

# US RENAL CARE (DARK)

U.S. **RENAL CARE**

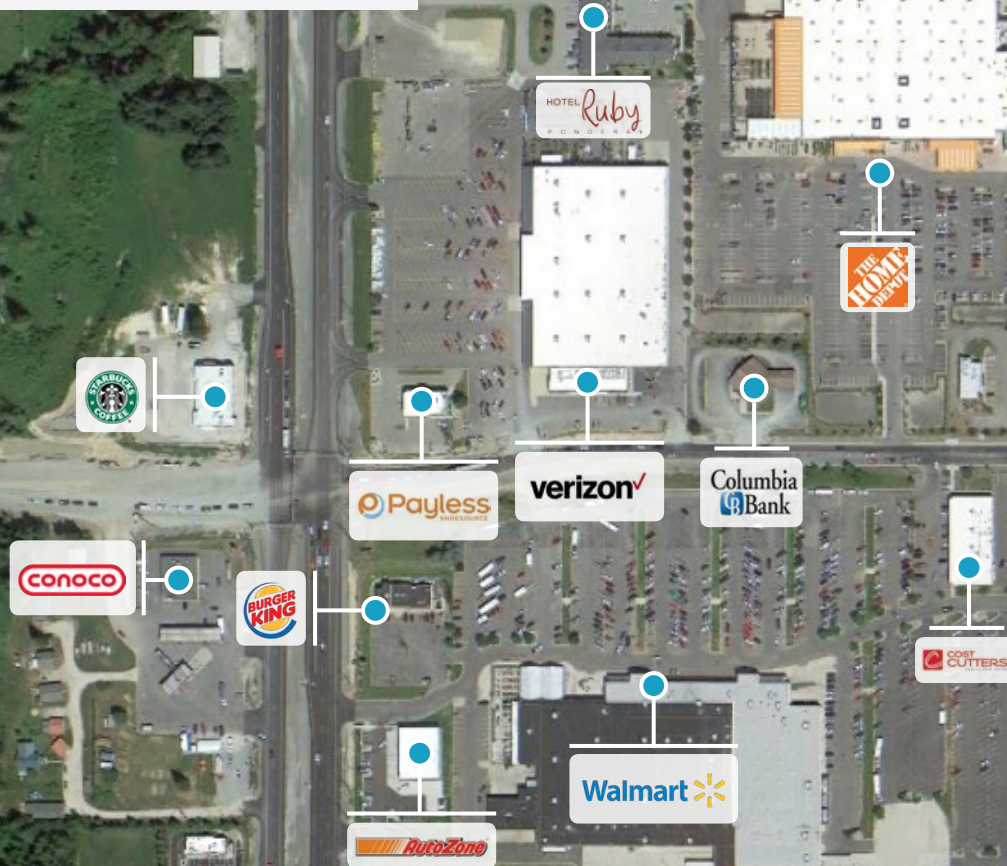
204 N. Triangle Drive, Ponderay, ID 83852

Available for **SALE** or **LEASE**

**NNN**  
INVESTMENT

**TURN KEY**  
MEDICAL  
BLDG

**15.46%**  
RETURN  
until 1/31/2021



**Exclusively Offered By:**

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**Ned Brandenberger**  
ID Lic #AB31386





# OFFERING STATEMENT / DISCLAIMER

U.S. **RENAL CARE**

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**If you have no further interest in the Property, please return this Investment Offering forthwith.**

## **InvestCore Commercial, Inc.**

3910 W. Point Loma Blvd, Suite B  
San Diego, CA 92110





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# INVESTMENT SUMMARY



## EXECUTIVE SUMMARY

<b>Tenant:</b>	Dialysis Newco, Inc., dba DSI Renal, a wholly owned subsidiary of US Renal Care (the 3rd largest dialysis provider in the U.S.) <sup>(1)</sup>			
<b>Guarantor:</b>	Fresenius Medical Care Holdings, Inc. (NYSE: FMS)			
<b>Address:</b>	204 N. Triangle Drive, Ponderay, ID 83852			
<b>Building Size:</b>	~7,676 SF (Per the County tax assessor)			
<b>Land Size:</b>	~43,560 SF (Per the County tax assessor)			
<b>Year Built/Remodeled:</b>	1989/2009			
<b>Rent Commencement:</b>	~January 19, 2009			
<b>Lease Expiration:</b>	~January 31, 2021			
<b>Primary Term:</b>	12 Years			
<b>Rent:</b>		<b>Annual</b>	<b>Monthly</b>	<b>Increase</b>
	January 1, 2009 – December 31, 2014	\$168,660	\$14,055	
	January 1, 2015 – January 31, 2021	\$185,520	\$15,460	10%
<b>Options:</b>	Three (3) 5-year options. Base Rent for each Option Term shall be the lesser of (i) Fair Market Value or (ii) amount equal to 110% of the previous annual term, but in no case shall rent be less than the rent of the previous annual term.			
<b>Lease Type:</b>	NNN. Landlord shall maintain and make all necessary repairs to the roof and structure.			



### SALE TERMS

<b>Price:</b>	\$1,200,000
<b>NOI:</b>	\$185,520
<b>Cap Rate:</b>	15.46%

### LEASE TERMS

Call Broker For Asking Lease Terms

(1) On March 31, 2012, Dialysis Newco, Inc., a wholly owned subsidiary of US Renal Care, Inc., the 3rd largest dialysis provider in the U.S., was assigned the lease and purchased the assets for the subject property from Fresenius Medical Care, Inc. Fresenius Medical Care, Inc., continues to guarantee the lease.

(2) This property is currently vacant and is not in operation, however, the monthly rent arrives on a timely basis from Dialysis Newco, Inc.



# INVESTMENT SUMMARY

U.S. **RENAL CARE.**

## INVESTMENT HIGHLIGHTS

### LEASE GUARANTEED BY LARGEST DIALYSIS COMPANY

- The lease is guaranteed by Fresenius Medical Care Holdings, Inc., the parent company of Fresenius Medical Care.
- In 2015, Fresenius has revenues of \$16.7 billion with over 3,400 clinics worldwide serving nearly 300,000 patients performing 44.6 million dialysis treatments.

### LOW PRICE PER SQUARE FOOT

- At \$156 psf, the property is priced below replacement cost and is listed at less than the original land and building construction costs.

### HIGH CAP RATE DEAL IN HISTORICALLY LOW CAP RATE MARKET

- The average cap rate for other Fresenius backed investments that have sold in the last 12 months with 4 years or less remaining on the lease term is 8.31%.

### LEASE BUYOUT/REDEVELOPMENT/RELEASING OPPORTUNITY

- With two years left on the lease, an owner has the ability to re-lease or redevelop the property with a new tenant on a long-term lease creating instant value.
- The new owner can also negotiate a lease buyout with the existing tenant immediately increasing cash flow or those proceeds can be used towards the redevelopment/releasing and the investor doesn't have to come out of pocket.

### IDEAL PASSIVE INVESTMENT

- This investment is well suited for someone looking to get out of management-intensive properties or a good addition to a savvy net lease investor's portfolio.

### TURN KEY MEDICAL BUILDING

- Excellent opportunity for any medical user to open a new location in a high quality, well-located building with significant tenant improvements.







# INVESTMENT SUMMARY

U.S. **RENAL CARE**

## PROPERTY HIGHLIGHTS

### LOCATED NEXT TO WALMART SUPERCENTER

- The subject property benefits from its location directly adjacent to the regional Walmart anchored shopping center.

### BONNER GENERAL HEALTH HOSPITAL

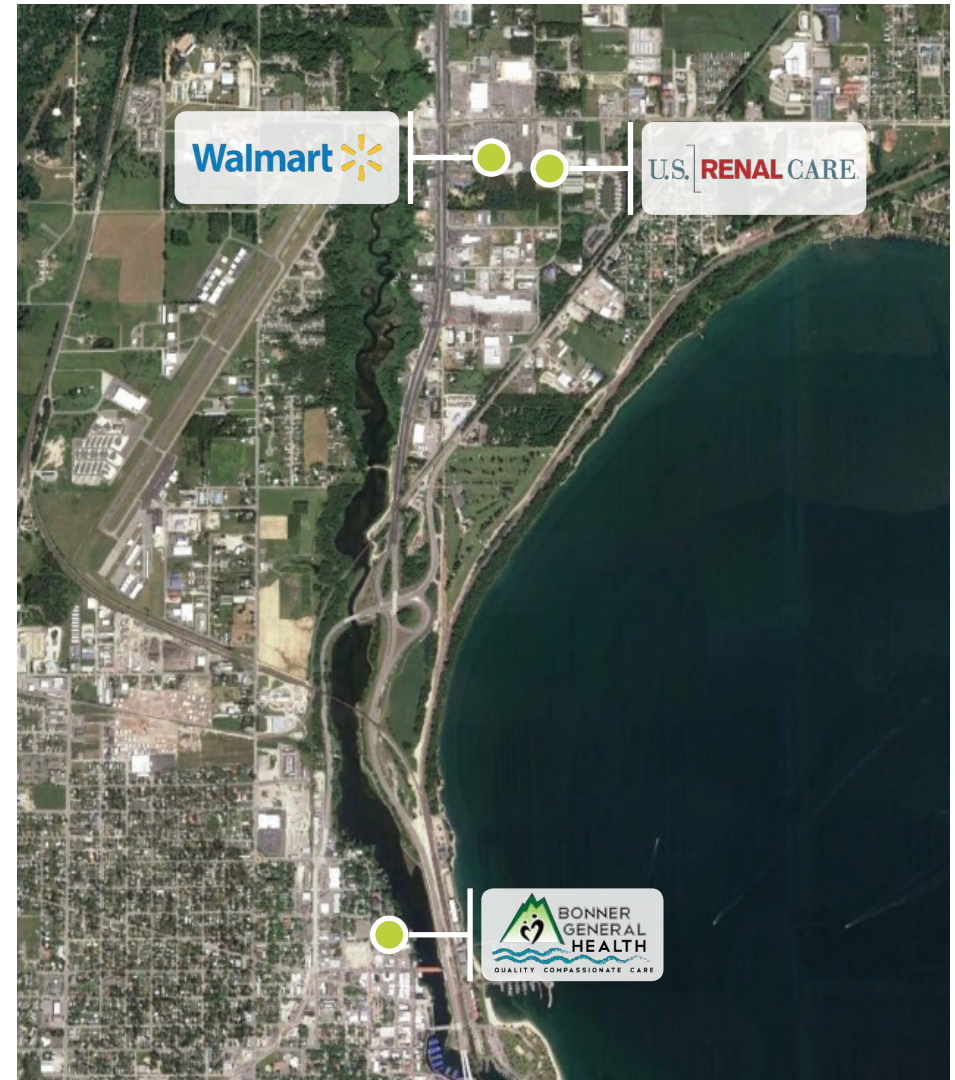
- The 68-year-old hospital is located less than 3 miles south of the subject property in the adjacent town of Sandpoint.
- The hospital recently completed an expansion in 2015 bridging the hospital services with preventative healthcare and outpatient services.

### REGIONAL MALL AND MAJOR RETAIL CORRIDOR

- The property is ideally located in the middle of the retail corridor with the Walmart and Home Depot anchored centers to the north and Bonner Mall to the south.

### SCHWEITZER MOUNTAIN RESORT

- Schweitzer Mountain is a year-round destination 85 miles from Spokane, Washington and 66 miles south of the Canadian border
- Ponderay and Sandpoint are located at the base of Schweitzer Mountain Resort, the largest ski area in Idaho and Washington





# INVESTMENT SUMMARY

U.S. RENAL CARE.

## SUBJECT PROPERTY INTERIOR PHOTOS







# PROPERTY DESCRIPTION

U.S. **RENAL CARE**

## AERIAL - SUBJECT PROPERTY







# PROPERTY DESCRIPTION

U.S. **RENAL CARE**

## AERIAL - RETAIL TRADE AREA







# PROPERTY DESCRIPTION

U.S. **RENAL CARE**.

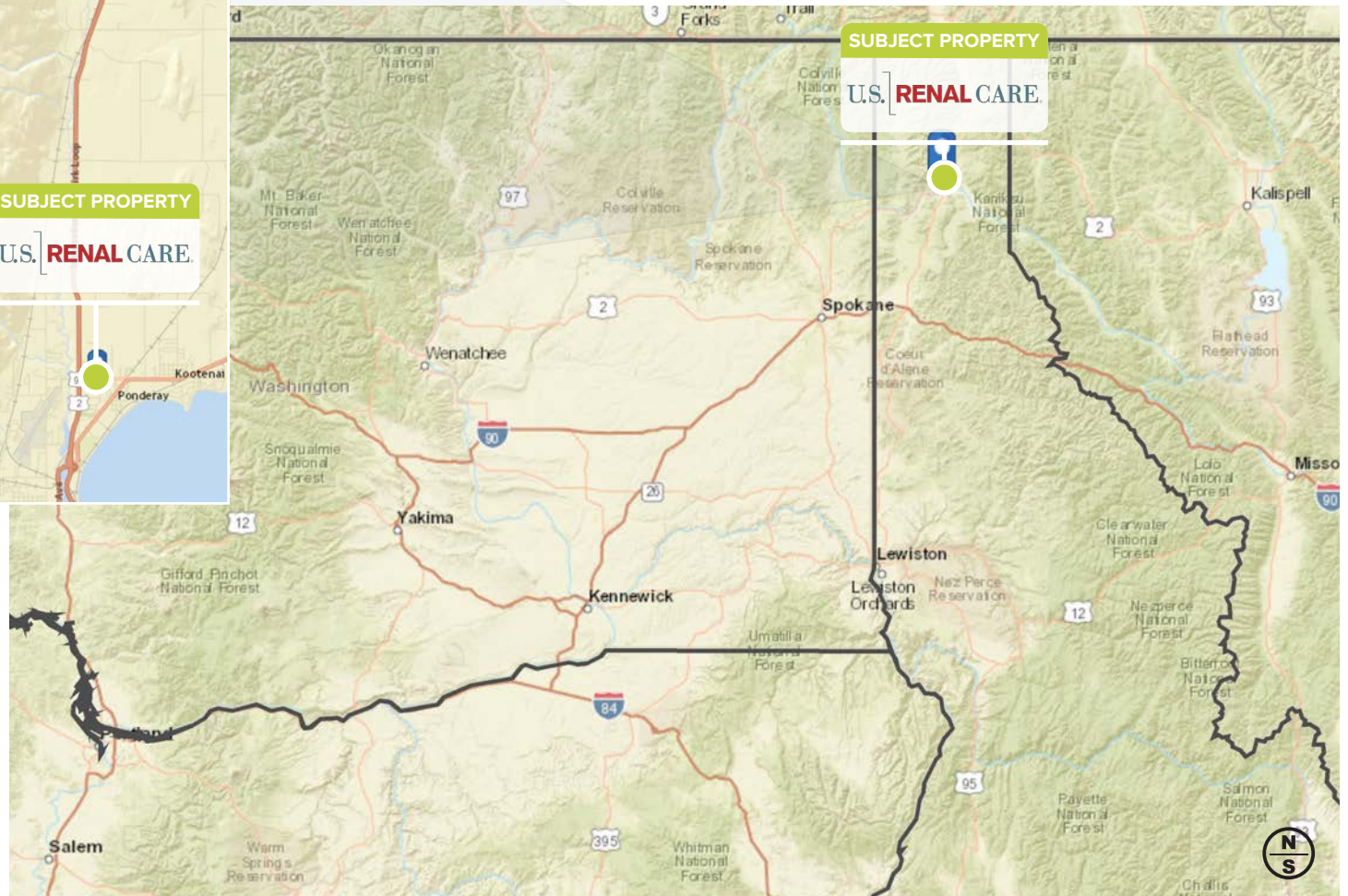
## STREET MAPS



**Schweitzer Mountain**  
Elevation of 6,400 FT  
2,900 Acres of Skiable Area  
11 Miles from Sandpoint, ID

SUBJECT PROPERTY

U.S. **RENAL CARE**.







# PROPERTY DESCRIPTION

## TENANT PROFILE



### Company Background

- Founded in 2000
- Based in Plano, Texas
- Serves more than 23,000 patients across 31 states and the Territory of Guam
- Facilities managed by local physicians
- Clinical results exceed national averages

U.S. Renal Care clinics provide in-center and at-home hemodialysis and peritoneal dialysis services for end stage renal disease. We also manage several acute setting dialysis programs in conjunction with local community hospitals.



We support our facilities with experienced clinical and operations management – not to mention a steadfast commitment to delivering the highest quality care. Our physicians play a critical role in the care we provide. But beyond that, they play a critical role in our business model. U.S. Renal Care runs its local facilities through partnerships with physicians who serve as Medical Directors.

### Mission

Our Mission at U.S. Renal Care is simple: “To be the highest quality provider available to patients with chronic and acute renal disease. We accomplish this mission by partnering with the best Nephrologists in the country, by providing the best trained professional staff in our centers, by demonstrating ultimate customer service, by offering state of the art technology and by constantly educating patients and family about the disease process. The result is excellent patient outcomes and the best service available.”



U.S. Renal Care stands out above other providers by:

- **Being patient-focused**  
Patients are our focus, and we do our best to provide compassionate care, where and when patients need it.
- **Partnering with leading physicians**  
We work with quality physicians, who provide quality care to patients and also lead our facilities through joint venture partnerships.
- **Committing to the communities we call home**  
In each of our locations, we work closely with elected leaders, nearby hospitals, physicians and advocacy groups.
- **Providing highly-trained professional staff**  
We offer an experienced team of nurses, social workers and dietitians, acknowledging that quality care requires a quality team working in conjunction with a highly-qualified program.
- **Offering state-of-the-art technology**  
Every piece of equipment is top-of-the-line – from the at-home and in-center dialysis machines down to the therapeutic chairs in our facilities.
- **Delivering care in a healing environment**  
We design our centers with patients’ healing and comfort in mind, promoting a relaxing experience in a soothing environment.
- **Educating patients and family**  
We work with patients and their families to help them understand their disease and their therapeutic options. This is critically important in order for them to maximize the benefits of therapy.



# AREA OVERVIEW

## AREA OVERVIEW

### ABOUT PONDERAY

The City of Ponderay is the proud gateway to Schweitzer Mountain, a year-round destination resort that boasts 2,900 acres of skiable terrain, 92 trails, open-bowl skiing, three high-speed chairlifts (including Stella, Idaho's only six-person high-speed lift), plus cross-country skiing trails, a tubing park and snowmobiling access. In the summer, Schweitzer becomes an outdoor-lover's paradise with more than 40 kilometers of hiking and biking trails to enjoy. Take a ride on the Great Escape Quad chairlift for sweeping views of Lake Pend Oreille and beyond. And don't forget to check out an array of summer festivals featuring live music and fun activities. In town, visitors will enjoy the 9-hole Elks Golf Course on Highway 200 in Ponderay, a par-35 course featuring 2,897 yards of golf from the longest tees. Shoppers, don't miss a stop at the Bonner Mall, located at 300 Bonner Mall Way, where a variety of local and national retailers are housed in a comfortable, climate-controlled setting. And catch the latest Hollywood flick at the six-screen Bonner Mall Cinemas, located at the east end of the mall.

### ABOUT SCHWEITZER

Schweitzer Mountain Resort is a year-round, family friendly destination located in the Idaho Panhandle, 85 miles from Spokane, WA and 66 miles south of

the Canadian border into British Columbia. The resort boasts 2900 acres of varied terrain for skiing and snowboarding as well as 32 kilometers of Nordic trails for cross-country, snowshoeing and snowbiking during the winter season. Other activities for non-skiers like an on-site spa, dining, and shopping are all located in the intimate village.

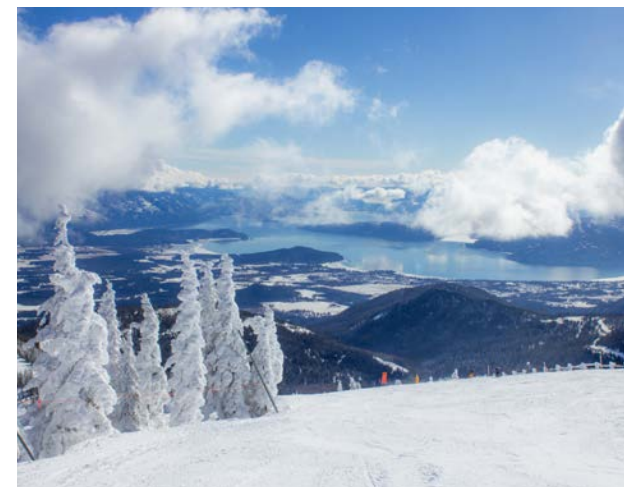
In summer, the resort offers a variety of activities for families including hiking, mountain biking, a zip line, climbing wall, Monkey Jumper, and scenic chairlift rides. Schweitzer offers year-round accommodation on the mountain with lodging options from classic hotel style rooms to full ski-in/ski-out condominiums.

A visit to Schweitzer is one the whole family will remember and want to repeat!



### SCHWEITZER HISTORY

The history of Schweitzer Mountain Resort dates back over a century ago when, as legend has it, a Swiss hermit took shelter at the bottom of the basin in the foothills of the Selkirk Mountains overlooking Lake Pend Oreille where Schweitzer now sits. Little was known about the man, other than at one time he had served in the Swiss military. The hermit became such a presence in the area that, some years later, locals in the nearby mountain town of Sandpoint would name Schweitzer Mountain after him. The word Schweitzer, in German, means "Swiss man." Fun-seekers from Sandpoint began recreating on Schweitzer Mountain in the early 1960s. It wasn't until a few years later that Schweitzer would officially open as a winter ski area.







# AREA OVERVIEW

## DEMOGRAPHICS

	5 miles	10 miles	15 miles
<b>Population</b>			
2000 Population	11,806	18,906	23,716
2010 Population	13,551	21,749	26,853
2016 Population	14,323	22,835	28,115
2021 Population	15,026	23,867	29,337
2000-2010 Annual Rate	1.39%	1.41%	1.25%
2010-2016 Annual Rate	0.89%	0.78%	0.74%
2016-2021 Annual Rate	0.96%	0.89%	0.85%
2016 Male Population	49.1%	49.8%	50.1%
2016 Female Population	50.9%	50.2%	49.9%
2016 Median Age	41.4	44.5	46.0

In the identified area, the current year population is 28,115. In 2010, the Census count in the area was 26,853. The rate of change since 2010 was 0.74% annually. The five-year projection for the population in the area is 29,337 representing a change of 0.85% annually from 2016 to 2021. Currently, the population is 50.1% male and 49.9% female.

### Median Age

The median age in this area is 41.4, compared to U.S. median age of 38.0.

<b>Race and Ethnicity</b>			
2016 White Alone	94.8%	95.2%	95.2%
2016 Black Alone	0.3%	0.3%	0.4%
2016 American Indian/Alaska Native Alone	0.7%	0.7%	0.7%
2016 Asian Alone	1.0%	0.9%	0.8%
2016 Pacific Islander Alone	0.0%	0.0%	0.1%
2016 Other Race	0.7%	0.6%	0.6%
2016 Two or More Races	2.5%	2.2%	2.2%
2016 Hispanic Origin (Any Race)	4.1%	3.6%	3.5%

Persons of Hispanic origin represent 3.5% of the population in the identified area compared to 17.9% of the U.S. population. Persons of Hispanic Origin may be of any race. The Diversity Index, which measures the probability that two people from the same area will be from different race/ethnic groups, is 15.4 in the identified area, compared to 63.5 for the U.S. as a whole.

<b>Households</b>			
2000 Households	4,828	7,592	9,520
2010 Households	5,732	9,088	11,284
2016 Total Households	5,994	9,440	11,683
2021 Total Households	6,257	9,815	12,123
2000-2010 Annual Rate	1.73%	1.81%	1.71%
2010-2016 Annual Rate	0.72%	0.61%	0.56%
2016-2021 Annual Rate	0.86%	0.78%	0.74%
2016 Average Household Size	2.33	2.38	2.38

The household count in this area has changed from 11,284 in 2010 to 11,683 in the current year, a change of 0.56% annually. The five-year projection of households is 12,123, a change of 0.74% annually from the current year total. Average household size is currently 2.38, compared to 2.35 in the year 2010. The number of families in the current year is 7,761 in the specified area.



# AREA OVERVIEW

## DEMOGRAPHICS

	1 mile	3 miles	5 miles
<b>Median Household Income</b>			
2016 Median Household Income	\$51,036	\$56,583	\$51,611
2021 Median Household Income	\$53,760	\$61,955	\$55,062
2016-2021 Annual Rate	1.05%	1.83%	1.30%
<b>Average Household Income</b>			
2016 Average Household Income	\$66,786	\$76,270	\$71,202
2021 Average Household Income	\$71,187	\$82,353	\$76,958
2016-2021 Annual Rate	1.28%	1.55%	1.57%
<b>Per Capita Income</b>			
2016 Per Capita Income	\$30,111	\$32,609	\$30,038
2021 Per Capita Income	\$32,230	\$35,161	\$32,427
2016-2021 Annual Rate	1.37%	1.52%	1.54%

### Households by Income

Current median household income is \$51,611 in the area, compared to \$54,149 for all U.S. households. Median household income is projected to be \$55,062 in five years, compared to \$59,476 for all U.S. households

Current average household income is \$71,202 in this area, compared to \$77,008 for all U.S. households. Average household income is projected to be \$76,958 in five years, compared to \$84,021 for all U.S. households

Current per capita income is \$30,038 in the area, compared to the U.S. per capita income of \$29,472. The per capita income is projected to be \$32,427 in five years, compared to \$32,025 for all U.S. households

<b>Housing</b>			
2000 Total Housing Units	7,248	36,062	52,643
2000 Owner Occupied Housing Units	3,835	22,487	30,929
2000 Renter Occupied Housing Units	3,147	11,967	18,541
2000 Vacant Housing Units	266	1,608	3,173
2010 Total Housing Units	7,311	40,507	59,475
2010 Owner Occupied Housing Units	3,763	24,704	34,310
2010 Renter Occupied Housing Units	2,893	13,045	20,542
2010 Vacant Housing Units	655	2,758	4,623
2016 Total Housing Units	7,788	43,275	63,849
2016 Owner Occupied Housing Units	3,608	25,116	35,005
2016 Renter Occupied Housing Units	3,404	14,980	23,512
2016 Vacant Housing Units	776	3,179	5,332
2021 Total Housing Units	8,158	45,537	67,026
2021 Owner Occupied Housing Units	3,671	26,196	36,559
2021 Renter Occupied Housing Units	3,657	15,941	24,770
2021 Vacant Housing Units	829	3,401	5,697

Currently, 54.8% of the 63,849 housing units in the area are owner occupied; 36.8%, renter occupied; and 8.4% are vacant. Currently, in the U.S., 55.4% of the housing units in the area are owner occupied; 32.9% are renter occupied; and 11.7% are vacant. In 2010, there were 59,475 housing units in the area - 57.7% owner occupied, 34.5% renter occupied, and 7.8% vacant. The annual rate of change in housing units since 2010 is 3.20%. Median home value in the area is \$151,762, compared to a median home value of \$198,891 for the U.S. In five years, median value is projected to change by 3.07% annually to \$176,508.