

# NET LEASE INVESTMENT OFFERING



**DAVITA (Chicago MSA)**  
816 119th Street  
Whiting, IN 46394



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**DISCLAIMER  
STATEMENT:**

The information contained in the following Offering Memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from The Boulder Group and Property Ownership and should not be made available to any other person or entity without the written consent of The Boulder Group.

This Offering Memorandum has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. The Boulder Group and Property Ownership have not made any investigation, and make no warranty or representation. The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however,

The Boulder Group and Property Ownership have not verified, and will not verify, any of the information contained herein, nor has The Boulder Group and Property Ownership conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

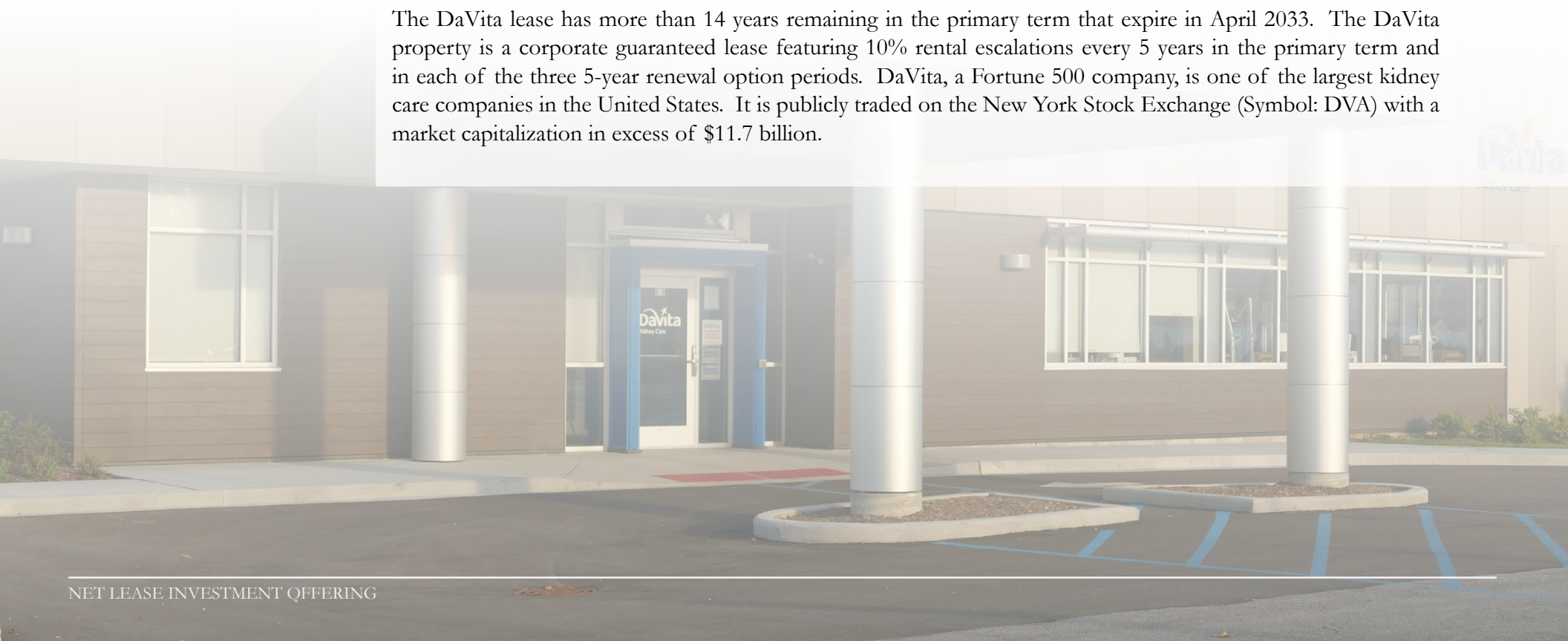


**EXECUTIVE  
SUMMARY:**

The Boulder Group is pleased to exclusively market for sale a single tenant net leased DaVita property located within the Chicago MSA. The property is approximately eleven miles from downtown Chicago and there are over 157,000 people living within five miles of the DaVita property. DaVita is a leading provider of kidney care in the United States, delivering dialysis services to patients with chronic kidney failure and end stage renal disease.

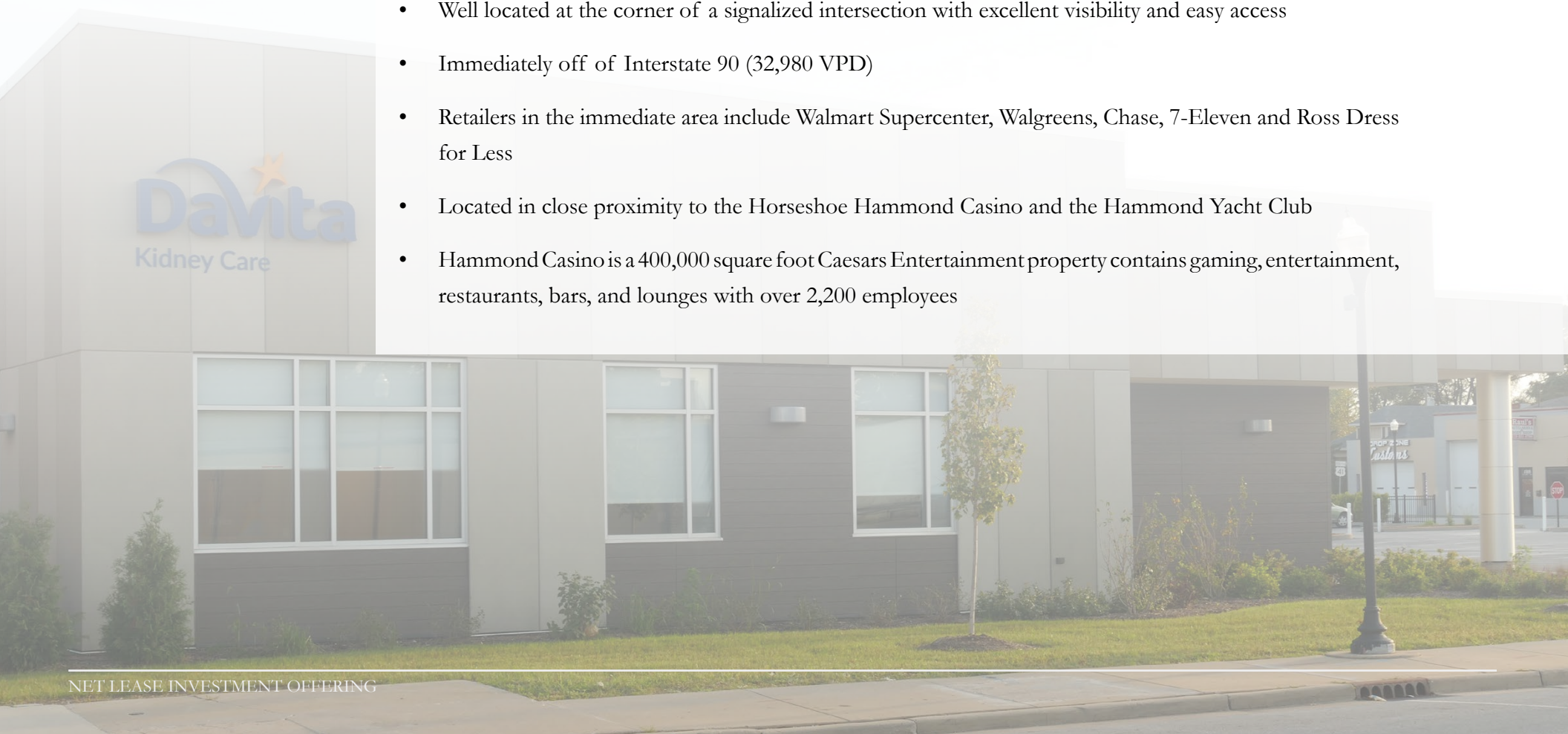
The 5,891 square foot DaVita property is brand new construction and was completed in 2018. The property is located at the corner of a signalized intersection with excellent visibility and easy access. The DaVita is positioned along a primary north-south thoroughfare and immediately off of Interstate 90 (32,980 VPD). Retailers in the immediate area include Walmart Supercenter, Walgreens, Chase, 7-Eleven and Ross Dress for Less. Additionally, the DaVita property is located in close proximity to the Horseshoe Hammond Casino and the Hammond Yacht Club. The Horseshoe Hammond Casino is a 400,000 square foot Caesars Entertainment property containing gaming, entertainment, restaurants, bars, and lounges and has over 2,200 employees.

The DaVita lease has more than 14 years remaining in the primary term that expire in April 2033. The DaVita property is a corporate guaranteed lease featuring 10% rental escalations every 5 years in the primary term and in each of the three 5-year renewal option periods. DaVita, a Fortune 500 company, is one of the largest kidney care companies in the United States. It is publicly traded on the New York Stock Exchange (Symbol: DVA) with a market capitalization in excess of \$11.7 billion.



**INVESTMENT  
HIGHLIGHTS:**

- Located within the Chicago MSA
- Fortune 500 Tenant
- Brand new construction
- 15 year corporate lease with over 14 years remaining
- 10% rental escalations in the primary term and each renewal option
- Well located at the corner of a signalized intersection with excellent visibility and easy access
- Immediately off of Interstate 90 (32,980 VPD)
- Retailers in the immediate area include Walmart Supercenter, Walgreens, Chase, 7-Eleven and Ross Dress for Less
- Located in close proximity to the Horseshoe Hammond Casino and the Hammond Yacht Club
- Hammond Casino is a 400,000 square foot Caesars Entertainment property contains gaming, entertainment, restaurants, bars, and lounges with over 2,200 employees





**PROPERTY  
OVERVIEW:**

|                         |  |                        |                     |
|-------------------------|--|------------------------|---------------------|
| Price:                  | \$3,112,975  |                        |                     |
| Cap Rate:               | 6.05%  |                        |                     |
| Rent Schedule:          | <u>NOI</u>   | <u>Escalation Date</u> | <u>Increase (%)</u> |
|                         | \$188,335  |                        |                     |
|                         | \$207,169  | May 1, 2023            | 10%                 |
|                         | \$227,886  | May 1, 2028            | 10%                 |
|                         | \$250,674  | May 1, 2033 (Option 1) | 10%                 |
|                         | \$275,742  | May 1, 2038 (Option 2) | 10%                 |
|                         | \$303,316  | May 1, 2043 (Option 3) | 10%                 |
| Renewal Options:        | Three 5-Year   |                        |                     |
| Rent Commencement Date: | April 15, 2018   |                        |                     |
| Lease Expiration Date:  | April 30, 2033   |                        |                     |
| Tenant:                 | Total Renal Care, Inc. d/b/a DaVita                    |                        |                     |
| Guarantor:              | DaVita Inc. (formally DaVita HealthCare Partners Inc.) |                        |                     |
| Year Built:             | 2018   |                        |                     |
| Lease Type:             | NN*  |                        |                     |
| Building Size:          | 5,891 SF   |                        |                     |
| Land Size:              | 1.0 Acres  |                        |                     |

*\*Tenant is responsible for all maintenance of the property excluding the cost of any repair or replacement which is capitalized under GAAP; however, the cost of a roof replacement will be amortized over its useful life and billed to the tenant as operating expense.*

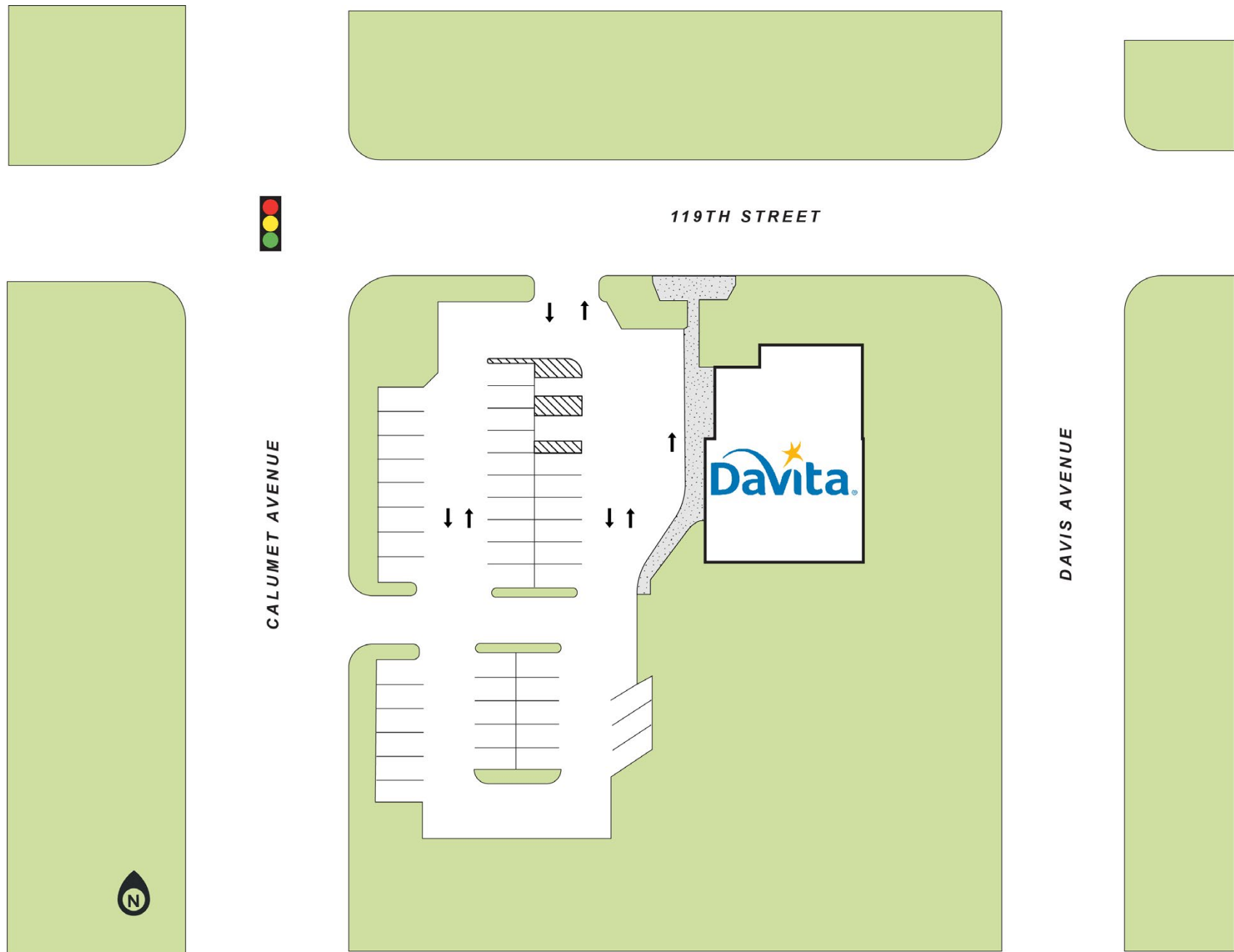


















**DEMOGRAPHIC  
REPORT:**

| Population | 1-Mile | 3-Mile | 5-Mile |
|------------|--------|--------|--------|
|------------|--------|--------|--------|

Total Population 10,278 46,655 157,272

Total Households 4,124 16,075 54,536

| Income | 1-Mile | 3-Mile | 5-Mile |
|--------|--------|--------|--------|
|--------|--------|--------|--------|

Average Household Income \$61,549 \$62,586 \$52,154





**MARKET  
OVERVIEW:**

**Whiting, Indiana**

Whiting is a city located in the Chicago Metropolitan Area in Lake County, Indiana, which was founded in 1889. The city is located on the southern shore of Lake Michigan. It is roughly 16 miles from the Chicago Loop and two miles from Chicago's South Side. Whiting is home to Whiting Refinery, the largest oil refinery in the Midwest. The population was 4,997 at the 2010 census.



**MARKET  
OVERVIEW:****Chicago, Illinois**

Chicago is the most populous city in the Midwestern United States and the third most populous city in the United States with 2,700,000 residents. Chicago is the county seat of Cook County, the second largest county in the United States. The Chicago MSA is the third most populated metropolitan area in the United States with 9,580,567 residents. The MSA covers over 1,300 square miles and six counties. Chicago has many nicknames, the best-known being the Windy City.

The Chicago metropolitan area is home to the corporate headquarters of 66 Fortune 1000 companies, including Boeing, McDonald's, Motorola, Discover Financial Services and United Airlines. Chicago is a major hub for industry, telecommunications and infrastructure and O'Hare International Airport is the second busiest airport in the world in terms of traffic movement.

The metro is a major financial center in North America, and is home to the largest futures exchange in the United States, the CME Group. Chicago is third in the world on the Global Financial Centers Index which ranks the competitiveness of financial centers based on people, business environment, market access, infrastructure and general competitiveness. As of 2016, Chicago had the third largest gross metropolitan product in the United States at \$640 billion.

The city of Chicago also hosts 12 Fortune Global 500 companies and 17 Financial Times 500 companies. The city claims two Dow 30 companies: aerospace giant Boeing, which moved its headquarters from Seattle to the Chicago Loop in 2001 and McDonald's, who's has moved their headquarters from the Chicago suburbs to the Chicago West Loop. Additionally, Kraft Foods is in downtown Chicago and Sears Holdings Corporation and the technology spin-offs of Motorola are located in the Chicago suburbs. The headquarters of United Continental Holdings are in the United Building and its operations center and its United Airlines subsidiary are in the Willis Tower in Chicago.

Chicago attracts over 50 million domestic leisure travelers, 11 million domestic business travelers and 1.5 million overseas visitors. These visitors contributed more than \$14 billion to Chicago's economy. Upscale shopping along the Magnificent Mile and State Street, thousands of restaurants, as well as Chicago's eminent architecture, continue to draw tourists. The city is the United States' third-largest convention destination. A 2017 study by Walk Score ranked Chicago the sixth most walkable of the fifty largest cities in the United States.

[www.cityofchicago.org](http://www.cityofchicago.org)



## TENANT OVERVIEW:

### DaVita Inc.

DaVita Inc., a Fortune 500® company, is the parent company of DaVita Kidney Care and HealthCare Partners, a DaVita Medical Group. DaVita Kidney Care is a leading provider of kidney care in the United States, delivering dialysis services to patients with chronic kidney failure and end stage renal disease. DaVita Kidney Care consistently differentiates itself from other kidney care companies and surpasses national averages for clinical outcomes.

DaVita Kidney Care operates or provides administrative services at more than 2,747 outpatient dialysis centers in the United States serving approximately 188,000 patients. The company also operates more than 237 outpatient dialysis centers in 11 countries outside the United States. Further, the company provides acute inpatient dialysis services in approximately 900 hospitals and related laboratory services in the United States.

DaVita Medical Group is a division of DaVita Inc. that operates and manages medical groups and affiliated physician networks in California, Colorado, Florida, Nevada, New Mexico, Pennsylvania and Washington. A leading independent medical group in America, DaVita Medical Group has over two decades of experience providing coordinated, outcomes-based medical care in a cost-effective manner. DaVita Medical Group's 2,000 employed clinicians, 12,000 teammates and network of 13,000 affiliated clinicians provided care for approximately 1.7 million patients.

DaVita—which is Italian for “giving life”—has more than 74,500 teammates (employees) working to provide superior patient care. The company was formerly known as DaVita HealthCare Partners Inc. and changed its name to DaVita Inc. in September 2016. DaVita was founded in 1994 and is headquartered in Denver, Colorado. It is publicly traded on the New York Stock Exchange (Symbol: DVA) with a market capitalization in excess of \$11.7 billion.

### Total Renal Care, Inc.

Total Renal Care, Inc., the property tenant, operates as a subsidiary of DaVita Inc. The company is based in Torrance, California.

|                           |  |
|---------------------------|--|
| Website:                  | <a href="http://www.davita.com">www.davita.com</a> |
| Stock Symbol (NYSE):      | DVA  |
| Market Capitalization:    | \$11.7 billion                                     |
| Standard & Poor's Rating: | BB   |
| Number of Locations:      | 2,747  |
| Headquarters:             | Denver, Colorado                                   |





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