



RECESSION PROOF HEALTHCARE FACILITY

DAVITA MEQUON ROAD DIALYSIS

ESSENTIAL BUSINESS IN GERMANTOWN, WI



3% ANNUAL RENT INCREASES



15-YR. LEASE,
EXPIRING FEBRUARY 2032



BUILT-TO-SUIT IN 2006

OFFERING SUMMARY

2



W175N11056 STONEWOOD DR.
GERMANTOWN, WI

\$1,879,241

5.75% CAP RATE



CLINIC BUILT
2006



RENTABLE BLDG AREA
7,152 SF



RENT INCREASES
3% ANNUAL



NOI
\$108,056

LEASE SUMMARY

LEASE TYPE	Gross
OWNERSHIP TYPE	Fee Simple
TENANT	DaVita
LEASE TERM	15 years
REMAINING LEASE TERM	11 years
RENT COMMENCEMENT	March 1, 2017
RENT EXPIRATION	February 28, 2032
INCREASES	3% Annual
OPTIONS	Two, 5-year options

EXPENSES

INSURANCE	\$4,452.67
JANITORIAL	\$10,527.05
LAWN CARE	\$3,288.67
SNOW REMOVAL	\$2,109.25
TRASH PICKUP	\$8,988.33
PEST CONTROL	\$600.00
MAINTENANCE	\$8,299.37
REAL ESTATE TAXES	\$20,299.02
REPAIRS	\$725.31
UTILITIES	\$21,410.22
TOTAL EXPENSES	\$80,699.89
NET REVENUE	\$188,756.26
NET INCOME	\$108,056.37

RENT SUMMARY

TERM	ANNUAL	MONTHLY
MARCH 1, 2017 - FEBRUARY 28, 2018	\$167,726.00	\$13,977.17
MARCH 1, 2018 - FEBRUARY 28, 2019	\$172,757.78	\$14,396.48
MARCH 1, 2019 - FEBRUARY 29, 2020	\$177,918.58	\$14,826.55
MARCH 1, 2020 - FEBRUARY 28, 2021	\$183,272.91	\$15,272.74
MARCH 1, 2021 - FEBRUARY 28, 2022	\$188,756.26	\$15,729.69
MARCH 1, 2022 - FEBRUARY 28, 2023	\$194,433.14	\$16,202.76
MARCH 1, 2023 - FEBRUARY 29, 2024	\$200,239.04	\$16,686.59
MARCH 1, 2024 - FEBRUARY 28, 2025	\$206,238.47	\$17,186.54
MARCH 1, 2025 - FEBRUARY 28, 2026	\$212,431.43	\$17,702.62
MARCH 1, 2026 - FEBRUARY 28, 2027	\$218,817.92	\$18,234.83
MARCH 1, 2027 - FEBRUARY 29, 2028	\$225,397.94	\$18,783.16
MARCH 1, 2028 - FEBRUARY 28, 2029	\$232,171.49	\$19,347.62
MARCH 1, 2029 - FEBRUARY 28, 2030	\$239,138.57	\$19,928.21
MARCH 1, 2030 - FEBRUARY 28, 2031	\$246,299.18	\$20,524.93
MARCH 1, 2031 - FEBRUARY 29, 2032	\$253,717.83	\$21,143.15

INVESTMENT HIGHLIGHTS

SECURE INCOME STREAM

- 11 years remaining on a 15-year lease term
- Scheduled 3% annual rent increases plus two, 5-year options provide for attractive rent growth during the lease term
- 2006 built-to-suit construction for DaVita, Inc.

ESSENTIAL, RECESSION-RESISTANT TENANT

- Given the nature of the product, healthcare related real estate has been the least affected by economic recession and demand of e-commerce
- Corporate lease guarantee by DaVita, Inc., which holds a Ba2 credit rating from Moody's
- DaVita, Inc. is one of the largest kidney care companies in the world with a network of over 2,795 outpatient dialysis clinics in 46 states. In 2020, DaVita, Inc. generated \$11.5 billion in revenue yielding it over \$774 million in net income

INDUSTRY

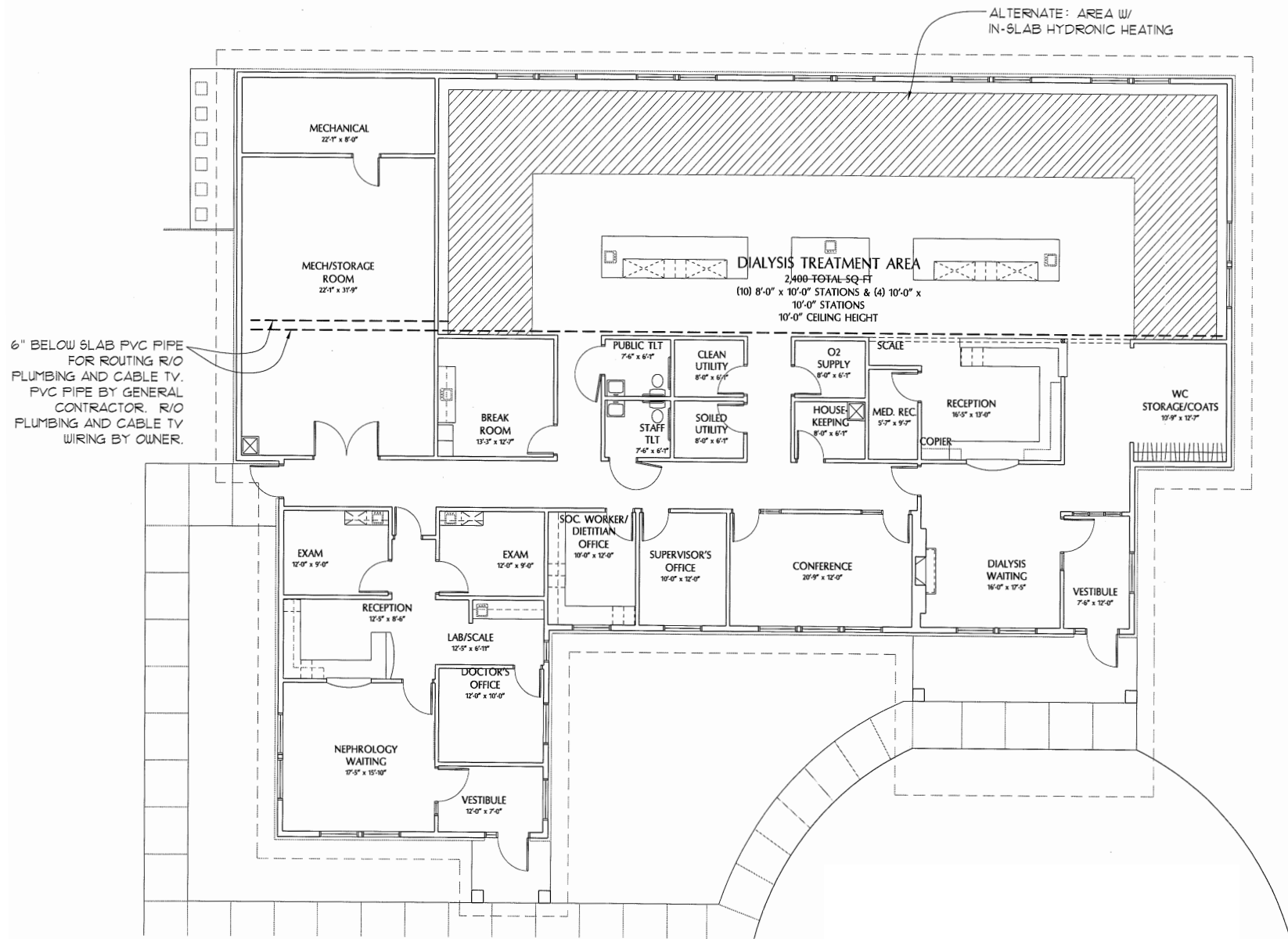
- The government has provided healthcare coverage for end stage renal disease (ESRD) since 1972 under the Medicare ESRD Program
- Over the past 15 years, the number of ESRD dialysis patients in the U.S. has grown at an annual compound rate of 3.8%, totaling over 490,000

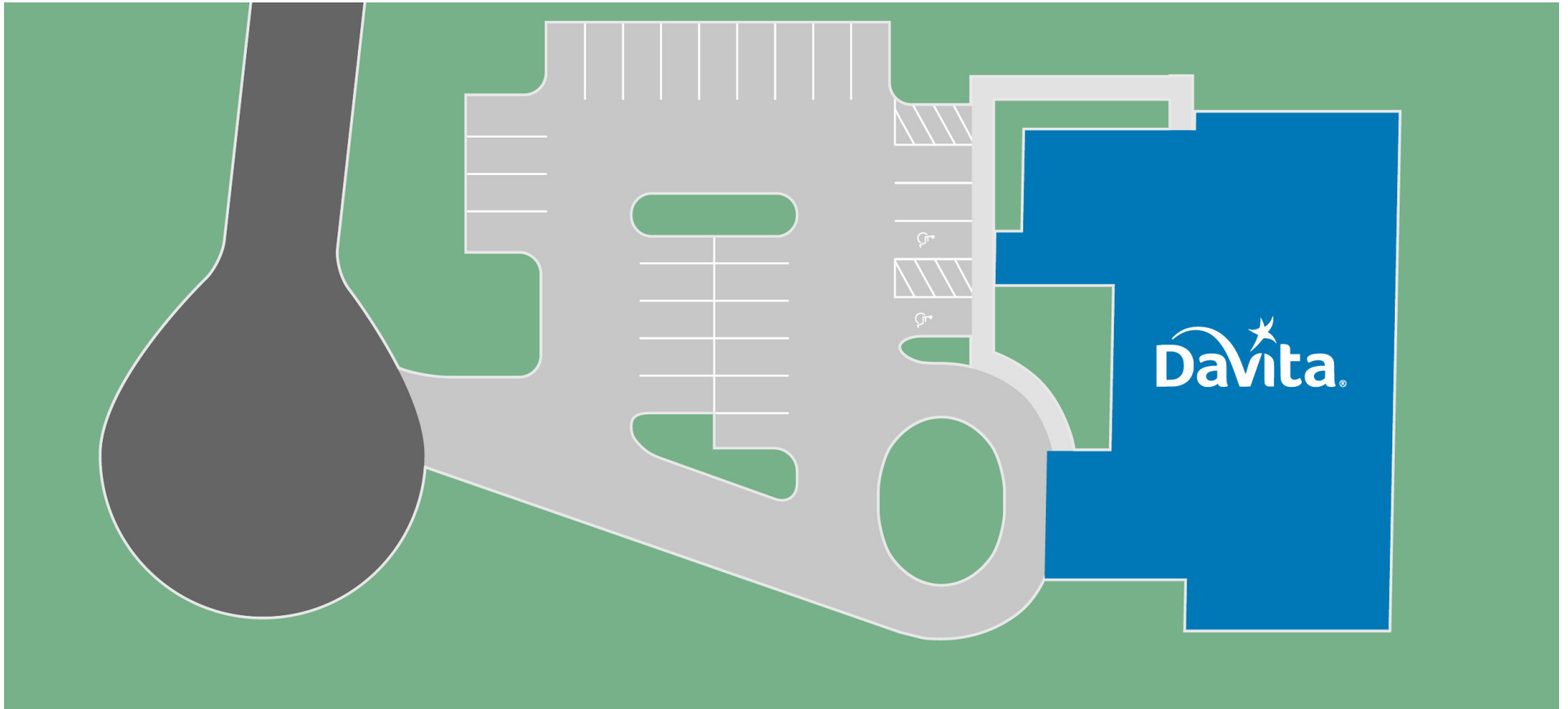
PROXIMITY

- Excellent access & visibility from Mequon Rd. (16,500 VPD) and surrounded by national retailers such as Starbucks, Subway, Pizza Hut & McDonald's
- One-mile distance to Major Hospitals: Aurora Health Center and Froedtert Health Center
- Germantown is 21 miles north of Milwaukee, WI









AMENITIES AERIAL

 **MACARTHUR ELEMENTARY**
389 STUDENTS

 **GERMANTOWN HIGH SCHOOL**
1,327 STUDENTS


**BLACKSTONE
Creek**
Golf Club

Pick 'n Save
  **ACE**
Hardware
 **DOLLAR TREE**

Walgreens

**Froedtert
HOSPITAL**

 **16,500 VPD**

 **ANYTIME
FITNESS**



 **Domino's**
 **Sendik's**
FOOD MARKET
 **McDonald's**
 **SUBWAY**
 **Pizza Hut**

CHASE 


**STONEWOOD
CORPORATE CENTER**

 **Aurora
Health Care**

 **Davita**

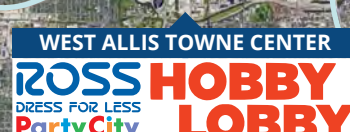
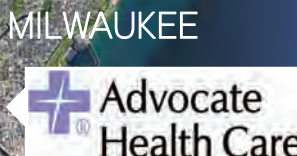
 **Best
Western**

**INTERSTATE
41**

 **85,200 VPD**

MEQUON RD.

MARKET AERIAL



LOCATION AERIAL | STONEWOOD CORPORATE CENTER



LANNON ROAD (ROUTE 167): 16,800 VPD



- MOUNTAIN ECHO ENERGY
- KL ENGINEERING

- KEENER INSURANCE
- BOGAR LAW OFFICES
- MASSAGE BY JEANETTE



- LAW OFFICES





DaVita, Inc. provides kidney dialysis services for patients suffering from chronic kidney failure or end stage renal disease (ESRD). The company operates in two divisions, Kidney Care and HealthCare Partners. It operates kidney dialysis centers and provides related lab services primarily in outpatient dialysis centers and in contracted hospitals. The company offers outpatient, hospital inpatient, and home-based hemodialysis services; owns clinical laboratories that provide routine laboratory tests for dialysis and other physician-prescribed laboratory tests for ESRD patients; and management and administrative services to outpatient dialysis centers, as well as patient and physician focused integrated health care delivery and management services. In addition, the company operates DaVita Rx, a pharmacy that provides oral medications to patients with ESRD; disease management services; vascular access services; clinical research programs; physician services; and direct primary care services.

As of June 30, 2020, the company provided dialysis and administrative services in the United States through a network of 2,795 outpatient dialysis centers in the United States and the District of Columbia serving approximately 205,000 patients; operated or provided administrative services to a total of 287 outpatient dialysis centers located in 10 countries outside of the United States and integrated care management services for approximately 837,300 members under its care in southern California, central and south Florida, southern Nevada, central New Mexico, and central Arizona.

It also provides acute inpatient dialysis services in approximately 1,000 hospitals and related laboratory services in the United States. The company was formerly known as DaVita Inc. and changed its name to DaVita HealthCare Partners Inc. in November 2012. DaVita HealthCare Partners Inc. was founded in 1994 and is headquartered in Denver, Colorado.

More information available at www.davita.com.

CLINICS
2,795

PATIENTS SERVED
205,000

REVENUES
\$11.5 B



Wisconsin's largest city lies on Lake Michigan, where the Milwaukee, Menomonee and Kinnickinnic Rivers come together. People had lived there for more than 13,000 years before the first Europeans arrived. At that time Milwaukee was neutral ground shared by several American Indian tribes. The name "Milwaukee" comes from an Algonquian word Millioke, meaning "Good", "Beautiful" and "Pleasant Land" or "Gathering place by the water". The city's modern history began in 1795 when fur trader Jacques Vieau (1757-1852) built a post along a bluff on the east side, overlooking the Milwaukee and Menomonee rivers. Between 1835 and 1850, Milwaukee's population grew from a handful of fur traders to more than 20,000 settlers. Three separate villages were started: Juneau's, east of the Milwaukee River and north of the Menomonee; Byron Kilbourn's across from Juneau's, on the west bank of the Milwaukee; and Walker's Point, across the Menomonee from the other two. In 1846 they incorporated into a single city.

Between 1846 and 1854, a wave of German immigrants arrived, bringing with them expert industrial skills, refined culture, liberal politics, and Catholicism. Milwaukee soon became a center of foundry, machinery, and metal-working industries, as well as a center for brewing and grain trading. Like most of the cities in America's Rust Belt industrial region, Milwaukee saw its fortunes decline in the 1960s and '70s, as long-time residents departed for greener pastures. The sudden loss of blue-collar jobs meant no work, especially for skilled workers. As a result, the downtown area fell into somewhat of a decline.

Today, Milwaukee stands as a commercial and industrial hub for the Great Lakes region, and is home to six Fortune 1000 manufacturers (including Harley-Davidson Inc., Rockwell Automation, and Johnson Controls), banks, and diversified service companies as well as one of the nation's ten largest insurance firms. The metropolitan area places among the top manufacturing centers in the United States, ranking second among major metropolitan areas in the percentage of its workforce in manufacturing.

Milwaukee is located within 7 miles of the Milwaukee Mitchell International Airport and 74 miles from Chicago O'Hare International Airport. Milwaukee lies just 90 miles north of Chicago and hosts a variety of attractions including the Harley-Davidson Museum, Milwaukee's Lakefront area that introduces the War Memorial Center, which commemorates the dead of WWII and the Korean War, the Milwaukee Art Museum, a striking building with collections that include American and European works from the 19th and 20th centuries and the Discovery World Museum - also known as the James Lovell Museum of Science, Economics, and Technology.



	1 MILE	3 MILES	5 MILES
2020	POPULATION		
	Total	5,803	26,663
	HOUSING UNITS		
	Total	2,855	11,636
	Occupied	82.5%	86.0%
	Vacant	7.5%	4.0%
2025	INCOME		
	Average Household Income	\$80,223	\$96,795
	AGE		
	Median Age	43.1	42.5
	POPULATION		
	Total	6,022	27,744
2025	HOUSING UNITS		
	Total	2,989	12,201
	Occupied	82.5%	86.0%
	Vacant	7.5%	4.0%
	INCOME		
	Average Household Income	\$86,415	\$104,371
2025	AGE		
	Median Age	43.1	42.5

LANDLORD RESPONSIBILITIES

Repair and Maintenance

Landlord, at its sole cost and expense, shall maintain and repair on a regular and customary basis, the interior and exterior of the Premises. Landlord responsibilities therein include standard maintenance, repair and replacement of all plumbing, electrical, heating, ventilation, and air conditions. Maintenance services shall include snow and ice removal, repair of parking lot, janitorial services. Landlord shall, maintain and keep in good order and repair the roof, roof membrane, roof coverings, concrete slab, footings, foundations, structural components, exterior walls, parking areas, sidewalks, driveways, loading areas, exterior doors and windows, flooring (except floor coverings) utility lines, sprinkler, HVAC, plumbing and electrical services.

Insurance

During the term, Landlord shall procure and maintain in full force and effect with respect to the building, common areas, and the land a policy of commercial liability insurance in a minimum amount of \$1MM per claim and \$3MM in the aggregate for bodily injury and property damage.

Expenses, Utilities, Services

Landlord shall pay, at its sole cost and expense, all taxes and assessments, Landlord's insurance, charges for all utilities and services and common areas or otherwise incurred by Landlord in its operation and maintenance of the Building. Fuel oil, gas, electric, water, sewer, janitorial services, trash removal, snow removal, security services, and pest control.

Taxes

To be paid by Landlord.

TENANT RESPONSIBILITIES

Maintenance

Tenant shall keep the interior, non-structural portions of the premises, all HVAC systems installed by tenant, and the non-structural elements of all doors and entrances of premises in good order.

Insurance

Tenant shall obtain and keep in force commercial general liability insurance in a minimum amount of \$1MM per claim and \$3MM in the aggregate for bodily injury and property damage.

Expenses, Utilities, Services

Tenant shall be responsible, at Tenant's sole cost and expense, for (a) handling, storage, and removal of potentially infectious medical waste and disposal and for (b) telephone service and telecommunication and (c) personal property tax imposed on Tenant's personal property.

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