



**SINGLE TENANT NET LEASED
MEDICAL OFFICE BUILDING**

**HIGH YIELD NNN
PASSIVE INVESTMENT**

**MAJOR HOSPITAL & HEALTHCARE
SERVICE PROVIDER**

**MAIN HIGHWAY LOCATION
& HIGH TRAFFIC COUNTS**

7310 W Lincoln Hwy
Schererville, IN 46307

OFFERING MEMORANDUM

OFFERING SUMMARY

\$2,250,000
OFFERING PRICE

13.38%
CAP RATE

BUILDING SUMMARY

Address	7310 W Lincoln Hwy Schererville, IN 46307
Building Size	13,380 SF
Year Built	2006
Lot Size	1.25 Acres
County	Lake
Parcel	45-11-14-376-011.000-036



The Klink Group of Marcus & Millichap is pleased to exclusively offer for sale the **single-tenant net-leased** specialty medical office investment leased to Franciscan Alliance, Inc., one of the **Midwest's premier investment-grade healthcare systems**. The offering presents a compelling opportunity to acquire a **well-located outpatient medical asset** while generating a **13.38% CAP rate** during the remaining lease term. **Backed by an "AA" Fitch-rated healthcare system**, the property combines institutional-quality tenancy with a rare double-digit going-in yield. The offering provides investors with **strong current income** while preserving multiple exit strategies, including lease extension with Franciscan Alliance or future repositioning to another medical or specialty user. **Offered at approximately \$168 per square foot**, the acquisition basis is **significantly below today's estimated replacement cost** for a comparable outpatient medical facility, creating **meaningful intrinsic value** and helping mitigate downside risk.

The tenant currently operates the **Franciscan Physician Network Schererville Health Center** from this location, providing crucial **community-based medical services** including Family Medicine, Internal Medicine, and Obstetrics & Gynecology. Franciscan has successfully occupied this 13,380-square-foot facility since its construction in 2006, demonstrating the property's **long-standing strategic importance within Franciscan's regional outpatient network**.

Investors benefit from approximately **1.5 years of contractual cash flow** under a favorable **triple-net lease structure** before having the opportunity to negotiate a lease extension with Franciscan Alliance or reposition the asset for another outpatient medical or specialty healthcare user. This creates a **differentiated investment opportunity** combining **immediate cash flow with meaningful long-term value** creation through multiple exit strategies.



W Lincoln Highway/US-30
+/-40,000 VPD



HIGHLIGHTS



- **High-Yield Medical Office | Passive Investment:** Offered at an attractive 13.38% CAP Rate, providing strong current cash flow rarely found with investment-grade credit tenants.
- **Investment-Grade Corporate Guaranty:** Backed by an "AA" Fitch-rated healthcare system operating 12 hospital campuses and over 300 care sites throughout Indiana, Illinois and Michigan.
- **20-Year Proven Tenant History:** Franciscan has continuously occupied the building since its construction in 2006, demonstrating the property's long-standing importance within its regional outpatient network despite continued investment in newer facilities throughout Northwest Indiana.
- **Favorable Triple-Net (NNN) Structure:** Minimal landlord oversight required; the tenant reimburses for real estate taxes, insurance, and CAM, allowing for an optimized passive investment structure.
- **High Exposure Commuter Corridor:** The property is strategically positioned along U.S. Highway 30 (Lincoln Highway), boasting exceptional visibility and exposure to over 40,000+ Vehicles Per Day (VPD) from cars traversing between US-41 & Interstate 65.
- **Affluent Northwest Indiana / Chicagoland Trade Area:** Features an exceptional demographic profile with an Average Household Income exceeding \$122,000 within a 1-mile radius and a dense population base of over 136,000 residents within a 5-mile radius.
- **Significant Discount to Replacement Cost:** The asset is being acquired for approximately \$168 per square foot, well below today's estimated replacement cost for a comparable medical office facility. Escalating land, construction, entitlement, and development costs create a substantial margin of safety while providing flexibility for future lease negotiations, adaptive reuse, or re-tenanting.
- **Medical Office Re-Leasing Optionality:** Purpose-built outpatient medical facilities located along established healthcare corridors remain highly attractive to physician groups, specialty practices, imaging providers, ambulatory surgery centers, and other healthcare users. The property's functional design and strategic location provide multiple avenues for future occupancy should the building become available.

LEASE SUMMARY

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Lease Type	Triple-Net
Tenant	Franciscan Alliance, Inc.
Guarantor	Corporate
Lease Commencement	June 24, 2005
Lease Expiration	December 31, 2027
Term Remaining	1.5 Years
Rental Increases	June 2027
Renewal Options	None
Tenant Responsibilities	CAM, Property Taxes, Insurance
Landlord Responsibilities	Roof & Structure-Tenant Reimburses

RENT SCHEDULE

Dates	Monthly Rent	Annual Rent
Current - June 09, 2027	\$25,087.50	\$301,050
June 10, 2027 - December 31, 2027	\$25,845.70	\$174,343
Current Annual Rent	\$301,050	
Cap Rate	13.38%	

The Property is currently operated alongside the adjacent shopping center. Franciscan Alliance, Inc. reimburses the shopping center owner for their pro-rata share of CAM, Property Taxes, and Insurance. Upon sale, the Subject Property will operate as a free-standing, single-tenant, net-leased property with Tenant paying their pro-rata share of all operating expenses related solely to the Subject Property.



THE MODERN MARKET golden corral MENARDS BUFFALO WILD WINGS GRILL & BAR POPEYES LOUISIANA FRIED CHICKEN

planet fitness GIUSEPPI'S PIZZA & PASTA HOUSE BAKERY & DELI Rise 'n Roll Portillo's HOT DOGS - BEEF - BURGERS - SALADS PAPAJOHNS

TIRE BARN Drive Shine NISSAN popshelf

ALDI SKY ZONE BMW Mercedes White Castle TWIN PEAKS COLD BEER DRINKS & SNACKS ATHLETICO PHYSICAL THERAPY

Red Robin HOOTERS SALLY BEAUTY Walmart POKE BROS. FRESH FOOD HAWAIIAN STYLE

cricket wireless Snack Van Til mauncies FIVE GUYS

DOLLAR TREE DUNKIN' H&R BLOCK



Hoosier Prairie
State Nature Preserve

Enbridge Pipeline



Franciscan Health Hospital
Dyer, IN



Jewel Osco COLD STONE CREAMERY goodwill TACO BELL STARBUCKS COFFEE

CHIPOTE chilis PET SUPPLIES PLUS Great Clips

CHASE crumbl cookies TEXAS ROADHOUSE Wendy's

SEVEN BREW MENU McDonald's

WING-STOP SUBWAY Walgreens tropical CAFE

Dairy Queen Grill & Chill

Culver's IHOP U-HAUL Hampton by Hilton

KFC Giordano's Advance Auto Parts Teibel's

ANYTIME FITNESS Walgreens Jimmy John's THE OMELET HOUSE

Best Western AutoZone BO2 CVS pharmacy

McDonald's BASECAMP FITNESS



Rohrman Park &
Sport Complx

George Bibich
Elementary School

Faith Church



Lake Central
High School

Kolling Elementary School





W Lincoln Highway/US-30
* / -40,000 VPD

Franciscan
PHYSICIAN NETWORK



Nearby Major Destinations

Chicago, IL

55 Minutes

Michigan City, IN

45 Minutes

South Bend, IN

1 Hour & 15 Minutes

Indianapolis, IN

2 hours & 15 Minutes

Fort Wayne, IN

2 hours & 30 Minutes

TENANT SUMMARY

Franciscan Health is one of the Midwest's leading nonprofit healthcare systems and a trusted provider of comprehensive medical services throughout Indiana, Illinois, and Michigan. Established more than 140 years ago, the health system operates 12 acute care hospitals and an extensive network of more than 300 care sites, including primary care and specialty physician offices, urgent care centers, outpatient facilities, imaging centers, rehabilitation clinics, surgery centers, and other ambulatory healthcare locations. The system employs thousands of physicians, nurses, and healthcare professionals dedicated to delivering high-quality, faith-based patient care.

Franciscan Health offers a full continuum of healthcare services, including primary care, cardiology, oncology, orthopedics, women's health, behavioral health, emergency medicine, surgical services, rehabilitation, diagnostic imaging, laboratory services, urgent care, and numerous specialty programs. Through its integrated physician network and expansive outpatient platform, Franciscan Health serves millions of patients annually while maintaining a strong reputation for clinical excellence and community-focused care. Its longstanding operating history, significant regional presence, and continued investment in healthcare infrastructure make Franciscan Health one of the most stable and recognizable healthcare providers in the Midwest.



DEMOGRAPHICS



ABOUT SCHERERVILLE, INDIANA

Schererville, Indiana is one of Northwest Indiana's premier retail and residential communities, strategically positioned within the Chicago metropolitan area at the intersection of U.S. Highway 30 and U.S. Highway 41, earning its reputation as the "Crossroads of the Nation." Located approximately 30 miles southeast of Downtown Chicago with immediate access to Interstate 80/94 and Interstate 65, Schererville provides exceptional connectivity to more than nine million residents throughout the Chicagoland region while benefiting from Indiana's business-friendly tax environment. The community's highly accessible location, affluent demographics, and strong population growth have established Schererville as a dominant retail destination serving Northwest Indiana and neighboring Illinois communities.

Schererville benefits from one of the Midwest's most diversified regional economies, with employment driven by advanced manufacturing, healthcare, logistics, distribution, professional services, and retail. Major employers throughout Northwest Indiana and the South Chicago suburbs include the Cleveland-Cliffs steel facilities, Franciscan Health, Powers Health, NiSource, BP, and numerous logistics and distribution operations that capitalize on the region's unparalleled transportation infrastructure. Additionally, Schererville residents have direct access to the expansive Chicago employment base, including numerous Fortune 500 headquarters across finance, healthcare, manufacturing, technology, and professional services.

POPULATION

	1 MILE	3 MILES	5 MILES
2020 Population	6,355	44,385	141,345
2025 Population	5,767	42,364	136,792
2030 Population Projection	5,671	42,180	136,641
Median Age	44	42.3	43.3

HOUSEHOLDS

2020 Households	2,417	17,193	56,783
2025 Households	2,193	16,365	54,853
2030 Population Projection	2,157	16,283	54,771

INCOME

Average Household Income	\$122,764	\$116,409	\$108,299
Median Household Income	\$100,538	\$94,660	\$87,607



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PLEASE CONSULT THE KLINK GROUP FOR MORE DETAILS

Marcus & Millichap
THE KLINK GROUP



Exclusively Listed By:

Jordan Klink

Senior Managing Director of Investments
The Klink Group of Marcus & Millichap
Phone: 317-218-5316
Cell: 317-250-6734
Email: Jordan.Klink@marcusmillichap.com
License: RB14043752

David Klink

Director of Investments
The Klink Group of Marcus & Millichap
Phone: 317-218-5324
Cell: 317-431-2431
Email: David.Klink@marcusmillichap.com
License: RB14049256

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