



DAVITA
CHICAGO, ILLINOIS



OFFERING MEMORANDUM

\$4,096,000 | 5.30% CAP RATE

- » New 15-Year NNN Lease with Scheduled Rental Increases
 - » Corporate Guaranty (NYSE: "DVA")
- » Irreplaceable Urban Infill Location with Incredibly Strong Demographics
 - » Over 1 Million Residents Within Five Miles
 - » High Daytime Population
 - » Central Location Near Downtown Chicago and Chicago Midway International Airport
- » Extensive 2019 Remodel
 - » Large, Dedicated Parking Lot

FILE PHOTO

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Cushman & Wakefield ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

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INVESTMENT SUMMARY

ADDRESS	2950 West 26th Street, Chicago, Illinois		
PRICE	\$4,096,000		
CAP RATE	5.30% return (average 6.82% cap rate)		
NOI	\$217,062		
TERM	15 years		
RENT COMMENCEMENT	October 25, 2019		
LEASE EXPIRATION	October 31, 2034		
RENTAL INCREASES	10% rental increases every five (5) years		
	YEAR	RENT	RETURN
	1-5	\$217,062	5.30%
	6-10	\$238,768	5.83%
	11-15	\$262,645	6.41%
	16-20 (Option 1)	\$288,903	7.05%
	21-25 (Option 2)	\$317,821	7.76%
	26-30 (Option 3)	\$349,610	8.54%
YEAR REMODELED	2019		
BUILDING SF	8,000 SF, with tenant leasing 7,002 SF, with the option for expansion		
PARCEL SIZE	0.26 acres (11,326 SF)		
LEASE TYPE	NNN, with tenant responsible for taxes, insurance, and all nonstructural maintenance		

LONG-TERM NNN LEASE WITH STRONG CORPORATE GUARANTY

- » New 15-year NNN lease with three five-year options
- » 10% rental increases ever five years, providing a hedge against inflation
- » Corporate guaranty from DaVita Inc. (NYSE: "DVA"), a Fortune 500 company

HIGH-TRAFFIC LOCATION IN PRIME RETAIL CORRIDOR

- » High daytime population and vehicle traffic due to strong demand generators in surrounding area
- » 26th Street boasts the second highest grossing shopping district in Chicago, only behind the famous Mag Mile
- » Hard corner location with excellent visibility and access to 14,800 vehicles per day

CENTRALLY LOCATED IN CHICAGO MSA

- » Central location just six miles from downtown Chicago
- » Located in a very densely populated are, with 1,057,408 residents living within five miles
- » Large daytime population of 860,721 daytime employees within a five-mile radius
- » Close to several schools, including Maria Saucedo Scholastic Academy (1,185 students), North Lawndale College Prep High School (805 students), and McCormick Elementary School and Madero Middle School (1,101 students)

EXTENSIVE 2019 REMODEL

- » Extensive remodel due to be completed in October 2019
- » 24 dedicated parking spaces in an area where surface parking is sparse



FILE PHOTO



**Mount Sinai**
(319 beds and 1,500 employees)

**UNION PACIFIC**
RAILROAD GLOBAL 1

**COSTCO**
WHOLESALE

**LAGUNITAS**
BREWING COMPANY
(900 employees)



**Petes MARKET**
DISCOVERY
CLOTHING COMPANY



DOWNTOWN CHICAGO
(6 miles)

Pickard Elementary School
(513 students)

LOWER WEST SIDE

INDUSTRIAL REGION

William F. Finkl Academy
(454 students)

Hammond Elementary School
(473 students)

Maria Saucedo Scholastic Academy
(1,185 students)



**GameStop**

CIRCUIT COURT OF COOK COUNTY



**FRED LOYA INSURANCE**



COOK COUNTY DEPARTMENT OF CORRECTIONS

**Davita**
Under Construction





West 26th Street (14,800 AADT)

LOYOLA MEDICINE
Loyola University Medical Center
(547 beds and 6,151 employees)

Walmart
Supercenter

MENARDS



Gary and Ortiz de Dominguez Elementary Schools
(1,796 students)

Cicero Marketplace

Sam's Club, The Home Depot, Target, Food 4 Less, Ross Dress for Less, Burger King, McDonald's, O'Reilly Auto Parts

Cardenas Elementary School
(665 students)

BIMBO
Bakeries USA
(106 employees)

McCormick Elementary School
(774 students)

Cermak
FRESH MARKET

Madero Middle School
(327 students)

Hawthorne Works Shopping Center

Cermak Fresh Market, rue21, Popeyes Louisiana Kitchen, Dollar Tree, T-Mobile, AMC Theatres, Chipotle, Taco Bell

Farragut Career Academy
899 students

AutoZone

McDonald's

OAK STREET HEALTH

Panda Express, DentalTown, Fred Loya Insurance

Walgreens

COOK COUNTY DEPARTMENT OF CORRECTIONS

Davita
Under Construction

Community Links High School
(175 students)

CIRCUIT COURT OF COOK COUNTY

West 26th Street (14,800 AADT)



O'HARE INTERNATIONAL AIRPORT
(25 miles)

INDUSTRIAL REGION

INDUSTRIAL REGION



Farragut Career Academy
(380 students)



Kanoon Elementary
Magnet School
(380 students)

North Lawndale College Prep
High School
(805 students)



West 26th Street (14,800 AADT)



Community Links
High School
(175 students)

Maria Saucedo
Scholastic
Academy
(1,185 students)



COOK COUNTY
DEPARTMENT OF
CORRECTIONS

CIRCUIT COURT
OF COOK COUNTY

CHICAGO INTERNATIONAL
MIDWAY AIRPORT
(5 miles)



INDUSTRIAL REGION

Little Village Lawndale High School
(899 students)

Gary and Ortiz de Dominguez
Elementary Schools
(1,796 students)

Interstate 55 (176,600 AADT)

INDUSTRIAL REGION



McCormick Elementary School
and Madero Middle School
(1,101 students)



COOK COUNTY
DEPARTMENT OF
CORRECTIONS



CIRCUIT COURT
OF COOK COUNTY

West 26th Street (14,800 AADT)



Community Links
High School
(175 students)

SITE PLAN



ADDITIONAL
SHARED PARKING

PUBLIC ALLEY

PUBLIC ALLEY

SOUTH SACRAMENTO AVENUE

Davita
7,700 SF

METOMIC
CORPORATION

BRASS TURNINGS AT THEIR BEST

WEST 26TH STREET

STOP

STOP

STOP

TENANT SUMMARY



DaVita Kidney Care is a division of DaVita Inc., a Fortune 500 company, that through its operating divisions provides a variety of healthcare services to patient populations throughout the United States and abroad. A leading provider of dialysis services in the United States, DaVita Kidney Care treats patients with chronic kidney failure and end stage renal disease. DaVita Kidney Care strives to improve patients' quality of life by innovating clinical care and by offering integrated treatment plans, personalized care teams, and convenient health-management services. As of December 31, 2018, DaVita Kidney Care operated or provided administrative services at 2,664 outpatient dialysis centers located in the United States serving approximately 203,000 patients. The company also operated 241 outpatient dialysis centers located in nine countries outside the United States.

For more information, please visit www.davita.com.

TICKER	NYSE: "DVA"	# OF LOCATIONS	2,905
HEADQUARTERS	Denver, CO	REVENUE	\$11.4B

LEASE ABSTRACT

TENANT	Total Renal Care, Inc.		
GUARANTOR	DaVita Inc.		
ADDRESS	2950 West 26th Street, Chicago, Illinois		
RENT COMMENCEMENT	October 25, 2019		
LEASE EXPIRATION	October 31, 2034		
RENEWAL OPTIONS	Three (3) five (5) year options		
RENTAL INCREASES	YEAR 1-5 6-10 11-15 16-20 (Option 1) 21-25 (Option 2) 26-30 (Option 3)	RENT \$217,062 \$238,768 \$262,645 \$288,903 \$317,821 \$349,610	RETURN 5.30% 5.83% 6.41% 7.05% 7.76% 8.54%
COMMON AREA COSTS	Tenant will pay its share of operating expenses, which will not increase more than 5% per year.		
REAL ESTATE TAXES	Tenant is responsible for taxes.		
INSURANCE	Tenant is responsible for insurance costs.		
REPAIR & MAINTENANCE	Tenant shall maintain and repair all nonstructural portion of the Premises.		
MAINTENANCE BY LANDLORD	Landlord shall maintain and repair the roof, structure, and foundation of the Premises.		
RIGHT OF FIRST REFUSAL	None		

PROPERTY OVERVIEW

LOCATION

The property is conveniently located at the hard corner of West 26th Street and South Sacramento Avenue, with excellent visibility and access to 14,800 vehicles per day. The property is prominently located along the 26th Street corridor, which is the second highest grossing shopping district in the city, generating \$900 million dollars in sales each year. The 26th Street corridor is filled with more than 500 vibrant markets, taquerias, and bakeries. Notable tenants near the property include Panda Express, Walgreens, Popeyes, and McDonald's. Other retailers in the nearby area include Walmart Supercenter, Home Depot, Sam's Club, AMC Theatres, Target, AutoZone, Dollar Tree, and Planet Fitness.

The property benefits from its central location just six miles from downtown Chicago. Several schools are located nearby, including Maria Saucedo Scholastic Academy (1,185 students), North Lawndale College Prep High School (805 students), and McCormick Elementary School and Madero Middle School (1,101 students). Located near large employers and major industrial sites, the property is supported by a large daytime population of 860,721 daytime employees within a five-mile radius. Additionally, the property is located in a very densely populated area, with 1,057,408 residents living within five miles.

ACCESS

Access from West 26th Street and South Sacramento Avenue

TRAFFIC COUNTS

West 26th Street: 14,800 AADT

PARKING

24 parking stalls, including two (2) handicap stalls

YEAR REMODELED

2019

NEAREST AIRPORT

Chicago Midway International Airport (WDM)



FILE PHOTO



24
PARKING
STALLS



2019
YEAR
REMODELED



15K
TRAFFIC
COUNT (AADT)



**NEAREST
AIRPORT**
CHICAGO MIDWAY
INTERNATIONAL
AIRPORT

AREA OVERVIEW

The Little Village neighborhood is located in South Lawndale on the West Side of the city of Chicago, Illinois. Little Village is anchored by the two-mile 26th Street commercial district, which stretches from Sacramento to Pulaski and is filled with more than 500 vibrant markets, taquerias, and bakeries. Little Village's 26th street corridor is the second highest grossing shopping district in the city, generating \$900 million dollars in sales each year. Little Village is an easily accessible community, with close proximity to Interstates 55 and 290. Additionally, the CTA Pink and Blue lines have three stops in Little Village, on the north end at Western, California, and Kedzie avenues. Between these three stops, the stations saw more than 1.1 million riders last year. Recently, St. Anthony Hospital—currently located a mile north in Douglas Park—announced its plans to move to a yet-to-be-built, \$589 million development with retail space in an industrial corridor at 31st Street and Kedzie Avenue.

As the center of the Chicago-Naperville-Elgin, IL-IN-WI Metropolitan Statistical Area (MSA), Chicago is an international hub for finance, commerce, industry, technology, telecommunications, and transportation: O'Hare International Airport is the second busiest airport in the world when measured by aircraft traffic; the region also has the largest number of U.S. highways and rail road freight. Chicago has the third largest gross metropolitan product in the United States—about \$670.5 billion according to 2017 estimates. The city has one of the world's largest and most diversified economies, with no single industry employing more than 16% of the workforce. In 2017, Chicago hosted over 55 million international and domestic visitors, a new record for the city, making it one of the top visited cities in the nation. Chicago's culture includes the visual arts, novels, film, theater, and music. It also has professional sports teams in each of the major professional leagues.

- » Chicago is the third most populous city in the United States. With over 2.6 million residents, it is the most populous city in the state of Illinois and the Midwestern United States. The Chicago metropolitan area, often referred to as Chicagoland, has nearly 10 million people and is the third largest metropolitan area in the U.S.
- » The Chicago metropolitan area is home to the corporate headquarters of 64 Fortune 1000 companies, including Boeing, McDonald's, Motorola, Discover Financial Services, United Continental Holdings, Walgreens, and Aon, representing a diverse group of industries.
- » Chicago is a major transportation hub in the United States. It is an important component in global distribution, as it is the third largest inter-modal port in the world after Hong Kong and Singapore.

MAJOR EMPLOYERS IN CHICAGO MSA

OF EMPLOYEES

U.S. GOVERNMENT	42,663
CHICAGO PUBLIC SCHOOLS	35,862
CITY OF CHICAGO	30,754
COOK COUNTY	20,716
ADVOCATE HEALTH CARE	18,930
UNIVERSITY OF CHICAGO	16,374
NORTHWESTERN MEMORIAL HEALTHCARE	15,747
JPMORGAN CHASE & CO.	15,229
UNITED CONTINENTAL HOLDINGS INC.	15,157
STATE OF ILLINOIS	13,524



DEMOGRAPHIC PROFILE

2018 SUMMARY	1 Mile	3 Miles	5 Miles
Population	58,315	355,712	1,057,408
Households	13,395	108,726	368,332
Families	10,215	74,250	217,282
Average Household Size	3.55	3.14	2.79
Owner Occupied Housing Units	3,538	34,080	138,206
Renter Occupied Housing Units	9,857	74,646	230,127
Median Age	29.1	30.1	31.9
Average Household Income	\$45,213	\$51,657	\$72,993

2023 ESTIMATE	1 Mile	3 Miles	5 Miles
Population	58,161	359,301	1,081,328
Households	13,376	109,986	380,559
Families	10,181	74,859	221,109
Average Household Size	3.54	3.13	2.76
Owner Occupied Housing Units	3,736	35,778	144,998
Renter Occupied Housing Units	9,640	74,207	235,561
Median Age	29.9	31.3	33.0
Average Household Income	\$50,006	\$58,045	\$83,649



POPULATION OF 1,057,408
WITHIN FIVE MILES





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