



FRESENIUS & CENTURA

URGENT CARE & DIALYSIS STRIP | BOTH TENANTS RENEWED LEASES

GARDEN CITY, KS



CAPITAL PACIFIC

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**IN CONJUNCTION WITH
KS LICENSED BROKER:**

Pace Properties

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FRESENIUS & CENTURA

2051 E MARY ST, GARDEN CITY, KS 67846



\$5,601,000

PRICE

6.25%

CAP RATE

LEASE TYPES:

NN*

LEASE TERMS:

5 & 10 YEARS

LEASABLE SF:

11,000 SF

LAND AREA:

1.22 ACRES

YEAR BUILT:

2016

**15-year roof warranty in place as of 5/15/16*

Corporate guaranteed Fresenius (NYSE: FMS) lease – \$19.574B revenue in 2019

Catholic Health Initiatives (d/b/a Centura) operates 101 hospitals and clinics in 18 states across the US

Annual rental increases for both tenants

Low average rents of only \$31.83

Close proximity to St. Catherine Hospital (2.5 miles away) – also operated by Centura Health

Investment Highlights



CAPITAL PACIFIC is pleased to present the opportunity to acquire a two-tenant Fresenius and Centura medical strip in Garden City, KS. The tenants are both strong medical operators: Fresenius, an investment grade dialysis company (S&P: BBB) and Catholic Health Initiatives (d/b/a Centura), which operates 101 hospitals and clinics in 18 states, including three academic health centers and major teaching hospitals and 29 critical-access facilities, community health-service organizations and nursing colleges.

THE LEASES are both NN with landlord being responsible for only roof and structure. Fresenius has 10+ years remaining on their corporate guaranteed lease which features annual rental increases and three, 5-year options to extend. Centura has already exercised their 5-year extension option beginning June 1, 2021, which features annual rental increases as well.

THE SUBJECT PROPERTY features standalone visibility and benefits from its proximity to the signaled, hard corner intersection of E Mary and Campus Drive. It is also only 2.5 miles from St. Catherine Hospital, the main hospital in Garden City which is also operated by Centura Health.

**FRESENIUS OFFERS CARE
TO MORE THAN 345,000
PATIENTS IN 4,000
DIALYSIS CENTERS**

Income & Expense

PRICE		\$5,601,000
Price Per Square Foot:		\$509.18
Capitalization Rate:		6.25%
Total Rentable Area (SF):		11,000
Lot Size (AC):		1.22
STABILIZED INCOME		PER SF
Scheduled Rent	\$31.83	\$350,088
Effective Gross Income	\$31.83	\$350,088
LESS		PER SF
Common Area	NNN	\$0.00
Taxes	NNN	\$0.00
Insurance	NNN	\$0.00
NET OPERATING INCOME		\$350,088



Rent Roll

TENANT INFO		LEASE TERMS		RENT SUMMARY				
TENANT NAME	SQ. FT.			CURRENT RENT	MONTHLY RENT	YEARLY RENT	MONTHLY RENT/FT	YEARLY RENT/FT
Fresenius	7,825	6/29/2016	6/30/2020		\$20,841	\$250,093	\$2.66	\$31.96
		7/1/2020	6/30/2021	\$267,538	\$22,295	\$267,538	\$2.85	\$34.19
		7/1/2021	6/30/2031	1.7% annual increases				
		Option 1	7/1/2031	6/30/2036	\$29,027	\$348,327	\$3.71	\$44.51
		Option 2	7/1/2036	6/30/2041	\$31,930	\$383,160	\$4.08	\$48.97
		Option 3	7/1/2041	6/30/2046	\$35,123	\$421,476	\$4.49	\$53.86
Centura ¹	3,175	6/1/2016	5/31/2021	\$82,550	\$6,879	\$82,550	\$2.17	\$26.00
		6/1/2021	5/31/2022		\$6,980	\$83,757	\$2.20	\$26.38
		6/1/2022	5/31/2023		\$7,083	\$84,995	\$2.23	\$26.77
		6/1/2023	5/31/2024		\$7,189	\$86,265	\$2.26	\$27.17
		6/1/2024	5/31/2025		\$7,295	\$87,535	\$2.30	\$27.57
		6/1/2025	5/31/2026		\$7,395	\$88,741	\$2.33	\$27.95
		Option 2	6/1/2026	5/31/2031	FMV at time of extesnion			
TOTALS:	11,000			\$350,088	\$29,174	\$350,088	\$2.65	\$31.83

¹Current rent amount is comprised of base rent figure and landlord work repayment amount
Centura has already exercised their renewal option beginning 6/1/21

Lease Abstract



**FRESENIUS
MEDICAL CARE**

RENT

BASE RENT

DATE RANGE	MONTHLY RENT	ANNUAL RENT
6/29/2016 - 6/30/2020	\$20,841	\$250,093
7/1/2020 - 6/30/2021	\$22,295	\$267,538
7/1/2021 - 6/30/2031*	<i>*1.7% rental increases each year</i>	

OPTION RENTS

DATE RANGE	MONTHLY RENT	ANNUAL RENT
#1. 7/1/2031 - 6/30/2036	\$29,027	\$348,327
#2. 7/1/2036 - 6/30/2041	\$31,930	\$383,160
#3. 7/1/2041 - 6/30/2046	\$35,123	\$421,476

PREMISE & TERM

TENANT	Fresenius
LEASE GUARANTEED BY	Fresenius Medical Care Holdings, Inc.
LEASE TYPE	Corporate NN*
TERM REMAINING	10+ years
RENT COMMENCEMENT	June 2016
OPTIONS	Three, 5-year options
YEAR BUILT	2016

**15-year roof warranty in place as of 5/15/16*

EXPENSES

ROOF & STRUCTURE	Landlord's Responsibility
INSURANCE	Tenant's Reimburses
COMMON AREA	Tenant's Pro Rata Share
PARKING LOT	Tenant's Pro Rata Share
PROPERTY TAXES	Tenant's Responsibility
REPAIRS & MAINTENANCE	Tenant's Responsibility
UTILITIES	Tenant's Responsibility
HVAC*	Tenant's Responsibility

**Will become a landlord expense if the cost to repair exceeds \$1,500*

The details contained within the Lease Abstract are provided as a courtesy to the recipient for purposes of evaluating the Property's initial suitability. While every effort is made to accurately reflect the terms of the lease document(s), many of the items represented herein have been paraphrased, may have changed since the time of publication, or are potentially in error. Capital Pacific and its employees explicitly disclaim any responsibility for inaccuracies and it is the duty of the recipient to exercise an independent due diligence investigation in verifying all such information, including, but not limited to, the actual lease document(s).

Lease Abstract



RENT

BASE RENT

DATE RANGE	MONTHLY RENT	ANNUAL RENT
6/1/2016 - 5/31/2021	\$6,879	\$82,550

OPTION RENTS

DATE RANGE	MONTHLY RENT	ANNUAL RENT
#1. 6/1/2021 - 5/31/2022	\$6,980	\$83,757
6/1/2022 - 5/31/2023	\$7,083	\$84,995
6/1/2023 - 5/31/2024	\$7,189	\$86,265
6/1/2024 - 5/31/2025	\$7,295	\$87,535
6/1/2025 - 5/31/2026	\$7,395	\$88,741
#2. 6/1/2026 - 5/31/2031	<i>FMV at time of extension</i>	

PREMISE & TERM

TENANT	Centura
LEASE SIGNED BY	Catholic Health Initiatives
LEASE TYPE	NN
TERM REMAINING*	5+ years
RENT COMMENCEMENT	June 2016
OPTIONS	Two, 5-year options

**Tenant has already exercised their renewal option beginning 6/1/21*

EXPENSES

ROOF & STRUCTURE	Landlord's Responsibility
PROPERTY TAXES	Tenant's Reimburses
INSURANCE	Tenant's Reimburses
COMMON AREA	Tenant's Pro Rata Share
REPAIRS & MAINTENANCE	Tenant's Responsibility
HVAC	Tenant's Responsibility
UTILITIES	Tenant's Responsibility

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Site Plan

sf
11,000
RENTABLE SF

ac
1.22
ACRES

51
SPACES



Tenant Overview



**FRESENIUS
MEDICAL CARE**

ABOUT FRESENIUS MEDICAL CARE

Fresenius Medical Care is the world's leading provider of products and services for people with chronic kidney failure. Around 3.5 million patients worldwide with this disease regularly undergo dialysis treatment. Dialysis is a life-saving blood cleansing procedure that substitutes the function of the kidney in case of kidney failure.

345,000

**PATIENTS IN
NETWORK**

Fresenius cares for more than 345,000 patients in a global network of around 4,000 dialysis clinics. At the same time, they operate 45 production sites in more than 20 countries, to provide dialysis products such as dialysis machines, dialyzers and related disposables.

\$18 B

**ANNUAL
REVENUE**

BBB

S&P RATING

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Tenant Overview



ABOUT CENTURA HEALTH

Centura Health connects individuals, families and neighborhoods across Colorado and western Kansas with more than 6,000 physicians and 21,000 of the best hearts and minds in health care. Through its 17 hospitals, 14 affiliate hospital locations, two senior living communities, health neighborhoods, 100+ physician practices and clinics, home care and hospice services, and Flight For Life® Colorado, it is making the region's best health care accessible and affordable in every community it serves. Centura Health meets the wellness needs of more than a half million people each year.

LEASE SIGNED BY: CATHOLIC HEALTH INITIATIVES

Catholic Health Initiatives offers expertise, convenience, resources and best-in-class care from a foundation of togetherness. The third-largest nonprofit health system in the nation, it currently offers care in 18 states through 101 hospitals and clinics, including three academic health centers and major teaching hospitals, as well as, 29 critical-access facilities, community health-service organizations, and nursing colleges.

\$3.8B

FY 2018 REVENUE

Surrounding Retail



Retail Aerial



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Zoomed-Out Aerial



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Demographics

POPULATION

	1-MILE	3-MILES	5-MILES
2010	6,962	28,582	32,239
2019	7,101	28,730	32,317

2019 HH INCOME

	1-MILE	3-MILES	5-MILES
Average	\$80,970	\$69,984	\$70,837

TOP EMPLOYERS IN FINNEY COUNTY

EMPLOYER	# OF EMPLOYEES
Tyson Fresh Meats	3,200
USD #457	1,200
St. Catherine Hospital	641
Garden City Community College	400
Finney County	350



**THE AVERAGE HOUSEHOLD
INCOME WITHIN A 1-MILE RADIUS
IS OVER \$80K**

GARDEN CITY, KANSAS



GARDEN CITY, the county seat of Finney County, is located in the southwestern corner of Kansas. As a regional hub in western Kansas, the community is home to several financial institutions, medical facilities, and retail shopping areas. With several feedlots, fields, and grain elevators throughout the county, the local economy remains driven largely by agriculture. The main employers in Finney County are Tyson Fresh Meats, Inc., USD 457, St. Catherine Hospital, Garden City Community College, and Finney County.

Garden City is home to Lee Richardson Zoo, the largest zoological park in western Kansas. It is also home to two regulation golf courses, and a nationally recognized community college.

INCORPORATED IN 1883, Garden City currently occupies 10.8 square miles in southwest Kansas and serves an estimated population of 26,408 residents. The region's trade area supports a population of more than 190,000 people.

36,467

**FINNEY COUNTY
POPULATION
(ESTIMATED)**

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