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HEALTH FACILITIES & SERVICES REVIEW BOARD

Anna M. Cooper
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November 22, 2019

Via Federal Express
Via Email

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

Re: Annual Progress Report – Marshall Square Dialysis (Proj. No 18-017)

Dear Ms. Avery:

Pursuant to Section 1130.760 of the Illinois Health Facilities and Services Review Board ("HFSRB") rules, I am writing on behalf of DaVita Inc. and East Oaks Dialysis, LLC d/b/a Marshall Square Dialysis (collectively, "DaVita") to submit the annual progress report for Marshall Square Dialysis (Project No. 18-017). As you are aware, on October 30, 2018, HFSRB approved DaVita's application for a 12 station dialysis clinic to be located at 2950-3010 West 26th Street, Chicago, Illinois (the "Project"). Pursuant to Section 1130.760, the Permit Holders submit the following information regarding the progress of Project Permit No. 18-017.

1. Status of the Project

The Project was obligated through the execution of the lease for the facility with an effective of October 30, 2018. Architectural drawings are complete. The Permit Holders are waiting for a building permit from the City of Chicago, which they anticipate receiving in December 2019. Construction is anticipated to take 3.5 months with first treatment occurring during the second quarter of 2020. Based upon prior experience, the Permit Holders anticipate Medicare certification may take an additional six months after first treatment

2. Costs Incurred to Date

To date, DaVita has incurred $3,125,560 in project costs.

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Marshall Square Dialysis Project Costs		
	Approved	**Expended**
Modernization Contracts	$1,277,610	$172,135
Contingencies	$127,759	0
Architectural /Engineering Fees	$117,000	$70,614
Consulting and Other Fees	$90,000	0
Movable or Other Equipment (not in construction contracts)	$749,144	$96
Fair Market Value of Lease Space and Equipment	$2,001,206	$2,001,206
ESTIMATED TOTAL PROJECT COST	$4,362,719	$2,244,051

3. Sources of Funds

The project will be financed through $2,361,513 in cash and cash equivalents and a $2,001,206 lease.

4. Anticipated Completion Date

The anticipated completion date for the Project is October 31, 2020.

If you need any additional information or have any questions regarding the status of the project, please feel free to contact me.

Sincerely,

Anne M. Cooper

cc: Josef Kaplan, DaVita
James Burke, DaVita