

REPRESENTATIVE PHOTO



**FRESENIUS
MEDICAL CARE**
.....
ON MARKET

Marcus & Millichap

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FRESENIUS MEDICAL CARE

ON MARKET

BROKER OF RECORD

Anthony Palumbo

License Number: RM423958

Marcus & Millichap REIS of Seattle, Inc.

215.531.7000

#RB062197C

ACTIVITY ID

Z0300204

Marcus & Millichap

MMI
LISTED
NYSE



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THE OFFERING

PRICE	\$3,658,200
CAP RATE	6.0%
PRICE PER SF	\$446.66
TOTAL GLA	8,190 SF
YEAR BUILT	2018
LEASE TYPE	NN
LEASE COMMENCEMENT	1/19/2017

RENT COMMENCEMENT

Earlier of 120 Days from
Delivery Date or Date Tenant
Commences to Treat Patients
at the Premises

LEASE EXPIRATION	15 Years after Rent
COMMENCEMENT DATE	TBD
TERM REMAINING	15 Years
OPTIONS	2x 6 year
INCREASES	Varies
GUARANTOR	Corporate
DEBT	Free & Clear

PROPERTY SUMMARY

ROUTE 873 & SCHNECK ROAD
SCHNECKSVILLE, PA

ANNUALIZED OPERATING DATA

BASE RENT

\$219,492.00

RENTAL INCREASES

YEARS 1 - 12

\$219,492.00

YEARS 13 - 15

\$229,320.00

OPTION TERMS

YEARS 15 TO 21

\$232,104.60

YEARS 22 - 28

\$259,950.60

INVESTMENT SUMMARY

The tenant is Fresenius Medical Care and the guarantor is Fresenius Medical Care Holdings, Inc. Fresenius Medical Care is the premier health care company focused on delivering the highest quality care to people with renal and other chronic conditions. Worldwide, more than 2.5 million patients with this disease regularly undergo dialysis therapy, a vital blood cleansing procedure that substitutes the function of the kidney in the case of kidney failure. In 2016, 50 percent of the dialysis machines sold worldwide were produced by Fresenius Medical Care. The company employ more than 110,000 people around the world, which includes approximately 60,000 in North America. The Company offer dialysis services and products in more than 120 countries.

The property sits at the intersection of Rts. 309 and 873 in Schnecksville, PA., part of North Whitehall Township, just 8 miles north of Route 22 and is a suburb of Allentown, PA. The property is in the Lehigh Valley MSA. Located in the Northwestern area of the Lehigh Valley, North Whitehall has many of the attributes you want to see in a community. Beautiful parks and trails, well-kept roads and facilities, highly regarded schools, open space and easy accessibility to the region all add up to a fantastic place to live, play, and grow.

INVESTMENT HIGHLIGHTS

New 15 Year NN lease

Brand New Construction – To Be Delivered On or About August 15, 2018

Rent Increase In Base Term and In Options

Rated S& P BBB- Investment Grade

Guarantor Net Worth: \$8.3 Billion

LOCATION HIGHLIGHTS

Located at Signaled Intersection; Part of New Strip Center

Free Standing PAD on Land Condominium

Just off Route 309, 8 Miles North of Allentown

Great Access & Visibility; 18,000 VPD

Close Proximity to Weis Markets, Lehigh Carbon Community College

TENANT SUMMARY

TENANT

Bio-Medical Applications of Pennsylvania, Inc.
Fresenius Kidney Care Schnecksville

LEASE GUARANTOR

Fresenius Medical Care Holdings, Inc.

OWNERSHIP

Public

YEARS IN BUSINESS

105 Years

CREDIT RATING (S&P)

BBB-

NUMBER OF LOCATIONS

2,100 in North America

HEADQUARTERS

Waltham, MA

WEBSITE

www.fresenius.com

Fresenius Medical Care North America is the premier healthcare company focused on delivering high quality care to people with renal and other chronic conditions. More than 2.5 million patients worldwide are affected by this disease and regularly undergo dialysis therapy, a vital blood cleansing procedure that substitutes the function of the kidney as a result of kidney failure.

Through their industry-leading network of more than 2,200 dialysis facilities, outpatient cardiac and vascular labs, and urgent care centers, as well as the country's largest practice of hospitalist and post-acute providers, Fresenius Medical Care provides coordinated health care services at pivotal care points for hundreds of thousands of chronically ill customers throughout the continent. As the world's only vertically integrated renal company, they also offer specialty pharmacy and laboratory services, as well as manufacturing and distributing the most comprehensive line of dialysis equipment, disposable products and renal pharmaceuticals. Their integrated approach helps to not only improve patients' health outcomes, but also reduce the total cost of care.

With a strategy geared towards sustainable growth, Fresenius cares for more than 290,000 renal patients in their global network of more than 3,400 dialysis clinics. Additionally, they operate more than 40 production sites on all continents to provide dialysis products such as dialysis machines, dialyzers and related disposables.

LEASE ABSTRACT

LEASE TYPE	NN
LEASE COMMENCEMENT	1/19/2017
RENT COMMENCEMENT	Earlier of 120 Days from Delivery Date or Date Tenant Commences to Treat Patients at the Premises
LEASE EXPIRATION	15 Years after Rent
TERM REMAINING	15 Years
OPTIONS	2x 6 year
INCREASES	Varies
GUARANTOR	Corporate
DEBT	Free & Clear

- NN expense reimbursements include taxes, insurance, operating expenses, utilities, management fees (not to exceed 4%) and all CAM maintenance
- Landlord responsible for replacement or repair of structural portions of the building (including the roof) that are considered to be capital improvements or capital replacements
- HVAC Maintenance & Repairs - Tenant responsible with a \$2,500 maximum

DEMOGRAPHICS

POPULATION

	1-MILE	3-MILE	5-MILE
2000 POPULATION	27,846	12,956	2,909
2010 POPULATION	30,617	13,766	3,073
2017A- POPULATION	31,257	14,059	3,149
2022 POPULATION	32,748	14,556	3,244
2017 DAYTIME POPULATION	28,832	12,492	3,035

HOUSEHOLDS

	1-MILE	3-MILE	5-MILE
2000 HOUSEHOLDS	10,212	4,713	1,139
2010 HOUSEHOLDS	11,555	5,184	1,236
2017A HOUSEHOLDS	11,775	5,280	1,267
2022 HOUSEHOLDS	12,468	5,528	1,315
2017 AVERAGE HH SIZE	2.633400	2.615400	2.588700



POPULATION

In 2017A, the population in your selected geography is 31,257 . The population has changed by 12.25% since 2000. It is estimated that the population in your area will be 32,748 five years from now, which represents a change of 4.77% from the current year. The current population is 50.19% male and 49.81% female. The median age of the population in your area is 44.9 , compare this to the Entire US average which is 37.8 . The population density in your area is 397.32 people per square mile.

HOUSEHOLDS

There are currently 11,775 households in your selected geography. The number of households has changed by 15.30% since 2000. It is estimated that the number of households in your area will be 12,468 five years from now, which represents a change of 5.88% from the current year. The average household size in your area is 2.63 persons.

HOUSING

In 2000, there were 9,015 owner occupied housing units in your area and there were 1,197 renter occupied housing units in your area. The median rent at the time was \$524.

2017 INCOME

	1-MILE	3-MILE	5-MILE
MEDIAN HH INCOME	\$80,968	\$81,055	\$82,014
PER CAPITA INCOME	\$40,720	\$40,902	\$41,968
AVERAGE HH INCOME	\$107,777	\$108,278	\$103,456

2017 HOUSEHOLDS BY INCOME

	1-MILE	3-MILE	5-MILE
\$0 - \$ 14,999	4.2%	3.7%	3.4%
\$15,000 - \$24,999	5.6%	5.1%	3.5%
\$25,000 - \$34,999	6.8%	7.0%	7.1%
\$35,000 - \$49,999	9.5%	9.5%	9.2%
\$50,000 - \$74,999	19.3%	20.1%	21.0%
\$75,000 - \$99,999	17.8%	16.8%	18.5%
\$100,000 - \$124,999	11.9%	10.9%	10.6%
\$125,000 - \$149,999	8.4%	9.7%	9.5%
\$150,000 - \$200,000	8.8%	10.0%	11.1%
\$200,000 to \$249,999	3.3%	3.2%	3.3%
\$250,000 +	4.5%	4.2%	2.7%



INCOME

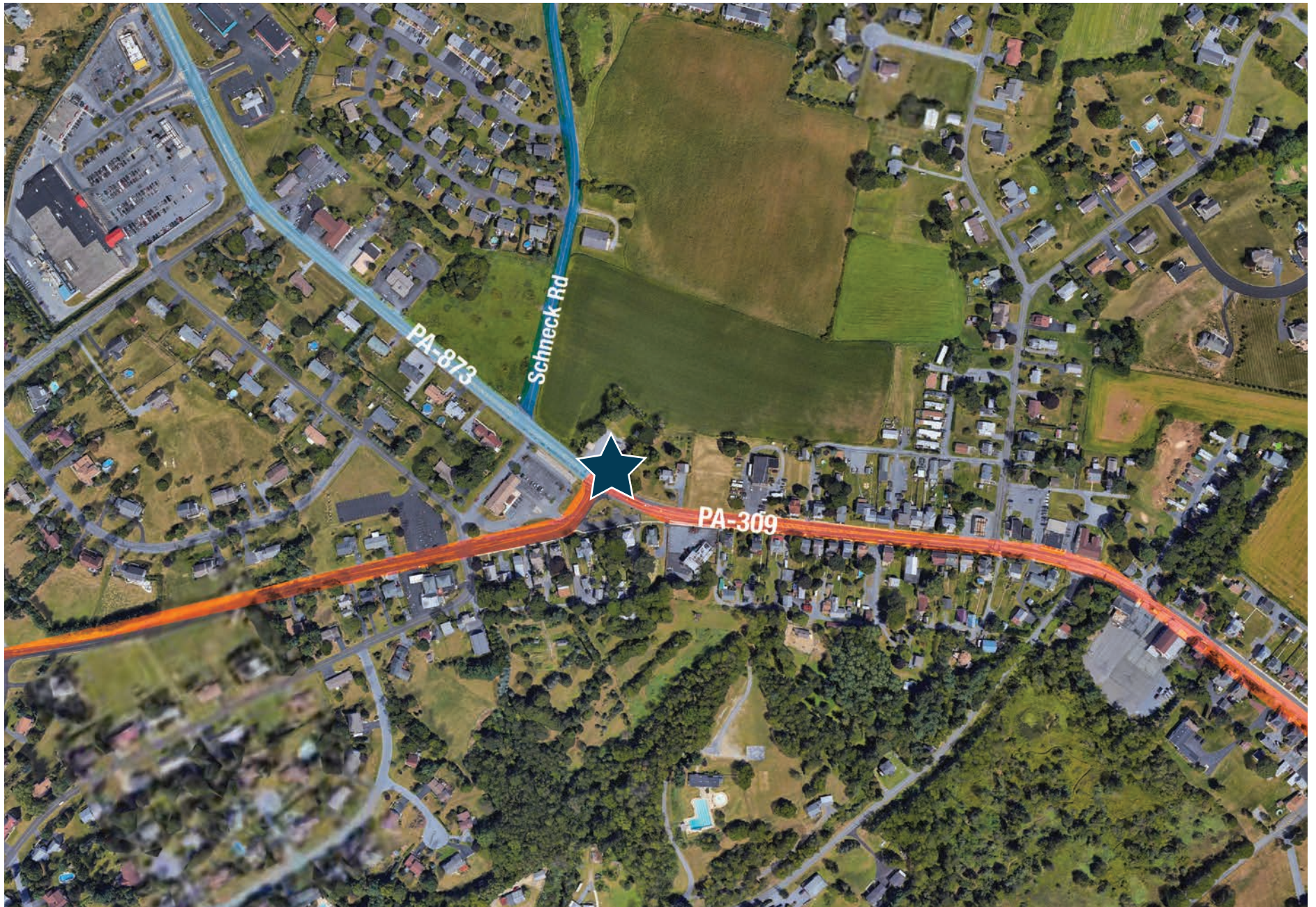
In 2017A, the median household income for your selected geography is \$80,968. Compare this to the entire US average which is currently \$56,286. The median household income for your area has changed by 41.01% since 2000. It is estimated that the median household income in your area will be \$93,344 five years from now, which represents a change of 15.28% from the current year.

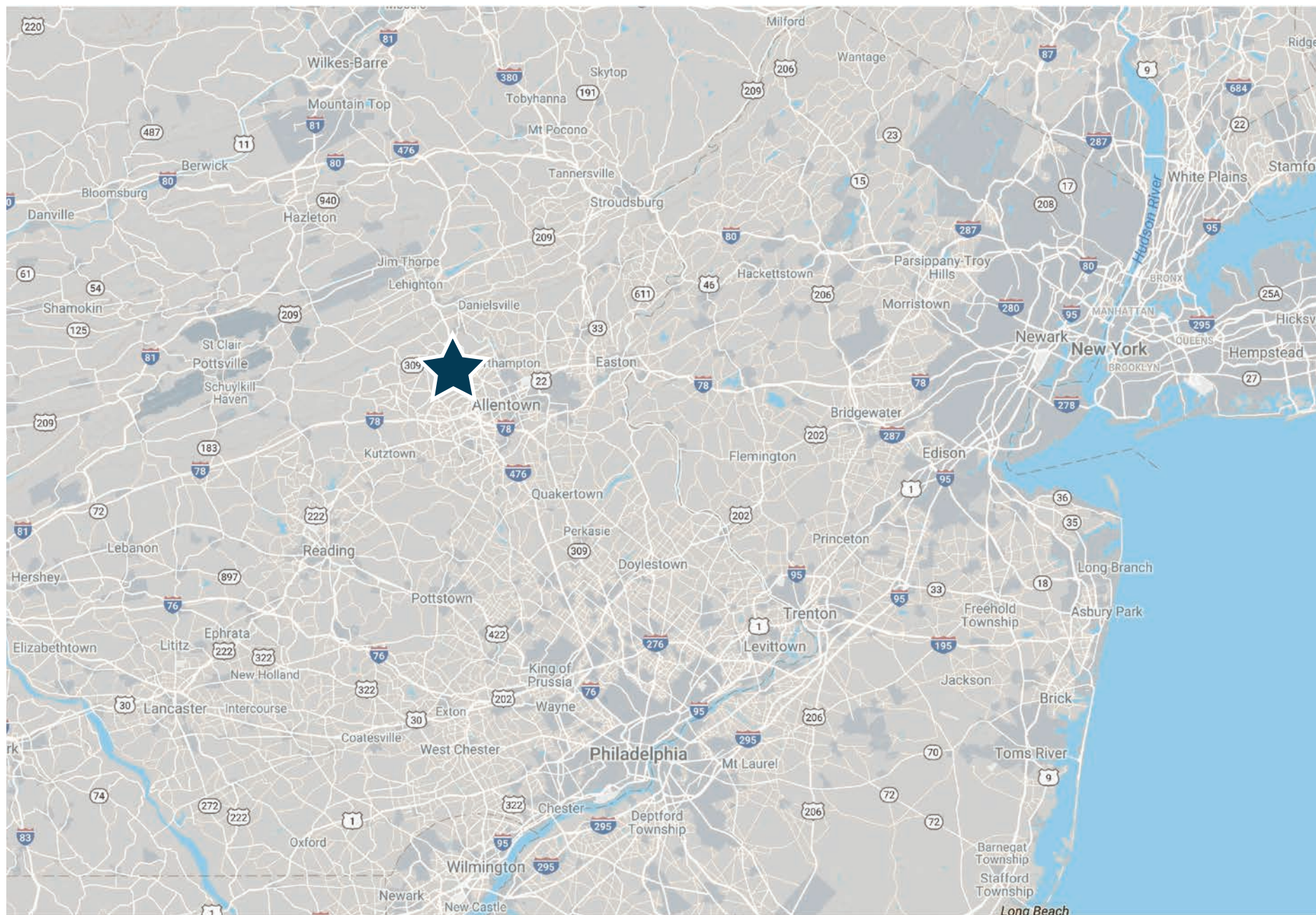
The current year per capita income in your area is \$40,720. Compare this to the entire US average, which is \$30,982. The current year average household income in your area is \$107,777. Compare this to the entire US average which is \$81,217.

EMPLOYMENT

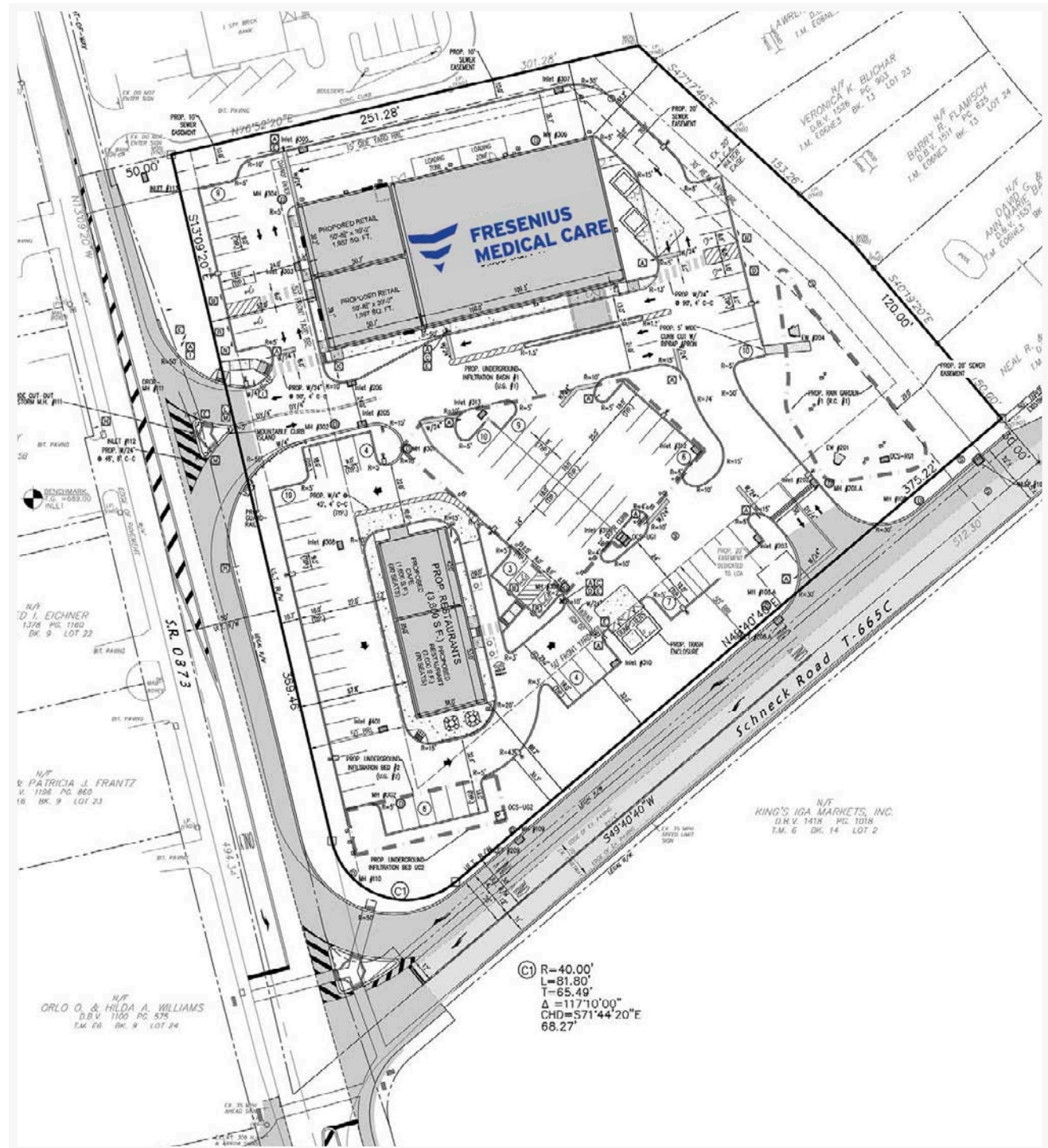
In 2017A, there are 11,420 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 63.47% of employees are employed in white-collar occupations in this geography, and 36.71% are employed in blue-collar occupations. In 2017A, unemployment in this area is 4.59%. In 2000, the average time traveled to work was 28.9 minutes.

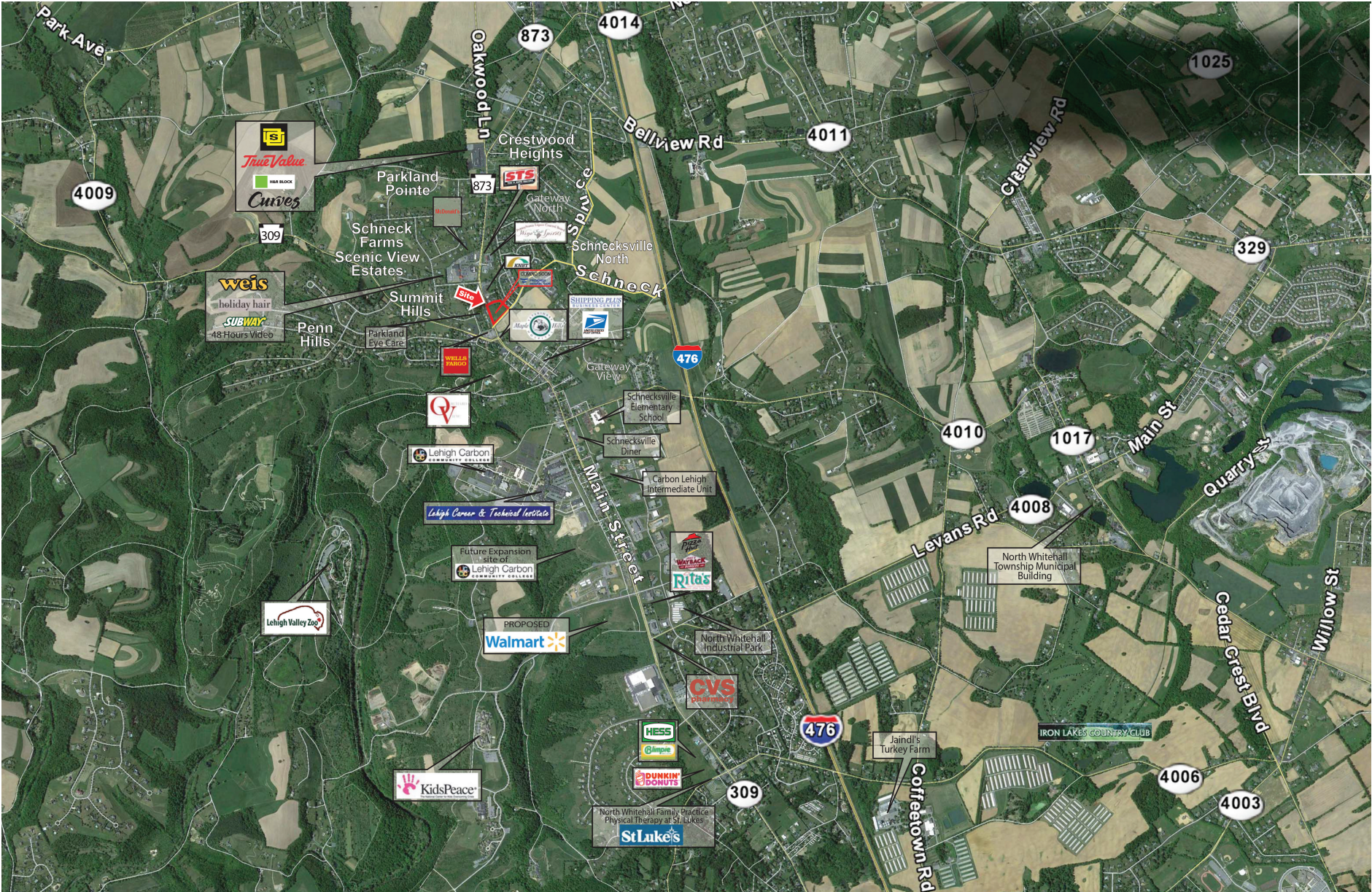
LOCATION OVERVIEW





LOCATION OVERVIEW





REPRESENTATIVE PHOTO



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