Endeavor Health[SM]

Cardiovascular Center

712 Northwest Hwy, Fox River Grove, IL 60021

Healthcare Investment Opportunity

Offering Memorandum

Endeavor Health System (Moody's Aa3 / S&P AA-) | 7.00% Cap Rate | $2,160,529 | 3.00% Annual Rent Increases | NNN Lease

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EXCLUSIVELY LISTED BY

Michael Moreno
SVP & Senior Director
(949) 432-4511
michael.moreno@matthews.com
License No. 01982943 (CA)

Rahul Chhajed
SVP & Senior Director
(949) 432-4511
rahul.chhajed@matthews.com
License No. 01986299 (CA)

Tyler Swade
VP & Director
(818) 479-7607
tyler.swade@matthews.com
License No. 02238285 (CA)

Kyle Mackulak
VP & Associate Director
(310) 919-5835
kyle.mackulak@matthews.com
License No. 02055597 (CA)

Matthew Fitzgerald
Broker of Record
Broker Lic. No.: 471021676 (IL)
Firm Lic. No.: 478027547 (IL)

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PROPERTY OVERVIEW

Endeavor Health

EXECUTIVE SUMMARY

712 Northwest Hwy Fox River Grove, IL 60021	**2004** Year Built	**±3,864 SF** GLA	**NNN** Lease Type

The Opportunity

Matthews™ Healthcare Division is pleased to exclusively offer the opportunity to acquire the fee simple interest in the Endeavor Health Cardiovascular Center, a single-tenant outpatient medical asset located at 712 Northwest Highway in Fox River Grove, Illinois. The 3,864-square-foot facility is 100% leased to Endeavor Health Clinical Operations, providing investors with durable healthcare tenancy and predictable income. Endeavor Health (Moody's Aa3 / S&P AA-) is Illinois' third-largest health system, operating nine hospitals and 300+ care sites across the Chicago MSA.

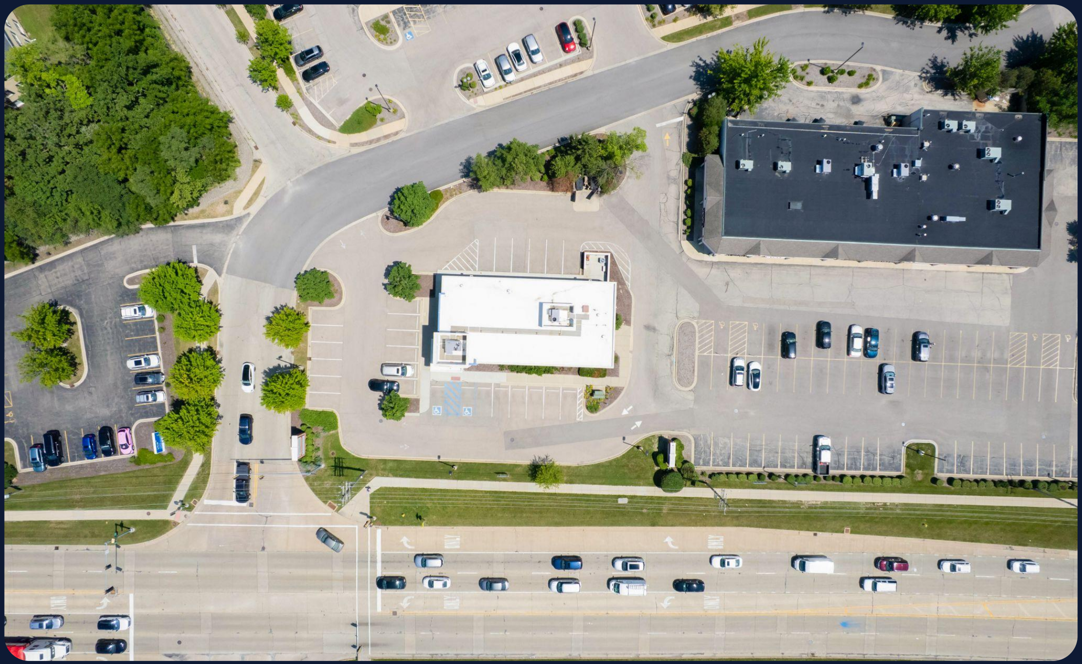
Constructed in 2004 and situated on 0.66 acres along Northwest Highway, the property benefits from strong visibility and accessibility within the northwest Chicago suburban corridor. Fox River Grove is part of the greater Chicagoland MSA, a densely populated and affluent suburban market with strong healthcare utilization and long-term demographic support.

The lease is structured as a NNN lease, with the tenant responsible for most property expenses and the landlord primarily responsible for the roof, structure, and common areas. Additionally, the lease includes two (5-year) renewal options, further enhancing the long-term stability of the investment. This offering presents investors the opportunity to acquire a well-located outpatient healthcare asset leased to a strong regional operator in one of the nation's most established suburban healthcare markets.

INVESTMENT HIGHLIGHTS

- **Investment-Grade Health System**: Endeavor Health (S&P:AA-), formed through the merger of NorthShore University HealthSystem and Edward-Elmhurst Health, operates nine hospitals and generates over $5 billion in annual revenue across the Chicagoland region.
- **Strategic Chicago MSA Location:** Located in Fox River Grove, IL, the asset benefits from its position within the affluent northwest suburbs of Chicago, a dense and highly desirable healthcare market with strong barriers to entry.
- **Hospital-Adjacent Trade Area**: The property sits minutes from Advocate Good Shepherd Hospital (±176 beds), anchoring the trade area's healthcare ecosystem and reinforcing long-term medical demand along the Route 14 corridor.
- **Jewel-Osco Shadow-Anchored Outparcel**: As an outlot to a grocery-anchored center, the property benefits from daily-needs traffic, strong ingress/egress, and proven retail fundamentals at a signalized intersection.
- **Stable Cash Flow:** With 4.3 years of remaining lease term, the asset offers near-term income durability backed by an established outpatient operator.
- **Annual Rent Growth:** The lease features 3.00% annual rental escalations, creating consistent NOI growth and an effective hedge against inflation.
- **Renewal Optionality:** The lease includes two (5-year) renewal options, offering potential for extended occupancy and long-term income continuity.
- **Medical Outpatient Use:** As an outpatient clinical facility, the property benefits from healthcare's continued migration away from hospital campuses toward convenient community-based care settings.
- **Affluent Demographics:** The surrounding northwest suburban Chicago trade area benefits from above-average household incomes, stable population density, and favorable healthcare demand drivers, supporting long-term tenant viability.

PROPERTY PHOTOS

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Advocate Good Shepherd Hospital
Inspiring medicine. Changing lives.
±176 Beds
±750 Employees
Redwood Fox River Grove
±110 Units
brunch Breakfast + Lunch Cafe
PAIN & VASCULAR INSTITUTE
DUNKIN'
ACE Hardware
UNITED STATES POSTAL SERVICE
U-HAUL
Jewel-Osco
Advance Auto Parts
ups
JIMMY JOHN'S GOURMET SANDWICHES
± 28,200 VPD
DAY CARE CENTER
Wonderland kids academy
Subject Property
14

FINANCIAL OVERVIEW

Endeavor Health

FINANCIAL SUMMARY

$2,160,529	7.00%	±4.3 Years	3% Annual
List Price	Cap Rate	Lease Term Remaining	Rent Increases

Property Details

Tenant Name	Endeavor Health Clinical Operations
Type Of Ownership	Fee Simple
Lease Entity	Endeavor Health Clinical Operations
Lease Type	NNN
Original Lease Term	5 Years 2 Months
Lease Effective Date	9/1/25
Rent Commencement Date	11/1/25
Lease Expiration Date	10/31/30
Term Remaining On Lease	±4.3 Years
Rental Increases	3.00% Annually
Option Periods	Two, (5) Year Options
Roof And Structure	Landlord Responsible
HVAC	Tenant Maintained; Capital Replacements Reimbursed by Tenant
ROFO	Yes

Annualized Operating Data

Lease Year	Annual Rent	Monthly Rent	Cap Rate
Current Year*	$151,237	$12,603	7.00%
Year 2	$155,774	$12,981	7.21%
Year 3	$160,447	$13,371	7.43%
Year 4	$165,261	$13,772	7.65%
Year 5	$170,219	$14,185	7.88%

*Based on rent increase taking place November 1st, 2026.

COST SEGREGATION ANALYSIS

Straight Line		Cost Segregation	
Rent	$151,237	**Rent**	$151,237
Purchase Price	$2,160,529	**Purchase Price**	$2,160,529
Cap Rate	7.00%	**Cap Rate**	7.00%
Depreciable Basis for Improvements	80%	**Depreciable Basis for Improvements**	80%
Depreciable Basis	$1,728,423	**Depreciable Basis**	$1,728,423
Useful Life	39 Years	**Useful Life**	1 Years
Bonus Depreciation Rate	N/A	**Bonus Depreciation Rate**	35%
Federal Tax Rate	37%	**Federal Tax Rate**	37%
Year 1 Depreciation	$44,319	**Year 1 Depreciation**	$604,948
Potential Tax Savings	$16,398	**Potential Tax Savings**	$223,831

The numbers provided are only estimates. Please reach to your CPA to confirm tax benefits for your specific situation.

MARKET OVERVIEW

Endeavor Health℠

FOX RIVER GROVE, IL

Market Demographics

10,612
Total Population

$121,506
Median HH Income

4,196
# of Households

36.3
Median Age

Local Market Overview

The Fox River Grove area supports a mix of retail, professional services, healthcare, and residential-driven economic activity serving McHenry County and the broader northwest Chicago metropolitan region. Located along U.S. Route 14 and the Metra Union Pacific Northwest Line, the village benefits from strong regional connectivity and access to major employment centers throughout the Chicago suburbs. Its proximity to neighboring communities such as Cary, Crystal Lake, and Barrington contributes to a stable economic base and consistent demand for housing, retail, dining, and service-oriented businesses.

Recreational and community attractions—including the Fox River, nearby Moraine Hills State Park, and a network of local parks and trails—draw residents and visitors for boating, fishing, hiking, and outdoor recreation. These amenities, combined with the village's small-town character and access to the greater Chicagoland area, support a network of hospitality, dining, and retail establishments serving both local residents and regional visitors.

Population	3-Mile	5-Mile	10-Mile
Five-Year Projection	29,787	84,112	404,618
Current Year Estimate	29,455	83,247	400,072
2020 Census	29,423	83,113	395,291
Households	**3-Mile**	**5-Mile**	**10-Mile**
Five-Year Projection	10,773	30,702	145,001
Current Year Estimate	10,646	30,374	143,378
2020 Census	10,621	30,333	141,979
Income	**3-Mile**	**5-Mile**	**10-Mile**
Average Household Income	$157,786	$143,194	$142,980

CHICAGO, IL MSA

Chicago serves as one of the nation's most influential economic and cultural centers, anchoring the Midwest with a highly diversified and resilient economy. As the third-largest metropolitan area in the United States, the region supports a population of over 9 million residents and a workforce spanning finance, technology, healthcare, manufacturing, and logistics. Its strategic location at the crossroads of the country enables unparalleled connectivity through an extensive network of interstate highways, rail systems, and two major international airports. This infrastructure advantage has positioned Chicago as a critical hub for both domestic and global commerce.

The metro area continues to attract businesses and residents due to its balance of economic opportunity, established infrastructure, and relative affordability compared to coastal markets. Chicago's deep labor pool, supported by nationally recognized universities and corporate headquarters, drives innovation and long-term growth across multiple sectors. Ongoing investment in transportation, mixed-use developments, and suburban expansion further strengthens the region's outlook. With consistent demand across commercial real estate sectors and a stable population base, Chicago remains a premier market for investors seeking scale, diversification, and durability.

#3 Largest MSA in the United States

U.S. Census Bureau

#2 Largest Central Business District in the U.S.

U.S. Census Bureau (employment density data); World Business Chicago

Tourism & Cultural Events

Chicago's tourism and cultural landscape is fueled by world-class festivals, marquee sporting events, and iconic teams that generate billions in economic impact. Major events like Lollapalooza, the Chicago Marathon, and NASCAR Chicago draw millions of visitors.

At the same time, Chicago's professional sports franchises — including the Bears, Bulls, Blackhawks, and Cubs — anchor the city's identity while driving significant revenue through stadium projects, redevelopment plans, and year-round fan engagement.

Lollapalooza

400,000+ Attendees in 2024

$440M in Economic Impact for Chicago

Bank of America Chicago Marathon

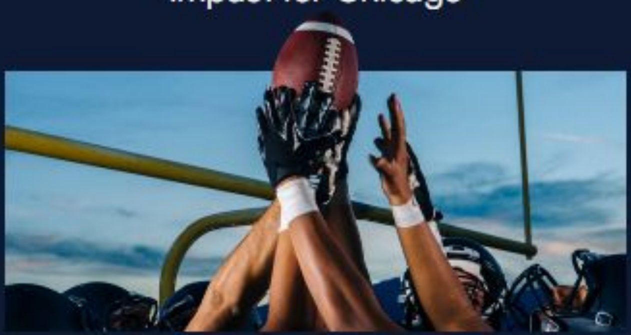
52,129 Finishers | Over 1M Spectators

$683 Million in Economic Activity

NASCAR Chicago

74,922 Spectators Attended

$128M in Economic Activity



Chicago Bears (NFL)

Proposed $5B Lakefront Stadium Expected to Generate $1.3B in Annual Impact

Chicago Bulls & Chicago Blackhawks (NBA/NHL)

Planned $7B Redevelopment Could Add $4.5B in Impact and 63,000 Jobs

Chicago Cubs (MLB)

Wrigley Field Anchors Lakeview and Remains One of Chicago's Largest Sports Tourism Draws

Higher Education

The Chicago MSA is home to a robust higher education network that fuels workforce development and economic growth. Top-tier institutions educate more than 90,000 students each year, preparing graduates to meet the demands of industries ranging from healthcare and finance to technology and research. Beyond academics, these universities contribute through innovation, partnerships, and community engagement, strengthening Chicago's long-term competitiveness on both a national and global scale.

University of Chicago

Enrollment (2024-2025)
19,287 Students
Graduation Rate: 95%

Northwestern University

Enrollment (2023-2024)
22,000 Students
Graduation Rate: 95.9%

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Michael Moreno
SVP & Senior Director
(949) 432-4511
michael.moreno@matthews.com
License No. 01982943 (CA)

Rahul Chhajed
SVP & Senior Director
(949) 432-4511
rahul.chhajed@matthews.com
License No. 01986299 (CA)

Tyler Swade
VP & Director
(818) 479-7607
tyler.swade@matthews.com
License No. 02238285 (CA)

Kyle Mackulak
VP & Associate Director
(310) 919-5835
kyle.mackulak@matthews.com
License No. 02055597 (CA)

Matthew Fitzgerald | Broker of Record | Broker Lic. No.: 471021676 (IL) | Firm Lic. No.: 478027547 (IL)

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2. You will hold it and treat it in the strictest of confidence; and

3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

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A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Matthews Real Estate Investment Services™. or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

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