

# OFFERING MEMORANDUM



TWO UNIT GEORGIA PORTFOLIO

Marcus & Millichap

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FRESENIUS TWO UNIT GEORGIA PORTFOLIO  
Waycross, GA & Alma, GA

Broker of Record: Mike Fasano  
License #352663

Marcus & Millichap



## NET LEASED DISCLAIMER

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

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Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

Marcus & Millichap

Marcus & Millichap is pleased to present this two-unit Fresenius Medical Care portfolio, located in Southeast Georgia. Properties must be purchased together. Fresenius recently executed ten year leases featuring two percent annual escalations throughout the term and into the three five year options. The properties are located in the cities of Waycross and Alma, which are situated directly in the crosshairs of Jacksonville, Savannah, and Valdosta.

Both Waycross and Alma benefit from the presence of regional hospitals located within a one mile radius of the assets. The Fresenius in the city of Waycross is positioned within a dense medical corridor. In 2017, the 231 bed Memorial Satilla Health hospital was acquired by one of the nation's largest hospital owner-operators Hospital Corporation of America. HCA owns and operates approximately 169 hospitals and approximately 116 freestanding surgery centers in 20 states and London, England.

This two unit Fresenius Medical portfolio represents an excellent opportunity for an investor to acquire longstanding successful medical clinic locations in the Southeast. With nine years remaining on an initial ten year term, the investment offers long term passive income with two percent annual escalations to combat inflation.



## INVESTMENT HIGHLIGHTS

- Recently Executed Ten Year Leases
- Both Locations are in Close Proximity to Regional Hospitals
- Alma Location is the Only Dialysis Clinic in the City
- Annual Two Percent Rent Increases



## THE OFFERING

Property	220 Uvalda St. & 415 S. Dixon St. *
Property Address	South Georgia, Georgia
Price	\$1,750,000
Capitalization Rate	7.11%
Price/SF	\$172.07

## PROPERTY DESCRIPTION

Year Built / Renovated	1994 & 2004
Gross Leasable Area	10,170 SF
Zoning	Commercial
Type of Ownership	Fee Simple
Lot Size	2.95 Acres

## LEASE SUMMARY

Property Subtype	Single Tenant Office
Tenant	Fresenius Medical Care
Rent Increases	2%
Lease Type	NN
Lease Commencement	7/1/2018
Lease Expiration	7/1/2028
Lease Term	10
Term Remaining on Lease (Years)	9.2
Renewal Options	(3) 5 Year Options
Landlord Responsibility	Roof, Structure, Parking Lot & HVAC over \$2,500
Tenant Responsibility	Taxes, Insurance, Op-Ex & Management Fee up to 4%
Right of First Refusal/Offer	No

## ANNUALIZED OPERATING INFORMATION

## INCOME

Net Operating Income	\$124,481
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## RENT SCHEDULE

YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
Current	\$124,481	\$10,373	\$12.24	7.11%
2020	\$126,971	\$10,581	\$12.48	7.26%
2021	\$129,510	\$10,793	\$12.73	7.40%
2022	\$132,100	\$11,008	\$12.99	7.55%
2023	\$134,742	\$11,229	\$13.25	7.70%
2024	\$137,437	\$11,453	\$13.51	7.85%
2025	\$140,186	\$11,682	\$13.78	8.01%
2026	\$142,990	\$11,916	\$14.06	8.17%
2027	\$145,849	\$12,154	\$14.34	8.33%



**FRESENIUS  
MEDICAL CARE**

\*Properties must be purchased together

## EXECUTIVE SUMMARY

### OFFERING SUMMARY

Price	\$1,750,000
Net Operating Income	\$124,481
Capitalization Rate – Current	7.11%
Price / SF	\$172.07
Rent / SF	\$12.24
Lease Type	NN
Gross Leasable Area	10,170 SF
Year Built / Renovated	1994 / 2004
Lot Size	2.95 acre(s)

### FINANCING

Loan Amount	\$1,312,500
Loan Type	Financed - New Loan
Loan to Value	75.00%
Down Payment	25% / \$437,500
Interest Rate / Amortization	4.57% / 25 Years
Annual Loan Payment	\$88,171
Net Cash Flow After Debt Service	8.30% / \$36,310
Cash on Cash Return	8.30%
Total Return	14.88% / \$65,097



## OFFERING SUMMARY

### MAJOR EMPLOYERS WAYCROSS, GA

EMPLOYER	# OF EMPLOYEES *
Ware County School District	916
Mayo Clinic Health System	700
Cracker Barrel Old Country Sto	569
Veterans Affairs US Dept	539
Walmart	508
Ware Correctional Institution	460
Coastal Pnes Technical College	430
Plantation Suites	350
Unison Behavioral Health	335
Southeast Health District	304
GE	300
Carolina Skiff LLC	250

### DEMOGRAPHICS

	1-Miles	3-Miles	5-Miles
2018 Estimate Pop	6,043	21,801	32,197
2010 Census Pop	6,105	22,044	32,362
2018 Estimate HH	2,534	8,842	12,064
2010 Census HH	2,566	8,942	12,146
Median HH Income	\$32,315	\$35,578	\$37,349
Per Capita Income	\$19,357	\$20,284	\$19,444
Average HH Income	\$45,198	\$49,531	\$50,922

\* # of Employees based on 5 mile radius




General Information	
Tenant Name	Fresenius Medical Care
Website	<a href="https://fmcna.com/">https://fmcna.com/</a>
Parent Company	Fresenius Medical Care
Headquartered	Bad Homburg, Germany
Rentable Square Feet	10,170 SF
Percentage of RBA	100%
Lease Commencement	7/1/2018
Lease Expiration	7/1/2028
No. of Locations	2,200 (North America)

Fresenius Medical Care is the world's largest provider of products and services for individuals with renal diseases of which around 3.4 million patients worldwide regularly undergo dialysis treatment. Through its network of 3,928 dialysis clinics, Fresenius Medical Care provides dialysis treatments for 333,331 patients around the globe. Fresenius Medical Care has over 112,658 employees in more than 50 countries. Fresenius Medical Care is also the leading provider of dialysis products such as dialysis machines or dialyzers. Along with the core business, the company focuses on expanding the range of related medical services in the field of Care Coordination. Fresenius Medical Care is listed on the Frankfurt Stock Exchange (FME) and on the New York Stock Exchange (FMS).


- \$18.5 BILLION IN REVENUE / \$11.5 BILLION NET WORTH (2018)
- AVERAGE ANNUAL GROWTH OF 15% OVER THE LAST 20 YEARS
- INVESTMENT GRADE TENANT - S&P RATED BBB- / MOODY'S RATED BAA3(2)
- FRESENIUS MEDICAL CARE EMPLOYS MORE THAN 112,658 PEOPLE, INCLUDING OVER 60,000 IN NORTH AMERICA
- FRESENIUS MEDICAL CARE SERVES 333,331 PATIENTS IN MORE THAN 50 COUNTRIES ACROSS 3,928 CLINICS



**2,200+**  
U.S DIALYSIS CLINICS



**190,000+**  
U.S PATIENTS SERVED



**26M**  
ANNUAL  
HEMODIALYSIS  
TREATMENT  
EQUIVALENTS IN  
NORTH AMERICA



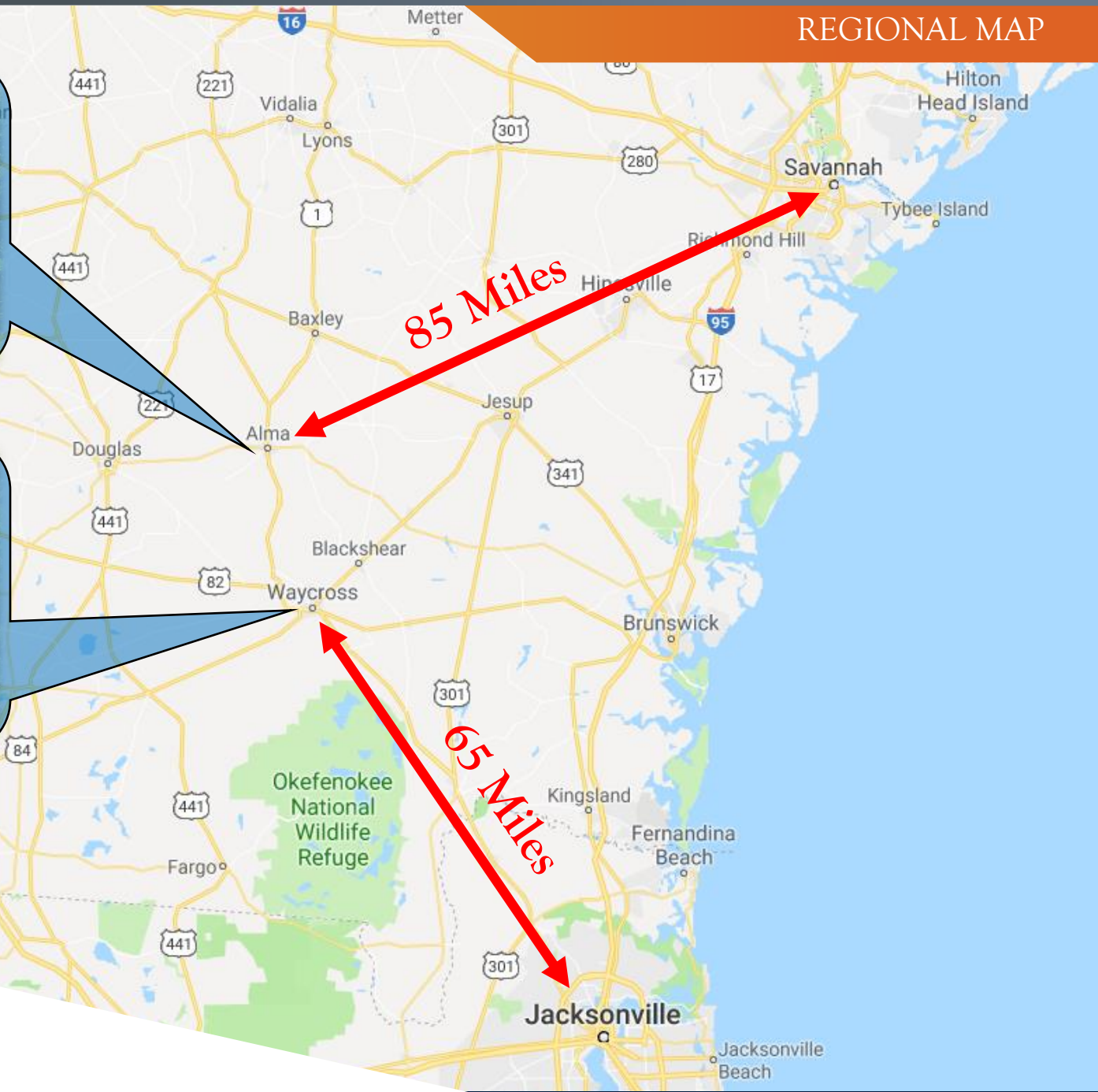
**50+**  
STATES AND  
TERRITORIES IN OUR  
NETWORK



**60,000+**  
U.S. EMPLOYEES

(1) All financial data shown above is for Fresenius Medical Care, which does not guarantee the Lease. Sources: [www.freseniusmedicalcare.com](http://www.freseniusmedicalcare.com), Yahoo Finance, Standard & Poor's, Moody's.  
(2) S&P Credit Rating is for Fresenius Medical Care Holdings, Inc







**WAYCROSS,**



**GEORGIA**

Marcus & Millichap

## THE OFFERING

Property	220 Uvalda St. - Fresenius
Property Address	220 Uvalda St. Waycross, Georgia 31501
Price	\$1,027,287
Capitalization Rate	7.11%
Price/SF	\$172.07

## PROPERTY DESCRIPTION

Year Built / Renovated	1994
Gross Leasable Area	5,970 SF
Zoning	Commercial
Type of Ownership	Fee Simple
Lot Size	1.01 Acres

## LEASE SUMMARY

Property Subtype	Single Tenant Office
Tenant	Fresenius Medical Care
Rent Increases	2%
Lease Type	NN
Lease Commencement	7/1/2018
Lease Expiration	7/1/2028
Lease Term	10
Term Remaining on Lease (Years)	9.2
Renewal Options	(3) 5 Year Options
Landlord Responsibility	Roof, Structure, Parking Lot & HVAC over \$2,500
Tenant Responsibility	Taxes, Insurance, Op-Ex & Management Fee up to 4%
Right of First Refusal/Offer	No

## ANNUALIZED OPERATING INFORMATION

## INCOME

Net Operating Income	\$73,073
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## RENT SCHEDULE

YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
Current	\$73,073	\$6,089	\$12.24	7.11%
2020	\$74,534	\$6,211	\$12.48	7.26%
2021	\$76,025	\$6,335	\$12.73	7.40%
2022	\$77,546	\$6,462	\$12.99	7.55%
2023	\$79,097	\$6,591	\$13.25	7.70%
2024	\$80,678	\$6,723	\$13.51	7.85%
2025	\$82,292	\$6,858	\$13.78	8.01%
2026	\$83,938	\$6,995	\$14.06	8.17%
2027	\$85,617	\$7,135	\$14.34	8.33%



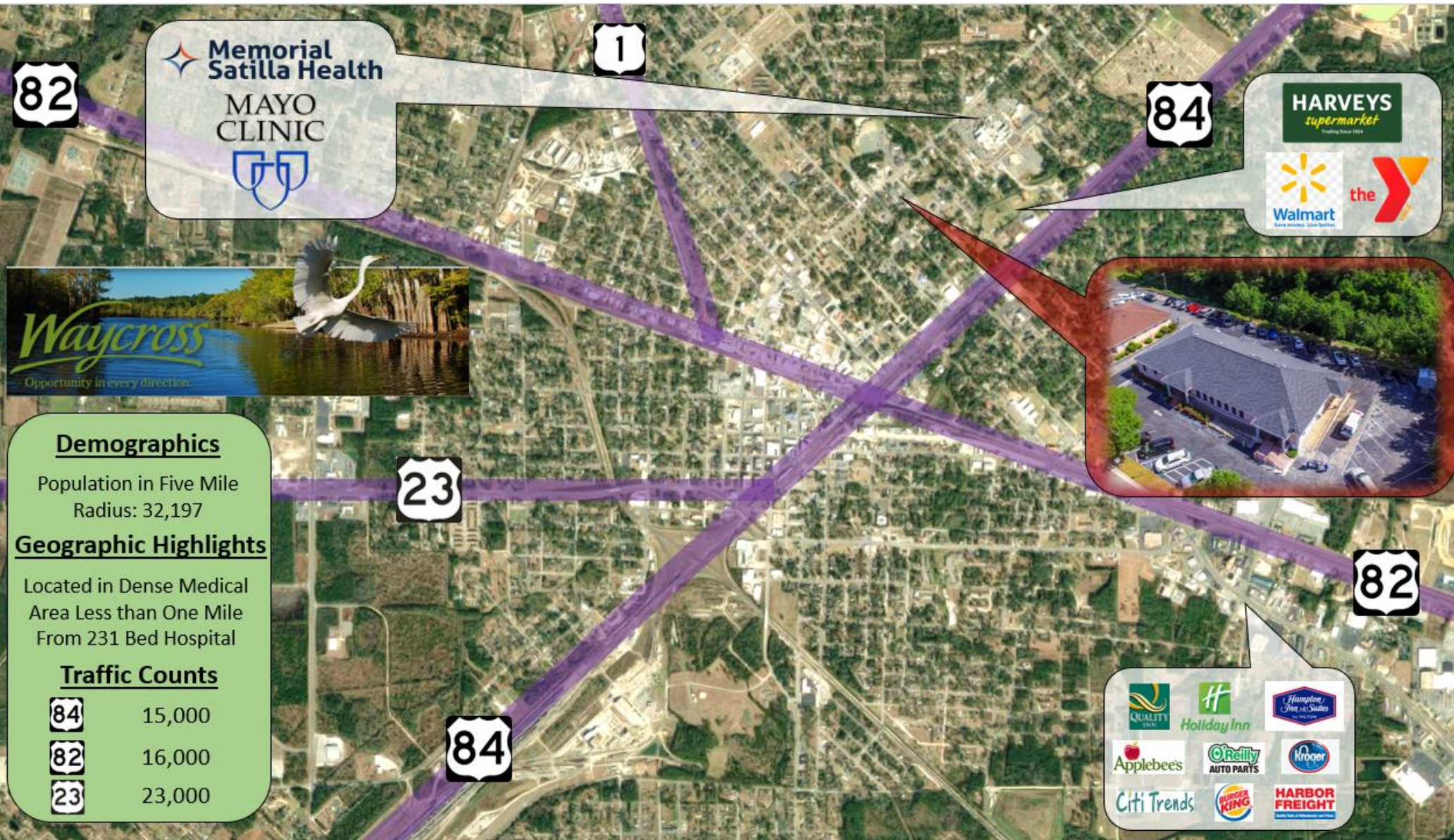
**FRESENIUS  
MEDICAL CARE**





**FRESENIUS  
MEDICAL CARE**

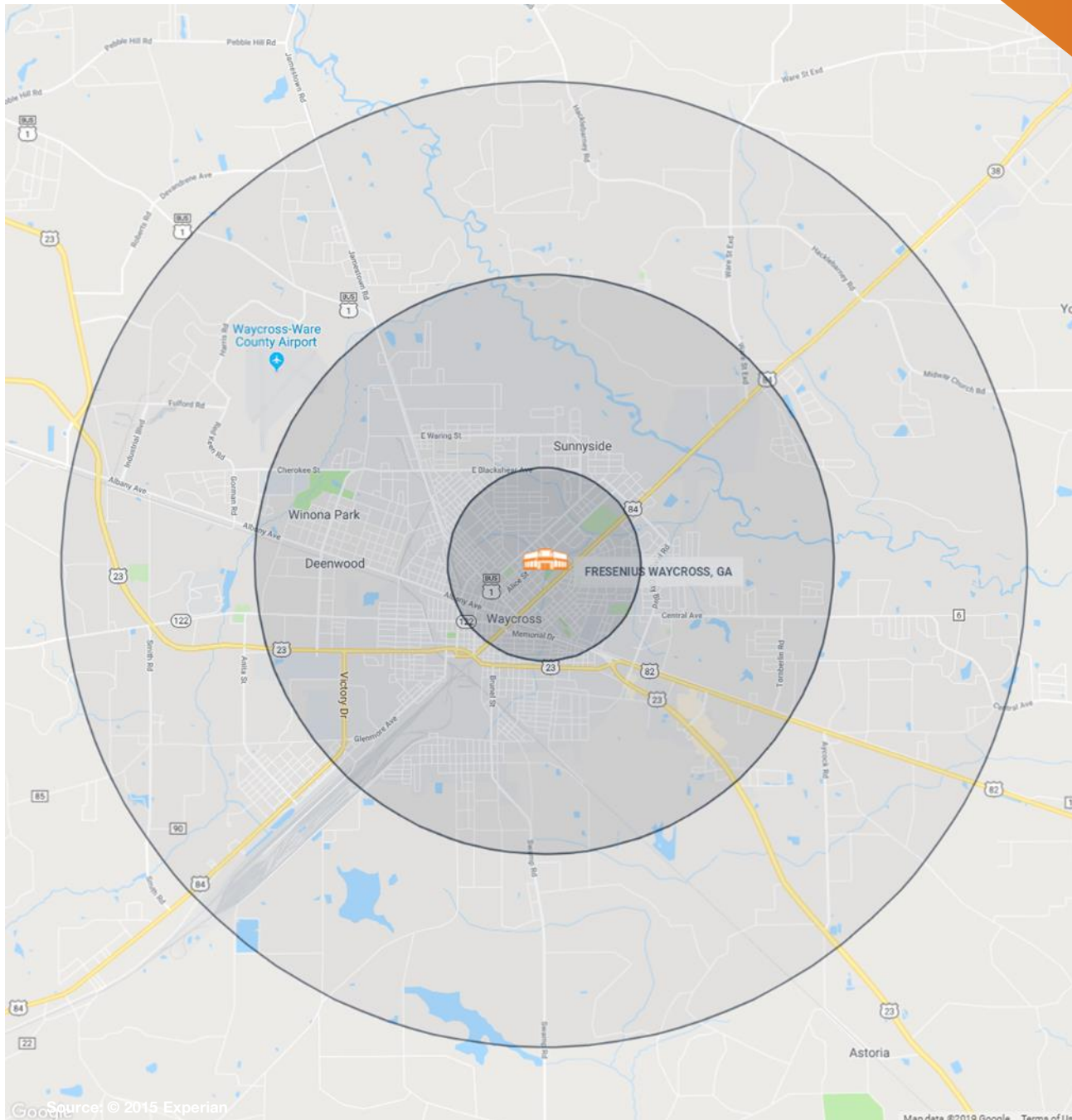








## DEMOGRAPHICS



	1 Miles	3 Miles	5 Miles
<b>POPULATION</b>			
2023 Projection	6,001	21,617	32,380
2018 Estimate	6,043	21,801	32,197
2010 Census	6,105	22,044	32,362
2000 Census	6,558	22,355	31,038
<b>INCOME</b>			
Average	\$45,198	\$49,531	\$50,922
Median	\$32,315	\$35,578	\$37,349
Per Capita	\$19,357	\$20,284	\$19,444
<b>HOUSEHOLDS</b>			
2023 Projection	2,536	8,900	12,282
2018 Estimate	2,534	8,842	12,064
2010 Census	2,566	8,942	12,146
2000 Census	2,814	9,080	11,866
<b>HOUSING</b>			
2018	\$90,754	\$92,112	\$91,755
<b>EMPLOYMENT</b>			
2018 Daytime Population	11,964	26,659	33,888
2018 Unemployment	4.21%	5.64%	5.57%
2018 Median Time Traveled	18	21	22
<b>RACE &amp; ETHNICITY</b>			
White	42.53%	54.76%	63.41%
Native American	0.07%	0.04%	0.05%
African American	52.66%	39.47%	31.05%
Asian/Pacific Islander	1.18%	1.30%	1.11%



ALMA,



GEORGIA

Marcus & Millichap

## THE OFFERING

Property	415 S Dixon St. - Fresenius
Property Address	415 S Dixon St. Alma, Georgia 31510
Price	\$722,713
Capitalization Rate	7.11%
Price/SF	\$172.07

## PROPERTY DESCRIPTION

Year Built / Renovated	2004
Gross Leasable Area	4,200 SF
Zoning	Commercial
Type of Ownership	Fee Simple
Lot Size	1.94 Acres

## LEASE SUMMARY

Property Subtype	Single Tenant Office
Tenant	Fresenius Medical Care
Rent Increases	2%
Lease Type	NN
Lease Commencement	7/1/2018
Lease Expiration	7/1/2028
Lease Term	10
Term Remaining on Lease (Years)	9.2
Renewal Options	(3) 5 Year Options
Landlord Responsibility	Roof, Structure, Parking Lot & HVAC over \$2,500
Tenant Responsibility	Taxes, Insurance, Op-Ex & Management Fee up to 4%
Right of First Refusal/Offer	No

## ANNUALIZED OPERATING INFORMATION

## INCOME

Net Operating Income	\$51,408
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## RENT SCHEDULE

YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
Current	\$51,408	\$4,284	\$12.24	7.11%
2020	\$52,436	\$4,370	\$12.48	7.26%
2021	\$53,485	\$4,457	\$12.73	7.40%
2022	\$54,555	\$4,546	\$12.99	7.55%
2023	\$55,646	\$4,637	\$13.25	7.70%
2024	\$56,759	\$4,730	\$13.51	7.85%
2025	\$57,894	\$4,824	\$13.78	8.01%
2026	\$59,052	\$4,921	\$14.06	8.17%
2027	\$60,233	\$5,019	\$14.34	8.33%



**FRESENIUS  
MEDICAL CARE**



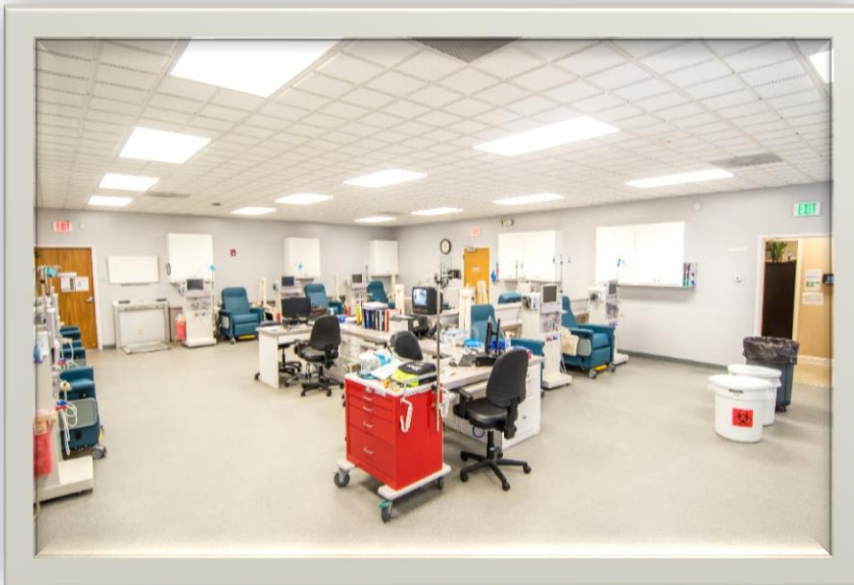
**Included in Sale**  
**Total Parcel Size:**  
**1.94 Acres**



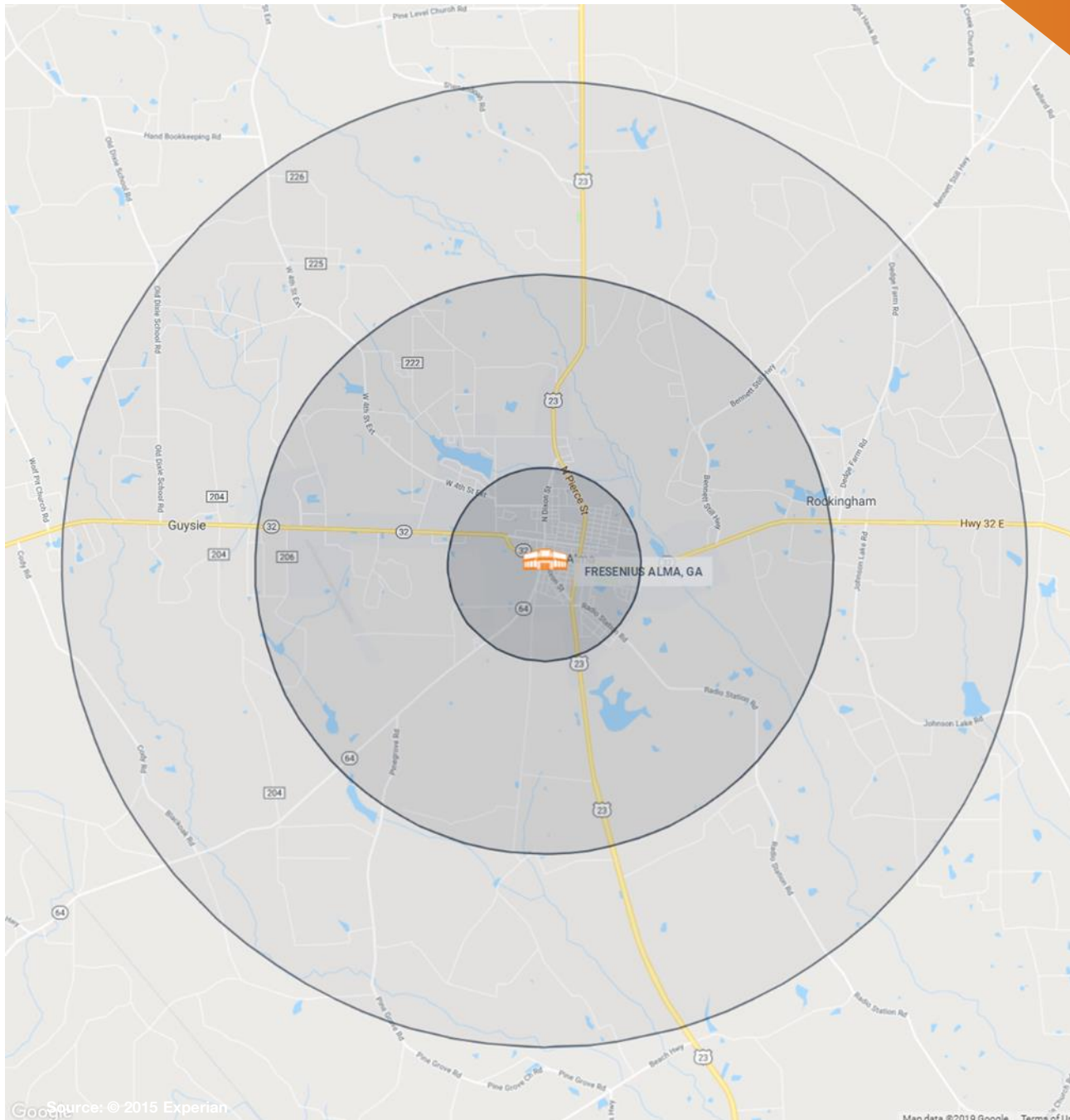








## DEMOGRAPHICS



	1 Miles	3 Miles	5 Miles
<b>POPULATION</b>			
2023 Projection	3,148	5,097	7,610
2018 Estimate	3,101	5,043	7,484
2010 Census	3,042	4,962	7,376
2000 Census	3,053	4,568	6,594
<b>INCOME</b>			
Average	\$41,882	\$45,533	\$48,470
Median	\$29,982	\$32,431	\$34,601
Per Capita	\$16,082	\$17,677	\$18,481
<b>HOUSEHOLDS</b>			
2023 Projection	1,176	1,939	2,872
2018 Estimate	1,132	1,886	2,780
2010 Census	1,112	1,857	2,741
2000 Census	1,151	1,737	2,468
<b>HOUSING</b>			
2018	\$70,724	\$70,864	\$72,292
<b>EMPLOYMENT</b>			
2018 Daytime Population	2,818	4,358	5,634
2018 Unemployment	5.80%	5.81%	5.32%
2018 Median Time Traveled	21	21	22
<b>RACE &amp; ETHNICITY</b>			
White	52.99%	63.59%	70.96%
Native American	0.35%	0.27%	0.20%
African American	38.94%	28.08%	20.87%
Asian/Pacific Islander	0.81%	0.72%	0.62%



# Offering Memorandum

