

573 TN-25 Bypass
Carthage, TN

FAST PACE
URGENT CARE CLINIC

PRICE
\$1,332,000

NOI
\$96,569

CAP RATE
7.25%

SQ FT
3,600

CURRENT LEASE
8/18/2017 – 7/31/2029
Two 6-Year Options



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LEASE TERMS

Fresenius Dialysis Clinic

Initial Term	August 18, 2017	to	July 31, 2029
1st Option	August 1, 2029	to	July 31, 2035
2nd Option	August 1, 2035	to	July 31, 2041

TENANT OVERVIEW

General Information

- Largest independent provider of Urgent Care and Primary Care Services in Tennessee
- Headquartered in Brentwood, TN
- Leading Regional Manager of Urgent Care Clinics across rural Tennessee and Kentucky
- Provides treatment for a wide range of illnesses, injuries and common conditions, in addition to diagnostic and screening services
- 43 clinics in Tennessee and Kentucky

Rent Increases

Year 1
Year 2
Year 3
Year 4
Year 5
Year 6
Year 7
Year 8
Year 9
Year 10
Year 11
Year 12

Annual Rent

\$94,200
\$95,378
\$96,570
\$97,777
\$98,999
\$100,237
\$101,489
\$102,758
\$104,043
\$105,343
\$106,660
\$107,993

Absolute NNN lease.



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PROPERTY HIGHLIGHTS

- Built in 2017
- 12-year NNN lease
- 1.25% annual rent increases during the initial term

Income

Fresenius Rental Income	96,569.72
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Gross Effective Income

\$96,569.72

Operating Expenses

Insurance	Tenant Pays
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Repairs and Maintenance	Tenant Pays
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Taxes	Tenant Pays
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Total Operating Expenses	\$0.00
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NET OPERATING INCOME

\$96,569.72



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INVESTMENT ASSUMPTIONS	
Investment Price	\$1,332,000
NOI (Year 1)	96,570
Cap Rate	7.25%
Total Rentable Square Feet	3,600
Purchase Price per Rentable Square Foot	\$370.00

PRO-FORMA ASSUMPTIONS	
Vacancy Factor/Credit Loss	0%
Value/Rent Increases	0%
Cost Increases	0%
Selling Costs	0%
Capital Reserves	\$0.00

FINANCING TERMS	
Initial Outlay	\$333,000
Initial Loan Amount	\$999,000
Loan Amortization Term	25
Interest Rate on Loan	4.00%
Debt Service	\$63,277
Loan to Value	75%

TAX ASSUMPTIONS	
Allocated Land Cost	\$266,400
Beginning Tax Basis	\$1,065,600
Depreciation Years	39.0
Marginal Tax Bracket	30%

RETURN MEASURES			
Internal Rate of Return		(1031)	
	Before Tax		After Tax
Year 1	17.13%		14.45%
Year 5	18.74%		16.16%
Year 10	17.12%		14.58%

RETURN MEASURES			
Cash on Cash Return			
	Before Tax		After Tax
Year 1	10.00%		7.32%
Year 5	11.48%		7.98%
Year 7	12.24%		8.31%
Year 10	13.43%		8.80%

Income	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Fast Pace Urgent Care Rental Income	96,570	97,777	98,999	100,237	101,489	102,758	104,043	105,343	106,660	107,993
Tax	0	0	0	0	0	0	0	0	0	0
CAM	0	0	0	0	0	0	0	0	0	0
Insurance	0	0	0	0	0	0	0	0	0	0
Percentage Rent	0	0	0	0	0	0	0	0	0	0
(-) Vacancy Factor	0	0	0	0	0	0	0	0	0	0
Gross Effective Income	96,570	97,777	98,999	100,237	101,489	102,758	104,043	105,343	106,660	107,993

Operating Expenses	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Taxes	0	0	0	0	0	0	0	0	0	0
Insurance	0	0	0	0	0	0	0	0	0	0
Repairs and Maintenance	0	0	0	0	0	0	0	0	0	0
Capital Reserves	0	0	0	0	0	0	0	0	0	0
Total Operating Expenses	0	0	0	0	0	0	0	0	0	0

NET OPERATING INCOME	96,570	97,777	98,999	100,237	101,489	102,758	104,043	105,343	106,660	107,993
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Debt Service	(63,277)	(63,277)	(63,277)	(63,277)	(63,277)	(63,277)	(63,277)	(63,277)	(63,277)	(63,277)
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PRETAX CASH FLOW	33,293	34,500	35,722	36,959	38,212	39,481	40,766	42,066	43,383	44,716
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