lease in any such proceedings; (d) the assignment or transfer of this Lease or sublease of all or part of the premises described in the Lease by Tenant; (e) any disability or other defense of Tenant; or (f) the cessation from any cause whatsoever of the liability of Tenant under the Lease.

It is further agreed that all of the terms and provisions hereof shall inure to the benefit of the respective heirs, executors, administrators, successors and assigns of the Landlord, and shall be binding upon the respective heirs, executors, administrators, successors and assigns of the undersigned guarantor(s); but in no event shall an assignment by any of the undersigned guarantor(s) relieve the undersigned guarantor(s) from any obligations hereunder.

IN WITNESS WHEREOF, the undersigned guarantor(s) have caused this Guaranty to be executed as the same day as the Lease.

Guarantor:
Dialysis Care Center Holdings LLC

By:_____
Name:_____
Its:_____

ACKNOWLEDGEMENT

STATE OF ILLINOIS)
) SS
COUNTY OF _____)

On _____, 2017, before me, the undersigned Notary Public in and for said County/Parish and State, personally appeared _____, personally known to me to be the _____ of _____ who executed the foregoing instrument for the purposes therein expressed, as his free and voluntary act and the free and voluntary act of _____. In witness thereof, I have hereunto set my hand and official seal the day and year last above written.

[SEAL]

_____
Notary Public
My Commission Expires: _____

Section 1, Identification, General Information, and certification
Operating Entity/Licensee

Operating Identity/Licensee
[Provide this information for each applicable facility, and insert after this page.]

Exact Legal Name: Dialysis Care Center Rockford, LLC
Address: 15786 S. Bell Rd, Homer Glen, IL 60491

☐	Non-profit Corporation	☐	Partnership		
☐	For-profit Corporation	☐	Governmental		
☒	Limited Liability Company	☐	Sole Proprietorship	☐	Other

- Corporations and limited liability companies must provide an Illinois Certificate of Good Standing.
- Partnerships must provide the name of the state in which organized and the name and address of each partner specifying whether each is a general or limited partner.
- **Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.**

Dialysis Care Center Rockford, LLC ("Operator") will operate the proposed facility. A copy of Certificate of Good Standing is attached on the following page.

Attachment 3

File Number 0653665-4

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

DIALYSIS CARE CENTER ROCKFORD LLC, HAVING ORGANIZED IN THE STATE OF ILLINOIS ON OCTOBER 08, 2017, APPEARS TO HAVE COMPLIED WITH ALL PROVISIONS OF THE LIMITED LIABILITY COMPANY ACT OF THIS STATE, AND AS OF THIS DATE IS IN GOOD STANDING AS A DOMESTIC LIMITED LIABILITY COMPANY 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* 10TH *day of* OCTOBER *A.D.* 2017 .

Authentication #: 1726301872 verifiable until 10/10/2018
Authenticate at: http://www.cyberdriveillinois.com

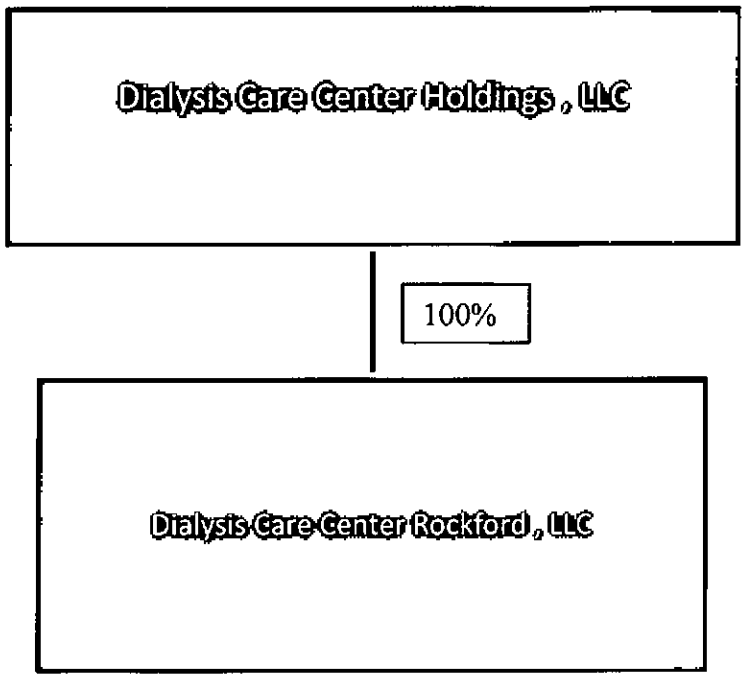
Jesse White

SECRETARY OF STATE

Attachment 3

Section 1, Identification, General Information, and certification
Organizational Relationships

The following organizational chart shows the organization of Applicant, Co-Applicants, and their related parties. Attachment 4:



Attachment 4

Section 1, Identification, General Information, and certification
Flood Plain requirements

The proposed location for the establishment of Dialysis Care Center Rockford complies with the requirements of the Illinois Executive Order #2005-5. The site, 657 Highgrove Place Rd, Rockford, IL,61108-2506, is not located in a flood plain, as can be seen on the FEMA flood plain map on the following page.

Attestation

To the best of my knowledge, I attest that the proposed project is not in a flood plain area.

Asim M. Shazzad, Administrator

Notarization:
Subscribed and swom to before me
this 30 day of November 2017

Signature of Notary

RICHARD J MISIOROWSKI
Official Seal
Notary Public State of Illinois
My Commission Expires Sep 9, 2019

Attachment 5

Home ▾ FEMA's National Flood Hazard Layer (Official)

Details | Basemap |

About | Content | Legend

Legend

NFHL (click to expand)

LOMRs

Effective

LOMAs

FIRM Panels

Cross-Sections

Limit of Moderate Wave Action

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% Annual Chance Flood Hazard

Area with Reduced Risk Due to Levee

USGS Imagery Basemap (Large-scale)

USGSImageOnlyLarge

HI_Mask

Hawaii

Image

Red: Red

Green: Green

Blue: Blue

Virgin_Islands

Image

Red: Red

Green: Green

Blue: Blue

Puerto_Rico

Image

Red: Red

Green: Green

Blue: Blue

NM_NAIP_WhiteSands

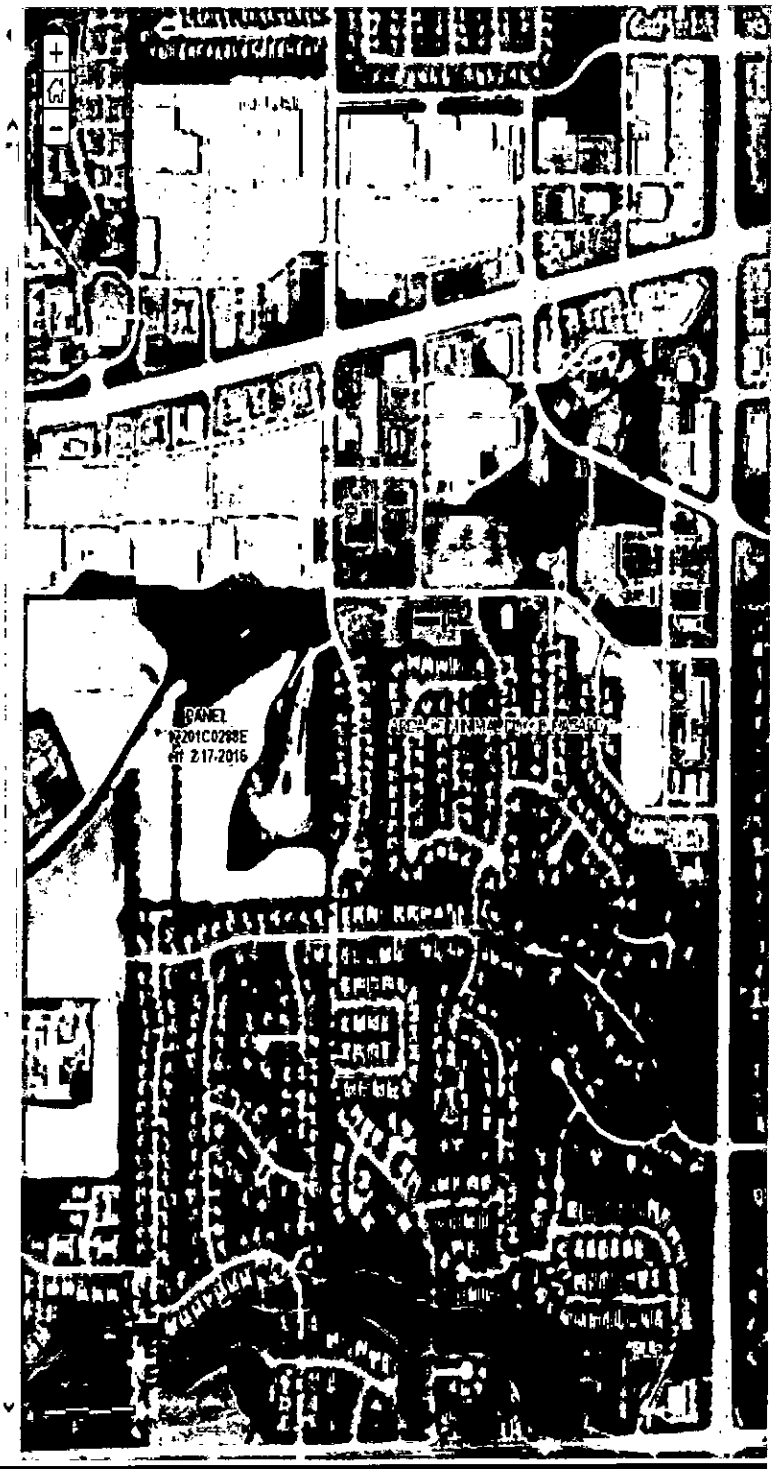
Image

Red: Red

Green: Green

Blue: Blue

Esri.com Help Terms of Use Privacy Contact Esri Report Abuse Contact Us



Attachment 5

Section 1, Identification, General Information, and certification
Historic Resources Preservation Act Requirements

The proposed location for the establishment of Dialysis Care Center Rockford complies with the requirements of the Illinois State Agency Historic Resources Preservation Act. Please find attached a copy of a letter from the Illinois Department of Natural Resources, on the following page. Attachment 6:

Illinois Department of
Natural Resources

One Natural Resources Way Springfield, Illinois 62702-1271
www.dnr.illinois.gov

Bruce Rauner, Governor
Wayne A. Rosenthal, Director

FAX (217) 524-7525

Winnebago County
Rockford
CON - Lease to Establish an End Stage Renal Dialysis Facility, Dialysis Care Center Rockford
657 Highgrove Pl.
SHPO Log #007101217

October 23, 2017

Asim Shazzad
Dialysis Care Center
15786 S. Bell Road
Homer Glen, IL 60491

Dear Mr. Shazzad:

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 David Halpin, Cultural Resources Manager, at 217/785-4998.

Sincerely,

Rachel Leibowitz, Ph.D.
Deputy State Historic
Preservation Officer

Attachment 6

Section 1, Identification, General Information, and certification

Project Costs and sources of funds

Table 1120.110

Project Costs	Clinical	Non-Clinical	Total
Contingencies	60,000.00		60,000.00
Architectural/Engineering Fees	45,000.00		45,000.00
Moveable and Other Equipment			
Communications	11,000.00		11,000.00
Water Treatment	160,000.00		160,000.00
Clinical Furniture	18,000.00		18,000.00
Bio-Medical Equipment	13,500.00		13,500.00
Clinical Equipment	165,500.00		165,500.00
Office Furniture	23,000.00		23,000.00
Office Equipment	29,000.00		29,000.00
Total Moveable and Other Equipment	420,000.00		420,000.00
Fair Market Value of Leased Space	865,266.25		865,266.25
Total Project Cost	1,390,266.25		1,390,266.25

Section 1, Identification, General Information, and certification
Project Status and completion schedules

The Applicants anticipate project completion within approximately 19 months of project approval.

The Letter of Intent and lease provided on Attachment 2 provides the project will start after permit issuance.

Cost Space Requirements

Provide in the following format, the department/area **GSF** or the building/area **GSF** and cost.. 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							
In-center Hemodialysis	$1,390,266	5,350			5,350		
Total Clinical	$1,390,266	5,350			5,350		
NON REVIEWABLE							
Administrative							
Parking							
Gift Shop							
Total Non-clinical							
TOTAL	**$1,390,266**	**5,350**			**5,350**		

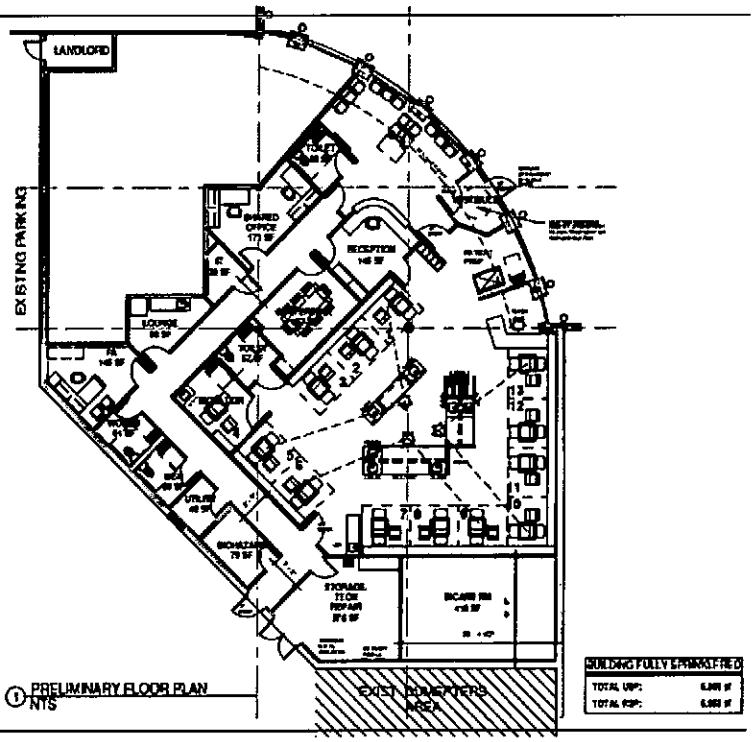
APPEND DOCUMENTATION AS ATTACHMENT-9, IN NUMERIC SEQUENTIAL ORDER AFTER THE LAST PAGE OF THE APPLICATION FORM.

Attachment- 9

Section 1, Identification, General Information, and certification
Project Status and Completion Schedules
Schematic floor plan

MAP

SKYLIGHT



DIALYSIS CARE CENTER ROCKFORD

Attachment- 10

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

BACKGROUND OF THE APPLICANT

The Applicants are fit, willing and able, and have the qualifications, background and character to adequately provide a proper standard of health care services for the community. This project is for the establishment of Dialysis Care Center Rockford, 12-station in-center hemodialysis facility to be located at 657 Highgrove Place Rd, Rockford, IL, 61108.

At this time, neither Dialysis Care Center Rockford nor Dialysis Care Center Holdings have any operational ESRD in-center hemodialysis facilities in the State of Illinois.

Dialysis Care Center Rockford and Dialysis Care Center Holdings is 100% physician owned and operated. The two physicians below equally own the entities.

1. Morufu Alausa M.D.
2. Sameer M. Shafi M.D.

Both aforementioned physicians have earned recognition with America's Best Physicians for their excellence in providing care for ESRD patients and innovative contributions to the nephrology community overall.

Dialysis Care Center focuses on a 360-degree approach to improving patient health outcomes and providing a medical home for ESRD patients. Included in this care approach is an emphasis on one-on-one attention from our qualified medical staff and a cutting-edge educational program, known as Staff Enhanced Hemodialysis (SEH).

One-on-one attention from our CCHT and BONENT certified technicians and experienced dialysis nurses is achieved through maintaining facilities that have a lower number of stations. Such facilities create an environment for our medical staff to adequately and efficiently monitor patients throughout the entire hemodialysis treatment process. Additionally, such an atmosphere facilitates the creation of quality patient-provider relationships, contributing to construction of a medical home for ERSD patients.

Our continuing educational program, SEH, gives our medical staff, namely, our Clinical Certified Hemodialysis Technicians (CCHTs), more opportunity to connect with patients who visit our facilities for treatment. The program, which covers topics such as fluid management, vascular access management, anemia management, depression, dialysis adequacy and nutrition, is facilitated by our CCHTs, further allowing them to create these meaningful, improved outcome-driving relationships. Of course, this program also empowers patients with critical knowledge to help them better manage of their health, thus reducing hospitalizations and morbidity and mortality.

With ESRD being the fastest growing cause of hospitalizations and the fifth leading cause of hospital readmissions, our care model additionally has carefully built-in patient interventions to reduce hospitalizations overall. Dialysis Care Center has been recognized by surrounding local hospitals in providing an excellent continuum of care to patients.

Dialysis Care Center provides:

- multiple physician visits within 30 days post-hospitalization,
- 100% medication reconciliation upon hospital discharge,
- renowned and open communication between our nursing/medical staff and hospital discharge planners,
- continuation of antibiotics and other hospital infusive therapies.

The addition of such interventions in Dialysis Care Center's in-center hemodialysis program have been shown to contribute to a strong, consistent, and community-based continuum of care.

Consistency is also implemented internally at Dialysis Care Center, using Clarity, an electronic health record (EHR) created specifically for dialysis clinics. Clarity allows all our medical staff an open line of communication regarding real-time progress to efficiently address patient needs.

Attachment-11

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

Dialysis Care Center Rockford, LLC

In accordance with section III, A (2) of the Illinois Health Facilities Planning Board Application for certificate Need; I do herby certify that no adverse actions have been taken against Dialysis Care Center Rockford, LLC by either Medicare or Medicaid, or any State or Federal regulatory authority during the 3 years prior to the filing of the Application with the Illinois Health Facilities Planning Board; and

In regards to section III, A (3) of the Illinois Health Facilities Planning Board Application for certificate Need; I do herby authorize the State Board and Agency access to information in order to verify any documentation or information submitted in response to the requirements of this subsection or to obtain any documentation or information that the State Board or Agency finds pertinent to this subsection.

SIGNATURE
Morufu O Alausa M.D.

PRINTED NAME
CEO /President

PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 1st day of Dec. 2017

Ashley Koehler
Signature of Notary

Seal

OFFICIAL SEAL
ASHLEY KOEHLER
Notary Public - State of Illinois
My Commission Expires Aug 11, 2018

SIGNATURE
Mohammad S. Shafi M.D.

PRINTED NAME
Vice President

PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 1st day of Dec. 2017

Ashley Koehler
Signature of Notary

Seal

OFFICIAL SEAL
ASHLEY KOEHLER
Notary Public - State of Illinois
My Commission Expires Aug 11, 2018

Attachment-11

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

Dialysis Care Center Holdings, LLC

In accordance with section III, A (2) of the Illinois Health Facilities Planning Board Application for certificate Need; I do herby certify that no adverse actions have been taken against Dialysis Care Center Rockford, LLC by either Medicare or Medicaid, or any State or Federal regulatory authority during the 3 years prior to the filing of the Application with the Illinois Health Facilities Planning Board; and

In regards to section III, A (3) of the Illinois Health Facilities Planning Board Application for certificate Need; I do herby authorize the State Board and Agency access to information in order to verify any documentation or information submitted in response to the requirements of this subsection or to obtain any documentation or information that the State Board or Agency finds pertinent to this subsection.

SIGNATURE
Morufu Alausa M.D.

PRINTED NAME
CEO /President

PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 1st day of Dec. 2017

Signature of Notary

Seal

OFFICIAL SEAL
ASHLEY KOEHLER
Notary Public - State of Illinois
My Commission Expires Aug 11, 2018

SIGNATURE
Mohammad S. Shafi MD

PRINTED NAME
Vice President

PRINTED TITLE

Notarization:
Subscribed and sworn to before me
this 1st day of Dec. 2017

Signature of Notary

Seal

OFFICIAL SEAL
ASHLEY KOEHLER
Notary Public - State of Illinois
My Commission Expires Aug 11, 2018

Attachment-11

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

Purpose of the project

The purpose of this project is to create additional life-sustaining dialysis accessibility to the large, growing population of ESRD patients in the HSA 1 market area specifically Rockford and Winnebago County residents.

The sole provider of dialysis in Rockford, IL is DaVita Dialysis. Specifically considering the location we are proposing in central Rockford, there are no providers other than DaVita within a 30-minute drive. This monopoly in the Rockford area prevents dialysis-dependent individuals any agency in their healthcare. As most patients spend 12 hours per week on average dialyzing in-center, this restriction is significant as it denies patients a choice in where they are receiving treatment that will determine their quality and longevity of life. To allow this monopoly to continue in the Rockford area will negatively affect the health and wellness of this community.

The addition of Dialysis Care Center Rockford will grant patients the liberty to make choices about their care, and, ultimately, their health outcomes. The choice to change providers is one seen frequently within healthcare, dialysis treatment included. The decision to change dialysis providers of course comes from a variety of reasons which can include discomfort with provider treatment methods, disapproval of facilities used, a poor treatment experience, etc. Every patient's needs and preferences are different, so restraining their ability to find a treatment center that can meet their individual needs infringes on their comfort, outcomes, and independence.

As of September 27, 2017, the Illinois State Board has determined that there is an excess of 3 stations in HSA 1. However, to be proactive rather than reactive, we believe an additional ESRD facility would provide significant benefit to the health of this community, and break this monopoly that DaVita has in the area. The proposed facility would provide 12 stations needed (including 1 isolation station) to accommodate ESRD patients. Dialysis Care Center Rockford would be providing quality, patient-centered healthcare and education to patients using our facility.

It is our priority that every patient concern is addressed and resolved in a timely fashion. The complete physician ownership of our organization allows that our physicians have total independence to make crucial clinical decisions that maximize positive patient outcomes. Our organization recognizes that patient outcomes and satisfaction are the building blocks of successful healthcare, which is why we require that quality of care is our first priority over profitability concerns.

The addition of Dialysis Care Center Rockford in this community will provide additional treatment options for patients in the specific market area, as well as for patients in Winnebago County overall, and other surrounding cities. The market area to be served by the applicant is approximately within a 20-mile radius of the proposed facility location.

As of 2010, the total population of Winnebago County was 295,266 while the population of the City of Rockford was 152,871. Historically, these areas have seen a tremendous and concerning growth of ESRD patients, as indicated by the very high utilization of most ESRD facilities in the surrounding area. This project will aid in addressing the clear and crucial needs of this community for hemodialysis treatment options.

It is an established criterion for patients who require chronic dialysis treatments to have convenient and adequate access to services, as these conditions result in fewer health complications for patients and reduce healthcare costs to patients and payers alike. The new in-center clinic, Dialysis Care Center Rockford, will allow patients increased access to dialysis services within a reasonable travel distances from home, while avoiding significant highway travel.

It is expected that Dialysis Care Center Rockford, once operational, will meet and possibly exceed clinical outcome expectations set by the Renal Network and the Centers for Medicare and Medicaid Services. Such expectations address Kt/V Dialysis Adequacy, Access Type, the Standardized Transfusion Ratio (STrR) and Hypercalcemia.

Source Information

Data Access and Dissemination Systems (DADS). (2010, October 05). Your Geography Selections. Retrieved November 28, 2017 27, 2017, from https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=CF

ERSD QIP Payment Year 2018 Program Details. (2013, November 14). Retrieved November 28, 2017, from http://www.cms.gov/Medicare/End-Stage-Renal-Disease/ESRDQualityImproveInit/index.html

Update to Inventory of Health Care Facilities. (2017, September 27). Retrieved November 28,2017 from https://www.illinois.gov/sites/hfsrb/InventoriesData/MonthlyHCFInventory/Documents/OTHER%20SERVICES%20INVENTORY%20UPDATE%20September%2027%202017.pdf

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

Purpose of the project

U.S. Census Bureau

AMERICAN FactFinder

DP-1

Profile of General Population and Housing Characteristics: 2010

2010 Demographic Profile Data

NOTE: For more information on confidentiality protection, nonsampling error, and definitions, see http://www.census.gov/prod/cen2010/doc/dpsf.pdf.

Geography: Rockford city, Illinois

Subject	Number	Percent
SEX AND AGE		
Total population	152,871	100.0
Under 5 years	11,665	7.6
5 to 9 years	10,925	7.1
10 to 14 years	10,669	7.0
15 to 19 years	10,383	6.8
20 to 24 years	10,073	6.6
25 to 29 years	10,987	7.2
30 to 34 years	10,088	6.6
35 to 39 years	9,823	6.4
40 to 44 years	9,516	6.2
45 to 49 years	10,277	6.7
50 to 54 years	10,255	6.7
55 to 59 years	9,300	6.1
60 to 64 years	7,713	5.0
65 to 69 years	5,682	3.7
70 to 74 years	4,277	2.8
75 to 79 years	3,772	2.5
80 to 84 years	3,496	2.3
85 years and over	3,970	2.6
Median age (years)	35.8	(X)
16 years and over	117,608	76.9
18 years and over	113,332	74.1
21 years and over	107,251	70.2
62 years and over	25,694	16.8
65 years and over	21,197	13.9
Male population	73,867	48.3
Under 5 years	6,019	3.9
5 to 9 years	5,571	3.6
10 to 14 years	5,389	3.5
15 to 19 years	5,248	3.4
20 to 24 years	4,907	3.2
25 to 29 years	5,325	3.5
30 to 34 years	4,986	3.3
35 to 39 years	4,913	3.2
40 to 44 years	4,724	3.1
45 to 49 years	5,072	3.3
50 to 54 years	5,075	3.3
55 to 59 years	4,465	2.9
60 to 64 years	3,632	2.4

11/28/2017

Purpose
Attachment-12

Subject	Number	Percent
65 to 69 years	2,590	1.7
70 to 74 years	1,874	1.2
75 to 79 years	1,559	1.0
80 to 84 years	1,358	0.9
85 years and over	1,160	0.8
Median age (years)	34.5	(X)
16 years and over	55,876	36.6
18 years and over	53,700	35.1
21 years and over	50,620	33.1
62 years and over	10,641	7.0
65 years and over	8,541	5.6
Female population	79,004	51.7
Under 5 years	5,646	3.7
5 to 9 years	5,354	3.5
10 to 14 years	5,280	3.5
15 to 19 years	5,135	3.4
20 to 24 years	5,166	3.4
25 to 29 years	5,662	3.7
30 to 34 years	5,102	3.3
35 to 39 years	4,910	3.2
40 to 44 years	4,792	3.1
45 to 49 years	5,205	3.4
50 to 54 years	5,180	3.4
55 to 59 years	4,835	3.2
60 to 64 years	4,081	2.7
65 to 69 years	3,092	2.0
70 to 74 years	2,403	1.6
75 to 79 years	2,213	1.4
80 to 84 years	2,138	1.4
85 years and over	2,810	1.8
Median age (years)	37.3	(X)
16 years and over	61,732	40.4
18 years and over	59,632	39.0
21 years and over	56,631	37.0
62 years and over	15,053	9.8
65 years and over	12,656	8.3
RACE		
Total population	152,871	100.0
One Race	147,387	96.4
White	99,517	65.1
Black or African American	31,359	20.5
American Indian and Alaska Native	614	0.4
Asian	4,443	2.9
Asian Indian	825	0.5
Chinese	344	0.2
Filipino	581	0.4
Japanese	100	0.1
Korean	240	0.2
Vietnamese	490	0.3
Other Asian [1]	1,863	1.2
Native Hawaiian and Other Pacific Islander	41	0.0
Native Hawaiian	19	0.0
Guamanian or Chamorro	8	0.0
Samoan	2	0.0

Purpose
Attachment-12

Subject	Number	Percent
Other Pacific Islander [2]	12	0.0
Some Other Race	11,413	7.5
Two or More Races	5,484	3.6
White; American Indian and Alaska Native [3]	655	0.4
White; Asian [3]	557	0.4
White; Black or African American [3]	2,338	1.5
White; Some Other Race [3]	948	0.6
Race alone or in combination with one or more other races: [4]		
White	104,370	68.3
Black or African American	34,438	22.5
American Indian and Alaska Native	1,703	1.1
Asian	5,272	3.4
Native Hawaiian and Other Pacific Islander	163	0.1
Some Other Race	12,797	8.4
HISPANIC OR LATINO		
Total population	152,871	100.0
Hispanic or Latino (of any race)	24,085	15.8
Mexican	20,019	13.1
Puerto Rican	1,323	0.9
Cuban	418	0.3
Other Hispanic or Latino [5]	2,325	1.5
Not Hispanic or Latino	128,786	84.2
HISPANIC OR LATINO AND RACE		
Total population	152,871	100.0
Hispanic or Latino	24,085	15.8
White alone	10,168	6.7
Black or African American alone	664	0.4
American Indian and Alaska Native alone	306	0.2
Asian alone	53	0.0
Native Hawaiian and Other Pacific Islander alone	5	0.0
Some Other Race alone	11,195	7.3
Two or More Races	1,694	1.1
Not Hispanic or Latino	128,786	84.2
White alone	89,349	58.4
Black or African American alone	30,695	20.1
American Indian and Alaska Native alone	308	0.2
Asian alone	4,390	2.9
Native Hawaiian and Other Pacific Islander alone	38	0.0
Some Other Race alone	218	0.1
Two or More Races	3,790	2.5
RELATIONSHIP		
Total population	152,871	100.0
In households	145,692	97.3
Householder	59,973	39.2
Spouse [6]	23,195	15.2
Child	45,765	29.9
Own child under 18 years	34,102	22.3
Other relatives	10,222	6.7
Under 18 years	4,442	2.9
65 years and over	1,038	0.7
Nonrelatives	9,537	6.2
Under 18 years	821	0.5
65 years and over	332	0.2
Unmarried partner	4,888	3.2
In group quarters	4,179	2.7

Subject	Number	Percent
Institutionalized population	2,881	1.9
Male	1,436	0.9
Female	1,445	0.9
Noninstitutionalized population	1,298	0.8
Male	891	0.6
Female	407	0.3
HOUSEHOLDS BY TYPE		
Total households	59,973	100.0
Family households (families) [7]	37,044	61.8
With own children under 18 years	17,561	29.3
Husband-wife family	23,195	38.7
With own children under 18 years	9,222	15.4
Male householder, no wife present	3,263	5.4
With own children under 18 years	1,702	2.8
Female householder, no husband present	10,586	17.7
With own children under 18 years	6,627	11.0
Nonfamily households [7]	22,929	38.2
Householder living alone	19,135	31.9
Male	8,399	14.0
65 years and over	1,908	3.2
Female	10,736	17.9
65 years and over	5,198	8.7
Households with individuals under 18 years	19,865	33.1
Households with individuals 65 years and over	15,299	25.5
Average household size	2.48	(X)
Average family size [7]	3.14	(X)
HOUSING OCCUPANCY		
Total housing units	66,700	100.0
Occupied housing units	59,973	89.9
Vacant housing units	6,727	10.1
For rent	2,918	4.4
Rented, not occupied	170	0.3
For sale only	1,205	1.8
Sold, not occupied	149	0.2
For seasonal, recreational, or occasional use	167	0.3
All other vacants	2,119	3.2
Homeowner vacancy rate (percent) [8]	3.3	(X)
Rental vacancy rate (percent) [9]	10.4	(X)
HOUSING TENURE		
Occupied housing units	59,973	100.0
Owner-occupied housing units	34,998	58.4
Population in owner-occupied housing units	89,678	(X)
Average household size of owner-occupied units	2.56	(X)
Renter-occupied housing units	24,975	41.6
Population in renter-occupied housing units	59,014	(X)
Average household size of renter-occupied units	2.36	(X)

X Not applicable.

[1] Other Asian alone, or two or more Asian categories.

[2] Other Pacific Islander alone, or two or more Native Hawaiian and Other Pacific Islander categories.

[3] One of the four most commonly reported multiple-race combinations nationwide in Census 2000.

[4] In combination with one or more of the other races listed. The six numbers may add to more than the total population, and the six

Purpose
Attachment-12

U.S. Census Bureau

AMERICAN FactFinder

DP-1

Profile of General Population and Housing Characteristics: 2010

2010 Demographic Profile Data

NOTE: For more information on confidentiality protection, nonsampling error, and definitions, see http://www.census.gov/prod/cen2010/doc/dpsf.pdf.

Geography: Winnebago County, Illinois

Subject	Number	Percent
SEX AND AGE		
Total population	295,266	100.0
Under 5 years	19,656	6.7
5 to 9 years	20,109	6.8
10 to 14 years	20,973	7.1
15 to 19 years	20,576	7.0
20 to 24 years	17,446	5.9
25 to 29 years	18,665	6.3
30 to 34 years	17,936	6.1
35 to 39 years	19,134	6.5
40 to 44 years	19,620	6.6
45 to 49 years	22,210	7.5
50 to 54 years	21,929	7.4
55 to 59 years	19,667	6.7
60 to 64 years	16,630	5.6
65 to 69 years	12,484	4.2
70 to 74 years	9,014	3.1
75 to 79 years	7,319	2.5
80 to 84 years	5,924	2.0
85 years and over	5,974	2.0
Median age (years)	35.3	(X)
18 years and over	230,331	78.0
18 years and over	221,686	75.1
21 years and over	210,430	71.3
62 years and over	50,467	17.1
65 years and over	40,715	13.8
Male population	144,327	48.9
Under 5 years	10,090	3.4
5 to 9 years	10,249	3.5
10 to 14 years	10,640	3.6
15 to 19 years	10,471	3.5
20 to 24 years	8,626	2.9
25 to 29 years	9,132	3.1
30 to 34 years	8,867	3.0
35 to 39 years	9,530	3.2
40 to 44 years	9,751	3.3
45 to 49 years	11,047	3.7
50 to 54 years	10,916	3.7
55 to 59 years	9,579	3.2
60 to 64 years	7,991	2.7

Subject	Number	Percent
65 to 69 years	5,949	2.0
70 to 74 years	4,107	1.4
75 to 79 years	3,172	1.1
80 to 84 years	2,380	0.8
85 years and over	1,830	0.6
Median age (years)	37.2	(X)
16 years and over	111,237	37.7
18 years and over	106,855	36.2
21 years and over	101,080	34.2
62 years and over	22,120	7.5
65 years and over	17,438	5.9
Female population	150,939	51.1
Under 5 years	9,566	3.2
5 to 9 years	9,860	3.3
10 to 14 years	10,333	3.5
15 to 19 years	10,105	3.4
20 to 24 years	8,820	3.0
25 to 29 years	9,533	3.2
30 to 34 years	9,069	3.1
35 to 39 years	9,604	3.3
40 to 44 years	9,869	3.3
45 to 49 years	11,163	3.8
50 to 54 years	11,013	3.7
55 to 59 years	10,088	3.4
60 to 64 years	8,639	2.9
65 to 69 years	6,535	2.2
70 to 74 years	4,907	1.7
75 to 79 years	4,147	1.4
80 to 84 years	3,544	1.2
85 years and over	4,144	1.4
Median age (years)	39.3	(X)
16 years and over	119,094	40.3
18 years and over	114,831	38.9
21 years and over	109,350	37.0
62 years and over	28,347	9.6
65 years and over	23,277	7.9
RACE		
Total population	295,266	100.0
One Race	286,943	97.2
White	228,652	77.4
Black or African American	36,108	12.2
American Indian and Alaska Native	963	0.3
Asian	6,810	2.3
Asian Indian	1,200	0.4
Chinese	622	0.2
Filipino	1,027	0.3
Japanese	182	0.1
Korean	500	0.2
Vietnamese	762	0.3
Other Asian [1]	2,517	0.9
Native Hawaiian and Other Pacific Islander	71	0.0
Native Hawaiian	30	0.0
Guamanian or Chamorro	12	0.0
Samoan	5	0.0

Subject	Number	Percent
Other Pacific Islander [2]	24	0.0
Some Other Race	14,339	4.9
Two or More Races	8,323	2.8
White; American Indian and Alaska Native [3]	1,201	0.4
White; Asian [3]	1,056	0.4
White; Black or African American [3]	3,281	1.1
White; Some Other Race [3]	1,452	0.5
Race alone or in combination with one or more other races: [4]		
White	236,143	80.0
Black or African American	40,317	13.7
American Indian and Alaska Native	2,734	0.9
Asian	8,289	2.8
Native Hawaiian and Other Pacific Islander	272	0.1
Some Other Race	16,358	5.5
HISPANIC OR LATINO		
Total population	295,266	100.0
Hispanic or Latino (of any race)	32,177	10.9
Mexican	26,414	8.9
Puerto Rican	1,908	0.6
Cuban	570	0.2
Other Hispanic or Latino [5]	3,285	1.1
Not Hispanic or Latino	263,089	89.1
HISPANIC OR LATINO AND RACE		
Total population	295,266	100.0
Hispanic or Latino	32,177	10.9
White alone	14,456	4.9
Black or African American alone	750	0.3
American Indian and Alaska Native alone	400	0.1
Asian alone	88	0.0
Native Hawaiian and Other Pacific Islander alone	10	0.0
Some Other Race alone	14,020	4.7
Two or More Races	2,453	0.8
Not Hispanic or Latino	263,089	89.1
White alone	214,196	72.5
Black or African American alone	35,358	12.0
American Indian and Alaska Native alone	563	0.2
Asian alone	6,722	2.3
Native Hawaiian and Other Pacific Islander alone	61	0.0
Some Other Race alone	319	0.1
Two or More Races	5,870	2.0
RELATIONSHIP		
Total population	295,266	100.0
In households	290,581	98.4
Householder	115,501	39.1
Spouse [6]	54,632	18.5
Child	87,450	29.6
Own child under 18 years	64,449	21.8
Other relatives	16,814	5.7
Under 18 years	7,327	2.5
65 years and over	2,096	0.7
Nonrelatives	16,184	5.5
Under 18 years	1,543	0.5
65 years and over	604	0.2
Unmarried partner	8,608	2.9
In group quarters	4,685	1.6

Purpose
Attachment-12

Subject	Number	Percent
Institutionalized population	3,336	1.1
Male	1,619	0.5
Female	1,717	0.6
Noninstitutionalized population	1,349	0.5
Male	920	0.3
Female	429	0.1
HOUSEHOLDS BY TYPE		
Total households	115,501	100.0
Family households (families) [7]	76,854	66.5
With own children under 18 years	34,138	29.6
Husband-wife family	54,632	47.3
With own children under 18 years	21,102	18.3
Male householder, no wife present	6,065	5.3
With own children under 18 years	3,215	2.8
Female householder, no husband present	16,157	14.0
With own children under 18 years	9,821	8.5
Nonfamily households [7]	38,647	33.5
Householder living alone	31,943	27.7
Male	14,426	12.5
65 years and over	3,298	2.9
Female	17,517	15.2
65 years and over	8,689	7.5
Households with individuals under 18 years	38,273	33.1
Households with individuals 65 years and over	29,386	25.4
Average household size	2.52	(X)
Average family size [7]	3.07	(X)
HOUSING OCCUPANCY		
Total housing units	125,965	100.0
Occupied housing units	115,501	91.7
Vacant housing units	10,464	8.3
For rent	3,814	3.0
Rented, not occupied	215	0.2
For sale only	2,116	1.7
Sold, not occupied	291	0.2
For seasonal, recreational, or occasional use	610	0.5
All other vacants	3,418	2.7
Homeowner vacancy rate (percent) [8]	2.6	(X)
Rental vacancy rate (percent) [9]	9.5	(X)
HOUSING TENURE		
Occupied housing units	115,501	100.0
Owner-occupied housing units	79,345	68.7
Population in owner-occupied housing units	206,329	(X)
Average household size of owner-occupied units	2.60	(X)
Renter-occupied housing units	36,156	31.3
Population in renter-occupied housing units	84,252	(X)
Average household size of renter-occupied units	2.33	(X)

X Not applicable.

[1] Other Asian alone, or two or more Asian categories.

[2] Other Pacific Islander alone, or two or more Native Hawaiian and Other Pacific Islander categories.

[3] One of the four most commonly reported multiple-race combinations nationwide in Census 2000.

[4] In combination with one or more of the other races listed. The six numbers may add to more than the total population, and the six

Purpose
Attachment-12

Alternatives to the project

We have considered three options prior to determining the establishment of a 12-station dialysis facility

1. Increasing or reducing the scope and size of the project
2. Pursuing a joint venture for the establishment of a new facility
3. Using existing facilities

After exploring these options, which are discussed in more detail below, we determined to establish a 12-station dialysis facility. Discussed is a review of each of the options considered and the reasons they were rejected.

Proposing a project of greater or lesser scope and cost.

The only option other than what was proposed in the application, would entail a lesser scope and cost than the project proposed in this application would be to do nothing, which was considered. **This option, however, does not address the overutilization of current stations in Rockford, IL.** To do nothing would cause existing area facilities to reach or exceed capacity as patient access declines in this HSA defined zone. There is no cost to this alternative.

The proposed facility that is identified for Dialysis Care Center Rockford is a shell ready facility. By using this site, the costs associated with this project are significantly lower compared to other ESRD projects brought to the board. This cost-effective method will ensure the need for the additional stations are met with a reduced cost for the facility.

Pursing a joint venture or similar arrangement with one or more providers or entities to meet all or portion of the projects intended purposes; developing alternative settings to meet all or a portion of the projects intended purposes.

The ownership of this facility is structured so later on if there was the desire to form a joint venture with additional physicians, a partner would be able to invest in the facility. This facility is and will be owned 100% owned and operated directly by the physicians working in the area.

Physician owned and managed compared to corporate owned facilities.

There are currently no solely physician owned ESRD facilities in the area. The Medical Director and the physician partners identified that will refer their ESRD patients to Dialysis Care Center Rockford have no current options where they can refer their patients in which they have the independence they need to make quality clinical decisions and can focus on maximizing patient care.

Utilizing other health care resources that are available to serve all or portion of the population proposed to be served by the project.

Utilizing other health care ESRD facilities was considered but there is no alternative. As mentioned there are no physician-owned ESRD facilities in the area where the physicians have the independence they need to improve the quality indicators set by the Board's criteria on quality. It is expected that the facility will exceed the clinical outcomes that meet all network, Centers for Medicare and Medicaid Services clinical goals established.

Alternatives
Attachment-13

Reasons why the chosen alternatives were selected.

The project utilizes space that will be leased, as opposed to building a new facility from ground up. The cost of the proposed project is a fraction of the cost of developing a new facility. We expect to spend less than the average in renovation costs on a space of 5,350 sq. ft. Beyond that, the only additional cost would be to provide the equipment needed to provide dialysis services. We believe that this is a very substantial cost-effective alternative that will meet the need.

This we believe is the most efficient long-term solution to maintaining access to dialysis services in the Rockford area, and to accommodate the need of the growing population in HSA 1.

We believe that the proposed project meets the HFPB goals of providing health care services in the most cost effective manner.

Empirical evidence, including quantified outcome data that verifies improved quality of care, as available.

There is no direct empirical evidence relating to this project other than that when chronic care patients have adequate access to services, it tends to reduce overall healthcare costs and results in less complications. It is expected that this facility will exceed the quality expectations set by the Board.

Alternatives
Attachment-13

SECTION IV. PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE
Size of Project

As seen in the chart below, the state standard is 450-650 gross square feet per dialysis station for a total of 5,400-7,800 gross square feet for 12 stations. The project is being accomplished in leased space within the state guidelines, at 446 DGSF per station. The total proposed gross square footage of the clinical space of the proposed Dialysis Care Center Rockford is 5,350 of contiguous rentable square feet or 446GSF per station. Accordingly, the proposed facility meets the State standard per station.

Dept. / Service	Proposed BGSF/DGSF	State Standard	Difference	Met Standard?
ESRD In-center Hemodialysis	5,350 (12 Stations)	450- 650 DGSF	N/A	Yes

Size of Project
Attachment-14

SECTION IV. PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE
Project Service Utilization

Our Nephrologists have identified 70 pre-ESRD patients (a total of 94 patients before accounting for a 25% patient loss prior to dialysis commencement) with lab values indicative of active kidney failure who live in HSA 1, in Rockford, and in surrounding areas. These individuals are expected to require dialysis services in the first two years after the Dialysis Care Center Rockford facility begins operations.

UTILIZATION					
	DEPT./ SERVICE	HISTORICAL UTILIZATION	PROJECTED UTILIZATION	STATE STANDARD	MET STANDARD?
	IN-CENTER HEMODIALYSIS	N/A PROPOSED FACILITY		80%	
YEAR 1	IN-CENTER HEMODIALYSIS		63%	80%	NO
YEAR 2	IN-CENTER HEMODIALYSIS		81%	80%	YES

Project Service Utilization
Attachment-15

SECTION IV. PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE
Unfinished or Shell Space

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

Attachment-16

SECTION IV. PROJECT SCOPE, UTILIZATION, AND UNFINISHED/SHELL SPACE
Assurances

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

Attachment-17

SECTION VI. SERVICE SPECIFIC REVIEW CRITERIA

In-Center Hemodialysis
Criterion 1110.1430(b)(1), Planning area need

Dialysis Care Center Rockford will be located in HSA 1, The sole provider of dialysis in Rockford, IL is DaVita Dialysis. Specifically considering the location we are proposing in central Rockford, there are no providers other than DaVita within a 30-minute drive. This monopoly in the Rockford area prevents dialysis-dependent individuals any agency in their healthcare. As most patients spend 12 hours per week on average dialyzing in-center, this restriction is significant as it denies patients a choice in where they are receiving treatment that will determine their quality and longevity of life. To allow this monopoly to continue in the Rockford area will negatively affect the health and wellness of this community.

The addition of Dialysis Care Center Rockford will grant patients the liberty to make choices about their care, and, ultimately, their health outcomes. The choice to change providers is one seen frequently within healthcare, dialysis treatment included. The decision to change dialysis providers of course comes from a variety of reasons which can include discomfort with provider treatment methods, disapproval of facilities used, a poor treatment experience, etc. Every patient's needs and preferences are different, so restraining their ability to find a treatment center that can meet their individual needs infringes on their comfort, outcomes, and independence.

Planning Area Need
Attachment-24

SECTION VI. SERVICE SPECIFIC REVIEW CRITERIA

In-Center Hemodialysis
Service to Planning area residents

The primary purpose of this project is to ensure that the ESRD patient population of the greater Rockford area, market area, and planning area of HSA 1 has access to life sustaining dialysis and have dialysis options.

We anticipate that well over 90% of Dialysis Care Center Rockford will be residents of the planning area HSA 1.

Planning Area Need
Attachment-24

SECTION VI. SERVICE SPECIFIC REVIEW CRITERIA

In-Center Hemodialysis
Service Demand- Establishment of Category of services

The most recent available Illinois Department of Public Health ESRD data, dated September 27, 2017, shows that Rockford has currently only has DaVita operated facilities. This is a dialysis monopoly

As shown in our Medical Director's referral letter and other estimates made by Nephrologists practicing in the Rockford area, our physicians anticipate approximately 70 patients conservatively, based upon attrition due to patient death, transplant, of return of function, will be referred to the proposed facility in the next 12 to 24 months.

All of these patients reside within 30 minutes or 20 miles of the proposed facility.

Attachment-24

Section VII. Service Specific Review Criteria
In-Center Hemodialysis
Planning area need – Service Accessibility

As set forth throughout this application, the proposed ESRD facility is needed to maintain access to life-sustaining dialysis for patients in the greater Rockford area. Dialysis Care Center Rockford is necessary to provide essential care to ESRD patients in the community. This facility will better accommodate the current and future demand for dialysis services and ensure dialysis services are accessible to the greater Rockford Community and HSA 1 area.

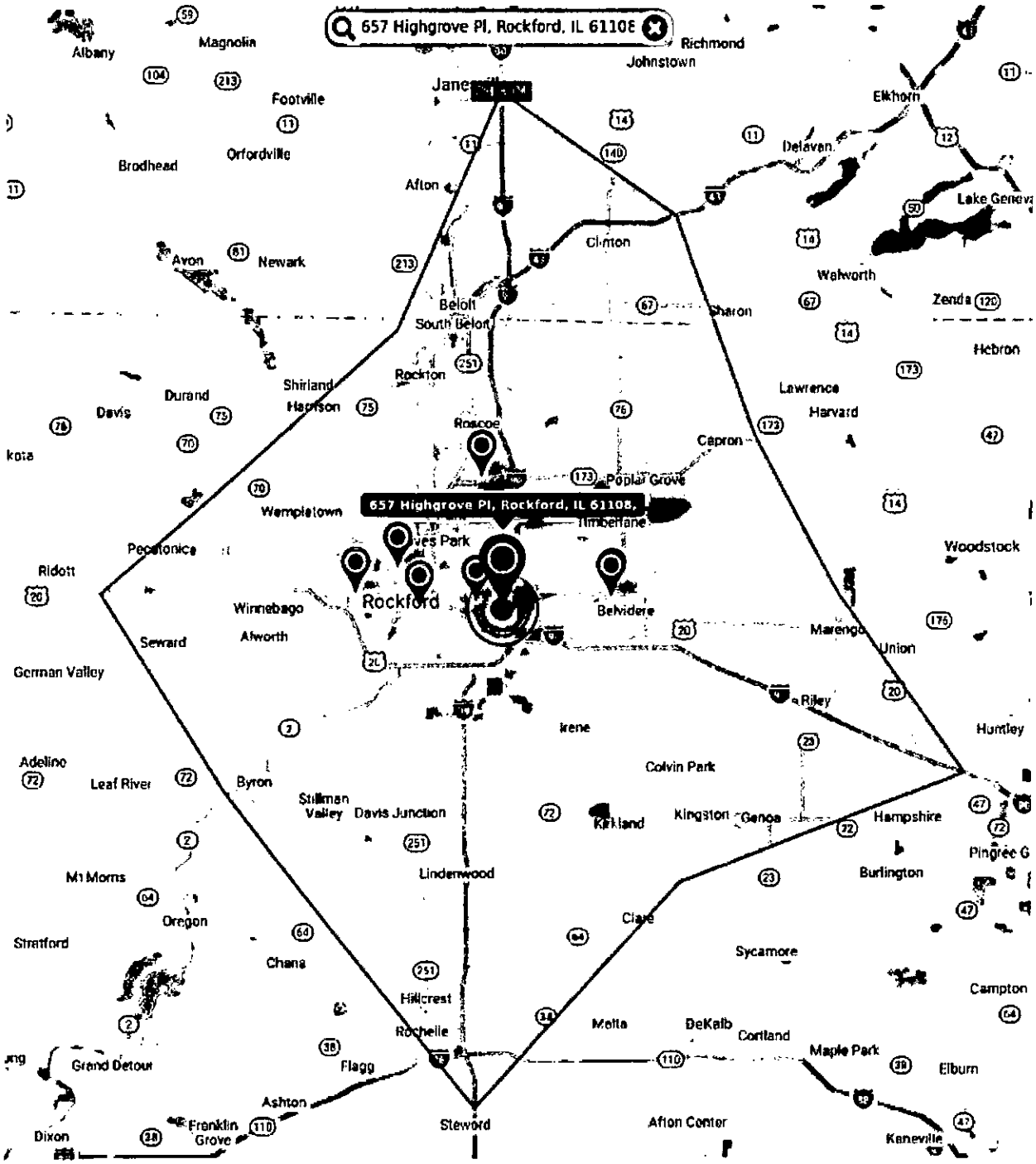
Attachment-24

Section VII. Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.1430(C) (1), Unnecessary Duplication

1. The proposed dialysis facility will be located at 657 Highgrove Place, Rockford, IL, 61108. A map of the proposed facilities market area is attached at Attachment 24A.

A. List of all zip codes located, in total or in part, within 30 - 45 minutes' normal travel time of the site of the proposed dialysis facility as well as 2010 census figures for each zip code is provided in table 1110.1430(c)(1)(A) Attached.

Section VII. Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.1430(C) (1), Unnecessary Duplication



Attachment-24 A

Zip Code	Population
61008	34,311
61010	8,032
61011	2,945
61016	4,837
61020	3,108
61043	131
61049	585
61052	1,148
61063	4,132
61068	14,858
61077	73
61084	3,175
61088	6,020
61101	21,538
61102	20,538
61103	24,578
61104	19,269
61107	30,439
61108	28,550
61109	28,333
61111	23,492
61112	86
61114	15,776

Source: U.S Census Bureau, Census 2010, Zip Code Fact Sheet
http://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml

Attachment-24

B. A list of existing dialysis facilities operational for 2 years and located 30 minutes' normal travel time of the proposed dialysis facility is provided in the following attachment (Attachment 24). Additionally, driving time from MapQuest is attached on Appendix 1.

Attachment-24

Facility	Ownership	Address	City	HSA	Distance (Miles)	Drive Time (Mins)	Adjusted Drive Time	Number of Stations 9/27/2017	Number of Patients 9/30/2017	% Utilization 9/30/2017
Churchview Dialysis - East Rockford	Davita	417 Ware Avenue	Rockford	1	0.8	3	3.45	24	97	67.36%
Stonecrest Dialysis	Davita	1302 East State Street	Rockford	1	5.0	11	12.65	12	63	87.50%
Rockford Memorial Hospital	Davita	2400 North Rockton Avenue	Rockford	1	7.9	20	23.00	22	106	80.30%
Roxbury Dialysis	Davita	612 Roxbury Road	Rockford	1	2.0	4	4.60	16	92	95.83%
Machesney Park Dialysis	Davita	6950 North Perryville Road	Machesney Park	1	7.7	14	16.10	12	36	50.00%
Belvidere Dialysis	Davita	1751 Henry Luckow Lane	Belvidere	1	6.6	10	11.50	12	30	41.67%
Forest City Rockford	Davita	4103 West State Street	Rockford	1	8.9	25	28.75	12	0	0.00%

Attachment-24 B

Section VII. Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.1430(C) (2), Misdistribution

The establishment of Dialysis Care Center Rockford will not result in an unnecessary duplication of services or a service misdistribution. A misdistribution exists when an identified area has an excess supply of facilities, stations, and services characterized by such factors as, but not limited to: (1) ratio of stations to population exceeds one and one-half times the state average; (2) historical utilization for existing facilities and services is below the State Boards utilization standard; or (3) insufficient population to provide the volume of caseload necessary to utilize the services proposed by the project at or above utilization standards. As discussed more extensively below, the ratio of stations to population in the geographic area is above of the state average, and the average utilization of existing facilities within the geographic service area is more than 82%. Notably, average utilization of facilities within 30 minutes of the proposed site is about 70%. Sufficient population exists to achieve target utilization in the future.

Accordingly, the proposed dialysis facility will not result in a misdistribution of services.

Attachment-24

Section VII. Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.1430(C) (3), Impact of project on other Area Providers

The proposed dialysis facility will not have an adverse impact on existing facilities in the proposed geographic service area. All of the identified patients will be referrals from identified physicians and are on pre-ESRD list. No patients will be transferred from other existing dialysis facilities.

The proposed dialysis facility will not lower utilization of other area providers that are operating below the target utilization standard.

Attachment-24

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

Dialysis Care Center Rockford will be staffed in accordance with all state and Medicare staffing guidelines and requirements.

A. Medical Director:

Dr. Talal Mahmood will serve as the Medical Director for Dialysis Care Center Rockford. Attached is his curriculum vitae.

Additional staffed physician Dr. Krishna Manda. Attached please find his curriculum vitae.

B. All other personnel

Upon opening, the facility will hire a Clinic Manager who is a Registered Nurse (RN). This nurse will have at least a minimum of twelve months experience in a hemodialysis center. Additionally, we will hire one Patient Care Technician (PCT). After we have more than one patient, we will hire another RN and another PCT. All personnel will undergo an orientation process, led by the Medical Director and experienced members of the nursing staff prior to participating in any patient care activities.

Upon opening we will also employ:

- Part-Time Registered Dietician
- Part-Time Registered Master Level Social Worker (MSW)
- Part-Time Equipment Technician
- Part-Time Secretary

These positions will go full time as the clinic census increases. Additionally, the patient Care staff will increase to the following:

- One Clinic Manager –Registered Nurse
- Four Registered Nurses
- Ten Patient Care Technicians

Staffing
Attachment-24

All patient care staff and licensed / registered professionals will meet the State of Illinois requirements. Any additional staff hired must also meet these requirements along with completing an orientation training program.

Annually all clinical staff must complete OSHA training, Compliance training, CPR certification, Skills competency, CVC competency, Water quality training and pass the competency exam.

Dialysis Care Center Rockford will maintain at least a 4 to 1 patient-staff ratio at all times on the treatment floor. An RN will be at the facility at all times when the facility is operational.

Staffing
Attachment-24

TALAL MAHMOOD, M.D.
6940 Villagreen View
Rockford, IL 61107
779-774-9272

EDUCATION AND TRAINING:

7/12-6/14 Fellowship (Nephrology)
University of Mississippi Medical Center – Jackson, MS

8/04-8/07 Residency (Internal Medicine)
Michael Reese Hospital – Chicago, IL

5/01-11/01 Internship (Surgery)
Jinnah Hospital – Lahore, Pakistan
MBBS

11/00-5/01 Internship (Medicine)
Jinnah Hospital – Lahore, Pakistan

1/95-10/00 Baqai Medical & Dental College – University of Karachi – Karachi, Pakistan

MBBS

EMPLOYMENT:

7/14-Present Kidney Care Center
Nephrologist

5/09-5/12 Inpatient Consultants (IPC) – The Hospitalist Company – Rockford, IL
Swedish American Hospital
Hospitalist (Internal Medicine

9/7-4/09 Midwest Neoped Associates. Ltd.- Chicago Heights/Olympia Fields, IL
St. James Hospital
Hospitalist (Internal Medicine)

11/01-5/04 Bismillah Hospital – Lahore, Pakistan
Medical Officer

GAPS:

5/12-7/12 Preparing for Fellowship to begin, relocating

5/04-8/04 Volunteer work in medicine, taking care of personal family matters and process of moving to the United States

Attachment-24

KRISHNA KANTH REDDY MANDA
6940 Villagreen View
Rockford, IL 61107
779-774-9272

EDUCATION AND TRAINING:

12/96-7/02	Jawaharlal Nehru Medical College – Belgaum, India MBBS
2/04-7/04	Royal Hampshire County Hospital – Winchester, UK Intern – Orthopedics
8/04 -1/05	West Wales General Hospital, Carmarthen, UK Intern – General Medicine
2/5-7/05	West Wales General Hospital, Carmarthen, UK Resident – Emergency Medicine
8/05-7/06	West Wales General Hospital – Carmarthen, UK Resident – Chest Medicine, Emergency Medicine, Hematology/Oncolgy
8/06-7/07	West Wales General Hospital – Carmarthen, UK Senior Resident – Elderly Medicine and Diabetes & Endocrinology
8/07-7/08	University Hospital of Wales, Cardiff, UK Senior Resident – Gastroenterology and Nephrology
8/08-2/9	Prince Charles Hospital – Merthyr Tydfil, UK Registrar – Elderly Medicine and Respiratory Medicine
3/09-5/9	Chesterfield Royal Hospital – Chesterfield, UK Senior Resident – Cardiology and Stroke Medicine
7/09-6/12	Berkshire Medical College – Pittsfield, MA Resident – Internal Medicine
7/12-6/13	Berkshire Medical College – Pittsfield, MA Chief Resident – Internal Medicine
7/13-6/15	University of Massachusetts – Worcester, MA Fellowship – Nephrology

Attachment-24

EMPLOYMENT:

8/02-2/03	Tukkar Hospital – Belguam, India Medical Officer
7/15-Present	Kidney Care Center Rockford LLC Nephrologist

CERTIFICATIONS:

2004- Present	Basic Life Support
2004-Present	Advanced Cardiac Life Support
2012	Board Certified in Internal Medicine
2015	Board Certified in Nephrology

GAPS:

3/03	Mahavir Hospital & Research Centre – Hyderabad, India Clinical Observer in Critical Care Unit
4/03-6/03	Went to the UK and took the Professional and Linguistic Assessment Board (PLAB). Applied for Clinical Attachment Posts and clinical jobs
6/03-7/03	Milton Keynes General Hospital – Milton Keynes, MK6 5LD Clinical Attachment in Medicine
7/03-1/04	Poole Hospital – Poole, BH15 2JB Clinical Attachment in Cardiology and Geriatrics
6/09	Vacation

Attachment-24

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

Attached please find the letter consistent with Section 1110.1430f, attesting that Dialysis Care Center Rockford will participate in a dialysis data system, will make health support services available to patients, and will provide training for self-care dialysis, self-care instructions, home and home-assisted dialysis, and home training.

Attachment-24

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

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

Dear Chairwoman Olson:

I hereby certify under of perjury as provided in § 1-109 of the Illinois code of civil procedure, 735 ILCS 5/109 and pursuant to 77 III. Admin. Code § 1110-1430 (f) that Dialysis Care Center Rockford will maintain an open medical staff.

I also certify the following with regards to need support services:

- Dialysis Care Center Rockford will utilize a dialysis electronic patient data tracking system
- Dialysis Care Center Rockford will have available all needed support services required by CMS which may consist of nutritional counseling, clinical laboratory services, blood bank, rehabilitation, psychiatric services, and social services;
- Patients will have access to training for self-care dialysis, self-care instruction, and home hemodialysis and peritoneal dialysis

Sincerely

Asim M Shazzad
Chief Operating Officer

Notarization:
Subscribed and sworn to before me
this 30 day of November 2017

Signature of Notary

Seal

RICHARD J MISIOROWSKI
Official Seal
Notary Public - State of Illinois
My Commission Expires Sep 9, 2019

Attachment-24

Section VII. Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.1430(g) Minimum Number of stations

Dialysis Care Center Rockford will provide twelve ESRD stations, as identified in section 1110-1430g as the minimum number of eight dialysis stations to be provided at an ESRD facility to be located in a metropolitan statistical area ("MSA"). Accordingly, this criterion is met.

Attachment-24

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

A copy of an agreement sent for execution, written affiliation agreement with a hospital for the provision of in-patient care and other hospital services follows this page. Will send a copy of the fully executed agreement once signed by both parties to the HFSRB.

Attachment-24

Section VII. Service Specific Review Criteria
In-Center Hemodialysis
Criterion 1110.1430 (i) Relocation of facilities

Dialysis Care Center Rockford is proposing the establishment of a 12-station dialysis facility. Thus, the criterion is not applicable.

Attachment-24

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

Attached please the attached letter consistent with Section 1110.1430 j, attesting that Dialysis Care Center Rockford will achieve target utilization by the second year of operation and will also expect to meet, if not exceed the hemodialysis outcome measures.

Attachment-24

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

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

Dear Chairwoman Olson:

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

- By the second year after project completion, Dialysis Care Center Rockford expects to achieve and maintain 80% target utilization
- Dialysis Care Center Rockford also expects hemodialysis outcome measures will be achieved and maintained at the following minimums:

  ≥85% of hemodialysis patient population achieves urea reduction ratio (URR) ≥ 65% and

  ≥85% of hemodialysis patient population achieves Kt/V Daurgirdas II .1.2

Sincerely,

Asim M Shazzad
Chief Operating Officer

Notarization:
Subscribed and sworn to before me
this 30 day of November 2017

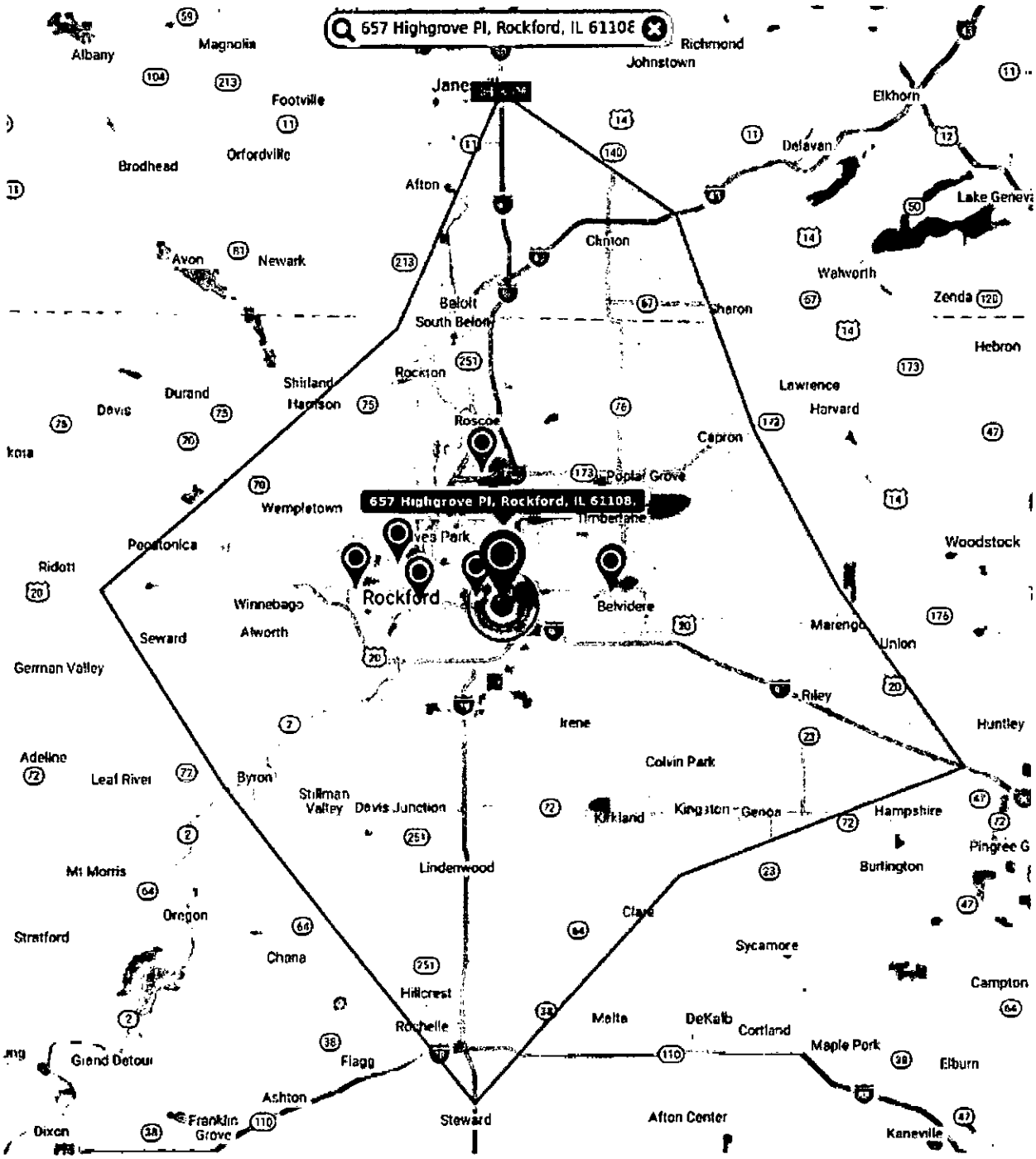
Signature of Notary

RICHARD J MISIOROWSKI
Official Seal
Notary Public - State of Illinois
My Commission Expires Sep 9, 2019

Seal

Attachment-24

DCC Rockford 657 Highgrove, Rockford, IL – 30 Minute GSA



Attachment-24-A

Facility	Ownership	Address	City	HSA	Distance (Miles)	Drive Time (Mins)	Adjusted Drive Time	Number of Stations 9/27/2017	Number of Patients 9/30/2017	% Utilization 9/30/2017
Churchview Dialysis - East Rockford	Davita	417 Ware Avenue	Rockford	1	0.8	3	3.45	24	97	67.36%
Stonecrest Dialysis	Davita	1302 East State Street	Rockford	1	5.0	11	12.65	12	63	87.50%
Rockford Memorial Hospital	Davita	2400 North Rockton Avenue	Rockford	1	7.9	20	23.00	22	106	80.30%
Roxbury Dialysis	Davita	612 Roxbury Road	Rockford	1	2.0	4	4.60	16	92	95.83%
Machesney Park Dialysis	Davita	6950 North Perryville Road	Machesney Park	1	7.7	14	16.10	12	36	50.00%
Belvidere Dialysis	Davita	1331 Henry Luckow Lane	Belvidere	1	6.6	10	11.50	12	30	41.67%
Forest City Rockford	Davita	4103 West State Street	Rockford	1	8.9	25	28.75	12	0	0.00%

Attachment-24 B

Section VIII. Financial and economic Feasibility
Criterion 1110.120 Availability of funds

Dialysis Care Center Rockford will be funded entirely with cash and cash equivalents, and a lease with Perryville Center, LLC.

An attestation letter is attached with a copy of the LOI and a draft lease property as Attachment 34.

Attachment 34

Section VIII. Financial and economic Feasibility
Criterion 1110.120 Availability of funds

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

Dear Chairwoman Olson:

I hereby certify the following:

- Dialysis Care Center Rockford will be funded through cash and cash equivalents, a lease, and no debt financing to be used

- Dialysis Care Center maintains sufficient cash and short term securities to fund this project; and

- The expenses to be incurred through the lease of space and selected equipment are less than those associated with the construction of a new facility or the purchase of equipment.

Sincerely,

Asim M Shazzad
Chief Operating Officer

Notarization:
Subscribed and sworn to before me
this 30 day of NOVEMBER 2017

Signature of Notary

Seal

RICHARD J MISIOROWSKI
Official Seal
Notary Public - State of Illinois
My Commission Expires Sep 9, 2019

Attachment 34

PERRYVILLE CENTER, L.L.C.
6801 Spring Creek Road
Rockford, Illinois 61114

October 6, 2017

VIA EMAIL
Asim M. Shazzad
Chief Operating Officer – Chief Financial Officer
Kidney Care center – Home Dialysis Service

Re: Nonbinding Letter of Intent
657 Highgrove Place
Rockford, Illinois 61108

Dear Asim:

We are pleased to present the following nonbinding letter of intent ("LOI") for purposes of outlining the current state of discussions concerning a possible lease for space at the above property.

Landlord:	Perryville Center, L.L.C.
Tenant:	Dialysis Care Center Rockford LLC
Guarantor:	Dialysis Care Center Holdings LLC [please provide past two years financials for Landlord's review of Guarantor]
Premises:	657 Highgrove Place, Rockford, IL 61108 (Property and Premises shown on attached Site Plan)
Square Feet of Premises:	Approximately 5,350 SF. Measured from outside face of exterior demising walls to centerline of interior demising walls
Use of Premises:	The Premises shall be used for the operation of a kidney dialysis center and for no other purpose whatsoever, provided, however, that notwithstanding any provision in the lease to the contrary, in no event shall the Premises be used in violation of any exclusive, restricted, and/or prohibited uses applicable to the Property.
Lease Type/NNN:	No common area costs, real estate taxes, or insurance shall be due from Tenant to Landlord except Tenant shall pay its Proportionate Share of the amount by which real estate taxes that are payable during each calendar year wholly or partially within the Term exceed real estate taxes that are payable during the Base Year (to be defined in the lease).
Lease Term:	Ten (10) years commencing on Rent Commencement.
Lease Commencement:	Upon full execution of the lease.
Rent Commencement:	Tenant's obligation to pay Base Rent commences thirty (30) days following the receipt of an occupancy certificate (or such similar certificate) from the applicable municipality.

Attachment 34

Base Rent (Annual):	$23.95 per square foot of Premises for the first year, with 2.5% increases each year thereafter.
Security Deposit:	None subject to review of Tenant's financials.
Utilities/Janitorial:	Tenants utilities shall be separately metered or submetered. Tenant shall be responsible for the following, without limitation: for service and payment of all utilities including but not limited to electric, gas, water, voice, data, or telecommunication services, janitorial for Tenant's Premises and scavenger for bio-hazardous materials. Scavenger services shall be Tenant's responsibly.
Landlord's Work:	Landlord shall construct the Premises pursuant to a mutually agreed space plan and a work scope to be attached to the lease. Tenant's architect (at Tenant's cost) shall be responsible for the space plan and drawings (drawing to be submitted to Landlord for review/comment/approval). Landlord's Work shall exclude the following, which shall be done at Tenant's sole cost and expense: furniture, fixtures, I.T., and RO system and all other specialty water systems (to be further described in the lease).
Delivery Condition:	Landlord shall deliver the Premises with Landlord's Work substantially complete.
Tenant Improvements:	Prior to making initial improvements to the Premises, Tenant shall first obtain Landlord's written consent. Tenant shall provide Landlord with a list of improvements and sketch of floor plans. All improvements shall be subject to municipal approval and requirements. All work shall be completed by licensed and bonded contractors. Landlord will reasonably cooperate with Tenant to assist in timely completion of the Tenant Improvements at Tenant's sole cost and expense.
Tenant Improvement Allowance:	Not Applicable.
Contingency:	The lease shall not be binding on either party prior to approval of the certificate of need (CON) permit and the lease agreement shall contain a contingency clause indicating that the lease agreement is not effective prior to CON permit approval. Upon receipt of the CON permit approval, Tenant shall immediately notify Landlord and Landlord shall thereafter commence Landlord's Work.
Access:	Provided Tenant is not in default and is open and operating as a kidney dialysis center, Tenant and its employees, patients, and customers shall be granted free access to the Property during Tenant's normal operating business hours.
Signage:	Tenant, at Tenant's sole cost and expense, shall be entitled to install one half panel identifying the name of Tenant's business on each side of the existing pylon sign on the Property in a position and size as determined by Landlord. Tenant shall submit such signage to Landlord for Landlord's review and approval. Tenant shall reimburse Landlord for Tenant's pro rata share of the reasonable costs and expenses incurred in maintaining, repairing, insuring, replacing, and operating the pylon, except that the full cost of repair or replacement of Tenant's panels shall be borne by Tenant.
Parking:	Tenant, its employees and customers, shall have non-exclusive access to the parking areas of the building.
Assignment and Sublet:	Tenant shall not assign or sublet the Premises without Landlord's prior written consent which shall not be unreasonably withheld provided Tenant shall have the right to assign or sublet to affiliates or any other successor entity whether by merger or consolidation

Attachment 34

without Landlord consent. Tenant shall remain liable under the Lease in the event of any assignment or sublease.

Broker: None.

Confidentiality: Landlord and Tenant agree that the financial terms of this proposed transaction, and the terms of a finalized lease agreement, if any, shall be kept confidential, except as may be required to be disclosed to the party's brokers, attorneys, accountants, advisors, etc., and as may be required by law or a court or governmental entities.

This LOI is intended to serve as a summary of the current state of discussions concerning a possible lease, and this LOI is not a lease or any offer, and does not contain all essential or necessary terms. It is expressly understood and agreed that neither party is under a binding obligation to the other until a formal lease, designated as such, has been prepared, negotiated and executed. Either party may modify, withdraw or terminate this LOI and all negotiations at any time and for any reason, and without liability to the other.

Sincerely,

First Midwest Group
For Perryville Center, L.L.C.

By: _____
Its: _____

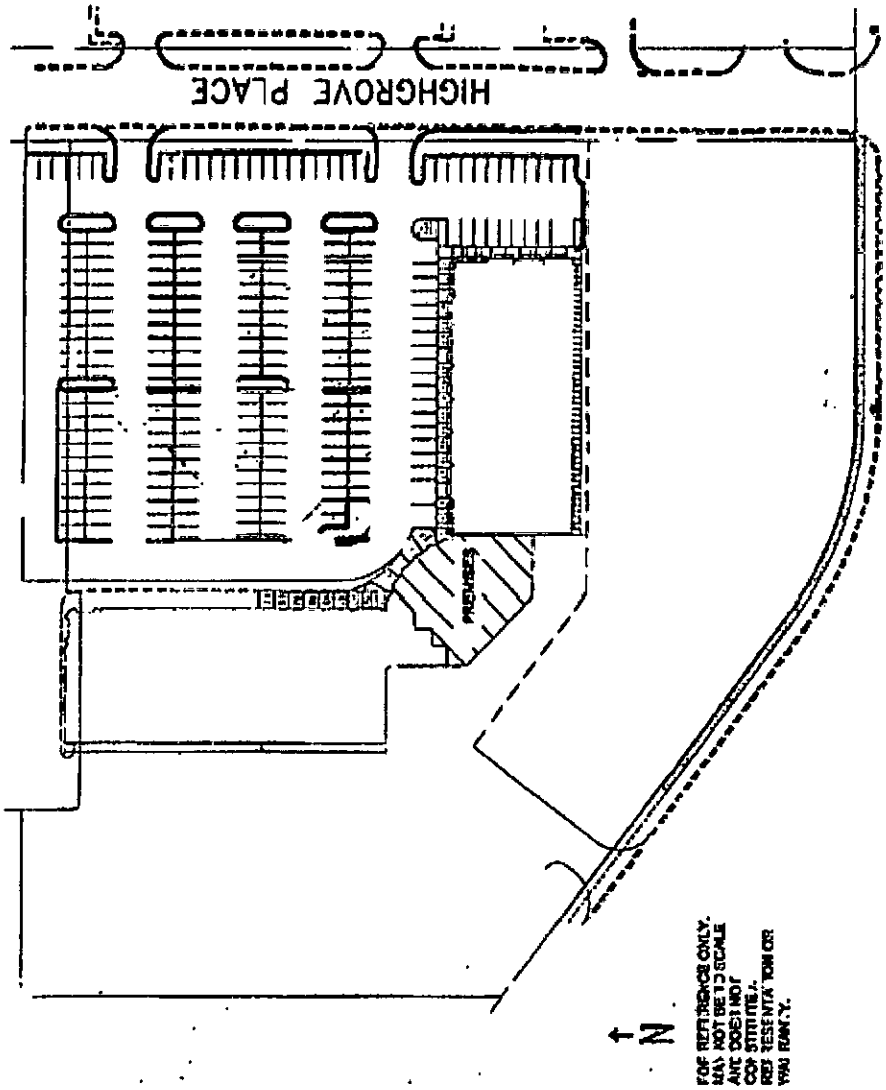
Agreed and Accepted:

Dialysis Care Center Rockford LLC

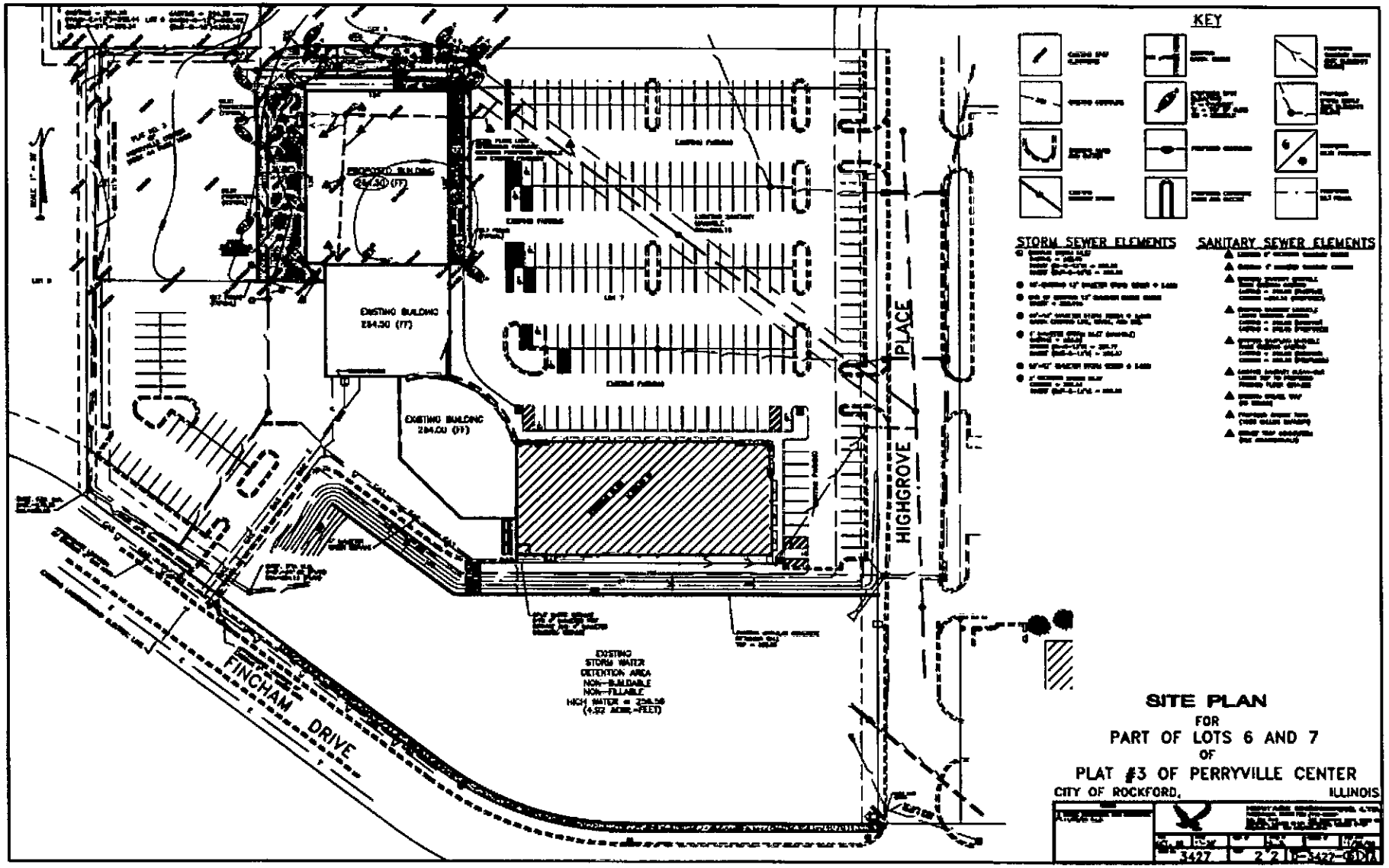
By: _____
Its: Asim Shazzad
10/9/17

Attachment 34

Site Plan



Attachment 34


KEY
STORM SEWER ELEMENTS
SANITARY SEWER ELEMENTS
EXISTING BUILDING
EXISTING BUILDING
HIGHGROVE PLACE
FINCHAM DRIVE
EXISTING STORM WATER DETENTION AREA
NON-BUILDABLE
NON-FILLABLE
SITE PLAN
FOR
PART OF LOTS 6 AND 7
OF
PLAT #3 OF PERRYVILLE CENTER
CITY OF ROCKFORD, ILLINOIS
3427
2 2

¶

¶

Legal·Description¶

¶

LOT 7 OF PLAT #3 OF PERRYVILLE CENTER, BEING A RESUBDIVISION OF LOTS 4 AND 5 OF PLAT NO. 2 OF PERRYVILLE CENTER, BEING PART OF THE NORTHEAST QUARTER OF SECTION 27, TOWNSHIP 44 NORTH, RANGE 2 EAST OF THE THIRD PRINCIPAL MERIDIAN.

¶

Attachment 34

STANDARD OFFICE LEASE

Perryville Center, LLC.,
an Illinois limited liability company,

(as "LANDLORD")

AND

DIALYSIS CARE CENTER ROCKFORD, LLC,
an Illinois limited liability company,

(as "TENANT")

PROPERTY:

657 HIGHGROVE PLACE, ROCKFORD, IL,61108

Attachment 34

LEASE

THIS LEASE ("LEASE") IS MADE AS OF _____, 2017 (THE "EFFECTIVE DATE"), BY AND BETWEEN PERRYVILLE CENTER, L.L.C., AN ILLINOIS LIMITED LIABILITY COMPANY ("LANDLORD") AND DIALYSIS CARE CENTER ROCKFORD LLC, AN ILLINOIS LIMITED LIABILITY COMPANY ("TENANT").

ARTICLE 1 BASIC LEASE PROVISIONS AND DEFINITIONS

1.12.Landlord's Notice Address:

Perryville Center, L.L.C.
6801 Spring Creek Road
Rockford, IL 61114
Attention: General Counsel

With a copy to:

Perryville Center, L.L.C.
c/o First Midwest Group
6801 Spring Creek Road
Rockford, IL 61114
Attention: General Counsel

1.13.Tenant's Notice Address:

Dialysis Care Center Rockford LLC
15786 S. Bell Road
Homer Glen, Illinois 60491

1.14.Location Information.

Location: 657 Highgrove Place, Rockford, Illinois 61108

1.15.Premises Square Footage: The Premises shall contain approximately 5,350 square feet, and shall be subject to adjustment as provided in Article 2.

1.16.Term: Ten (10) Lease Years.

1.17.Intentionally Omitted.

1.18.Commencement Date:

Thirty (30) days following the receipt of an occupancy permit or other such permit/certificate from the applicable municipality ("Commencement Date").

1.19.Base Rent

Lease Year	Monthly Base Rent	Annual Base Rent	Annual Base Rent per Square Foot of Premises
1	$10,677.71	$128,132.50	$23.95
2	$10,945.21	$131,342.50	$24.55
3	$11,217.17	$134,606.00	$25.16
4	$11,498.04	$137,976.50	$25.79
5	$11,783.38	$141,400.50	$26.43
6	$12,077.63	$144,931.50	$27.09

7	$12,380.79	$148,569.50	$27.77
8	$12,688.42	$152,261.00	$28.46
9	$13,004.96	$156,059.50	$29.17
10	$13,330.42	$159,965.00	$29.90

1.20. Security Deposit.

None.

1.21. Permitted Use.

The Premises shall be used for the operation of a kidney dialysis center and for no other use whatsoever ("Permitted Use"); provided however, notwithstanding any provision in this Lease to the contrary, in no event shall the Premises be used in violation for any existing exclusive, restricted, and/or prohibited uses applicable to the Premises as referenced on **Exhibit E**.

1.22. Substantial Completion Date of Landlord's Work.

Landlord shall deliver the Premises to Tenant with Landlord's Work substantially complete.

In the event of any conflict between the Basic Lease Provisions and Definitions and the other provisions of this Lease, the other provisions of this Lease shall control.

ARTICLE 2 PREMISES

Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, upon the terms and conditions of this Lease, those certain premises depicted as the "Premises" on the site plan attached hereto as **Exhibit A** (the "Site Plan") and containing approximately the number of square feet set out in Section 1.4 (the "Premises") located in the Shopping Center (as defined below). The "Shopping Center" shall mean the real property legally described on **Exhibit B** and all improvements situated thereon from time to time. The square footage of the Premises shall be measured from the outside face of exterior demising walls and to the middle of interior demising walls, and shall include the totality of the area within such boundaries. The certificate of Landlord's architect shall be binding on the parties. If the square footage of the Premises, as determined by Landlord's architect, differs from the square footage set forth in Section 1.4, the Annual Base Rent set forth in Section 1.8 shall be adjusted by multiplying the square footage of the Premises as determined by Landlord's architect by the Annual Base Rent per square foot of Premises as set forth in Section 1.8 (and Monthly Base Rent shall be adjusted based thereon). No rights are conferred on Tenant, and Landlord specifically excepts and reserves to itself all rights to the land and improvements below the floor level of the Premises, the rights above the Premises, and improvements located on and within the Common Areas (as defined below), unless otherwise expressly provided in this Lease. Notwithstanding any provision in this Lease to the contrary, Tenant agrees that water meters, sprinkler controls, electric panels, pipes, wires, lines, service disconnects, and other minor building components for Common Areas and/or other tenants may be located in the Premises, that the presence of same shall not reduce the square footage of the Premises, and Tenant hereby grants Landlord, other tenants, utility employees, and any governmental entity an easement for repairing, replacing and maintaining same.

ARTICLE 3 TERM

This Lease shall be effective on the Effective Date. The Term of this Lease shall commence on the Commencement Date and shall expire on the last day of the Term. "Lease Year" means a period of twelve (12) consecutive full calendar months, and the first Lease Year shall commence on the Commencement Date; provided, however, if the Commencement Date is a day other than the first day of the month, then the first Lease Year shall commence on the Commencement Date and shall end on the last day of the twelfth (12th) full calendar month following the last day of the month in which the Commencement Date occurs. Subsequent Lease Years shall be each consecutive twelve (12) full calendar

month period thereafter. Upon Landlord's written request, Tenant shall enter into a supplemental agreement in the form attached hereto as Exhibit C prepared by Landlord which affirms the Commencement Date, the first and last day of the first Lease Year, and the last day of the Term. If Landlord delivers the Premises to Tenant prior to the Commencement Date, Tenant's use and occupancy of the Premises shall be subject to all of the terms and provisions of this Lease (except Base Rent and Tenant's Proportionate Share of Real Estate Taxes shall commence when provided in Section 1.7 of this Lease).

ARTICLE 4 RENT

4.1 Base Rent.

Commencing on the Commencement Date and continuing during the entire Term, Tenant shall pay to Landlord at the office of Landlord as set forth in Section 1.1 or such other place or places as Landlord may designate in writing from time to time, Annual Base Rent in the amounts set forth in Section 1.8, in twelve (12) equal monthly installments of Monthly Base Rent, each in advance as of the first day of each and every calendar month during the Term. If the Commencement Date is not the first day of a calendar month, then Monthly Base Rent shall be prorated on a daily basis on the basis of a thirty day month. Annual Base Rent shall be payable without demand, deduction, setoff or counterclaim. Annual Base Rent for any Lease Year that is greater or less than three hundred sixty-five (365) days (three hundred sixty six (366) days for a leap year) shall be prorated based on a calendar year of three hundred sixty-five (365) days (three hundred sixty six (366) days for a leap year), and calculated by multiplying the applicable Annual Base Rent by a fraction, the numerator of which is the number of days in such Lease Year and the denominator of which is three hundred sixty-five (365) days (three hundred sixty six (366) days for a leap year).

4.5 Additional Rent.

All amounts due Landlord from Tenant pursuant to this Lease other than Base Rent shall be additional rent ("Additional Rent"). Base Rent and Additional Rent are sometimes referred to herein as "Rent". Additional Rent and shall be payable without demand, deduction, set-off or counterclaim whatsoever.

Commencing on the Commencement Date and continuing during the entire Term, Tenant shall pay to Landlord, as Additional Rent, Tenant's Proportionate Share of the amount ("Tax Increase"), if any, by which Real Estate Taxes that are payable during each calendar year wholly or partially within the Term exceed Real Estate Taxes that are payable during the Base Year (prorated for any partial calendar year within the Term). If Real Estate Taxes for any calendar year are less than the amount of Real Estate Taxes for the Base Year, then Tenant's Proportionate Share of Real Estate Taxes for that calendar year shall be $0.00. The Base Year is calendar year 2017. "Tenant's Proportionate Share" shall mean the fraction, the numerator of which is the square footage of the Premises and the denominator of which is the leasable square footage of the Shopping Center for the applicable billing period.

"Real Estate Taxes" shall include all taxes, assessments and impositions, general and special, ordinary and extraordinary, real and/or personal, foreseen and unforeseen, including assessments for public improvements and betterments, that are payable wholly or partially within the Term with respect to all land and improvements from time to time comprising the Shopping Center and/or imposed in connection with the use, occupancy or possession thereof; water and sewer rents; and other governmental impositions and charges of every kind in nature whatsoever; any tax or surcharge of any kind or nature with respect to the parking areas or the number of parking spaces in the Shopping Center and, if applicable, any tax on rents and receipts. Real Estate Taxes shall also include all reasonable costs and expenses, including without limitation, reasonable attorney's fees, incurred by Landlord in contesting, appealing and/or negotiating with public authorities to reduce the amount of Real Estate Taxes and/or the assessed valuation of the

Shopping Center. If, because of any change in the taxation of real estate, any other tax, imposition or assessment (including without limitation, any franchise, income, profit, sales, use, occupancy, gross receipts or rental tax) is imposed on Landlord as the owner of the Shopping Center, or on the occupancy, rents or income from the foregoing, in substitution for any taxes, such other tax or assessment will be deemed part of Real Estate Taxes.

4.6 Estimated Monthly Payments of Additional Rent.

Commencing on the Commencement Date and continuing during the entire Term, Tenant shall pay Landlord, on or before the first day of each calendar month during the Term, one twelfth (1/12th) of Tenant's Proportionate Share of the Tax Increase for the current calendar year as estimated by Landlord from time to time. Said monthly payments shall be based upon reasonable cost projections of Landlord (a copy of which projections shall be furnished to Tenant upon request therefor), subject to Landlord's absolute right to increase from time to time such monthly payment whenever such payments, in Landlord's reasonable estimation, will be insufficient to cover Tenant's Proportionate Share of the Tax Increase.

Within one hundred twenty (120) days following the end of each calendar year, Landlord shall furnish Tenant with a written reconciliation statement confirming Tenant's Proportionate Share of the Tax Increase. If the estimated payments by Tenant total less than the actual amount of Tenant's Proportionate Share for such calendar year, then Tenant shall pay the amount of such deficiency to Landlord within ten (10) days of Tenant's receipt of such written statement. If the estimated payments by Tenant exceed the actual amount of Tenant's Proportionate Share for such calendar year, such excess shall be credited against the payments of Additional Rent next due hereunder, or if no payments are remaining due as a result of the expiration of the Term, such excess shall be refunded to Tenant by Landlord within thirty (30) days of issuance of Landlord's written statement. Each party's obligations hereunder shall survive the expiration of this Lease. If Tenant does not deliver written notice to Landlord disputing Landlord's reconciliation statement for any calendar year within ninety days of Tenant's receipt of such statement, such reconciliation statement for such calendar year shall be deemed final and accepted by Tenant and Tenant shall be deemed to have waived all right to dispute such statement.

4.7 Sales Reporting.

Intentionally Omitted.

4.6 Continuous Operation.

Tenant agrees that it will keep its place of business in the Premises fully fixtured, stocked, staffed, and open continuously during the Term of this Lease on all days and from at least 10:00 a.m. until 5:00 p.m. Monday through Friday.

ARTICLE 5 CONDITION OF THE PREMISES

5.1 Landlord's Work.

Landlord, at Landlord expense, shall construct the improvements to the Premises described on **Exhibit F** ("Landlord's Work").

EXCEPT AS TO LANDLORD'S WORK, NOTWITHSTANDING ANY PROVISION IN THIS LEASE TO THE CONTRARY, THE PREMISES ARE BEING LEASED "AS IS" AND "WITH ALL FAULTS", AND LANDLORD HAS NOT MADE, DOES NOT MAKE, AND EXPRESSLY DISCLAIMS, ANY REPRESENTATIONS AND WARRANTIES OF ANY KIND, EXPRESS, IMPLIED OR ARISING BY LAW, WITH RESPECT TO THE PREMISES, INCLUDING WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ANY REPRESENTATIONS OR WARRANTIES, EXPRESS, IMPLIED OR

ARISING BY LAW, AS TO THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, OR FITNESS, SUITABILITY OR ADEQUACY OF THE PREMISES FOR ANY INTENDED PURPOSE. EXCEPT AS EXPRESSLY SET FORTH IN THIS LEASE, NO REPRESENTATION, WARRANTY OR AGREEMENT OF LANDLORD TO ALTER, REMODEL, OR DECORATE THE PREMISES OR SHOPPING CENTER, AND NO REPRESENTATION, WARRANTY, OR AGREEMENT REGARDING THE PREMISES OR SHOPPING CENTER HAS BEEN MADE BY OR ON BEHALF OF LANDLORD.

5.2 Tenant's Work.

All work necessary for the purpose of constructing Tenant's leasehold improvements shall be performed by Tenant at Tenant's sole cost and expense ("Tenant's Work"). Prior to commencing Tenant's Work, Tenant shall obtain Landlord's written approval of the plans and specifications for Tenants Work, such approval not to be unreasonably withheld. Tenant warrants that Tenant's Work shall be completed in a good and workmanlike manner in compliance with all laws, regulations, codes, and rules of applicable governmental authorities, including the Americans with Disabilities Act, at Tenant's sole cost and expense, and Tenant shall take, at Tenant's sole cost and expense, any and all actions to keep Tenant's Work in full compliance with all laws, regulations, codes, and rules of applicable governmental authorities. All Tenant's Work and additions and alterations to the Premises made during the Term of this Lease shall be the property of Tenant, but shall become property of Landlord upon the expiration or termination of this Lease, without cost to Landlord. Notwithstanding any provision in this Lease to the contrary, Tenant shall be responsible at its sole cost and expense for all furniture, fixtures, I.T., and RO systems and all other specialty water systems.

ARTICLE 6 ALTERATIONS

Tenant shall not make any interior, nonstructural alterations, installations, improvements or additions to the Premises, other than painting without prior written consent of Landlord. Tenant shall not make any exterior or structural alterations, installations, improvements or additions to the Premises. All work shall be done at Tenant's sole cost and in a good and workmanlike manner. Tenant shall promptly furnish to Landlord satisfactory sworn statements and final lien waivers (all tiers) for all work performed by or on behalf of Tenant. Except as to trade fixtures and removable personal property installed by Tenant, which Tenant shall remove at the expiration or termination of this Lease, and for which Tenant shall repair all improvements damaged thereby, all alterations, installations, improvements and additions (whether temporary or permanent) shall be the property of Tenant, but shall become Landlord's property and shall remain upon the Premises at the termination or expiration of this Lease without compensation to Tenant. All construction work performed at Tenant's request shall be done by contractors and subcontractors who have worker's compensation and employer's liability insurance in statutory amounts; with reputable companies licensed to do business in the State of Illinois; and showing Landlord and Landlord's lender(s) as additional insureds. In addition, all such contractors and subcontractors shall have general public liability insurance coverage consistent with the specifications required of Tenant under this Lease. Evidence of said insurance shall be provided Landlord before construction. No roof penetrations shall be made without the written consent of Landlord, and then only by Landlord's roof contractor at Tenant's expense so there is no violation of any roof warranties.

ARTICLE 7 COVENANT AGAINST LIENS

Nothing contained in this Lease shall authorize Tenant to do any act which shall in any way encumber Landlord's title to the Premises or Shopping Center, nor in any way subject Landlord's title to any claims by way of lien or encumbrance whether claimed by operation of law or by virtue of any expressed or implied contract of Tenant, and any claim to a lien upon the Premises or Shopping Center arising from any act or omission of Tenant shall attach only against Tenant's interest and shall in all respects be subordinate to Landlord's title to the Premises and Shopping Center. If Tenant has not removed any such lien or encumbrance, or furnished Landlord reasonably sufficient bond therefore, within thirty (30) days after

written notice to Tenant by Landlord (or such shorter period as indicated by Landlord if during the pendency of a sale or refinance), Landlord may pay the amount without being responsible for making any investigation as to the validity thereof, and the amount so paid shall be due and payable as Additional Rent.

ARTICLE 8 COMMON AREAS

"Common Areas" means the interior and exterior areas and facilities within the Shopping Center, which are: (i) not leased to a tenant, or (ii) by nature not leasable to a tenant for the purpose of the sale of merchandise or the rendition of services to the general public. Common Areas shall include but shall not be limited to all parking areas and facilities, roadways, driveways, entrances and exits, truck service ways and tunnels, curbs, gutters, utilities, water filtration and treatment facilities, retention ponds, basins and/or facilities located within or outside the Shopping Center, retaining and exterior walls, sidewalks, open and enclosed malls, outside courts, landscaped and planted areas, escalators, stairways, elevators, service corridors, service areas, loading docks, hallways, public restrooms, community rooms or areas, roofs, roof drainage systems, exterior walls, equipment, signs, and any special services provided by Landlord for the common or joint use and benefit of all tenants or other occupants of the Shopping Center, their employees, customers and invitees. Landlord shall maintain the Common Areas in a manner as Landlord, in its sole discretion, shall determine from time to time. Tenant shall have the non-exclusive right to use the portions of the Common Areas consisting of the sidewalks, customer parking areas, the entrance and exit ways designated by Landlord for ingress and egress to and from the Premises from a public street or highway, in common with all others entitled or permitted by Landlord to use the same, at all times subject to the exclusive control and management of Landlord.

ARTICLE 9 DAMAGE OR DESTRUCTION BY FIRE OR CASUALTY

9.1 Restoration.

Except as set out in Section 9.2, if the Premises are damaged or destroyed by fire or other casualty, Landlord shall, at its expense, and subject to Landlord's mortgagee(s) making available insurance proceeds to fund the same, repair and restore the portion of the Premises which originally constituted Landlord's Work so as to be substantially the same as prior to such damage or destruction. Any insurance proceeds remaining following the restoration by Landlord described in this Section shall be paid as directed by Landlord's lender. Landlord shall begin such repairs or restoration within six (6) months from the date of such fire or other casualty and shall complete said repairs or restoration within twelve (12) months from said date. Landlord shall notify Tenant in writing of the date by which repairs to or replacement of the Premises is to commence, and the estimated date of completion and shall diligently pursue such repairs or restoration to final completion. The date by which Landlord is to begin and complete said repairs or restoration shall be deferred for a period equal to any delay caused by reason of labor controversy, act of God, fire, or other casualty, governmental regulations, insurance adjustment, failure of Landlord's mortgagee(s) to authorize the release of insurance proceeds for funding the repairs or restoration, or other cause beyond the reasonable control of Landlord, provided Landlord has from time to time in writing kept Tenant fully advised of such delays and the cause therefore. Promptly following Landlord's restoration, Tenant shall commence and diligently pursue restoration of the work which originally constituted Tenant's Work, as subsequently modified by approved alterations, all of which work shall be subject to Article 6.

9.5 Last Two Years.

If the Premises are damaged or destroyed by fire or other casualty during the last two (2) Lease Years of the Term and the cost of repairing or restoring said Premises as required by Section 9.1 herein will exceed twice the Base Rent per Lease Year, then Landlord shall have the option to terminate this Lease without fault on thirty (30) days' notice to Tenant to be given within sixty (60) days of the casualty.

9.6 Rent Abatement.

If such damage or destruction to the Premises results in the complete suspension of business in the Premises, all rents and other charges payable by Tenant hereunder shall abate from the date of such suspension of business until the completion of said repairs or restoration; and if such damage or destruction or the work of repairing or restoring said improvements results in only a partial suspension of business, the abatement shall be apportioned accordingly on the basis of the floor area rendered untenantable.

9.7 Failure to Restore.

If Landlord fails to begin or complete the repairs or restoration of the Premises, within the times and in the manner provided for in this Article 9, then provided Tenant has given Landlord thirty (30) business days' prior notice and the right to cure said default, Tenant may, as its sole remedy, terminate this Lease by notice in writing to Landlord at any time prior to said beginning or completion, as the case may be.

ARTICLE 10 INSURANCE

10.4 Landlord's Obligations

Landlord agrees to purchase and keep in force and effect property insurance on the buildings in the Shopping Center with coverage for perils covered under a "Causes of Loss-Special Form" policy, as such coverage is from time to time available, in an amount not less than ninety percent (90%) of the full replacement cost. Landlord may, in its sole discretion, purchase business income, rent or rental value insurance, in amounts determined by Landlord, against loss of rent due to fire or other casualties, including an extended coverage endorsement and other endorsements. Such Landlord's insurance shall be subject to reasonable deductible levels as determined by Landlord. Landlord agrees to purchase and keep in force and effect commercial general liability insurance on the Shopping Center with limits of not less than $2,000,000.00 for any one occurrence and $2,000,000.00 aggregate, which may be satisfied by one or more policies, including umbrella or excess policies or otherwise. Landlord may obtain and/or maintain umbrella, excess, and/or business interruption policies, endorsements and/or coverages, and such other policies, endorsements, and/or coverages, as determined by Landlord from time to time. Any increase in the premiums for any insurance maintained by Landlord in connection with the Shopping Center (whether or not required hereunder) which is attributable to Tenant's use of the Premises for unusual purposes or hours may be allocated by Landlord exclusively to Tenant. Landlord's obligation to carry insurance under this Section may be satisfied by coverage under one or more primary, umbrella and/or excess liability policies.

10.5 Tenant's Obligations

Tenant, at Tenant's sole cost and expense, shall obtain and maintain for the Term of this Lease, insurance policies providing the following coverages: (i) commercial general liability insurance with respect to the Premises and Tenant's operations, which policy is to be in the minimum amount of Two Million Dollars ($2,000,000.00) for any one occurrence and in the minimum amount of Two Million Dollars ($2,000,000.00) aggregate, and in the minimum amount of Three Hundred Thousand Dollars ($300,000.00) with respect to property damage, and shall include contractual liability coverage, (ii) Tenant's fixtures, equipment, furnishings, merchandise and other contents in the Premises, with coverage for perils as set forth under a "Causes of Loss - Special Form" policy, for the full replacement cost of said items, (iii) business income insurance with minimum coverage equal to at least one full year of Base Rent, (iv) plate glass insurance, (v) product liability insurance for merchandise offered for sale or rental from the Premises, including (if this Lease covers Premises in which food and/or beverages are sold and/or consumed) liquor liability coverage (if applicable to Tenant's business) and coverage for liability arising out of the consumption of food and/or alcoholic beverages on or obtained at the Premises, of not less than Two Million Dollars ($2,000,000.00) per occurrence; (vi) comprehensive automobile liability

insurance covering all owned, non-owned, and hired vehicles and having a minimum limit of at least $1,000,000.00, and (vii) workers' compensation coverage as required by law. The minimum limits hereinbefore set forth may, at Landlord's option, be increased from time to time. Tenant shall deliver to Landlord certificates of insurance, or certified copies of each such policy prior to occupancy of the Premises. Neither the issuance of any insurance policy required hereunder, nor the minimum limits specified herein with respect to Tenant's insurance coverage, shall be deemed to limit or restrict in any way Tenant's liability arising under or out of this Lease. With respect to each and every one of the insurance policies herein required to be procured by Tenant, on or before the commencement of Tenant's Work and before any such insurance policy shall expire, and from time to time upon Landlord's request, Tenant shall deliver to Landlord a copy of each such policy or a certificate of the insurer, certifying that such policy has been issued, providing the coverage required of Tenant under this Lease and containing provisions specified herein, together with such endorsements and/or copies of such policies evidencing the same, and evidence of payment of all applicable premiums. Landlord shall be notified in writing promptly by Tenant of any non-renewal, cancellation or material changes to any policy. Landlord shall be notified in writing promptly by Tenant of claims against Tenant that might cause a reduction below seventy-five percent of any aggregate limit of any policy. Tenant agrees that if Tenant does not procure and maintain the insurance policies and coverages required under this Lease, Landlord may, but shall not be required to, obtain such insurance on Tenant's behalf and charge Tenant the premiums therefor together with a fifteen percent handling charge, payable upon demand. The failure of Tenant to provide such certificates of insurance, or the failure of Tenant to obtain such policies, shall not be deemed a waiver of Tenant's obligation to provide the insurance required under this Lease.

The policies described in this Section 10.2 shall: (i) be acceptable to Landlord in form and content, (ii) name Landlord, Landlord's Mortgagee, the manager of the Premises, the respective shareholders, members, managers, partners, affiliates and subsidiaries and any directors, officers, employees, agents or contractors of such persons or entities (collectively, "Landlord Parties") as additional insureds, (iii) contain an express waiver and release of any right of subrogation by the insurance company against Landlord and Landlord's parties, (iv) contain a provision that it shall not be canceled and that it shall continue in full force and effect, unless Landlord has received at least thirty (30) days prior written notice of such cancellation or termination, (v) not be materially changed without at least thirty (30) days prior written notice to Landlord, and (vi) shall be primary and noncontributory, and any insurance carried by Landlord shall be excess. All insurance required to be carried by Tenant hereunder shall be issued by responsible insurance companies licensed to do business in the state in which the Premises are located and acceptable to Landlord and the holder of any mortgage or deed of trust secured by any portion of the Premises (hereinafter referred to as a "Mortgagee").

Tenant shall not permit to be done any act which will invalidate or be in conflict with Landlord's insurance policies covering the Shopping Center or any other insurance referred to in this Lease. Tenant will promptly comply with all rules and regulations relating to such policies. If the acts of Tenant or its employees or agents shall increase the rate of insurance referred to in this Lease, such increases shall be promptly paid by Tenant as Additional Rent.

10.6 Waiver of Subrogation.

LANDLORD AND TENANT EACH HEREBY RELEASE AND WAIVE ALL CLAIMS AND RIGHTS (INCLUDING ANY CLAIM OR RIGHT OF SUBROGATION BY ANYONE CLAIMING BY, THROUGH OR UNDER THE RELEASING PARTY) EACH MAY HAVE AGAINST THE OTHER, ITS OFFICERS, DIRECTORS, MEMBERS, MANAGERS, EMPLOYEES AND AGENTS FROM ANY AND ALL LIABILITY OR RESPONSIBILITY FOR ANY LOSS OR DAMAGE TO PROPERTY COVERED, OR REQUIRED TO BE COVERED UNDER THIS LEASE, IN WHOLE OR PART, BY INSURANCE OF A PARTY, EVEN IF SUCH LOSS OR DAMAGE SHALL HAVE BEEN CAUSED BY THE NEGLIGENCE OF THE OTHER PARTY, OR ANYONE FOR WHOM SUCH PARTY MAY BE RESPONSIBLE. Each party agrees to cause

each insurance policy obtained by it to provide that the insurance company releases and waives all rights of recovery by way of subrogation, against either party (and their respective officers, directors, members, managers, employees, and agents) in connection with any loss or damage to property covered by such policy. All insurance policies to be provided under this Article 10 by either Landlord or Tenant shall contain a provision that they are not invalidated by the foregoing waiver.

10.4 Indemnification.

Subject to the provisions of Article 10.3, Tenant hereby agrees to indemnify, defend and hold Landlord harmless from and against any and all claims, demands, liabilities, losses, damages, and expenses, including reasonable attorney fees, arising from the negligence or willful misconduct of Tenant or its agents, employees or contractors in or about the Premises and/or Shopping Center, or arising from Tenant's occupancy or use of same.

Landlord shall not be responsible or liable at any time for any defects, latent or otherwise, in any buildings or improvements in the Shopping Center or any of the equipment, machinery, utilities, appliances or apparatus therein, nor shall Landlord be responsible or liable at any time for loss of life, injury or damage to any person or to any property or business of Tenant, or those claiming by, through or under Tenant, caused by or resulting from the bursting, breaking, leaking, running, seeping, overflowing or backing up of water, steam, gas, sewage, snow or ice in any part of the Shopping Center or caused by or resulting from acts of God or the elements, or resulting from any defect or negligence in the occupancy, construction, operation or use of any buildings or improvements in the Shopping Center, including the Premises, or any of the equipment, fixtures, machinery, appliances or apparatus therein.

ARTICLE 11 USE; QUIET ENJOYMENT

11.1 Permitted Use.

The Premises shall be used solely for the Permitted Use set forth in Section 1.10 and for no other purpose whatsoever. Tenant shall not use or permit upon the Premises anything that will invalidate any policy of insurance now or hereafter carried on the Shopping Center or that will increase the rate of insurance on the Shopping Center. Tenant shall not do anything or permit anything to be done upon the Premises which in any way may tend to create a nuisance, disturb any other tenants in the Shopping Center or the occupants of any neighboring property. Notwithstanding any provision in this Lease to the contrary, Tenant shall comply with all governmental health and safety requirements and regulations respecting the Premises, and shall not conduct or permit to be conducted in the Premises any business which is in violation of any applicable law, statute, regulation, rule or ordinance. This Lease shall be subject to the title exceptions identified on Exhibit D (the "Title Exceptions").

11.4 Use Restrictions.

Tenant, for itself, its employees, agents, servants, clients, customers, invitees, licensees, and guests, agrees to observe and comply at all times with the following provisions as herein set forth.

11.4.1 Loading and Unloading of Goods.

All loading and unloading of goods shall be done only at such times, in the areas and through: (a) the entrances indicated on the floor plans for such purposes, if any; (b) if no entrances are so specified, at such entrances as will not disturb other tenants, their employees and invitees; or (c) as mutually agreed by the parties hereto in writing. Loading and unloading operations shall be conducted so as not to obstruct or hinder the operation of the businesses of the other tenants in the Shopping Center, nor will Tenant unreasonably block or obstruct any street, sidewalk, or right-of-way adjacent to or comprising part of the Shopping Center.

11.4.2 Refuse Disposal.

Unless otherwise specified by Landlord, all refuse shall be prepared for collection by placing same in sealed plastic bags and depositing such bags at the collection site reasonably designated by Landlord, from which site Tenant shall arrange for removal.

11.4.3 External Audio.

No loudspeakers, television sets, radios, strobes, flashing lights or other devices shall be used in a manner as to be heard or seen outside the Premises.

11.4.4 Living Space.

No person shall use the Premises as sleeping quarters, sleeping apartments, or lodging rooms.

11.4.5 Tenant's Permits / Licenses.

Tenant shall obtain and keep in force and effect all permits or licenses necessary or required to conduct its business.

11.4.6 Alcoholic Liquors.

Tenant shall not at any time manufacture, sell, use, or give away, and shall not at any time permit the manufacture, sale, use or distribution of any intoxicating or alcoholic liquors on the Premises.

11.4.7 Live Animals.

No live animals other than fish in an aquarium, and "assistant" dogs, shall be kept or displayed upon the Premises.

11.4.8 Employee Parking.

Tenant and its employees shall park their motor vehicles in such areas as Landlord shall designate from time to time as employee parking area. Upon request of the Landlord, Tenant will furnish to Landlord the licenses numbers of any automobiles belonging to Tenant and its employees and in the event any such vehicles shall be parked in areas other than those designated for employee parking, the Tenant shall pay to Landlord forthwith on demand an amount equal to $10.00 per day of each day that such vehicles shall be parked in such non-designated areas.

11.4.9 Exterior Sales.

Tenant shall not conduct any outdoor selling or display activities.

11.4.10 Access.

Tenant shall not obstruct in any manner access, ingress or egress to any portion of the Shopping Center, or to any public or private road abutting the Shopping Center.

11.4.11 Title Exceptions.

The Premises shall not be used in violation of any of the Title Exceptions as referenced on **Exhibit D**.

11.4.12 Video Gaming.

Tenant shall not permit any video gaming machines or any other form of gambling device to be operated within the Premises.

11.4.13 Wi-Fi

Tenant shall not employ a wireless fidelity network or any technological evolution thereof ("Wi-Fi") in the Premises without Landlord's prior written consent. In the

event consent is granted, Tenant shall not employ Wi-Fi in a manner which: (a) interferes with the technology of other tenants; (b) extends beyond the walls of the Premises; (c) permits other Tenants to use the service.

11.5 Quiet Enjoyment.

The Landlord agrees that the Tenant upon payment of the Rent hereunder and all other payments and charges to be paid by the Tenant under the terms of this Lease and upon observing and keeping the conditions and covenants of this Lease on the part of the Tenant to be observed and kept, shall lawfully and quietly hold, occupy and enjoy the Premises during the Term of this Lease free from any hindrance by Landlord, subject to the provisions of this Lease.

ARTICLE 12 UTILITIES

Commencing on the Commencement Date and continuing during the entire Term, Tenant, at its expense, shall arrange for and pay all costs of the charges for all utilities and services provided or used in or at the Premises. Tenant shall pay directly to the public utility companies the cost of any installation not included in Landlord's Work of any and all such utility services. If Landlord supplies or pays for any such utilities, then as Additional Rent, Tenant shall reimburse Landlord for the same. If, for any reason whatsoever, any particular utility is not separately metered, then, and in that event, Tenant shall be responsible for its share based upon the formula that Landlord, in its reasonable discretion, deems appropriate. Tenant agrees to indemnify and hold harmless Landlord from and against any and all claims arising from the installation and maintenance of such utility services and from all costs and charges for utilities consumed on or by the Premises. Landlord shall not be liable to Tenant for damages or otherwise (i) if any utilities shall become unavailable from any public utility company, public authority or any other person or entity supplying or distributing such utility, or (ii) for any interruption in any utility service (including, but without limitation, any heating, ventilation or air conditioning) caused by the making of any necessary repairs or improvements or by any cause beyond Landlord's reasonable control, and the same shall not constitute a default, termination or an eviction. Tenant agrees to cooperate fully, at all times, with Landlord in abiding by all reasonable regulations and requirements which Landlord may prescribe for the proper functioning and protection of all utilities and services reasonably necessary for the operation of the Premises and the Shopping Center.

ARTICLE 13 MAINTENANCE AND REPAIRS; RIGHTS TO ENTER

13.1 Tenant's Duty.

Tenant shall, at its sole cost and expense, keep in good order, condition and repair the Premises, and make all repairs and replacements thereof, including without limitation, all plumbing and sewage facilities within or serving the Premises, including free flow up to the common sewer line; all heating, air conditioning, ventilation, refrigeration, fire protection, sprinkler, mechanical, electrical and lighting systems, facilities, equipment and/or units within or serving the Premises; all fixtures, ceilings, doors, windows, plate glass, store fronts, skylights, interior walls and interior surfaces of exterior walls; any repairs required due to illegal entry or burglary of the Premises; and all of Tenant's improvements to the exterior of the Premises (including all signs and dryvit areas). Tenant shall maintain in force a maintenance contract requiring at least quarterly maintenance by a company of recognized standing covering the heating, ventilating and air conditioning system serving the Premises. Tenant shall operate heating and cooling equipment to maintain such temperatures as will prevent the freezing or bursting of pipes within the Premises. Tenant shall promptly, and at its sole cost and expense, repair all damage to the Premises and/or Shopping Center caused by the intentional act, gross negligence, or negligence of Tenant, its agents, servants, employees, guests and invitees. Tenant shall, at Tenant's cost, be responsible for janitorial services at the Premises and for regular trash and refuse removal in connection with Tenant's use and occupancy of the Premises in compliance with all applicable laws and regulations. Tenant shall coordinate with any other tenant of the Shopping Center with whom Tenant shares a designated refuse bin to allocate the responsibility for and cost of: refuse removal and refuse bin pad/bin enclosure maintenance and repair.

13.4 Landlord's Right to Enter.

If Tenant does not act promptly as aforesaid, Landlord may, subject to prior notice to Tenant in situations other than emergencies, but shall not be required to, enter the Premises at all reasonable times to make any repairs, alterations, improvements, or additions, as Landlord shall desire or deem necessary for the safety, preservation, or improvement of the Premises, or as Landlord may be required to do by any governmental authority or by the order or decree of any court or by any other proper authority. In the event Landlord or its agents or independent contractors shall elect or be required to make repairs, alterations, improvements, or additions to the Premises, Landlord shall be allowed to take into and upon the Premises, all material that may be required to make such repairs, alterations, improvements, or additions and during the continuance of any of said work, to temporarily close doors, entry ways, public space, and corridors in the Premises and/or Shopping Center and to interrupt or temporarily suspend any services and facilities without being deemed or held guilty of an eviction of Tenant or for damages to any of Tenant's property, business, or person, and the Rent reserved herein shall in no way abate while said repairs, alterations, improvements, or additions are being made. Landlord shall minimize its obstruction of Tenant's business to the extent reasonably practical under the circumstances. Landlord may, at its option, make all such repairs, alterations, improvements, or additions in and about the Premises and/or Shopping Center during ordinary business hours, but if Tenant desires to have the same done at any other time, and the same can be practicably done at any other time, Tenant shall then pay all overtime and additional expenses resulting therefrom. No notice need be provided in the event of an emergency. Landlord will pay for or repair any damage to the Premises caused by any voluntary entry it makes, excluding those precipitated by emergency or Tenant's failure to act. Any amount paid by Landlord for maintenance repairs or replacements which are the obligation of Tenant shall be due immediately as Additional Rent.

Landlord reserves the right at all reasonable times during the term of this Lease for Landlord or Landlord's agents to enter the Premises for the purpose of inspecting and examining the same, and to make such repairs, alterations, improvements, or additions as Landlord may deem necessary or desirable. If Tenant shall not be personally present to open and permit an entry into said Premises, at any time, when for any reason an entry therein shall be necessary or permissible, Landlord or Landlord's agents may enter the same by master key, or may forcibly enter the same, without rendering Landlord or such agents liable therefor, and without in any manner affecting the obligations and covenants of this Lease. Nothing herein contained, however, shall be deemed or construed to impose upon Landlord any obligation, responsibility, or liability whatsoever for the care, maintenance, or repair of the building or any part thereof, except as otherwise herein specifically provided.

13.5 Structural Repairs.

Landlord shall, at its expense, repair, reconstruct, or replace all structural damage or structural defects in the exterior or bearing walls, roof, roof drainage system and floor slab of the Premises excluding any structural damage caused by the intentional act, gross negligence, or negligence of Tenant, its agents, servants employees, guests, and invitees which shall be, in every case, Tenant's expense payable as Additional Rent.

ARTICLE 14 CONDEMNATION

14.1 All or Part of Premises.

If all or any part of the Premises, or one-third or more of the Shopping Center's parking spaces shall be taken or condemned by any competent authority for any public use or purpose, or sold to any such authority which has the power of eminent domain and has threatened to exercise such power with respect to the Premises or Shopping Center, then, unless otherwise agreed to by the parties, the Term shall end sixty (60) days after the earlier of either: (a) the date of any court order or agreement approving such taking or condemnation; (b) the date Landlord receives Tenant's advance written notice that it intends to terminate possession of the Premises, provided Tenant vacates the

Premises within such sixty (60) day period; or (c) the date such authority takes possession of the portion of the Shopping Center so condemned or sold. Landlord shall be entitled to any and all condemnation awards or judgments and Tenant hereby assigns such award or judgment to Landlord (except to extent such award or judgment specifically provides for payment thereof to Tenant for its relocation costs and Tenant improvements paid).

14.4 Rent Apportioned.

Rent shall, in all cases, be apportioned and paid as of the date of any of the above such terminations.

14.5 Partial Taking Without Termination.

In the event any portion of the Premises is taken and this Lease is not terminated in accordance with the provisions of this Article 14, all future Base Rent to become due under this Lease shall be reduced in proportion to the area of the Premises taken. Landlord, to the extent of the condemnation award or judgment, shall make any structural repairs or restoration necessary to make a complete architectural unit of the remainder of the Premises.

ARTICLE 15 DEFAULT AND LANDLORD REMEDIES

15.1 Tenant Default.

The occurrence of any one or more of the following events shall be a "Default": (i) if Tenant fails to pay Base Rent, Additional Rent or any other sums required to be paid by Tenant when the same shall become due and payable, and such failure shall continue for five days; (ii) if Tenant fails to perform or observe any terms and conditions of this Lease (other than those described in (i) above), and such failure shall continue for thirty days after written notice from Landlord; (iii) if any interest of Tenant in this Lease shall be levied upon under execution or other process, or if any petition for bankruptcy, reorganization, insolvency, or liquidation or similar law for the relief of debtors, are instituted by Tenant or against Tenant and are allowed or consented to by it or not dismissed within sixty (60) days; (iv) if Tenant or any guarantor of Tenant's obligations under this Lease dies (if an individual) or dissolves (if any entity); or (v) if Tenant or any guarantor of Tenant's obligations under this Lease becomes insolvent or admits in writing its inability to pay its debts, or if any assignment of Tenant's property shall be made for the benefit of creditors, or if a receiver or trustee is appointed for Tenant or its property. An anticipatory breach or repudiation by Tenant of any of the covenants or provisions of this Lease shall be deemed a Default.

15.6 Remedies.

If a Default occurs, Landlord shall have all of the rights and remedies herein set forth, which shall be distinct, separate, and cumulative, and which shall be in addition to all rights and remedies provided at law or in equity:

(vi) Landlord may terminate this Lease by giving five days written notice of such termination to Tenant, whereupon this Lease shall terminate and Tenant shall immediately surrender possession of the Premises to Landlord. In the event of any such termination of this Lease by Landlord, Tenant shall be liable for, and Landlord shall be entitled to recover from Tenant, all damages sustained by Landlord arising from or out of such Default, including, without limitation, the recovery of all Rents through the period that would have otherwise constituted the balance of the Term of this Lease as if this Lease had not been terminated,

(vii) Landlord may terminate Tenant's right to possession of the Premises without terminating this Lease by giving five days written notice of such termination to Tenant, whereupon Tenant shall immediately surrender possession of the Premises to Landlord. In the event of any such termination of Tenant's right to possession of the Premises, Tenant shall be liable for, and Landlord shall be entitled to recover from Tenant, all damages sustained by Landlord arising from or out of such Default, including, without limitation, the recovery of all Rents through the end of the Term of this Lease;

(viii) Landlord may pursue damages arising from or related to such Default without terminating this Lease or Tenant's right to possession of the Premises;

(ix) Landlord may cure such Default on behalf of Tenant, and Tenant shall pay Landlord all costs and expenses incurred by Landlord in connection therewith upon demand;

(x) Landlord may pursue specific performance or injunctive relief and any requirement that Landlord post any bond is waived.

Any damages sustained by Landlord arising from or related to any Default may be recovered by Landlord in one or more separate actions or proceedings, which may be brought by Landlord from time to time, without prejudice to any other right or remedy available to Landlord under this Lease or by law or equity.

In the event Landlord terminates this Lease or Tenant's right to possession of the Premises as provided above, Landlord shall also have the following rights: (i) Landlord shall have the right to enter into the Premises with or without process of law, and to repossess Landlord of the Premises, and to expel or remove Tenant and, at Tenant's expense, any and all property therefrom, using such force as may be necessary, without being deemed in any manner guilty of trespass, eviction, forcible entry or detainer, or conversion of property, and without relinquishing Landlord's right to recover all damages arising from or out of such Default, or any other rights or remedies afforded Landlord under this Lease or by law or equity; and all without releasing Tenant, in whole or part, from Tenant's obligations to pay all Rents and perform all other obligations under this Lease for the full Term of the Lease, and (ii) Landlord shall have the option to relet the Premises for such rent and upon such terms as are not unreasonable under the circumstances, and Tenant shall be liable for all damages sustained by Landlord in reletting or attempting to relet the Premises, including, without limitation, attorneys' fees, brokerage fees and the costs and expenses of placing the Premises in first class rentable condition, and the costs of making such alterations, repairs or replacements in and to the Premises as Landlord, in its sole judgment, considers advisable and necessary for the purpose of reletting the Premises, and the making of such alterations, repairs or replacements shall not operate or be construed to release Tenant from any liabilities under this Lease. Landlord shall in no event be liable in any way whatsoever for failure to relet the Premises, or in the event that the Premises are relet, for failure to collect the rent under such reletting. If the consideration collected by Landlord upon any such reletting, after payment of the all damages sustained by Landlord in reletting or attempting to relet the Premises, is insufficient to pay monthly the full amount of Rent, Tenant shall pay to Landlord the amount of each monthly deficiency as it becomes due. Any excess or residue shall operate only as an off-setting credit to future Rent payable hereunder, but the use of such off-setting credit to reduce the amount of Rent due Landlord, if any, shall not be deemed to give Tenant any right, title, or interest in or to such excess or residue and any such excess or residue shall belong solely to Landlord. Landlord shall neither be required to offer the Premises for lease in preference to other space available from it or its affiliates, nor required, in the exercise of its reasonable judgment, to accept any tenant offered by the Tenant or to observe any instructions given by Tenant relative to such reletting. For the purpose of determining Percentage Rent (if required to be paid under this Lease) in the event of a Default, Percentage Rent for any period shall be the greater of: (a) the pro rata share of actual Percentage Rent for the applicable full Lease Year; or (b) the pro rata share of the Percentage Rent payable for the preceding full Lease Year.

15.7 <u>Bankruptcy.</u>

If Tenant shall be adjudged bankrupt, or any trustee in bankruptcy shall be appointed for Tenant and not dismissed within the period provided herein above, Landlord and Tenant hereby agree, to the extent permitted by law, to request that a trustee in bankruptcy (or debtor in possession, as the case may be) determine within sixty (60) days thereafter whether to accept or reject this Lease, and Tenant hereby agrees not to seek or request any extension or continuation of such time in any

bankruptcy proceeding to assume or reject this Lease. In no event after the assumption of this Lease, shall any then existing Default remain uncured for a period in excess of the earlier of ten (10) days or the time period for curing such Default as set forth herein. Failure to cure such Default within such time shall constitute a Default hereunder. Landlord and Tenant agree that adequate assurance of performance of this Lease, as set forth in Section 365 (b)(i) of the Bankruptcy Code with respect to monetary Default under this Lease shall be in the form of cash or immediately available funds in an amount equal to at least the amount of such monetary Default so as to assure Landlord that it will realize the amount of such Default. If Tenant assumes this Lease and proposes to assign this Lease pursuant to the provisions of the Bankruptcy Code to any person or entity who shall have made a bona fide offer to accept an assignment of this Lease, the notice of such proposed assignment, setting forth (1) The name and address of such person or entity; (2) All of the terms and conditions of such offer; and (3) The adequate assurance to be provided Landlord to assure such person's or entity's future performance under this Lease, shall be given to Landlord by Tenant within twenty (20) calendar days after receipt of such offer by Tenant, and in no event later than ten (10) calendar days prior to the date the Tenant shall make such application to the Bankruptcy Court for authority and approval to enter into such assumption and assignment. In addition, Landlord shall thereby have a right of first refusal to be exercised by notice to Tenant given within ten (10) days prior to the effective date of such proposed assignment, to accept an assignment of this Lease upon the same terms and conditions and for the same consideration, if any, as the bona fide offer made by such a person or entity, less any broker's commissions which may be payable out of any consideration to be paid by such person or entity for the assignment of this Lease.

All money or other consideration payable by Tenant or otherwise to be delivered to or on behalf of Landlord under this Lease, whether or not expressly denominated as rent hereunder, shall constitute rent for purposes of Section 502(b)(vi) of the Bankruptcy Code and shall be the sole property of the Landlord.

15.8 Landlord Default.

Landlord shall in no event be charged with any default under this Lease unless Landlord shall fail to perform or observe any term, condition, covenant or obligation required to be performed or observed by Landlord under this Lease for a period of thirty (30) days after written notice thereof from Tenant; provided, however, that if the term, condition, covenant or obligation to be performed by Landlord is of such nature that more than thirty (30) days are reasonably required for performance then Landlord shall not be in default if Landlord commences performance within such thirty (30) day period and diligently prosecutes the same to completion.

15.9 Waiver of Damages and Limitation of Recourse.

NOTWITHSTANDING ANY PROVISION IN THIS LEASE TO THE CONTRARY, TENANT AGREES THAT LANDLORD SHALL NOT BE LIABLE TO TENANT FOR ANY INDIRECT, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES OR ANY DAMAGES FOR LOST PROFITS AND/OR LOST BUSINESS OPPORTUNITY, REGARDLESS OF THE FORM OF THE ACTION OR THE THEORY OF RECOVERY, EVEN IF LANDLORD HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. Notwithstanding any provision in this Lease to the contrary, any liability of Landlord under this Lease, or any amendments or modifications thereto, shall be limited to the then owner's equity in the Premises, and no personal liability shall be asserted against Landlord, its partners, managers, officers, directors, shareholders, beneficiaries, members, employees, or agents, or any successors or assigns, in connection with this Lease nor shall any recourse be had to any other assets of

Landlord or any assets of the partners, managers, officers, directors, shareholders, beneficiaries, members, employees, or agents of Landlord.

ARTICLE 16 SURRENDER OF POSSESSION

16.1 Tenant's Duty.

On or before the date this Lease and the Term hereby created terminates, or on or before the date Tenant's right of possession terminates, whether by lapse of time or at the option of Landlord (if Landlord has a right to terminate possession), Tenant shall at its sole cost and expense perform the following acts as herein set forth:

16.2.3 Removal of Trade Fixtures.

Remove from the Premises all of Tenant's trade fixtures and personal property (hereinafter "Personal Property").

16.2.4 Surrender of Possession.

Surrender possession of the Premises to Landlord, in the same condition as existed on the Commencement Date as modified by approved alterations and other modifications pursuant to Article 6, ordinary wear and tear and damage required to be repaired by Landlord due to a casualty excepted.

16.3 Landlord's Rights.

If Tenant shall fail or refuse to comply with Tenant's duty to remove all trade fixtures and Personal Property from the Premises on or before the expiration of its right to possession of the Premises whether by expiration of the Term or otherwise, the parties hereto agree and stipulate that Landlord may, at its election after twenty (20) calendar days' prior written notice to Tenant and Landlord's statement of its intention, pursue either of the following remedies as herein set forth.

16.3.1 Transfer of Title to Tenant's Trade Fixtures.

Treat such failure or refusal as an offer by Tenant to transfer title to such Personal Property to Landlord, in which event title thereto shall thereupon pass under this Lease as a bill of sale to and vest in Landlord absolutely without any cost either by set-off, credit allowance or otherwise, and Landlord may remove, sell, donate, destroy, store, discard, or otherwise dispose of all or any part of said Personal Property in any manner that Landlord shall choose.

16.3.2 Disposal of Tenant's Trade Fixtures.

Treat such failure or refusal as conclusive evidence, on which Landlord shall be entitled absolutely to rely and act, that Tenant has forever abandoned such Personal Property, and without accepting title hereto, Landlord may, at Tenant's expense, remove, store, destroy, discard, or otherwise dispose of all or any part thereof in any manner that Landlord shall choose without incurring liability to Tenant or to any other person. In no event shall Landlord ever become or accept or be charged with the duties of a bailee (either voluntary or involuntary) of any such Personal Property, and the failure of Tenant to remove all such Personal Property from the Premises shall forever bar Tenant from bringing any action or from asserting any liability against Landlord with respect to any such Personal Property which Tenant fails to remove.

ARTICLE 17 HOLDING OVER

If Tenant retains possession of all or part of the Premises after termination or expiration of this Lease, such occupancy shall be deemed to be a month-to-month tenancy, subject to all provisions of this Lease that can reasonable be applied to a month-to-month tenancy, except that Base Rent shall be double the amount that

was last in effect immediately preceding such holdover. Either party may terminate such month-to-month tenancy upon delivery of at least thirty days advance written notice of termination to the other party.

ARTICLE 18 NON-DISTURBANCE AND ATTORNMENT

18.1 Non-disturbance.

So long as Tenant is not in default in the payment of Rent or in the performance of any term of the Lease, then, subject to this Article 18, Tenant's possession of the Premises and its rights and privileges under the Lease shall not be diminished or interfered with by a mortgagee.

18.6 Attornment.

If a mortgage is foreclosed for any reason, and a mortgagee succeeds to Landlord's interest under the Lease, Tenant shall be bound to the mortgagee under all of the terms of the Lease for the balance of the remaining Term with the same force and effect as if mortgagee were the landlord under the Lease. Upon presentation of reasonable evidence that title has changed, Tenant hereby attorns to mortgagee as its landlord, such attornment to be effective and self-operative, without the execution of any further instrument by either party, as soon as mortgagee succeeds to the Landlord's interest under the Lease. Notwithstanding any contrary provision herein, Tenant shall not be required to pay rent to the mortgagee until Tenant receives written notice from mortgagee that it has succeeded to Landlord's interest under the Lease. The respective rights and obligations of Tenant and mortgagee upon such attornment shall, to the extent of the then remaining balance of the Lease Term, be the same as now set forth therein.

18.7 Mortgagee's Obligations.

If a mortgage is foreclosed for any reason and a mortgagee succeeds to the Landlord's interest under the Lease, such mortgagee shall be bound to the Tenant under all of the terms of the Lease, and Tenant shall, from time and after such event, have the same remedies against mortgagee for the breach of the Lease that Tenant might have had under the lease against the prior landlord thereunder. In no event shall mortgagee be liable for any act or omission of any prior landlord, be subject to any offsets or defenses which Tenant might have against any prior landlord, be bound by any amendment of this Lease made without the mortgagee's consent, or be bound by any rent which Tenant might have paid to any prior landlord for more than the current month.

18.8 Binding Effect.

The rights and obligations hereunder of Tenant and mortgagee shall bind and inure to the benefit of their respective successors and assigns.

18.9 Subordination.

Upon request of Landlord, Tenant shall subordinate its rights hereunder to the lien of any mortgage or mortgages, or the lien resulting from any other method of financing or refinancing now or hereafter in force against the real estate and/or buildings of which the Premises are a part of or against any building any buildings hereafter placed upon said real estate of which the Premises are a part.

ARTICLE 19 ESTOPPEL

Tenant agrees that from time to time within thirty days of Landlord's request, Tenant will deliver to Landlord a statement in writing certifying: (a) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease as modified is in full force and effect); (b) the date to which the Rent and other charges have been paid; (c) that Landlord is not in default under any provision of this Lease, or, if in default, the nature thereof in detail, and (d) such other information as may be requested by Landlord. Tenant agrees to execute and deliver to Landlord with thirty days of Landlord's request therefore any subordination, non-disturbance, and attornment agreement in favor of any mortgagee in such form as is required by such mortgagee.

ARTICLE 20 COMPLIANCE WITH LAWS

Tenant shall, at its sole cost and expense, promptly comply with, and make all changes, alterations or improvements required by, all present and future laws, statutes, codes, ordinances, regulations, acts, rules, requirements, orders, and directions, concerning or relating to the Premises or any part thereof, or the use thereof, or any operations therein, or relating to all changes, alterations, or improvements made by or on behalf of Tenant, and Tenant shall hold Landlord harmless from any and all costs or expenses on account thereof.

ARTICLE 21 HAZARDOUS SUBSTANCES

Notwithstanding any provision contained in this Lease to the contrary, Tenant shall not cause or permit any Hazardous Substances to be introduced, stored or used at, in, on, under or about the Premises and/or Shopping Center, except de minimis amounts of Hazardous Substances (such as cleaning materials) used in the ordinary course of Tenant's business and in accordance with all applicable environmental laws. Tenant, at Tenant's sole cost and expense, shall promptly remediate all or any portion of the Premises and/or Shopping Center to the extent of any violation of any provision of this Article 21 or any presence, escape leakage, spillage, discharge, emission, release, installation or disposal of any Hazardous Substances and/or any violation of environmental laws caused by Tenant, or Tenant's successors, assigns or subtenants (or any employees, agents, vendors, licensees, invitees or contractors of Tenant or any of the foregoing). Tenant shall provide Landlord with copies of all notices received from any governmental authority regarding environmental matters in respect of the Premises and/or Shopping Center. Tenant hereby indemnifies, defends and holds Landlord harmless from any and all losses, liabilities, damages, injuries, costs, expenses, fines, penalties, and claims of any and every kind whatsoever (including, without limitation, court costs and attorneys' fees) which at any time or from time to time may be paid, incurred or suffered by, or asserted against Landlord for, with respect to, or as a direct or indirect result of a breach by Tenant of any of the provisions of this Article 21. "Hazardous Substances" shall mean any waste, material or substance, which is or is deemed by governmental authority to be a pollutant or a contaminant, or which is or is deemed by governmental authority to be hazardous, toxic, ignitable, reactive, corrosive, dangerous, harmful or injurious, or which presents a risk, to public health or to the environment, or which is or may become regulated by or under the authority of any applicable local, state or federal laws, judgments, ordinances, orders, rules, regulations, codes, including, without limitations: (i) petroleum, including but not limited to crude oil or any fraction thereof; (ii) any asbestos or asbestos containing material; and/or (iii) any radioactive material.

To the extent that any toxic, medical, biohazardous or biomedical waste is created or generated in conjunction with the use of the Premises (collectively "Medical Waste"), Tenant shall cause such wastes to be properly disposed of off-site of Shopping Center, at Tenant's sole cost and expense, and in compliance with all applicable laws. In no event shall any Medical Waste be stored (whether temporarily or permanently) or disposed of in the Common Areas or in any dumpsters located at the Shopping Center. Tenant shall obtain and maintain throughout the Term a service contract with a duly licensed medical or biohazardous waste transportation and disposal company of Tenant's choice. Tenant shall provide copies of such service contract to Landlord upon request. Landlord reserves the right to require Tenant to remove such Medical Wastes from the Premises discretely and at such times as determined by Landlord if Landlord receives any complaints from others regarding same. As used herein, "biohazardous waste" and "biomedical waste" shall include any waste that may contain human pathogens, including without limitation, discarded human blood, blood products and body fluids, waste saturated with blood, blood byproducts or body fluids, pathological waste, discarded sharps used in patient care, discarded clinical specimens or cultures and dishes or devises used in connection therewith.

ARTICLE 22 CERTAIN RIGHTS RESERVED BY LANDLORD

Notwithstanding any provision in this Lease to the contrary, Landlord shall have the following rights as herein set forth, exercisable with notice (except as otherwise provided hereinafter) and without liability to Tenant for damage or injury to property, person, or business and without effecting an eviction, constructive or actual, or disturbance of Tenant's use or possession of the Premises or giving rise to any claim for default

set-off or abatement of rent (i) to change the Shopping Center's name or street address; (ii) to construct additional buildings in the Shopping Center or improvements in the building(s) from time-to-time and to make such alterations and/or additions thereto as Landlord may see fit, (iii) to change the sizes, locations, amounts, shapes and arrangements of parking areas and other Common Areas, including the location and relocation of driveways, entrances, exits, parking spaces, the direction and flow of traffic, installation of prohibited areas, landscaped areas and all other facilities thereof; establish and from time to time change the level or grade of parking surfaces; and do and perform such other acts in and to said areas and improvements as Landlord in its reasonable discretion deems advisable for the use thereof by tenants and their customers; (iv) to install, affix, and maintain any and all signs on the exterior of the building(s) (excluding the exterior of the Premises); (v) to show the Premises to prospective tenants at reasonable hours, after notice to Tenant, and to place "for rent" signs, during the last twelve (12) months of the Term, as well as to post at any time "for sale" signs with respect to the Shopping Center without notice to, or approval by, the Tenant; (vi) to approve the weight, size, and location of safes and other heavy equipment and bulky articles in and about the Premises, and to require all such items, including furniture and other similar items, to be moved into or out of the Premises and Shopping Center only at such times and in such manner as Landlord shall direct in writing; (vii) to install, maintain and operate an automatic teller terminal or similar facility on any portion of the Common Areas; and/or (viii) to remove from the definition of "Shopping Center" one or more outlots or other portions of the Shopping Center. Any damages done to the Premises or Shopping Center by taking in or putting out safes, furniture, or other articles, or from overloading the floor in any way, shall be paid by Tenant. Furniture, boxes, merchandise, or other bulky articles shall be transported only upon or by vehicles equipped with rubber tires. Movements of Tenant's property into or out of the Premises and Shopping Center shall be entirely at the risk and responsibility of Tenant and under the control of Landlord. Landlord may enter upon the Premises and may exercise any or all of the foregoing rights hereby reserved without being deemed guilty of an eviction or disturbance of Tenant's use or possession and without being liable in any manner to Tenant.

ARTICLE 23 RULES AND REGULATIONS

Tenant agrees to observe such rules and reasonable regulations as Landlord, in its continuous or recurring discretion, may from time to time make for the Shopping Center. Any failure by Tenant, its employees, agents, servants, clients, customers, invitees, licensees, and/or guests, to observe and comply with all such reservations, rules, and regulations shall constitute a default under this Lease, subject to the notice and cure provisions of this Lease otherwise applicable to such defaults.

ARTICLE 24 ASSIGNMENT AND SUBLETTING

Tenant may not assign or encumber its interest in this Lease or in the Premises, or sublease all or any part of the Premises, or allow any other person or entity (except Tenant's authorized representatives) to occupy or use all or any part the Premises, without first obtaining Landlord's prior written consent which shall not be unreasonably withheld or delayed. Any assignment or sublease without Landlord's required prior written consent shall be voidable and, at Landlord's election, shall constitute a Default. Notwithstanding any provision of this Lease to the contrary, Tenant shall not be released from any obligations under this Lease and Tenant remain primarily liable for all obligations and Rent in the event of assignment or sublease. In the event that the Premises are sublet, said sublease shall contain a provision that states that any rent received by Tenant, in excess of the Rent due under the Lease, shall also be due the Landlord as Additional Rent. In no event shall any assignment or sublease permit any violation of the terms of this Lease, nor grant any greater rights than afforded Tenant under this Lease.

ARTICLE 25 NOTICE

No notices or other communications given under this Lease shall be effective unless the same is in writing and delivered personally or sent by registered or certified U.S. mail, return receipt requested, first class, postage prepaid, or sent by recognized overnight courier and addressed to the respective party at the respective address set forth in Section 1.1 or 1.2 or to such other address as a party shall designate by giving notice to the other party in accordance with this Section. Notice shall be deemed effective on the date

received or refused by the addressee, except notice of change of address which shall only be effective upon receipt.

ARTICLE 26 CONVEYANCE BY LANDLORD

In the event of any transfer(s) of Landlord's interest in the Premises, the transferor shall be released from all obligations and liabilities under this Lease accruing from and after such transfer, and the transferee shall become liable for all Landlord's obligations and liabilities under this Lease that accrue during the period of such transferee's ownership of the Premises.

ARTICLE 27 RECORDING

This Lease shall not be recorded. However, a lease memorandum shall be entered upon request by either party, the form of which shall be subject to the reasonable approval of the parties. Either party may record the same at its own expense.

ARTICLE 28 SIGNAGE

28.1 Exterior Wall Sign.

Tenant may install a single wall sign on the external front wall of the Premises at Tenant's sole cost. The exact size, color, design, and placement of such sign shall be subject to Landlord's prior written approval, however, under no circumstances may Tenant's exterior building signage exceed the maximum amount permitted under code without variance and/or limit the square footage available to other tenants. Upon vacating the Premises, the Tenant shall restore the external wall of the Premises to its original condition, at Tenant's cost. Except as provided in this Article 28, no other signs shall be installed or maintained at, on, or about the Premises.

28.3 Signs.

Except for customary stickers for credit card acceptance or security that are professionally prepared, Tenant shall not place on any exterior door or window of the Premises any signs or advertising matter.

28.3 Exterior Pylon Sign.

Tenant, at Tenant's sole cost and expense, shall be entitled to install one sign panel (a "Panel") identifying the name of Tenant's business on each side of the existing pylon sign ("Pylon") serving the Shopping Center of a size and in a position as determined by Landlord. Tenant shall submit such signage to Landlord for Landlord's review and approval. Tenant shall reimburse Landlord for Tenant's pro rata share of the reasonable costs and expenses incurred in constructing (including the cost to extend electrical service thereto), maintaining, repairing, insuring, replacing, and operating the Pylon, except that the full cost of repair or replacement of Tenant's Panels shall be borne by Tenant. For purposes of this Section 28.3, Tenant's pro rata share shall equal a fraction, the numerator of which is the square footage of Tenant's Panels, and the denominator of which is the square footage of all tenant panels on the Pylon. Tenant acknowledges that it is responsible for the fabrication and installation of Tenant's Panels, and Tenant, at Tenant's sole cost and expense, shall use the contractor designated by Landlord for this purpose.

ARTICLE 29 MISCELLANEOUS

29.1 Binding Effect.

This Lease shall be binding upon and inure to the benefit of the successors and assigns of Landlord, and shall be binding upon and inure to the benefit of Tenant, its successors, and, to the extent subleasing or assignment may be approved by Landlord hereunder, Tenant's sublessees and assigns.

29.2 Financial Disclosures.

Within thirty days following each calendar year during the Term, Tenant shall submit to Landlord financial statements certified by an officer of Tenant that accurately reflect all aspects of the

Tenant's operation in accordance with generally accepted accounting principles applied on a consistent basis.

29.3 Illinois Law Governs.

This Lease is declared to be an Illinois contract, and all of the terms thereof shall be construed according to the internal laws of the State of Illinois, that is without reference to any conflict provisions. Venue shall only be proper in Winnebago County, Illinois, where the Lease was signed.

29.4 Headings.

Landlord and Tenant mutually agree that the headings and captions contained in this Lease are inserted for convenience of reference only, and are not to be deemed part of or to be used in construing this Lease.

29.5 Severability.

If any term or provision of this Lease or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term of this Lease shall be valid and enforceable to the fullest extent permitted by law.

29.6 Relationship of Parties.

Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto, it being understood and agreed that neither the method of computation of Rent nor any other provision contained herein, nor any acts of the parties hereto, shall be deemed to create any relationship between the parties hereto other than the relationship of Landlord and Tenant.

29.7 Rent.

All amounts due and payable from Tenant under this Lease shall be considered as Rent.

29.8 Shopping Center Lease.

Because the Premises are part of an integrated complex involving other tenants, it is the parties' intention that this Lease be deemed a "Shopping Center Lease" within the meaning of the bankruptcy code.

29.9 Consents and Waivers.

No consent or waiver, by either party expressed or implied, to or of any breach of any covenant, condition, or duty of the other party shall be construed as a consent or waiver to or of any other breach of the same or any other covenant, condition, or duty. The subsequent acceptance by Landlord of any Rent due, Additional Rent or any other monetary obligation of Tenant under this Lease shall not be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease. No term, covenant, or condition of this Lease shall be deemed waived by either party unless such waiver is executed by the party in writing.

29.10 Remedies Cumulative.

No remedy herein or otherwise conferred upon or reserved to Landlord shall be considered to exclude or suspend any other remedy, but the same 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 power and remedy given by this Lease to Landlord may be exercised at any time and from time to time and so often as occasion may arise or as may be deemed expedient.

29.11 Attorneys' Fees.

In the event of any litigation between the parties arising from or related to this Lease, Tenant shall pay all reasonable fees, cost and expenses incurred by Landlord in such proceeding, including without limitation, reasonable attorneys' fees and expenses.

29.12 Late Charge; Interest.

If any sums required hereunder to be paid are not received by Landlord on or before the date the same are due, then, Tenant shall immediately pay, as Additional Rent, a service charge equal to the greater of Two Hundred Dollars or ten percent of the past due sum to defray the administrative costs incurred by Landlord in connection with such late payment. In addition, interest shall accrue on all past due sums at an annual rate (the "Default Rate") equal to the greater of one percent per month, or three percent in excess of the prime rate of interest published from time to time by the Wall Street Journal, or if no longer published, by a similar publication selected by Landlord, but not in excess of the maximum legal rate. Such interest shall also be deemed Additional Rent. Notwithstanding this service and interest charge, Tenant shall be in default if all payments required to be made by Tenant are not made at or before the times herein stipulated.

29.13 Delay.

Whenever a period of time is provided in this Lease for Landlord to do or perform any act or thing, and except as specifically stated otherwise in this Lease, Landlord shall not be liable or responsible for any delays due to strikes, lockouts, casualties, acts of God, acts of terrorism, environmental releases, embargoes, material unavailability, war or governmental regulation beyond the reasonable control of Landlord and in any such event said time period shall be extended for the amount of time Landlord is delayed.

29.14 Submission of Lease.

The submission of this document for examination and negotiation does not constitute an offer to lease, or a reservation of, or option for, the Premises, and this document becomes effective and binding only upon the execution and delivery hereof by Tenant and Landlord, and approval by Landlord's mortgagee if applicable. All negotiations, considerations, representations, and understandings between Landlord and Tenant are incorporated herein and may be modified or altered only by agreement in writing between Landlord, and Tenant, and no act or omission of any employee or other agent of Landlord shall alter, change, or modify any of the provisions hereof.

29.15 Context.

All terms used in this Lease, regardless of the number or gender in which they are used shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine, or neuter as the context or sense of this Lease or any Article, Section or clause herein may require, as if such terms has been fully and properly written in such number or gender.

29.16 Brokerage.

Tenant warrants that it has had no dealings with any broker or agent in connection with this Lease. Tenant agrees to fully defend, hold harmless and indemnify Landlord from and against any and all cost, expense or liability from any compensation, commissions and charges claimed by any broker or agent in connection with this Lease or the negotiations thereof.

29.17 Authorship.

This Lease has been the subject of extensive negotiations between the parties and the interpretation hereof shall not be based upon any presumption that either party has been the drafter hereof.

29.18 Survival of Tenant's Obligations.

All of Tenant's obligations arising under this Lease shall survive the expiration or earlier termination of this Lease.

29.19 Accord and Satisfaction.

No payment by Tenant or receipt by Landlord of a lesser amount than any installment or payment of Rent, Additional Rent, or other sum due other than account of the amount due, and no endorsement or statement on any check or any letter accompanying any check or payment of Rent, Additional Rent, shall be deemed an accord and satisfaction, and Landlord may accept such check payment without prejudice to Landlord's right to recover the balance of such installment or payment of Rent, Additional Rent or other sum and pursue any other remedies available to Landlord. No receipt of money by Landlord from Tenant after the termination of this Lease or Tenant's right of possession of the Premises shall reinstate, continue or extend the Term.

29.20 Joint and Several Liability.

In the event Tenant is comprised of two or more individuals or entities, each such party shall be jointly and severally liable for all obligations of Tenant hereunder including, but not limited to, the payment of Rent and Additional Rent.

29.21 Independent Covenants.

The obligations of Landlord and Tenant, respectively, under this Lease are expressly agreed by the parties to be independent covenants. If Landlord fails to perform any obligation under this Lease required to be performed by Landlord, Tenant shall have no right to: (i) terminate this Lease; (ii) avail itself of self-help or to perform any obligation of Landlord; (iii) abatement or withholding of rent or any other charges or sums payable by Tenant under this Lease; or (iv) any right of setoff.

29.22 Specially Designated National.

Tenant certifies, represents and warrants to Landlord on which representation Tenant acknowledges Landlord was justified in relying and did rely and which representation was material to Landlord's decision to enter into this Lease that Tenant: (a) it is not acting, directly or indirectly, for or on behalf of any person, group, entity, or nation named by any Executive Order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or other banned or blocked person, entity, nation, or Transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control; and (b) It has not executed this Lease, directly or indirectly on behalf of, or Instigating or facilitating this Lease, directly or indirectly on behalf of, any such person, group, entity, or nation. Tenant hereby agrees to defend, indemnify, and hold harmless Landlord from and against any and all claims, damages, losses, risks, liabilities, and expenses (including attorney's fees and costs) arising from or related to any breach of the foregoing certification.

29.23 Guaranty.

Contemporaneously with the execution of this Lease by Tenant, Tenant shall cause Dialysis Care Center Holdings LLC, ("Guarantor"), to execute and deliver to Landlord a guaranty of all of Tenant's obligations under this Lease in the form attached hereto as Exhibit G.

29.24 Certificate of Need.

This Lease shall not be binding upon either party until Tenant receives a Certificate of Need from the Illinois Health Facilities Department of Health (the "CON"), and neither the Term nor the accrual of any obligation to pay Base Rent, Additional Rent or other charges shall commence until Tenant has obtained a final unappealable CON. In the event that Tenant has not obtained a final unappealable CON on or before March 1, 2017, either party may terminate this Lease by providing Landlord with written notice and the parties hereto shall be released from all liability under this

Lease. Upon receipt of the final unappealable CON, Tenant shall immediately notify Landlord and Landlord shall thereafter commence Landlord's Work. Landlord shall not have an obligation to commence Landlord's Work prior to Tenant's receipt of the final unappealable CON.

29.25 Exhibits.

The following Exhibits are attached to and incorporated into this Lease by reference:

Exhibit A – Site Plan
Exhibit B – Legal Description of Shopping Center
Exhibit C – Commencement Date Agreement
Exhibit D – Title Exceptions
Exhibit E – Summary of Exclusive, Restricted and/or Prohibited Uses
Exhibit F – Landlord's Work
Exhibit G – Guaranty

IN WITNESS WHEREOF, the parties hereto have executed this Lease under their seal as of the day and year first above written.

LANDLORD:	**TENANT:**
Perryville Center, L.L.C.	Dialysis Care Center Rockford LLC
By: _____	By: _____
Name: _____	Name: _____
Its: _____	Its: _____

Exhibit A

Site Plan

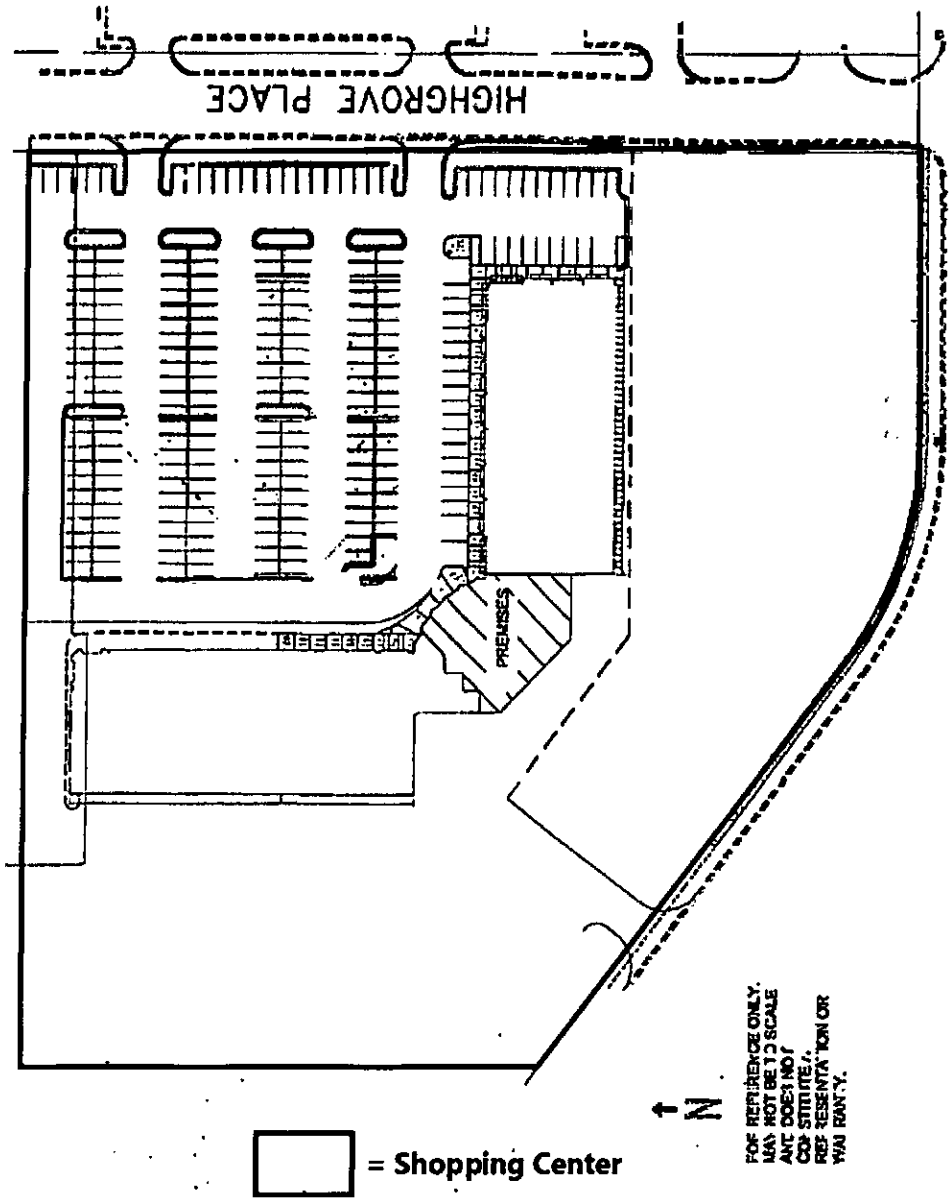


Exhibit B

Legal Description of Shopping Center

LOT 7 OF PLAT #3 OF PERRYVILLE CENTER, BEING A RESUBDIVISION OF LOTS 4 AND 5 OF PLAT NO. 2 OF PERRYVILLE CENTER, BEING PART OF THE NORTHEAST QUARTER OF SECTION 27, TOWNSHIP 44 NORTH, RANGE 2 EAST OF THE THIRD PRINCIPAL MERIDIAN.

Exhibit C

Commencement Date Agreement

This Commencement Date Agreement ("Agreement") is made and entered into between Perryville Center, L.L.C. ("Landlord") and Dialysis Care Center Rockford LLC ("Tenant") as of _____, 2017.

Recitals:

A. The parties entered into a Lease dated _____ ("Lease")

B. The parties agreed to enter into a supplemental agreement confirming the Commencement Date, the first and last day of the first Lease Year, and the last day of the Term.

NOW, THEREFORE, the parties hereby agree as follows:

1. Recitals; Definitions. The Recitals are hereby incorporated, and capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Lease.

2. Commencement Date. The Commencement Date of the Lease is _____.

3. First Lease Year. The First Lease Year commences on _____ and the last day of the first Lease Year is _____.

4. The last day of the Term is _____.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the above date period.

LANDLORD:	**TENANT:**
Perryville Center, L.L.C.	Dialysis Care Center Rockford LLC
By: _____	By: _____
Name: _____	Name: _____
Its: _____	Its: _____

Exhibit D

Title Exceptions

Reservation of access contained in Warranty Deed dated January 11, 1974 and recorded January 18, 1974 in Microfilm Number 74011999 as Document Number 1330235 made by County of Winnebago to American National Bank and Trust Company as Trustee of its Trust No. 73-5758.

Terms and conditions of a Pre-Annexation Agreement made between Ameore Bank, N.A., Rockford as the Owner, First Rockford William Charles I Developer and the City of Rockford as recorded October 18, 1990 in Microfilm 90332244.

Declaration of Sign Easement dated November 13, 1998 by First Rockford William Charles I, an Illinois general partnership

Exhibit E

Summary of Exclusive, Restricted and/or Prohibited Uses

Provisions may be quoted verbatim; if so, references to other exhibits or sections shall be deemed to incorporate those exhibits/sections of the relevant leases or other agreements, and capitalized terms shall have the respective meanings ascribed to such terms in the lease or other agreement containing the exclusive, restricted and/or prohibited use restrictions

1. Athletic and Therapeutic Institute of Naperville, LLC Lease

> Landlord, or its affiliates, shall not lease any space in the Shopping Center or in the additional area shown on Exhibit J and legally described on such Exhibit J for a business which provides Physical Therapy whether as a primary service or incidental to their practice/business. By way of example companies doing business by the tradenames "Athletico" or "Accelerated Rehabilitative Services" as such business are conducting business on the Lease Effective Date would be prohibited as would offices of physicians and chiropractors if the professional practice of physical therapy is being performed in such office. Medical offices or clinics, including chiropractic or acupuncture offices or the like would not be included if physical therapy is performed. Additionally, the exclusive shall not apply to day spas where massages, chair massages and head massages are provided as part of a menu of body treatment and aesthetic services.

03 not

2. BAC Rockford, LLC d/b/a Five Guys Lease

For so long as Five Guys is in operation at Perryville Center (excluding reasonable periods for inventory, remodeling and casualty) Perryville Crossings, L.L.C. will not lease to any party a premises at Our Center with a tradename as follows:

Burger King
Carls Jr.
Culvers
Fatburger
Fuddruckers
In and Out Burger
McDonalds
Meatheads
Smashburger
Sonic
Wendys

Subject to any existing lease, Tenant shall have the exclusive right to sell hamburgers, cheeseburgers and French fries for on or off-premises consumption within the Building ("Tenant's Exclusive"). Tenant's Exclusive shall not apply to full-service restaurants, deemed to be restaurants where Tenant takes customers orders at tables and delivers food to their tables. Further, Tenant's Exclusive shall not apply to the Incidental Sale of hamburgers, cheeseburgers and French fries. Incidental Sale means such user's gross sales of hamburgers, cheeseburgers and French fries, collectively, does not exceed twenty (20%) percent.

3. CN Rockford LLC successor to J-1 Nutrition, LLC Lease

Landlord shall not lease any other premises on the Property for the Primary Purpose of a Nutrition Supplement store.

4. Lakeside Anesthesiology, S.C. Lease

Landlord shall not lease any other premises on the Property for the Primary Purpose of a Weight Loss Clinic.

5. Mariner Finance, LLC Lease

Landlord will not hereafter enter into a new lease with a tenant whose principal permitted use (i.e., more than 15% of gross revenues) is that of a consumer loan office, including such tenants commonly known as "One Main Street", "Customer's Bank", or "Spring Leaf" (the "Exclusive Use").

6. Quest Diagnostics, LLC Lease

Landlord shall not lease, permit a sublease, operate, maintain or authorize any person or corporation to operate a reference medical laboratory in the Building in which the Premises are located other than as provided for by this Lease.

7. Visit Pipatpinyopong, Wilairut Kiatathikom and Thai Hut Restaurant, Inc. Lease

Landlord agrees not to lease any other premises in the
Building for a primary use as a Thai themed restaurant. "Primary use" as used in this section shall mean sales exceeding ten (10%) from the premises derived from the sale of Thai food. As used in this Lease, a Thai food or restaurant shall be understood to be separate from Chinese, Mongolian or Indian ethnic foods or restaurants, which are specifically permitted. Distinguishing characteristics of Thai food are understood to include but not be limited to: the addition of pure spices enhanced by herbs such as lemon grass and galangal; curries which burn intensely but with a short palate life; inclusion of coconut milk; and use of the condiments Nam Pla, Prik Pon, vinegar with chili peppers, and sugar.

8. David's Bridal, Inc. Lease

2.5.2.

Tenant shall have the exclusive right to sell and/or rent women's bridal wear and men's and women's formal wear in the Center and any additions thereto.

9. Panera, LLC

Exclusive Uses:
Landlord shall not enter into any lease for space located in the Building with any person or entity that would permit the occupant of such space to operate a business serving primarily bakery goods, bagels, sandwiches, soups, salads and/or coffee, provided that this provision shall not prohibit Landlord from entering into Leases with Tenants whose business includes as an ancillary component the sale of bakery goods, soups, sandwiches, salads and/or coffee (less than 10% in the aggregate) or whose use includes the sale of otherwise prohibited items in an establishment that derives twenty-five (25%) percent or more of its gross revenues from the sale of alcoholic beverages.

10. Preannexation Agreement

Please refer to the Preannexation Agreement by and between Amcore Bank, N.A., as Trustee of Trust No., First Rockford/William Charles I, and the City of Rockford, dated July 23rd, 1975 and recorded at the Winnebago County Recorder's Office, Illinois, as Document Number 90-33-2244 on October 18, 1990, all of which are incorporated by reference, including without limitation, the following:

c) Tract G shall be zoned City "CO". The OWNER agrees Premises in Tract G shall not be used for auto repair, auto service center, body shop, or gas stations. CITY shall not unreasonably deny OWNER's request for any other use requiring a Special Use Permit on Tract G.

Exhibit F

Landlord's Work

Exhibit G

Guaranty

GUARANTY

For and in consideration of Ten Dollars ($10.00) and other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, and in consideration for, and as an inducement to Perryville Center, L.L.C. as "Landlord" to enter into that certain lease (the "Lease") dated _____, with Dialysis Care Center Rockford LLC, as "Tenant", the undersigned guarantor(s) (individually, jointly, and severally), unconditionally guarantee(s) the full, faithful, and complete performance and observance of all of the covenants, conditions, and agreements therein provided to be performed and observed by Tenant, Tenant's successors and assigns, and expressly agree that the validity of this agreement and the obligations of the undersigned guarantor(s) hereunder shall in no way be terminated, affected, or impaired by reason of the granting by Landlord of any indulgences to Tenant or by reason of the assertion by Landlord against Tenant of any of the rights or remedies reserved to Landlord pursuant to the provision of the Lease or by the relief of Tenant from any of Tenant's obligations under the Lease by operation of law or otherwise; the undersigned hereby waiving all suretyship defenses.

The undersigned guarantor(s) further covenant and agree that this Guaranty shall remain and continue in full force and effect as to any renewal(s), modification(s) (including, without limitation, the alteration, enlargement or change of the premises described in the Lease), extension(s) or option term(s) of the Lease (including, without limitation, the alteration, enlargement or change of the premises described in the Lease), extension(s), or option term(s). The undersigned guarantor(s) further agree that the undersigned guarantor(s) liability under this Guaranty shall be primary, and joint and several and that in any right of action(s) which shall accrue to Landlord under the Lease, Landlord may, at Landlord's option, proceed against any or all of the undersigned guarantor(s) and Tenant, jointly or severally, and may proceed against any or all of the undersigned guarantor(s) without having commenced any action against or having obtained any judgment against Tenant. The undersigned guarantor(s) further covenant and agree that Landlord shall be entitled to recover from guarantor(s) reasonable attorneys' fees and costs incurred by Landlord in connection with any litigation between Landlord and guarantor(s) related to or arising out of this Guaranty.

It is agreed that the failure of Landlord to insist in any one or more instances upon a strict performance or observance of any of the terms, provisions, or covenants of the Lease or to exercise any right therein contained shall not be construed or deemed to be a waiver or relinquishment for the future of such term, provisions, covenant or right, but the same shall continue and remain in full force and effect. Receipt by Landlord of rent with knowledge of the breach of any provision of the Lease shall not be deemed waiver of such breach.

No subletting, assignment, or other transfer of the Lease, or any interest therein, shall operate to extinguish or diminish the liability of the undersigned guarantor(s) under this Guaranty. The liability of the undersigned guarantor(s) under this Guaranty shall not be affected by (a) the release or discharge of Tenant from its obligations under the Lease in any creditors', receivership, bankruptcy, or other proceedings, or the commencement or pendency of any such proceedings; (b) the impairment, limitation or modification of the liability of Tenant or the estate of Tenant in bankruptcy, or of any remedy for the enforcement of Tenant's liability under the Lease, or resulting from the operation of any present or future bankruptcy code or other statute, or from a decision in any court; (c) the rejection or disaffirmance of this Lease in any such proceedings; (d) the assignment or transfer of this Lease or sublease of all or part of the

premises described in the Lease by Tenant; (e) any disability or other defense of Tenant; or (f) the cessation from any cause whatsoever of the liability of Tenant under the Lease.

It is further agreed that all of the terms and provisions hereof shall inure to the benefit of the respective heirs, executors, administrators, successors and assigns of the Landlord, and shall be binding upon the respective heirs, executors, administrators, successors and assigns of the undersigned guarantor(s); but in no event shall an assignment by any of the undersigned guarantor(s) relieve the undersigned guarantor(s) from any obligations hereunder.

IN WITNESS WHEREOF, the undersigned guarantor(s) have caused this Guaranty to be executed as the same day as the Lease.

Guarantor:
Dialysis Care Center Holdings LLC

By:_____
Name:_____
Its:_____

ACKNOWLEDGEMENT

STATE OF ILLINOIS)
) SS
COUNTY OF _____)

On _____, 2017, before me, the undersigned Notary Public in and for said County/Parish and State, personally appeared _____, personally known to me to be the _____ of _____ who executed the foregoing instrument for the purposes therein expressed, as his free and voluntary act and the free and voluntary act of _____. In witness thereof, I have hereunto set my hand and official seal the day and year last above written.

[SEAL]

_____
Notary Public
My Commission Expires: _____

Attachment 34

SECTION IX. 1120.130 - ECONOMIC FEASIBILITY

Financial Viability Waiver

Dialysis Care Center Rockford will be funded entirely with cash and cash equivalents, thereby meeting the criteria for the financial waiver.

Attachment 35

Section IX. Financial and economic Feasibility

Reasonableness of Financing Arrangement

Dialysis Care Center Rockford will be funded entirely with cash and cash equivalents, thereby meeting the criteria for the financial waiver

Attachment 36 is a letter attesting that the total estimated project costs will be funded entirely with cash.

Attachment 36

Section IX. Financial and economic Feasibility

Reasonableness of Financing Arrangement

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

Dear Chairwoman Olson:

I hereby certify the following:

- Dialysis Care Center Rockford will be funded through cash and cash equivalents, a lease, and no debt financing to be used
- Dialysis Care Center maintains sufficient cash and short term securities to fund this project; and
- The expenses to be incurred through the lease of space and selected equipment are less than those associated with the construction of a new facility or the purchase of equipment.

Sincerely,

Asim M Shazzad
Chief Operating Officer

Notarization:
Subscribed and sworn to before me
this 30 day of November 2017

Signature of Notary

RICHARD J MISIDROWSKI
Official Seal
Notary Public - State of Illinois
My Commission Expires Sep 9, 2019

Attachment 36

Section IX. Financial and economic Feasibility

Conditions of Debt financing

Dialysis Care Center Rockford will be funded entirely with cash and cash equivalents, Accordingly, this criterion is not applicable.

Attachment 37

Section IX. Financial and economic Feasibility

Criterion 1120.310 (c) Reasonableness of project and related cost

Dialysis Care Center Rockford will be funded entirely with cash and cash equivalents, thereby meeting the criteria for the financial waiver

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)	
ESRD		0.00			5350			0.00	0.00
Contingency		$11.21			5350			$60,000	$60,000
TOTALS		$11.21			5350			$60,000	$60,000

The cost of buildout is included in the FMV of the lease. Construction is being done by the landlord and included within the lease.

These projected costs are below the state standards.

Attachment 37

Section IX. Financial and economic Feasibility

Criterion 1120.310 (d) Project Operating cost
FMV OF LEASE

Fair Market Falue Leased Space
DCC Rockford

Intial Base rent + CAM	$	23.95
Escalation		2.5%
Rentable square feet		5350
Term		10
Discount Rate		10%

	Annual Rent	Discount Factor	Present Value of Rent
Year 1	$ 128,133	0.90909	$ 116,483.97
Year 2	$ 131,336	0.82645	$ 108,542.48
Year 3	$ 134,619	0.75131	$ 101,140.76
Year 4	$ 137,985	0.68301	$ 94,244.92
Year 5	$ 141,434	0.62092	$ 87,819.39
Year 6	$ 144,970	0.56447	$ 81,831.31
Year 7	$ 148,594	0.51316	$ 76,252.71
Year 8	$ 152,309	0.46651	$ 71,053.80
Year 9	$ 156,117	0.4241	$ 66,209.22
Year 10	$ 160,020	0.3855	$ 61,687.68
FMV of Lease			$ 865,266.25

Section IX. Financial and economic Feasibility

Criterion 1120.310 (d) Proforma

Proforma

Summarized Profit and Loss Statement 2017

[ROCKFORD]

	INCEPTION	YE 1	YE 2	YE 3
Total Patients	5	45	58	72
Total Treatments	726	6534	8422	10454
Revenue	$ 224,153	$ 2,097,163	$ 2,810,569	$ 3,581,396
Expenses				
Total Personnel	556,000.00	823,603.53	991,135.55	1,031,177.42
Total Supplies	47,190.00	434,053.62	561,089.10	698,563.01
Total Facilities Expenses	309,219.18	464,504.67	536,713.93	616,354.76
Total Intial Fees	5,025.00	-	-	-
Depreciation	53,690.48	53,690.48	53,690.48	48,857.14
Overhead-3% of Rev	6,724.58	62,914.89	84,317.06	107,441.89
Write Offs - 1% of Rev	2,241.53	20,971.63	28,105.69	35,813.96
TOTAL EXPENSES	980,090.75	1,859,738.82	2,255,051.80	2,538,208.18
Income (Loss) Operations	(755,938.25)	237,424.30	555,517.01	1,043,188.13
Percent Profit	-337%	11%	20%	29%

Section IX. Financial and economic Feasibility

Criterion 1120.310 (D) Project Operating cost

Project operating cost, Year 2

Operating Expenses.....	$2,088,938
Annual treatments	8,422
Operating Cost per treatment	$248.05

Attachment 37

Section IX. Financial and economic Feasibility

Criterion 1120.310 (e) Total Effect of the project on capital costs

Project operating cost, Year 2

Depreciation/Amortization and interest	$ 53,690
Treatments	8,422
Capital cost per treatment	$6.38

Attachment 37

Section IX. Financial and economic Feasibility

Expected Payor Mix

Please find end of year 2 estimated expectations.

Payor Mix	# of Patients	% of Revenues
Medicare	46	64%
Medicaid	3	2%
Commercial	9	34%
	58	100%

SECTION X. SAFETY NET IMPACT STATEMENT

The establishment of Dialysis Care Center Rockford will not have any impact on safety net services in the Rockford area. Outpatient dialysis facilities services are not typically considered or viewed as "safety net" services. As a result the presence of Dialysis Care Center Rockford as a provider is not expected to alter the way any other healthcare providers function in the community.

Dialysis Care Center Rockford has no reason to believe that this project would have any adverse impact on any provider or health care system to cross-subsidize safety net services.

Dialysis Care Center Rockford will be committed to providing ESRD services to all patients with or without insurance or patients to no regards for source of payment. Dialysis Care Center Rockford will not refuse any patients. Medicaid patients wishing to be served at Dialysis Care Center Rockford will not be denied services. Because of the Medicare guidelines for qualification for ESRD, a few patients' with ESRD are left uninsured for their care.

Attachment 38

SECTION XI. CHARITY CARE INFORMATION

The policy of Dialysis Care Center Rockford is to provide services to all patients regardless of race, color, national origin. Dialysis Care Center Rockford will provide services to patients with or without insurance and as well as patients who may require assistance in determining source of payment. Dialysis Care Center will not refuse any patient. Medicaid patients wishing to be served will not be denied services. Through Medicare guidelines, patients who are prequalified for ESRD or for the few that are currently ESRD status and are left uninsured, Dialysis Care Center will be committed to providing continued care.

Dialysis Care Center Rockford will be committed to work with any patient to try and find any financial resources and any programs for which they may qualify for.

Dialysis Care Center will be an "open dialysis unit" meaning through our policy, any nephrologist will be able to refer their patients and apply for privileges to round at the facility, if they desire.

Dialysis Care Center will participate in American Kidney Fund (AKF) to assist patients with insurance premiums which will be at no cost to the patient.

Currently as Dialysis Care Center Rockford will be a new entity there is no current Charity documentation that can be provided to the board, however the Charity policy is attached.

Please find attached our Admission Policy and Charity Policy.

Attachment 39

DIALYSIS CARE CENTER ROCKFORD

Admission Policy

I. Purpose: The purpose of this policy is to define requirements for admission to the Dialysis Care Center (DCC).

II. Performed by: Medical Director, Program Manager, Program Nurse

III. Overview: All patients must receive modality education by their referring physician prior to being admitted to the facility. The Program staff will further educate the patient on the modality he/she has chosen. The facility Patient Handbook will also include education on the different treatment modalities and instruct the patient on his/her right to change their treatment modality provided they meet the criteria for that modality and they have discussed this with their physician and the members of the interdisciplinary team (IDT).

IV. Supplies:

A. Assignment of Benefits Form
B. Release of information Form
C. Admission Agreement
D. Consent for Dialysis
E. Patient Handbook

V. Policy:

A. All patients referred to DCC will be treated regardless of race, creed, age, sex, color, disability, or national origin.

B. In order to develop the admission treatment orders and to identify and address any urgent medical needs prior to the completion of the comprehensive patient assessment by the IDT, the Medical Director, nephrologist or physician extender and the Program Registered Nurse will be responsible for an initial assessment before the initiation of the patient's first dialysis treatment in the facility.

C. The initial medical assessment may be completed by review of the patient's medical records or consultation with the referring physician and is not intended to require the medical staff physically see the patient in the facility prior to the first treatment.

D. Orders for treatment must be obtained prior to the initial dialysis treatment. The Registered Nurse will meet with the patient new to dialysis to

perform an initial nursing assessment prior to initiation of treatment. The minimum nursing evaluation prior to initiating treatment for a patient new to dialysis will include the following:

- Neurologic: level of alertness, orientation
- Subjective complaints
- Pain status
- Activity: ambulation status, support needs, falls risk
- Access assessment
- Respiratory: description of respirations and lung sounds
- Cardiovascular: heart rate and rhythm, blood pressure, any edema
- Fluid gains
- integumentary: skin color, temperature, and any type/location of wounds

E. All appropriate paperwork must be completed prior to admission and includes receipt of medical and financial record to allow enough time for review by the physician and clinical staff. The following forms must be signed before admission to the facility:

- Assignment of Benefits (AOB)
- Release of Information
- Admission Agreement

F. Hepatitis testing is required prior to admission.

G. Financial approval for the patient's admission will be granted based on the patient's insurance coverage the patient's intent to pursue other assistance programs if indicated. Any individual unable to obtain or ineligible for financial or insurance coverage, or refusing to disclose insurance information will not be granted financial clearance to be admitted to the Program.

H. Copies of insurance coverage are required prior to admission.

I. Prior to initiation of dialysis, a consent form for the specific dialysis treatment modality must be signed by the patient or authorized Caregiver.

VI. Procedure: Please follow the steps in the table below.

1	Review admission policy with appropriate staff to ensure admission process is understood and followed.
2	Obtain and review hepatitis status of patient with the Medical Director, physician or physician extender prior to admission.
3	Obtain patient or authorized caregiver signature on all admission documents including but not limited to the AOB, Release of Information and Consent

4	As certain that the patient has received financial and medical clearance and has been approved for admission to the Program/facility before accepting the patient for treatment.

VII. References:

- Federal Register (April 2008). Centers for Medicare & Medicaid Services (CMS), Conditions for Coverage, 494.150 Medical Director.

VIII. Associate Policies:

- Hemodialysis Consent Policy

Attachment 39

DIALYSIS CARE CENTER ROCKFORD

Charity Policy

I. **Purpose:** The purpose of this policy is to define requirements for admission to the Dialysis Care Center Rockford, LLC (DCC).

II. **Performed by:** Medical Director, Program Manager, Program Nurse

III. **Policy:**

A. Provide care for patients in the community who are economically challenged and/or who are undocumented aliens, who do not qualify for Medicare/Medicaid pursuant to an Indigent Waiver policy.

B. Assist patients who do not have insurance in enrolling when possible in Medicaid and/or Medicaid as applicable, and also our social services department assists patients who have issues regarding transportation and/or who are wheel chair bound or have other disabilities which require assistance with respect to dialysis services and transport to and from the unit.

C. Provides care to patients who do not qualify for any type of coverage for dialysis services. These patients are considered "self-pay" patients. They are billed for services rendered, and after three statement reminders the charges are written off as bad debt. Collection actions are not initiated unless the applicants are aware that the patient has substantial financial resources available and/or the patient has received reimbursement from an insurer for services we have rendered, and has not submitted the payment for same to the applicants.

D. Provide community benefit by supporting various medical education activities and associations, such as the Renal Network and National Kidney Foundation

Attachment 39

Appendix 1 & Appendix 2

Appendix 1- Physician Referral Letter

Attached as Appendix 1 is the Medical Director, Dr. Talal Mahmood, projecting 70 pre-ESRD patients will initiate dialysis within 12 to 24 months of project completion.

KIDNEY CARE CENTER

Kidney Care Center Rockford
6940 VillaGreen View
Rockford, IL, 61107

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

Dear Ms. Avery,

I am a pleased to support Dialysis Care Center Rockford. The proposed 12-station chronic renal dialysis facility, to be located at 657 Highgrove Place, Rockford, IL,61108

Dialysis Care Center Rockford facility will improve access to necessary dialysis services in the Rockford community.

My partner and I have witnessed extreme growth of both population and of ESRD patients in this area. We have many pre-ESRD patients in my practice that I anticipate referring to the Dialysis Care Center Rockford. This facility will better serve the growing number of dialysis patients in my practice.

We currently have 94 CKD 4 pre-ESRD patients in my practice, this does not include any patients that are CKD 3, the list is provided for those patients as well but have not been accounted for in any calculation purposes. Of these, I expect approximately 25% to expire, regain function, move out of the area or choose home dialysis before dialysis therapy is started. I expect then that approximately 70 of these patients would be referred to Dialysis Care Center Rockford facility for dialysis. My partners and I will continue to refer patients to the other area facilities per the patient's place of residence and choice. We are also strong supporters of home dialysis through our Rockford home therapies programs and will continue to refer those patients who are good candidates for home dialysis services.

Appendix 1

I respectfully ask you to consider the constant growth of ESRD in Rockford and Winnebago County to approve the Dialysis Care Center Rockford facility to maintain access for future dialysis patients.

Thank you for your consideration.

I attest that to the best of my knowledge, all the information contained in this letter is true and correct.

Sincerely,

Talal Mahmood

Dr Talal Mahmood

Notarization:
Subscribed and sworn to before me
this 30 day of November 2017

Signature of Notary

Seal

LILIA SOTO
Official Seal
Notary Public - State of Illinois
My Commission Expires May 10, 2021

Appendix 1

Current Pre-ESRD Patient Kidney Care Center Rockford - 2017 Dr. Talal Mahmood		
Patient's Initials	Zip Code	CKD Stage
RFA	61065	CKD Stage 3
JA	61111	CKD Stage 3
DMA	61111	CKD Stage 3
RA	61107	CKD Stage 3
JAA	61104	CKD Stage 3
GA	61107	CKD Stage 3
BJA	61088	CKD 5tage 3
RA	61103	CKD Stage 3
SA	61101	CKD Stage 3
FLB	61088	CKD Stage 3
GBB	61016	CKD Stage 3
DJB	61109	CKD Stage 3
CAB	61101	CKD Stage 3
GRB	61008	CKD Stage 3
JB	61111	CKD Stage 3
NFB	60135	CKD Stage 3
RB	61101	CKD Stage 3
RLB	61107	CKD Stage 3
CB	61108	CKD Stage 3
JB	61008	CKD Stage 3
RSB	61104	CKD Stage 3
LMB	61108	CKD Stage 3
DRB	61114	CKD Stage 3
PLB	61103	CKD Stage 3
BB	61108	CKD Stage 3
RSB	61107	CKD Stage 3
SB	61107	CKD Stage 3
DFB	61111	CKD Stage 3
GB	61109	CKD Stage 3
RAB	61073	CKD Stage 3
JMB	61084	CKD Stage 3
BB	61115	CKD Stage 3
ZB	61107	CKD Stage 3
JEB	61016	CKD Stage 3
VB	61115	CKD Stage 3
JCJ	61107	CKD Stage 3
PHB	61104	CKD Stage 3

ELB	61104	CKD Stage 3
JB	61115	CKD Stage 3
RLB	61107	CKD Stage 3
RGC	61107	CKD Stage 3
KDC	61008	CKD Stage 3
JC	61008	CKD Stage 3
DAC	61109	CKD Stage 3
MC	61109	CKD Stage 3
EVC	61072	CKD Stage 3
JMC	61065	CKD Stage 3
NJC	61084	CKD Stage 3
KC	61109	CKD Stage 3
BC	61101	CKD Stage 3
KC	61107	CKD Stage 3
JC	61103	CKD Stage 3
SAC	61109	CKD Stage 3
LRC	61103	CKD Stage 3
TC	61101	CKD Stage 3
HMC	61103	CKD Stage 3
NC	61107	CKD Stage 3
JC	61107	CKD Stage 3
PJC	61109	CKD Stage 3
JCC	61109	CKD Stage 3
RC	61109	CKD Stage 3
GC	61111	CKD Stage 3
CMC	61109	CKD Stage 3
SSC	61114	CKD Stage 3
RWD	61049	CKD Stage 3
RAD	61068	CKD Stage 3
RJD	61068	CKD Stage 3
GD	61108	CKD Stage 3
LSD	61104	CKD Stage 3
BD	61102	CKD Stage 3
CLD	61102	CKD Stage 3
JCD	6111S	CKD Stage 3
WRD	61108	CKD Stage 3
HD	61107	CKD Stage 3
BD	61115	CKD Stage 3
GD	61108	CKD Stage 3
VD	61103	CKD Stage 3
JLD	61107	CKD Stage 3
PE	61111	CKD Stage 3

CE	61104	CKD Stage 3
KAE	61107	CKD Stage 3
LGE	61114	CKD Stage 3
GEE	61016	CKD Stage 3
RWE	61101	CKD Stage 3
-RA	61008	CKD Stage 3
CAE	61114	CKD Stage 3
JE	61016	CKD Stage 3
SJF	61008	CKD Stage 3
GMF	61008	CKD Stage 3
LF	61114	CKD Stage 3
CSF	61111	CKD Stage 3
RAF	61008	CKD Stage 3
ELF	61104	CKD Stage 3
ACF	61008	CKD Stage 3
RF	61108	CKD Stage 3
BJF	61108	CKD Stage 3
MGF	61107	CKD Stage 3
JF	61108	CKD Stage 3
DEF	61109	CKD Stage 3
LG	61108	CKD Stage 3
CLG	61114	CKD Stage 3
DG	61109	CKD Stage 3
EJG	61008	CKD Stage 3
CMG	61114	CKD Stage 3
ADG	61101	CKD Stage 3
PG	61008	CKD Stage 3
CG	61104	CKD Stage 3
SMG	61102	CKD Stage 3
JKG	61063	CKD Stage 3
SMD	61107	CKD Stage 3
DMG	61101	CKD Stage 3
JVG	61101	CKD Stage 3
JGG	61008	CKD Stage 3
PH	60041	CKD Stage 3
CLH	61047	CKD Stage 3
CJH	61101	CKD Stage 3
DEH	61107	CKD Stage 3
RMH	61107	CKD Stage 3
RH	61068	CKD Stage 3
PAH	61103	CKD Stage 3
LLH	61111	CKD Stage 3

PAH	61115	CKD Stage 3
AH	61101	CKD Stage 3
WFH	61114	CKD Stage 3
RH	61108	CKD Stage 3
DRH	61008	CKD Stage 3
KGH	61107	CKD Stage 3
COH	61101	CKD Stage 3
RHH	61063	CKD Stage 3
JHH	53511	CKD Stage 3
JSH	61104	CKD Stage 3
EI	61008	CKD Stage 3
JI	61101	CKD Stage 3
LJ	61109	CKD Stage 3
PWJ	61103	CKD Stage 3
MJ	53576	CKD Stage 3
GCJ	61108	CKD Stage 3
MAJ	61104	CKD Stage 3
CJ	61108	CKD Stage 3
GMJ	61115	CKD Stage 3
MJJ	61111	CKD Stage 3
GMJ	61008	CKD Stage 3
WK	61107	CKD Stage 3
LAK	61104	CKD Stage 3
KK	60102	CKD Stage 3
KAK	61008	CKD Stage 3
MK	61008	CKD Stage 3
AGK	61084	CKD Stage 3
LEK	62450	CKD Stage 3
JK	61108	CKD Stage 3
JK	61109	CKD Stage 3
GDK	61054	CKD Stage 3
MDK	61111	CKD Stage 3
CK	61020	CKD Stage 3
NJK	61109	CKD Stage 3
MK	60152	CKD Stage 3
PLL	61108	CKD Stage 3
JCL	61108	CKD Stage 3
FAL	61008	CKD Stage 3
LML	61107	CKD Stage 3
DJL	61108	CKD Stage 3
HWL	61111	CKD Stage 3
SJL	61108	CKD Stage 3

JKL	61115	CKD Stage 3
JL	61115	CKD Stage 3
AJL	60152	CKD Stage 3
DHL	61010	CKD Stage 3
JLL	61108	CKD Stage 3
NML	61115	CKD Stage 3
HL	61104	CKD Stage 3
SUM	61107	CKD Stage 3
REM	61108	CKD Stage 3
RFM	61109	CKD Stage 3
ACM	61073	CKD Stage 3
BEM	61107	CKD Stage 3
SM	61008	CKD Stage 3
JSM	61101	CKD Stage 3
AWM	61107	CKD Stage 3
RVM	61115	CKD Stage 3
EMM	61111	CKD Stage 3
JM	61065	CKD Stage 3
AEM	61111	CKD Stage 3
JM	61108	CKD Stage 3
DM	61104	CKD Stage 3
SCM	61109	CKD Stage 3
MM	61126	CKD Stage 3
SAN	61109	CKD Stage 3
GN	61115	CKD Stage 3
MN	61102	CKD Stage 3
RN	61107	CKD Stage 3
DLN	61047	CKD Stage 3
DVN	61104	CKD Stage 3
GLN	61109	CKD Stage 3
BAN	61111	CKD Stage 3
RO	61103	CKD Stage 3
SRO	61109	CKD Stage 3
GEO	61080	CKD Stage 3
MEP	61111	CKD Stage 3
BAP	61101	CKD Stage 3
TLP	61115	CKD Stage 3
FMP	61010	CKD Stage 3
JP	61016	CKD Stage 3
HP	61104	CKD Stage 3
HP	61109	CKD Stage 3
CSP	61073	CKD Stage 3

RAP	61107	CKD Stage 3
SLP	61064	CKD Stage 3
RTQ	61103	CKD Stage 3
MLR	61008	CKD Stage 3
DR	61016	CKD Stage 3
JJR	61108	CKD Stage 3
CR	61104	CKD Stage 3
AR	61102	CKD Stage 3
SRL	61008	CKD Stage 3
DAR	61107	CKD Stage 3
JAR	61102	CKD Stage 3
GIR	61020	CKD Stage 3
LRR	61102	CKD Stage 3
JR	61008	CKD Stage 3
PSR	61104	CKD Stage 3
LAR	61008	CKD Stage 3
BNR	61101	CKD Stage 3
AS	61101	CKD Stage 3
KS	61103	CKD Stage 3
AS	61111	CKD Stage 3
MLS	61101	CKD Stage 3
JRS	61109	CKD Stage 3
DS	61109	CKD Stage 3
RWS	61114	CKD Stage 4
SJS	61109	CKD Stage 4
GS	61104	CKD Stage 4
SS	61114	CKD Stage 4
VJS	61107	CKD Stage 4
GSS	61111	CKD Stage 4
TS	61008	CKD Stage 4
PAS	61109	CKD Stage 4
RES	61103	CKD Stage 4
KAS	61104	CKD Stage 4
DDS	61068	CKD Stage 4
RDS	61072	CKD Stage 4
FS	61008	CKD Stage 4
RS	61104	CKD Stage 4
MLS	61109	CKD Stage 4
WSS	61125	CKD Stage 4
CRS	61047	CKD Stage 4
DLS	61108	CKD Stage 4
DRS	61115	CKD Stage 4

IS	61107	CKD Stage 4
EJS	61108	CKD Stage 4
DRS	61111	CKD Stage 4
RCS	61073	CKD Stage 4
FJS	61108	CKD Stage 4
JJS	61107	CKD Stage 4
BS	61104	CKD Stage 4
SS	61103	CKD Stage 4
CAS	61109	CKD Stage 4
PWS	61103	CKD Stage 4
EJS	61103	CKD Stage 4
LJS	61115	CKD Stage 4
BT	61111	CKD Stage 4
JMT	61008	CKD Stage 4
NT	61016	CKD Stage 4
GEW	61114	CKD Stage 4
LHW	61109	CKD Stage 4
SMW	61008	CKD Stage 4
GW	61101	CKD Stage 4
LW	61109	CKD Stage 4
BAW	61109	CKD Stage 4
TMW	61010	CKD Stage 4
SHW	61102	CKD Stage 4
DFW	61109	CKD Stage 4
LW	61103	CKD Stage 4
DW	61030	CKD Stage 4
WJW	61008	CKD Stage 4
DW	61032	CKD Stage 4
MIW	61088	CKD Stage 4
NJY	61061	CKD Stage 4
RMY	60518	CKD Stage 4
RY	61114	CKD Stage 4
AY	61071	CKD Stage 4
BMY	61102	CKD Stage 4
CLY	61109	CKD Stage 4
MAY	61103	CKD Stage 4
HZ	61108	CKD Stage 4
JDZ	61068	CKD Stage 4
LZ	61108	CKD Stage 4
EA	61109	CKD Stage 4
APB	61065	CKD Stage 4
LC	61104	CKD Stage 4

JC	61103	CKD Stage 4
JC	61068	CKD Stage 4
CGD	61063	CKD Stage 4
LAD	61080	CKD Stage 4
JE	61109	CKD Stage 4
LG	60622	CKD Stage 4
HAH	61010	CKD Stage 4
CJ	61102	CKD Stage 4
LAJ	61102	CKD Stage 4
GLL	61019	CKD Stage 4
DL	61008	CKD Stage 4
DJL	61111	CKD Stage 4
MFM	61104	CKD Stage 4
DAM	61101	CKD Stage 4
RN	61104	CKD Stage 4
AJP	61107	CKD Stage 4
MS	61008	CKD Stage 4
MCS	61102	CKD Stage 4
PS	61008	CKD Stage 4
DGS	61008	CKD Stage 4
JNT	61008	CKD Stage 4
RGW	61108	CKD Stage 4
SW	61104	CKD Stage 4
WJZ	61114	CKD Stage 4

Current Pre-ESRD Patient Kidney Care Center Rockford- 2017 Dr. Krishna Manda		
Patient's Initials	Zip Code	CKD Stage
EA	61107	CKD Stage 3
ACB	61114	CKD Stage 3
RRB	61065	CKD Stage 3
SB	61103	CKD Stage 3
JAB	61103	CKD Stage 3
MC	61111	CKD Stage 3
DF	61109	CKD Stage 3
NF	61114	CKD Stage 3
CG	61103	CKD Stage 3
SI	61102	CKD Stage 3
WJK	61008	CKD Stage 3
GEL	61109	CKD Stage 3
WL	61111	CKD Stage 3
RDM	61115	CKD Stage 4
MMM	61109	CKD Stage 4
SN	61008	CKD Stage 4
PJP	61073	CKD Stage 4
TP	61107	CKD Stage 4
NLP	61010	CKD Stage 4
DQ	61071	CKD Stage 4
SMS	61109	CKD Stage 4
SCS	61107	CKD Stage 4
SAW	61114	CKD Stage 4

Dialysis Patient Census Kidney Care Center - Rockford 2015 Dr. Talal Mahmood		
Zip Code of Patient	**Name of Facility Referred**	**Number of Patients Referred**
61008	Davita Rockford	1
	TOTAL	**1**

Dialysis Patient Census Kidney Care Center - Rockford 2016 Dr. Talal Mahmood		
Zip Code of Patient	**Name of Facility Referred**	**Number of Patients Referred**
61104	Davita Stonecrest	1
61109	Davita Rockton Ave	1
	TOTAL	**2**

Dialysis Patient Census Kidney Care Center - Rockford 2016 Dr. Krishna Manda		
Zip Code of Patient	**Name of Facility Referred**	**Number of Patients Referred**
61102	Davita Stonecrest	1
61073	Davita Machesney Park	1
61104	Davita Roxbury	1
	TOTAL	**3**

New Patients Referred By Zip Code and Facility Kidney Care Center - Rockford 2017 Dr. Talal Mahmood		
Zip Code of Patient	Name of Facility Referred	Number of Patients Referred
61104	Davita Stonecrest	1
61102	Davita Rockton Ave	2
	TOTAL	**3**

New Patients Referred By Zip Code and Facility Kidney Care Center - Rockford 2017 Dr. Krishna Manda		
Zip Code of Patient	Name of Facility Referred	Number of Patients Referred
62650	Rock River Rehab	1
	TOTAL	1

Appendix 2- Time and Distance Determination

Attached as Appendix 2 are the distance and normal travel time from all existing dialysis facilities in the GSA to the proposed facility, as determined by MapQuest.

Facility	Ownership	Address	City	HSA	Distance (Miles)	Drive Time (Mins)	Adjusted Drive Time	Number of Stations 9/27/2017	Number of Patients 9/30/2017	% Utilization 9/30/2017
Churchview Dialysis - East Rockford	Davita	417 Ware Avenue	Rockford	1	0.8	3	3.45	24	97	67.36%
Stonecrest Dialysis	Davita	1302 East State Street	Rockford	1	5.0	11	12.65	12	63	87.50%
Rockfard Memorial Hospital	Davita	2400 North Rockton Avenue	Rockford	1	7.9	20	23.00	22	106	80.30%
Rox bury Dialysis	Davita	612 Roxbury Road	Rockford	1	2.0	4	4.60	16	92	95.83%
Machesney Park Dialysis	Davita	6950 North Perryville Rnad	Machesney Park	1	7.7	14	16.10	12	36	50.00%
Belvidere Dialysis	Davita	1751 Henry Luckow Lane	Belvidere	1	6.6	10	11.50	12	30	41.67%
Forest City Rockford	Davita	4103 West State Street	Rockford	1	8.9	25	28.75	12	0	0.00%

YOUR TRIP TO:

417 Ware Ave, Rockford, IL, 61107-6412

3 MIN | 0.8 MI

Est. fuel cost: $0.07

Trip time based on traffic conditions as of 11:27 AM on Nove

Print a full health report of your car with HUM vehicle diagnostics **(800) 906-2501**

Churchview Dialysis (417 Ware Avenue, Rockford,IL) to Proposed Dialysis Care Center. Rockford

1. Start out going **north** on Highgrove Pl toward Mill Rd.

   Then 0.04 miles — 0.04 total miles

2. Turn **right** onto Mill Rd.

   Then 0.08 miles — 0.12 total miles

3. Turn **left** onto S Perryville Rd.

   If you reach Aura Dr you've gone a little too far.

   Then 0.43 miles — 0.55 total miles

4. Turn **right** onto Argus Dr.

   Argus Dr is 0.1 miles past US-20 Bus W.

   If you reach Colosseum Dr you've gone about 0.2 miles too far.

   Then 0.09 miles — 0.64 total miles

5. Turn **left** onto Ware Ave.

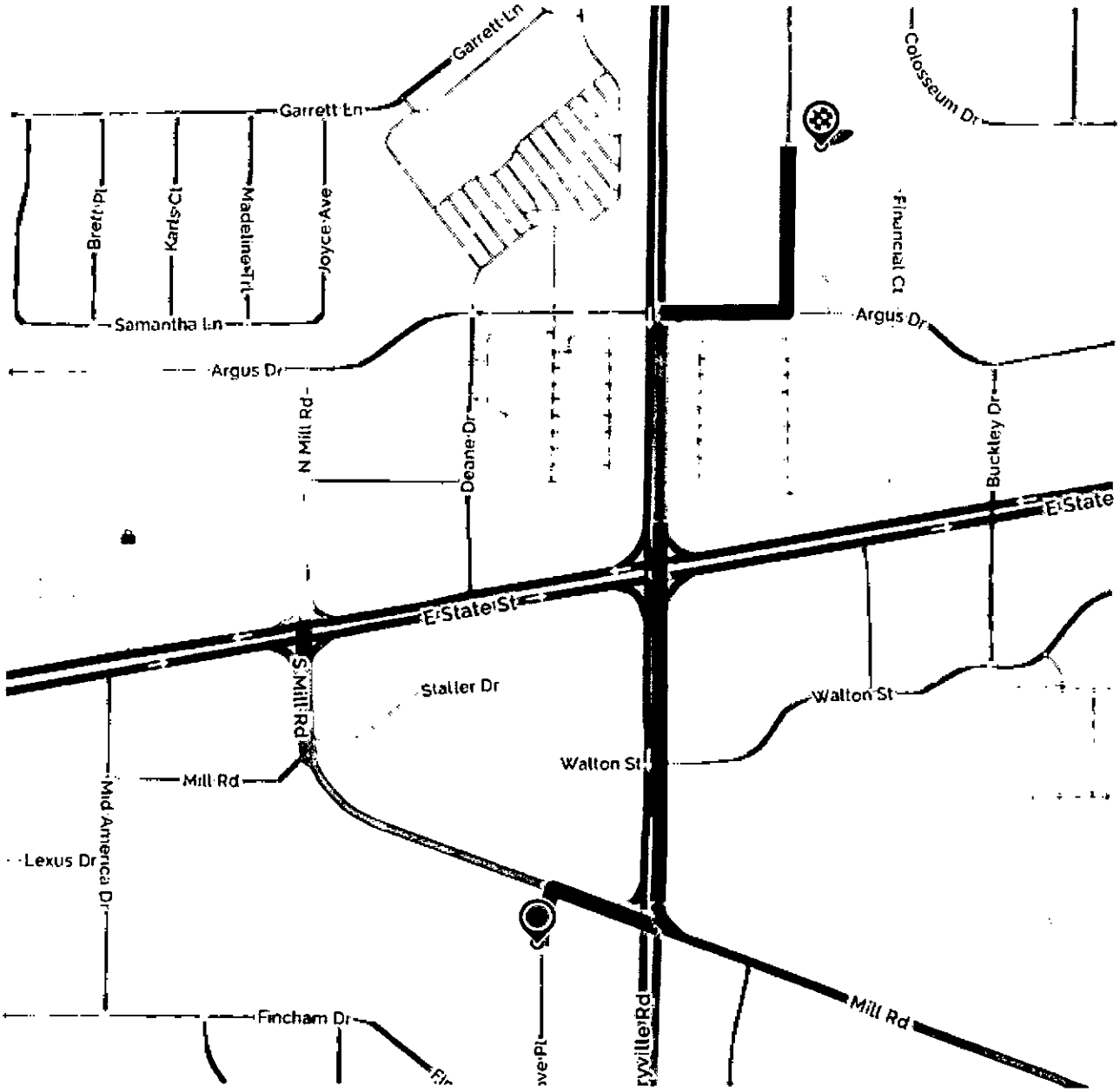
   If you reach Financial Ct you've gone a little too far.

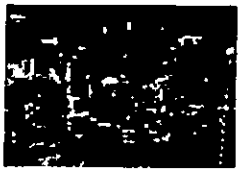
   Then 0.12 miles — 0.76 total miles

6. 417 Ware Ave, Rockford, IL 61107-6412, 417 WARE AVE is on the **right**.

   If you reach Colosseum Dr you've gone about 0.1 miles too far.

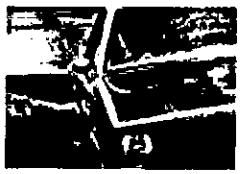
Use of directions and maps is subject to our Terms of Use. We don't guarantee accuracy, route conditions or usability. You assume all risk of use.





Book a hotel tonight and save with some great deals!

(1-877-577-5766)



Car trouble mid-trip? MapQuest Roadside Assistance is here:

(1-888-461-3625)

YOUR TRIP TO:

1302 E State St

11 MIN | 5.0 MI

Est. fuel cost: $0.49

Trip time based on traffic conditions as of 10:58 AM on Nove

Print a full health report of your car with HUM vehicle diagnostics **(800) 906-2501**

Stonecrest Dialysis (1302 East State st, Rockford, IL 61104) to Proposed Dialysis Care Center. Rockford

1. Start out going **north** on Highgrove Pl toward Mill Rd.

   Then 0.04 miles — 0.04 total miles

2. Turn **left** onto Mill Rd.

   Then 0.30 miles — 0.34 total miles

3. Turn **left** onto E State St/US-20 Bus W.

   If you are on N Mill Rd and reach Troy Dr you've gone about 0.1 miles too far.

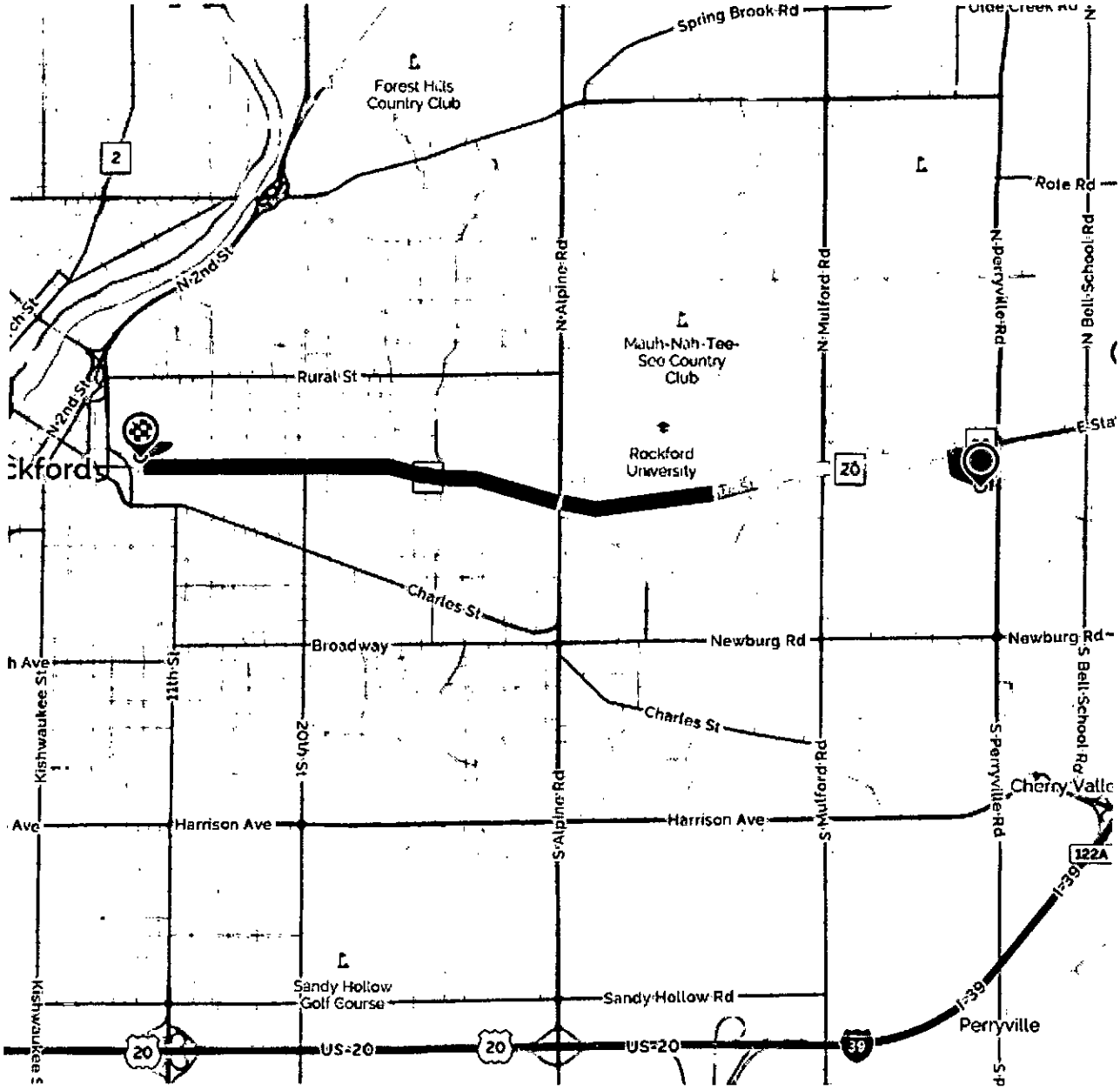
   Then 4.70 miles — 5.04 total miles

4. 1302 E State St, Rockford, IL 61104-2228, 1302 E STATE ST is on the **right**.

   Your destination is just past Summit St.

   If you reach N 9th St you've gone a little too far.

Use of directions and maps is subject to our Terms of Use. We don't guarantee accuracy, route conditions or usability. You assume all risk of use.



Book a hotel tonight and save with some great deals!

(1-877-577-5766)

Car trouble mid-trip? MapQuest Roadside Assistance is here:

(1-888-461-3625)

YOUR TRIP TO:

2400 N Rockton Ave, Rockford, IL, 61103-3655

20 MIN | 7.9 MI

Est. fuel cost: $0.78

Trip time based on traffic conditions as of 11:19 AM on Nove

Print a full health report of your car with HUM vehicle diagnostics **(800) 906-2501**

Rockford Memorial Hospital (2400 North Rockton Avenue, Rockford, IL) to Proposed Dialysis Care Center. Rockford

1. Start out going **north** on Highgrove Pl toward Mill Rd.

   Then 0.04 miles — 0.04 total miles

2. Turn **left** onto Mill Rd.

   Then 0.30 miles — 0.34 total miles

3. Turn **left** onto E State St/US-20 Bus W.

   If you are on N Mill Rd and reach Troy Dr you've gone about 0.1 miles too far.

   Then 4.79 miles — 5.13 total miles

4. Turn **right** onto N 9th St.

   N 9th St is 0.1 miles past Summit St.

   If you reach Barker Pl you've gone a little too far.

   Then 0.19 miles — 5.32 total miles

5. Turn **slight right** onto N Longwood St.

   N Longwood St is 0.1 miles past Revell Ave.

   Then 0.17 miles — 5.49 total miles

6. Take N Longwood St toward **Whitman St Bridge.**

   Then 0.13 miles — 5.62 total miles

7. N Longwood St becomes Whitman St.

   Then 0.82 miles — 6.44 total miles

8. Turn **slight right** onto Ridge Ave.

   Ridge Ave is just past Hovey Ave.

   If you reach Haskell Ave you've gone about 0.1 miles too far.

   Then 0.51 miles — 6.95 total miles

9. Turn **left** onto Auburn St.

Auburn St is just past Benderwirt Ave.

If you reach Vernon St you've gone a little too far.

Then 0.30 miles — 7.25 total miles

10. Turn **right** onto N Rockton Ave.

N Rockton Ave is just past Tacoma Ave.

If you reach Auburn Ct you've gone a little too far.

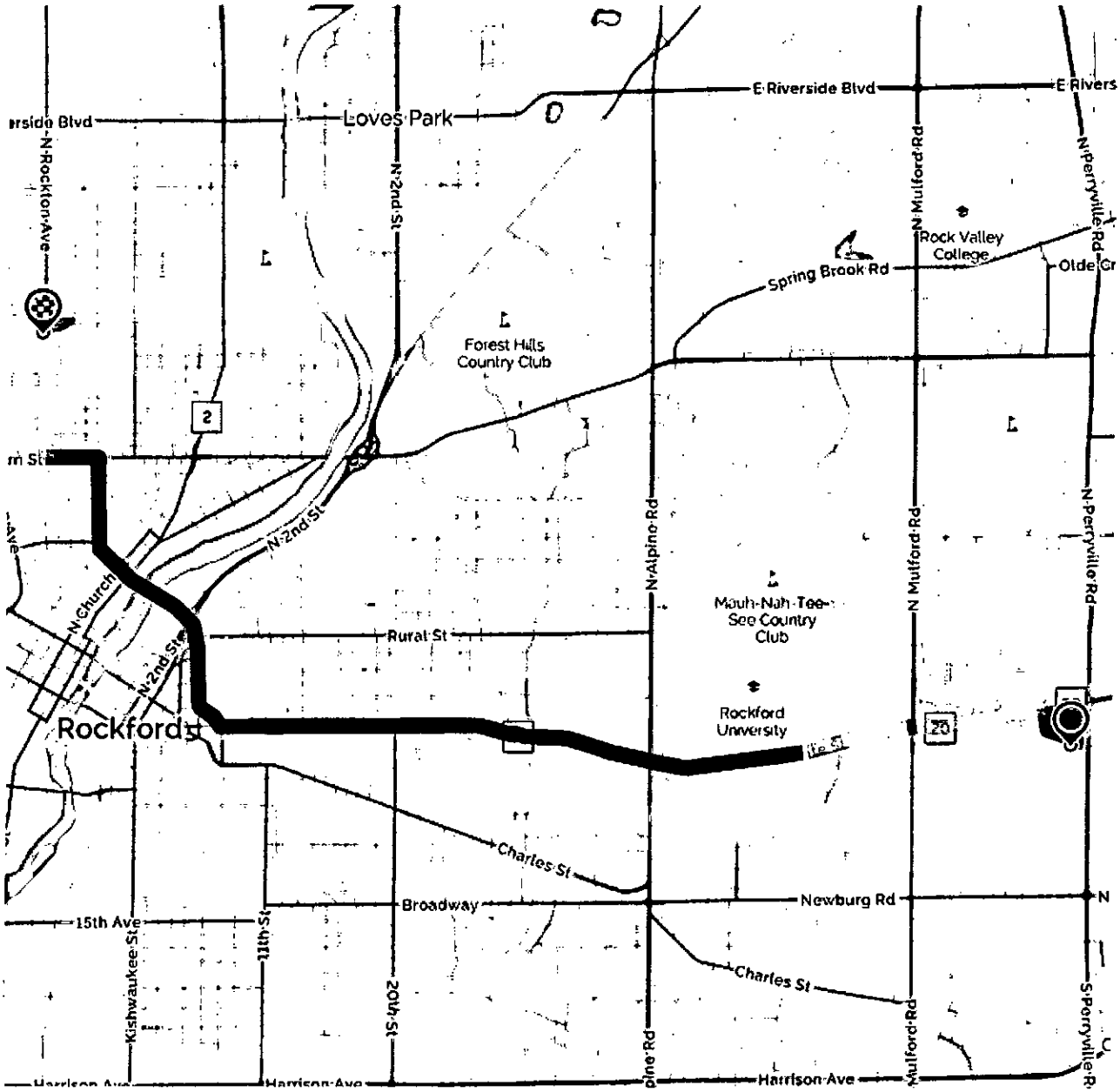
Then 0.69 miles — 7.93 total miles

11. 2400 N Rockton Ave, Rockford, IL 61103-3655, 2400 N ROCKTON AVE is on the **left**.

Your dastination is just past Fulton Ave.

If you reach Sharon Ave you've gone a little too far.

Use of directions and maps is subject to our Terms of Use. We don't guarantee accuracy, route conditions or usability. You assume all risk of uss.



Book a hotel tonight and save with some great deals!

(1-877-577-5766)

Car trouble mid-trip? MapQuest Roadside Assistance is here:

(1-888-461-3625)

YOUR TRIP TO:

612 Roxbury Rd, Rockford, IL, 61107-5089

4 MIN | 2.0 MI

Est. fuel cost: $0.19

Trip time based on traffic conditions as of 11:24 AM on Nove

Print a full health report of your car with HUM vehicle diagnostics **(800) 906-2501**

Roxbury Dialysis (612 Roxbury Road, Rockford, IL) to Proposed Dialysis Care Center. Rockford

1. Start out going **north** on Highgrove Pl toward Mill Rd.

   Then 0.04 miles — 0.04 total miles

2. Turn **left** onto Mill Rd.

   Then 0.30 miles — 0.34 total miles

3. Turn **left** onto E State St/US-20 Bus W.

   If you are on N Mill Rd and reach Troy Dr you've gone about 0.1 miles too far.

   Then 1.20 miles — 1.54 total miles

4. Turn **right** onto Roxbury Rd.

   Roxbury Rd is 0.1 miles past N Phelps Ave.

   If you reach S New Towne Dr you've gone about 0.1 miles too far.

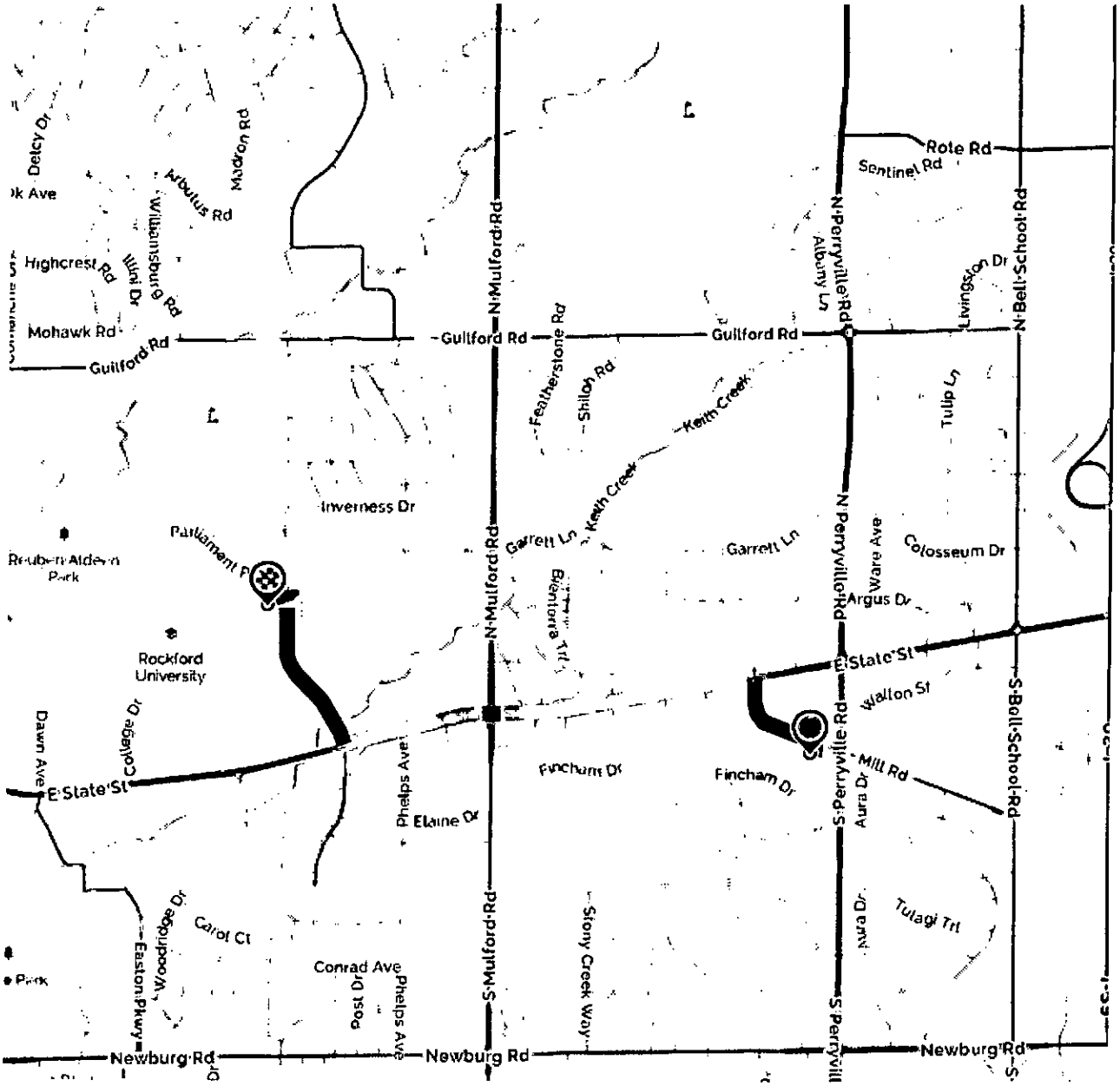
   Then 0.44 miles — 1.97 total miles

5. 612 Roxbury Rd, Rockford, IL 61107-5089, 612 ROXBURY RD.

   Your destination is just past Strathmoor Dr.

   If you reach Parliament Pl you've gone about 0.1 miles too far.

Use of directions and maps is subject to our Terms of Use. We don't guarantee accuracy, route conditions or usability. You assume all risk of use.



Book a hotel tonight and save with some great deals!

(1-877-577-5766)

Car trouble mid-trip? MapQuest Roadside Assistance is here:

(1-888-461-3625)

YOUR TRIP TO:

6950 N Perryville Rd, Machesney Park, IL, 61115

14 MIN | 7.7 MI

Est. fuel cost: $0.75

Trip time based on traffic conditions as of 11:28 AM on Nove

Print a full health report of your car with HUM vehicle diagnostics (800) 906-2501

Machesney Dialysis (6950 North Perryville Road, Machesney Park, IL) to Proposed Dialysis Care Center. Rockford

1. Start out going **north** on Highgrove Pl toward Mill Rd.

   Then 0.04 miles — 0.04 total miles

2. Turn **right** onto Mill Rd.

   Then 0.08 miles — 0.12 total miles

3. Turn **left** onto S Perryville Rd.

   If you reach Aura Dr you've gona a little too far.

   Then 6.99 miles — 7.11 total miles

4. Make a **U-turn** at Hart Rd onto N Perryville Rd.

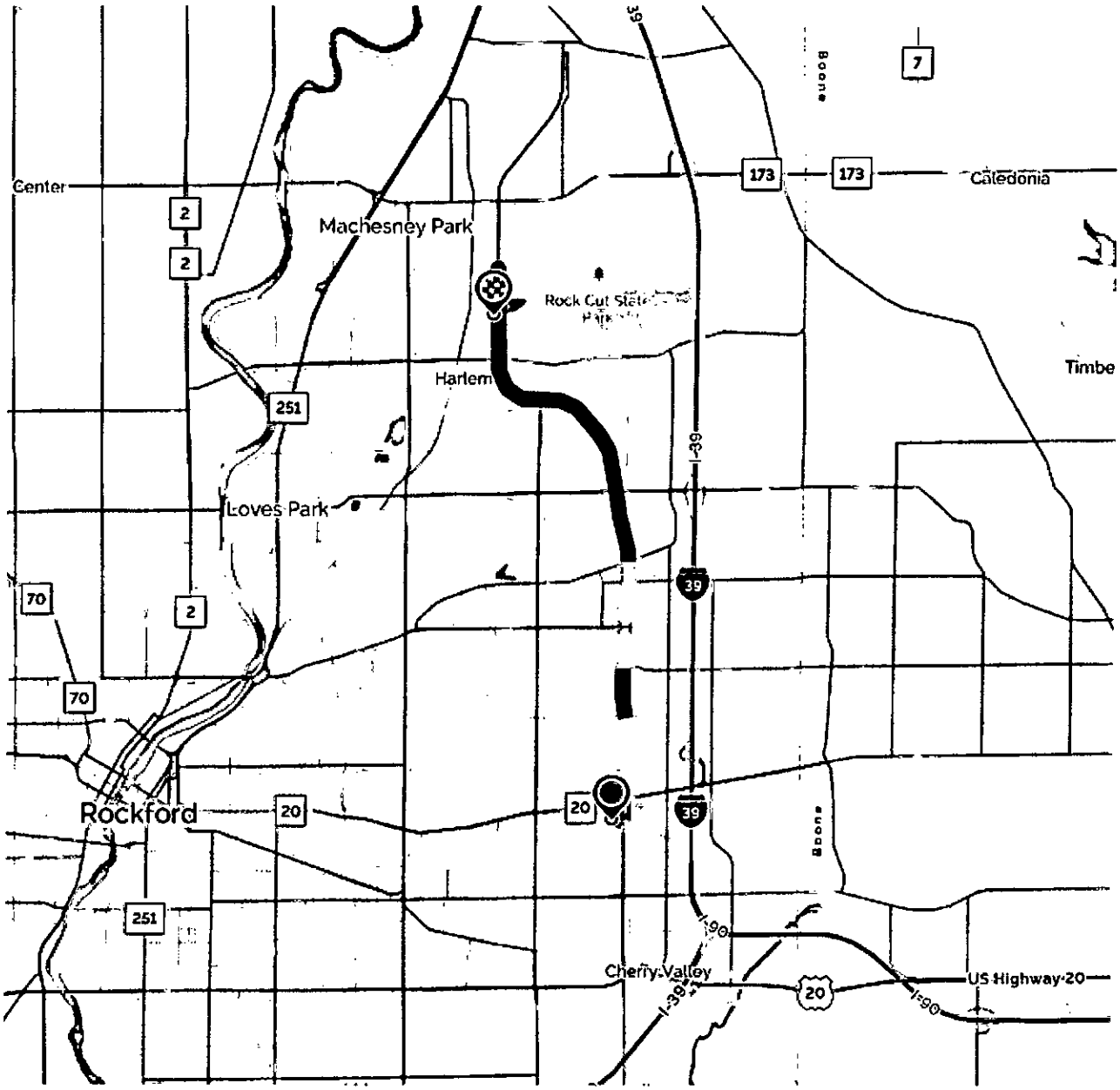
   If you reach Rock Cut Xing you've gone about 0.5 miles too far.

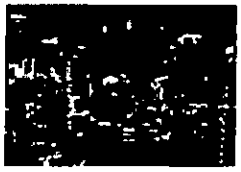
   Then 0.55 miles — 7.66 total miles

5. 6950 N Perryville Rd, Machesney Park, IL 61115, 6950 N PERRYVILLE RD is on the **right**.

   If you reach Harlem Rd you've gona about 0.4 miles too far.

Use of directions and maps is subject to our Terms of Use. We don't guarantee accuracy, route conditions or usability. You assume all risk of use.





Book a hotel tonight and save with some great deals!

(1-877-577-5766)

Car trouble mid-trip? MapQuest Roadside Assistance is here:

(1-888-461-3625)

YOUR TRIP TO:

1751 Henry Luckow Ln, Belvidere, IL, 61008-1702

10 MIN | 6.6 MI

Est. fuel cost: $0.64

Trip time based on traffic conditions as of 11:30 AM on Nove

Print a full health report of your car with HUM vehicle diagnostics (800) 906-2501

Belvidere Dialysis (1751 Henry Luckow Lane, Belvidere, IL) to Proposed Dialysis Care Center, Rockford

1. Start out going north on Highgrove Pl toward Mill Rd.

   Then 0.04 miles — 0.04 total miles

2. Turn right onto Mill Rd.

   Then 0.08 miles — 0.12 total miles

3. Turn left onto S Perryville Rd.

   If you reach Aura Dr you've gone a little too fer.

   Then 0.22 miles — 0.34 total miles

4. Turn right onto E State St/US-20 Bus E. Continue to follow US-20 Bus E.

   US-20 Bus E is 0.1 miles past Walton St.

   Then 6.05 miles — 6.39 total miles

5. Turn left onto Doc Wolf Dr.

   Doc Wolf Dr is 0.3 miles past Grant Rd.

   If you reach US-20 Bus W you've gone about 0.1 miles too far.

   Then 0.12 miles — 6.51 total miles

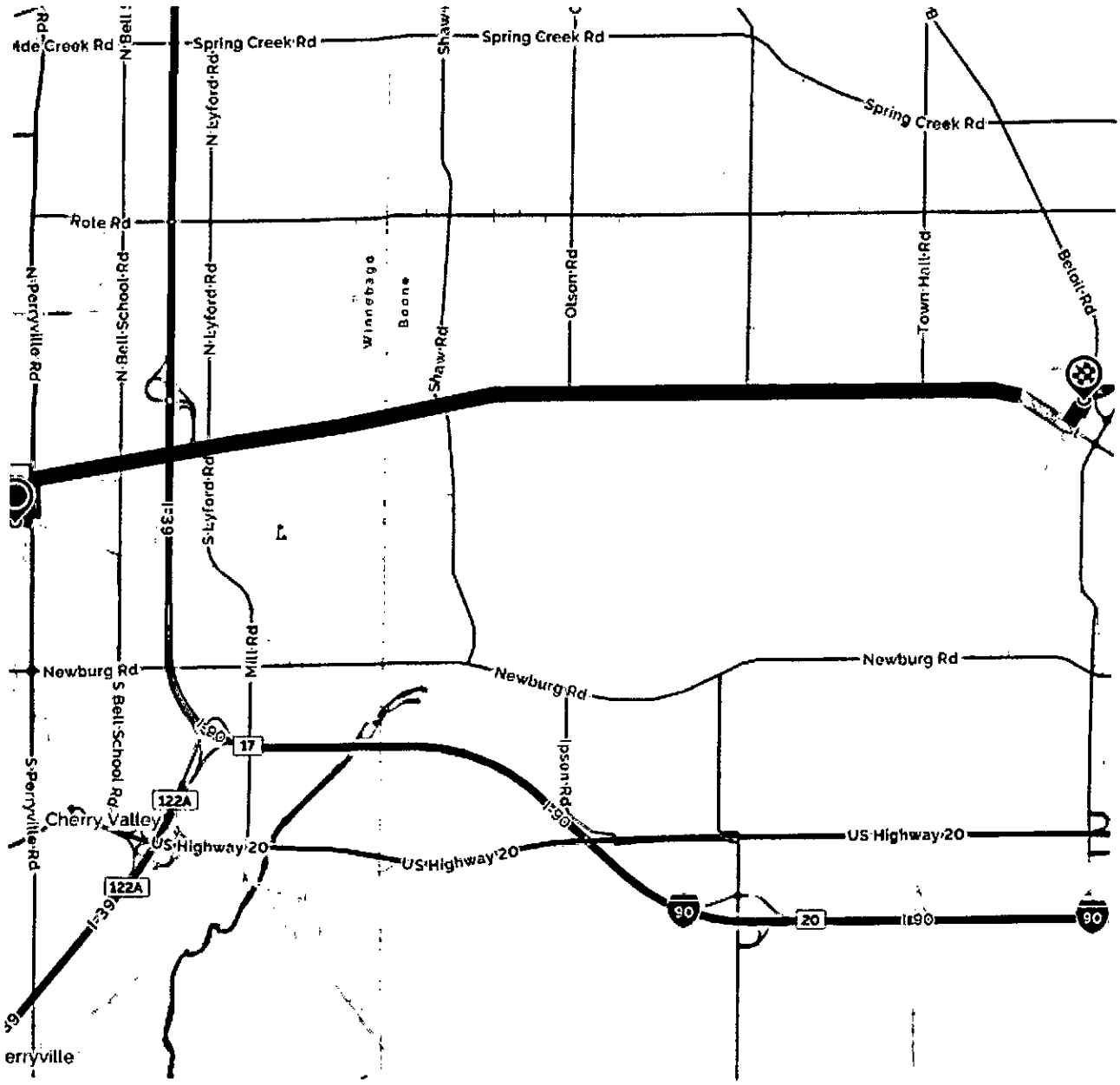
6. Turn right onto Henry Luckow Ln.

   Then 0.06 miles — 6.57 total miles

7. 1751 Henry Luckow Ln, Belvidere, IL 61008-1702, 1751 HENRY LUCKOW LN is on the left.

   If you reach Old Beloit Rd you've gone a little too far.

Use of directions and maps is subject to our Terms of Use. We don't guarantee accuracy, route conditions or usability. You assume all risk of use.



Book a hotel tonight and save with some great deals!

(1-877-577-5766)

Car trouble mid-trip? MapQuest Roadside Assistance is here:

(1-888-461-3625)

YOUR TRIP TO:

4103 W State St

25 MIN | 8.9 MI

Est. fuel cost: $0.87

Trip time based on traffic conditions as of 10:48 AM on Nove

Print a full health report of your car with HUM vehicle diagnostics **(800) 906-2501**

Forest City Rockford (4103 W State St, Rockford, IL 61102) to Proposed Dialysis Care Center. Rockford

1. Start out going **north** on Highgrove Pl toward Mill Rd.

   Then 0.04 miles — 0.04 total miles

2. Turn **left** onto Mill Rd.

   Then 0.30 miles — 0.34 total miles

3. Turn **left** onto E State St/US-20 Bus W. Continue to follow E State St.

   If you are on N Mill Rd and reach Troy Dr you've gone about 0.1 miles too far.

   Then 6.40 miles — 6.74 total miles

4. Turn **left** onto W State St/US-20 Bus W.

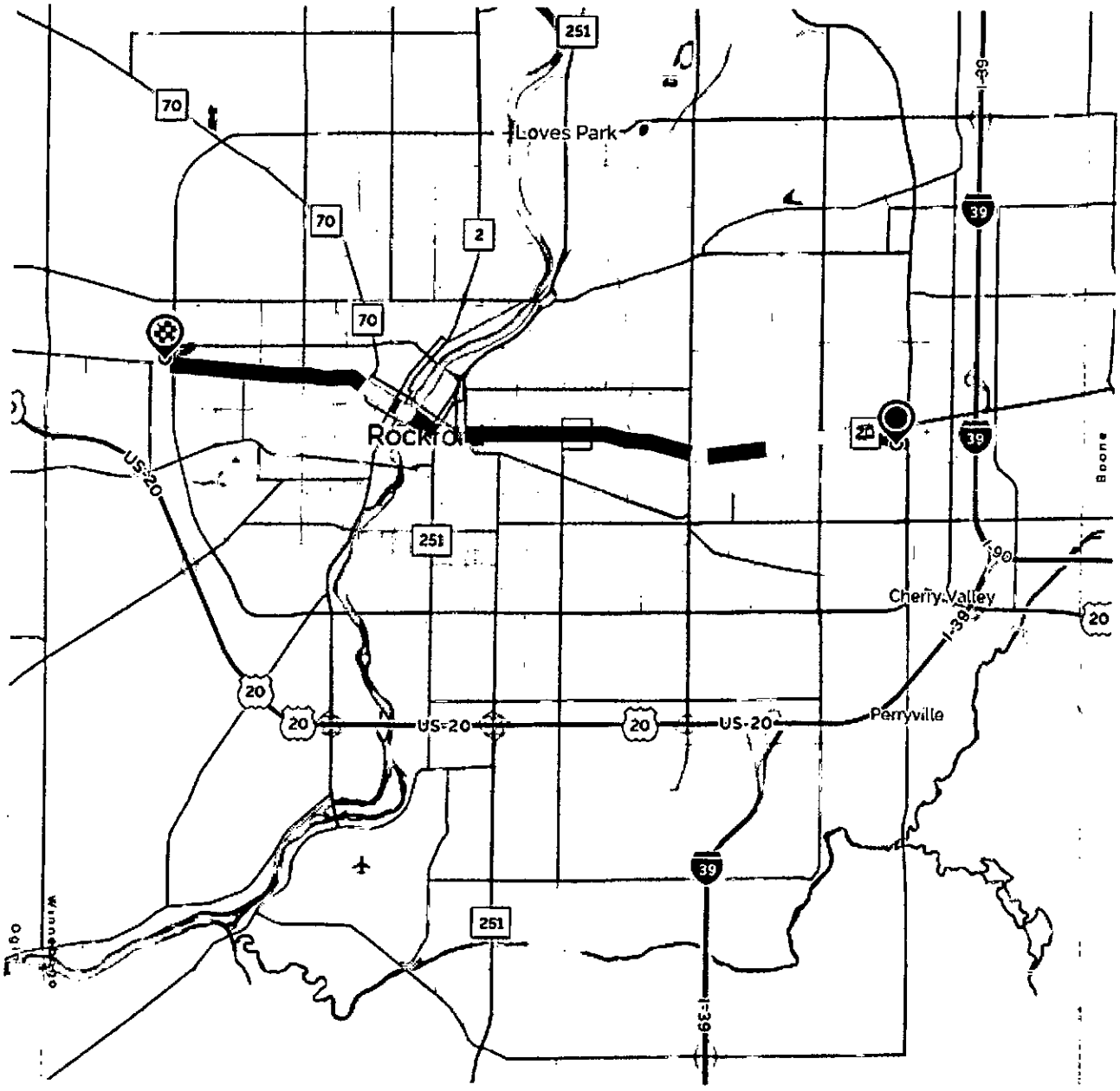
   Then 2.12 miles — 8.86 total miles

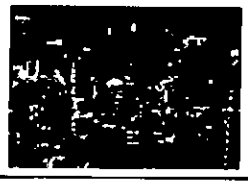
5. 4103 W State St, Rockford, IL 61102-1454, 4103 W STATE ST is on the **right**.

   Your destination is just past N Springfield Ave.

   If you reach Victory St you've gone a little too far.

Use of directions and maps is subject to our Terms of Use. We don't guarantee accuracy, route conditions or usability. You assume all risk of use.





Book a hotel tonight and save with some great deals!

(1-877-577-5766)

Car trouble mid-trip? MapQuest Roadside Assistance is here:

(1-888-461-3625)

After paginating the entire completed application indicate, in the chart below, the page numbers for the included attachments:

INDEX OF ATTACHMENTS

ATTACHMENT NO.		PAGES
1	Applicant Identification including Certificate of Good Standing	26-29
2	Site Ownership	30-71
3	Persons with 5 percent or greater interest in the licensee must be identified with the % of ownership.	72
4	Organizational Relationships (Organizational Chart) Certificate of Good Standing Etc.	72-74
5	Flood Plain Requirements	75-76
6	Historic Preservation Act Requirements	77-78
7	Project and Sources of Funds Itemization	79
8	Financial Commitment Document if required	80
9	Cost Space Requirements	81-82
10	Discontinuation	————
11	Background of the Applicant	83-86
12	Purpose of the Project	87-96
13	Alternatives to the Project	97-98
14	Size of the Project	99
15	Project Service Utilization	100
16	Unfinished or Shell Space	101
17	Assurances for Unfinished/Shell Space	102
18	Master Design Project	————
	Service Specific:	
19	Medical Surgical Pediatrics, Obstetrics, ICU	
20	Comprehensive Physical Rehabilitation	
21	Acute Mental Illness	
22	Open Heart Surgery	
23	Cardiac Catheterization	
24	In-Center Hemodialysis	103-127
25	Non-Hospital Based Ambulatory Surgery	
26	Selected Organ Transplantation	
27	Kidney Transplantation	
28	Subacute Care Hospital Model	
29	Community-Based Residential Rehabilitation Center	
30	Long Term Acute Care Hospital	
31	Clinical Service Areas Other than Categories of Service	
32	Freestanding Emergency Center Medical Services	
33	Birth Center	
	Financial and Economic Feasibility:	
34	Availability of Funds	128-170
35	Financial Waiver	171
36	Financial Viability	172-173
37	Economic Feasibility	174-180
38	Safety Net Impact Statement	181
39	Charity Care Information	182-187

Appendix 1	**Physician Referral**	**188-203**
Appendix 2	**Time and Distance**	**204-220**

DIALYSIS CARE CENTER, LLC
15786 S. Bell Road
Homer Glen, IL 60491
PH: 708-645-1000
FAX: 931-484-4701

November 30, 2017

VIA Federal Express

Courtney Avery, Administrator
Illinois Health Facilities and Services Review Board
525 West Jefferson Street, 2nd floor
Springfield, Illinois, 62761
Attn: Michael Constantino

17-070

Re: Dialysis Care Center Rockford

Dear Ms. Avery,

I am submitting the enclosed application for consideration by the Illinois Health Facilities and Services Review Board. Please find the following:

1. An original and 1 copy of an application for permit to establish Dialysis Care Center Rockford, LLC, for an in-center hemodialysis facility to be located at 657 Highgrove Place, Rockford, IL, 61108.
2. A filing fee of $2,500.00 payable to Illinois Department of Health.

Thank you for your attention to this matter. Please do not hesitate to contact me if you have any questions regarding the proposed project to establish an in-center hemodialysis facility.

Sincerely,

Asim M. Shazzad
Chief Operating Officer