


OFFERING MEMORANDUM

FRESENIUS MEDICAL CARE

6541 SAINT JOHNS AVENUE | PALATKA, FL



MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES

 **Fresenius Medical Care**
Palatka Dialysis

EXCLUSIVELY LISTED BY



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Palatka, FL
Jacksonville, FL



INVESTMENT HIGHLIGHTS

- Strategically located across the street from Palatka Health Care
- Very Active Clinic - 26 stations, running two shifts on Monday, Tuesday, Wednesday, Thursday and Friday
- Metal Roof
- Tax Free State
- 2% Annual Increases
- Corporate Credit Guaranty
- Recent improvements, restriped parking lot and a new canopy

TENANT

- Fresenius Medical Care (NYSE: FMS) is the world's largest dialysis provider, and a fortune 500 company with a \$26 Billion market cap
- The company currently holds an S&P credit rating of BBB- (Investment Grade Credit)
- Fresenius operates over 2,200 dialysis facilities in North America alone, with the company continuing its expansion domestically and internationally





Presbyterian Medical Care
Pain Management

NO PARKING

FIRE LANE

NO PARKING

FIRE LANE



FRESENIUS MEDICAL CARE

6541 Saint Johns Avenue
Palatka, FL 32177

List Price \$2,611,400
CAP Rate - Current..... 7.00%
Gross Leasable Area ± 9,574 SF
Lot Size ± 2.92 Acres
Year Built..... 2001



**FRESENIUS
MEDICAL CARE**

Annualized Operating Data

	Monthly Rent	Annual Rent	Rent/SF	Cap Rate
Current	\$15,233.20	\$182,798.44	\$19.09	7.00%
5/1/18-4/30/19	\$15,537.87	\$186,454.41	\$19.48	7.14%
5/1/19-4/30/20	\$15,848.63	\$190,183.50	\$19.86	7.28%
5/1/20-4/30/21	\$16,165.60	\$193,987.17	\$20.26	7.43%
Option 1 (5) yrs	FMV			
Option 2 (5) yrs	FMV			

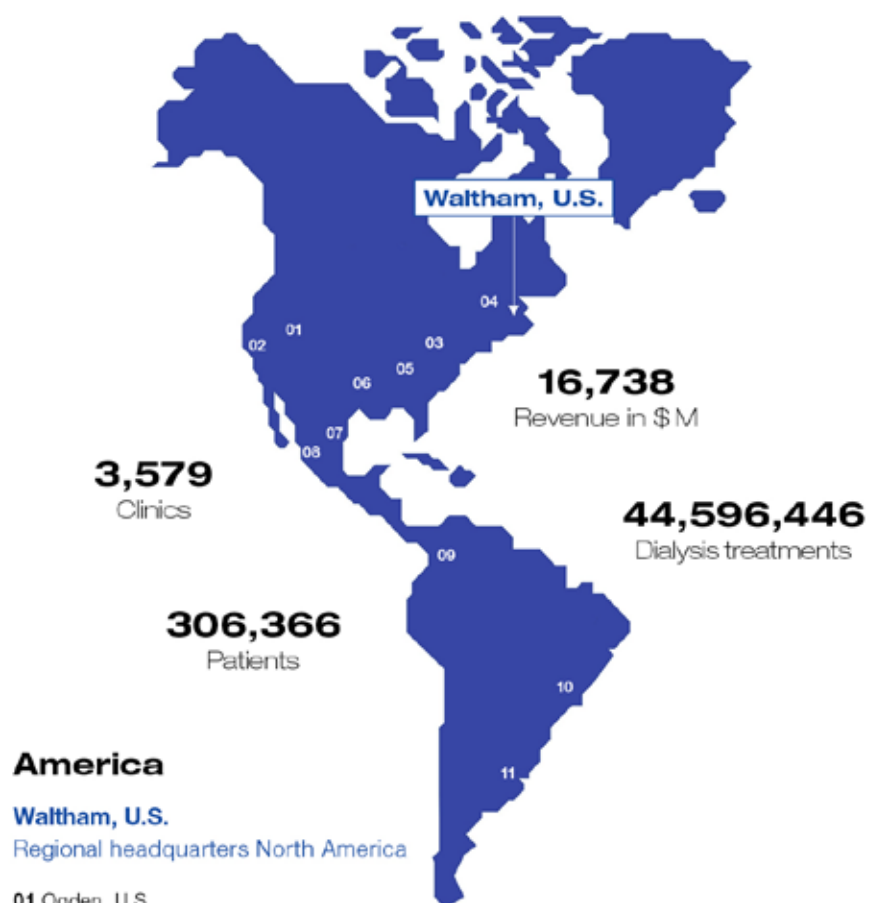
Tenant Summary

Tenant Trade Name	Fresenius Medical Care
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	NN
Roof and Structure	Owner Responsibility
Original Lease Term	15 Years
Lease Commencement Date	5/23/2000
Rent Commencement Date	5/1/2016
Lease Expiration Date	4/30/2021
Term Remaining on Lease	± 4 Years
Increases	2% Increases
Options	Two, 5-Year Options

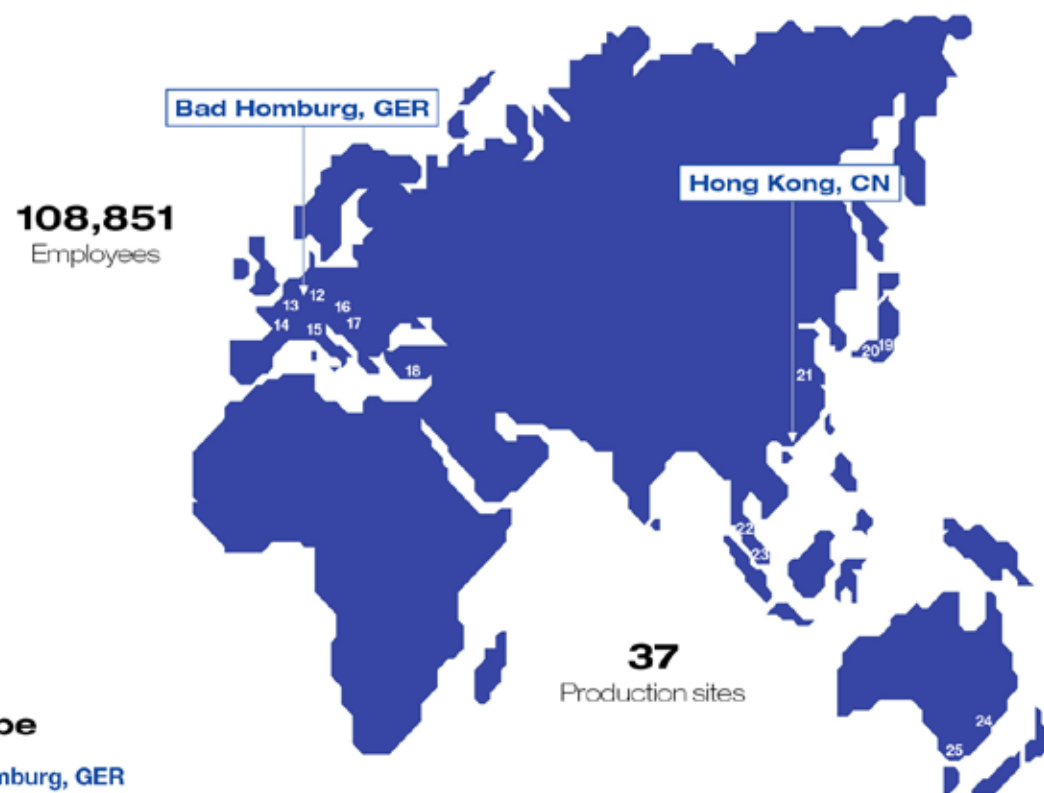
Fresenius Information

2 Shifts	Monday, Tuesday, Wednesday, Thursday, Friday
Dialysis Stations	26 Stations

TENANT OVERVIEW



- 01 Ogden, U.S.
- 02 Concord, U.S.
- 03 Toledo, U.S.
- 04 Montreal, CA
- 05 Knoxville, U.S.
- 06 Irving, U.S.
- 07 Reynosa, MX
- 08 Guadalajara, MX
- 09 Santafé de Bogotá, CO
- 10 Jaguarüna, BR
- 11 Pilar, AR



- 12 Schweinfurt, GER
- 13 St. Wendel, GER
- 14 L'Arbresle, FR
- 15 Palazzo Pignano, IT
- 16 Krems, AT
- 17 Vršac, SRB
- 18 Antalya, TR

- 19 Inukai, JP
- 20 Buzen, JP
- 21 Changshu, CN
- 22 Ipoh, MY
- 23 Enstek, MY
- 24 Smithfield, AU
- 25 Scoresby, AU



Property Name	Fresenius Medical Care
Parent Company Trade Name	Fresenius Medical Care Holdings, Inc.
Ownership	Subsidiary
Revenue	\$10.37B
Net Income	\$787.64M
No. of Locations	± 3,5739
No. of Employees	± 108,851
Headquartered	Waltham, MA
Website	www.fmc-ag.com
Year Founded	1988

TENANT OVERVIEW

Fresenius Medical Care Holdings, operating as Fresenius Medical Care North America or FMCNA, operates a network of some 3,579 dialysis clinics located throughout the continent. One of the largest providers of kidney dialysis services, FMCNA offers outpatient and in-home hemodialysis treatments for chronic kidney disease. The company's operating units also market and sell dialysis machines and related equipment and provide renal research, laboratory, and patient support services. FMCNA oversees the North American operations of dialysis giant Fresenius Medical Care AG & Co.

Fresenius Medical Care is the world's leading provider of products and services for people with chronic kidney failure. Around 2.8 million patients with this disease worldwide regularly undergo dialysis treatment. Dialysis is a vital blood cleansing procedure that substitutes the function of the kidney in case of kidney failure. The company's strategy is geared toward sustainable growth and aim to continuously improve the quality of life of patients with kidney disease by offering innovative products and treatment concepts of the highest quality.

PROPERTY OVERVIEW



THE OFFERING

Property Name		Fresenius Medical Care
Property Address	6541 Saint Johns Avenue Palatka, FL 32177	
Assessor's Parcel Number	10-10-26-0000-020.0-000.1	

Site Description	
Number of Stories	One
Year Built	2001
Gross Leasable Area (GLA)	± 9,574 SF
Lot Size	± 2.92 Acres (127,195 SF)
Type of Ownership	Fee Simple
Landscaping	Professional
Topography	Generally Level

Recent Improvements	
Parking lot re-striped	October 2015
New Canopy for employee entrance	2013
Metal Roof inspected, guttered with screens	2017
Pressure Washed	2016

Palatka Health Care Center

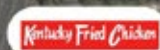
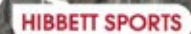
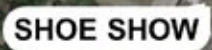
Subject Property

SURROUNDING TENANTS

Palatka
Health Care
Center



Subject Property



Palatka Health
Care Center

Subject Property





AREA OVERVIEW

PALATKA, FL

Located in Putnam County, Palatka is right on the St. Johns River. It is a prime location that has helped the city build steadily throughout the years. Palatka was first recognized in the 1850's when steamboats became the best way to travel long distances. Many visitors would come from the North to escape the harsh winters. Many activities in Palatka, during this time, included sailing, fishing, rowing, and hunting. After the Civil War, Palatka grew into a tourist-run town and became even more accessible after the invention of the railroad.

Today, the town has become a relaxing destination. Palatka has many different activities that are right outside of larger towns such as Jacksonville. The town has different historical sites from the Civil War and has kept much of its southern charm throughout the modern years.

ECONOMY

Unlike most of the state of Florida, Palatka has a large manufacturing sector. The largest industries within the region is in retail trade and manufacturing with many residents' occupations in production and construction. Georgia Pacific is the single largest private employer in Palatka. PDM Bridge is also a large manufacturing company in town, located in Barge Port on the St. Johns River. Eau Claire is another bridge builder that is located in Wisconsin, that uses the river for transport.

Palatka started out as a trading post, which quickly turned into a tourist town. Although Palatka has transformed into a manufacturing sector, tourism is still a large part of their economy. Their latest project has been creating Ecotourism. This involves traveling to more undisturbed natural areas that help promote environmentally friendly habits. They want to move away from mass tourism and help educate travelers on their impact on the world.

POINTS OF INTEREST

Florida Azalea Festival

This two-day event is held in Palatka every year. It was first held in 1938, to celebrate the blossoming of the azalea flowers throughout the region. There are many different activities such as art and crafts shows, car shows, and of course, the observation of the many different azalea blossoms.



Ravine Gardens State Park

Many residents and tourist love exploring the different hiking trails in Ravine Gardens State Park. With many different natural colors surrounding you, the park makes you feel like you were dropped off in the middle of a jungle. There are many different suspension bridges and viewing areas that make each trail unique.

PROPERTY DEMOGRAPHICS

POPULATION	1 Mile	3 Mile	5 Mile
2022 Projection	3,258	17,043	21,746
2017 Estimate	3,081	16,931	21,674
2010 Census	2,860	17,368	22,373
2000 Census	2,266	16,116	21,456
Growth 2017 - 2021	5.75%	0.66%	0.33%

HOUSEHOLDS	1 Mile	3 Mile	5 Mile
2022 Projection	1,317	6,474	8,273
2017 Estimate	1,238	6,433	8,246
2010 Census	1,140	6,614	8,525
Growth 2017 - 2022	6.38%	0.64%	0.33%

INCOME	1 Mile	3 Mile	5 Mile
2017 Est. Average Household Income	\$29,252	\$42,423	\$43,974



JACKSONVILLE OVERVIEW

Just 40 miles from Palatka, Jacksonville is a large seaport city in the U.S. It is the most populated city in both Florida and the southeastern United States. The Jacksonville metropolitan area is the fourth largest in the state. Two Navy Bases, the Blount Island Command and the Naval Submarine Base Kings Bay, are the third largest military presence in the U.S. With Jacksonville located at the mouth of the St. Johns River, the Port of Jacksonville is an international trade seaport.

Jacksonville has grown into a major city within Florida and is an even blend of business development and tourist sites. The city caters to all types of residents, whether they are looking for a modern downtown scene or want to escape to the suburbs.

ECONOMY

Although, Jacksonville has a sizable deepwater port, the city's economy does not solely rely on transportation and distribution. The area's economy thrives on a variety of financial services, biomedical technology, insurance, manufacturing, and consumer goods.

As for financial services, the city has done particularly well in this industry. Large banking companies in the region include Florida National Bank, Barnett Bank, Wells Fargo, JPMorgan Chase, and Bank of America. Many Fortune 500 companies have their headquarters in Jacksonville, such as Fidelity National Financial, Southeastern Grocers, and CSX Corporation.

The military is the largest employer in Jacksonville, with an economic impact of \$6.1 billion annually. With a military airport, a Navy and Marine Corps base, and Air National/Coast Guard sector, the U.S. forces have a large influence within the town.



CULTURE

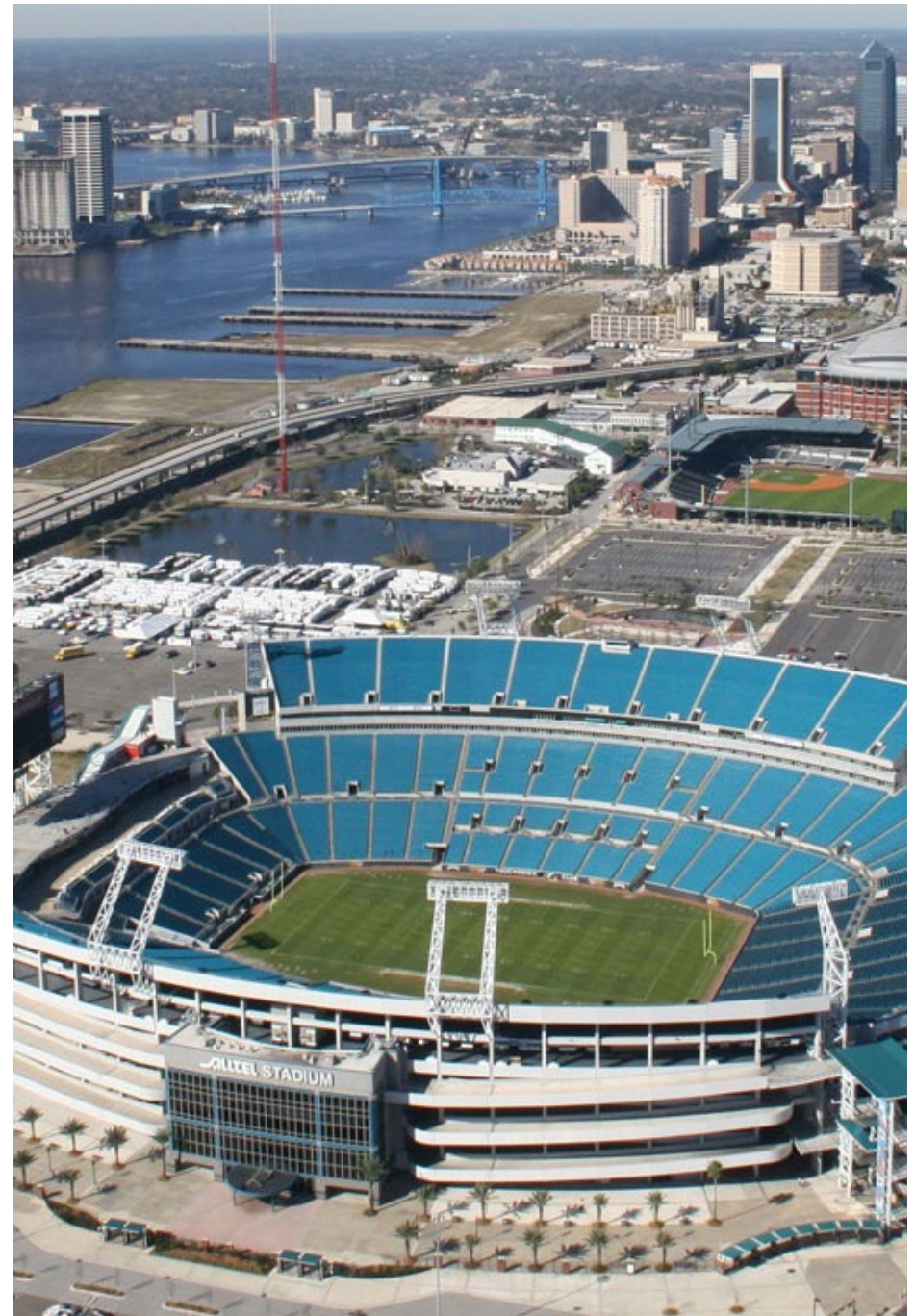
As for things to do in Jacksonville, the possibilities are endless. From sports, to art, to the outdoors, Jacksonville has something to offer everyone that visits. There are many different annual events held in Jacksonville. Whether it is an art display or a festival, there is always something happening.

Sports- The Jacksonville Jaguars are a major league sports team in the NFL. They joined the league as an expansion team in 1995. Since then, their fan base has grown immensely and are loved by their dedicated fans in Jacksonville. The Jaguars have been division champions in 1998 and 1999, and have qualified for the playoffs six times.

Since 1946, the annual Gator Bowl is held at EverBank Field on January 1st. It is part of the bowl series within college football. The Bowl is the sixth oldest college bowl, and was the first college bowl to be televised nationally. Another college football event is the Florida-Georgia game. Every year the Florida Gators and the Georgia Bulldogs come together to hash out their rivalry.

Music- Jacksonville is also known for their love of music. The Jacksonville Jazz Festival is the second-largest jazz festival in the nation. It is a fun filled weekend celebrating the creation of Jazz music as well as keeping the genre alive. Another great musical event in the city is the Springing the Blues festival, one of the oldest and largest blues festivals on the Coast. It was first held in 1990 and has been growing larger and larger each year.

Art- The city offers a variety of museums and art galleries throughout the region. The Museum of Contemporary Art Jacksonville is funded and operated by the University of North Florida. It is a contemporary art museum that is considered a “cultural resource.” The museum, at its most basic form, opened in 1924. Today, the museum features permanent and traveling exhibitions and has over 700 works.



PONTE VEDRA BEACH, JACKSONVILLE, FL



UNIVERSITY OF NORTH FLORIDA (UNF)

A member institution of the State University System of Florida, the University of North Florida is a public university in Jacksonville. The school awards a variety of baccalaureate, masters, and doctorate degrees. The campus is located on Jacksonville's Southside and is 1,300 acres that is surrounded by natural preserve. UNF has five colleges that include business, coastal biology, nursing, nutrition, and musical programs.

UNF first opened in 1972. Originally, it was an upper division college that offered classes for juniors and seniors. It wasn't until 1984, that the school started enrolling freshman. Today, the school's main mission is to become a driving force for a healthier environment. In 2006 the Social Sciences building became the first facility to be LEED-certified in Northeast Florida. This was considered the first "green" building on campus. Since then, five more buildings have become LEED-certified on campus.

The university has an active student life with 220 clubs and organizations, as well as, a student government and Greek life. The school has recently been recognized as one of the best colleges in the Southeast by The Princeton Review. Forbes Magazine also named UNF one of "America's Best Colleges."



CONFIDENTIALITY & DISCLAIMER STATEMENT

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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 detrimental to the interest of the Seller.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

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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 Seller 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.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

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