

FRESENIUS KIDNEY CARE

Golden Isles

BRUNSWICK, GLYNN COUNTY . GEORGIA

ACTUAL PROPERTY PHOTO



OFFERING MEMORANDUM

FRESENIUS KIDNEY CARE

Golden Isles

BRUNSWICK, GLYNN COUNTY . GEORGIA

3150 Glynn Avenue | Brunswick, Georgia 31520

ACTUAL PROPERTY PHOTO





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01

INVESTMENT SUMMARY

02

TENANT OVERVIEW

03

FINANCIAL ANALYSIS

04

MARKET OVERVIEW



01

INVESTMENT OFFERING

The Golden Isles Fresenius Kidney Care in Brunswick, Glynn County, Georgia is a 2018 build-to-suit, 8,212 square foot kidney dialysis clinic that is 100% leased via a new 15-year lease term.

The lease structure includes attractive 1.7% annual rent increases throughout the primary term and option periods, and is guaranteed by Fresenius Medical Care Holdings, Inc. (FMCH) which has a net worth of \$10.144 Billion. This new dialysis facility will provide best-in-class operations and customer service, housing 16 patient stations, 1 private station located in a separate room, and 3 home therapy rooms.

Golden Isles Fresenius offers a premier, pride of ownership asset and location, creating an ideal long-term investment opportunity. Nestled on the Georgia coast midway between Savannah, GA and Jacksonville, FL lies four renowned barrier islands of St. Simons Island, Sea Island, Jekyll Island, Little St. Simons Island, and the mainland city of Brunswick. Known for its beautiful landscape of sandy beaches, world class golf, historic landmarks, bed and breakfasts, and five-star resorts, the Golden Isles showcase unrivaled southern charm and hospitality.

The subject property is situated less than one mile from Southeast Georgia Health System Brunswick Campus, a major 300-bed hospital, and is situated in close proximity to the College of Coastal Georgia campus. This site benefits from excellent visibility and access, positioned directly on Highway 17, at the gateway to the only road providing access to three of the four barrier islands that make up the Golden Isles.

Georgia is a Certificate of Need (CON) state for health care, which creates barriers to entry in this market for any competing dialysis services. CON laws are designed to contain healthcare facility costs and allow coordinated planning of new services and construction of health care facilities, and are one mechanism by which state governments reduce overall health and medical costs.



FRESENIUS MEDICAL CARE

2016 audited financials for FMCH reflect a net worth of \$10.533 Billion. FMCH is a wholly-owned subsidiary of Fresenius Medical Care AG & Co. KGaA, which is the world's largest integrated provider of products and services for individuals undergoing dialysis because of chronic kidney failure, a condition that affects more than 1,890,000 individuals worldwide. The parent company is listed on both the Frankfurt Stock Exchange and the New York Stock Exchange (NYSE: FMS).

BUILDING SIZE 8,212 Sq Ft

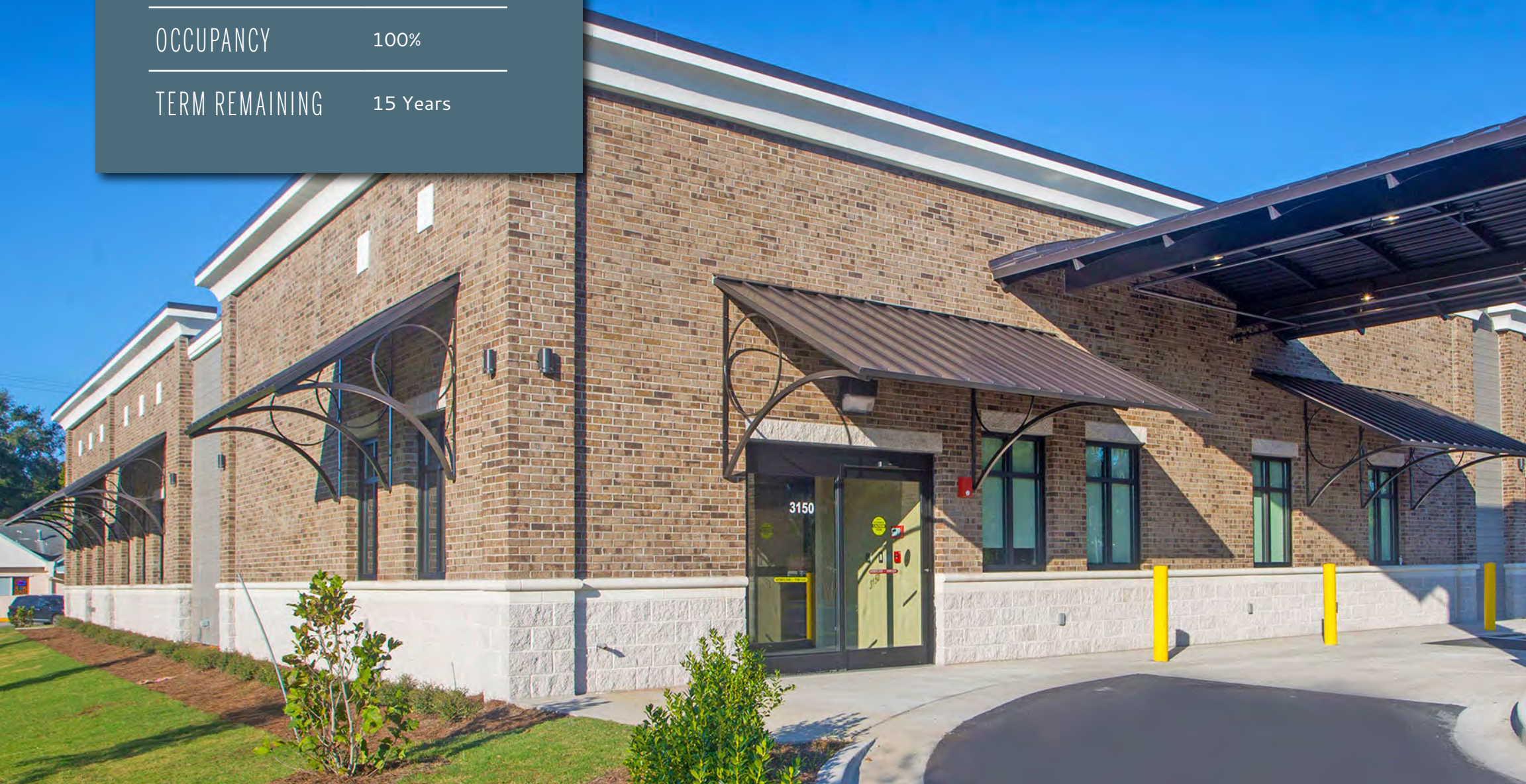
LOT SIZE 1.5 Acres

YEAR BUILT 2018

OCCUPANCY 100%

TERM REMAINING 15 Years

ACTUAL PROPERTY PHOTO





INVESTMENT HIGHLIGHTS

LONG-TERM LEASE WITH ANNUAL INCREASES

New 15-year lease term with 1.7% annual rent increases

NEW CONSTRUCTION

2018 build-to-suit kidney dialysis facility

\$10.533 NET WORTH LEASE GUARANTOR

Fresenius Medical Care Holdings reported a 2016 net worth of \$10.533 Billion

WORLD-RENOWNED LOCATION IN GOLDEN ISLES

Located in the renowned Golden Isles of Georgia, offering a premier, pride of ownership asset and location

ONE MILE TO MAJOR 300-BED HOSPITAL

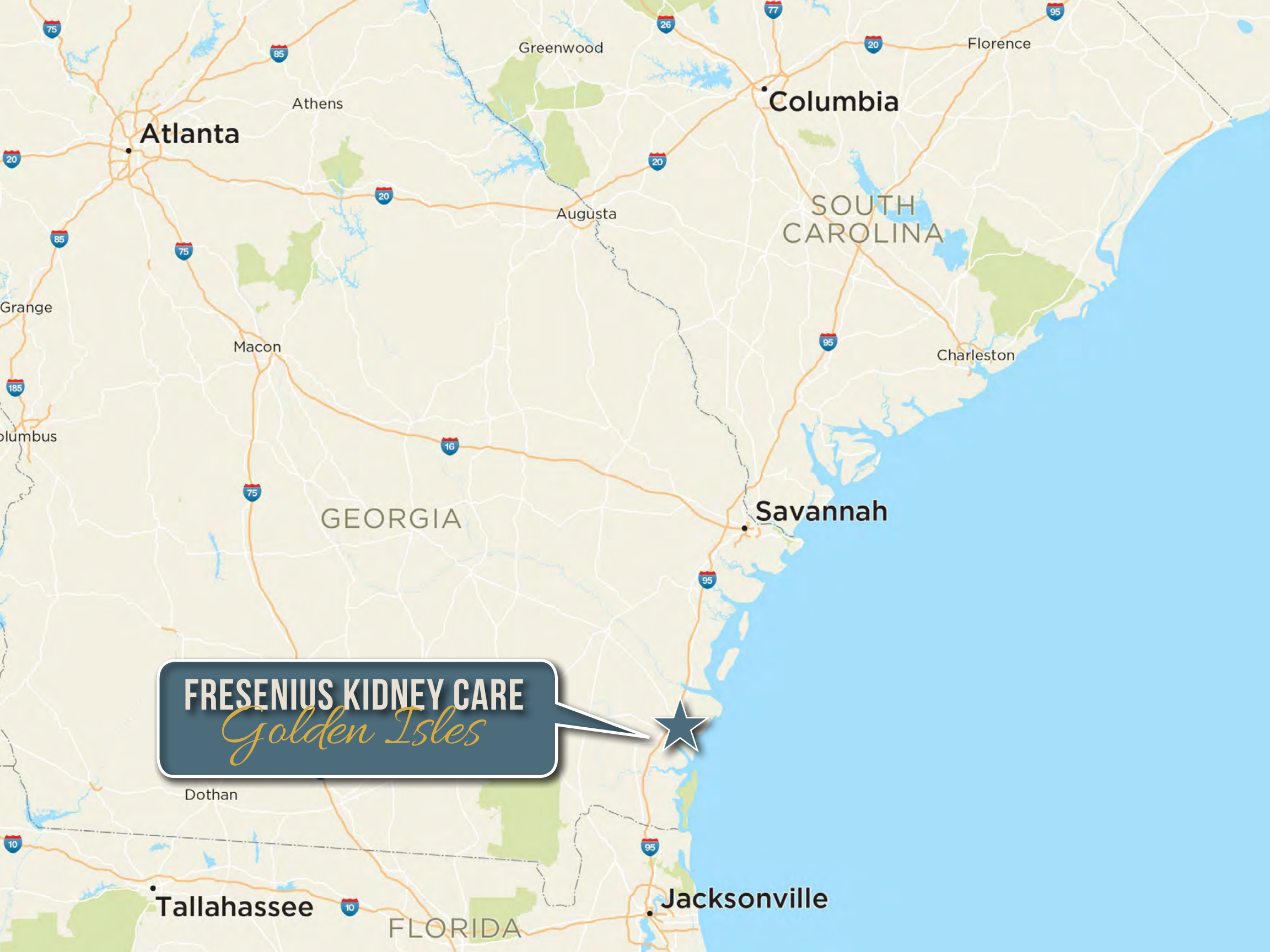
Located less than one mile from Southeast Georgia Health System Brunswick Campus, a 300-bed hospital

EXCELLENT ACCESS AND VISIBILITY

Positioned on Highway 17, providing excellent visibility and location at the gateway to the only road accessing three of the four barrier islands that make up the Golden Isles

CERTIFICATE OF NEED STATE

Certificate of Need (CON) state, creating significant barriers to entry in this marketplace



FRESENIUS KIDNEY CARE
Golden Isles

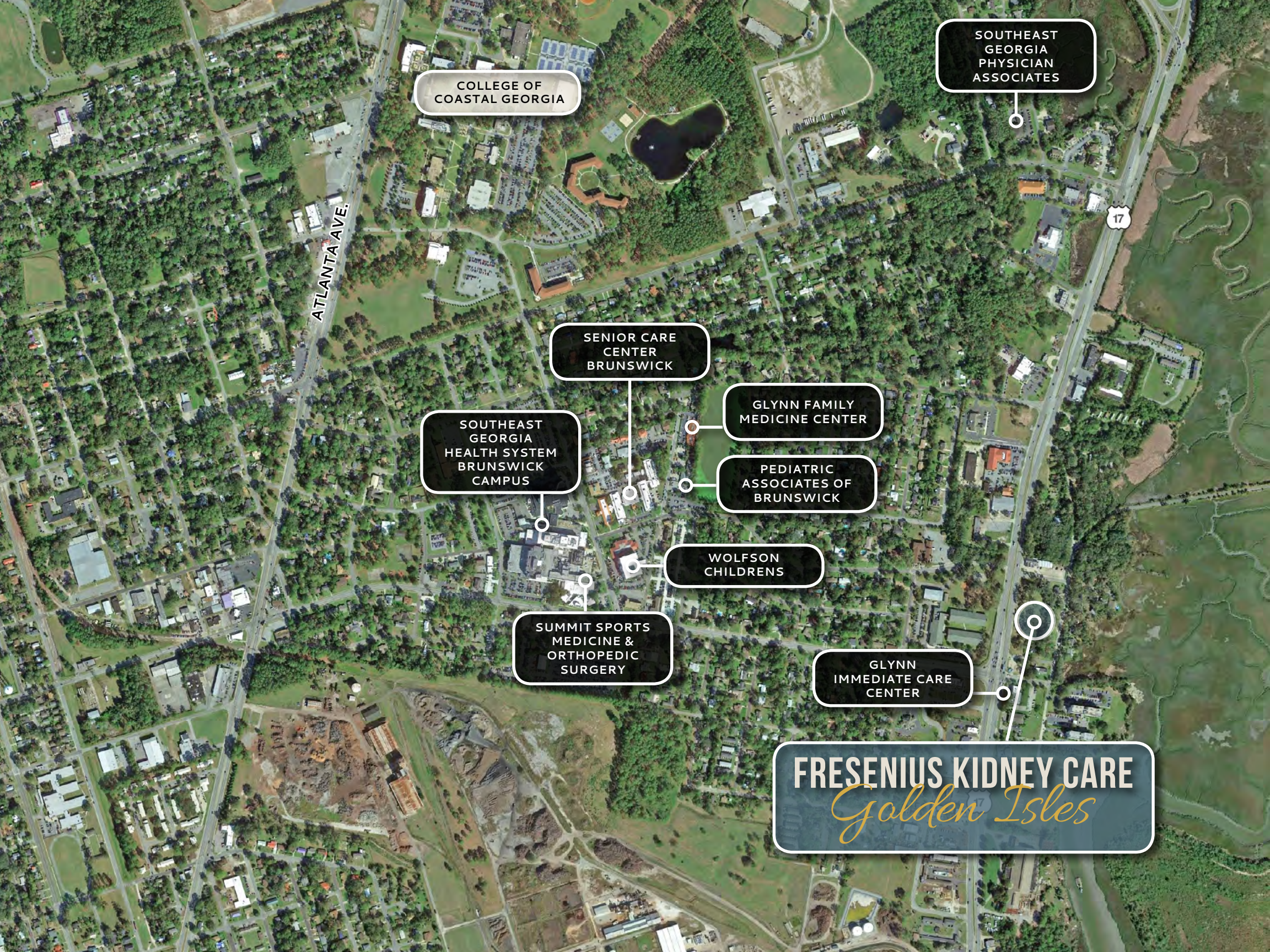
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SITE PLAN



Site plan is not to scale and does not purport to be 100% accurate.



COLLEGE OF
COASTAL GEORGIA

SOUTHEAST
GEORGIA
PHYSICIAN
ASSOCIATES

ATLANTA AVE.

SENIOR CARE
CENTER
BRUNSWICK

GLYNN FAMILY
MEDICINE CENTER

SOUTHEAST
GEORGIA
HEALTH SYSTEM
BRUNSWICK
CAMPUS

PEDIATRIC
ASSOCIATES OF
BRUNSWICK

WOLFSON
CHILDRENS

SUMMIT SPORTS
MEDICINE &
ORTHOPEDIC
SURGERY

GLYNN
IMMEDIATE CARE
CENTER

FRESENIUS KIDNEY CARE
Golden Isles

02

TENANT OVERVIEW

Fresenius Medical Care, a kidney dialysis company, provides dialysis care services related to the dialysis treatment a patient receives with end stage renal disease (ESRD); and other health care services.

It offers dialysis treatment, and related laboratory and diagnostic services through a network of 3,402 outpatient dialysis clinics in approximately 45 countries worldwide; materials, training, and patient support services comprising clinical monitoring, follow-up assistance, and arranging for delivery of the supplies to the patient's residence; and dialysis services under contract to hospitals in the United States for the hospitalized ESRD patients and for patients suffering from acute kidney failure. The company also provides pharmacy services, such as delivery and supply of renal medications to patients at homes or to dialysis clinics directly; vascular, cardiovascular, and endovascular specialty services; and offers products for the treatment of ESRD.

In addition, it offers laboratory services that include blood, urine, and other bodily fluid testing services; and hemodialysis (HD) machines, modular components for dialysis machines, polysulfone dialyzers, bloodlines, HD solutions and concentrates, needles, connectors, machines for water treatment, data administration systems, dialysis chairs, phosphate binders, iron products, and other renal drug products.

Further, the company provides peritoneal dialysis systems and solutions for continuous ambulatory peritoneal dialysis and automated peritoneal dialysis; and adsorbers, which are filters used in other extracorporeal therapies; and distributes specific instruments for vascular access, as well as other supplies, such as bandages, clamps, and injections.

The company sells its products to clinics, hospitals, and specialized treatment clinics through local sales forces, independent distributors, dealers, and sales agents. The company was founded in 1996 and is headquartered in Bad Homburg, Germany.



ACTUAL PROPERTY PHOTO



**FRESENIUS
MEDICAL CARE**

\$19.75 BILLION

Annual Revenues

\$30.37 BILLION

Market Cap

OWNERSHIP

Public

TICKER SYMBOL

FMS (NYSE)

CREDIT RATING

Ba3 (Moody's)

OF EMPLOYEES

111,263

www.freseniusmedicalcare.us

03

3150 Glynn Avenue
Brunswick, GA 31520

BUILDING SIZE 8,212 Sq Ft

LOT SIZE 1.5 Acres

YEAR BUILT 2018

OWNERSHIP
TYPE Fee Simple

FINANCIAL ANALYSIS

PRICE	\$3,735,722
NOI	\$201,729
CAP RATE	5.40%
TENANT	Fresenius Kidney Care
LEASE GUARANTOR	Fresenius Medical Care Holdings, Inc.
GUARANTOR NET WORTH	\$10.144 Billion
LEASE TYPE	NN
LEASE TERM	15 Years
LEASE COMMENCEMENT	12/28/2018
LEASE EXPIRATION	12/31/2033
REMAINING LEASE TERM	15 Years
RENEWAL OPTIONS	Three 5-Year Options
RENT INCREASES	1.7% annual increases in primary term and option periods

LANDLORD RESPONSIBILITIES

1. Roof and structure (long-term warranty in place for roof).
2. Parking lot replacement (Tenant responsible for repairs including restriping and resurfacing).



BASE RENT SCHEDULE

PERIOD	ANNUAL BASE RENT	MONTHLY BASE RENT
Year 1	\$201,729	\$16,811
2	\$205,158	\$17,097
3	\$208,646	\$17,387
4	\$212,193	\$17,683
5	\$215,800	\$17,983
6	\$219,469	\$18,289
7	\$223,200	\$18,600
8	\$226,994	\$18,916
9	\$230,853	\$19,238
10	\$234,778	\$19,565
11	\$238,769	\$19,897
12	\$242,828	\$20,236
13	\$246,956	\$20,580
14	\$251,154	\$20,930
15	\$255,424	\$21,285

Three 5-Year Lease Renewal Options, with 1.7% annual rent increases throughout each option period

04

MARKET OVERVIEW

Brunswick is a city in and the county seat of Glynn County, Georgia. As the major urban and economic center of the state's lower southeast, it is the second-largest urban area on the Georgia coast after Savannah and contains the Brunswick Old Town Historic District.

Throughout its history, Brunswick has served as an important port city: in World War II, it served as a strategic military location with an operational base for escort blimps and a shipbuilding facility for the U.S. Maritime Commission. Brunswick supports a progressive economy largely based on tourism and logistics, with a metropolitan GDP of \$3.9 billion. The Port of Brunswick handles approximately 10 percent of all U.S. roll-on/roll-off trade—third in the U.S., behind the ports of Los Angeles and Newark. The headquarters of the Federal Law Enforcement Training Center is located 5 miles north of the central business district of the city and is adjacent to Brunswick Golden Isles Airport, which provides commercial air service to the area.

Brunswick is located on a harbor of the Atlantic Ocean, approximately 40 miles north of Florida and 80 miles south of South Carolina. Brunswick is bordered on the west by Oglethorpe Bay, the East River, and the Turtle River. It is bordered on the south by the Brunswick River and on the east by the Atlantic Intracoastal Waterway in the Mackay River, which separates it from the Golden Isles.





Brunswick, GA



ECONOMY

The Port of Brunswick forms a vital part of the city's economy. It is recognized as one of the most productive ports on the East Coast and is the sixth-busiest automobile port in the United States; it is the primary export facility for two of the three United States traditional automotive manufacturers: Ford and General Motors, is the primary export facility for Mercedes-Benz, and serves as the central import facility for Hyundai, Jaguar, Kia, Land Rover, Mitsubishi, Porsche, and Volvo. International Auto Processing is one of the town's largest

employers. In addition to automobiles, exports include agricultural products and other bulk cargoes.




Southeast Georgia Health System is the largest private employer in Brunswick. With over 1,321 employees and over 201 physicians, it is the main provider of health care in Brunswick and the surrounding area. Southeast Georgia Health System's medical campus in the city offers a 316-bed full-service hospital. Southeast Georgia Health System Brunswick campus also has an alliance with the International Seafarer's Center that provides first-class medical attention to seamen who come into the Brunswick port; the medical needs of approximately 15,000 international merchant seafarers are met each year. Southeast Georgia Health System also operates a 180-bed skilled nursing facility in Brunswick, The Senior Care Center, which offers short-term rehabilitation services, as well as long-term care.

Brunswick is also home to the Southeast Georgia Health System Outpatient Care Center. This six-story, 195,000-square-foot building includes outpatient surgery and imaging services, the Cancer Care Center, a retail area, the Dick Mitchell Health Information Center, as well as physician offices and suites. **The Brunswick campus was once named Best Large Hospital in the State of Georgia by the Georgia Alliance of Community Hospitals.**




Tourism is the single largest industry in the city and the county. Brunswick and the Golden Isles are a year-round resort community. The islands' beaches, resorts, shops, and historic sites annually attract visitors from around the world and President George W. Bush hosted the G8 summit in 2004 on Sea Island. The area is also famous for its golf resorts and the PGA Tour holds the RSM Classic every year at the Seaside Course on Sea Island. In 2008 Sea Island was ranked the number-one destination for business meetings and golf by Golf Digest and USA Today. Sea Island was also ranked number-one among the best golf resorts in North America by Golf Digest.



2017 DEMOGRAPHICS

	3 Miles	5 Miles	7 Miles
 POPULATION			
Total Population	26,367	41,960	66,320
Median Age	33.1	36.0	40.5
 HOUSING			
Total Housing Units	11,848	19,030	33,410
Occupied Housing Units	86.9%	86.7%	79.5%
Vacant Housing Units	13.1%	13.3%	20.6%
 INCOME			
Income \$0 - \$49,999	69.01%	61.00%	51.70%
\$50,000 - \$99,999	22.67%	25.05%	27.39%
\$100,000 +	8.32%	13.94%	20.92%
Avg Household Income	\$45,615	\$59,154	\$74,601

2022 PROJECTED DEMOGRAPHICS

	3 Miles	5 Miles	7 Miles
 POPULATION			
Total Population	26,299	43,004	69,823
Median Age	33.6	36.6	41.1
 HOUSING			
Total Housing Units	12,097	19,955	35,877
Occupied Housing Units	86.6%	86.2%	78.8%
Vacant Housing Units	13.4%	13.8%	21.2%
 INCOME			
Income \$0 - \$49,999	63.97%	55.61%	46.31%
\$50,000 - \$99,999	24.58%	26.72%	28.43%
\$100,000 +	11.45%	17.68%	25.26%
Avg Household Income	\$52,442	\$67,367	\$84,186



\$59,154
AVERAGE INCOME

WITHIN A 5-MILE RADIUS
OF THE PROPERTY

POPULATION
41,960



STATEMENT OF CONFIDENTIALITY + CONDITIONS

This Offering Memorandum is confidential and is furnished to prospective purchasers of the Property described herein subject to the terms of the Confidentiality Agreement previously provided to and executed by such prospective purchasers. This Memorandum is intended solely to assist prospective purchasers in their evaluation of the Property and their consideration of whether to purchase the Property. It is not to be used for any other purpose or made available to any other person without the prior written consent of the Seller of the Property.

This Memorandum was prepared on the basis of information available to the Seller and to Cushman & Wakefield, Inc., the Seller's exclusive agent in connection with the sale of the Property. It contains pertinent information about the Property and the surrounding area but it does not contain all the information necessary for a complete evaluation of the Property. The projected cash flow and other financial information contained herein are for reference only.

Although the information contained in this Memorandum is believed to be accurate and reliable, neither the Seller nor its exclusive agent guarantees its accuracy or completeness. Because of the foregoing and because the Property will be sold on an "as is" basis, prospective purchasers should make their own independent assessments, investigations, and projections regarding the Property. Although additional material, which may include engineering, environmental, or other reports, may be provided to certain prospective purchasers as appropriate, such parties should confer with their own engineering and environmental experts, counsel, accountants and other advisors.

The Seller expressly reserves the right, in its sole discretion, to reject any offer to purchase the Property or to terminate any negotiations with any party at any time, with or without notice. The Seller shall have no legal commitment or obligation to any prospective purchaser unless and until a written Purchase and Sale Agreement has been fully executed and delivered and any and all conditions to the Seller's obligations thereunder have been fully satisfied or waived.

The Seller is responsible for any commission due its agent in connection with a sale of the Property. The Seller shall not be responsible for any commission claimed by any other agent or broker in connection with a sale of the Property. No other party, including the Seller's exclusive agent, is authorized to make any representation or agreement on behalf of the Seller. This Memorandum remains the property of the Seller and its exclusive agent and may be used only by parties approved by the Seller and its exclusive agent. No portion of this Memorandum may be copied or otherwise reproduced or disclosed to anyone except as provided herein and as permitted by the express terms of the Confidentiality Agreement.





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