



# FRESENIUS MEDICAL CARE

137 Water St | New Haven, CT





**MATTHEWS**<sup>TM</sup>  
REAL ESTATE INVESTMENT SERVICES

## EXCLUSIVELY LISTED BY

### **Roman Stuart**

Associate

[roman.stuart@matthews.com](mailto:roman.stuart@matthews.com)

DIR (214) 295-8565

MOB (952) 356-2999

LIC # 743252 (TX)

### **Andrew Gross**

Market Leader

[andrew.gross@matthews.com](mailto:andrew.gross@matthews.com)

DIR (214) 295-4511

MOB (435) 659-1404

LIC # 01987860 (CA)

### **Kyle Matthews**

Broker of Record

LIC # REB.0790986 (CT)



# EXECUTIVE SUMMARY

## INVESTMENT HIGHLIGHTS

### GREAT EXCHANGE PROPERTY

The property is an ideal investment for an investor in or out of state that is looking for a great lease in a downtown and growing market.

### ATTRACTIVE RENTAL INCREASES

There are scheduled CPI annual increases for the life of the lease which helps to build and preserve equity/hedge against inflation.

### HIGH-QUALITY TENANT

The lease is fully guaranteed by Fresenius Medical Care, a Fortune 500 company.

### STRATEGICALLY LOCATED MEDICAL PROPERTY

Only a few blocks from Yale New Haven Hospital. Downtown New Haven is also seeing the development of a brand new 500,000 Sq. Ft bioscience lab tower at 101 College St, and Yale New Haven's new \$838 million neuroscience medical research and treatment center.

### LEGISLATIVE SUPPORT FOR THE CLINIC

The clinic is in a Certificate of Need State, meaning the State must approve major capital expenditures for healthcare facilities, making it more difficult to develop new clinics in the area.

### CRITICAL PARTNERSHIP WITH YALE NEW HAVEN HOSPITAL

The dialysis clinic also has a unique partnership with the local Yale New Haven hospital, making it critically important to dialysis patients in the New Haven area.

### RARE, STRONG DOWNTOWN LOCATION

Property is located downtown with a high population density (258,750 people within a 5-mile radius).



# FINANCIAL ANALYSIS

**PRICE:**  
**\$4,375,000**

**CAP RATE:**  
**6.28%**

**NOI:**  
**\$275,034**

## PROPERTY DESCRIPTION

|                |            |
|----------------|------------|
| Property       | Fresenius  |
| GLA            | ±13,000 SF |
| Year Renovated | 2017       |

## LEASE SUMMARY

|                       |                                    |
|-----------------------|------------------------------------|
| Tenant Trade Name     | Fresenius                          |
| Type of Ownership     | Fee Simple                         |
| Lease Guarantor       | Fresenius Medical Care (Corporate) |
| Lease Type            | NN                                 |
| Roof and Structure    | Landlord Responsible               |
| Original Lease Term   | 15 Years                           |
| Lease Commencement    | Aug. 2009                          |
| Rent Commencement     | Aug. 2009                          |
| Lease Expiration Date | Aug. 2024                          |
| Term Remaining        | ±3.50 Years                        |
| Increases             | Annual CPI Increases               |
| Options               | Three, 5 year options              |

## LOAN QUOTE INFORMATION

Please contact a Matthews™ Capital agent for financing options.

**KEVIN KERN**  
(512) 705-0295  
kevin.kern@matthews.com





## ANNUALIZED OPERATING DATA

|                     | Monthly Rent | Annual NOI   | Rent/SF | Cap Rate |
|---------------------|--------------|--------------|---------|----------|
| Current - Aug 2021  | \$22,919.50  | \$275,034.00 | \$21.16 | 6.28%    |
| Aug 2021 - Aug 2022 | \$23,263.29  | \$279,159.51 | \$21.47 | 6.37%    |
| Aug 2022 - Aug 2023 | \$23,612.24  | \$283,346.90 | \$21.80 | 6.47%    |
| Aug 2023 - Aug 2024 | \$23,966.43  | \$287,597.11 | \$22.12 | 6.57%    |



## TENANT OVERVIEW



|                           |  |
|---------------------------|--|
| Property Name             | Fresenius Medical Care                             |
| Parent Company Trade Name | Fresenius Medical Care Holdings, Inc.              |
| Ownership                 | Subsidiary   |
| Revenue                   | \$10.37B   |
| Net Income                | \$787.64M  |
| No. of Locations          | ± 3,573  |
| No. of Employees          | ± 108,851  |
| Headquartered             | Waltham, MA  |
| Website                   | <a href="http://www.fmc-ag.com">www.fmc-ag.com</a> |
| Year Founded              | 1988   |

## TENANT OVERVIEW

Fresenius Medical Care Holdings, operating as Fresenius Medical Care North America or FMCNA, operates a network of some 2,100 dialysis clinics located throughout the continent. One of the largest providers of kidney dialysis services, FMCNA offers outpatient and in-home hemodialysis treatments for chronic kidney disease. The company's operating units also market and sell dialysis machines and related equipment and provide renal research, laboratory, and patient support services. FMCNA oversees the North American operations of dialysis giant Fresenius Medical Care AG & Co.

Fresenius Medical Care is the world's leading provider of products and services for people with chronic kidney failure. Around 2.8 M patients with this disease worldwide regularly undergo dialysis treatment. Dialysis is a vital blood cleansing procedure that substitutes the function of the kidney in case of kidney failure. The company's strategy is geared toward sustainable growth and aim to continuously improve the quality of life of patients with kidney disease by offering innovative products and treatment concepts of the highest quality.



Yale  
NewHaven  
Health  
Yale New Haven  
Hospital

Knights of  
Columbus

101 COLLEGE STREET  
NEW 100,000 SQ FT BIOSCIENCE TOWER  
TO BE COMPLETED IN 2023

YALE

± 1 MILE AWAY

DOWNTOWN  
NEW HAVEN



THE TOWERS  
AT TOWER LANE

Blessed Michael  
McGivney  
Pilgrimage Center

Gateway  
Community College



New Haven-Union  
Station

OAK STREET CONNECTOR  
± 67,000 VPD

WATER STREET  
± 13,000 VPD



FRESENIUS  
MEDICAL CARE

METROPOLITAN  
BUSINESS ACADEMY



NEW HAVEN HARBOR

FOOD TRUCK PARADISE



WINTER HARBOR



HOTEL MARCEL REDEVELOPMENT  
110,000 SQ FT  
TO BE COMPLETED IN FALL 2021



New Haven-Union  
Station



OAK STREET CONNECTOR  
± 67,000 VPD

WATER STREET  
± 13,000 VPD



FRESENIUS  
MEDICAL CARE

± 1 MILE AWAY

DOWNTOWN  
NEW HAVEN





# AREA OVERVIEW

## DEMOGRAPHICS

| Population               | 1 Mile   | 3 Mile   | 5 Mile   |
|--------------------------|----------|----------|----------|
| 2026 Projection          | 23,702   | 159,477  | 258,827  |
| 2021 Estimate            | 23,400   | 160,044  | 259,276  |
| 2010 Census              | 21,782   | 162,529  | 260,872  |
| Households               | 1 Mile   | 3 Mile   | 5 Mile   |
| 2026 Projection          | 9,463    | 59,971   | 99,957   |
| 2021 Estimate            | 9,281    | 60,149   | 100,109  |
| 2010 Census              | 8,305    | 60,849   | 100,530  |
| Income                   | 1 Mile   | 3 Mile   | 5 Mile   |
| Average Household Income | \$82,184 | \$73,205 | \$76,766 |

## NEW HAVEN, CT

New Haven is a coastal city in Connecticut. It is located on New Haven Harbor on the northern shore of Long Island Sound in New Haven County, Connecticut. New Haven is the home of Yale University. As New Haven's biggest taxpayer and employer, Yale serves as an integral part of the city's economy. Health care (hospitals and biotechnology), professional services (legal, architectural, marketing, and engineering), financial services, and retail trade also contribute to the city's economic activity. New Haven is one of the most walkable city centers between New York City and Boston, and it has idyllic rural homes for those who love peace and quiet.



## NEW HAVEN ECONOMY

New Haven has the fourth-largest economy in New England, one spot ahead of Springfield, and one spot behind Hartford. New Haven’s largest employment concentration is in health services. Health care companies such as Yale New Haven Health System, Covidien-Surgical Devices, and Medtronic Inc. are major contributors to New Haven’s economy.

## ECONOMIC DEVELOPMENT

The mission of the Economic Development Administration is to advance New Haven as a model, modern, world-class city, in which everyone who wants a well-paying, career-oriented job can find one, by (1) facilitating commercial development, (2) attracting quality businesses and investment, and (3) expanding the breadth and quality of overall employment.



**ATTRACTING AND RETAINING QUALITY COMPANIES:** Securing public-sector investment and private-sector partners that will build on New Haven’s advanced manufacturing, high technology, food processing, health care, and life science industry clusters.



**DEVELOPING LOCAL JOBS AND BUSINESSES:** Providing small businesses, particularly minority-, woman-, and locally-owned small businesses, with the access to resources to grow in New Haven, and preparing City residents of all backgrounds for sustainable employment opportunities.



**REVITALIZING NEW HAVEN’S NEIGHBORHOODS:** Fostering mixed-use development that accelerates the formation and enhancement of distinctive, welcoming communities downtown and throughout the city; partnering with community stakeholders and accomplished developers to offer residents of all circumstances high-quality housing and retail options; and promoting the growth of diverse educational, artistic, and cultural amenities that augment New Haven’s status as a leading recreational destination.



**IMPROVING NEW HAVEN’S GLOBAL COMPETITIVENESS:** Enhancing New Haven’s competitive stature regionally, nationally, and internationally, and means of access to the world, by increasing its connectivity at and through State Street and Union Station and Tweed-New Haven Airport and creating new transit alternatives that align with the city’s essential quality of life.

## MAJOR EMPLOYERS

| COMPANY                        |
|--------------------------------|
| Yale New Haven Health System   |
| Covidien-Surgical Devices      |
| Medtronic Inc.                 |
| Yale School of Psychiatry      |
| Southern CT State University   |
| United Illuminating Co.        |
| American Medical Response      |
| Knight of Columbus             |
| New Haven Register             |
| SARGENT Manufacturing Co.      |
| Assa Abloy Inc.                |
| New Haven Police Department    |
| Cornell Scott Hill Health Corp |
| IKEA                           |

*Source: Connecticut Department of Labor*



## DOWNTOWN NEW HAVEN

Downtown New Haven is filled with cultural attractions. Restaurants, nightclubs and music venues offer some entertainment, while charming independent shops line the brick-paved streets downtown, providing daytime diversions.

New Haven – more specifically, Yale University – is also home to a number of noteworthy museums and art galleries, including the Yale University Art Gallery, the Yale Center for British Art and the Yale Peabody Museum of Natural History. Nearby vacation towns line the coast, and even after their beaches empty for the cold New England winter, many of their museums, theaters and quaint main streets remain open.

### NEW DOWNTOWN DEVELOPMENTS

One of the new construction projects closest to completion is the 132-unit apartment building at 18 High St. That complex stands right in front of New Haven Towers, replacing a parking deck. The building should be finished and open by the first week of June. A few blocks south in the Hill, Salvatore's development company is at work building a new 223-unit apartment complex at 9 Tower Ln. The development company says that the building should be finished and open by the end of 2021 or early 2022. They have also mentioned that his company's conversion of the rundown former Welch Annex School at 49 Prince St. into 30 new affordable apartments should be done within the next 45 days. These projects mark the third and final phase of the Hill-to-Downtown redevelopment plan.



# #4 IN NATIONAL UNIVERSITIES #4 IN BEST VALUE SCHOOLS

## YALE UNIVERSITY

*-U.S. NEWS & WORLD REPORT, 2021*

Yale University is an American private Ivy League research university in New Haven, Connecticut. Founded in 1701, it is the third-oldest institution of higher education in the United States and one of the nine Colonial Colleges chartered before the American Revolution. Yale's reach is both local and international. It partners with its hometown of New Haven, Connecticut to strengthen the city's community and economy. And it **engages with people and institutions across the globe in the quest to promote cultural understanding, improve the human condition, delve more deeply into the secrets of the universe, and train the next generation of world leaders.**

Yale is organized into fourteen constituent schools: the original undergraduate college, the Yale Graduate School of Arts and Sciences, and twelve professional schools. While the university is governed by the Yale Corporation, each school's faculty oversees its curriculum and degree programs. In addition to a central campus in downtown New Haven, the University owns athletic facilities in western New Haven, a campus in West Haven, Connecticut, and forest and nature preserves throughout New England. The university's assets include an **endowment valued at \$30.2 billion** at the end of fiscal year 2019, the second-largest endowment of any educational institution in the United States and the World. The **Yale University Library, serving all constituent schools, holds more than 15 million volumes and is the third-largest academic library in the United States.**





## CONFIDENTIALITY & DISCLAIMER STATEMENT

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2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

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If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.



## OFFERING MEMORANDUM

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**Roman Stuart**

Associate  
roman.stuart@matthews.com  
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MOB (952) 356-2999  
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