

# FRESENIUS MEDICAL CARE

CARROLLTON, GA  
(ATLANTA MSA)



## OFFERING MEMORANDUM



### CREDIT RATING

BAA3  
Moody's

BBB-  
S&P

Marcus & Millichap

Representative Photo

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# FRESENIUS

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## MEDICAL CARE

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EXCLUSIVELY LISTED BY

**SONNY MOLLOY**

Senior Vice President Investments

[Sonny.Molloy@marcusmillichap.com](mailto:Sonny.Molloy@marcusmillichap.com)

Direct: (678) 808-2763

**JARED KAYE**

Senior Associate

[Jared.Kaye@marcusmillichap.com](mailto:Jared.Kaye@marcusmillichap.com)

Direct: (678) 808-2821

**Marcus & Millichap**

Representative Photo

A photograph of a two-story brick building with a sign that reads "FRESENIUS KIDNEY CARE". The building has a flat roof and several windows. In the foreground, there are pink flowers and green foliage.

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Location Overview & Highlights  
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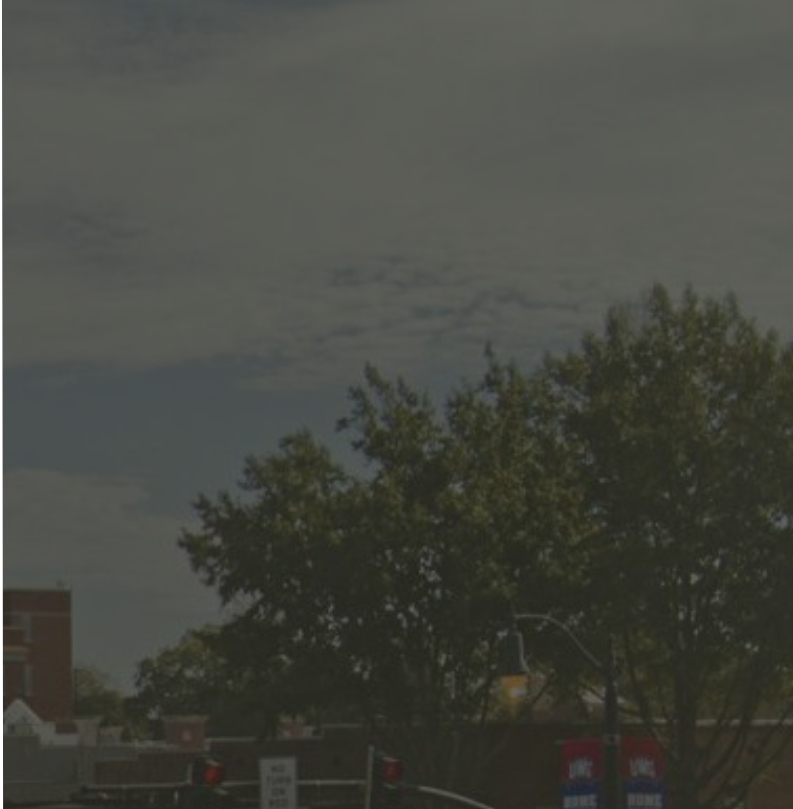
03

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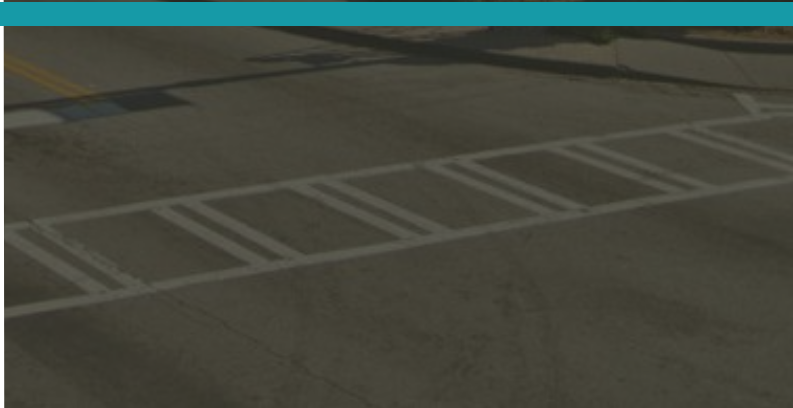
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## 01-EXECUTIVE SUMMARY

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# OFFERING HIGHLIGHTS



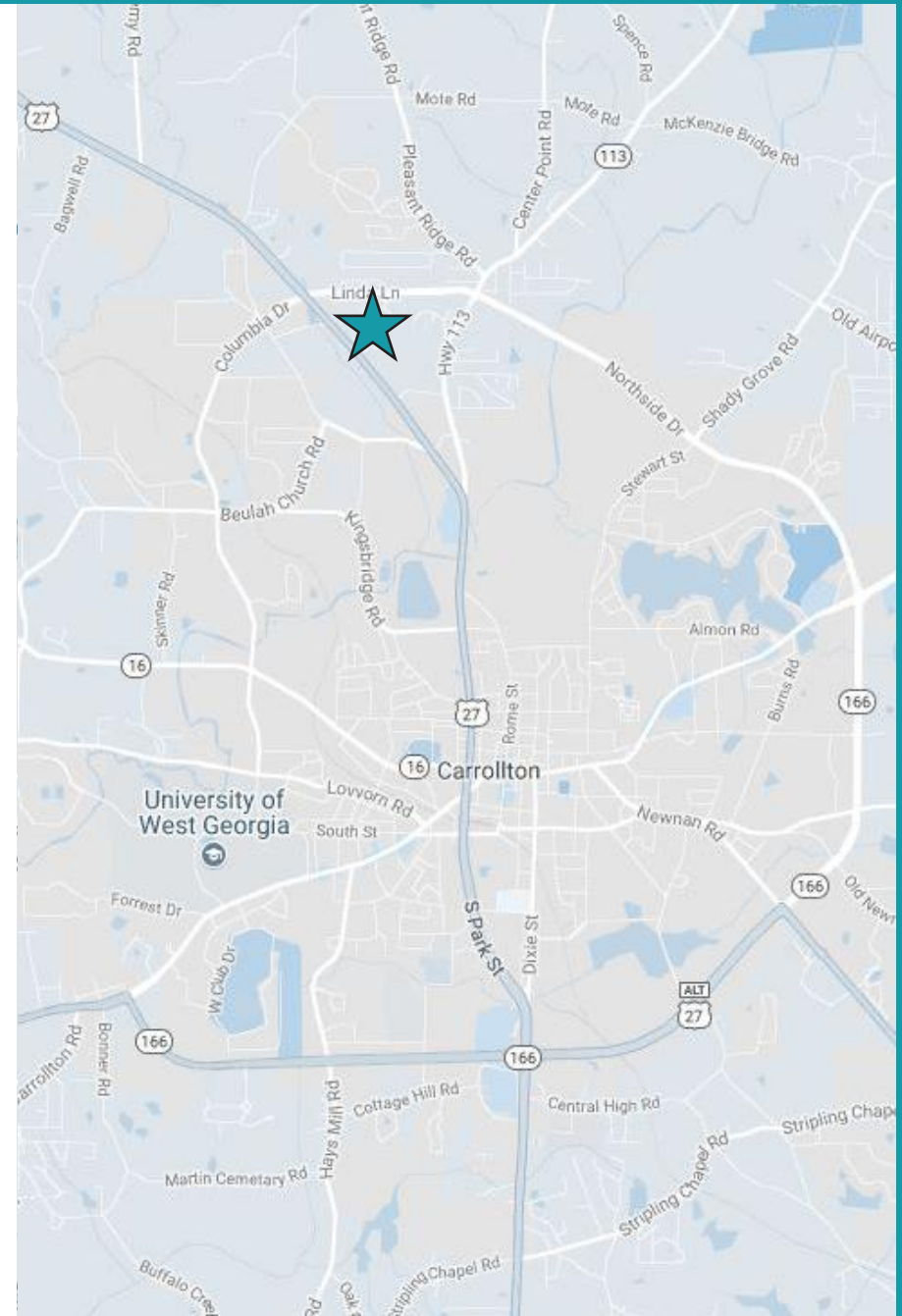
## FRESENIUS MEDICAL CARE

130 Parkwood Circle, Carrollton, GA 30117

Price	\$2,519,381
GLA	6,440 SF
Cap Rate	5.65%
Price Per SF	\$391.21
Year Built	2018
Lot Size	1.64 Acres
Zoning	C-Commercial
Annual Rent	\$142,345

### MAJOR CARROLL COUNTY EMPLOYERS

Carroll County Schools	Decostar
Tanner Health System	Carrollton City Schools
Southwire	Carroll County Government
University of West Georgia	Bremen Bowdon Investment
Pilgrim's Pride	Greenway Medical





# INVESTMENT OVERVIEW

## Fundamental Location & Visibility

- ♦ Atlanta Suburb located 45 miles west of Atlanta's CBD
- ♦ Carrollton is the county seat of Carroll County
- ♦ Brand new +/-6,440 sq. ft Building located on +/-1.64 acre parcel
- ♦ 2018 Construction with 4-sides Brick
- ♦ 15 Year Roofing System with 15 Year Non-Prorated Guarantee
- ♦ Supportive Demographics: 20,978 Population in 3-Mile radius & 40,783 Population in 5-Mile radius

## Optimal Tenant with Ideal Lease Structure

- ♦ 15 Year Corporate Lease with Three (3) 5 Year Renewal Options
- ♦ 10% Rent Escalations Every Five (5) Years throughout the Base Term and During Each Option Period
- ♦ Stellar Lease Guarantor: Fresenius Medical Care Holdings, Inc maintains a "BBB-" Standard & Poor's bond rating (Investment Grade)

- ♦ Fresenius is the Global Market Leader in Dialysis Treatment with 3,752 Clinics & 320,960 Patients Worldwide (2,420 Clinics in North America)
- ♦ In 2017, Fresenius reported \$17.8 Billion in total Revenue.

## Economic Drivers

- ♦ Carrollton is home to the University of West Georgia (645 Acre Campus | 13,520 enrolled students)
- ♦ Close Proximity to Tanner Medical Center (300 Physicians | 2,800 overall medical staff | 181 Beds)
- ♦ Southwire is #82 on Forbes list of Largest Private Employers



**\$17.8 Billion**  
IN REVENUE (2017)

**\$31 Billion**  
MARKET CAPITALIZATION

**"S&P BBB-" Bond Rating**  
INVESTMENT GRADE TENANT



# TENANT OVERVIEW



Fresenius Kidney Care is a division of Fresenius Medical Care, the world's largest provider of products and services for individuals with renal diseases of which around 3.2 million patients worldwide regularly undergo dialysis treatment. Through its network of 3,752 dialysis clinics, Fresenius Medical Care provides dialysis treatments for 320,960 patients around the globe. Fresenius Medical Care has over 114,000 employees in more than 50 countries and is also the leading provider of dialysis products such as dialysis machines or dialyzers. Fresenius Medical Care is listed on the Frankfurt Stock Exchange (FME) and on the New York Stock Exchange (FMS).

 **3,752**  
Clinics Worldwide



North American Headquarters in  
**Waltham, MA**

**#1**  
Largest Dialysis  
Provider in the U.S.



**114,000+**  
Employees

**\$31 Billion**  
Market Capitalization

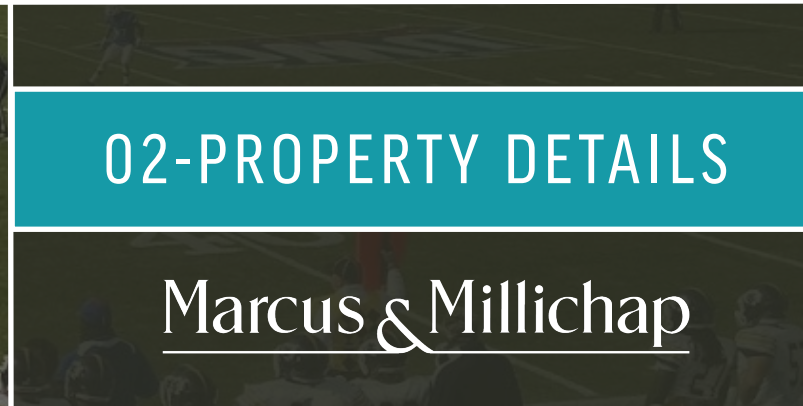


**320,960**  
Patients Being Served Worldwide

Figure 1. The 10 largest U.S. dialysis providers in 2017

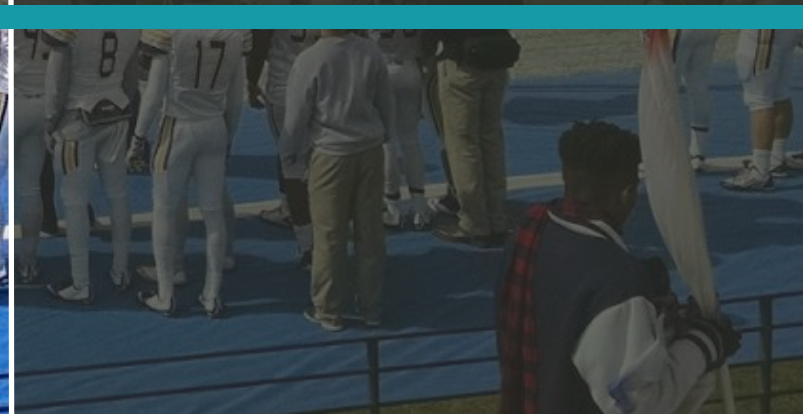
Dialysis Provider	# Patients	In-Ctr. Conv. HD	In-Ctr. Noc HD	Home HD	PD	Units
1. Fresenius Medical Care N.A.	192,964	172,187	904	3,108	16,765	2,420
2. DaVita Kidney Care	190,500	166,100	1,300	3,100	20,000	2,413
3. U.S. Renal Care	25,120	22,619	---	191	2,310	463
4. Dialysis Clinic Inc.	15,184	13,325	---	183	1,676	245
5. American Renal Associates*	14,735	13,198	104	124	1,309	217
6. Satellite Healthcare	7,607	5,958	144	178	1,327	81
7. Atlantic Dialysis Management	2,216	2,154	---	21	41	13
8. Northwest Kidney Centers	1,715	1,435	---	59	221	15
9. Centers for Dialysis Care	1,502	1,502	---	---	---	13
10. Rogosin Institute	1,500	1,395	---	40	65	8
2017 totals	453,043	399,873	2,462	7,004	43,714	5,888
2016 totals	432,805	380,892	3,357	6,932	41,624	5,474





02-PROPERTY DETAILS

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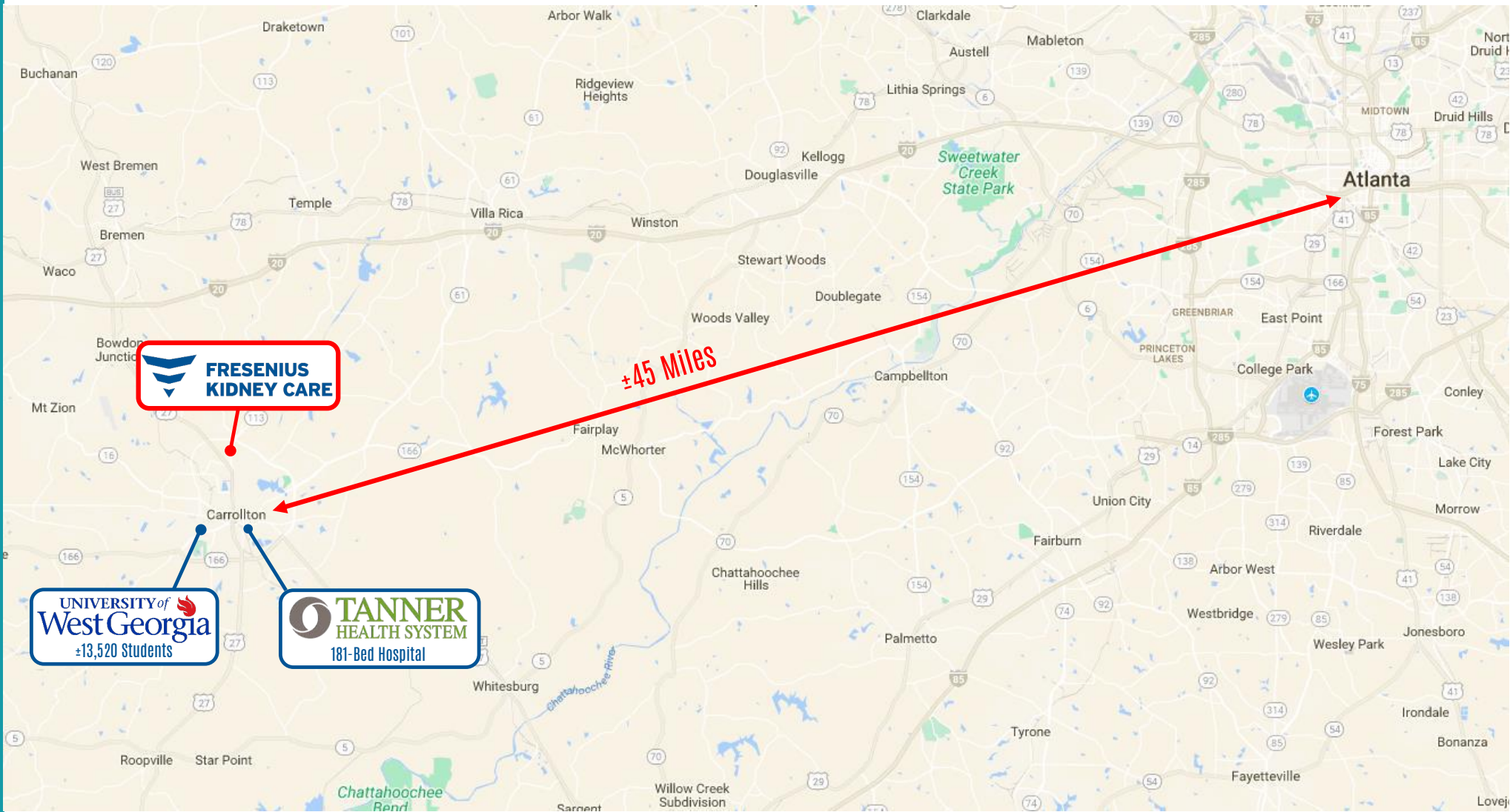


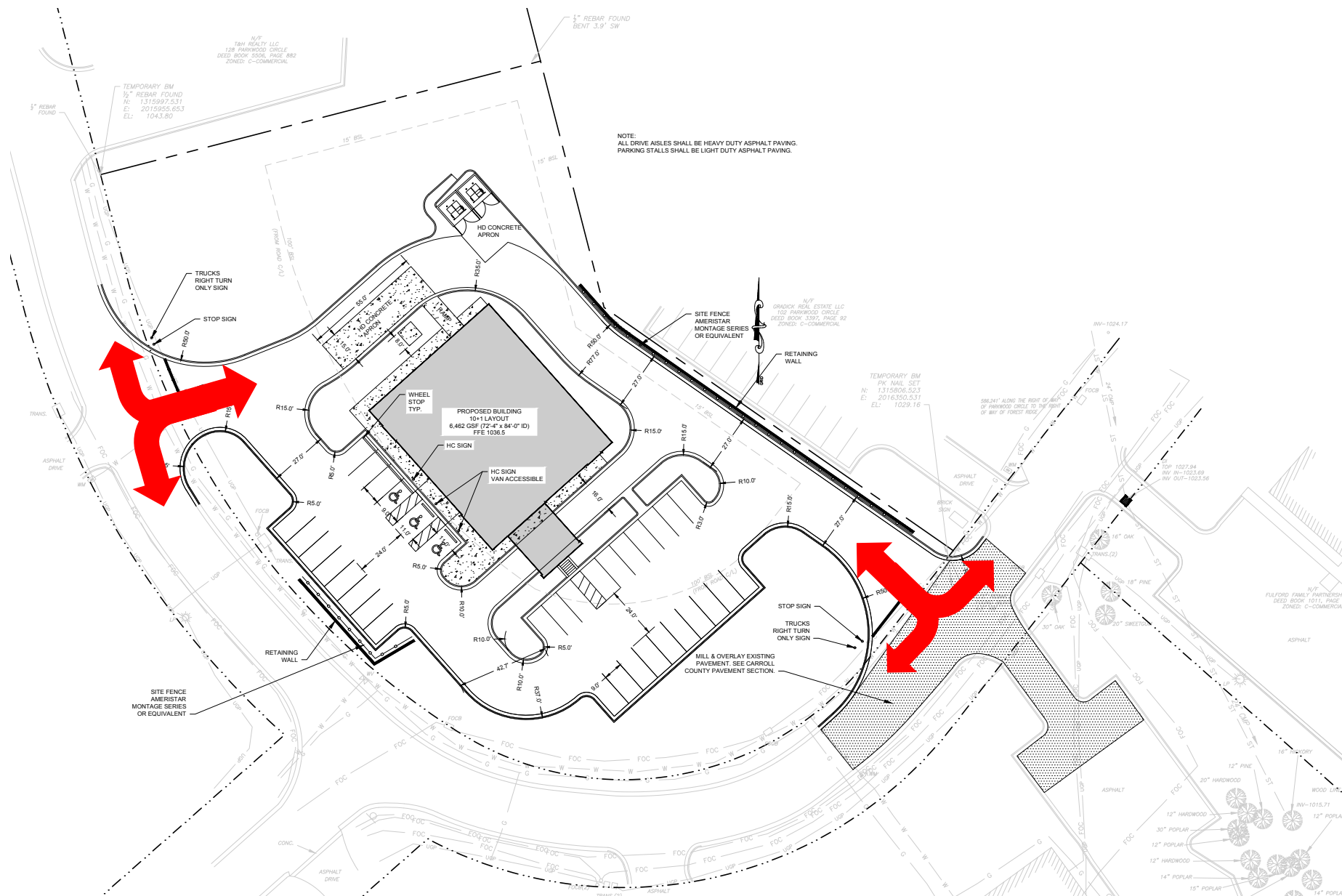
# AERIAL





## REGIONAL MAP

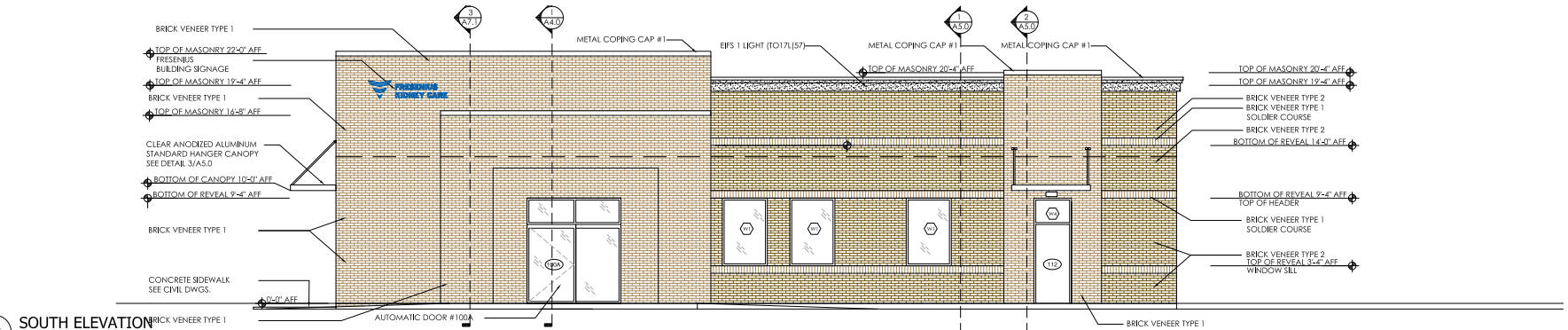




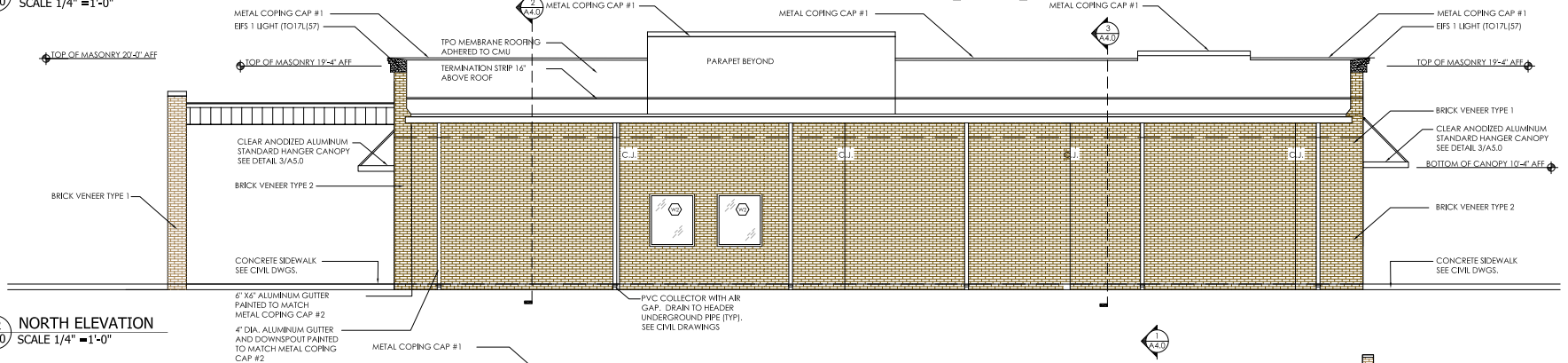


# ELEVATIONS

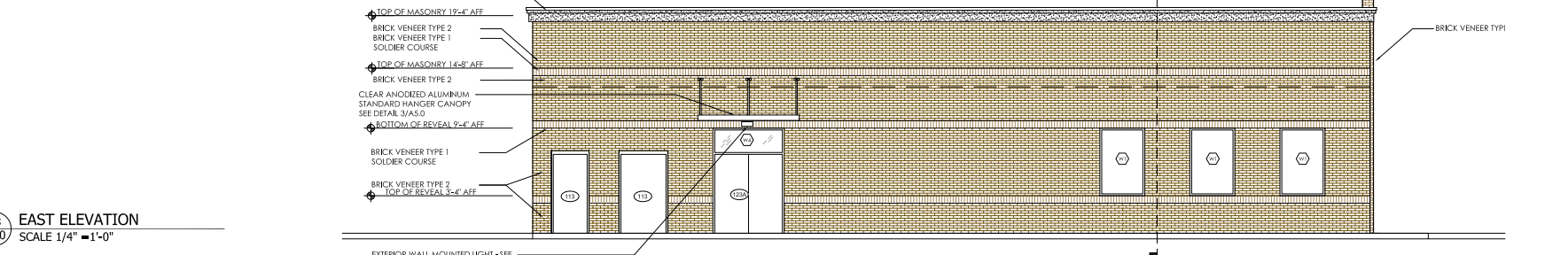
01 SOUTH ELEVATION  
A3.0 SCALE 1/4" = 1'-0"



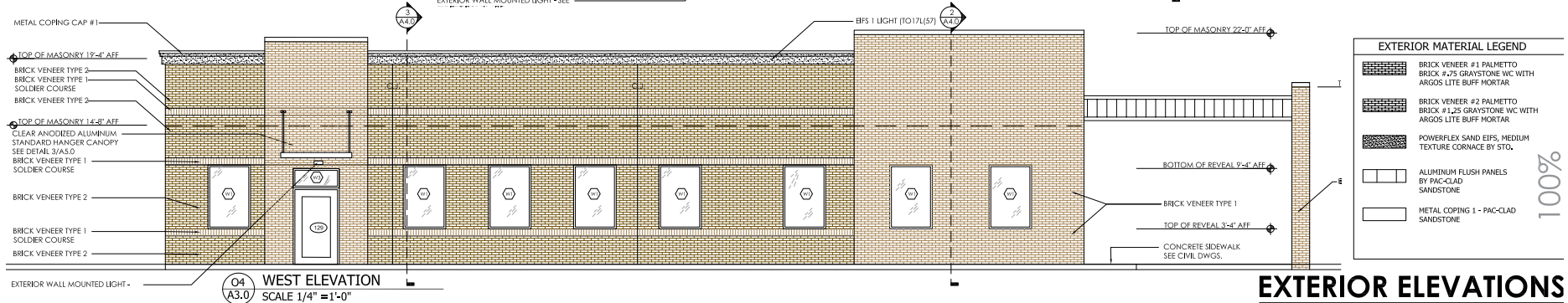
02 NORTH ELEVATION  
A3.0 SCALE 1/4" = 1'-0"



03 EAST ELEVATION  
A3.0 SCALE 1/4" = 1'-0"



04 WEST ELEVATION  
A3.0 SCALE 1/4" = 1'-0"

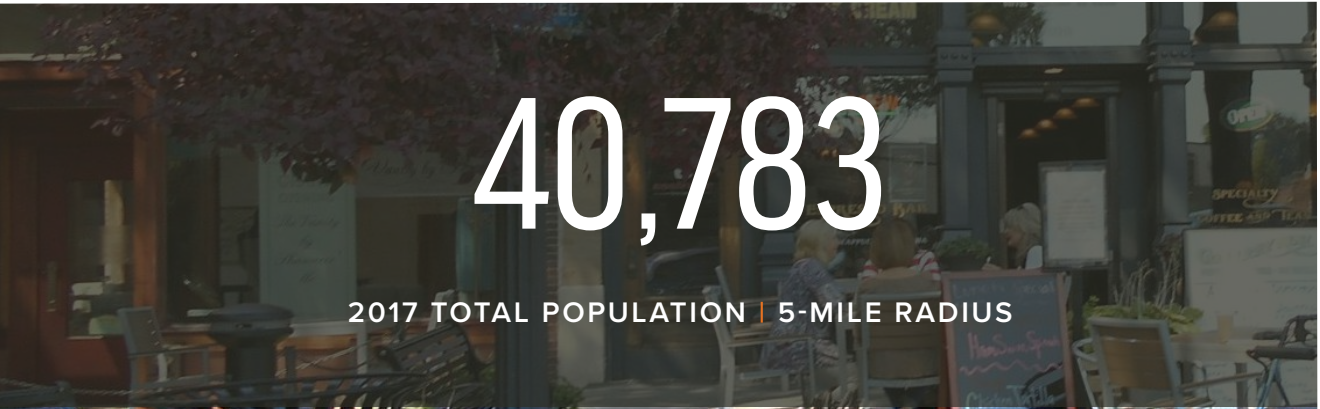


EXTERIOR MATERIAL LEGEND	
	BRICK VENEER #1 PALMETTO BRICK #.75 GRAYSTONE WC WITH ARGOS LITE BUFF MORTAR
	BRICK VENEER #2 PALMETTO BRICK #1.25 GRAYSTONE WC WITH ARGOS LITE BUFF MORTAR
	POWERFLEX SAND EPS, MEDIUM TEXTURE CORNICE BY STO.
	ALUMINUM FLUSH PANELS BY PAC-CLAD SANDSTONE
	METAL COPING 1 - PAC-CLAD SANDSTONE

## EXTERIOR ELEVATIONS

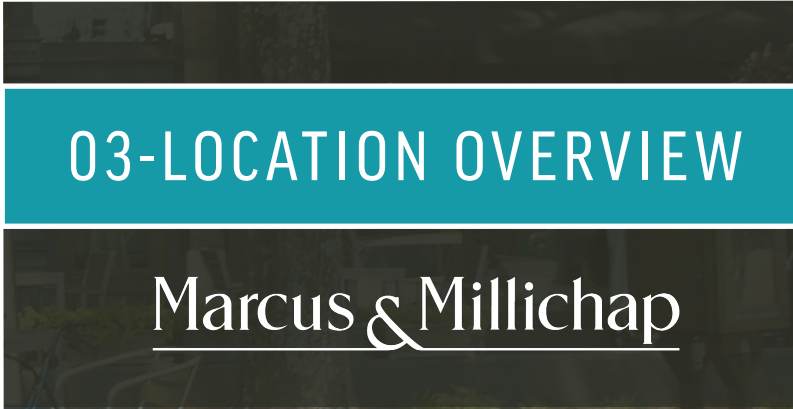
100%





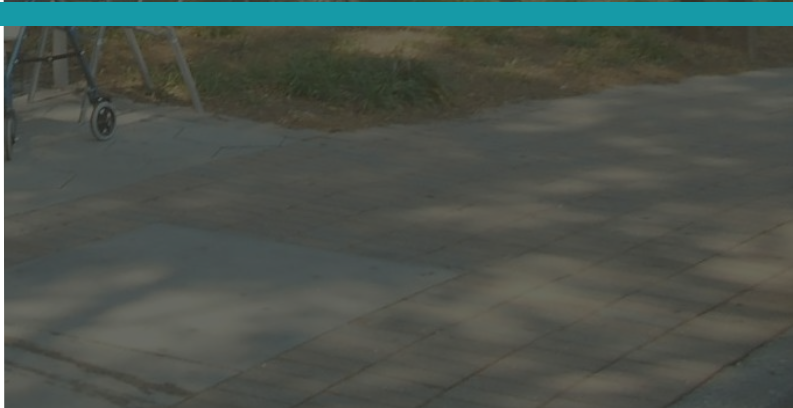
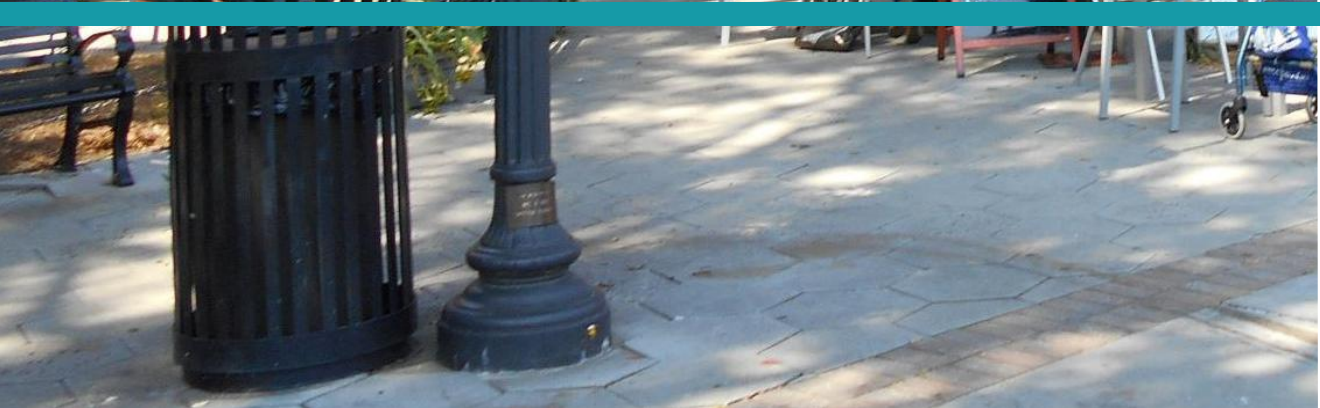
40,783

2017 TOTAL POPULATION | 5-MILE RADIUS



03-LOCATION OVERVIEW

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# LOCATION OVERVIEW

## Carrollton, GA

Carrollton, Georgia is a city in the north west region of Georgia, about 45 miles west of Atlanta near the Alabama state line. **It is the county seat of Carroll County, which is included in the Atlanta Metropolitan Area.** Historically, Carrollton has been a commercial center for several mostly rural counties in both Georgia and Alabama. It is the home of the University of West Georgia and West Georgia Technical College.

U.S. Route 27 passes through the city center, leading north 9 miles to Interstate 20 in Bremen and south 42 miles to LaGrange. Chartered in 1826, Carrollton was established when Carroll Inferior Court voted to move the county seat from the site it occupied to a new site about 8 miles to the southwest. The town remained largely a frontier town until well after the Civil War due to the difficulty in transportation of both goods and passengers. The railroad also encouraged the growth of fledgling industrial ventures like textile, which served as the basis for a textile industry that helped ensure the town's prosperity well into the 20th century.

Carrollton offers its residents a full variety of services and recreation options. There are several different public parks and recreational facilities located throughout the city (Longview Park, Knox Park, and Castle Playground) as well as John Tanner State Park located 6 miles west of the city. Another recreational highlight is **the Carrollton Greenbelt, the largest paved loop in the state of Georgia spanning 18 miles.** Carrollton has its own police and fire department and **is home to Tanner Health System, which Tanner Medical Center/Carrollton, Children's Healthcare of West Georgia, Carousel Pediatrics.**







## LOCATION HIGHLIGHTS

- Carroll County is home to top manufacturers, including Houghton International Inc., Southwire Company, LLC., Yachiyo, E & C Chemicals Inc., and Dietech Industries.
- Job growth in Carrollton over the next ten years is projected to be 35.62% (Sperling's Best Places)
- Tanner Medical Center/Carrollton ranked among Atlanta's Top 25 Hospitals in 2015, 2016, 2017 and 2018 according to *Atlanta Business Chronicle*
- Tanner Health System's economic impact to the region is more than \$851.8 million in revenue for the local economy, according to the annual Economic Impact Report from the Georgia Hospital Association
- Five golf courses are within an thirty-minute drive of Carrollton
- Carroll County is home to the University of West Georgia and West Georgia Technical College (18,486 Combined Students).



# DEMOGRAPHICS

## POPULATION

	1 - MILE	3 - MILE	5 - MILE
2022 Projection	2,560	21,948	42,948
2017 Estimate	2,310	20,978	40,783
Growth 2017 - 2022	10.82%	4.63%	5.31%
2000 Census	1,673	18,120	33,548
2010 Census	2,258	20,186	39,117
Growth 2000 - 2010	34.95%	11.41%	16.60%

## HOUSEHOLDS

2022 Projections	1,013	7,617	14,836
2017 Estimate	894	7,123	13,811
Growth 2017 - 2022	13.33%	6.95%	7.42%
2010 Census	888	6,980	13,487
2000 Census	662	6,412	11,941
Growth 2000 - 2010	34.25%	8.86%	12.94%

## 2016A EST. HOUSEHOLDS BY INCOME

\$200,000 or More	0.87%	1.14%	1.83%
\$150,000 - \$199,999	3.15%	1.59%	2.45%
\$100,000 - \$149,999	11.07%	7.79%	8.61%
\$75,000 - \$99,999	12.48%	9.16%	9.42%
\$50,000 - \$74,999	17.61%	15.20%	15.84%
\$35,000 - \$49,999	14.43%	12.71%	13.46%
\$25,000 - \$34,999	12.00%	15.46%	13.98%
\$15,000 - \$24,999	13.47%	15.36%	14.47%
\$10,000 - \$14,999	4.70%	6.44%	6.14%
Under \$9,999	10.21%	15.15%	13.79%
<b>Average Household Income</b>	<b>\$56,848</b>	<b>\$48,684</b>	<b>\$54,773</b>

## POPULATION PROFILE

	1 - MILE	3 - MILE	5 - MILE
20 to 34 Years	29.1%	32.9%	28.6%
35 to 59 Years	27.6%	24.2%	26.8%
60 to 74 Years	9.6%	9.0%	10.8%
Age 75+	5.2%	4.8%	5.0%
2017 Median Age	29.1	26.0	29.2
2017 Population 25 + by Education Level	1,298	10,908	23,069
Elementary (0-8)	7.05%	6.98%	5.84%
Some High School (9-11)	8.41%	10.76%	11.47%
High School Graduate (12)	28.42%	29.27%	30.06%
Some College (13-15)	26.82%	22.73%	21.91%
Associates Degree Only	5.78%	5.84%	5.74%
Bachelors Degree Only	14.99%	13.28%	13.57%
Graduate Degree	7.31%	8.39%	9.38%



57,099

2017 DAYTIME POPULATION | 5-MILE RADIUS

04-FINANCIAL ANALYSIS

Marcus & Millichap





# FINANCIAL ANALYSIS

## THE OFFERING

Property	Fresenius Medical Care
Property Address	130 Parkwood Circle Carrollton, GA 30117
Price	\$2,519,381
Capitalization Rate	5.65%
Price/SF	\$391.21

## PROPERTY DESCRIPTION

Year Built / Renovated	2018
Gross Leasable Area	6,440 SF
Zoning	C-Commercial
Type of Ownership	Fee Simple
Lot Size	1.64 Acres

## LEASE SUMMARY

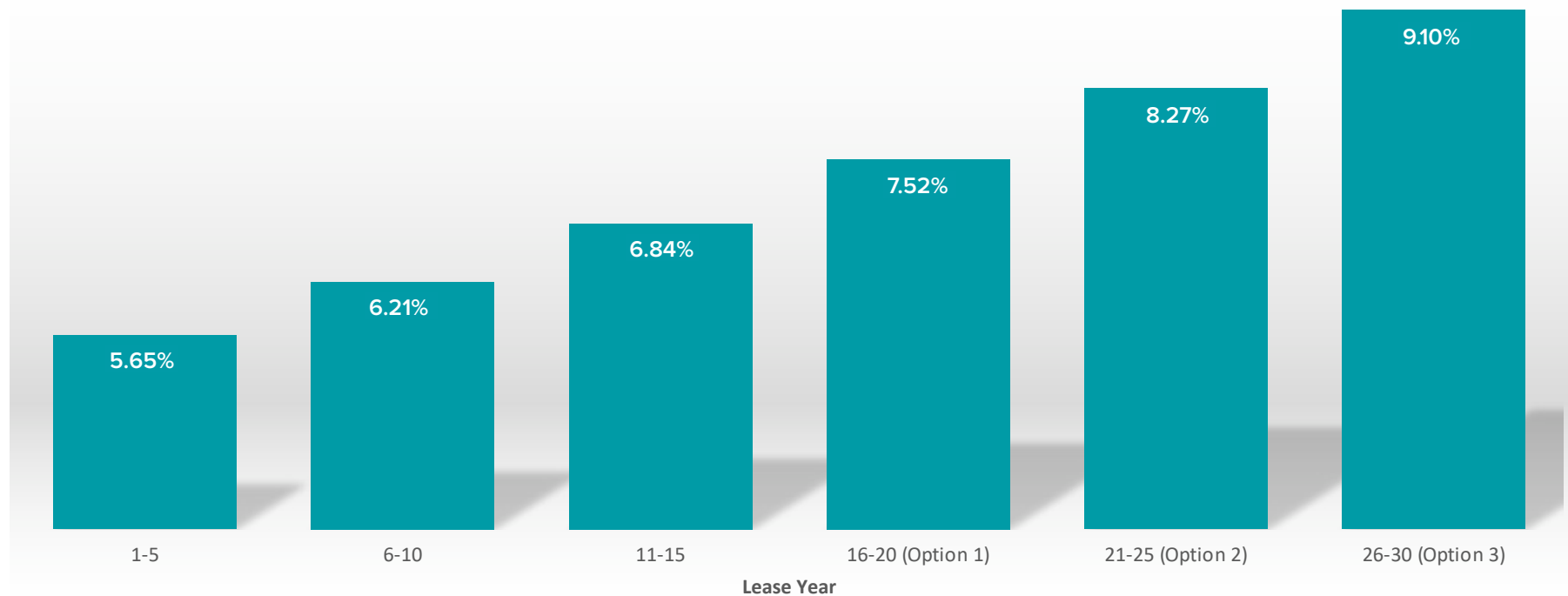
Property Subtype	Single Tenant Medical Office
Tenant	Fresenius Medical Care
Rent Increases	10% Every 5 Years Throughout Base Term & In Option Periods
Guarantor	Fresenius Medical Care Holdings, Inc. (S&P Investment Grade)
Lease Type	NN
Lease Commencement	8/15/2018
Lease Expiration	8/31/2033
Lease Term	15 Years
Renewal Options	Three (3), 5 Yr.
Landlord Responsibility	Roof & Structure
Tenant Responsibility	CAM, Taxes, Insurance, Utilities
Right of First Refusal/Offer	No

## RESPONSIBILITY OVERVIEW

RESPONSIBILITY	RESPONSIBLE PARTY
Taxes	Tenant
Utilities	Tenant
Roof & Structure (15-Year Manufacturer's Warranty)	Landlord
Landscaping	Tenant
HVAC	Tenant
Parking Lot	Tenant
Insurance	Tenant

# FINANCIAL ANALYSIS

YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
<b>Current</b>	<b>\$142,345</b>	<b>\$11,862</b>	<b>\$22.10</b>	<b>5.65%</b>
Years 1-5	\$142,345	\$11,862	\$22.10	5.65%
Years 6-10	\$156,579	\$13,048	\$24.31	6.21%
Years 11-15	\$172,237	\$14,353	\$26.74	6.84%
<b>Option 1 (16-20)</b>	<b>\$189,461</b>	<b>\$15,788</b>	<b>\$29.42</b>	<b>7.52%</b>
<b>Option 2 (21-25)</b>	<b>\$208,407</b>	<b>\$17,367</b>	<b>\$32.36</b>	<b>8.27%</b>
<b>Option 3 (26-30)</b>	<b>\$229,248</b>	<b>\$19,104</b>	<b>\$35.60</b>	<b>9.10%</b>





# LEASE ABSTRACT

## TENANT:

Bio-Medical Application of Georgia, Inc. d/b/a Fresenius Kidney Care of West Georgia

## LEASE GUARANTOR:

Fresenius Medical Care Holdings, Inc.

## PREMISES:

6,440 Square Feet

## LEASE COMMENCEMENT:

August 15, 2018

## LEASE EXPIRATION:

August 31, 2033

## BASE TERM:

15 Years

## BASE RENT:

\$22.10 per square foot/\$142,344.94 annually (Years 1-5)  
\$24.31 per square foot/\$156,579.43 annually (Years 6-10)  
\$26.74 per square foot/\$172,237.38 annually (Years 11-15)

## OPTIONS:

Three (3), 5 year options

## OPTION RENT:

Option 1: \$29.42 PSF or \$189,461.11 annually  
Option 2: \$32.36 PSF or \$208,407.22 annually  
Option 3: \$35.60 PSF or \$229,247.94 annually

## TENANT'S REPAIR AND MAINTENANCE OBLIGATIONS:

Tenant shall at its sole cost and expense keep and maintain the nonstructural portions of the interior of the Premises, including all Tenant Improvements, tenant fixtures and equipment, and all Alterations ("including all Expansion Improvements not constructed by Landlord"), in good order and repair, free of refuse and rubbish, and in compliance with applicable Laws." Tenant shall be re-

sponsible for maintaining, repairing and/or replacing any utility lines exclusively servicing the Premises within the interior of the Premises.

## PAYMENT OF ESTIMATED MAINTENANCE EXPENSES:

Tenant shall pay to Landlord, Landlord's estimate of Maintenance Expenses each month together with tenant's payment of Base Rent.

## LANDLORD'S REPAIR AND MAINTENANCE OBLIGATIONS:

6.2 (a) "maintain and make all necessary repairs and/or replacements to the exterior and structural portions of the Property, Building and Premises, including, without limitation: foundations, including the slab, structure, loadbearing walls, exterior walls, the roof and roof supports, columns, retaining walls, gutters, downspouts, flashings, and footings" "maintain and make all necessary repairs and/or replacements to the following"

6.2 (b) "parking areas (including servicing, striping, paving and sealing) curbing, sidewalks and directional markers, ice and snow removal, water mains, gas and sewer lines, private roadways, landscape, loading docks, if any, in provision and repair of adequate lighting during all hours of darkness that Tenant shall open for business."

"TENANT SHALL REIMBURSE LANDLORD FOR THE COST OF EXPENSES OF THE MAINTENANCE AND REPAIR CONTEMPLATED IN THIS SECTION 6.2 (B) (THE "MAINTENANCE EXPENSES"), EXCEPT FOR THE REPLACEMENT OF THE PARKING LOT OR ANY CAPITAL EXPENDITURE, AS DEFINED IN SECTION 6.2 (B) (VII)" SECTION 6.2 (VII) "NOTWITHSTANDING THE FOREGOING, LANDLORD MAY CHARGE AS AN MAINTENANCE EXPENSE ANY CAPITAL EXPENDITURES INTENDED TO REDUCE MAINTENANCE EXPENSES OR AFFECT ECONOMIES IN THE OPERATION, MAINTENANCE, OR REPAIR OF THE BUILDING"

## REAL ESTATE TAXES:

Tenant shall pay before due all Tax Expenses assessed against the Property.

## HVAC MAINTENANCE & REPAIR:

Landlord shall be responsible for regular maintenance and repair of the HVAC system servicing the Premises" "Tenant shall reimburse landlord for its costs related to the maintenance and repair of the HVAC as part of the Maintenance Expenses, provided however that Tenant shall not be responsible for costs covered under warranty" "The first \$2500 of the cost of any such replacement of an HVAC unit for any major component of an HVAC unit shall be reimbursed by Tenant as a Maintenance Expense" "all costs in excess of \$2500 for the replacement of an HVAC unit or any major component shall be treated as a Capital Expenditure in accordance with section 6.2 (b)(vii).

## ASSIGNMENT & SUBLETTING:

Notwithstanding section 16.2, provided that Tenant and Guarantor when Landlord consents to a restricted transfer pursuant to this section 16.2, Tenant and the Guarantor shall remain jointly and severally liable under the Lease for the remainder of the Lease term.

## UTILITY CHARGES:

Tenant shall pay all utility charges.

## INSURANCE:

Tenant shall reimburse landlord for landlord's costs associated with the insurance premiums"

## RIGHT OF FIRST REFUSAL:

NONE

## ESTOPPEL:

Tenant shall have twenty-one (21) days following written request, to execute and deliver an estoppel.



LittleFreeLibrary  
City of Carrollton

## 5 - MILE LOCAL DEMOGRAPHIC HIGHLIGHTS



2017 TOTAL POPULATION

40,783

=



16.60%

POPULATION GROWTH 2000-2010





## SONNY MOLLOY

Senior Vice President Investments

[Sonny.Molloy@marcusmillichap.com](mailto:Sonny.Molloy@marcusmillichap.com)

Direct: (678) 808-2763

## JARED KAYE

Senior Associate

[Jared.Kaye@marcusmillichap.com](mailto:Jared.Kaye@marcusmillichap.com)

Direct: (678) 808-2821

## CASSIDY MAXWELL

Marketing & Transaction Coordinator

[Cassidy.Maxwell@marcusmillichap.com](mailto:Cassidy.Maxwell@marcusmillichap.com)

Direct: (678) 808-2744



Marcus & Millichap