

FRESENIUS KIDNEY CARE CLEARWATER

RECESSION-PROOF MEDICAL FACILITY IN CLEARWATER, FLORIDA



OFFERING SUMMARY

2



26338 US HWY 19 N.
CLEARWATER, FL

\$2,976,769

6.50% CAP RATE



RENTABLE BLDG AREA
13,950 SF



LOT SIZE
1.41 ACRES



YEAR BUILT
1985



FKC NOI: **\$159,740**
ADCS NOI: **\$48,750**
RESERVES: **\$15,000**
TOTAL NOI: **\$193,490**

FRESENIUS LEASE SUMMARY

LEASE TYPE	NN (Roof & Structure)
OWNERSHIP TYPE	Fee Simple
TENANT	Fresenius Kidney Care
UNIT SIZE	10,200 SF (73.2%)
ORIGINAL LEASE TERM	10 Years
EXTENDED LEASE TERM	5 Years
LEASE COMMENCEMENT	August 11, 2011
LEASE EXPIRATION	August 31, 2026
REMAINING LEASE TERM	6 Years
RENEWAL OPTIONS	Three, 5-year Options
RENT INCREASES	2.25% Annual Increases

LEASE PERIOD	ANNUAL RENT	MONTHLY RENT
9/1/2019 - 8/31/2020	\$155,044.80	\$12,920.40
9/1/2020 - 8/31/2021	\$159,740.10	\$13,311.68
9/1/2021 - 8/31/2022	\$170,646.00	\$13,577.91
9/1/2022 - 8/31/2023	\$174,485.54	\$13,849.47
9/1/2023 - 8/31/2024	\$178,411.46	\$14,126.46
9/1/2024 - 8/31/2025	\$182,425.72	\$14,408.99
9/1/2025 - 8/31/2026	\$186,530.30	\$14,697.16

ADCS LEASE SUMMARY

LEASE TYPE	Gross
OWNERSHIP TYPE	Fee Simple
TENANT	Advanced Dermatology and Cosmetic Surgery
UNIT SIZE	3,750 SF (26.9%)
LEASE TERM	7 Years
LEASE COMMENCEMENT	April 1, 2018
LEASE EXPIRATION	March 31, 2025
REMAINING LEASE TERM	5 Years
RENEWAL OPTIONS	Two, 2-year Options
RENT INCREASES	\$1.00 PSF Annual Increases

LEASE PERIOD	ANNUAL RENT	MONTHLY RENT
4/1/2018 - 3/31/2019	\$41,250.00	\$3,437.50
4/1/2019 - 3/31/2020	\$45,000.00	\$3,750.00
4/1/2020 - 3/31/2021	\$48,750.00	\$4,062.50
4/1/2021 - 3/31/2022	\$52,500.00	\$4,375.00
4/1/2022 - 3/31/2023	\$56,250.00	\$4,687.50
4/1/2023 - 3/31/2024	\$60,000.00	\$5,000.00
4/1/2024 - 3/31/2025	\$63,750.00	\$5,312.50



Fresenius Kidney Care Clearwater shares space in a 13,950 SF medical building with Advanced Dermatology and Cosmetic Surgery. Fresenius Kidney Care consists of 10,200 square feet (73.2% of the building) and the Advanced Dermatology space consists of 3,750 SF (26.9% of the building). The Fresenius Kidney Care lease includes scheduled rent increases of 2.25% on an annual basis with three, 5-year options for lease renewal and the Advanced Dermatology lease increases by \$1.00 PSF on an annual basis with two, 2-year options.

The property is easily accessible; located to the west of Route 19, hosting 81,419 cars per day. Other medical office tenants surround the subject property and Mease Dunedin Hospital is located just 3.5 miles to the west. Mease Dunedin holds 120 patient beds and is currently undergoing a \$19M renovation to expand by 4,000 SF, while 33,000 SF of existing space is undergoing renovation. Westfield Countryside, the largest shopping mall in Clearwater, is directly across from the subject property. Westfield features an array of well-known retailers, such as Dillard's, Macy's, Whole Foods, and PF Chang's.

SECURE INCOME STREAM

- Nationally recognized medical tenants, Fresenius Kidney Care and Advanced Dermatology and Cosmetic Surgery are neighboring tenants in one building
- Scheduled **rent increases of 2.25% every year** plus **three fixed-rate, 5-year options** provide for attractive rent growth during the Fresenius lease term
- Advanced Dermatology lease contains **\$1.00 PSF annual rent increases** and two 2-year option periods

ESSENTIAL, RECESSION-RESISTANT TENANTS

- Florida is a **tax free state**
- Given the nature of the product, healthcare related real estate has been the **least affected by economic recession** and demand of e-commerce
- Fresenius has an S&P investment grade rating of BBB- and is a worldwide provider of kidney dialysis treatment. Advanced Dermatology and Cosmetic Surgery is nationally recognized with a strong financial background

PROXIMITY

- Over **240,792 residents** and an average **household income exceeding \$75K** within a five-mile radius
- Located 3.5 miles from 120-bed, Mease Dunedin Hospital. The property is undergoing a \$19M expansion to renovate 33,000 SF of existing space and adding 4,000 SF of new space
- The facility is **surrounded by other medical office** properties and in close proximity to Westfield Countryside Shopping Mall, the largest retail center in Clearwater
- Ideally located with **excellent access from Interstate 19** (81,419 CPD)







Underscoring its commitment to improve the lives of people with chronic kidney disease (CKD) and end stage renal disease (ESRD), Fresenius Medical Care North America (FMCNA) branded its kidney and dialysis services division as Fresenius Kidney Care (FKC) in 2015. Vascular services, pharmacy services, lab services, urgent care centers, physician practice solutions and dialysis devices and equipment are also offered by FMCNA.

Fresenius Kidney Care has the most top rated dialysis centers in America. Today, FKC is the worldwide leader in the treatment of renal disease and an innovative leader in kidney disease research with 50,000 employees serving over 190,000 patients in over 2,400 facilities nationwide.

Free educational support, nutritional counseling, social work services, home training programs and clinical care is offered through Fresenius Kidney Care to support emotional, medical, dietary and financial needs of patients. Non-dialysis options include Kidney transplant or supportive care without dialysis treatment. Fresenius Kidney Care centers are equipped with air-conditioned waiting rooms and treatment areas. Many centers also offer individual TVs with cable or satellite service, private areas, internet access, reclining treatment chairs, and beds for nocturnal dialysis.

More information is available at www.freseniuskidneycare.com



CLINICS
2,400

PATIENTS SERVED
190,000

EMPLOYEES
150,000

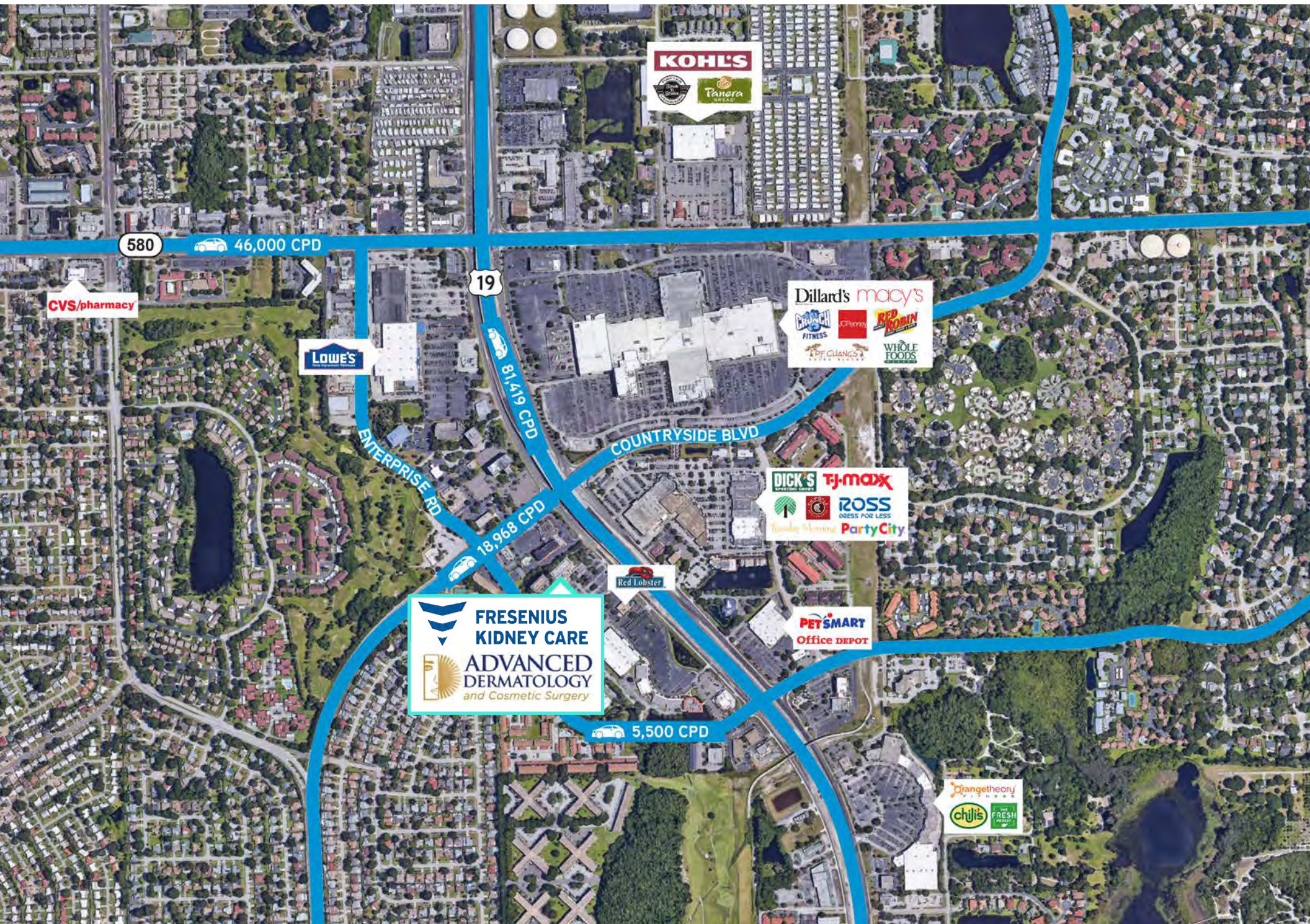


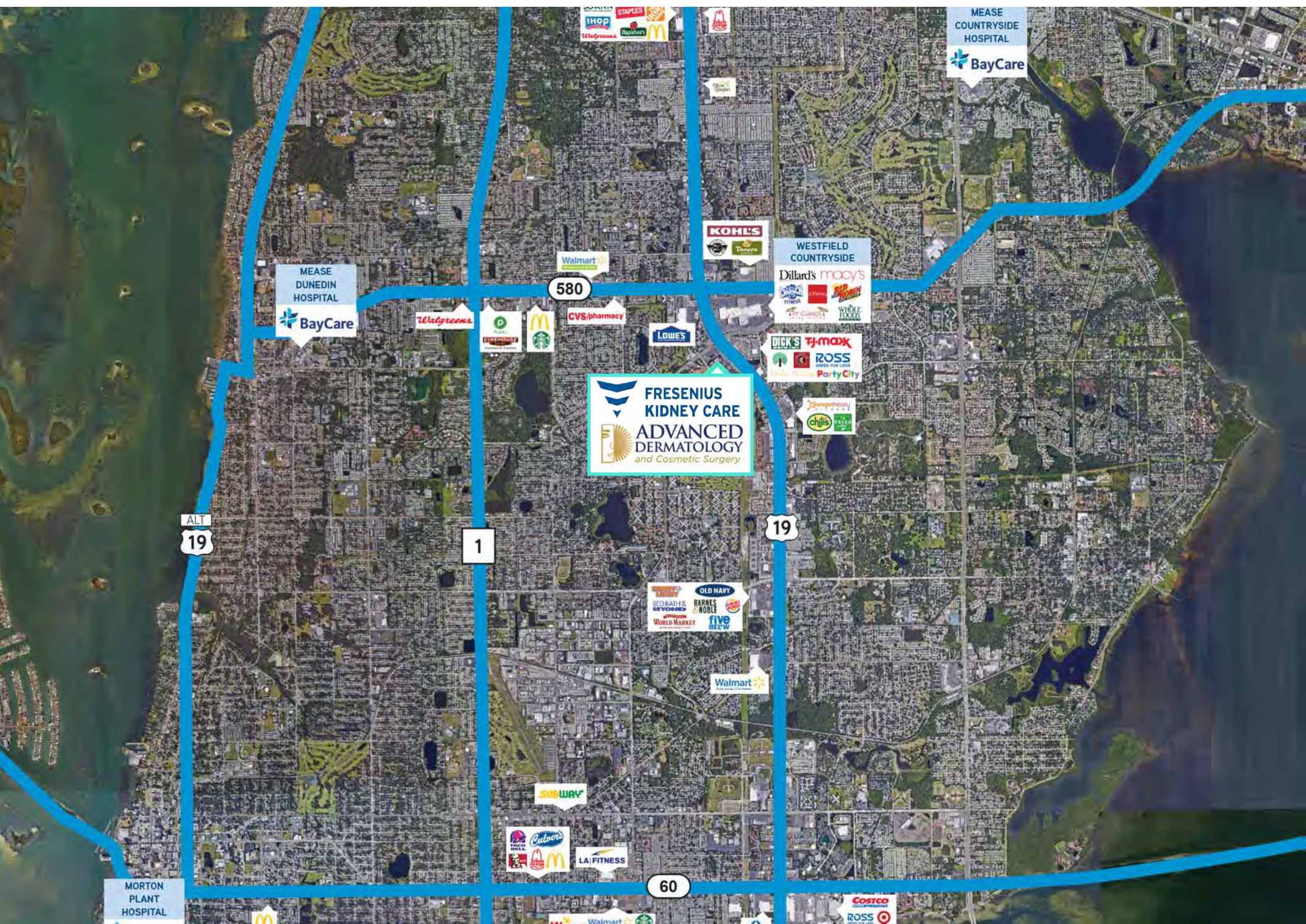
Founded by Dr. Matt L. Leavitt in 1989, Advanced Dermatology and Cosmetic Surgery has grown to 150+ locations in the US.. treating patients of all ages for common and complex conditions of the skin, hair and nails, offer advanced skin cancer treatments, and use some of the most sought-after therapies available to reduce the impacts of age and the environment. Cosmetic procedures include neuromodulators like BOTOX® and Dysport®, dermal fillers like Juvéderm® and Restylane®, chemical peels, dermabrasion, medical facials, laser and energy treatments including hair removal and skin resurfacing and even permanent make-up. Many treatments can be performed on the body as well as on the face. From dermatology to cosmetic enhancements, Advanced Dermatology and Cosmetic Surgery meets your varied skin care needs.

More information is available at www.advancedderm.com









LOCATION | CLEARWATER, FL

Clearwater is a city located in Pinellas County, Florida, northwest of Tampa and St. Petersburg. To the west of Clearwater lies the Gulf of Mexico and to the southeast lies Tampa Bay. Clearwater is the county seat of Pinellas County and is the smallest of the three principal cities in the Tampa–St. Petersburg–Clearwater metropolitan area, most commonly referred to as the Tampa Bay Area. Clearwater is known for sunny weather and gulf coast beaches. Clearwater is a great family beach destination, where it's calm, Old-Fashioned Florida and the weather's outstanding. Cleveland Street is one of the city's historic avenues, and the city includes Spectrum Field, where the Phillies pro baseball team plays spring training games. The city is separated by the Intra-coastal Waterway from Clearwater Beach. Clearwater Beach, on a barrier island, is a 3-mile stretch of white sand backed by hotels and restaurants. Injured dolphins and sea turtles are rehabilitated at the Clearwater Marine Aquarium.



ECONOMY

There are an estimated 118,185 residents living in Clearwater Florida. Over the past 20 years Clearwater's population has increased by 8.2%, and is expected to increase by another 3.4% to 122,192 residents over the next five years. The total number of households stands at 51,723; this is expected to increase by 32% to 53,377 in 2025. The area maintains a median household income of \$50,087 which is expected to increase at an annual rate of 1.29% to \$53,404 by 2025; the average household income of \$73,394 is expected to increase to \$81,464 by 2025. The median age of Clearwater's population is 46.3. Demand for Clearwater's 15.1 million SF of retail space is high as evident by a 96.5% occupancy rate.



	1 MILE	3 MILES	5 MILES
2020	POPULATION		
	Total	14,732	110,107
	HOUSING UNITS		
	Total	8,193	51,203
	Occupied	5,617	36,066
	Vacant	2,576	15,137
	INCOME		
2025	Average Household Income	\$62,886	\$75,590
	AGE		
	Median Age	60.9	52.9
	POPULATION		
	Total	15,319	112,965
	HOUSING UNITS		
	Total	8,506	52,402
2025	Occupied	5,856	37,034
	Vacant	2,650	15,368
	INCOME		
	Average Household Income	\$68,986	\$83,818
	AGE		
	Median Age	62.6	54.5

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KIDNEY CARE**

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